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# ACTS

OF THE

**First Annual Session**

OF THE

**One Hundred and Ninety-seventh Legislature**

OF THE

**STATE OF NEW JERSEY**

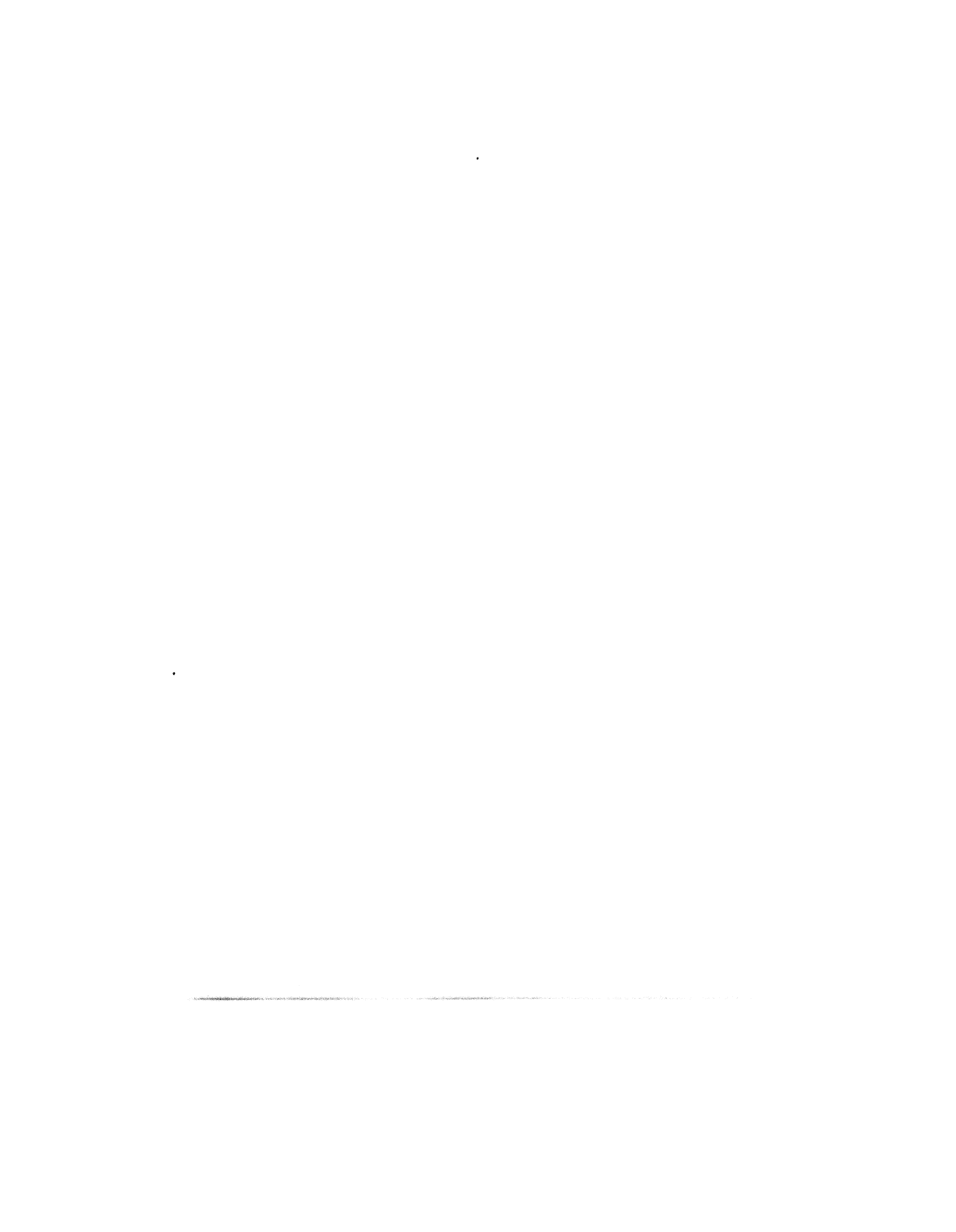
AND

**Twenty-sixth Under the New Constitution**



**New Jersey State Library**

1976



The following laws, enacted by the First Annual Session of the One Hundred and Ninety-seventh Legislature, and an index of the laws, are published in accordance with R. S. 1:3-1 et seq.

J. EDWARD CRABIEL,  
*Secretary of State.*

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that this is crucial for ensuring transparency and accountability in the organization's operations.

2. The second part outlines the specific procedures and protocols that must be followed when recording and reporting data. This includes details on how to collect, analyze, and present information in a clear and concise manner.

3. The final section addresses the role of each employee in maintaining these records and the consequences of failing to do so. It stresses that everyone is responsible for ensuring the integrity and accuracy of the organization's data.

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**OF THE**  
**One Hundred and Ninety-seventh Legislature**

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STEVEN P. PERSKIE
- THIRD DISTRICT  
(Salem, part of Gloucester)  
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H. DONALD STEWART
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(Part of Union)  
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JOHN T. GREGORIO
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part of Passaic)  
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part of Passaic)  
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(Part of Essex)  
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ELDRIDGE HAWKINS
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(Part of Essex)  
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CARL A. ORECHIO
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(Part of Essex)  
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(Part of Hudson)  
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(Part of Hudson)  
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CHRISTOPHER J. JACKMAN
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(Part of Passaic)  
WILLIAM J. BATE  
EMIL OLSZOWY
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(Part of Passaic)  
RONALD FAVA  
VINCENT OZZIE PELLECCIA
- THIRTY-SIXTH DISTRICT  
(Part of Bergen)  
ROBERT P. HOLLENBECK  
RICHARD VISOTCKY
- THIRTY-SEVENTH DISTRICT  
(Part of Bergen)  
BYRON M. BAER  
ALBERT BURSTEIN
- THIRTY-EIGHTH DISTRICT  
(Part of Bergen)  
ROBERT BURNS  
PAUL J. CONTILLO
- THIRTY-NINTH DISTRICT  
(Part of Bergen)  
JOHN W. MARKERT  
HAROLD MARTIN
- FORTIETH DISTRICT  
(Part of Bergen)  
C. GUS RYS  
JOHN A. SPIZZIRI

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# L A W S

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# ACTS

ENACTED BY THE

## First Annual Session

OF THE

### One Hundred and Ninety-seventh Legislature

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#### CHAPTER 1

AN ACT to amend and supplement “An act to amend and supplement ‘An act making appropriations for the support of the State Government and the several public purposes for the fiscal year ending June 30, 1976, and regulating the disbursement thereof,’ approved June 27, 1975 (P. L. 1975, c. 128),” approved August 4, 1975 (P. L. 1975, c. 173).

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

1. In addition to sums heretofore appropriated, the following sum is hereby appropriated out of the General State Fund for the purpose herein specified:

34100. Programs for the Deaf

34110. Marie H. Katzenbach School for the Deaf

Extraordinary:

34110-535-100-500. Transportation expenses for students (P. L. 1973, c. 311) .....	\$78,600.00
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2. The following item in P. L. 1975, c. 173 is amended to read as follows:

## 34100. Programs for the Deaf

## 34110. Marie H. Katzenbach School for the Deaf

## Extraordinary:

34110-535-100-500. Transportation expenses for students (P. L. 1973, c. 311 .....	(\$95,000.00)
Sub-Total Appropriation .....	\$95,000.00
Total Appropriation, Programs for the Deaf .....	\$95,000.00

3. This act shall take effect immediately.

Approved January 30, 1976.

## CHAPTER 2

AN ACT to amend the "Legislative Services Law (1954)," approved December 15, 1954 (P. L. 1954, c. 254).

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

1. Section 4 of P. L. 1954, c. 254 (C. 52:11-9) is amended to read as follows:

**C. 52:11-9 Membership; appointment.**

4. The commission shall consist of eight members of the Senate who shall be appointed by the President thereof and eight members of the General Assembly who shall be appointed by the Speaker thereof. No more than four of each group of eight members shall be appointed from the same political party.

2. Section 6 of P. L. 1954, c. 254 (C. 52:11-11) is amended to read as follows:

**C. 52:11-11 Chairman; vice-chairman; compensation and expenses of members; quorum.**

6. The members of the commission shall annually elect 1 member as chairman and 1 member as vice-chairman thereof who shall hold office after the expiration of their respective terms

until their successors shall be elected and shall qualify. The members of the commission shall receive no compensation for their services but shall be reimbursed for expenses incurred in the performance of their duties. Nine members of the commission shall constitute a quorum, but no action shall be taken by the commission, except by the affirmative vote of not less than nine members. The commission may take any action, except the election of its chairman and vice-chairman, which it would be authorized to take at any meeting, without the holding of any meeting, by resolution submitted in writing to each of the members for his approval or disapproval and consented to in writing by at least nine members.

3. This act shall take effect immediately.

Approved February 2, 1976.

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### CHAPTER 3

AN ACT to amend and supplement the "New Jersey Housing Finance Agency Law of 1967," approved May 31, 1967 (P. L. 1967, c. 81), and making an appropriation therefor.

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

1. Section 3 of P. L. 1967, c. 81 (C. 55:14J-3) is amended to read as follows:

**C. 55:14J-3 Definitions.**

3. The following terms wherever used or referred to in this act shall have the following meanings, unless a different meaning clearly appears from the context:

(a) "Act" means this act and the rules and regulations adopted by the agency hereunder.

(b) "Agency" means the New Jersey Housing Finance Agency created by section 4 of this act, or, if said agency shall be abolished by law, the person, board, body or commission succeeding to the powers and duties thereof or to whom such powers and duties shall be given by law.

(c) "Bonds, bond anticipation notes and other obligations," or "bonds, bond anticipation notes or other obligations" means any

bonds, notes, debentures or other evidences of financial indebtedness issued by the agency.

(d) "Family" means two or more persons related by blood, marriage or adoption who live or expect to live together as a single household in the same dwelling unit; provided, however, that any individual who (1) has attained retirement age as defined in section 216a of the Federal Social Security Act, or (2) is under a disability as defined in section 223 of that act, or (3) such other individuals as the agency by rule or regulation shall include, shall be considered as a family for the purpose of this act; and provided further, that the surviving member of a family whose other members died during occupancy of a housing project shall be considered as a family for purposes of permitting continued occupancy of the dwelling unit occupied by such family.

(e) "Family of moderate income" means a family (1) whose income is too low to compete successfully in the normal rental or mutual housing market, and (2) whose gross aggregate family income does not exceed the limits established under section 10 of this act.

(f) "Gross aggregate family income" means the total annual income of all members of a family, from whatever source derived, including but not limited to, pension, annuity, retirement and social security benefits, provided, however, that there may be excluded from income (1) such reasonable allowances for dependents, (2) such reasonable allowances for medical expenses, (3) all or any proportionate part of the earnings of gainfully employed minors or family members other than the chief wage earner, or (4) such income as is not received regularly, as the agency by rule or regulation may determine.

(g) "Housing project" or "project" means any work or undertaking, whether new construction or rehabilitation, which is designed for the primary purpose of providing decent, safe and sanitary dwelling units for families of moderate income in need of housing; such undertaking may include any buildings, land, equipment, facilities, or other real or personal properties which are necessary, convenient, or desirable appurtenances, such as, but not limited to streets, sewers, utilities, parks, site preparation, landscaping, and such stores, offices, and other nonhousing facilities such as administrative, community, health, recreational, educational and welfare facilities as the agency determines to be necessary, convenient or desirable appurtenances.

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(h) "Municipality" means any political subdivision of the State other than a county or a school district.

(i) "Mutual housing" means a housing project operated or to be operated upon completion of construction or rehabilitation exclusively for the benefit of the families of moderate income who are entitled to occupancy by reason of ownership of stock in the qualified housing sponsor, or by reason of coownership of premises in a horizontal property regime pursuant to P. L. 1963, c. 168, provided, however, the agency may adopt rules and regulations permitting a reasonable percentage of space in such project to be rented for residential or for commercial use.

(j) "Project cost" means the sum total of all costs incurred in the development of a housing project, which are approved by the agency as reasonable for necessary, which costs shall include, but are not necessarily limited to, (1) cost of land acquisition and any buildings thereon, (2) cost of site preparation, demolition and development, (3) architect, engineer, legal, agency and other fees paid or payable in connection with the planning, execution and financing of the project, (4) cost of necessary studies, surveys, plans and permits, (5) insurance, interest, financing, tax and assessment costs and other operating and carrying costs during construction, (6) cost of construction, reconstruction, fixtures, and equipment related to the real property, (7) cost of land improvements, (8) necessary expenses in connection with initial occupancy of the project, (9) a reasonable profit or fee to the builder and developer, (10) an allowance established by the agency for working capital and contingency reserves, and reserves for any anticipated operating deficits during the first 2 years of occupancy, (11) the cost of such other items, including tenant relocation, as the agency shall determine to be reasonable and necessary for the development of the project, less any and all net rents and other net revenues received from the operation of the real and personal property on the project site during construction.

All costs shall be subject to approval and audit by the agency. The agency may adopt rules and regulations specifying in detail the types and categories of cost which shall be allowable if actually incurred in the construction or reconstruction of a housing project.

(k) "Qualified housing sponsor" means (1) any housing corporation qualified under the provisions of the "Limited-Dividend Nonprofit Housing Corporations or Associations Law," P. L. 1949, c. 184 (C. 55:16-1 et seq.), (2) any urban renewal corporation

or association qualified under the provisions of the "Urban Renewal Corporation and Association Law of 1961," P. L. 1961, c. 40 (C. 40: 55C-40 et seq.) which has as one of its purposes the construction, rehabilitation or operation of housing projects, (3) any general corporation formed under the provisions of Title 14 or Title 14A of the Revised Statutes which has as one of its purposes the construction, rehabilitation or operation of housing projects, (4) any corporation or association organized not for profit under the provisions of Title 15 of the Revised Statutes or any other law of this State which has as one of its purposes the construction, rehabilitation or operation of housing projects, (5) any horizontal property regime formed under the "Horizontal Property Act," P. L. 1963, c. 168 (C. 46:8A-1 et seq.) or any condominium formed under the "Condominium Act" P. L. 1969, c. 257 (C. 46:8B-1), which has as one of its purposes the construction, rehabilitation or operation of housing projects, and (6) any individual or association approved by the agency as qualified to own, construct, rehabilitate, operate, manage and maintain a housing project.

(l) "Required minimum capital reserve" means the reserve amount required to be maintained in each housing finance fund under the provisions of section 20 of this act.

(m) "Amortized value" means for securities purchased at a premium above or a discount below par, the value as of any given date obtained by dividing the total amount of the premium or the discount at which such securities were purchased by the number of days remaining to maturity on such securities at the time of such purchase and by multiplying the amount so calculated by the number of days having passed from the date of such purchase; and (1) in the case of securities purchased at a premium, by deducting the product thus obtained from the purchase price, and (2) in the case of securities purchased at a discount, by adding the product thus obtained to the purchase price.

(n) "Projects financed prior to January 1, 1973" means projects on which the agency has made a mortgage loan and financed such loan with the proceeds of bonds issued prior to January 1, 1973.

(o) "Projects financed on or after January 1, 1973" means all agency projects other than projects financed prior to January 1, 1973.

2. Section 10 of P. L. 1967, c. 81 (C. 55:14J-10) is amended to read as follows:

**C. 55:14J-10 Projects authorized.**

10. (a) Admission to housing projects constructed or rehabilitated under this act shall be limited to families of moderate income whose gross aggregate family income at the time of admission does not exceed six times the annual rental or carrying charges, including the value or cost to them of heat, light, water, sewerage, parking facilities and cooking fuel, of the dwellings that may be furnished to such families, or seven times said charges if there are three or more dependents. There may be included in the carrying charges to any family for residence in any mutual housing project constructed or rehabilitated with a loan from the agency an amount equal to 6% of the original cash investment of the family in said mutual housing project and, to the extent authorized by the agency where not included in said carrying charges, the value or cost of repainting the apartment and replacing any fixtures or appliances. Notwithstanding the provisions of this section, no family or individual shall be eligible for admission to any housing project constructed or rehabilitated with a loan from the agency whose gross aggregate family income exceeds \$15,000.00, as said sum may be adjusted from time to time by the agency, by rules or regulations promulgated hereunder, so as to reflect changes in any wage or salary indices for this State as determined and prepared by any department, division, office or agency of this State.

(b) The agency shall by rules and regulations provide for the periodic examination of the income of any person or family residing in any housing project constructed or rehabilitated with a loan from the agency. In the event that the gross aggregate family income of a family residing in any such housing project increases and the ratio to the current rental or carrying charges of the dwelling unit becomes greater than the ratio prescribed for admission in subsection (a) of this section but is not more than 25% above the family income so prescribed for admission to the project, the owner or managing agent of such housing project shall permit the family to continue to occupy the unit. The agency or (with the approval of the agency) the qualified housing sponsor of any housing project constructed or rehabilitated with a loan from the agency, may terminate the tenancy or interest of any family residing in such housing project whose gross aggregate family income exceeds 25% of that prescribed herein and which continues to exceed the same for a period of 6 months or more; provided, that no tenancy or interest of any such family in any such housing project shall be terminated except upon reasonable notice and opportunity to obtain suitable

alternate housing, in accordance with rules and regulations of the agency; provided further, that any such family, with the approval of the agency, may be permitted to continue to occupy the unit, subject to payment of a rent or carrying charge surcharge to the qualified housing sponsor in accordance with a schedule of surcharges fixed by the agency. Said qualified housing sponsor shall pay such surcharge to the municipality granting tax exemption, but only up to an amount that together with payments made to the municipality in lieu of taxes and for any land taxes equals 25% of the total rents or carrying charges of the housing project for the current and any prior years that the project has been in operation.

For projects financed prior to January 1, 1973, any remainder of the surcharge, or the total surcharge if tax exemption has not been granted, shall be paid into the housing finance fund securing the bonds issued to finance the project for the use of the agency; for projects financed on or after January 1, 1973, any remainder of the surcharge, or the total surcharge if tax exemption has not been granted, shall be paid to the agency.

(c) Any family residing in a mutual housing project required to remove from the project because of excessive income as herein provided shall be discharged from liability on any note, bond or other evidence of indebtedness relating thereto and shall be reimbursed, in accordance with the rules of the agency, for all sums paid by such family to the qualified housing sponsor on account of the purchase of stock or debentures as a condition of occupancy or on account of the acquisition of title for such purpose.

**C. 55:14-20.1 Housing finance funds; issuance of bonds.**

3. (New section) (a) The agency may create and establish one or more special funds to be known as housing finance funds and may pay into such housing finance funds (1) any moneys appropriated and made available by the State for the purposes of such funds, (2) any proceeds of the sale of the bonds, notes or other obligations to the extent provided in the resolution of the agency authorizing the issuance thereof, (3) the moneys directed to be transferred by the agency to such funds, and (4) any other moneys which may be made available to the agency for the purposes of such funds from any other source or sources. The moneys held in or credited to any housing finance fund established under this act, except as hereinafter provided, shall be used solely for the payment of the principal of and interest on bonds or other obligations of the agency secured by such housing finance fund, as the same mature,

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required payments to any sinking fund established for the amortization of such bonds or other obligations (hereinafter referred to as "sinking fund payments"), the purchase or redemption of such bonds or other obligations of the agency or the payment of any redemption premium to be paid when such bonds or other obligations are redeemed prior to maturity provided, however, that moneys in any such fund shall not be withdrawn therefrom at any time in such amount as would reduce the amount of such fund to less than the amount of principal (including sinking fund payments) and interest maturing and becoming due in the succeeding calendar year on the bonds or other obligations of the agency then outstanding and secured by such housing finance fund (such amount being hereafter referred to as the "required minimum capital reserve"), except for the purpose of paying principal and interest on the bonds or other obligations of the agency secured by such housing finance fund maturing and becoming due and sinking fund payments for the payment of which other moneys of the agency are not available. Any income or interest earned by or increment to, any such housing finance fund due to the investment thereof may be transferred to any other fund or account of the agency to the extent it does not reduce the amount of such housing finance fund below the required minimum capital reserve. In computing the amount of any housing finance fund for the purposes of this section, securities in which all or a portion of such housing finance fund are invested shall be valued at par if purchased at par or, if purchased at other than par, at amortized value.

(b) The agency shall not issue bonds or other obligations at any time if the maximum amount of principal (including sinking fund payments) and interest maturing and becoming due in the succeeding calendar year on the bonds or other obligations outstanding and then to be issued and secured by a housing finance fund will exceed the amount of such housing finance fund at the time of issuance, unless the agency, at the time of issuance of such bonds or other obligations, shall deposit in such housing finance fund from the proceeds of the bonds or other obligations so to be issued, or otherwise, an amount which together with the amount then in such housing finance fund, will be not less than the required minimum capital reserve.

4. Section 21 of P. L. 1967, c. 81 (C. 55:14J-21) is amended to read as follows:

**C. 55:14J-21 Annual appropriation.**

21. In order to assure the maintenance of the required minimum capital reserve in the housing finance funds, there shall be annually appropriated and paid to the agency for deposit in each of such funds, such sum, if any, as shall be certified by the chairman of the agency to the Governor as necessary to restore each of such funds to an amount equal to the required minimum capital reserve. The chairman shall annually, on or before December 1, make and deliver to the Governor his certificate stating the sum, if any, required to restore each of such funds to the amount aforesaid, and the sum or sums so certified shall be appropriated and paid to the agency during the then current State fiscal year.

5. Section 22 of P. L. 1967, c. 81 (C. 55:14J-22) is amended to read as follows:

**C. 55:14J-22 General fund; application of fees and charges; additional funds.**

22. (a) The agency shall establish and maintain a fund called the "General Fund" which shall consist of (1) all fees and charges collected by the agency pursuant to subsection (o) of section 34 of this act, (2) any moneys which the agency may transfer from any housing finance fund pursuant to this act, and (3) any other moneys of the agency not required to be deposited in any other fund of that agency, which the agency may deposit therein. To the extent available, after paying all the operating costs of the agency, the moneys remaining in the general fund may be used for the payment of the principal of and interest on the bonds issued by the agency or for such other corporate purposes of the agency as this act authorizes.

(b) All fees and charges collected by the agency pursuant to subsection (y) of section 34 of this act may be applied as provided by resolution of the agency.

(c) The agency may establish such additional and further funds as may be, in its discretion, necessary and desirable to accomplish any agency purpose or to comply with the provisions of any agreement made by the agency or any resolution approved by the agency. The resolution establishing such a fund shall specify the source of moneys from which it shall be funded and the purposes for which moneys held in the fund shall be disbursed.

6. Section 34 of P. L. 1967, c. 81 (C. 55:14J-34) is amended to read as follows:

**C. 55:14J-34 Additional powers.**

34. In order to carry out the purposes and provisions of this act, the agency, in addition to any powers granted to it elsewhere in this act, shall have the following powers:

(a) To adopt bylaws for the regulation of its affairs and the conduct of its business; to adopt an official seal and alter the same at pleasure; to maintain an office at such place or places within this State as it may designate; to sue and be sued in its own name;

(b) To conduct examinations and hearings and to hear testimony and take proof, under oath or affirmation, at public or private hearings, on any matter material for its information and necessary to carry out the provisions of this act;

(c) To issue subpoenas requiring the attendance of witnesses and the production of books and papers pertinent to any hearing before such agency, or before one or more of the members of the agency appointed by it to conduct such hearing;

(d) To apply to any court, having territorial jurisdiction of the offense, to have punished for contempt any witness who refuses to obey a subpoena, or who refuses to be sworn or affirmed to testify, or who is guilty of any contempt after summons to appear;

(e) To acquire by purchase, gift, foreclosure or condemnation any real or personal property, or any interest therein, to enter into any lease of property and to hold, sell, assign, lease, encumber, mortgage or otherwise dispose of any real or personal property, or any interest therein, or mortgage lien interest owned by it or under its control, custody or in its possession and release or relinquish any right, title, claim, lien, interest, easement or demand however acquired, including any equity or right of redemption, in property foreclosed by it and to do any of the foregoing by public or private sale, with or without public bidding, notwithstanding the provisions of any other law;

(f) To adopt such rules and regulations as shall be expressly authorized by this act and such additional rules and regulations as shall be necessary or desirable to carry out the purposes of this act; it shall publish the same and file them with the Secretary of State;

(g) To borrow money or secure credit on a temporary, short-term, interim or on a long-term basis, and to issue negotiable bonds, bond anticipation notes or other obligations and to provide for the rights of the holders thereof;

(h) To make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution

of its powers under this act, including contracts or agreements with qualified financial institutions for the servicing and processing of mortgage loans pursuant to this act;

(i) To appoint an executive director and such additional officers, who need not be members of the agency as the agency deems advisable, and to employ consulting architects, engineers, attorneys, accountants, construction and financial experts and such other employees and agents as may be necessary in its judgments to fix their compensation; and to promote and discharge such officers, employees and agents, all without regard to the provisions of Title 11 of the Revised Statutes, Civil Service;

(j) To receive and accept aid or contributions from any source, of money, property, labor or other things of value, to be held, used and applied to carry out the purposes of this act subject to such conditions upon which such grants and contributions may be made, including, but not limited to, gifts or grants from any department or agency of the United States or this State for payment of rent supplements to eligible families or for the payment in whole or in part of the interest expense for a housing project or for any other purpose consistent with this act;

(k) To enter into agreements to pay annual sums in lieu of taxes to any political subdivision of the State with respect to any real property owned or operated directly by the agency;

(l) To procure insurance against any loss in connection with its property and other assets (including mortgages and mortgage loans) in such amounts and from such insurers as it deems desirable;

(m) To the extent permitted under its contract with the holders of bonds, bond anticipation notes and other obligations of the agency, to consent to any modification with respect to rate of interest, time and payment of any installment of principal or interest, security or any other term of any mortgage, mortgage loan, mortgage loan commitment, contract or agreement of any kind to which the agency is a party;

(n) To the extent permitted under its contract with the holders of bonds, bond anticipation notes and other obligations, to enter into contracts with any qualified housing sponsor containing provisions enabling the said qualified housing sponsor to reduce the rental or carrying charges to persons unable to pay the regular schedule of charges where by reason of other income or payment from the agency, any department or agency of the United States

or this State, such reductions can be made without jeopardizing the economic stability of the housing project;

(o) With respect to projects financed prior to January 1, 1973, to make and collect such fees and charges, including but not limited to payment for all costs of financing by the agency, service charges, mortgage insurance premiums, reserves against losses and reimbursement for advances made to the agency, as it shall determine is reasonable to enable the agency, to the extent feasible, to be self-sustaining;

(p) To invest and reinvest any moneys of the agency not required for immediate use or disbursement and any moneys held in the Housing Finance Fund, reserve funds or sinking funds, in the same manner as trust funds in the custody of the State Treasurer.

All functions, powers and duties relating to the investment or reinvestment of such funds, including the purchase, sale or exchange of any investments or securities may, upon the request of the agency, be exercised and performed by the Director of the Division of Investment, in accordance with written directions of the agency signed by an authorized officer;

(q) To provide, contract or arrange for, where by reason of the financing arrangement review of the application and proposed construction of a project is required by or in behalf of any department or agency of the United States, consolidated processing of any such application or supervision to avoid duplication thereof by either undertaking the processing in whole or in part for any such department or agency or, in the alternative, delegating the processing in whole or in part to any such department or agency;

(r) To make mortgage loans and to participate with any department or agency of the United States, this State, a municipality, or any banking institution, foundation, labor union, insurance company, trustee or fiduciary in a loan to a qualified housing sponsor secured by a single participating mortgage or by separate mortgages, the interest of each having equal priority as to lien in proportion to the amount of the loan so secured, but need not be equal as to interest rate, time or rate of amortization or otherwise and to undertake commitments to make such loans;

(s) To sell, at public or private sale, with or without bidding, any mortgage or other obligation securing a mortgage loan made by the agency;

(t) To make commitments to purchase, and to purchase, service and sell, mortgages insured by any department or agency of the

United States, and to make loans directly upon the security of any such mortgage;

(u) To provide qualified housing sponsors with such advisory consultation, training and educational services as will assist them to plan, construct, rehabilitate and operate housing projects for moderate income families, including but not limited to assistance in community development and organization, home management and advisory services for the residents of the housing projects, and to encourage community organizations to assist in developing such projects;

(v) To encourage research in, and demonstration projects to develop new and better techniques and methods for increasing the supply of housing for moderate income families and to engage in such research and demonstration projects and to receive and accept contributions, grants or aid, from any source, public or private, including but not limited to the United States and this State, for carrying out this purpose;

(w) To do all acts and things necessary or convenient to carry out the powers expressly granted in this act;

(x) To provide to qualified housing sponsors through mortgage loans or otherwise, financing or refinancing of fully completed, as well as partially completed, projects which may or may not be occupied, provided that said projects meet all the requirements of the act to which this act is amendatory, except that, prior to the making of the mortgage loan commitment by the agency, said projects need not have complied with section 37 of the act to which this act is amendatory; and

(y) With respect to projects financed on or after January 1, 1973, to make and collect such fees and charges, including but not limited to payment for all costs of financing by the agency, service charges, mortgage insurance premiums, reserves against losses and reimbursement for advances made to the agency, as it shall determine is reasonable to enable the agency, to the extent feasible, to be self-sustaining.

7. (New section) There is hereby appropriated to the New Jersey Housing Finance Agency, for the purpose of payment into any housing finance fund or funds or into any other reserve fund or funds created by the New Jersey Housing Finance Agency, the sum of \$4,558,000.00. Said sum shall be held by the State Treasurer in a special account to be known as "Special Housing Finance Agency Account" and shall be disbursed to the Agency from time to time upon receipt by the State Treasurer of a certificate of the Chairman of the New Jersey Housing Finance Agency, stating the

amount required and identifying the fund into which such moneys are to be deposited. Pending the application to the purposes provided in this act, moneys in the Special Housing Finance Agency Account may be invested and reinvested as other special funds in the custody of the State Treasurer in the manner provided by law. All earnings received from the investment or deposit of such funds shall be paid into the general treasury and become part of the General State Fund. Any moneys remaining in the Special Housing Finance Agency Account on December 31, 1977 shall be transferred by the State Treasurer to and shall become a part of the General State Fund. To the extent that moneys appropriated hereby have been paid into any housing finance fund or funds or into any other reserve fund or funds created by the New Jersey Housing Finance Agency, all moneys which are returned to or received by the agency from the fund into which such moneys are paid, free of any pledge or lien, upon redemption of the notes, bonds or other obligations of the agency shall be transferred to and paid into the general treasury and become part of the General State Fund upon demand by the State Treasurer.

**C. 55:14J-20.2 Rights of bondholders; continuation of housing finance funds.**

8. (New section) Nothing contained in this act is intended, or shall be construed, to impair the vested rights of the holders of outstanding bonds, bond anticipation notes or other obligations of the agency. The Housing Finance Fund established under the agency's existing General Housing Bond Resolution shall continue as a housing finance fund pursuant to the provisions of section 3 of this act.

**Repealer.**

9. Section 20 of P. L. 1967, c. 81 (C. 55:14J-20) is repealed.

10. This act shall take effect immediately.

Approved February 6, 1976.

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CHAPTER 4

A SUPPLEMENT to the "Department of Community Affairs Demonstration Grant Law of 1967," approved May 31, 1967 (P. L. 1967, c. 82, C. 52:27D-59 et seq.).

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

**C. 52:27D-64.1 Legislature's findings.**

1. The Legislature finds that the Revolving Housing Development and Demonstration Grant Fund established under section 5

of the act to which this act is a supplement, through advances to nonprofit and mutual housing sponsors to defray initial development costs of housing projects to be constructed or rehabilitated with mortgages subsidized by State and Federal agencies and through the establishment of and grants to demonstration programs which develop, test and report methods and techniques for preventing and eliminating slums and blight in urban and nonfarm rural areas and rehabilitating housing for families of moderate income, has served to encourage nonprofit and mutual housing sponsors to construct and rehabilitate new and improved moderate income housing for the residents of this State. The Legislature further finds, however, that the continued success of this program is dependent upon a healthy, viable, and protected New Jersey Housing Finance Agency since that agency is the primary State instrumentality for financing actual construction and rehabilitation of moderate income housing units. The Legislature finds that the seed money advances and demonstration grants made through the Revolving Housing Development and Demonstration Grant Fund will not continue to generate additional moderate income housing and innovative housing techniques unless private, nonprofit enterprises are able to obtain sufficient moneys to undertake actual development of moderate income housing through mortgages from the New Jersey Housing Finance Agency.

Further, the Legislature finds that uncertainties in the municipal bond market have made it increasingly difficult for the New Jersey Housing Finance Agency, notwithstanding its excellent management and financial records, to sell notes, bonds, and other obligations of the agency and, accordingly, the health, vitality, and productivity of that agency is threatened. The Legislature further finds that expanding the uses of this fund to authorize the commissioner to invest in notes, bonds, or other obligations of the New Jersey Housing Finance Agency and to make grants to the New Jersey Housing Finance Agency so that said agency may establish funds to secure notes, bonds and other obligations of the agency will assist that agency in overcoming the municipal bond market uncertainties and thus retain the vitality of both that agency and the Revolving Housing Development and Demonstration Grant Fund, as well as further serve the valid public purpose of protecting the health and welfare of the residents of this State by eliminating the slums and blighted sections of the urban and nonfarm rural area of this State and ending the shortage of safe and sanitary housing accommodations in this State available to families with moderate income.

**C. 52:27D-64.2 Authorization to use moneys held in fund.**

2. The commissioner is hereby authorized to use the moneys held in the fund, or any portion thereof, to purchase notes, bonds or other obligations of the New Jersey Housing Finance Agency and to make grants to the New Jersey Housing Finance Agency so that it may establish a fund or funds to secure notes, bonds or other obligations issued by it.

3. This act shall take effect immediately.

Approved February 6, 1976.

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**CHAPTER 5**

**AN ACT** concerning the allocation, certification and election of delegates and alternates to the 1976 Republican National Convention.

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

1. Notwithstanding any provision of Title 19, Elections, of the Revised Statutes or rules of the Republican National Committee to the contrary, the Secretary of State shall certify to the several county clerks and county boards of elections that the 22 delegates-at-large and 22 alternates-at-large allocated by the Republican National Committee for election to the 1976 Republican National Convention from New Jersey shall be chosen as follows: a. seven delegates-at-large and seven alternates-at-large to be elected by the voters of the party throughout the State, b. one delegate-at-large and one alternate-at-large to be elected by the voters of the party in each of the 15 New Jersey Congressional districts and c. of the 45 district delegates and alternates allocated to New Jersey, three delegates and alternates to be elected by the voters of the party in each of the 15 Congressional districts.

2. This act shall take effect immediately.

Approved February 10, 1976.

## CHAPTER 6

AN ACT to amend "The Banking Act of 1948," approved April 29, 1948 (P. L. 1948, c. 67), and repealing section 270 thereof.

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

1. Section 266 of P. L. 1948, c. 67 (C. 17:9A-266) is amended to read as follows:

**C. 17:9A-266 Definitions.**

266. Definitions. For the purposes of this article:

- (1) "Bank" shall mean a bank or savings bank;
- (2) "Board of directors" shall include the board of directors of a bank, and the board of managers of a savings bank;
- (3) "Director" shall include a director of a bank and a manager of a savings bank;
- (4) "Assets" or "property" shall include property held in fiduciary capacities; and
- (5) The "business" of a bank shall include its fiduciary relationships.

2. Section 269 of P. L. 1948, c. 67 (C. 17:9A-269) is amended to read as follows:

**C. 17:9A-269 Possession by the commissioner; causes; purposes; return.**

269. Possession by the commissioner; causes; purposes; return.

A. The commissioner may forthwith take possession of the property and business of any bank

- (1) Which has failed or refused to comply with the provisions of any order lawfully made by the commissioner; or
- (2) Which has failed or refused to submit to an examination as provided by section 260; or
- (3) Whose officers or directors, or any of them, willfully impede an examination made pursuant to section 260; or
- (4) Which is insolvent; or
- (5) Which has suspended its business for want of funds to carry it on; or
- (6) Which is, in the opinion of the commissioner, in an unsafe or unsound condition to transact business.

B. Notwithstanding the taking by the commissioner of possession of the property and business of a bank,

(1) Title to all the property of the bank, including property held in fiduciary capacities, shall remain in the bank;

(2) The corporate existence of the bank shall continue unless terminated as provided in this article; and

(3) The stockholders and directors of the bank shall be entitled to meet and the stockholders, directors and officers of the bank shall be entitled to act upon any matter which does not infringe upon the powers granted to the commissioner by this article.

C. The commissioner may retain possession of the property and business of the bank for the purpose of (1) liquidation, (2) merger or reorganization, to which end he may call stockholders' meetings, or (3) assumption of all or part of the bank's liabilities and fiduciary relationships and purchase of all or any part of the bank's assets by one or more other banking institutions. When the commissioner concludes that the cause or causes for his taking possession have been removed or remedied, he may return the property and business of the bank to the management and control of its officers and directors.

3. Section 272 of P. L. 1948, c. 67 (C. 17:9A-272) is amended to read as follows:

**C. 17:9A-272 Commissioner's powers.**

272. A. While in possession of the business and property of a bank, the commissioner may, in the name of the bank

(1) Continue the business of the bank in all its aspects, including, in the case of a qualified bank, the exercise of its fiduciary and agency powers; except that the commissioner may not

(a) Make loans other than loans for which there are outstanding commitments and loans wholly or partly renewing obligations to the bank outstanding when possession is taken;

(b) Invest the funds of the bank or of any fiduciary account other than in obligations of the United States or of this State, or in obligations unconditionally guaranteed both as to principal and interest by the United States or this State;

(c) Permit withdrawals from or charges against the account of a depositor, except to the extent that deposits are made after the commissioner takes possession; or

(d) Pay claims of creditors, other than depositors, arising prior to the taking of possession, except as provided in sections two hundred eighty-four and two hundred eighty-six;

(2) Demand, sue for, collect, receive, and take into his possession all the bank's real and personal property, including the power to

sue for and recover any property transferred in fraud of the bank's creditors;

(3) Compound and settle with any of the bank's debtors or creditors, or with persons having possession of its property, or in any way responsible to the bank, and extend the time for payment of any obligation owing to the bank, upon such terms and conditions as he shall deem just and beneficial to the bank;

(4) Make or allow proper set-offs;

(5) Sell, assign, transfer, or convey all or any part of the real and personal property of the bank;

(6) Prosecute or defend any action or proceeding to which the bank is a party;

(7) Execute, acknowledge, and deliver any deed, assignment, release, agreement, warrant to cancel a mortgage or other lien, or other instrument necessary or appropriate to effect any sale of real or personal property, or to compromise or compound any claim, or to restore to any person any property deposited or transferred as security for the payment of a debt or the performance of an obligation, upon the payment of the debt or the performance of the obligation, or which is necessary or appropriate to effect any other power which the commissioner is authorized to exercise in respect to the business and property of such bank. Any deed or other instrument so executed and delivered shall be valid and effectual for all purposes as though executed and delivered by the officers of the bank by authority of its board of directors;

(8) Do all acts necessary or appropriate to conserve the property and business of the bank.

B. The commissioner shall have the power, while in possession of the property and business of a bank, to subpoena any person to testify concerning the property and business of the bank, as in the manner provided in sections two hundred sixty and two hundred sixty-one. Any person so subpoenaed shall be subject to the provisions of sections two hundred sixty-two and two hundred sixty-three.

C. While in possession of the business and property of a bank pursuant to section 269, subsection A of this act, the commissioner may, upon application to the Superior Court, Chancery Division, and without notice to or approval of the stockholders of said bank, enter into a plan or agreement in the name of said bank whereby all or any part of said bank's liabilities and fiduciary relationships would be assumed by one or more banking institutions and all or any part of said bank's assets and business would be purchased by

one or more banking institutions. To facilitate the consummation of such plan or agreement, the commissioner may, in the name of said bank, borrow money from the Federal Deposit Insurance Corporation and pledge or assign all or any part of said bank's assets as security for the money so borrowed; sell all or any part of said bank's assets, real or personal, to one or more banking institutions or to the Federal Deposit Insurance Corporation; and transfer to another banking institution all or any part of the money borrowed from the Federal Deposit Insurance Corporation in consideration of such banking institution's agreement to assume and pay the liabilities and fiduciary relationships of the bank in whose name the commissioner is acting.

D. While in possession of the property and business of a bank, the commissioner may offer to the Federal Deposit Insurance Corporation, or its successor, appointment as receiver of such bank. In the event the Federal Deposit Insurance Corporation, or its successor, accepts such appointment, it shall have and be authorized to exercise all rights, powers and privileges now possessed or hereafter granted to the commissioner by this article; it shall have all rights, powers and privileges now possessed or hereafter granted to a receiver by the laws of this State; and it shall be under the exclusive jurisdiction of the Superior Court.

**C. 17:9A-270 Repealed.**

4. Section 270 of P. L. 1948, c. 67 (C. 17:9A-270) is repealed.

5. This act shall take effect immediately.

Approved February 10, 1976.

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CHAPTER 7

AN ACT to amend "An act concerning motor vehicles and providing for the issuance of special bicentennial commemorative license plates," approved May 27, 1975 (P. L. 1975, c. 102).

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

1. Section 1 of P. L. 1975, c. 102, is amended to read as follows:

1. a. Notwithstanding any other provision of Title 39 of the Revised Statutes, the New Jersey Bicentennial Celebration Commission is authorized and empowered to issue a special bicentennial commemorative license plate of such design as shall be approved by the Governor. Any such license plates shall be sold through nonprofit organizations or through official local and county bicentennial committees, at a standard fee to be determined by the commission. Such fee may include a profit to be retained by the vendor, and may also include a royalty fee to be retained by the commission and devoted by the commission solely to the aid and assistance of appropriate bicentennial activities in accordance with section 6 of P. L. 1973, c. 48 (C. 52:9P-6).

b. Commercial establishments may sell such license plates only if received or purchased initially from nonprofit organizations or official bicentennial committees, and only if such commercial establishments do not retain a portion of the proceeds or profits.

c. Any special bicentennial commemorative license plate when displayed upon any motor vehicle shall be displayed on top of the regular front license plate from July 1, 1975 to February 1, 1977 in accordance with regulations of the Director of the Division of Motor Vehicles, but the regular front license plate presently required shall not be removed.

d. The New Jersey Bicentennial Celebration Commission shall arrange for the manufacture of any special bicentennial commemorative license plate in accordance with the bidding procedures established by P. L. 1954, c. 48 (C. 52:34-6 et seq.).

2. This act shall take effect immediately.

Approved February 20, 1976.

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## CHAPTER 8

AN ACT concerning county and municipal budgets and supplementing Title 40A of the New Jersey Statutes.

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

1. Notwithstanding any prior existing laws, the dates concerning the introduction and approval and adoption of local budgets for the year 1976 shall be as follows:

(1) Introduction and approval. The governing body shall introduce and approve the annual budget:

a. In the case of a county, not later than February 25 of the fiscal year.

b. In the case of a municipality, not later than March 11 of the fiscal year.

(2) Adoption. The budget shall be adopted in the case of a county not later than March 26, and in the case of a municipality not later than April 19 of the fiscal year, except that the governing body may adopt the budget at any time within 10 days after the director shall have certified his approval thereof and returned the same, if such certification shall be later than the date of the advertised hearing.

2. Notwithstanding any prior existing laws, the dates concerning budget transmission to the county board of taxation, county board advisement to director of failure to receive budget, and filling out of the table of aggregates for late budgets for the year 1976 shall be as follows:

(1) Budget to be transmitted to county board of taxation. The clerk of the local unit shall transmit a certified copy of the budget, as adopted, to the county board not later than April 30 of the fiscal year.

(2) County board to advise director of failure to receive budget. Where the county board has not received a copy of the budget resolution or other evidence showing the amount to be raised by taxation for the purposes of a taxing district not later than April 30 of the fiscal year, the said board shall immediately notify the director of such failure.

(3) Table of aggregates for late budgets. Immediately upon receipt of the director's certificate and, in any event, on or before May 10 of the fiscal year, the county board shall fill out the table of aggregates required by R. S. 54:4-52 and shall determine the amount of "other local taxes" for the year based upon the certificate of the director.

If the local unit shall have adopted a budget for the fiscal year and shall have transmitted a certified copy thereof to the county board on or before May 10, the said board may substitute the adopted budget in the place of the amount certified by the director, but no such substitution shall be made after May 10 of the fiscal year.

3. Notwithstanding any prior existing laws, the dates concerning the preparation of the table of aggregates for the year 1976 shall be extended from April 10 to May 10.

4. This act shall take effect immediately.

Approved February 27, 1976.

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## CHAPTER 9

AN ACT concerning elections and amending R. S. 19:24-2.

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

1. R. S. 19:24-2 is amended to read as follows:

**Secretary of State to county clerks and county boards; rules governing selection of delegates and alternates.**

19:24-2. The Secretary of State shall, on or before March 20 of that year, certify to the county clerk and county board of each county the number of delegates and alternates-at-large to be chosen by each such party and the number of delegates and alternates to be chosen in each congressional district or other territorial subdivision of the State, composed in whole or in part of the county of such county clerk.

Any provisions of this Title which pertain particularly to any election or to the general election or to the primary election for the general election shall apply to the primary election for delegates and alternates to national conventions in so far as they are not inconsistent with the special provisions of this Title pertaining to the primary election for delegates and alternates to national conventions.

Notwithstanding any provision of this Title, national and State party rules shall govern the selection of delegates and alternates to national party conventions, provided the State chairman of the political party notifies the Secretary of State prior to March 1 of the year in which delegates and alternates are elected of the applicable party rules governing the delegate selection process. The Secretary of State shall notify the county clerks prior to April 1 of the year in which delegates and alternates are elected of the applicable party rules, if any, which apply to matters within their

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jurisdiction. Pursuant to this section, the Secretary of State shall issue to the county clerks uniform regulations governing the delegate selection process.

2. This act shall take effect immediately.

Approved February 29, 1976.

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CHAPTER 10

A SUPPLEMENT to “An act making appropriations for the support of the State Government and the several public purposes for the fiscal year ending June 30, 1976, and regulating the disbursement thereof,” approved June 27, 1975 (P. L. 1975, c. 128).

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

1. The following sums are hereby appropriated out of the General State Fund, or such other sources of funds specifically indicated or as may be applicable, for the respective public officers and for the several purposes herein specified:

GENERAL STATE OPERATIONS	
DEPARTMENT OF INSTITUTIONS AND AGENCIES	
53100. MEDICAL ASSISTANCE AND HEALTH SERVICES	
53120. General Medical Services .....	\$3,691,000
<hr style="width: 100%;"/>	
Extraordinary:	
Payments to medical assistance recipients (State share) .....	(\$3,691,000)
Total Appropriation, Department of Institutions and Agencies .....	\$3,691,000
<hr style="width: 100%;"/>	

The amount hereinabove appropriated in the amount of (\$3,691,000.00) for payments to medical assistance recipients shall be allocated for the following purposes:

To restore dental care, hearing and vision care services for the aged, blind, disabled and other adult eligibles: \$2,670,000.00.

To restore for all eligibles the following services:  
 Medical supplies; physical therapy; psychological, chiropractic and podiatry services; non-legend drugs: \$655,000.00.

To eliminate copayments on prescription drugs:  
 \$366,000.00.

Total Appropriation, General State Operations .....	\$3,691,000
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2. This act shall take effect immediately and be retroactive to July 1, 1975.

Approved March 8, 1976.

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## CHAPTER 11

AN ACT authorizing the payment of a pension to widows of certain public employees in cities of the first class having a population of less than 400,000.

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

1. The governing body of a city of the first class having a population of less than 400,000 may, in its discretion, adopt an ordinance providing for the payment of a pension to a widow of a former public employee who has served at least 7 years as a member of the police department, at least 4 years as an elected member of the city council, and at least 4 years in one or more offices, positions or employments of the city, has attained 57 years of age and has died. Such widow shall receive from the city, during the term of her natural life, or as long as she remains unmarried, an annual pension of one-half of the annual compensation said employee received in the last year of his employment.

2. Any pension payable under this act to a widow shall be in lieu of the pension and insurance benefits which would accrue to the said widow under any retirement system established by the State or any of its political subdivisions.

3. A widow entitled to a pension under this act may apply therefor to the governing body of said city. Upon proof satisfactory

to the governing body of the facts entitling her to a pension, the body shall fix the amount of the pension to be so paid as well as the date when the same becomes effective, and such amount shall be annually appropriated in the budget of the municipality.

4. For the purposes of this act, the term "public employee" shall be deemed to mean and include a person who has held an office, position or employment in city government.

5. This act shall take effect immediately and be retroactive to January 28, 1976.

Approved March 12, 1976.

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## CHAPTER 12

A SUPPLEMENT to "An act to provide State aid to certain municipalities for the purposes of enabling such municipalities to maintain and upgrade municipal services, and making an appropriation therefor," approved March 29, 1971 (P. L. 1971, c. 64).

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

1. The sum of \$38,940,169.42 shall be apportioned among municipalities which qualify for State aid under the provisions of P. L. 1971, c. 64 as supplemented by P. L. 1975, c. 68 for the purpose of enabling such municipalities to maintain and upgrade municipal services. The distribution of said funds shall be identical to the sums distributed to each municipality under the provisions of P. L. 1975, c. 68.

2. The Director of the Division of Local Government Services in the Department of Community Affairs shall, forthwith upon the effective date of this act, determine and certify to the State Treasurer and to the chief financial officer of each qualifying municipality the amount of State aid allocable to such municipality pursuant to this act, which aid shall be in addition to all other aid to municipalities. The State Treasurer, upon the certification of the director and upon the warrant of the State Comptroller, shall pay and distribute to each qualifying municipality on October 1, 1976, or as soon thereafter as practicable, the amount determined and certified.

3. Moneys received by each qualifying municipality under the provisions of this act shall be used to maintain, upgrade and improve municipal services. Prior to May 1, 1976 each municipality receiving State aid pursuant to the act shall submit, to the Director of the Division of Local Government Services in the Department of Community Affairs, program and performance data specifying how the moneys are to be utilized to maintain, upgrade and improve municipal services. The data shall be submitted in sufficient detail to permit the director to evaluate municipal expenditure programs both as to service, need and performance, including unit costs. In addition, each municipality receiving aid pursuant to this act shall submit to the director on December 31, 1976 a report describing the achievement of the program plans developed in accordance with this section of the act. All moneys distributed pursuant to this act, as well as all other municipal funds, may be subject to an operational audit by the director.

4. Any determination of the Director of the Division of Local Government Services pursuant to this act as to the amount of State aid allowable to each qualifying municipality shall be final and conclusive, and no appeal shall be taken therefrom or any review thereof, except in the case of an arithmetical or typographical error in the calculation of any distribution of funds. Notwithstanding any provisions of the "Local Budget Law" (N. J. S. 40A :4-1 et seq.), any municipality qualifying for State aid under this act may anticipate the receipt of the amount of State aid certified to it by the Director of the Division of Local Government Services and may file such amendments or corrections in its local budget as may be required to properly reflect such amendments in its budget for the year 1976.

5. There shall be appropriated for the purposes of this act the sum of \$38,940,169.42 for the fiscal year commencing July 1, 1976.

6. This act shall take effect immediately.

Approved March 15, 1976.

## CHAPTER 13

AN ACT to amend and supplement "An act concerning the distribution of certain tax revenues to the municipalities of this State and supplementing Title 54 of the Revised Statutes," approved June 17, 1966 (P. L. 1966, c. 135).

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

1. Section 6 of P. L. 1966, c. 135 (C. 54:11D-6) is amended to read as follows:

**C. 54:11D-6 Distribution.**

6. The distribution required to be made by the State Treasurer under this act shall be made annually in five installments as follows: The first installment shall be payable annually on March 1, commencing on March 1, 1968 and shall consist of one-quarter of the amount certified under section 2 hereof; the second, third and fourth installments shall be payable on the succeeding May 1, August 1 and November 1 of each year and shall each consist of one-quarter of the amount certified under section 2 hereof; and the fifth installment which shall be the municipality's distributive share of the excess, if any, allocated under section 4 hereof, shall be payable on the next May 1 and the excess payable in the fifth installment may be anticipated in municipal budgets for the calendar year in which the same is payable.

2. (New section) For the fiscal year ending June 30, 1976, any portion of the excess under section 4 of P. L. 1966, c. 135 (C. 54:11D-4) not distributed on November 1, 1975 pursuant to P. L. 1975, c. 179 shall be due and payable on May 1, 1976 and shall be distributed on said date.

3. (New section) The Director of the Division of Taxation shall certify forthwith each municipality's share of the \$25,000,000.00 to be distributed pursuant to section 2 of this act.

4. (New section) Nothing in this act shall affect the appropriation of revenues for general State purposes pursuant to P. L. 1975, c. 179.

5. This act shall take effect immediately.

Approved March 15, 1976.

CHAPTER 14

A SUPPLEMENT to “An act making appropriations for the support of the State Government and the several public purposes for the fiscal year ending June 30, 1976, and regulating the disbursement thereof,” approved June 27, 1975 (P. L. 1975, c. 128).

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

1. The following sums are hereby appropriated out of the General State Fund, or such other sources of funds specifically indicated or as may be applicable, for the respective public officers and for the several purposes herein specified:

INTERDEPARTMENTAL ACCOUNTS	
78200. INTERDEPARTMENTAL SERVICE APPROPRIATIONS	
78240. Salary and other benefits .....	\$16,500,000
Extraordinary:	
For allotment by the Director of the Division of Budget and Accounting to the various agencies for the costs of salary and other benefits resulting from negotiated contractual agreements with various employee organizations .....	
	(\$16,500,000)
Total Appropriation, Interdepartmental Accounts .....	\$16,500,000

The appropriation for salary and other benefits provided hereinabove shall be subject to rules and regulations established by the President of the Civil Service Commission, the State Treasurer and the Director of the Division of Budget and Accounting.

The appropriation for salary and other benefits provided hereinabove shall be available for employees not covered under negotiated contractual agreements with various employee organizations in accordance with rules and regulations estab-

lished by the President of the Civil Service Commission, the State Treasurer, and the Director of the Division of Budget and Accounting.

2. This act shall take effect immediately and be retroactive to July 1, 1975.

Approved March 31, 1976.

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## CHAPTER 15

AN ACT to amend and supplement "An act concerning county prosecutors and assistant county prosecutors of certain counties and supplementing chapter 158 of Title 2A of the New Jersey Statutes," approved February 9, 1970 (P. L. 1970, c. 6).

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

1. Section 1 of P. L. 1970, c. 6 (C. 2A:158-1.1) is amended to read as follows:

**C. 2A:158-1.1 County prosecutors in certain counties; full-time duties.**

1. Any person appointed on or after January 20, 1970 to the office of county prosecutor of any of the following counties shall devote his entire time to the duties of his office and shall not engage in the practice of law or other gainful employment:

- a. Counties of the first class;
- b. Counties of the second class;
- c. Counties of the third class having a population between 61,000 and 72,000 under the 1970 Federal census;
- d. Counties of the third class having a population in excess of 175,000 under the 1970 Federal census; and
- e. Counties of the fifth class.

Any county prosecutor of any of the aforementioned counties in office on the effective date of this amendatory act who shall elect to devote his entire time to the duties of such office for the remainder of his term may elect so to do by filing a written election with the Governor, the Attorney General, the Secretary of State and the clerk of the board of chosen freeholders.

**C. 2A:158-15.1a Assistant prosecutors in fifth class counties; certain provisions of act not applicable.**

2. (New section) The provisions of P. L. 1970, c. 6, s. 3 (C. 2A:158-15.1) shall not apply to any assistant prosecutor in a county of the fifth class having a population of less than 150,000 under the 1960 Federal census; provided, however, that the county prosecutor of any such county, where there appears to be a reasonable necessity therefor and where approved by order of the assignment judge, may direct that any assistant prosecutor devote his entire time to the duties of such office and not engage in the practice of law or other gainful employment.

3. This act shall take effect immediately.

Approved April 5, 1976.

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CHAPTER 16

AN ACT concerning elections, amending R. S. 19:23-45 and supplementing Title 19 of the Revised Statutes.

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

1. R. S. 19:23-45 is amended to read as follows:

**Balloting regulations.**

19:23-45. No voter shall be allowed to vote at the primary election unless his name appears in the signature copy register.

A voter who votes in a primary election of a political party or who signs and files with the municipal clerk or the county commissioner of registration a declaration that he desires to vote in the primary election of a political party shall be deemed to be a member of that party until he signs and files a declaration that he desires to vote in the primary election of another political party at which time he shall be deemed to be a member of such other political party. The Secretary of State shall cause to be prepared political party affiliation declaration forms and shall provide such forms to the commissioners of registration of the several counties and to the clerks of the municipalities within such counties.

No voter, except a newly registered voter at the first primary at which he is eligible to vote, may vote in a primary election of a

political party unless he was deemed to be a member of that party on the fiftieth day next preceding such primary election.

A member of the county committee of a political party and a public official or public employee holding any office or public employment to which he has been elected or appointed as a member of a political party shall be deemed a member of such political party.

Any person voting in the primary ballot box of any political party in any primary election in contravention of the election law shall be guilty of a misdemeanor, and any person who aids or assists any such person in such violation by means of public proclamation or order, or by means of any public or private direction or suggestions, or by means of any help or assistance or cooperation, shall likewise be guilty of a misdemeanor.

**C. 19:23-45.1 Publication of notice; contents.**

2. (New section) a. The county commissioner of registration in each of the several counties, shall cause a notice to be published in each municipality of their respective counties in a newspaper or newspapers circulating therein. The notice to be so published shall be published once during each of the 2 calendar weeks next preceding the week in which the fiftieth day next preceding the primary election of a political party occurs.

b. The notice required to be published by the preceding paragraph shall inform the reader thereof that no voter, except a newly registered voter at the first primary at which he is eligible to vote, may vote in a primary election of a political party unless he was deemed to be a member of that party on the fiftieth day next preceding such primary election. It shall further inform the reader thereof that a voter who votes in the primary election of a political party or who signs and files with the municipal clerk or the county commissioner of registration a declaration that he desires to vote in the primary election of a political party shall be deemed to be a member of that party until he signs and files a declaration that he desires to vote in the primary election of another political party at which time he shall be deemed to be a member of such other political party. The notice shall also state the time and location where a person may obtain political party affiliation declaration forms.

**C. 19:23-45.2 Cost of publication; payment.**

3. (New section) The cost of the publishing of the notices required to be published by this act by the county commissioners of registration shall be paid by the respective counties.

**C. 19:23-45.3 Rules and regulations.**

4. (New section) The Secretary of State shall promulgate such rules and regulations as he deems necessary to implement this act, including the procedures to be followed in the filing, reporting and authentication of declarations of political party affiliation pursuant to R. S. 19:23-45.

5. This act shall take effect immediately.

Approved April 8, 1976.

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**CHAPTER 17**

**AN ACT** to amend "An act concerning the allocation, certification and election of delegates and alternates to the 1976 Republican National Convention," approved February 10, 1976 (P. L. 1976, c. 5).

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

1. Section 1 of P. L. 1976, c. 5 is amended to read as follows:

1. Notwithstanding any provision of Title 19, Elections, of the Revised Statutes or rules of the Republican National Committee to the contrary, the Secretary of State shall certify to the several county clerks and county boards of elections that the 22 delegates-at-large and 22 alternates-at-large allocated by the Republican National Committee for election to the 1976 Republican National Convention from New Jersey shall be chosen as follows: a. seven delegates-at-large and seven alternates-at-large to be elected by the voters of the party throughout the State and b. of the remaining 15 delegates-at-large and alternates-at-large and 45 district delegates and alternates allocated to New Jersey, four delegates and alternates to be elected by the voters of the party in each of the 15 Congressional districts, all of whom shall be designated on the ballot as district delegates and alternates.

2. This act shall take effect immediately.

Approved April 8, 1976.

## CHAPTER 18

AN ACT to validate certain proceedings for the issuance of bonds of school districts and any bonds or other obligations issued or to be issued in pursuance of such proceedings.

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

**Validating act.**

1. All proceedings heretofore had or taken by any school district or at any school district election for the authorization or issuance of bonds of the school district, and any bonds or other obligations of the school district issued or to be issued in pursuance of a proposal adopted by the legal voters at such election, are hereby ratified, validated and confirmed, notwithstanding that notice of such election was not published in accordance with N. J. S. 18A:14-19 and notwithstanding that notices relating to such election were not published as required by the absentee voting law (P. L. 1953, c. 211, C. 19:57-1 et seq.) as amended, provided however that notice of such election was published prior to the election; and provided further that no action, suit or other proceeding of any nature to contest the validity of such proceedings has heretofore been instituted prior to the date on which this act takes effect and within the time fixed therefor by or pursuant to law or rule of court, or when such time has not heretofore expired, is instituted within 30 days after the effective date of this act.

2. This act shall take effect immediately.

Approved April 12, 1976.

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CHAPTER 19

AN ACT to amend the "Municipal Governing Body Vacancy Law," approved September 30, 1975 (P. L. 1975, c. 213).

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

1. Section 4 of P. L. 1975, c. 213 (C. 40:45B-4) is amended to read as follows:

**C. 40:45B-4 Nomination for successor to vacancy.**

4. Nomination for a successor to a vacancy to be filled by election shall be made in accordance with the provisions of Title 19 of the Revised Statutes; except that in municipalities holding municipal elections on the second Tuesday in May, nominations may be made only by petition and neither the petition nor the ballot shall bear any designation indicating the political party affiliation of the candidate.

2. This act shall take effect immediately.

Approved April 20, 1976.

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CHAPTER 20

AN ACT to amend the "Local Public Contracts Law," approved June 9, 1971 (P. L. 1971, c. 198).

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

1. Section 5 of P. L. 1971, c. 198 (C. 40A:11-5) is amended to read as follows:

**C. 40A:11-5 Exceptions.**

5. Exceptions. Any purchase, contract or agreement of the character described in section 4 of this act may be made, negotiated or awarded by the contracting unit without public advertising for bids and bidding therefor if:

- (1) The subject matter thereof consists of
  - (a) Professional services or extraordinary unspecifiable services which cannot reasonably be described by written specifications. The application of this exception to extraordinary unspecifiable services shall be construed narrowly in favor of open competitive bidding where possible and the Division of Local Government Services is authorized to establish rules and regulations limiting the use of this exception in accordance with the intention herein expressed. The governing body shall in each instance state supporting reasons for its action in the resolution awarding each contract and shall cause such resolution to be printed once in a newspaper authorized by law to publish its legal advertisements;

(b) The doing of any work by employees of the contracting unit;

(c) The printing of legal briefs, records and appendices to be used in any legal proceeding in which the contracting party may be a party;

(d) The furnishing of a tax map or maps for the contracting party;

(e) The purchase of perishable foods as a subsistence supply;

(f) The supplying of any product or the rendering of any service by a public utility, which is subject to the jurisdiction of the Board of Public Utility Commissioners, in accordance with tariffs and schedules of charges made, charged or extracted, filed with said board;

(g) The acquisition, subject to prior approval of the Attorney General, of special equipment for confidential investigation;

(h) The printing of bonds and documents necessary to the issuance and sale thereof by a contracting unit;

(i) Equipment repair service if in the nature of an extraordinary unspecifiable service and necessary parts furnished in connection with such service;

(j) The publishing of legal notices in newspapers as required by law;

(k) The acquisition of artifacts or other items of unique, intrinsic, artistic or historical character; or

(l) Election expenses, including advertising expenses incidental thereto.

(2) It is to be made or entered into with the United States of America, the State of New Jersey, county or municipality or any board, body, officer, agency or authority thereof and any other state or subdivision thereof.

(3) The contracting unit has advertised for bids pursuant to section 4 on two occasions and has received no bids in response to its advertisement, and after reasonable inquiry it is determined that no board, body, officer, agency or authority of the United States, or of the State of New Jersey or of any neighboring county or municipality is willing and able to perform any work or furnish or hire any materials or supplies in conformity with the specifications of the contracting unit. Any such contract or agreement entered into pursuant to this subsection (3) of section 5 may be made, negotiated or awarded only upon adoption of a resolution

by the affirmative vote of two-thirds of the full membership of the governing body of the contracting unit at a meeting thereof authorizing such a contract or agreement.

Any amendment or modification of the terms, conditions, restrictions and specifications which were the subject of the competitive bidding pursuant to section 4 of this act shall be stated in the resolution awarding the contract.

(4) The contracting unit has advertised for bids pursuant to section 4 on two occasions and the governing body thereof has rejected such bids on each occasion because the contracting unit has determined that they are not reasonable as to price on the basis of cost estimates prepared for the contracting unit prior to the advertising therefor or have not been independently arrived at in open competition, but no such contract or agreement may be entered into after such rejection of bids, unless:

(a) Notification of the intention to negotiate and a reasonable opportunity to negotiate shall have been given by the contracting unit to each responsible bidder;

(b) The negotiated price is lower than the lowest rejected bid price of a responsible bidder who bid thereon and is the lowest negotiated price offered by any responsible supplier and is a reasonable price for such work materials, supplies or services;

(c) Any amendment or modification of the terms, conditions, restrictions and specifications which were the subject of competitive bidding pursuant to section 4 of this act shall be stated in the resolution awarding the contract; and

(d) The negotiated price is lower than the price of the same or equivalent materials or supplies available from the State or the county in which the contracting unit is located.

Whenever a contracting unit shall determine that a bid was not arrived at independently in open competition pursuant to this subsection 5 of section 5, it shall thereupon notify the county prosecutor of the county in which the contracting unit is located and the Attorney General of the facts upon which its determination is based, and when appropriate, it may institute appropriate proceedings in any State or Federal court of competent jurisdiction for a violation of any State or Federal antitrust law or laws relating to the unlawful restraint of trade.

Any such contract or agreement entered into pursuant to this subsection (4) of section 5 may be made, negotiated or awarded

only upon adoption of a resolution by the affirmative vote of two-thirds of the full membership of the governing body of the contracting unit at a meeting thereof authorizing such a contract or agreement.

2. This act shall take effect immediately.

Approved April 20, 1976.

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## CHAPTER 21

AN ACT concerning education and supplementing Title 18A of the New Jersey Statutes.

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

**C. 18A:13-23.1 Apportionment of appropriations.**

1. In any regional school district in which the annual or special appropriations for regional purposes, exclusive of the amounts to be raised for interest upon, and the redemption of, bonds payable by the district, have heretofore been apportioned among the municipalities included within the district on the basis of the number of pupils enrolled, such apportionment shall be made as follows:

a. For the school year 1976-77, 80% on a per pupil basis with respect to current operating costs and interest upon and redemption of bonds and 20% pursuant to N. J. S. 18A:13-23;

b. For the school year 1977-78, 60% on a per pupil basis with respect to current operating costs and interest upon and redemption of bonds and 40% pursuant to N. J. S. 18A:13-23;

c. For the school year 1978-79, 40% on a per pupil basis with respect to current operating costs and interest upon and redemption of bonds and 60% pursuant to N. J. S. 18A:13-23;

d. For the school year 1979-80, 20% on a per pupil basis with respect to current operating costs and interest upon and redemption of bonds and 80% pursuant to N. J. S. 18A:13-23;

e. For all school years thereafter, the apportionment shall be made pursuant to N. J. S. 18A:13-23.

2. This act shall take effect immediately.

Approved April 30, 1976.

## CHAPTER 22

AN ACT concerning elections and amending R. S. 19:31-18.

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

1. R. S. 19:31-18 is amended to read as follows:

**Registry lists; certification and transmission.**

19:31-18. On or before the fifteenth day preceding any general election the commissioner shall certify and transmit to the county clerk a complete list of all persons who are registered in each election district in each municipality in the county together with a statement as to the number of persons registered in each district. On the face of the list of registered voters the commissioner shall in figures state the total number of names of persons registered. Such lists shall be arranged substantially in the following form:

Residence number or other designation	Grand Street	Name of voter
14		Jones, Charles M.
15		Smith, John M.

2. This act shall take effect immediately.

Approved May 7, 1976.

## CHAPTER 23

AN ACT concerning elections, providing for voting by absentee ballot by citizens residing abroad formerly domiciled in New Jersey for candidates for Federal office, and supplementing the "Absentee Voting Law (1953)."

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

**C. 19:59-1 Short title.**

1. This act shall be known and may be cited as the "Overseas Residents Federal Election Absentee Voting Law."

**C. 19:59-2 Definitions.**

2. As used in this act:

a. "United States" means each of the several states, the District of Columbia, Commonwealth of Puerto Rico, Guam and the Virgin Islands; the term does not mean or include American Samoa, the Canal Zone or any other territory or possession of the United States.

b. "Residing abroad" means residing outside the United States.

c. "Federal election" means any general, special or primary held for the purpose of nominating or electing any candidate for the office of President or Vice President of the United States, Presidential elector, United States Senator or member of the United States House of Representatives.

d. "Overseas Federal election voter" means any citizen of the United States residing abroad who (1) immediately prior to his departure from the United States was domiciled in New Jersey and had all the qualifications to register and vote in New Jersey other than having attained 18 years of age if he has since attained that age, (2) does not maintain a residence and is not registered or qualified to vote in New Jersey or elsewhere in the United States, and (3) holds a valid passport or card of identity and registration issued under authority of the Secretary of State of the United States.

**C. 19:59-3 Voting by absentee ballot.**

3. Upon compliance with the provisions of this act any person meeting the qualifications of an "Overseas Federal election voter" may apply for and vote by absentee ballot in any Federal election held in the election district of this State in which he was formerly domiciled.

**C. 19:59-4 Request for application; qualification to vote.**

4. Requests for an application to vote in a Federal election as an overseas Federal election voter may be made by or on behalf of an applicant to the county clerk of the county in which the applicant was formerly domiciled or to the Secretary of State of New Jersey if the applicant does not know the county of his former domicile. To qualify an applicant to be sent a ballot and to vote in an election his completed application shall be received by the appropriate county clerk on or before the thirtieth day preceding the election.

**C. 19:59-5 Application form.**

5. a. An application for an overseas Federal election voter ballot shall be in substantially the following form:

APPLICATION FOR AN OVERSEAS FEDERAL ELECTION VOTER BALLOT

I, the undersigned, certify the following as a basis for an application as citizen of the United States residing outside the United States to receive a Federal election ballot to be voted at the election to be held on ..... that is to say:

(date of election)

- 1. I am a citizen of the United States;
2. I presently reside at ..... (if mail should be addressed other than to my residence, also provide address for mail) .....;
3. I was born on ..... (month, day, year)
4. a. I hold a valid U.S. Passport #....., dated ..... or
b. I hold a United States Citizens Identity and Registration Card (Form FS 225) dated ..... issued by ..... (name and location of U.S. Embassy or Consulate).
5. Immediately prior to taking up residence abroad I was domiciled in New Jersey and resided at ..... (street address) ..... (municipality) ..... (county)

(If formerly registered to vote from that address check here [ ]).

- 6. I do not maintain a domicile in the United States and am not registered, entitled or applying to vote in any state other than New Jersey.
7. I understand that any false statement knowingly made in this application subjects me to the penalties provided by law for fraudulent voting.

..... Applicant
(Signature)

Dated: ..... Applicant
(Print or type name)

b. There shall also be sent to the applicant such instructions and portions of the law or regulations as the Secretary of State shall direct.

C. 19:59-6 Approval or disapproval of applications; list; delivery of approved application forms to county board of elections.

6. Each county clerk, upon receipt of an application for an overseas Federal election voter ballot shall determine whether or not

the applicant is qualified to vote such a ballot, make a list of those applications approved and disapproved which list shall be open to inspection by election officials and the public and shall forward an overseas Federal election voter ballot to each person whose application is approved. As to each voter whose application is approved the county clerk shall deliver to the county board of elections the completed application form for retention by the board for signature comparison with that on the certificate on the inner envelope containing the ballot upon its receipt.

**C. 19:59-7 Overseas federal election voter ballot form.**

7. The county clerk shall prescribe the form of overseas Federal election voter ballot which shall be of such a character that it can be voted only for nominating or electing candidates for the office of President or Vice President of the United States, Presidential elector, United States Senator and member of the United States House of Representatives, or such thereof as are to be nominated or elected at the election.

**C. 19:59-8 Instructions for completion and return of ballots; notice.**

8. Each county clerk shall send, with each overseas Federal election voter ballot, appropriate printed instructions for its completion and return, together with an inner and outer envelope similar to that required as to civilian absentee ballots with a legend on the inner envelope stating "Overseas Federal Election Ballot." The printed instructions shall include a copy of the following notice:

PENALTY FOR FRAUDULENT VOTING

Any person who, knowingly violates any of the provisions of the Overseas Residents Federal Election Absentee Voting Law, or who, not being entitled to vote thereunder, fraudulently votes or attempts to vote thereunder or enables or attempts to enable another person, not entitled to vote thereunder, to vote fraudulently thereunder or who prevents or attempts to prevent by fraud the voting of any person legally entitled to vote under this act, shall be guilty of an indictable offense, and upon conviction thereof shall be subject, in addition to such other penalties as are authorized by law, to disenfranchisement unless and until pardoned or restored by law to the right of suffrage.

**C. 19:59-9 Printing of certificate upon margin of flap of inner envelope.**

9. Upon the margin of the flap of the inner envelope to be sent to an overseas Federal election voter shall be printed a certificate substantially as follows:

I, the undersigned, residing at .....  
..... am the person who applied for, received and  
voted the enclosed Overseas Federal Election Ballot.

Dated: ..... Voter

(Signature)

..... Voter

(Print or type name)

**C. 19:59-10 Completion and mailing of ballot.**

10. Upon completion of the ballot by indicating his choice of candidates for the offices named, the ballot shall be placed in the inner envelope and sealed. Upon completion and signing in his handwriting the certificate attached to the inner envelope, the inner envelope shall be place in the outer envelope which when sealed shall be mailed postage prepaid to the county board of elections whose address is printed thereon.

**C. 19:59-11 Receiving and handling of ballots.**

11. On receipt of each overseas Federal election ballot the signature on the certificate on the inner envelope shall be compared to that on the person's application. Ballots shall be approved, disapproved, processed, counted and disputes in connection therewith shall be handled in the same manner as is applicable to other absentee ballots. No ballot received after the time designated for the closing of the polls shall be counted.

**C. 19:59-12 Separate application.**

12. A separate application shall be made for each Federal election in which an overseas citizen desires to vote.

**C. 19:59-13 Rules and regulations.**

13. To effectuate the purposes of this act and its administration, the Secretary of State is authorized to promulgate such rules and regulations as he deems necessary and desirable.

14. This act shall take effect immediately.

Approved May 7, 1976.

## CHAPTER 24

AN ACT to amend the "Presidential Ballot Law (1964)," approved July 1, 1964 (P. L. 1964, c. 134) and to repeal sections 7, 18 and 24 of said act.

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

1. Section 2 of P. L. 1964, c. 134 (C. 19:58-2) is amended to read as follows:

**C. 19:58-2 Definitions.**

2. As used in this act unless the context otherwise indicates the following terms shall have the following meaning:

"Removed resident" means a person, who was formerly a resident of one of the counties of this State but who has, or shall have, removed to another state, the District of Columbia, Puerto Rico, Guam, the Virgin Islands or to another county within this State, who has registered as a voter in the county of his former residence in this State at the time of his removal therefrom, and who by reason of an insufficient period of residence in the state or the county, to which he has or shall have removed, will not be able to qualify to vote at a Presidential Election to be held in such state or county or elsewhere, except as he may be qualified to vote in this State, or in such other county of this State, for the election of electors for President and Vice-President of the United States, pursuant to this act.

"Presidential Election" means an election to be held for the election of electors for President and Vice-President of the United States.

"Presidential ballot" means a ballot to be cast at a Presidential Election pursuant to this act.

2. Section 3 of P. L. 1964, c. 134 (C. 19:58-3) is amended to read as follows:

**C. 19:58-3 Removed residents.**

3. Any removed resident shall be entitled to qualify and vote for electors for President and Vice-President of the United States in any Presidential Election to be held in this State in the manner provided in this act.

3. Section 4 of P. L. 1964, c. 134 (C. 19:58-4) is amended to read as follows:

**C. 19:58-4 Certificate regarding disqualification of removed resident.**

4. Any certificate filed by an applicant for a Presidential ballot as to the disqualification of a removed resident, who does not reside in this State, to vote for electors for President and Vice-President of the United States in the election district in which he resides shall be sufficient authority for said clerks and boards to make any determination in connection with the subject matter of such certificate.

4. Section 5 of P. L. 1964, c. 134 (C. 19:58-5) is amended to read as follows:

**C. 19:58-5 Ballot application form; where obtained.**

5. An application form for a Presidential ballot may be obtained from the clerk of the municipality, or the county clerk of the county, in which such applicant was last registered to vote in this State prior to the date of such election.

5. Section 6 of P. L. 1964, c. 134 (C. 19:58-6) is amended to read as follows:

**C. 19:58-6 Preparation of ballot application forms.**

6. Application forms for Presidential ballots to be made by removed residents and forms of affidavits of residence shall be prepared by the county clerk and shall be printed on paper of a different color from that used for applications for military service and civilian absentee ballots and sufficient quantities thereof shall be furnished by the county clerk to each municipal clerk in his county not later than August 1 preceding such election.

**Repealer.**

6. Section 7 of P. L. 1964, c. 134 (C. 19:58-7) is repealed.

7. Section 8 of P. L. 1964, c. 134 (C. 19:58-8) is amended to read as follows:

**C. 19:58-8 Ballot application by removed resident.**

8. An application for a Presidential ballot to be made by a removed resident shall be in substantially the following form:

APPLICATION FOR PRESIDENTIAL BALLOT—  
REMOVED RESIDENT

I, the undersigned, do hereby apply for a Presidential ballot to be voted at the election to be held on ..... and  
(date of election)

do hereby certify that:



States in such election district, at the election at which such ballot is to be voted, by reason of an insufficient period of residence in the state to which he has so removed.

9. Section 12 of P. L. 1964, c. 134 (C. 19:58-12) is amended to read as follows:

**C. 19:58-12 List of applicants; filing.**

12. Each county clerk, upon receipt of applications for Presidential ballots for removed residents shall make a list of them according to the municipalities of the addresses, or former addresses, in this State of the voters making such applications, which list shall be open to examination at all times by the county board of elections, the commissioner of registration, and the superintendent of elections in counties in which there is a superintendent of elections, of the county.

10. Section 14 of P. L. 1964, c. 134 (C. 19:58-14) is amended to read as follows:

**C. 19:58-14 Transfer of permanent registration forms of removed residents.**

14. The county clerk, upon receipt of an application for a Presidential ballot, based upon the applicant's removal from this State to another state, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands, or from one county of this State to another county of this State, shall notify the commissioner of registration thereof and the commissioner of registration shall thereupon transfer the applicant's permanent registration forms to a Presidential ballot file until after the election and then to the inactive file.

11. Section 17 of P. L. 1964, c. 134 (C. 19:58-17) is amended to read as follows:

**C. 19:58-17 Directions for preparation and transmission of ballot; envelopes.**

17. Each county clerk shall send, with each Presidential ballot, appropriate printed directions for the preparation and transmission of such ballot, together with an inner and outer envelope of the character described in the act hereby supplemented in the case of civilian absentee ballots, except that there shall be printed on each inner envelope a legend which shall read "Removed Resident—Presidential Ballot."

**Repealer.**

12. Section 18 of P. L. 1964, c. 134 (C. 19:58-18) is repealed.

13. Section 19 of P. L. 1964, c. 134 (C. 19:58-19) is amended to read as follows:

**C. 19:58-19 Certificate; form.**

19. Upon the said margin of said flap on the inner envelope to be sent to a removed resident there shall be printed a certificate in affidavit form substantially as follows:

State of .....  
County of ....., or (if applicable)  
Country of .....

I, the undersigned, do hereby certify that:

1. I am a citizen of the United States;  
2. I was born on .....;  
(date of birth)

3. I reside at ..... in  
(street and number or R. D. route)  
..... in .....  
(name of city or municipality) (name of county)

county in the State of ..... and I have  
(name of state, territory, commonwealth, or District of Columbia)  
resided at this address since my removal from my former address  
in New Jersey and expect to continue to reside there until and on  
the date of said election;

4. I formerly resided at ..... in  
(street and number or R. D. route)  
..... in .....  
(name of city or municipality) (name of county)

county in New Jersey and I was registered as a voter, and con-  
tinued to reside at said address until my removal to my present  
address;

5. Because of the insufficient period of my residence at my  
present address, .....  
I am unable to vote at the election to be held on  
..... but I believe that I am eligible to vote at  
(date of election)

my former residence in the State of New Jersey for electors for  
President and Vice-President of the United States at such election.

..... Applicant  
(signature)

..... Applicant  
(print name here)

**Repealer.**

14. Section 24 of P. L. 1964, c. 134 (C. 19:58-24) is repealed.

15. This act shall take effect immediately.

Approved May 7, 1976.

## CHAPTER 25

A SUPPLEMENT to "An act to amend and supplement the 'Local Public Contracts Law,' approved June 9, 1971 (P. L. 1971, c. 198)," approved March 3, 1976 (P. L. 1975, c. 353).

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

1. Notwithstanding the provisions of section 15 of P. L. 1975, c. 353, the amendatory and supplementary provisions of the aforesaid act shall remain inoperative for a period of 90 days after the effective date of this act.

2. This act shall take effect immediately.

Approved May 11, 1976.

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CHAPTER 26

AN ACT concerning elections and amending R. S. 19:3-3.

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

1. R. S. 19:3-3 is amended to read as follows:

**Delegates and alternates to national conventions and committee members chosen at primary election.**

19:3-3. Delegates and alternates to the national conventions of the political parties shall be elected at the primary election to be held on the Tuesday next after the first Monday in June in that year. The members of State, county and municipal committees of the political parties shall be chosen at the primary for the general election as hereinafter provided.

2. This act shall take effect immediately.

Approved May 24, 1976.

## CHAPTER 27

AN ACT concerning the qualifications for appointment of certain employees in certain municipal departments of public safety.

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

**C. 40A:14-12.1 Appointment to uniform firefighting position; qualifications.**

1. Notwithstanding any provision of law, rule or regulation to the contrary, a municipal appointing authority may, without civil service examination, and irrespective of any age or physical requirements, appoint to a uniformed firefighting position any person who is in the fire division of a municipal department of public safety when any such person had been appointed and had permanent status as a fire signal system repairman or lineman and has served in that capacity for a period of 18 or more years and provided further that such title is being abolished or otherwise discontinued.

**C. 40A:14-12.2 Rights and benefits.**

2. Upon such appointment, such persons shall be entitled to all the rights and benefits of persons who were appointed to uniformed firefighting positions pursuant to presently existing law.

**C. 40A:14-12.3 Membership in retirement system.**

3. The board of trustees of the Police and Firemen's Retirement System of New Jersey shall accept as a member of the retirement system any person, otherwise eligible for membership, appointed pursuant to this act provided there is paid into the retirement system, in such manner as the board shall prescribe, the contribution deemed due and payable from the date of original appointment.

4. This act shall take effect immediately.

Approved June 1, 1976.

## CHAPTER 28

AN ACT to amend the "Corporation Business Tax Act (1945)," approved April 13, 1945 (P. L. 1945, c. 162).

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

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

**C. 54:10A-4 Definitions.**

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

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

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

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

(d) "Net worth" shall mean the aggregate of the values disclosed by the books of the corporation for (1) issued and outstanding capital stock, (2) paid-in or capital surplus, (3) earned surplus and undivided profits, (4) surplus reserves which can reasonably be expected to accrue to holders or owners of equitable shares, not including reasonable valuation reserves, such as reserves for depreciation or obsolescence or depletion, and (5) the amount of all indebtedness owing directly or indirectly to holders of 10% or more of the aggregate outstanding shares of the taxpayer's capital stock of all classes, as of the close of a calendar or fiscal year. The foregoing aggregate of values shall be reduced by 50% of the amount disclosed by the books of the corporation for investment in the capital stock of one or more subsidiaries, which investment is defined as ownership (1) of at least 80% of the total combined voting power of all classes of stock of the subsidiary entitled to vote and (2) of at least 80% of the total number of shares of all other classes of stock except nonvoting stock which is limited and preferred as to dividends. In the case of investment in an entity organized under the laws of a foreign country, the foregoing requisite degree of

ownership shall effect a like reduction of such investment from net worth of the taxpayer, if the foreign entity is considered a corporation for any purpose under the United States Federal income tax laws, such as (but not by way of sole examples) for the purpose of supplying deemed-paid foreign tax credits or for the purpose of status as a controlled foreign corporation. In calculating the net worth of a taxpayer entitled to reduction for investment in subsidiaries, the amount of liabilities of the taxpayer shall be reduced by such proportion of the liabilities as corresponds to the ratio which the excluded portion of the subsidiary values bears to the total assets of the taxpayer.

If in the opinion of the commissioner, the corporation's books do not disclose fair valuations the commissioner may make a reasonable determination of the net worth which, in his opinion, would reflect the fair value of the assets, exclusive of subsidiary investments as defined aforesaid, carried on the books of the corporation, in accordance with sound accounting principles, and such determination shall be used as net worth for the purpose of this act.

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

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

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

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

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

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

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

(1) Entire net income shall exclude 100% of dividends which were included in computing such taxable income for Federal income tax purposes, paid to the taxpayer by one or more subsidiaries owned by the taxpayer to the extent of the 80% or more ownership of investment described in subsection (d) of this section. With respect to other dividends, entire net income shall not exclude 50% of the total included in computing such taxable income for Federal income tax purposes;

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

(A) The amount of any specific exemption or credit allowed in any law of the United States imposing any tax on or measured by the income of corporations:

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

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

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

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

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

(ii) In full to the extent that it relates to bonds or other evidences of indebtedness issued, with stock, pursuant to a bona fide plan of reorganization, to persons, who, prior to such reorganization, were bona fide creditors of the corporation or its predecessors, but were not stockholders or shareholders thereof;

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

(l) "Real estate investment trust" shall mean any unincorporated trust or unincorporated association qualifying and electing to be taxed as a real estate investment trust under Federal law.

(m) "Financial business corporation" shall mean any corporate enterprise which is (1) in substantial competition with the business of national banks and which (2) employs moneyed capital with the object of making profit by its use as money, through discounting and negotiating promissory notes, drafts, bills of exchange and other evidences of debt; buying and selling exchange; making of or dealing in secured or unsecured loans and discounts; dealing in securities and shares of corporate stock by purchasing and selling such securities and stock without recourse, solely upon the order and for the account of customers; or investing and reinvesting in marketable obligations evidencing indebtedness of any person, copartnership, association or corporation in the form of bonds, notes or debentures commonly known as investment securities; or dealing in or underwriting obligations of the United States, any State or any political subdivision thereof, or of a corporate instrumentality of any of them. This shall include, without limitation of the foregoing business commonly known as industrial banks, dealers in commercial paper and acceptances, sales finance, personal finance, small loan and mortgage financing businesses, as well as any other enterprise employing moneyed capital coming into competition with the business of national banks; provided, that the holding of bonds, notes, or other evidences of indebtedness by individual persons not employed or engaged in the banking or investment business and rep-

resenting merely personal investments not made in competition with the business of national banks, shall not be deemed financial business. Nor shall "financial business" include national banks, production credit associations organized under the Farm Credit Act of 1933, stock and mutual insurance companies duly authorized to transact business in this State, security brokers or dealers or investment companies or bankers not employing moneyed capital coming into competition with the business of national banks, real estate investment trusts, or any of the following entities organized under the laws of this State: credit unions, savings banks, savings and loan and building and loan associations, pawnbrokers, and State banks and trust companies.

2. Section 9 of P. L. 1945, c. 162 (C. 54:10A-9) is amended to read as follows:

**C. 54:10A-9 Taxpayer holding stock of subsidiary; deductions from net worth; "subsidiary" defined.**

9. Any taxpayer which holds capital stock of a subsidiary during all or part of any year may, for the purposes of the tax imposed by this act, deduct from its net worth, the following amount:

(a) In the case of a subsidiary which is taxable under this act, such proportion of the average value of such holdings, less net liabilities (if any) to such subsidiary, as corresponds to 50% of the ratio of the subsidiary's taxable net worth, for the same year under this act, to its entire net worth; or

(b) In the case of a subsidiary subject to a franchise tax measured by gross receipts under any other law of this State, such proportion of the average value of such holdings, less net liabilities (if any) to such subsidiary, as corresponds to 50% of the ratio of the subsidiary's business within the State to its business everywhere during its next preceding taxable year under such law; or

(c) In the case of a subsidiary which is a bank as defined in R. S. 54:9-1, 50% of the difference between the average value of such holdings for the same year and net liabilities (if any) to such subsidiary; or

(d) In the case of a subsidiary which is a financial business as defined in section 2 of P. L. 1946, c. 174 (C. 54:10B-2 (b)), such proportion of the average value of such holdings, less net liabilities (if any) to such subsidiary, as corresponds to 50% of the subsidiary's allocation fraction for the same year determined under section 8 of P. L. 1946, c. 174 (C. 54:10B-8); or

(e) In the case of a subsidiary which is a stock, mutual or assessment insurance company organized or existing under the laws of

this State or under the laws of another state or foreign country, such proportion of the average value of such holdings, less net liabilities (if any) to such subsidiary, as corresponds to 50% of the ratio which the amount of taxable premiums, as defined in sections 4 and 5 of P. L. 1945, c. 132 and section 1 of P. L. 1950, c. 186 (C. 54:18A-4, 54:18A-5, and 54:18A-5.1), collected by the subsidiary in the same year, bears to the total amount of all premiums collected by the subsidiary in the same year which would be taxable premiums if all such premiums were on account of business in this State; or

(f) In the case of a subsidiary which is a railroad as defined in section 2 of P. L. 1941, c. 291 (C. 54:29A-2), such proportion of the average value of such holdings, less net liabilities (if any) to such subsidiary, as corresponds to 50% of the ratio which the number of miles of all track over which the subsidiary operates in this State in the same year bears to the total number of miles of all track over which the subsidiary operates everywhere in the same year.

For the purpose of this section, a subsidiary shall be deemed to be any corporation in which a taxpayer is the owner of at least 80% of the total combined voting power of all classes of stock entitled to vote and of at least 80% of the total number of shares of all other classes of stock except nonvoting stock which is limited and preferred as to dividends.

3. This act shall take effect immediately and shall be applicable to taxpayers whose accounting periods end after June 30, 1976.

Approved June 2, 1976.

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## CHAPTER 29

AN ACT appropriating \$25,000,000.00 from the State Recreation and Conservation Land Acquisition and Development Fund for State programs to acquire and develop lands for recreation and conservation purposes.

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

1. There is hereby appropriated to the State Department of Environmental Protection from the State Recreation and Conservation Land Acquisition and Development Fund from funds pursuant to the "New Jersey Green Acres and Recreation Opportunities Bond Act of 1974" (P. L. 1974, c. 102) the sum of \$25,000,000.00 for the purpose of acquisition and development of lands by the State for recreation and conservation purposes, to be allocated as follows:

a. \$10 million for the acquisition of lands by the State, which shall include administrative costs;

b. \$15 million for the development of lands owned by the State, which shall include administrative costs.

2. Such sums shall be made available by the sale of bonds authorized by the "New Jersey Green Acres and Recreation Opportunities Bond Act of 1974" (P. L. 1974, c. 102).

3. The expenditure of the sums appropriated by this act are subject to the provisions and conditions of P. L. 1974, c. 102 and P. L. 1975, c. 155.

4. This act shall take effect immediately.

Approved June 3, 1976.

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## CHAPTER 30

A SUPPLEMENT to "An act relating to public buildings and making appropriations for construction, reconstruction, development, extension, improvement and equipment of public buildings, all for education purposes," approved May 14, 1969 (P. L. 1969, c. 44).

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

1. There is hereby appropriated to the State Department of Education, from the Public Buildings Construction Fund, the sum of \$2,850,103.00, or so much thereof as may be necessary, for buildings, structures, facilities and equipment required for the operation of vocational education programs, for expenditure for the period July 1, 1975 to June 30, 1976 for the following projects:

School District	Total Projected Cost (Adjusted)	Entitlement State Bond Issue Funds	Appropriations Available for the Period July 1, 1975 to June 30, 1976
Atlantic County			
Atlantic County AVTS . . . .	\$4,954,170	\$1,063,542	\$14,514
Bergen County			
Bergen County AVTS:			
Shared-Time Centers:			
West Central Bergen . . . .	2,100,000	393,750	72,773
East Central Bergen . . . .	2,225,000	468,750	50,000
Burlington County			
Burlington County AVTS:			
Medford . . . . .	9,000,000	2,250,000	575,000
Camden County			
Camden County AVTS:			
Special Needs Center . . . .	6,000,000	1,500,000	384,669
Cumberland County			
Cumberland County AVTS . . . .	3,300,000	819,000	20,000
Gloucester County			
Gloucester County AVTS . . . .	3,982,500	941,250	17,035
Middlesex County			
Middlesex County AVTS:			
Northwest Middlesex			
County . . . . .	12,000,000	2,500,000	1,219,008
East Brunswick Addi-			
tion II . . . . .	3,000,000	506,882	110,684
Monmouth County			
Monmouth County AVTS:			
Shared-Time Centers:			
Matawan . . . . .	500,000	125,000	100,000
Ocean County			
Ocean County AVTS:			
Shared-Time Centers:			
Toms River . . . . .	2,632,690	500,000	23,721
Salem County			
Salem County AVTS . . . . .	1,998,899	462,500	52,014
Sussex County			
Sussex County AVTS:			
Addition II . . . . .	<u>4,950,000</u>	<u>750,000</u>	<u>210,685</u>
Total . . . . .			\$2,850,103

2. This act shall take effect immediately.  
 Approved June 3, 1976.

## CHAPTER 31

AN ACT to amend the "Cigarette Tax Act," approved April 29, 1948 (P. L. 1948, c. 65).

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

1. Section 102 of P. L. 1948, c. 65 (C. 54:40A-2) is amended to read as follows:

**C. 54:40A-2 Definitions.**

102. For the purposes of this act and unless otherwise required by the context:

a. "Cigarette" means any roll for smoking made wholly or in part of tobacco, or any other substance or substances other than tobacco, irrespective of size, shape or flavoring, the wrapper or cover of which is made of paper or any other substance or material, excepting tobacco.

b. "Director" means the Director of the Division of Taxation, in the Department of the Treasury.

c. "Distributor" means and includes any person, wherever resident or located, who brings or causes to be brought into this State unstamped cigarettes purchased directly from the manufacturers thereof and stores, sells or otherwise disposes of the same after they shall reach this State.

d. "Wholesale dealer" shall include any person wherever resident or located, other than a distributor, as defined herein, who:

(1) Purchases cigarettes from any other person who purchases from the manufacturer and who acquires such cigarettes solely for the purpose of bona fide resale to retail dealers or to other persons for the purposes of resale only; or

(2) Services retail outlets by the maintenance of an established place of business for the purchase of cigarettes, including, but not limited to, the maintenance of warehousing facilities for the storage and distribution of cigarettes.

e. "Retail dealer" means any person who is engaged in this State in the business of selling cigarettes at retail. Any person placing a cigarette vending machine at, on or in any premises shall be deemed to be a retail dealer for each such vending machine.

f. "Consumer" means any person except a distributor or a manufacturer who acquires for consumption, storage or use in

this State cigarettes to which New Jersey revenue stamps have not been attached.

g. "Place of business" means and includes any place where cigarettes are sold or where cigarettes are brought or kept for the purpose of sale or consumption, including so far as applicable any vessel, vehicle, airplane, train or cigarette vending machine.

h. "Licensed distributor" means any distributor, as defined in this act, licensed under the provisions of this act.

i. "Licensed wholesale dealer" means any wholesale dealer, as defined in this act, licensed under the provisions of this act.

j. "Licensed retail dealer" means any retail dealer, as defined in this act, licensed under the provisions of this act.

k. "Licensed consumer" means any consumer, as defined in this act, licensed under the provisions of this act.

l. "Person" means any individual, firm, corporation, copartnership, joint adventure, association, receiver, trustee, guardian, executor, administrator, or any other person acting in a fiduciary capacity, or any estate, trust or group or combination acting as a unit, the State Government and any political subdivision thereof, and the plural as well as the singular, and the feminine and neuter as well as the masculine, unless the intention to give a more limited meaning is disclosed by the context.

m. "Rules and regulations" mean those made and promulgated by the director in the administration of this act.

n. "Sale" means any sale, transfer, exchange, theft, barter, gift, or offer for sale and distribution, in any manner or by any means whatsoever.

o. "Stamp" means any impression, device, stamp, label or print manufactured, printed or made as prescribed by the director.

p. "Taxpayer" means any person subject to a tax imposed by this act, or any person required to be licensed under this act.

q. "Treasurer" means the State Treasurer.

r. "Use" means the exercise of any right or power incidental to the ownership of cigarettes.

s. "Manufacturer" means and includes any person, wherever resident or located, who manufactures or produces, or causes to be manufactured or produced, cigarettes and sells, uses, stores or distributes the same regardless of whether they are intended for sale, use or distribution within or without this State.

t. "Manufacturer's representative" means and includes any person, employed by a manufacturer, who, for promotional purposes,

sells, stores, handles or distributes cigarettes, within this State, limited exclusively to cigarettes manufactured by the employing manufacturer.

u. "Licensed manufacturer" means any manufacturer, as defined in this act, licensed under the provisions of this act.

v. "Licensed manufacturer's representative" means any manufacturer's representative, as defined in this act, licensed under the provisions of this act.

2. This act shall take effect immediately.

Approved June 7, 1976.

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## CHAPTER 32

AN ACT to amend the "Unfair Cigarette Sales Act of 1952," approved May 19, 1952 (P. L. 1952, c. 247).

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

1. Section 2 of P. L. 1952, c. 247 (C. 56:7-19) is amended to read as follows:

**C. 56:7-19 Definitions.**

2. The following words, terms and phrases, when used in this act, shall have the meaning ascribed to them in this section except where the context clearly indicates a different meaning;

a. "Person" shall mean and include any individual, firm, association, company, partnership, corporation, joint stock company, club, agency, syndicate, municipal corporation or other political subdivision of this State, trust, receiver, trustee, fiduciary and conservator.

b. "Cigarettes" shall mean and include any roll for smoking, made wholly or in part of tobacco, or of any other substance or substances other than tobacco, irrespective of size, shape or flavoring, the wrapper or cover of which is made of paper or any other substance or material, excepting tobacco.

c. "Sale" shall mean any transfer for a consideration, exchange, barter, gift, offer for sale and distribution in any manner or by any means whatsoever.

d. "Wholesaler" shall include any person who :

(1) Purchases cigarettes directly from the manufacturer; or

(2) Purchases cigarettes from any other person who purchases from the manufacturer and who acquires such cigarettes solely for the purpose of bona fide resale to retail dealers or to other persons for the purposes of resale only; or

(3) Services retail outlets by the maintenance of an established place of business for the purchase of cigarettes, including, but not limited to, the maintenance of warehousing facilities for the storage and distribution of cigarettes.

Nothing contained herein shall prevent a person from qualifying in different capacities as both a "wholesaler" and "retailer" under the applicable provisions of this act.

e. "Retailer" shall mean and include any person who operates a store, stand, booth or concession for the purpose of making sales of cigarettes at retail.

f. "Sell at retail," "sale at retail" and "retail sales" shall mean and include any transfer of title to cigarettes for a valuable consideration, made in the ordinary course of trade or usual conduct of the seller's business, to the purchaser for consumption or use.

g. "Sell at wholesale," "sale at wholesale" and "wholesale sales" shall mean and include any bona fide transfer of title to cigarettes for a valuable consideration, made in the ordinary course of trade or in the usual conduct of the wholesaler's business, to a retailer for the purpose of resale.

h. "Basic cost of cigarettes" shall mean the invoice cost of cigarettes to the retailer or wholesaler, as the case may be, or the replacement cost of cigarettes, to the retailer or wholesaler, as the case may be, in the quantity last purchased, whichever is lower, less all trade discounts and customary discounts for cash, to which shall be added the full face value of any stamps which may be required by any cigarette tax act of this State and by ordinance of any municipality thereof, now in effect or hereafter enacted, if not already included by the manufacturer in his list price.

i. "Director" means the Director of the Division of Taxation, in the Department of the Treasury.

j. "Business day" shall mean any day other than a Sunday or a legal holiday.

2. This act shall take effect immediately.

Approved June 7, 1976.

CHAPTER 33

AN ACT concerning tax appeals and amending P. L. 1973, c. 123.

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

1. Section 7 of P. L. 1973, c. 123 is amended to read as follows:

7. This act shall take effect immediately and shall be applicable with respect to the tax year 1978 and thereafter.

2. This act shall take effect immediately.

Approved June 7, 1976.

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CHAPTER 34

A SUPPLEMENT to "An act making appropriations for the support of the State Government and the several public purposes for the fiscal year ending June 30, 1976 and regulating the disbursement thereof," approved June 27, 1975 (P. L. 1975, c. 128).

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

1. The following sums are hereby appropriated out of the General State Fund, for the purpose herein specified:

DEPARTMENT OF HIGHER EDUCATION

573. COLLEGE OF MEDICINE AND DENTISTRY OF NEW JERSEY

573-108. SOUTH JERSEY MEDICAL PROGRAM

33970. Institutional support ..... \$600,000

2. This act shall take effect immediately.

Approved June 10, 1976.

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## CHAPTER 35

AN ACT to amend “An act concerning the confinement, transfer and interim release of inmates in the several State correctional institutions, providing preparole rehabilitative work opportunities for inmates and supplementing Title 30 of the Revised Statutes,” approved April 23, 1969 (P. L. 1969, c. 22).

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

1. Section 1 of P. L. 1969, c. 22 (C. 30:4-91.1) is amended to read as follows:

**C. 30:4-91.1 Transfer of inmate to more appropriate institution or facility; power of commissioner.**

1. When a person has been convicted of an offense against the State of New Jersey and has been committed for a term of imprisonment by a court to an institution defined in R. S. 30:1-7, and when it appears to the satisfaction of the Commissioner of Institutions and Agencies that the inmate should be transferred to an institution or facility more appropriate for his needs and welfare or that of other inmates or for the security of the institution, the commissioner shall be authorized and empowered to designate the place of confinement to which the inmate shall be transferred to serve his sentence.

2. Section 2 of P. L. 1969, c. 22 (C. 30:4-91.2) is amended to read as follows:

**C. 30:4-91.2 Designation of place of confinement; “facility” defined; annual certification.**

2. The commissioner or his duly authorized agent, may designate as a place of confinement any available, suitable, and appropriate institution or facility whether owned by the State or otherwise, and may at any time transfer a person from one place of confinement to another.

The word “facility” shall include private nonprofit community-based residential treatment centers which provide for the care, custody, subsistence, education, training and welfare of inmates.

Any such private nonprofit community-based residential treatment center must be certified annually by the commissioner as a secure and appropriately supervised place of confinement.

3. This act shall take effect immediately.

Approved June 15, 1976.

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## CHAPTER 36

AN ACT concerning persons who are authorized to solemnize marriages, and amending R. S. 37:1-13.

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

1. R. S. 37:1-13 is amended to read as follows:

**Persons authorized to solemnize marriages.**

37:1-13. Each judge of a Federal district court, judge of a county court, judge of a county district court, magistrate of a municipal court, and any mayor, or chairman of any township committee or village president of this State, and every minister of every religion, and judges of the criminal judicial district courts in counties wherein such courts are or may be established and judges of the juvenile and domestic relations courts in counties in which such courts are or may be established, are hereby authorized to solemnize marriage between such persons as may lawfully enter into the matrimonial relation; and every religious society, institution or organization in this State may join together in marriage such persons as are members of such society, institution or organization, or when one of such persons is a member of such society, institution or organization, according to the rules and customs of the society, institution or organization to which they or either of them belong.

2. This act shall take effect immediately.

Approved June 17, 1976.

## CHAPTER 37

A SUPPLEMENT to "An act making appropriations for the support of the State government and the several public purposes for the fiscal year ending June 30, 1976 and regulating the disbursement thereof," approved June 27, 1975 (P. L. 1975, c. 128).

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

1. There is hereby appropriated to the Department of Defense, out of the General State Fund, the sum of \$108,000.00 to be used by said department for security and traffic and crowd control activities and any other emergency expenses in connection with the Bicentennial celebration, July 2-5, 1976.

2. This act shall take effect immediately.

Approved June 25, 1976.

## CHAPTER 38

AN ACT concerning municipal bonds and supplementing Title 40A of the New Jersey Statutes.

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

**C. 40A:3-2 Legislature's findings.**

1. The Legislature finds and declares that:

a. Maintenance of strong financial credit in New Jersey municipalities is essential in providing necessary capital improvement or property at minimum cost, for the citizens of this State;

b. While the credit status of New Jersey's municipalities is sound, it can be strengthened by a pledge of State Urban Aid and Business Personal Property Tax Replacement Revenues to guarantee debt service payments on qualified bonds;

c. Such a pledge should expand the market for and lower the interest costs on qualified bonds issued pursuant to the terms of

this act, thus reducing the borrowing costs of participating municipalities.

**C. 40A:3-3 Definitions.**

2. For the purposes of this act, unless the context clearly requires a different meaning:

a. "Business Personal Property Tax Replacement Revenues" means the funds distributed to municipalities pursuant to P. L. 1966, c. 135 (C. 54:11D-1 et seq.) or pursuant to any other law hereinafter enacted providing for funds to municipalities in lieu of or in substitution for or supplementing the funds presently provided pursuant to P. L. 1966, c. 135 (C. 54:11D-1 et seq.);

b. "Debt service" means and includes payments of principal and interest upon qualified bonds issued pursuant to the terms of this act;

c. "Director" means Director of the Division of Local Government Services in the Department of Community Affairs, established pursuant to P. L. 1974, c. 35 (C. 52:27D-18.1);

d. "Local Finance Board" means the Local Finance Board in the Division of Local Government Services in the Department of Community Affairs, established pursuant to P. L. 1974, c. 35 (C. 52:27D-18.1);

e. "Paying agent" means any bank, trust company or national banking association having the power to accept and administer trusts, named or designated in any qualified bond of a municipality as the agent for the payment of the principal of and interest thereon;

f. "Qualified bonds" means those bonds of a municipality authorized and issued in conformity with the provisions of this act;

g. "State urban aid" means the funds made available to municipalities pursuant to P. L. 1971, c. 64 and all acts supplementing that act or pursuant to any other law hereinafter enacted providing for funds to municipalities in lieu of or in substitution for the funds presently provided pursuant to acts supplementing P. L. 1971, c. 64.

**C. 40A:3-4 Issuance of qualified bonds.**

3. a. Bonds issued by any municipality pursuant to provisions of this act shall be "qualified bonds" and shall be entitled to the benefit of the provisions of this act.

b. Whenever the governing body of a municipality determines, by passage of a bond ordinance upon first reading, to issue bonds for financing any capital improvement or property which it may

lawfully make or acquire, it may file an application and a certified copy of the ordinance as passed on first reading with the local finance board to qualify the bonds pursuant to the provisions of this act. Upon receipt of any such application, the local finance board shall cause an investigation to be made, taking into consideration such factors as the need for the facilities to be financed from the proceeds of such proposed qualified bonds, the ability of the municipality to supply other essential public improvements and services and during the ensuing 10 years to pay punctually the principal and interest on its debts, the reasonableness of the amounts to be expended for each of the purposes or improvements to be financed pursuant to such bonds, and such other factors as the local finance board may deem necessary.

c. If such investigation shows to the satisfaction of the local finance board that such municipality should be entitled to issue qualified bonds pursuant to the provisions of this act, the local finance board may by resolution determine that such municipality is entitled to issue qualified bonds. In considering any ordinance submitted to it and before endorsing its consent thereon, the local finance board may require the governing body of any municipality to adopt resolutions restricting or limiting any future proceedings with respect to the authorization of bonds or other matters deemed by the local finance board to affect any estimate made or to be made by it in accordance with subsection b. hereof. Every resolution so adopted shall constitute a valid and binding obligation of such municipality running to and enforceable by, and releasable by the local finance board.

d. Within 60 days after the submission to it of an application made in accordance with subsection b. the local finance board shall cause its consent to be endorsed upon the ordinance authorizing the issuance of qualified bonds, if it shall be satisfied and record by resolution that the municipality is entitled to issue qualified bonds. If the local finance board is not so satisfied, it shall cause its disapproval to be endorsed upon such ordinance within said period of 60 days.

e. If the governing body of a municipality shall determine by resolution that a maturity schedule for its qualified bonds, other than the maturity schedule approved by the local finance board pursuant to section 3, is in the best interest of said municipality, it may make application to the local finance board setting forth such belief and the grounds therefor and requesting approval of a schedule of maturities for such qualified bonds set forth in the application.

Within 60 days after submission to the local finance board of such application, the local finance board shall cause its approval to be endorsed thereon if it shall be satisfied, and shall record by resolution its findings, that the belief set forth in such application is well founded and that the issuance of the bonds pursuant to the revised maturity schedule in such application would not materially impair the credit of the municipality or substantially reduce its ability, during the ensuing 10 years, to pay punctually the principal of and interest on its debts and supply essential public improvements and services. If the local finance board is not so satisfied, it shall cause its disapproval to be endorsed on such copy within said period of 60 days.

**C. 40A:3-5 Recital of statutory authority on bonds; date of maturity; covenants and provisions for protecting and enforcing rights and remedies of bondholders.**

4. a. All qualified bonds when issued shall contain a recital to the effect that they are issued pursuant to Title 40 of the Revised Statutes or Title 40A of the New Jersey Statutes and are entitled to the benefits of the provisions of this act. Except as otherwise provided in this act, all qualified bonds shall be authorized and issued in the manner provided for in Title 40 or Title 40A. Qualified bonds shall mature not later than 30 years from their date of issuance without regard to any limitations as to maturities or amounts of annual installments for bonds as provided in Title 40 or Title 40A.

b. The proceedings of the municipality authorizing the issuance of qualified bonds may contain such covenants and provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants restricting the issuance of additional qualified bonds.

**C. 40A:3-6 Issuance of bond anticipation notes.**

5. Any municipality which has authorized qualified bonds may issue bond anticipation notes (hereinafter "notes") in anticipation of the issuance of permanent qualified bonds to the extent permitted by the provisions of Title 40A or any other applicable laws, subject to such additional terms or conditions with respect to such notes as may be fixed or required by the local finance board to insure that funds are borrowed only as needed to meet required payments for construction, reconstruction, development, extension, improvement, or acquisition of the facilities or improvements to be financed by the issuance of permanent qualified bonds.

**C. 40A:3-7 Certification of name and address of paying agent, maturity schedule, interest rate and dates of payment to State Treasurer; withholding certain amount of business personal property tax replacement revenues and State urban aid; covenant with purchasers, holders and owners of qualified bonds; payment of debt service conclusive to qualified bonds.**

6. a. Each municipality which issues qualified bonds shall certify to the State Treasurer the name and address of the paying agent, the maturity schedule, interest rate and dates of payment of debt service on such qualified bonds within 10 days after the date of issuance of such qualified bonds. After receipt of such certificate the State Treasurer shall withhold from the amount of business personal property tax replacement revenues and State urban aid payable to such municipality an amount of such business personal property tax replacement revenues and State urban aid which will be sufficient to pay the debt service on such qualified bonds as the same shall mature and become due. The State Treasurer shall, on or before each principal and interest payment date, forward such withheld amounts to the paying agent for such qualified bonds for deposit to the account established with such paying agent for the purpose of paying the debt service on such qualified bonds. From the time withheld by the State Treasurer all such business personal property tax replacement revenue and State urban aid so withheld and paid or to be paid to and held by the paying agent shall be exempt from being levied upon, taken, sequestered or applied toward paying the debts of the municipality other than for payment of debt service on such qualified bonds. From the time withheld by the State Treasurer the business personal property tax replacement revenue and State urban aid so withheld and paid or to be paid to the paying agent shall be deemed to be held in trust for the sole purpose of paying the debt service on such qualified bonds.

b. The State of New Jersey hereby covenants with the purchasers, holders and owners, from time to time, of qualified bonds that it will not repeal, revoke, rescind, modify or amend the provisions of subsection a. of this section so as to create any lien or charge on or pledge, assignment, diversion, withholding payment or other use of or deduction from any business personal property tax replacement revenues or State urban aid to be apportioned and paid to any paying agent of qualified bonds which is prior in time or superior in right to the payment required by subsection a. of this section; provided, however, that nothing herein contained shall be deemed or construed to require the State of New Jersey to continue to make payments of business personal property tax

replacement revenues or State urban aid or to limit or prohibit the State from repealing or amending any law heretofore or hereinafter enacted for the payment or apportionment of said revenues or aid or the manner, time, or amount thereof.

c. The certification to the State Treasurer as to amount payable in any year for debt service on such qualified bonds shall be fully conclusive as to such qualified bonds from and after the time of issuance of such qualified bonds notwithstanding any irregularity, omission or failure as to compliance with any of the provisions of this act with respect to such qualified bonds provided that such qualified bonds contain a recital to the effect that they are entitled to the benefits of the provisions of this act. All persons shall be forever estopped from denying that such qualified bonds are entitled to the benefits of the provisions of this act.

**C. 40A:3-8 Payment of principal and interest due on qualified bonds; payment of operating expenses.**

7. Nothing contained in this act shall be construed to relieve any municipality of the obligation imposed on it by law to include in its annual budget amounts necessary to pay, in each year, the principal and interest maturing and becoming due on any qualified bonds issued by such municipality; provided, however, that to the extent of the amounts withheld from business personal property tax replacement revenues and State urban aid payable to such municipality and forwarded to the paying agent for such qualified bonds pursuant to section 6, such budgeted amounts, to the extent not needed to pay debt service on such qualified bonds, may be applied to the payment of the operating expenses of such municipality for such year; and provided, further, that in any year in which business personal property tax replacement revenues or State urban aid is not appropriated, such budgeted amounts shall be used to pay the debt service maturing and becoming due in such year on such qualified bonds of the municipality.

**C. 40A:3-9 Application for authorization to issue qualified bonds prior to effective date of act.**

8. The provisions of this act shall not be construed to prohibit any municipality from applying for authorization to issue qualified bonds pursuant to the terms of this act in connection with the construction, reconstruction, development, extension, improvement or acquisition of any capital improvement or property notwithstanding that the construction, reconstruction, development, extension, improvement or acquisition was authorized, approved or commenced prior to the effective date of this act.

**C. 40A:3-10 Partial invalidity.**

9. If any clause, sentence, paragraph, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section or part thereof directly involved in the controversy in which such judgment shall have been rendered.

**C. 40A:3-1 Short title.**

10. This act shall be known and may be cited as the "Municipal Qualified Bond Act."

11. This act shall take effect immediately.

Approved June 28, 1976.

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**CHAPTER 39**

AN ACT concerning education and supplementing Title 18A of the New Jersey Statutes.

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

**C. 18A:24-86 Legislature's findings.**

1. The Legislature finds and declares that:

a. Provision of adequately equipped, sanitary and secure physical facilities is an integral part of the maintenance of a thorough and efficient system of free public education;

b. Maintenance of strong financial credit in New Jersey school districts is essential in providing necessary physical facilities at minimum cost, for the children of this State between the ages of 5 and 18 years;

c. While the credit status of New Jersey's school districts is sound, it can be strengthened by a pledge of State school aid to guarantee debt service payments on qualified bonds;

d. Such a pledge of State school aid should expand the market for and lower the interest costs on qualified bonds issued pursuant to the terms of this act, thus substantially reducing the costs of participating school districts and making more efficient use of the

funds available for the provision of a thorough and efficient education.

**C. 18A:24-87 Definitions.**

2. For the purposes of this act, unless the context clearly requires a different meaning:

a. "Commissioner" means the Commissioner of Education of the State of New Jersey;

b. "Debt service" means and includes payments of principal and interest upon qualified bonds issued pursuant to the terms of this act;

c. "Local finance board" means the Local Finance Board in the Division of Local Government Services in the Department of Community Affairs, established pursuant to P. L. 1974, c. 35 (C. 52:27D-18.1).

d. "Paying agent" means any bank, trust company or national banking association having the power to accept and administer trusts, named or designated in any qualified bond of a school district or municipality as the agent for the payment of the principal of and interest thereon;

e. "Qualified bonds" means those bonds of a school district or municipality authorized and issued in conformity with the provisions of this act;

f. "State board" means the State Board of Education of the State of New Jersey;

g. "School district" means a Type I, Type II, regional, or consolidated school district as defined in Title 18A of the New Jersey Statutes;

h. "State school aid" means the funds made available to local school districts pursuant to N. J. S. 18A:58-3, 18A:58-4, 18A:58-5 and 18A:58-5.1 and section 18 of the Public School Education Act of 1975, P. L. 1975, c. 212 (C. 18A:7A-18) or pursuant to any other law enacted providing for funds to school districts in lieu of or in substitution for the funds presently provided pursuant to N. J. S. 18A:58-3, 18A:58-4, 18A:58-5 and 18A:58-5.1 and section 18 of the Public School Education Act of 1975, P. L. 1975, c. 212 (C. 18A:7A-18).

**C. 18A:24-88 Issuance of qualified bonds.**

3. a. Bonds issued by any school district or municipality pursuant to the provisions of this act shall be "qualified bonds" and shall be entitled to the benefit of the provisions of this act.

b. Whenever a local board of education or the governing body of a municipality determines by resolution to issue bonds for the construction, reconstruction, development, extension, improvement or acquisition of physical facilities, it may file an application with the commissioner to qualify the bonds pursuant to the provisions of this act. Upon receipt of any such application, the commissioner shall cause an investigation to be made, taking into consideration such factors as the conditions in the school district, any applicable educational goals, objectives and standards established by the State or local board of education, the need for the facilities to be financed from the proceeds of such proposed qualified bonds, the ability of the school district or municipality to maintain a thorough and efficient system of education after issuing qualified bonds, and such other factors as the commissioner may deem necessary.

c. If such investigation shows to the satisfaction of the commissioner that such school district or municipality should be entitled to issue qualified bonds pursuant to the provisions of this act, he shall so recommend to the State board which may by resolution determine that such school district or municipality is entitled to issue qualified bonds.

d. At any time within 1 year after the adoption by the State board of the resolution referred to in subsection c. with respect to a particular issue of bonds, the school district or municipality may submit to the commissioner a copy of a proposal or ordinance authorizing the issuance of qualified bonds entitled to the benefits of this act in accordance with said resolution. The commissioner shall be and is hereby authorized to endorse upon any copy of such proposal or ordinance a certification thereof as being the proposal or ordinance as to which a determination of the State board has been made as aforesaid. Such endorsement shall be made in such form or manner as the commissioner shall determine. If no such proposal or ordinance is submitted within 1 year of the adoption of the resolution, the resolution shall be of no further force and effect and the commissioner shall so notify said school district or municipality.

**C. 18A:24-89 Submission of resolution of State board and proposal to local finance board; approval or disapproval.**

4. a. A copy of the resolution of the State board referred to in section 3 c. and a copy of the proposal or ordinance referred to in section 3 d. bearing the endorsement of the commissioner as aforesaid, shall be submitted to the local finance board for its consideration. The local finance board, in considering any proposal or ordi-

nance submitted to it and before endorsing its consent thereon, may require the board of education of any school district or the governing body of any municipality in such school district to adopt resolutions restricting or limiting any future proceedings with respect to the authorization of bonds or other matters deemed by the local finance board to affect any estimate made or to be made by it in accordance with subsection b. hereof. Every resolution so adopted shall constitute a valid and binding obligation of such school district or municipality running to and enforceable by, and releasable by, the local finance board.

b. Within 60 days after the submission to it of the resolution and proposal or ordinance, the local finance board shall cause its consent to be endorsed upon the proposal or ordinance authorizing such qualified bonds, if it shall be satisfied, and shall record by resolution, that the amounts to be expended for the education facilities to be financed pursuant to such proposal or ordinance are not unreasonable or exorbitant, and that issuance of the qualified bonds, to be authorized by such proposal or ordinance, will not materially impair the credit of any municipality comprised within the district or substantially reduce its ability, during the ensuing 10 years, to pay punctually the principal and interest on its debts while at the same time supplying essential public improvements and services. If the local finance board is not so satisfied it shall cause its disapproval to be endorsed on such copy within said period of 60 days.

**C. 18A:24-90 Application for approval of revised maturity schedule; approval or disapproval.**

5. If the board of education of a school district or governing body of a municipality shall determine by resolution that a maturity schedule for its qualified bonds, other than the maturity schedule approved by the local finance board pursuant to section 4 is in the best interest of said school district, it may make application to the local finance board setting forth such belief and the grounds therefor and requesting approval of a schedule of maturities for such qualified bonds set forth in the application.

Within 60 days after submission to the local finance board of an application, the local finance board shall cause its approval to be endorsed thereon if it shall be satisfied, and shall record by resolution its findings, that the belief set forth in such application is well founded and that issuance of the bonds pursuant to the revised maturity schedule in such application would not materially impair the credit of any municipality comprised within the school

district or substantially reduce its ability, during the ensuing 10 years, to pay punctually the principal and interest of its debts and supply essential public improvements and services. If the local finance board is not so satisfied, it shall cause its disapproval to be endorsed on such copy within said period of 60 days.

**C. 18A:24-91 Recital of statutory authority on bonds; date of maturity; covenants and provisions for protecting and enforcing rights and remedies of bondholders.**

6. a. All qualified bonds when issued shall contain a recital to the effect that they are issued pursuant to Title 18A of the New Jersey Statutes and are entitled to the benefits of the provisions of this act. Except as otherwise provided in this act, all qualified bonds shall be authorized and issued in the manner provided for in Title 18A. N. J. S. 18A:24-19 through 18A:24-27 shall not be applicable with respect to authorization or issuance of any bonds pursuant to the provisions of this act. Qualified bonds shall mature not later than 30 years from their date of issuance without regard to any limitations as to maturities or amounts of annual installments for bonds as provided in Title 18A.

b. The proceedings of the school district or municipality authorizing the issuance of qualified bonds may contain such covenants and provisions for protecting and enforcing the rights and remedies of the bond holders as may be reasonable and proper and not in violation of law, including covenants restricting the issuance of additional qualified bonds.

**C. 18A:24-92 Issuance of temporary notes or loan bonds.**

7. Any school district or municipality which has authorized qualified bonds may issue temporary notes or loan bonds (hereinafter "notes") in anticipation of the issuance of permanent qualified bonds to the extent permitted by the provisions of Title 18A or any other applicable laws, subject to such additional terms or conditions with respect to such notes as may be fixed or required by the commissioner to insure that funds are borrowed only as needed to meet required payments for construction, reconstruction, development, extension, improvement, or acquisition of the educational facilities to be financed by the issuance of permanent qualified bonds.

**C. 18A:24-93 Certification of name and address of paying agent, maturity schedule, interest rate and dates of payment to State Treasurer; withholding certain amount of State school aid for payment of debt; covenant with purchasers, holders and owners of qualified bonds; payment of debt service conclusive to qualified bonds.**

8. a. Each school district or municipality, as the case may be, which issues qualified bonds shall certify to the State Treasurer the

name and address of the paying agent, and the maturity schedule, interest rate and dates of payment of debt service on such qualified bonds within 10 days after the date of issuance of such qualified bonds. After receipt of such certificate the State Treasurer shall withhold from the amount of State school aid payable to such school district or municipality an amount of such State school aid which will be sufficient to pay the debt service on such qualified bonds as the same shall mature and become due. The State Treasurer shall, on or before each principal and interest payment date, forward such withheld amounts to the paying agent for such qualified bonds for deposit to the account established with such paying agent for the purpose of paying the debt service on such qualified bonds. From the time withheld by the State Treasurer all State school aid so withheld and paid or to be paid to and held by the paying agent shall be exempt from being levied upon, taken, sequestered or applied toward paying the debts of such school district or municipality other than for payment of debt service on such qualified bonds. From the time withheld by the State Treasurer, such State school aid so withheld and paid or to be paid to said paying agent shall be deemed to be held in trust for the sole purpose of paying the debt service on such qualified bonds.

b. The State of New Jersey hereby covenants with the purchasers, holders and owners, from time to time, of qualified bonds that it will not repeal, revoke, rescind, modify or amend the provisions of subsection a. of this section so as to create any lien or charge on or pledge, assignment, diversion, withholding payment or other use of or deduction from any State school aid to be apportioned and paid to any paying agent of qualified bonds which is prior in time or superior in right to the payment required by subsection a. of this section; provided, however, that nothing herein contained shall be deemed or construed to require the State of New Jersey to continue to make payments of State school aid or to limit or prohibit the State from repealing or amending any law heretofore or hereinafter enacted for the payment or apportionment of State school aid or the manner, time, or amount thereof.

c. The certification to the State Treasurer as to amount payable in any year for debt service on such qualified bonds shall be fully conclusive as to such qualified bonds from and after the time of issuance of such qualified bonds notwithstanding an irregularity, omission or failure as to compliance with any of the provisions of this act with respect to such qualified bonds provided that such qualified bonds contain a recital to the effect that they are entitled

to the benefits of the provisions of this act. All persons shall be forever estopped from denying that such qualified bonds are entitled to the benefits of the provisions of this act.

**C. 18A:24-94 Payment of principal and interest due on qualified bonds; payment of operating expenses.**

9. Nothing contained in this act shall be construed to relieve any school district or municipality of the obligation imposed on it by law to include in its annual budget amounts necessary to pay, in each year, the principal and interest maturing and becoming due on any qualified bonds issued by such school district or municipality; provided, however, that to the extent of the amounts withheld from State school aid payable to such school district or municipality and forwarded to the paying agent for such qualified bonds pursuant to section 8, such budgeted amounts, to the extent not needed to pay debt service on such qualified bonds, shall be applied to the payment of the operating expenses of such school district or municipality for such year; and provided, further, that in any year in which State school aid is not appropriated, such budgeted amounts shall be used to pay the debt service maturing and becoming due in such year on such qualified bonds of the school district or municipality.

**C. 18A:24-95 Application for authorization to issue qualified bonds prior to effective date of act.**

10. The provisions of this act shall not be construed to prohibit any school district or municipality from applying for authorization to issue qualified bonds pursuant to the terms of this act in connection with the construction, reconstruction, development, extension, improvement or acquisition of any educational facility notwithstanding that the construction, reconstruction, development, extension, improvement or acquisition of such facility was authorized, approved or commenced prior to the effective date of this act.

**C. 18A:24-96 Partial invalidity.**

11. If any clause, sentence, paragraph, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section or part thereof directly involved in the controversy in which such judgment shall have been rendered.

**C. 18A:24-85 Short title.**

12. This act shall be known and may be cited as "The School Qualified Bond Act."

13. This act shall take effect immediately.

Approved June 28, 1976.

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**CHAPTER 40**

AN ACT to amend the "Hotel and Multiple Dwelling Law," approved May 31, 1967 (P. L. 1967, c. 76), as said short title was amended by P. L. 1970, c. 138.

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

1. Section 3 of P. L. 1967, c. 76 (C. 55:13A-3) is amended to read as follows:

**C. 55:13A-3 Definitions.**

3. The following terms whenever used or referred to in this act shall have the following respective meanings for the purposes of this act, except in those instances where the context clearly indicates otherwise:

(a) The term "act" shall mean this act, any amendments or supplements thereto, and any rules and regulations promulgated thereunder.

(b) The term "accessory building" shall mean any building which is used in conjunction with the main building of a hotel, whether separate therefrom or adjoining thereto.

(c) The term "board" shall mean the Hotel and Multiple Dwelling Health and Safety Board created by subsection (a) of section 5 of this act in the Division of Housing and Urban Renewal of the Department of Community Affairs.

(d) The term "bureau" shall mean the Bureau of Housing Inspection in the Division of Housing and Urban Renewal of the Department of Community Affairs.

(e) (Deleted by amendment.)

(f) The term "commissioner" shall mean the Commissioner of the Department of Community Affairs.

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(g) The term "department" shall mean the Department of Community Affairs.

(h) The term "unit of dwelling space" or the term "dwelling unit" shall mean any room or rooms, or suite or apartment thereof, whether furnished or unfurnished, which is occupied, or intended, arranged or designed to be occupied, for sleeping or dwelling purposes by one or more persons, including but not limited to the owner thereof, or any of his servants, agents or employees, and shall include all privileges, services, furnishings, furniture, equipment, facilities and improvements connected with the use or occupancy thereof.

(i) The term "protective equipment" shall mean any equipment, device, system or apparatus, whether manual, mechanical, electrical or otherwise, permitted or required by the commissioner to be constructed or installed in any hotel or multiple dwelling for the protection of the occupants or intended occupants thereof, or of the public generally.

(j) The term "hotel" shall mean any building, including but not limited to any related structure, accessory building, and land appurtenant thereto, and any part thereof, which contains 10 or more units of dwelling space or has sleeping facilities for 25 or more persons and is kept, used, maintained, advertised as, or held out to be, a place where sleeping or dwelling accommodations are available to transient or permanent guests.

This definition shall also mean and include any motor hotel, motel, or established guesthouse which is commonly regarded as a motor hotel, motel, or established guesthouse, as the case may be, in the community in which it is located; provided, that this definition shall not be construed to include any building or structure defined as a multiple dwelling in this act, registered as a multiple dwelling with the Commissioner of Community Affairs as hereinafter provided, and occupied or intended to be occupied as such.

(k) The term "multiple dwelling" shall mean any building or structure of one or more stories and any land appurtenant thereto, and any portion thereof, in which three or more units of dwelling space are occupied, or are intended to be occupied by three or more persons who live independently of each other, provided, that this definition shall not be construed to include any building or structure defined as a hotel in this act, or, registered as a hotel with the Commissioner of Community Affairs as hereinafter provided, or occupied or intended to be occupied exclusively as such; nor shall this definition be construed to include dwelling units of any mutual

housing corporation constructed under the Lanham Act (National Defense Housing) PL 849, 76th Congress, 54 Stat. 1125, 42 USC 1521 et seq., as amended, on or before June 1, 1941.

(l) The term "owner" shall mean the person who owns, purports to own, or exercises control of any hotel or multiple dwelling.

(m) The term "person" shall mean any individual, corporation, association, or other entity, as defined in R. S. 1:1-2.

(n) The term "continuing violation" shall mean any violation of this act or any regulation promulgated thereunder where notice is served within 2 years of the date of service of a previous notice and where violation, premise and person cited in both notices are substantially identical.

(o) The term "project" shall mean a group of buildings subject to the provisions of this act which are or are represented to be under common or substantially common ownership and which stand on a single parcel of land or parcels of land which are contiguous and which group of buildings is named, designated or advertised as a common entity. The contiguity of such parcels shall not be adversely affected by public rights-of-way incidental to such buildings.

(p) The term "mutual housing corporation" means a corporation not-for-profit incorporated under the laws of New Jersey on a mutual or cooperative basis within the scope of Section 607 of the Lanham Act (National Defense Housing) PL 849, 76th Congress, 54 Stat. 1125, 42 USC 1521 et seq., as amended, which acquired a National Defense Housing Project pursuant to said act.

2. This act shall take effect immediately.

Approved June 29, 1976.

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## CHAPTER 41

AN ACT to amend the "New Jersey State Health Benefits Program Act," approved June 3, 1961 (P. L. 1961, c. 49).

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

1. Section 5 of P. L. 1961, c. 49 (C. 52:14-17.29) is amended to read as follows:

**C. 52:14-17.29 Coverages.**

5. (A) The contract or contracts purchased by the commission pursuant to section 4 shall provide separate coverages or policies as follows:

- (1) Basic benefits which shall include:
  - (a) Hospital benefits, including outpatient;
  - (b) Surgical benefits;
  - (c) Inpatient medical benefits;
  - (d) Obstetrical benefits, in the case of family contracts; and
  - (e) Post-hospital services rendered by an extended care facility or by a home health agency and for specified medical care visits by a physician during an eligible period of such post-hospital services, to the extent and subject to the conditions and limitations agreed to by the commission and the carrier or carriers.

Basic benefits shall be substantially equivalent to those available on a group remittance basis to employees of the State and their dependents under the subscription contracts of the New Jersey "Blue Cross" and "Blue Shield" Plans. Such basic benefits shall include benefits for;

- (i) Additional days of inpatient medical service;
- (ii) Surgery elsewhere than in a hospital;
- (iii) X-ray, radioactive isotope therapy and pathology services;
- (iv) Physical therapy services;
- (v) Radium or radon therapy services;

and the extended basic benefits shall be subject to the same conditions and limitations, applicable to such benefits, as are set forth in "Extended Outpatient Hospital Benefits Rider," Form 1500, 71 (9-66), and in "Extended Benefit Rider" (as amended), Form MS 7050J (9-66) issued by the New Jersey "Blue Cross" and "Blue Shield" Plans, respectively, and as the same may be amended or superseded, subject to filing by the Commissioner of Insurance; and

- (2) Major medical expense benefits which shall provide benefit payments for reasonable and necessary eligible medical expenses for hospitalization, surgery, medical treatment and other related services and supplies to the extent they are not covered by basic benefits. The commission may, by regulation, determine what types of services and supplies shall be included as "eligible medical services" under the major medical expense benefits coverage as well as those which shall be excluded from or limited under such

coverage. Benefit payments for major medical expense benefits shall be equal to a percentage of the reasonable charges for eligible medical services incurred by a covered employee or an employee's covered dependent, during a calendar year as exceed a deductible for such calendar year of \$100.00 subject to the maximums hereinafter provided and to the other terms and conditions authorized by this act. The percentage shall be 80% of the first \$2,000.00 of charges for eligible medical services incurred subsequent to satisfaction of the deductible and 100% thereafter. There shall be a separate deductible for each calendar year for (a) each enrolled employee and (b) all enrolled dependents of such employee. Not more than \$25,000.00 shall be paid for major medical expense benefits with respect to any one person for any 1 calendar year and not more than \$100,000.00 shall be paid for such benefits with respect to any one person for the entire period of such person's coverage under the plan, whether continuous or interrupted except that these maximums may be reapplied to a covered person in amounts not to exceed \$2,000.00 a year. Maximums of \$10,000.00 per calendar year and \$20,000.00 for the entire period of the person's coverage under the plan shall apply to eligible expenses incurred because of mental illness or functional nervous disorders, and such may be reapplied to a covered person. For retired employees, the maximum lifetime benefit for each person shall be the unused balance of the lifetime maximum remaining while in active service or \$20,000.00, whichever is less, with a minimum benefit of \$5,000.00. Under the conditions agreed upon by the commission and the carriers as set forth in the contract, the deductible for a calendar year may be satisfied in whole or in part by eligible charges incurred during the last 3 months of the prior calendar year.

Any service determined by regulation of the commission to be an "eligible medical service" under the major medical expense benefits coverage which is performed by a duly licensed practicing psychologist within the lawful scope of his practice shall be recognized for reimbursement under the same conditions as would apply were such service performed by a physician.

(B) Benefits under the contract or contracts purchased as authorized by this act may be subject to such limitations, exclusions, or waiting periods as the commission finds to be necessary or desirable to avoid inequity, unnecessary utilization, duplication of services or benefits otherwise available, including coverage afforded

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under the laws of the United States, such as the Federal medicare program, or for other reasons.

(C) The rates charged for any contract purchased under the authority of this act shall reasonably and equitably reflect the cost of the benefits provided based on principles which in the judgment of the commission are actuarially sound. The rates charged shall be determined by the carrier on accepted group rating principles with due regard to the experience, both past and contemplated, under the contract. The commission shall have the right to particularize subgroups for experience purposes and rates. No increase in rates shall be retroactive.

(D) The initial term of any contract purchased by the commission under the authority of this act shall be for such period to which the commission and the carrier may agree, but permission may be made for automatic renewal in the absence of notice of termination by the State. Subsequent terms for which any contract may be renewed as herein provided shall each be limited to a period not to exceed 1 year.

(E) The contract shall contain a provision that if basic benefits of an employee or of an eligible dependent under the contract, after having been in effect for at least 1 month, is terminated, other than by voluntary cancellation of enrollment, there shall be a 31-day period following the effective date of termination during which such employee or dependent may exercise the option to convert, without evidence of good health, to left-group conversion coverage issued by the carrier on a direct payment basis. Such conversion coverage shall include benefits of the type classified as "basic benefits" in subsection (A) hereof. The provision shall further stipulate that the employee or dependent exercising the option to convert shall pay the full periodic charges for the left-group coverage which shall be subject to such terms and conditions as are normally prescribed by the carrier for this type of coverage.

(F) The commission may purchase a contract or contracts to provide drug prescription and other health care benefits or authorize the purchase of a contract or contracts to provide drug prescription and other health care benefits as may be required to implement a duly executed collective negotiations agreement or as may be required to implement a determination by a public employer to provide such benefit or benefits to employees not included in collective negotiations units.

2. This act shall take effect immediately.

Approved June 30, 1976.

## CHAPTER 42

Note: In approving the following act certain items, designated by \*, were deleted or reduced by the Governor. See Statement appended following the text of the act.

AN ACT making appropriations for the support of the State Government and the several public purposes for the fiscal year ending June 30, 1977 and regulating the disbursement thereof.

## ANTICIPATED RESOURCES FOR THE FISCAL YEAR 1976-77

*Surplus*

Estimated balance, July 1, 1976 . . . . .	\$50,220,787
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*Major Taxes*

Sales . . . . .	\$905,000,000
Motor Fuels . . . . .	288,000,000
Miscellaneous Corporation . . . . .	396,000,000
Insurance premiums . . . . .	56,000,000
Motor Vehicle fees . . . . .	223,158,455
Motor Fuel Use . . . . .	6,000,000
Cigarette . . . . .	168,000,000
Transfer Inheritance . . . . .	84,000,000
Alcoholic Beverage . . . . .	58,000,000
Pari-mutuel . . . . .	39,000,000
Public Utility . . . . .	50,000,000
Financial Business (State share) . . . . .	3,000,000
Savings institution . . . . .	2,800,000
Realty Transfer . . . . .	11,000,000
Unearned Income . . . . .	55,125,000
	<hr/>
Total, Major Taxes . . . . .	\$2,345,083,455

*Miscellaneous Taxes, Licenses and Other Revenues*

Department of Law and Public Safety:	
Motor Vehicle Security-Responsibility Law	
Administration . . . . .	\$2,464,238
Beverage licenses and fees . . . . .	3,014,500

Division of Consumer Affairs:	
General revenues .....	1,811,395
Professional Examining Board fees .....	2,640,889
Amusement Games Control fees .....	111,005
Bus Excise tax .....	254,934
Division of State Police .....	363,000
Racing Commission .....	200,000
Department of the Treasury:	
Public Utility Tax—Administration .....	120,000
Interest on Deposits—General Treasury .....	15,000
Investment Earnings .....	13,000,000
Escheats, Personal Property (14 years law) ...	125,000
Division of Tax Appeals—Fees .....	243,000
Escheat of Pension funds, subject to enabling legislation .....	900,000
Railroad Tax—Franchise .....	40,000
Railroad Tax—Class II .....	300,000
Department of State:	
General revenues—Fees .....	4,790,000
Uniform Commercial Code—Fees .....	703,500
Commissions .....	230,000
Department of Banking:	
Bank Assessments .....	490,000
Examining and other fees .....	2,320,800
New Jersey Cemetery Board .....	41,712
Department of Insurance:	
Real Estate Commission .....	1,551,400
Examining and other fees .....	2,891,665
Department of Agriculture:	
General fees .....	170,735
Milk Control licenses and fees .....	207,500
Fertilizer inspection and other fees .....	178,630
Department of Defense:	
Armory rentals .....	65,000
Department of Public Utilities:	
General revenues .....	5,055,901
Department of Health:	
General revenues—Licenses, fees .....	555,550
Rabies Control licenses .....	362,807
Drug Control fees .....	167,000
Department of Labor and Industry:	
General revenues—Licenses, fees .....	913,000

Second Injury Workmen's Compensation Insurance tax .....	657,550
Department of Environmental Protection:	
Recreation Boating—Motor Boat Numbering Act .....	894,164
Recreation Boating—Other fees .....	28,500
New Jersey Pilot Commissioners .....	40,400
Marinas .....	343,400
Marine Lands Management .....	450,000
Excess Water Diversion fees .....	250,000
Well drillers licenses and permits .....	35,200
Delaware and Raritan Canal rentals and sales ..	1,238,910
Sale of Water—Round Valley and Spruce Run ..	579,600
Air pollution fees .....	75,000
Water pollution fees .....	32,300
Radiation protection .....	528,000
State Sewerage Facilities Fund .....	125,000
Solid Waste Management fees .....	487,000
Shell Fisheries .....	189,855
Hunters' and Anglers' License Fund .....	3,435,443
Parks management .....	1,500,000
Forest management .....	43,514
Morris Canal Fund .....	48,000
Examination licensing program .....	120,000
Department of Education:	
State Board of Examiners fees .....	530,000
Marie H. Katzenbach School for the Deaf—Board and fees .....	5,000
Licensing fees—Miscellaneous .....	25,700
Department of Higher Education:	
Agricultural Experiment Station—Fees .....	10,000
Bond interest recoveries .....	360,472
Tuition—Regular .....	31,766,658
Extension and Public Service .....	3,758,175
Auxiliary services income .....	4,022,855
Other student fees .....	1,092,478
School of Conservation .....	391,000
Miscellaneous .....	185,263
Department of Transportation:	
Outdoor advertising .....	215,000
Division of Aeronautics .....	85,000
Miscellaneous receipts .....	281,000

Department of Institutions and Agencies:	
Board of patients, residents, other income .....	98,300,000
Adoption law fees .....	180,000
Division of Mental Retardation .....	2,150,000
Soldiers Home—Menlo Park .....	386,220
Soldiers Home—Vineland .....	422,418
Department of Community Affairs:	
Division of Local Government Services .....	70,000
Division of Housing and Urban Renewal .....	2,500,000
Department of the Public Advocate:	
Rate Counsel representation .....	80,000
Delaware River Joint Toll Bridge Commission:	
Pennsylvania share .....	431,878
The Judiciary:	
Court fees, general revenue .....	7,950,000
Inter-Departmental Accounts:	
Administration and investment of pension and social security funds .....	4,188,000
Pension contribution reimbursement from special funds .....	8,700,000
Social security contribution reimbursement from special funds .....	7,700,000
Health benefits contribution reimbursement from special funds .....	4,500,000
Public employer's contribution reimbursement ..	2,500,000
Reimbursement from Rutgers—Employer's share of employees' benefits .....	1,500,000
Rent of State building space .....	970,000
Judicial Retirement System reimbursements ...	1,950,000
Other fringe benefit reimbursement from special funds .....	230,000
Employee housing rentals .....	825,000
Miscellaneous sources .....	750,000
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Total Miscellaneous Taxes, Licenses and Other Revenue .....	\$246,412,114
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*Federal Aid*

Department of Defense:	
General .....	\$47,000
Civil Defense—Administration .....	375,000

Department of Labor and Industry:	
Rehabilitation Commission .....	13,648,555
Department of Environmental Protection:	
Division of Fish, Game and Shell Fisheries—	
Hunters' and Anglers' License Fund .....	427,000
Forest nursery, farm forestry, forest fires and	
pest control .....	367,600
Water pollution .....	882,000
Air pollution .....	1,965,000
Department of Higher Education:	
Montclair State College—Home economics pro-	
gram .....	15,000
Department of Institutions and Agencies:	
Division of Public Welfare and Central Office	
administration .....	4,129,000
Soldiers Home—Menlo Park .....	722,700
Soldiers Home—Vineland .....	744,600
Commission for the Blind (rehabilitation) .....	2,500,000
Medical Assistance—Administration .....	13,670,000
Division of Youth and Family Services—	
Child Welfare services .....	1,336,972
In lieu of dependent children assistance .....	13,800,886
Inter-Departmental Accounts:	
Indirect cost recovery .....	4,500,000
	<hr/>
Total Federal Aid .....	\$59,131,313

*Interfund Transfers*

1837 Surplus Revenue Fund .....	\$35,000
General Revenue Sharing Fund .....	67,780,333
General Revenue Sharing Fund—Earnings .....	160,331
Higher Education Buildings Construction Fund	
(Act of 1971) .....	915,000
Housing Assistance Fund .....	75,000
Motor Vehicle Security-Responsibility Fund .....	85,000
1964 Higher Education Construction Fund .....	7,500
Old Bond and Interest Trust Fund .....	3,699
Outstanding Checks Account .....	50,000
Public Buildings Construction Fund .....	1,300,000
School Fund .....	1,880,000
Special railroad deposits .....	900

State Disability Benefits Fund .....	5,391,775
State 1964 Institution Construction Fund .....	27,000
State Lottery Fund .....	67,000,000
State Lottery Fund—Administration .....	3,682,321
State Recreation and Conservation Land Acquisition Fund (Act of 1961) .....	30,000
State Recreation and Conservation Land Acquisition Fund (Act of 1974) .....	1,800,000
State Transportation Fund .....	3,025,000
State Water Development Fund .....	50,000
Transportation Benefit Fund .....	13,300,000
Transportation Fund .....	41,300,000
Unclaimed Bank Deposits Escheat Fund .....	180,000
Unclaimed Domestic Life Insurance Escheat Fund .....	175,000
Unclaimed Personal Property Trust Fund .....	600,000
Unemployment Compensation Auxiliary Fund .....	2,100,010
Unsatisfied Claim and Judgment Fund .....	394,555
Water Conservation Fund .....	2,000,000
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Total Interfund Transfers .....	\$213,348,424
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Total Anticipated Revenues .....	\$2,863,975,306
<i>Less: Reserve for Emergency Transportation Tax and Transportation Benefits Tax .....</i>	<i>54,600,000</i>
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Net Anticipated Revenues .....	\$2,809,375,306
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Total Resources .....	\$2,859,596,093
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BE IT ENACTED *by the Senate and General Assembly of the State of New Jersey:*

1. The appropriations herein made or so much thereof as may be necessary are hereby appropriated out of the General State Fund, or such other sources of funds specifically indicated or as may be applicable, for the respective public officers and spending agencies and for the several purposes herein specified for the fiscal year ending on June 30, 1977. Unless otherwise provided, the appropriations herein made shall be available during said fiscal year and for a period of 2 months thereafter for expenditures applicable to said fiscal year. Unless otherwise provided, at the expiration of said 2-month period, all unexpended balances shall lapse into the

State Treasury or to the credit of trust, dedicated or non-State funds as applicable, except those balances held by contracts on file as of June 30, 1977 with the Director of the Division of Budget and Accounting or held by encumbrance requests covering requisitions on file as of June 30, 1977 with the Director of the Division of Budget and Accounting, provided that contracts covering such requisitions are filed with the Director by August 31, 1977. Nothing in this section or in this act contained shall be construed to prohibit the payment due upon any contract made under any appropriation contained in any appropriation act of the previous year or years.

## LEGISLATIVE BRANCH

*Legislative Affairs**72100. Legislature*

72110-001. Senate .....	\$2,045,104
Sub-Total .....	<u>\$2,045,104</u>

## Salaries:

Senators (40) .....	( \$403,334)
Members' staff services .....	( 600,000)
Officers and employees .....	( 425,000)
Materials and Supplies .....	( 196,650)
Services Other Than Personal .....	( 399,000)
Maintenance of Property:	
Recurring .....	( 8,000)
Extraordinary:	
Compensation awards .....	( 3,120)
Additions and Improvements .....	( 10,000)
The unexpended balance as of June 30, 1976 in this account is hereby appropriated.	

72120-002. General Assembly .....	\$3,243,358
Sub-Total .....	<u>\$3,243,358</u>

## Salaries:

Assemblymen (80) .....	( \$803,334)
Members' staff services .....	( 1,200,000)
Officers and employees .....	( 425,000)
Materials and Supplies .....	( 232,200)
Services Other Than Personal .....	( 547,300)

Maintenance of Property:	
Recurring .....	( 9,700)
Extraordinary:	
Compensation awards .....	( 5,824)
Additions and Improvements .....	( 20,000)
The unexpended balance as of June 30, 1976 in this account is hereby appropriated.	
Total Appropriation, Legislature .....	\$5,288,462

Of the sum appropriated for the Senate and the General Assembly, a sum not to exceed \$16,500 may be used for additional expenses of the Election Law Revision Commission, subject to the approval of the Senate and General Assembly Ways and Means Committees.

*72200. Legislative Services*

72210-003. Legislative Services Agency .....	\$1,498,356*
Total Appropriation, Legislative Services Agency .....	\$1,498,356*

Salaries:

Officers and employees .....	( \$1,560,987)
Materials and Supplies .....	( 56,300)
Services Other Than Personal .....	( 66,900)
Maintenance of Property:	
Recurring .....	( 2,000)
Non-recurring and replacements .....	( 1,000)
Extraordinary:	
Computer Statutory Research .....	( 25,000)
Additions and Improvements .....	( 10,000)
The unexpended balance as of June 30, 1976 in this account is hereby appropriated.	

*72300. Office of Fiscal Affairs*

72310-004. Administrative Office of the Executive Director .....	\$278,468
72320-004. Division of State Auditing .....	1,106,732*
72330-004. Division of Budget Review .....	286,420*
72340-004. Division of Program Analysis .....	300,438*
Total Appropriation, Office of Fiscal Affairs .....	\$1,972,058

Salaries:

State Auditor .....	(	\$21,250)
Officers and employees .....	(	1,858,988)
Materials and Supplies .....	(	33,275)
Services Other Than Personal .....	(	111,862)

Maintenance of Property:

Recurring .....	(	4,325)
Non-recurring and replacements .....	(	600)

Extraordinary:

Special professional services .....	(	61,000)
Compensation awards .....	(	500)
Additions and Improvements .....	(	3,000)

72400. *Legislative Commissions*

72410-010. Intergovernmental Relations Commission .....	\$125,870
Sub-Total .....	\$125,870

Materials and Supplies .....	(	\$50)
Services Other Than Personal .....	(	4,130)

Extraordinary:

Council of State Governments .....	(	42,690)
National Conference of Commissioners on Uniform State Laws .....	(	11,500)
National Governors' Conference .....	(	27,710)
National Conference of State Legislatures .....	(	39,790)

The unexpended balance as of June 30, 1976 in this account in an amount not to exceed \$6,000 is hereby appropriated.

Of the amount hereinabove appropriated for the Intergovernmental Relations Commission an amount not to exceed \$6,000 may be used for revised dues assessments for the Council of State Governments and the National Governors Conference.

72410-011. Motor Vehicle Study Commission

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

72410-013. Joint Committee on the Public Schools .....	\$35,000
Sub-Total .....	\$35,000

Extraordinary:	
Expenses of Commission . . . . .	( \$35,000)
72410-018. State Commission of Investigation . . .	\$675,000
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Sub-Total . . . . .	\$675,000
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Extraordinary:	
Expenses of Commission . . . . .	( \$675,000)
The unexpended balance as of June 30, 1976 in this account is hereby appropriated.	
72410-021. Nursing Home Study Commission . . . .	\$55,000
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Sub-Total . . . . .	\$55,000
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Extraordinary:	
Expenses of Commission . . . . .	( \$55,000)
The unexpended balance as of June 30, 1976 in this account is hereby appropriated.	
72410-031. Family Court Study Commission	
The unexpended balance as of June 30, 1976 in this account is hereby appropriated.	
72410-039. County and Municipal Government Study Commission . . . . .	\$105,000
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Sub-Total . . . . .	\$105,000
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Extraordinary:	
Expenses of Commission . . . . .	( \$105,000)
The unexpended balance as of June 30, 1976 in this account is hereby appropriated.	
72410-048. Energy Crisis Study Commission	
The unexpended balance as of June 30, 1976 in this account is hereby appropriated.	
Total Appropriation, Legislative Commis- sions . . . . .	\$995,870
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Total Appropriation, Legislative Affairs . . .	\$9,754,746*
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## EXECUTIVE BRANCH

71100. *Chief Executive's Office*

71110-080. Executive Management .....		\$788,442
Total Appropriation, Chief Executive's Office .....		<u>\$788,442</u>
Salaries:		
Governor .....	( \$65,000)	
Secretary to the Governor .....	( 25,000)	
Officers and employees .....	( 502,292)	
Materials and Supplies .....	( 40,750)	
Services Other Than Personal .....	( 116,500)	
Maintenance of Property:		
Recurring .....	( 1,900)	
Non-recurring and replacements .....	( 2,000)	
Extraordinary:		
An allowance to the Governor of funds not otherwise appropriated, for official reception on behalf of the State, operation of an official residence and other expenses .....		
	( 35,000)	
The unexpended balance as of June 30, 1976 in this account is hereby appropriated.		

## DEPARTMENT OF LAW AND PUBLIC SAFETY

*Law Enforcement*11100. *Regulation of Motor Vehicles*

11110-140. Licensing and Registration .....		\$8,349,307
11120-140. Vehicle Control .....		9,947,961
11130-140. Driver Control and Enforcement .....		5,832,813
11140-141. Security Responsibility .....		2,465,738
11150-142. Unsatisfied Claim and Judgment Fund Board .....		262,030
11190-140. Administration and Support .....		1,489,825
Total Appropriation .....		<u>\$28,347,674</u>
Salaries:		
Officers and employees .....	(\$19,221,507)	
New positions .....	( 111,643)	

Materials and Supplies .....	( 2,290,331)
Services Other Than Personal .....	( 6,085,498)
Maintenance of Property:	
Recurring .....	( 47,350)
Non-recurring and replacements ...	( 157,390)
Extraordinary:	
Personalized license plate program (PL 1975, c. 180) .....	( 111,378)
Driver license restoration fee pro- gram (PL 1975, c. 180) .....	( 90,565)
For transfer to an applicant State department for the State share of the cost of highway safety proj- ects which qualify for no less than 50% matching by the Federal gov- ernment .....	( 100,000)
Compensation awards .....	( 57,080)
Additions and Improvements .....	( 74,932)

In addition to the amounts hereinabove specifically set forth, there are appropriated such sums as may be necessary to defray the cost of registering motor vehicles and licensing drivers (RS 39:3-3 and RS 39:10-25).

The amount appropriated to Security Responsibility for the cost of administering the Motor Vehicle Security Responsibility Law shall be payable from receipts received from mutual associations and stock companies writing motor vehicle liability insurance within the State (NJS 39:6-58) and any receipts in excess of the amount hereinabove specifically set forth are hereby appropriated to defray additional cost of administration of the Security Responsibility Program.

There are hereby appropriated out of the Unsatisfied Claim and Judgment Fund the amounts hereinabove set forth for administration of the Unsatisfied Claim and Judgment Fund, and such sums as may be necessary for the payment of claims (C39:6-67), and for such additional costs as may be required to implement PL 1968, c. 323.

Of the amount hereinabove appropriated for Vehicle control, a sum of \$7.1 million shall be financed out of the receipts derived from an additional \$1.50 charge made for the initial inspection of vehicles subject to inspection.

The unexpended balance in the For transfer to an applicant State department for the State share of the cost of highway safety projects account as of June 30, 1976 is hereby appropriated for such projects.

11200. *State Police*

11210-120. Patrol Activities and Crime Control . . . . .	\$23,702,469
11220-120. Police Services and Public Order . . . . .	7,231,197
11290-120. Administration and Support . . . . .	3,137,461*
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Total Appropriation . . . . .	\$34,071,127*
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Salaries:

Officers and employees . . . . .	(\$21,855,845)
Cash in lieu of maintenance . . . . .	( 3,627,754)
Positions established from lump sum appropriation . . . . .	( 827,031)
Materials and Supplies . . . . .	( 2,108,160)
Services Other Than Personal . . . . .	( 2,322,072)
Maintenance of Property:	
Recurring . . . . .	( 646,500)
Non-recurring and replacements . . . . .	( 1,501,210)
Extraordinary:	
Compensation awards . . . . .	( 120,000)
State Police Recruit Class . . . . .	( 1,100,000)
Additions and Improvements . . . . .	( 112,555)

In addition to the amounts hereinabove specifically appropriated to the Division of State Police, there are hereby appropriated to the respective State departments and agencies such sums as may be received or receivable from any instrumentality or public authority for direct and indirect costs of all State Police services furnished thereto, except as to such costs for which funds have been included in appropriations otherwise made to the respective State departments and agencies as the

Director of the Division of Budget and Accounting shall determine; provided, however, that payments from such instrumentalities or authorities for employer contributions to the State Police Retirement System shall not be appropriated and shall be paid into the General State Fund.

The Governor is hereby empowered to direct the State Treasurer after notice to the Subcommittee on Transfers of the Joint Appropriations Committee to transfer from any other State department to this Department such sums as may be necessary for the cost of any emergency occasioned by aggression, civil disturbance, sabotage or disaster.

11300. *Legal, Administrative and Support Services*

11310-110.	Legal Services .....	\$2,879,261
11320-105.	Criminal Justice .....	3,061,161
11330-105.	Police Training Commission .....	364,547
11340-105.	State Medical Examiner .....	443,172
11390-100.	Department Planning and Management .....	411,610
	<b>Total Appropriation .....</b>	<b>\$7,159,751</b>

Salaries:

Attorney General .....	( \$43,000)
Officers and employees .....	( 5,715,674)
Materials and Supplies .....	( 390,613)
Services Other Than Personal .....	( 740,594)

Maintenance of Property:

Recurring .....	( 18,930)
Non-recurring and replacements .....	( 33,700)

Extraordinary:

Amendment to State Grand Jury Act .....	( 200,000)
Compensation awards .....	( 6,240)
Additions and Improvements .....	( 11,000)

There are hereby appropriated out of the Veterans' Guaranteed Loan Fund (C38:23B-1) such sums as may be necessary to pay for the administration thereof.

The unexpended balance as of June 30, 1976, not to exceed \$2,000,000, in the revolving fund established under the New Jersey Antitrust Act (C56:9-1 et seq.) is hereby appropriated for the administration of the Act; provided, however, that any expenditures therefrom shall be subject to the approval of the Director of the Division of Budget and Accounting.

There are hereby appropriated as a revolving fund the receipts derived from services rendered by Systems and Communications, and the unexpended balance of such receipts as of June 30, 1976, for the purpose of operating the revolving fund, including the replacement of data processing equipment and the purchase of additional data processing equipment.

The Director of the Division of Budget and Accounting is hereby empowered to transfer or credit to the Systems and Communications revolving fund from the various appropriations made to departments for data processing costs which are appropriated or allocated to such departments for their share of such costs.

11400. *Protection of Individual Rights*

11410-160. Consumer Affairs—General .....	\$1,999,190
11420-160. Consumer Affairs—Professional Boards .....	1,879,596
11430-115. Civil Rights .....	1,153,301
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Total Appropriation .....	\$5,032,087
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Salaries:

Officers and employees .....	( \$2,409,446)
Materials and Supplies .....	( 72,998)
Services Other Than Personal .....	( 608,749)
Maintenance of Property:	
Recurring .....	( 16,000)
Non-recurring and replacements ..	( 3,500)
Extraordinary:	
State Board of Certified Public Ac- countants .....	( 105,495)

State Board of Architects . . . . .	( 82,666)
State Board of Dentistry . . . . .	( 49,983)
State Board of Mortuary Science . .	( 53,404)
State Board of Professional Engi- neers and Land Surveyors . . . . .	( 124,068)
State Board of Medical Examiners .	( 146,699)
State Board of Nursing . . . . .	( 373,764)
State Board of Optometrists . . . . .	( 35,272)
State Board of Pharmacy . . . . .	( 110,370)
State Board of Veterinary Medical Examiners . . . . .	( 16,705)
State Board of Shorthand Reporting	( 6,415)
State Board of Examiners of Oph- thalmic Dispensers and Ophthal- mic Technicians . . . . .	( 20,165)
State Board of Beauty Culture Con- trol . . . . .	( 145,750)
State Board of Professional Plan- ners . . . . .	( 35,544)
State Board of Examiners of Elec- trical Contractors . . . . .	( 78,988)
State Board of Psychological Ex- aminers . . . . .	( 26,890)
State Board of Examiners of Master Plumbers . . . . .	( 70,167)
State Board of Marriage Counselor Examiners . . . . .	( 7,294)
State Board of Barber Examiners .	( 77,289)
Private Employment Agencies Sec- tion . . . . .	( 73,093)
Legalized Games of Chance Control Commission . . . . .	( 191,595)
Office of State Athletic Commis- sioner . . . . .	( 48,693)
Compensation awards . . . . .	( 16,785)
Additions and Improvements . . . . .	( 24,300)

Receipts derived from the assessment and recovery of costs of hearings conducted pursuant to the Consumer Fraud Act are hereby appropriated for such purpose.

Of the sum provided herein for the office of the State Athletic Commissioner, the annual salary of the Commissioner shall not exceed \$7,500.

The amount hereinabove appropriated to each of the several State professional boards shall be payable out of the receipts of such boards and any receipts in excess of the amount specifically anticipated from each of said boards are hereby appropriated; provided, however, that the appropriation of excess receipts shall not apply to the State Board of Beauty Culture Control and to the State Board of Barber Examiners.

11600. *Miscellaneous Law Enforcement and Related Agencies*

11610-185. Election Law Enforcement .....	\$1,082,026
11620-190. Law Enforcement Planning .....	1,406,360
11630-186. Violent Crimes Compensation .....	1,063,354
11640-187. Executive Commission on Ethical Standards .....	83,007
Total Appropriation .....	<u>\$3,634,747</u>

Salaries:

Officers and employees .....	( \$340,624)
Positions established from lump sum appropriation .....	( 55,482)
Materials and Supplies .....	( 26,700)
Services Other Than Personal .....	( 116,263)
Maintenance of Property:	
Recurring .....	( 650)
Extraordinary:	
Public financing of gubernatorial general elections (PL 1974, c. 26) .	( 786,668)

For transfer to an applicant State department with the approval of the Director, Division of Budget and Accounting, for the State share of State Law Enforcement Planning Agency programs for which matching Federal funds are approved:

Discretionary grants .....	( 444,500)
Grant for administration of SLEPA .....	( 150,266)
Juvenile justice grant .....	( 55,000)
Action grants (Part C) .....	( 531,594)
Correctional assistance grants (Part E) .....	( 225,000)
Claims—Victims of violent crimes	( 901,000)
Additions and Improvements .....	( 1,000)

The unexpended balance as of June 30, 1976, in the Discretionary Grants account, not to exceed \$300,000, is hereby appropriated.

The unexpended balance as of June 30, 1976, in the Action Grants (Part C) account, in excess of \$500,000, is hereby appropriated.

The sum hereinabove for Claims—Victims of violent crimes, shall be available for the payment of awards applicable to claims filed in prior fiscal years.

*Regulation of Industry*

14800. *Regulation of Other Industries*

14810-130. Alcoholic Beverage Control .....	\$2,056,529
14820-155. Racing Commission .....	791,432
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Total Appropriation .....	\$2,847,961
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Salaries:

Officers and employees .....	( \$2,520,611)
Materials and Supplies .....	( 41,230)
Services Other Than Personal .....	( 263,540)

Maintenance of Property:

Recurring .....	( 5,300)
Non-recurring and replacements ...	( 12,280)

Extraordinary:

Compensation awards .....	( 5,000)
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Of the amount appropriated hereinabove for Alcoholic Beverage Control, the sum of \$1,400,000 is contingent upon the enactment of liquor fee increases in an amount not less than \$900,000.

The New Jersey Racing Commission is hereby authorized to bill the New Jersey Sports and Exposition Authority for costs incurred by the Commission for supervising track operations of the Authority.

Receipts from the Race Track Admission Tax (PL 1974, c. 181), and the unexpended balance of such receipts as of June 30, 1976 are hereby appropriated for use as provided by law.

Total Appropriation, Department of Law and Public Safety .....	\$81,093,347*
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DEPARTMENT OF THE TREASURY

*Executive Management, Planning and Control*

71200. *Central Management, Planning and Control*

71210-220. Budget Planning and Control .....	\$1,345,571
71220-220. Accounting and Fiscal Management ..	3,807,539
71230-225. Management of Data Processing and Telecommunications .....	728,531
71240-212. Employee Relations and Collective Negotiations .....	277,452
71250-211. Economic Planning and Research ....	100,000
71260-290. Management of State Investments ...	794,237
71270-295. Management of Employee Benefits Programs .....	3,726,666
71280-220. Capital Planning .....	60,000
Total Appropriation .....	<u>\$10,839,996</u>

Salaries:

Officers and employees .....	( \$6,812,253)
New positions .....	( 127,044)
Materials and Supplies .....	( 301,750)
Services Other Than Personal .....	( 3,459,312)
Maintenance of Property:	
Recurring .....	( 32,425)
Non-recurring and replacements ..	( 29,527)
Extraordinary:	
Capital Planning .....	( 60,000)
Additions and Improvements .....	( 17,685)

There are hereby appropriated, out of revenues derived from escheated property under the various escheat acts, such sums as may be necessary to administer such acts and such sums as may be required for refunds.

Such sums as may be necessary for administrative expenses incurred by the Unemployment Benefits Section in processing Federal benefit payments are hereby appropriated from such sums as may be received or receivable for this purpose.

Such sums as may be necessary for payment of expenses incurred by issuing officials appointed under the several bond acts of the State are hereby appropriated for the purposes and from the sources defined in said acts.

Such sums as may be necessary for payment of interest due from the issuance of any bonds authorized under the several bond acts of the State, are hereby appropriated and first shall be charged to the earnings of the investment of such bond proceeds.

There are hereby appropriated, out of receipts derived from the investment of State funds, such sums as may be necessary for custodial costs, mortgage servicing fees and advertising bank balances (C52:18-16.1).

71300. *Tax and Revenue Administration*

71310-240. Tax Collection and Enforcement Services .....	\$9,103,599
71320-240. Tax Audit Services .....	5,798,008
71330-250. Administration of State Lottery .....	3,606,196
71380-260. Adjudication of Tax Appeals .....	366,627
71390-240. Administration and General Support .....	5,210,991
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Total Appropriation .....	\$24,085,421
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Salaries:

Judges (6 @ \$17,000) .....	( \$102,000)
Officers and employees .....	( 17,477,815)
New positions .....	( 634,699)

Materials and Supplies .....	( 1,015,700)
Services Other Than Personal .....	( 4,583,707)
Maintenance of Property:	
Recurring .....	( 33,500)
Non-recurring and replacements .....	( 25,000)
Extraordinary:	
Motor vehicle agent fees .....	( 110,000)
Compensation awards .....	( 20,000)
Additions and Improvements .....	( 83,000)

Upon certification of the Director of the Division of Taxation, the State Treasurer shall pay upon warrants of the Director of the Division of Budget and Accounting, such claims for refund as may be necessary under the provisions of Title 54, as amended and supplemented.

So much of the receipts derived from the sale of confiscated equipment, materials and supplies under the Cigarette Tax Act as may be necessary for confiscation, storage, disposal, and other related expenses thereof are hereby appropriated.

Any appropriation herein or heretofore made for administration of the Emergency Transportation Tax Act (C54:8A-1 et seq.) and the Transportation Benefits Tax Act (C54:8A-58 et seq.) first shall be charged to the Transportation Fund or the Transportation Benefit Fund, respectively, established in said acts and, in addition thereto, such sums as may be necessary for additional expenses of administration of said acts are hereby appropriated from the receipts thereof.

There are hereby appropriated out of the State Lottery Fund the amounts hereinabove set forth for Administration of State Lottery, and such sums as may be necessary for such additional costs as may be required to implement C5:9-1 et seq.

In addition to the amounts hereinabove set forth, there are hereby appropriated from the State Lottery Fund such sums as may be necessary for payment of commissions and prizes (C5:9-7).

*Centrally Financed Facilities and Services*78100. *Central Support Services*

78110-230. Purchasing and Inventory Management .....	\$1,582,172
78120-230. Physical Plant Operation and Maintenance .....	4,659,147
78130-230. Other Property Management Services .....	397,891
78170-235. Construction Management Services .....	2,117,209
Total Appropriation .....	<u>\$8,756,419</u>

## Salaries:

Officers and employees .....	( \$6,008,505)
Materials and Supplies .....	( 1,693,550)
Services Other Than Personal .....	( 724,251)
Maintenance of Property:	
Recurring .....	( 209,000)
Non-recurring and replacements .....	( 59,828)
Additions and Improvements .....	( 61,285)

The Director of the Division of Budget and Accounting is hereby empowered to transfer or credit to the Construction Management Services program element, from appropriations for construction and improvements, a sufficient sum to pay for the cost of architectural work, superintendence and other expert services in connection with such work.

78110-230-300. *State Purchase Fund*

The unexpended balance in the State Purchase Fund as of June 30, 1976 and the reimbursements thereto, are hereby appropriated for the purpose of making payments for purchases pursuant to the purchase act (RS 52:25-1 et seq.), and for the expenses of handling, storing and transporting purchases so made and for administration of the Distribution Center.

78140-220-300. *Data Processing Services*

There are hereby appropriated as a revolving fund the receipts derived from services rendered by the Bureau of Data Processing, and the un-

**New Jersey State Library**

expended balance of such receipts as of June 30, 1976, for the purpose of operating the revolving fund, including the replacement of data processing equipment and the purchase of additional data processing equipment.

The Director of the Division of Budget and Accounting is hereby empowered to transfer or credit to the Bureau of Data Processing revolving fund from the various appropriations made to departments for data processing costs which are appropriated or allocated to such departments for their share of such costs.

78150-210-303. *Central Vehicle Fleet Management*

There are hereby appropriated as a revolving fund the receipts derived from services rendered by a central motor pool, and the unexpended balance of such receipts as of June 30, 1976, for the purpose of operating such a motor pool, including the replacement of motor vehicles and the purchase of additional motor vehicles.

*Management and General Support*

79100. *Department Management and General Support*

79110-210. Management Services .....	\$866,560
79130-210. Federal Liaison Office .....	100,000
Total Appropriation .....	<u>\$966,560</u>

Salaries:

State Treasurer .....	( \$43,000)
Officers and employees .....	( 600,721)
Materials and Supplies .....	( 21,700)
Services Other Than Personal .....	( 96,139)

Maintenance of Property:

Recurring .....	( 2,000)
Non-recurring and replacements ...	( 3,000)

Extraordinary:

Federal Liaison Office—Washington, D.C. ....	( 100,000)
Statewide Affirmative Action Program .....	( 100,000)

79120-210-301. *Print Shop*

The unexpended balance as of June 30, 1976 in the Print Shop revolving fund, heretofore established, and any receipts therefrom are hereby appropriated for the several purposes thereof.

The Director of the Division of Budget and Accounting is hereby empowered to transfer or credit to the Print Shop revolving fund from any appropriation made to any department for printing costs appropriated or allocated to such departments for its share of costs of the Print Shop.

79120-210-302. *Microfilm Section*

The unexpended balances as of June 30, 1976 in the Microfilm Section revolving fund, heretofore established, and any receipts therefrom are hereby appropriated for the several purposes thereof.

The Director of the Division of Budget and Accounting is hereby empowered to transfer or credit to the Microfilm Section revolving fund from any appropriation made to any department for microfilming costs appropriated or allocated to such departments for its share of costs of the Microfilm Section.

79120-233, 234-400. *State Cafeterias*

The unexpended balances in the State Cafeteria accounts as of June 30, 1976, and the receipts obtained from cafeteria operations, are hereby appropriated for the improvement and extension of cafeteria services and facilities (C52:18A-19.6).

Total Appropriation, Department of the  
Treasury .....

\$44,648,396

## DEPARTMENT OF STATE

*Direct Public Services*34600. *Development of Arts and Culture\**

34610-300. Development Support .....	\$774,374
<b>Total Appropriation .....</b>	<b>\$774,374</b>

## Salaries:

Officers and employees ..... ( \$48,269)

Materials and Supplies ..... ( 2,050)

Services Other Than Personal ..... ( 14,355)

## Maintenance of Property:

Recurring ..... ( 200)

Non-recurring and replacements ... ( 500)

## Extraordinary:

Cultural projects ..... ( 709,000)

The unexpended balance as of June 30, 1976 in the account Cultural projects is hereby appropriated.

Of the sum appropriated for Cultural projects, a sum not to exceed \$25,000 may be used for additional administrative expenses.

*Executive Management Planning and Control*71600. *Recording, Filing and Control of Documents and**Administrative Procedures*

71610-300. Recording and Filing of Documents ..	\$1,486,260
71620-300. Codification and Publication of Administrative Procedures .....	271,480
<b>Total Appropriation .....</b>	<b>\$1,757,740</b>

## Salaries:

Secretary of State ..... ( \$43,000)

Officers and employees ..... ( 1,030,899)

Materials and Supplies ..... ( 111,350)

Services Other Than Personal ..... ( 340,391)

## Maintenance of Property:

Recurring ..... ( 4,600)

Non-recurring and replacements ... ( 4,000)

## Extraordinary:

Voter Registration Act (PL 1974, c. 51) .....	( 115,000)
Door to door canvassing (PL 1974, c. 51) .....	( 100,000)
Implement Voter Declaration Act ..	( 5,000)
Additions and Improvements .....	( 3,500)

The unexpended balance in the Examination of voting machines receipts control account as of June 30, 1976, and any additional receipts derived from the examination of voting machines by the Secretary of State, shall be appropriated for the costs of making such examinations.

The unexpended balance as of June 30, 1976 in the Publications preparation account, and any additional receipts derived from the sale of publications by the Division of Administrative Procedure, shall be appropriated for the printing and distribution of such publications.

Total Appropriation, Department of State ..	\$2,532,114
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## DEPARTMENT OF CIVIL SERVICE

*Personnel Management*75500. *Merit System Administration*

75510-310. Personnel Policy Development and General Administration .....	\$1,324,244
75520-310. Recruitment and Selection .....	1,985,048
75530-310. Organization Management and Em- ployee Development .....	2,388,518
Total Appropriation .....	\$5,697,810

## Salaries:

President .....	( \$41,000)
Commissioners (4 @ \$10,500) .....	( 42,000)
Officers and employees .....	( 4,200,188)
Positions established from lump sum appropriation .....	( 50,675)
New positions .....	( 45,325)
Materials and Supplies .....	( 235,893)
Services Other Than Personal .....	( 1,048,229)

Maintenance of Property:		
Recurring .....	(	9,000)
Non-recurring and replacements ...	(	13,500)
Extraordinary:		
Compensation awards .....	(	2,000)
Additions and Improvements .....	(	10,000)
Total Appropriation, Department of Civil Service .....		\$5,697,810

## DEPARTMENT OF BANKING

*Regulation of Industry*14100. *Regulation of Financial Institutions*

14110-320. Regulation of Banking Industry .....	\$1,613,164
14120-320. Regulation of Savings and Loan Associations .....	709,524
14190-320. Management and General Support ...	330,048
Total Appropriation .....	\$2,652,736

## Salaries:

Commissioner .....	(	\$41,000)
Officers and employees .....	(	1,828,499)
Positions established from lump sum appropriation .....	(	282,182)
Materials and Supplies .....	(	36,860)
Services Other Than Personal .....	(	413,281)
Maintenance of Property:		
Recurring .....	(	3,965)
Non-recurring and replacements ..	(	1,633)
Extraordinary:		
New Jersey Cemetery Board .....	(	41,712)
Compensation awards .....	(	2,500)
Additions and Improvements .....	(	1,104)

Receipts in excess of \$490,000, derived from assessments made pursuant to NJAC 3:1-6.1 et seq., by authority of NJSA 17:1-8, are hereby appropriated.

The amount appropriated to the New Jersey Cemetery Board shall be payable out of the receipts of the Board, and any receipts in excess of that amount are hereby appropriated for its use.

The unexpended balance as of June 30, 1976 in the New Jersey Cemetery Board account is hereby appropriated for the same purpose.

Total Appropriation, Department of Banking \$2,652,736

## DEPARTMENT OF INSURANCE

*Regulation of Industry*14200. *Regulation of the Insurance and Real Estate Industries*

14210-325. Licensing and Enforcement .....	\$1,009,865
14220-325. Actuarial Services .....	775,443
14230-325. Regulation of Real Estate Industry...	484,995
14290-325. Management and General Support ....	799,320
Total Appropriation .....	<u>\$3,069,623</u>

## Salaries:

Commissioner .....	( \$41,000)
Real Estate Commissioners (6 @ \$5,000) .....	( 30,000)
Officers and employees .....	( 2,532,241)
New positions .....	( 71,568)
Materials and Supplies .....	( 76,662)
Services Other Than Personal .....	( 300,950)
Maintenance of Property:	
Recurring .....	( 4,786)
Non-recurring and replacements ...	( 2,800)
Extraordinary:	
Compensation awards .....	( 7,376)
Additions and Improvements .....	( 2,240)

A sum not to exceed \$250,000 is hereby appropriated from receipts to defray the expenses of the Committee on Valuation of Securities of the National Association of Insurance Commissioners (C17:24-13).

Any receipts representing reimbursement of costs incurred by the Department of Insurance, acting as receiver for insolvent insurance companies are hereby appropriated.

Total Appropriation, Department of Insurance \$3,069,623

## DEPARTMENT OF AGRICULTURE

*Environmental Management*41100. *Disease Control and Agricultural Development Services*

41110-330. Animal Disease Control .....	\$422,441
41120-330. Plant Pest and Disease Control .....	964,715
41130-330. Resource Development Services .....	437,824*
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Total Appropriation .....	\$1,824,980*
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## Salaries:

Officers and employees .....	( \$1,305,716)
Positions transferred from another subcategory .....	( 25,912)
Materials and Supplies .....	( 131,170)
Services Other Than Personal .....	( 204,222)
Maintenance of Property:	
Recurring .....	( 2,210)
Non-recurring and replacements ...	( 1,750)
Extraordinary:	
Grants to Soil Conservation districts .....	( 108,000)
Gypsy Moth Control .....	( 60,000)
Additions and Improvements .....	( 1,000)

The unexpended balances as of June 30, 1976 in the  
Extraordinary accounts are hereby appropriated  
for the same purposes.

*Development and Regulation of Industry*51300. *Agricultural Trade Regulation and Marketing Services*

51320-330. Dairy Industry Regulation .....	\$359,989
51330-330. Other Commodity Regulation .....	503,957
51340-330. Marketing Services .....	321,115
51350-330. Commodity Distribution .....	837,388
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Sub-Total .....	\$2,022,449
<i>Less:</i>	
<i>Receipts from recipient agencies</i> .....	838,248
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Total Appropriation .....	\$1,184,201
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Salaries:

Officers and employees .....	( \$1,127,176)
Position transferred from another subcategory .....	( 11,796)
Materials and Supplies .....	( 20,375)
Services Other Than Personal .....	( 851,267)
Maintenance of Property:	
Recurring .....	( 5,250)
Non-recurring and replacements ...	( 5,585)
Additions and Improvements .....	( 1,000)
<i>Less:</i>	
<i>Receipts from charges to recipient agencies .....</i>	<i>( 838,248)</i>

The cost of operating fruit and vegetable inspection shall be paid from inspection fees which shall be derived therefrom and the unexpended balances as of June 30, 1976, and receipts derived from the operation of the fruit and vegetable program, are hereby appropriated for program costs.

The unexpended balances as of June 30, 1976 of receipts derived pursuant to the provisions of Poultry Products Promotion Council (C54:47A-1), White Potato Industry Promotion Council (C54:47B-1), Asparagus Industry Promotion Council (C54:47C-1), Apple Industry Promotion Council (C54:47D-1), Sweet Potato Commission (C54:47E-1), and New Jersey Horsebreeding and Development (C5:5-22 et seq.), and such receipts collected, are hereby appropriated.

The receipts derived from the distribution of commodities, sale of containers and salvage of commodities, in accordance with applicable Federal regulations, the unexpended balance of such receipts as of June 30, 1976 and are hereby appropriated for expenses of Commodity Distribution.

*Management and General Support*

79100. *Department Management and Support*

79110-330. Management Services .....	\$657,094
Total Appropriation .....	<u>\$657,094</u>

<b>Salaries:</b>	
Secretary .....	( \$41,000)
Officers and employees .....	( 440,919)
Positions transferred from another subcategory .....	( 32,843)
Materials and Supplies .....	( 20,680)
Services Other Than Personal .....	( 107,449)
<b>Maintenance of Property:</b>	
Recurring .....	( 7,000)
Non-recurring and replacements ..	( 1,703)
<b>Extraordinary:</b>	
Expenses of State Board of Agri- culture .....	( 5,500)
Total Appropriation, Department of Agriculture .....	\$3,666,275*

## DEPARTMENT OF DEFENSE

*Protection Against Natural and Man-Made Hazards*13100. *National Guard*

13110-340. National Guard Training, Operations and Administration .....	\$1,421,318
13120-340. Management of National Guard In- stallations .....	2,748,343
13130-340. Civil Defense Operations and Admini- stration .....	750,000
13140-340. Management of Joint Training Center	647,564
Total Appropriation .....	\$5,567,225

<b>Salaries:</b>	
Chief of Staff .....	( \$38,400)
Officers and employees .....	( 3,601,771)
Materials and Supplies .....	( 993,998)
Services Other Than Personal .....	( 402,337)
<b>Maintenance of Property:</b>	
Recurring .....	( 147,000)
Non-recurring and replacements ..	( 253,425)
<b>Extraordinary:</b>	
Compensation awards .....	( 70,094)
Emergency operating center .....	( 800)

Hammonton Training School . . . . .	(	4,000)
Disaster Relief . . . . .	(	50,000)
Additions and Improvements . . . . .	(	5,400)

Of the \$750,000 hereinabove appropriated for Civil Defense Operations and Administration, the amount of \$50,000 is hereby appropriated out of the receipts of the State Agency for Federal Surplus Property from service charges made to recipient agencies, in accordance with applicable regulations, to defray the costs of administration of the Federal Surplus Property Distribution Program, and any receipts from such charges in excess of \$50,000 are hereby appropriated to defray additional costs of administration of the aforesaid program.

Receipts derived from rental of armories to municipalities for youth and school activities are hereby appropriated for costs of operation thereof.

Armory rental revenues representing the cost of overtime salary payments for armorers are hereby appropriated for the payment of such overtime.

Receipts from local school districts for the Governor's youth program are hereby appropriated for the same purpose.

Such sums as may be necessary to carry out the provisions of C. App. A :9-57.1 et seq. are hereby appropriated from the Special Fund for Civil Defense Volunteers.

The Governor is hereby empowered to direct the State Treasurer after notice to the Subcommittee on Transfers of the Joint Appropriations Committee to transfer from any State department to any other department such sums as may be necessary for the cost of any emergency occasioned by aggression, civil disturbance, sabotage or disaster.

The unexpended balance as of June 30, 1976, in the Mess Hall, Sea Girt revolving fund, and the receipts derived from the sale of meals, are hereby

appropriated for operating costs of the Sea Girt mess hall.

Total Appropriation, Department of Defense \$5,567,225

DEPARTMENT OF PUBLIC UTILITIES

*Regulation of Industry*

14300. *Regulation of Public Utilities*

14310-350.	Economic Regulation .....	\$822,167
14320-350.	Service Adequacy and Safety .....	1,508,040
14340-350.	State Energy Office .....	166,534
14390-350.	Management and General Support .....	1,471,673
	Total Appropriation .....	<u>\$3,968,414</u>

Salaries:

President .....	( \$43,000)
Commissioners (2 @ \$41,000) .....	( 82,000)
Officers and employees .....	( 2,667,685)
Positions established from lump sum appropriation .....	( 430,864)
Materials and Supplies .....	( 52,770)
Services Other Than Personal .....	( 360,471)
Maintenance of Property:	
Recurring .....	( 4,000)
Non-recurring and replacements .....	( 1,000)
Extraordinary:	
Office of Cable Television .....	( 216,723)
For the expansion and improvement of the Department's ability to make audits of utility companies .....	( 105,901)
Additions and Improvements .....	( 4,000)

There are hereby appropriated such other sums as may be appropriated on behalf of this Department or as may be applicable thereto as the Director of the Division of Budget and Accounting shall determine in order to comply with the purposes of C48:2-59 et seq. and C48:5A-32 et seq. or other applicable statutes with respect to assessment of public utilities or to assessment of the cable television industry.

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

*Education and Intellectual Development*34500. *Public Broadcasting*

34510-352. Public Broadcasting Authority .....	\$3,000,000
34520-352. Debt Service .....	356,891
Total Appropriation .....	<u>\$3,356,891</u>

## Extraordinary:

To provide public television broadcasting services ..... ( \$3,000,000)

Interest on Public Building Construction Bonds (PL 1968, c. 128)..... ( 356,891)

The unexpended balance as of June 30, 1976 in the revolving fund for the purpose of printing and purchasing publications and materials for sale, and the receipts derived from such sales, are hereby appropriated.

The unexpended balance as of June 30, 1976 in the Tower rental account, and the receipts derived from the leasing of space on transmitter towers, are hereby appropriated for the maintenance of such towers and transmission equipment or facilities.

The unexpended balance as of June 30, 1976 and receipts derived from the rental of studio or production facilities to non-profit organizations, are hereby appropriated.

The unexpended balance, not to exceed \$500,000, as of June 30, 1976 in this account is hereby appropriated.

Total Appropriation, Department of Public Utilities .....	<u>\$7,325,305</u>
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## DEPARTMENT OF HEALTH

*Personal Health*22100. *Chronic Illness*

22120-360. Chronic Renal Disease .....	\$779,529
22130-360. Other Chronic Diseases .....	848,301
Total Appropriation .....	<u>\$1,627,830</u>

## Salaries:

Officers and employees .....	( \$42,376)
Positions established from lump sum appropriation .....	( 26,979)
Materials and Supplies .....	( 2,025)
Services Other Than Personal .....	( 1,556,450)

The unexpended balance as of June 30, 1976 in the revolving fund, created for the purpose of printing and reprinting literature, codes and manuals for sale, and receipts derived from such sales, are hereby appropriated.

22200. *Parental and Child Health*

22210-360. Parental and Child Health Services . . .	\$1,883,406
<b>Total Appropriation .....</b>	<b>\$1,883,406</b>

## Salaries:

Officers and employees .....	( \$94,331)
Materials and Supplies .....	( 4,050)
Services Other Than Personal .....	( 1,785,025)

The unexpended balance, not to exceed \$40,000, as of June 30, 1976, in the Testing for specific hereditary diseases account is hereby appropriated for hereditary disease counseling.

The appropriation for the Hospitalization and convalescent care of crippled children shall be available for the payment of obligations applicable to prior fiscal years.

22300. *Communicable Diseases*

22310-360. Tuberculosis Control .....	\$1,222,575
22320-360. Venereal Disease Control .....	289,919
22330-360. Other Communicable Diseases Control	496,713
<b>Total Appropriation .....</b>	<b>\$2,009,207</b>

## Salaries:

Officers and employees .....	( \$587,505)
Positions established from lump sum appropriation .....	( 33,745)

Materials and Supplies ..... ( 564,775)  
 Services Other Than Personal ..... ( 763,182)  
 Extraordinary:  
   Tuberculosis services ..... ( 20,000)  
   Venereal disease clinics ..... ( 40,000)

The unexpended balance as of June 30, 1976 in the account Tuberculosis control is hereby appropriated.

The appropriation for inpatient medical services for tuberculosis patients shall be available for the payment of obligations applicable to prior fiscal years.

23100. *Health Care Facilities Administration*

23110-360. Health Care Facilities Administration .....	\$1,718,925
23120-360. Clinical Laboratory Improvement .....	230,298
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Total Appropriation .....	\$1,949,223
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Salaries:

Officers and employees ..... ( \$1,231,578)  
 Positions transferred from other  
   subcategories ..... ( 76,568)  
 Materials and Supplies ..... ( 34,248)  
 Services Other Than Personal ..... ( 116,829)  
 Extraordinary:  
   State support of areawide planning  
     agencies ..... ( 40,000)  
   Uniform health manpower registry .. ( 60,000)  
   Nursing home rate setting system .. ( 300,000)  
   Clinical laboratory improvement .. ( 90,000)

The unexpended balance as of June 30, 1976 in the revolving fund created for the purpose of providing management information to health agencies, and receipts derived from the sale of this management information, are hereby appropriated for the same purpose.

The Commissioner of Health shall establish fees for the licensing of clinical laboratories and the receipts derived from such fees shall be appropriated for the same purpose.

23200. *Local Health Services*

23210-360. Local Health Services .....	\$1,001,073
23220-360. Rabies Control .....	362,430
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Total Appropriation .....	\$1,363,503
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## Salaries:

Officers and employees .....	( \$402,894)
Positions established from lump sum appropriation .....	( 6,521)
Positions transferred from other subcategories .....	( 107,137)
Materials and Supplies .....	( 180,393)
Services Other Than Personal .....	( 73,058)
Maintenance of Property:	
Recurring .....	( 500)
Extraordinary:	
Health services for migrant workers	( 53,500)
Pilot training programs for mobile intensive care paramedics .....	( 177,000)
Planning and development of urban health services .....	( 334,000)
Homemaker services .....	( 28,500)

The amount hereinabove included for Rabies Control is hereby appropriated out of the Rabies Control Fund and the amount remaining therein is hereby appropriated for additional costs of operation.

23300. *Alcohol, Narcotics and Drug Abuse Control*

23310-360. Narcotics Education, Treatment and Rehabilitation .....	\$4,293,409
23320-360. Residential Treatment Programs .....	321,715
23340-360. Alcoholism Control .....	158,435
23350-360. Interest on Public Building Construc- tion Bonds .....	285,579
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Total Appropriation .....	\$5,059,138
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Salaries :

Officers and employees .....	( \$2,073,463)
Positions established from lump sum appropriation .....	( 341,956)
Food in lieu of cash .....	( 162)
Materials and Supplies .....	( 175,393)
Services Other Than Personal .....	( 411,785)
Maintenance of Property:	
Recurring .....	( 2,800)
Extraordinary:	
Community drug programs (State share) .....	( 933,000)
Drug addiction treatment, College of Medicine and Dentistry of New Jersey, Newark .....	( 175,000)
Statewide addiction service inpatient unit .....	( 550,000)
Outpatient alcoholism clinics .....	( 110,000)
Bond interest .....	( 285,579)

The amount provided herein for the State methadone maintenance programs shall be reduced, as the Director of the Division of Budget and Accounting shall determine, by the amount of Federal funds made available for such purposes.

The Division of Alcohol, Narcotics and Drug Abuse Control is hereby authorized to bill a patient's estate, or the person chargeable for his support, or the county of residence, for institutional support of patients treated at addiction services inpatient units.

There is hereby appropriated, subject to the approval of the Trust Advisory Board an amount not to exceed \$345,000 from the Attorney General of New Jersey Public Health Trust, for the operation of the Therapeutic Residential School at Long Branch.

23400. <i>Consumer Health Services</i>	
23410-360. Consumer Health Services .....	\$474,431
23420-360. Control of Pharmaceutical and Cos- metic Preparations .....	279,159
Total Appropriation .....	<u>\$753,590</u>

## Salaries:

Officers and employees .....	( \$642,663)
Positions transferred from another subcategory .....	( 17,597)
Materials and Supplies .....	( 15,356)
Services Other Than Personal .....	( 77,974)

24100. *Supporting Laboratory Services*

24110-360. Laboratory Services .....	\$1,419,459
<b>Total Appropriation .....</b>	<b>\$1,419,459</b>

## Salaries:

Officers and employees .....	( \$859,171)
Positions transferred from another subcategory .....	( 98,893)
Materials and Supplies .....	( 338,257)
Services Other Than Personal .....	( 13,138)

## Maintenance of Property:

Non-recurring and replacements .....	( 30,000)
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## Extraordinary:

Mass influenza vaccination activities .....	( 80,000)
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The unexpended balance as of June 30, 1976, in the Laboratory revolving fund, and any receipts therefrom, are hereby appropriated for the same purposes.

29100. *Department Management and General Support*

29110-360. Office of the Commissioner .....	\$231,750
29120-360. Management and Fiscal Services .....	714,007
29130-360. General Administration .....	1,609,870
<b>Total Appropriation .....</b>	<b>\$2,555,627</b>

## Salaries:

Commissioner .....	( \$43,000)
Officers and employees .....	( 1,503,750)
Positions transferred from another subcategory .....	( 64,384)
Materials and Supplies .....	( 66,600)
Services Other Than Personal .....	( 819,893)

## Maintenance of Property:

Recurring .....	(	20,000)
Non-recurring and replacements ..	(	18,000)
Extraordinary:		
Compensation awards .....	(	20,000)

29200. *Special Programs*

29220-360. Vital Statistics and Registration .....	\$285,126
Total Appropriation .....	<u>\$285,126</u>

## Salaries:

Officers and employees .....	(	\$275,522)
Materials and Supplies .....	(	8,075)
Services Other Than Personal .....	(	1,529)
Total Appropriation, Department of Health		<u>\$18,906,109</u>

## DEPARTMENT OF LABOR AND INDUSTRY

*Income Security and Human Resource Development*52100. *Economic and Medical Assistance to Unemployed and Disabled Workers*

52120-380. Disability Insurance—State Plan .....	\$3,842,875
52130-380. Disability Insurance—Private Plan...	1,539,184
52140-380. Workmen's Compensation .....	2,203,943
52150-380. Workmen's Compensation — Second Injury Fund .....	657,085
Total Appropriation .....	<u>\$8,243,087</u>

## Salaries:

Officers and employees .....	(	\$5,814,345)
Materials and Supplies .....	(	155,320)
Services Other Than Personal .....	(	1,184,746)

## Maintenance of Property:

Recurring .....	(	10,790)
Non-recurring and replacements...	(	21,500)

## Extraordinary:

Payments from Second Injury Fund to Workmen's Compensation and Department Administration for services .....	(	322,500)
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Compensation awards . . . . .	(	15,112)
Employees' retirement system . . . . .	(	322,764)
Social security tax . . . . .	(	242,073)
Employees' health benefits . . . . .	(	129,105)
Prescription drugs . . . . .	(	1,500)
Additions and Improvements . . . . .	(	23,332)

The amounts hereinabove appropriated for Disability Insurance—State Plan and Disability Insurance—Private Plan shall be payable out of the Temporary Disability Benefits Fund, and in addition to the amounts hereinabove set forth there are hereby appropriated out of the Temporary Disability Benefits Fund such additional sums as may be required to administer the Disability Insurance Program and such sums as may be necessary to pay disability benefits.

Notwithstanding the \$12,500 limitation contained in RS 34:15-95, the amount hereinabove appropriated for Workmen's Compensation—Second Injury Fund shall be payable out of such fund and in addition to the amounts hereinabove set forth there are hereby appropriated out of the Second Injury Fund such additional sums as may be required for costs of administration and such sums as may be necessary for beneficiary payments.

The State Treasurer is hereby empowered and directed to transfer to the General State Fund the sum of \$50,000 from the excess in the Second Injury Fund over the sum of \$1,250,000 accumulated as of June 30, 1976 pursuant to RS 34:15-94.

52200. *Manpower Development and Employment Assistance*

52210-380. Work Incentive Program . . . . .	\$407,734
52230-380. Employment Development Services . . . . .	750,000
52240-380. Vocational Rehabilitation Services . . . . .	18,281,294
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Total Appropriation . . . . .	\$19,439,028
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**Salaries:**

Officers and employees .....	( \$3,438,207)
Materials and Supplies .....	( 57,000)
Services Other Than Personal .....	( 506,887)

**Maintenance of Property:**

Recurring .....	( 3,000)
Non-recurring and replacements ...	( 1,200)

**Extraordinary:**

Work Incentive Program .....	( 407,734)
For manpower training by the Newark Construction Trades Training Council .....	( 750,000)
Training grants .....	( 25,000)
Services to clients .....	( 13,000,000)
Expansion grants (State share) ..	( 150,000)
Sheltered workshop support .....	( 1,100,000)

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

There is hereby appropriated out of the Unemployment Compensation Auxiliary Fund the amount hereinabove set forth for the Work Incentive Program.

The portion of the appropriation made to or on behalf of Manpower Development and Employment Assistance subcategory which represents General State funds, shall be expended on the several respective matching bases in proportion to anticipated Federal funds which are received or receivable.

In addition to the appropriation hereinabove made in the Vocational Rehabilitation Services program element, recoveries of the State share of expenditures made in the fiscal year ending June 30, 1977 and those made in prior fiscal years are hereby appropriated.

The sum appropriated hereinabove for the Vocational Rehabilitation Services program element shall be available for the payment of obligations applicable to prior years.

*Labor Standards and Labor Relations*54200. *Labor Standards*

54230-380. Workplace Standards—Promulgation and Licensing .....	\$143,170
54240-380. Workplace Standards—Enforcement ..	1,887,262
Total Appropriation .....	<u>\$2,030,432</u>

## Salaries:

Officers and employees .....	( \$1,669,140)
Materials and Supplies .....	( 54,050)
Services Other Than Personal .....	( 285,138)

## Maintenance of Property:

Recurring .....	( 2,400)
Non-recurring and replacements ..	( 1,700)

## Extraordinary:

Compensation awards .....	( 9,004)
Additions and Improvements .....	( 9,000)

Such sums as may be necessary for payments out of the Wage and Hour Trust Fund (C34:11-56a et seq.) and the Prevailing Wage Act Trust Fund (C34:11-56 et seq.) are hereby appropriated.

54300. *Labor Relations*

54310-380. Public Sector .....	\$983,011
54320-380. Private Sector .....	241,408
Total Appropriation .....	<u>\$1,224,419</u>

## Salaries:

Board members (7) .....	( \$9,000)
Officers and employees .....	( 543,062)
Positions established from lump sum appropriation .....	( 275,626)
Materials and Supplies .....	( 12,143)
Services Other Than Personal .....	( 383,388)

## Maintenance of Property:

Recurring .....	( 950)
Non-recurring and replacements ...	( 250)

Notwithstanding the provisions of PL 1974, c. 123, the cost of factfinding shall be borne equally by the public employer and the exclusive employee representative.

*Department Management and Economic Development**59100. Department Management and General Support*

59110-380. Department Management .....	\$395,819
59120-380. Planning and Research .....	256,388
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Total Appropriation .....	\$652,207
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## Salaries:

Commissioner .....	( \$43,000)
Officers and employees .....	( 474,829)
Materials and Supplies .....	( 19,000)
Services Other Than Personal .....	( 108,678)

## Maintenance of Property:

Recurring .....	( 2,800)
Non-recurring and replacements ..	( 3,500)
Additions and Improvements .....	( 400)

The unexpended balance as of June 30, 1976, in the revolving fund for the purpose of printing and reprinting literature, maps, Workmen's Compensation proceedings and other publications and printed matter for sale, and receipts derived from such sales, are hereby appropriated.

There are hereby appropriated as a revolving fund the receipts derived from services rendered by the Data Processing Center, and the unexpended balance of such receipts as of June 30, 1976, for the purpose of operating the Data Processing Center, including the replacement of data processing equipment and the purchase of additional data processing equipment.

The Director of the Division of Budget and Accounting is hereby empowered to transfer or credit to the Data Processing Center from the various appropriations made to departments for data processing costs which are appropriated or allocated to such departments for their share of such costs.

59200. *Economic Development*

59210-380. Expansion and Growth of Commerce and Industry .....	\$1,683,776
<b>Total Appropriation .....</b>	<b>\$1,683,776</b>

**Salaries:**

Officers and employees .....	( \$248,953)
Positions established from lump sum appropriation .....	( 387,123)
Materials and Supplies .....	( 89,500)
Services Other Than Personal .....	( 456,200)

**Maintenance of Property:**

Recurring .....	( 1,000)
Non-recurring and replacements ..	( 1,000)

**Extraordinary:**

Economic Development .....	( 500,000)
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The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

There is hereby appropriated out of the Unemployment Compensation Auxiliary Fund the amount hereinabove set forth for expansion and growth of commerce and industry.

<b>Total Appropriation, Department of Labor and Industry .....</b>	<b>\$33,272,949</b>
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## DEPARTMENT OF ENVIRONMENTAL PROTECTION

*Environmental Management*41300. *Resource Management*

41310-400. Water Supply and Flood Plain Manage- ment .....	\$1,512,933
41320-400. Forest Resource Management .....	1,707,275
41330-400. Marine Lands Management .....	1,080,716
41340-400. Solid Waste Management .....	460,727
41350-400. Shellfish Resource and Development ..	123,486
41360-400. Water Resources—Planning and Man- agement .....	1,074,941

41370-400. Wildlife and Fisheries Management: Hunters' and Anglers' License Fund	3,845,868
Total Appropriation .....	\$9,805,946

Salaries:

Officers and employees .....	(\$5,729,265)
Position transferred from another subcategory .....	( 15,694)
Materials and Supplies .....	( 1,051,840)
Services Other Than Personal .....	( 1,233,202)
Maintenance of Property:	
Recurring .....	( 173,950)
Non-recurring and replacements .....	( 371,890)
Extraordinary:	
Compensation awards .....	( 17,250)
Fire fighting costs .....	( 200,000)
Floodplain regulation and delineation tion .....	( 400,000)
Expenses of the Natural Resource Council .....	( 25,000)
Delineation and determination of State riparian land .....	( 450,000)
Groundwater monitoring, well analyses .....	( 25,350)
Office of Rivermaster (State share) .....	( 27,000)
Additions and Improvements .....	( 85,505)

There is hereby appropriated for operation and maintenance of Spruce Run and Round Valley Reservoirs a sum not to exceed \$800,000 out of aggregate revenue produced (C58:22-10).

There is hereby appropriated so much of the balance of the accumulated aggregated revenue as reimbursement to the General State Fund (C58:22-10).

The unexpended balances as of June 30, 1976 in the Flood plain regulation and delineation and Fire fighting costs accounts are hereby appropriated for the same purposes.

There is hereby appropriated for delineation and title determination of the State riparian lands a sum not to exceed \$1,100,000, including the amount

provided hereinabove for such purpose, out of revenue derived from the sales, grants, leases and rentals of State riparian lands.

The unexpended balance as of June 30, 1976 in the revolving fund created for the purpose of providing outside appraisal services for conveyance of riparian properties within the Hackensack Meadowlands District, and receipts derived from the sale of riparian properties which represent reimbursements for appraisal services, are hereby appropriated.

Notwithstanding any other provision of law, the Commissioner of Environmental Protection is authorized to impose fees on the collection and disposal of solid waste sufficient to effect the provisions of PL 1975, c. 326.

Receipts in excess of those anticipated from solid waste management fees are hereby appropriated for Solid waste management.

Excess receipts collected from sea clam licenses are hereby appropriated for program costs.

The unexpended balance as of June 30, 1976 in the revolving fund created for the purpose of printing, reprinting or purchasing literature, material and maps for sale, and receipts derived from such sales, are hereby appropriated.

The amount hereinabove provided for the Hunters' and Anglers' License Fund shall be payable out of said fund and any amount remaining therein is hereby appropriated for additional operating costs.

Receipts derived from the sale of decals encouraging the protection of endangered and non-game wildlife species are hereby appropriated for carrying out a program of protection of endangered and non-game wildlife species.

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41400. *Pollution Control*

41410-400.	Air Pollution .....	\$2,875,097
41420-400.	Radiation Protection .....	436,475
41430-400.	Pesticide Control .....	60,000
41440-400.	Water Pollution .....	1,572,055
41460-400.	Public Waste Water Facilities .....	100,000
	Total Appropriation .....	<u>\$5,043,627</u>

## Salaries:

Officers and employees .....	( \$4,138,202)
Materials and Supplies .....	( 246,800)
Services Other Than Personal .....	( 617,375)

## Maintenance of Property:

Recurring .....	( 129,600)
Non-recurring and replacements ...	( 54,400)

## Extraordinary:

Pesticide control .....	( 60,000)
Cost attributable to planning, engineering, developing and constructing regional waste water treatment plants .....	( 1,000,000)
Additions and Improvements .....	( 142,250)

*Less:*

<i>Costs attributable to the Water Conservation Fund for planning, engineering, developing and constructing regional waste water treatment facilities</i> .....	( 1,345,000)
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The portion of the appropriation made to or on behalf of Air Pollution which represents General State Funds, shall be expended on the several respective matching bases in proportion to anticipated Federal funds which are received or receivable.

The Commissioner of Environmental Protection shall establish fees for the training of pesticide applicators, and the receipts derived from such fees are hereby appropriated to carry out the training programs.

Excess receipts collected on behalf of the Air pollution, Radiation protection, and Pesticide control programs are hereby appropriated for program costs.

There is hereby allocated from funds previously appropriated from the Water Conservation Fund the sum of \$1,345,000 for costs attributable to planning, engineering, developing and constructing regional waste water treatment facilities.

The unexpended balance as of June 30, 1976 in the Public Waste Water Facilities program element is hereby appropriated.

*Recreational Management*

46100. *Recreational Opportunities*

46110-400.	Parks Management .....	\$5,348,806*
46120-400.	Recreational Boating .....	787,017
46120-400.	Boat Regulation .....	889,377
46130-400.	Marina Operations .....	307,208
Total Appropriation .....		\$7,332,408*

Salaries:

Officers and employees .....	(\$4,269,411)
Materials and Supplies .....	( 981,134)
Services Other Than Personal .....	( 482,363)

Maintenance of Property:

Recurring .....	( 491,500)
Non-recurring and replacements ...	( 737,000)

Extraordinary:

Maintenance, Old Barracks, Trenton (State share) .....	( 55,000)
Expenses of the Delaware and Raritan Canal Commission .....	( 150,000)
Compensation awards .....	( 26,000)
Additions and Improvements .....	( 160,000)

Receipts in excess of those anticipated from Park operations are hereby appropriated.

The unexpended balance as of June 30, 1976 in the Surveying the Delaware and Raritan Canal account is hereby appropriated for the same purpose.

The unexpended balance as of June 30, 1976 in the revolving fund for the purchase of merchandise for sale, and receipts derived from such sales, are hereby appropriated.

The amount hereinabove for the operation, maintenance, and administration of Morris Canal and Banking Company properties shall be payable out of the Morris Canal Fund and there shall be refunded to the General State Fund such amounts as have been advanced from said Fund to the Morris Canal Fund whenever and to the extent that cash in the Morris Canal Fund exceeds the liabilities thereof.

The unexpended balance as of June 30, 1976 in the Construction, maintenance, improvement and dredging of inland waterways; bulkheading and dredging at State marinas; and dredging State-controlled lakes account, is hereby appropriated for the same purposes.

The amount hereinabove provided for the Boat regulation program element, shall be payable out of the New Jersey Boat Numbering Act revolving fund (C12:7-34.36 et seq.), and any amount remaining therein is hereby appropriated.

*Management and General Support*

49100. *Department Management*

49110-400.	Department Management and Administrative Services .....	\$2,278,101
49120-400.	Program Management .....	1,817,882
49130-400.	Debt Service—Interest on Bonds .....	13,758,159
	<b>Total Appropriation .....</b>	<b>\$17,854,142</b>

Salaries:	
Commissioner .....	( \$43,000)
Officers and employees .....	( 1,688,225)
Positions transferred from another subcategory .....	( 270,534)
Materials and Supplies .....	( 42,950)
Services Other Than Personal .....	( 1,490,274)
Maintenance of Property:	
Recurring .....	( 8,850)
Non-recurring and replacements ...	( 5,000)
Extraordinary:	
Board of New Jersey Pilot Commis- sioners .....	( 40,400)
To monitor the environment for cancer causing agents and other hazardous or toxic substances ..	( 500,000)
Interest on Water Development Bonds (PL 1958, c. 35) .....	( 767,000)
Interest on State Recreation and Conservation Land Acquisition Bonds (PL 1961, c. 46) .....	( 893,200)
Interest on Water Conservation Bonds (PL 1969, c. 127) .....	( 7,981,459)
Interest on State Recreation and Conservation Land Acquisition Bonds (PL 1971, c. 165) .....	( 3,273,500)
Interest on State Recreation and Conservation Land Acquisition and Development Bonds (PL 1974, c. 102) .....	( 843,000)
Compensation awards .....	( 6,750)

The amount in the Board of New Jersey Pilot Commissioners account shall be payable out of receipts, and any receipts in excess of the amounts specifically set forth above are hereby appropriated.

The unexpended balance as of June 30, 1976, of receipts and any additional receipts derived from the rental of property acquired pursuant to C58:21A-1 et seq., and C58:21B-1 et seq., and

PL 1971, c. 165 are hereby appropriated for payments in lieu of taxes on such properties and for maintenance of such properties.

The unexpended balance as of June 30, 1976 in the Payment in lieu of taxes on real property acquired for future water supply facilities, recreation and conservation purposes account is hereby appropriated for the same purpose.

The unexpended balance as of June 30, 1976 and the fees deposited in the Environmental Services Fund (PL 1975, c. 232) are hereby appropriated for the purposes of the Fund.

49200. *South Jersey Port Corporation*

49210-400. South Jersey Port Corporation .....	\$706,800
<b>Total Appropriation .....</b>	<b>\$706,800</b>

Extraordinary:

Property tax reserve fund requirement (C12:11A-20) .....	( \$706,800)
<b>Total Appropriation, Department of Environmental Protection .....</b>	<b>\$40,742,923*</b>

DEPARTMENT OF EDUCATION

*General Assistance for Public and Non-Public Education*

31100. *Financial Assistance to Local School Districts*

31140-500. School Facility Program .....	\$471,471
31150-500. Pupil Transportation .....	198,231
31170-500. Adult and Continuing Education .....	292,000
<b>Total Appropriation .....</b>	<b>\$961,702</b>

Salaries:

Officers and employees .....	( \$669,728)
Materials and Supplies .....	( 1,450)
Services Other Than Personal .....	( 290,524)

The unexpended balance as of June 30, 1976 in the Inspection of school construction account, and the receipts derived therefrom, are hereby appropriated for the same purpose.

The unexpended balances as of June 30, 1976 in the General Education development test and other high school equivalency tests and the Adult Basic Education Film revolving funds, and the receipts derived therefrom, are hereby appropriated for the same purposes.

31200. *General Assistance Programs for Public Schools*

31210-500.	Curriculum Services .....	\$579,784
31220-500.	Teacher Education and Certification ..	293,750
31260-500.	Resolution of School Controversies and Disputes .....	361,857
31280-500.	Equal Educational Opportunity Pro- grams .....	87,873
31290-500.	Aid for Equipment .....	90,674
	Total Appropriation .....	<u>\$1,413,938</u>

Salaries:

Officers and employees .....	( \$1,080,100)
Positions established from lump sum appropriation .....	( 104,915)
Positions transferred from another subcategory .....	( 37,305)
Materials and Supplies .....	( 15,822)
Services Other Than Personal .....	( 175,796)

The unexpended balance as of June 30, 1976 in the revolving fund for the purpose of printing and reprinting literature for sale, and for the purchase and sale of films, and receipts derived from such sales, are hereby appropriated for the same purposes.

*Programs for Specific Groups and Limited Purposes*32100. *Programs for the Disadvantaged and Handicapped*

32110-500. Programs for the Disadvantaged and Handicapped .....	\$966,747
32120-500. Urban Education .....	170,183
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Total Appropriation .....	\$1,136,930
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## Salaries:

Officers and employees .....	( \$529,852)
Materials and Supplies .....	( 4,370)
Services Other Than Personal .....	( 19,208)

## Extraordinary:

Interest on Facilities for Handicapped Bonds (PL 1973, c. 149) ..	( 583,500)
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32500. *Career Development*

32510-500. General Vocational Education .....	\$508,886
32560-500. Project COED .....	1,305,690
	<hr/>
Total Appropriation .....	\$1,814,576
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## Salaries:

Officers and employees .....	( \$1,599,693)
Materials and Supplies .....	( 137,834)
Services Other Than Personal .....	( 66,041)

## Maintenance of Property:

Recurring .....	( 11,008)
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The unexpended balance as of June 30, 1976 in the account Project COED is hereby appropriated.

*Direct Public Services*34100. *Programs for the Handicapped*

34110-535. Marie H. Katzenbach School for the Deaf .....	\$2,750,000
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Total Appropriation .....	\$2,750,000
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Extraordinary:

Maintenance expense of boarding  
 students ..... ( \$1,000,000)  
 Other operating expenses ..... ( 1,750,000)

The unexpended balance as of June 30, 1976 in the Millburn Avenue School for the Deaf account, and the receipts derived from tuition charges, are hereby appropriated for the costs of such operation.

The provisions of 18A :61-1 notwithstanding, tuition to cover all additional necessary operating expenses of the Marie H. Katzenbach School for the Deaf shall be paid by local boards of education, each local board paying that portion of costs which the number of its handicapped pupils bears to the entire number of handicapped children in the school.

The unexpended balance as of June 30, 1976 in the Vocational Shops revolving fund, and the receipts derived from the sale of items, are hereby appropriated for the same purpose.

34200. *Programs for the State Library and  
 Historical Commission*

34210-520. State Library .....	\$1,674,818
34220-520. New Jersey Historical Commission ...	205,075
	<hr/>
Total Appropriation .....	\$1,879,893
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Salaries:

Officers and employees ..... ( \$1,098,347)  
 Positions established from lump  
 sum appropriation ..... ( 139,629)  
 Position transferred from another  
 subcategory ..... ( 22,247)  
 New positions ..... ( 67,695)  
 Materials and Supplies ..... ( 344,500)  
 Services Other Than Personal ..... ( 153,114)  
 Maintenance of Property:  
 Recurring ..... ( 1,625)  
 Non-recurring and replacements ... ( 1,325)

Extraordinary:

Senator James F. Murray, Jr.,  
 Historical Fund ..... ( 40,000)  
 Additions and Improvements ..... ( 11,411)

The sum provided hereinabove for new positions shall be used for extra staff to enable the State Library to remain open on Saturdays and during weekday evenings.

The unexpended balances as of June 30, 1976 in the Microfilm, New Jersey Archives Publication and the New Jersey Historical Commission Publication revolving funds, and any receipts derived therefrom, are hereby appropriated for the same purposes.

The unexpended balance as of June 30, 1976, not to exceed \$20,000, in the Record storage facility account is hereby appropriated.

34300. *Programs for the State Museum*

34310-530. State Museum .....	\$1,149,559
Total Appropriation .....	\$1,149,559

Salaries:

Officers and employees ..... ( \$897,191)  
 Materials and Supplies ..... ( 71,000)  
 Services Other Than Personal ..... ( 100,843)

Maintenance of Property:

Recurring ..... ( 9,600)  
 Non-recurring and replacements ... ( 10,925)

Extraordinary:

Acquisition of art and historical  
 objects ..... ( 60,000)

The unexpended balance as of June 30, 1976 in the Museum Shop revolving fund, and any receipts derived therefrom, are hereby appropriated for the purposes of the fund including the acquisition of art and historical objects.

The unexpended balances as of June 30, 1976 in the Films and Museum Auditorium revolving funds, and any receipts derived therefrom, are hereby appropriated for the same purposes.

*Department Planning, Management and General Support*

39100. *Department Planning and Management*

39110-500. Commissioner's Office .....	\$718,728
39130-500. Planning, Evaluation, Research and Program Development .....	1,401,729
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Total Appropriation .....	\$2,120,457
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Salaries:

Commissioner .....	( \$43,000)
Officers and employees .....	( 741,952)
Positions established from lump sum appropriation .....	( 167,259)
Positions transferred from another subcategory .....	( 29,806)
Materials and Supplies .....	( 25,964)
Services Other Than Personal .....	( 678,176)

Maintenance of Property:

Recurring .....	( 300)
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Extraordinary:

State Board of Education expenses .....	( 14,000)
Bi-lingual education pilot projects .....	( 370,000)
Program for the gifted .....	( 50,000)

39200. *General Support*

39210-500. Other General Support .....	\$1,323,506
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Total Appropriation .....	\$1,323,506
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Salaries:

Officers and employees .....	( \$734,917)
Positions transferred from other subcategories .....	( 31,386)
Materials and Supplies .....	( 141,675)
Services Other Than Personal .....	( 398,198)

## Maintenance of Property:

Recurring .....	( 15,130)
Non-recurring and replacements ...	( 2,200)

The unexpended balances as of June 30, 1976 in the School law decisions and School election account revolving funds, and the receipts derived therefrom, are hereby appropriated for the same purposes.

39300. *Implementation of a Thorough and Efficient System of Free Public Schools*

39310-500. County Superintendents' Offices .....	\$1,521,625
39330-500. Educational Improvement Centers ...	540,000
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Total Appropriation .....	\$2,061,625
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## Salaries:

County superintendents .....	( \$584,584)
Officers and employees .....	( 894,041)
Services Other Than Personal .....	( 43,000)

## Extraordinary:

Regional Educational Improvement Centers .....	( 540,000)
Total Appropriation, Department of Education .....	\$16,612,186
	<hr/> <hr/>

## DEPARTMENT OF HIGHER EDUCATION

39000. *Department Management and General Support*

39110-540. Administration .....	\$11,917,799
39210-540. Debt Service .....	14,338,313
39230-540. Support of Independent Higher Education Institutions .....	9,704,000
39910-540. New Jersey Educational Opportunity Fund .....	15,936,000
39920-540. Scholarships and Loans .....	17,283,000
39930-540. Student Assistance Administration .....	1,047,826
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Total Appropriation .....	\$70,226,938
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Salaries:	
Chancellor .....	( \$43,000)
Officers and employees .....	( 2,006,287)
Materials and Supplies .....	( 61,625)
Services Other Than Personal .....	( 449,063)
Maintenance of Property:	
Recurring .....	( 4,150)
Non-recurring and replacements .....	( 2,700)
Extraordinary:	
Board of Higher Education ex- penses .....	( 5,000)
Program development .....	( 100,000)
College Information System .....	( 125,000)
Dental School Aid pursuant to PL 1975, c. 345 .....	( 1,900,000)
Veterinary medicine education pro- gram .....	( 304,000)
State and county college councils .....	( 3,000)
Aid to independent colleges and uni- versities .....	( 6,000,000)
Schools of professional nursing .....	( 1,500,000)
Interest on Higher Education Build- ing Construction bonds (PL 1971, c. 164) .....	( 5,956,446)
Interest on State Higher Education Construction bonds (PL 1964, c. 142) .....	( 981,600)
Interest on Public Building Con- struction bonds (PL 1968, c. 128) .....	( 7,400,267)
Educational Opportunity Fund board expenses .....	( 1,000)
Opportunity grants .....	( 12,604,000)
Supplementary education program grants .....	( 3,332,000)
Scholarships .....	( 7,000,000)
County college graduate scholar- ships .....	( 250,000)
Incentive grants .....	( 2,200,000)
Tuition aid grants .....	( 4,500,000)
Tuition assistance grants .....	( 3,333,000)
State Colleges—Enrollment in- creases (4,549) .....	( 3,019,000)

State Colleges—Faculty teaching loads .....	( 2,689,000)
State Colleges—Faculty research ..	( 600,000)
State Colleges—Reduction of proposed tuition increase .....	( 3,856,800)

The unexpended balances as of June 30, 1976 in the Extraordinary accounts excluding Aid to independent colleges and universities and Schools of professional nursing, are hereby appropriated.

Notwithstanding the provisions of NJSA 52:34-6, the amounts hereinabove set forth for the Department of Higher Education may be expended for the purchase of contract services from the New Jersey Education Computing Network (NJEEN), and from the Higher Education Central Library Processing Center (CAPTAIN Library Services Corporation), as if they were State government agencies, in accordance with the provisions of 52:34-10(a).

An amount not to exceed \$50,000 in the Aid to independent colleges and universities account is hereby available for administrative expenses.

Notwithstanding any other provision of law, the Board of Higher Education is hereby authorized to utilize the \$3,333,000 appropriated hereinabove for tuition assistance grants in such a manner as to assist needy students who attend State higher education institutions in meeting all or part of the additional tuition costs which may result from the general tuition rate increase anticipated to be adopted or recommended by resolution of the Board of Higher Education; provided, however, that this new program of student aid shall become effective for students in any institution only if a general tuition rate increase is adopted by the Board of Higher Education and by the Board of Trustees or Board of Governors, respectively, of the several institutions; and provided further that no funds shall be expended for the new program of student aid

until a plan for effecting the utilization of such funds for the purposes recommended shall be adopted by the Board of Higher Education and approved by the Director of the Division of Budget and Accounting and the Subcommittee on Transfers of the Joint Appropriations Committee; and provided further that in the event that no tuition increase shall be adopted this provision shall not become effective.

The amount provided hereinabove for State Colleges—Faculty research shall be expended pursuant to a plan developed by the Board of Trustees of each college and approved by the Board of Higher Education.

33000. *Higher Education*

545. *Thomas A. Edison College*

33970. Institutional Support .....	\$554,019
Total Appropriation .....	<u>\$554,019</u>

Salaries:

    Positions established from lump sum

appropriation .....	( \$320,617)
Materials and Supplies .....	( 21,425)
Services Other Than Personal .....	( 48,977)

Maintenance of Property:

Recurring .....	( 1,000)
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Extraordinary:

Counseling program .....	( 162,000)
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The unexpended balance as of June 30, 1976, and receipts from fees, are hereby appropriated.

550. *Glassboro State College*

33110. Instruction .....	\$7,930,729
33130. Extension and Public Service .....	630,453
33240. Auxiliary Services .....	543,590
33950. Academic Support .....	715,000
33960. Student Services .....	1,376,000
33970. Institutional Support .....	3,902,350
Sub-Total Appropriation .....	<u>\$15,098,122</u>

<i>Less:</i>		
<i>Receipts from Tuition Increase</i> .....		<i>1,883,791</i>
		<hr/>
<b>Total Appropriation</b> .....		<b>\$13,214,331</b>
		<hr/>

**Salaries:**

Officers and employees .....	(\$10,795,295)
Student aides .....	( 126,400)
Materials and Supplies .....	( 1,397,880)
Services Other Than Personal .....	( 1,066,298)

**Maintenance of Property:**

Recurring .....	( 131,999)
Non-recurring and replacements...	( 33,560)

**Extraordinary:**

Extension and public service .....	( 630,453)
Auxiliary services .....	( 543,590)
NDEA student loan program (State share) .....	( 65,927)
College work-study program (State share) .....	( 171,820)
Outdoor laboratory experiences....	( 10,300)
Additions and Improvements.....	( 124,600)

*Less:*

<i>Receipts from tuition increase</i> .....	( 1,883,791)
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**551. Jersey City State College**

33110. Instruction .....	\$6,842,843
33130. Extension and Public Service .....	360,839
33240. Auxiliary Services .....	136,720
33950. Academic Support .....	491,000
33960. Student Services .....	1,052,000
33970. Institutional Support .....	3,260,722

<b>Sub-Total Appropriation</b> .....	<b>\$12,144,124</b>
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*Less:*

<i>Receipts from Tuition Increase</i> .....	<i>1,485,915</i>
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<b>Total Appropriation</b> .....	<b>\$10,658,209</b>
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**Salaries:**

Officers and employees .....	( \$8,786,185)
Student aides .....	( 120,000)

Materials and Supplies .....	( 1,050,167)
Services Other Than Personal .....	( 593,496)
Maintenance of Property:	
Recurring .....	( 143,386)
Non-recurring and replacements...	( 99,181)
Extraordinary:	
Compensation awards .....	( 25,000)
Extension and public service .....	( 360,839)
Auxiliary services .....	( 136,720)
NDEA student loan program (State share) .....	( 25,000)
College work-study program (State share) .....	( 114,650)
A. Harry Moore Laboratory School	( 614,000)
Additions and Improvements .....	( 75,500)

*Less:*

*Receipts from tuition increase .....* ( 1,485,915)

All tuition and other receipts from the operation of the A. Harry Moore Laboratory School of Jersey City State College are hereby appropriated for operating expenses of the School.

552. *Kean College of New Jersey*

33110. Instruction .....	\$7,593,828
33130. Extension and Public Service .....	498,000
33240. Auxiliary Services .....	300,000
33950. Academic Support .....	910,000
33960. Student Services .....	1,395,000
33970. Institutional Support .....	4,141,754

Sub-Total Appropriation ..... \$14,838,582

*Less:*

*Receipts from Tuition Increase .....* 1,970,263

Total Appropriation ..... \$12,868,319

Salaries:

Officers and employees .....	(\$11,208,221)
Student aides .....	( 200,000)
Materials and Supplies .....	( 1,666,275)
Services Other Than Personal .....	( 717,296)

Maintenance of Property:	
Recurring .....	( 182,790)
Extraordinary:	
Extension and public service .....	( 498,000)
Auxiliary services .....	( 300,000)
NDEA student loan program (State share) .....	( 24,000)
College work-study program (State share) .....	( 42,000)
Less:	
Receipts from tuition increase .....	( 1,970,263)

553. *The William Paterson College of New Jersey*

33110. Instruction .....	\$8,461,960
33130. Extension and Public Service .....	420,000
33240. Auxiliary Services .....	205,000
33950. Academic Support .....	711,550
33960. Student Services .....	1,185,928
33970. Institutional Support .....	4,843,479
Sub-Total Appropriation .....	<u>\$15,827,917</u>
Less:	
Receipts from Tuition Increase .....	<u>2,011,085</u>
Total Appropriation .....	<u>\$13,816,832</u>

Salaries:	
Officers and employees .....	(\$12,001,530)
Student aides .....	( 200,000)
Materials and Supplies .....	( 1,490,976)
Services Other Than Personal .....	( 771,423)
Maintenance of Property:	
Recurring .....	( 196,000)
Non-recurring and replacements .....	( 236,000)
Extraordinary:	
Extension and public service .....	( 420,000)
Auxiliary services .....	( 205,000)
NDEA student loan program (State share) .....	( 25,000)
College work-study program (State share) .....	( 50,000)
Additions and Improvements .....	( 231,988)
Less:	
Receipts from tuition increase .....	( 2,011,085)

554. *Montclair State College*

33110. Instruction .....	\$9,358,748
33130. Extension and Public Service .....	893,133
33140. Special Programs .....	391,000
33240. Auxiliary Services .....	507,360
33950. Academic Support .....	976,000
33960. Student Services .....	1,489,000
33970. Institutional Support .....	4,723,183
Sub-Total Appropriation .....	<u>\$18,338,424</u>
<i>Less:</i>	
<i>Receipts from Tuition Increase</i> .....	<u>2,562,474</u>
Total Appropriation .....	<u>\$15,775,950</u>

## Salaries:

Officers and employees .....	(\$12,991,448)
Student aides .....	( 291,300)
Materials and Supplies .....	( 1,627,764)
Services Other Than Personal .....	( 898,519)
Maintenance of Property:	
Recurring .....	( 192,300)
Non-recurring and replacements ...	( 189,200)
Extraordinary:	
New Jersey State School of Con- servation .....	( 391,000)
Extension and public service .....	( 893,133)
Auxiliary services .....	( 507,360)
NDEA student loan program (State share) .....	( 29,800)
College work-study program (State share) .....	( 43,600)
Additions and Improvements .....	( 283,000)

*Less:*

*Receipts from tuition increase* .... ( 2,562,474)

Of the amount provided hereinabove for the New Jersey State School of Conservation, the sum of \$391,000 shall be payable out of receipts derived from the operation of the School, and receipts in excess of the amount hereinabove specifically set forth, and the unexpended balance of such receipts as of June 30, 1976, are hereby appropriated.

555. *Trenton State College*

33110.	Instruction .....	\$7,822,533
33130.	Extension and Public Service .....	581,750
33240.	Auxiliary Services .....	1,397,185
33950.	Academic Support .....	795,000
33960.	Student Services .....	1,530,000
33970.	Institutional Support .....	4,045,544

Sub-Total Appropriation .....	\$16,172,012
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*Less:*

<i>Receipts from Tuition Increase .....</i>	<i>2,004,827</i>
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Total Appropriation .....	\$14,167,185
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Salaries:

Officers and employees .....	(\$10,575,191)
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Student aides .....	( 258,828)
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Materials and Supplies .....	( 1,565,269)
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Services Other Than Personal .....	( 816,431)
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Maintenance of Property:

Recurring .....	( 144,995)
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Non-recurring and replacements ...	( 203,133)
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Extraordinary:

Extension and public service .....	( 581,750)
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Auxiliary services .....	( 1,397,185)
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NDEA student loan program (State share) .....	( 50,000)
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College work-study program (State share) .....	( 22,500)
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Demonstration school service .....	( 140,000)
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Child study and demonstration center .....	( 30,000)
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Nursing Loan and Scholarship Program .....	( 2,500)
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Additions and Improvements .....	( 384,230)
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*Less:*

<i>Receipts from tuition increase .....</i>	<i>( 2,004,827)</i>
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556. *Ramapo College of New Jersey*

33110.	Instruction .....	\$3,339,971
33130.	Extension and Public Service .....	154,000
33240.	Auxiliary Services .....	322,000

33950. Academic Support .....	495,426
33960. Student Services .....	614,314
33970. Institutional Support .....	2,133,323
	<hr/>
Sub-Total Appropriation .....	\$7,059,034
<i>Less:</i>	
Receipts from Tuition Increase .....	946,810
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Total Appropriation .....	\$6,112,224
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Salaries:	
Officers and employees .....	( \$5,037,229)
Student aides .....	( 130,000)
Materials and Supplies .....	( 845,405)
Services Other Than Personal .....	( 373,758)
Maintenance of Property:	
Recurring .....	( 92,814)
Non-recurring and replacements .....	( 14,182)
Extraordinary:	
Compensation awards .....	( 2,000)
Extension and public service .....	( 322,000)
Auxiliary services .....	( 154,000)
NDEA student loan program (State share) .....	( 25,000)
College work-study program (State share) .....	( 28,500)
Additions and Improvements .....	( 34,146)
<i>Less:</i>	
Receipts from tuition increase .....	( 946,810)

557. *Richard Stockton State College*

33110. Instruction .....	\$3,681,233
33130. Extension and Public Service .....	220,000
33240. Auxiliary Services .....	611,000
33950. Academic Support .....	563,000
33960. Student Services .....	547,000
33970. Institutional Support .....	2,385,469
	<hr/>
Sub-Total Appropriation .....	\$8,007,702
<i>Less:</i>	
Receipts from Tuition Increase .....	950,977
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Total Appropriation .....	\$7,056,725
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Salaries:	
Officers and employees .....	( \$5,075,286)
Student aides .....	( 143,000)
Materials and Supplies .....	( 1,088,115)
Services Other Than Personal .....	( 532,684)
Maintenance of Property:	
Recurring .....	( 88,006)
Non-recurring and replacements ...	( 30,682)
Extraordinary:	
Compensation awards .....	( 20,000)
Extension and public service .....	( 220,000)
Auxiliary services .....	( 611,000)
NDEA student loan program (State share) .....	( 14,000)
College work-study program (State share) .....	( 33,000)
Additions and Improvements .....	( 151,929)
<i>Less:</i>	
<i>Receipts from tuition increase .....</i>	<i>( 950,977)</i>

*State Colleges Programs*

The amounts appropriated to the various State colleges for Student aides shall constitute the appropriation to carry out the provisions of NJS 18A:64-17; provided, however, that payment for the value of work performed by students may be in cash in lieu of being credited toward the payment of student charges for tuition, room and board.

The unexpended balances as of June 30, 1976 in the Student service charges and Parking fees accounts, and the receipts derived therefrom, at all State Colleges are hereby appropriated.

Funds for the operation of Extension and public service program are hereby appropriated out of the receipts derived therefrom, and the unexpended balances of these programs as of June 30, 1976 and all receipts in excess of those anticipated, are hereby appropriated.

Funds for the operation of Auxiliary services are hereby appropriated out of the receipts derived therefrom and the unexpended balances of these programs as of June 30, 1976, and all receipts in excess of those anticipated or pledged for the payment of principal and interest on bonds of this State are hereby appropriated as provided by NJS 18A:64-18.

With respect to the transfer of funds between items of appropriation, as provided in C52:27B-28 and section 3 of this act, the program element accounts shall be deemed to be the primary expenditure accounts as provided in NJS 18A:64-6f.

Notwithstanding the provisions of NJS 18A:72A-26, 27 and 27.1, no Board of Trustees of a State College shall enter into an agreement with the Educational Facilities Authority for housing facilities for students without first securing written authorization for such agreement from the Director of the Division of Budget and Accounting.

Receipts in excess of those anticipated from regular tuition are hereby appropriated subject to approval by the Chancellor of Higher Education and the Director of the Division of Budget and Accounting after notice to the Subcommittee on Transfers of the Joint Appropriations Committee.

Receipts resulting from a general tuition increase adopted by resolution of the Board of Higher Education are hereby appropriated; provided that a plan for allocation of the funds first be approved by the Director of the Division of Budget and Accounting after notice to the Subcommittee on Transfers of the Joint Appropriations Committee.

The amounts appropriated hereinabove to the various State College program element appropriation accounts are based on tentative expenditure projections. Requests to transfer any

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amounts between, and among program element appropriation accounts may be submitted by the State Colleges prior to July 30, 1976. Such transfers shall hereby be authorized subject to the approval of the Chancellor of Higher Education and the Director of the Division of Budget and Accounting.

Requests to transfer amounts between and among program element appropriation accounts submitted after July 30, 1976, shall be subject to approval of the Director of Budget and Accounting provided, however, that cumulative transfers in excess of \$200,000 shall be transmitted to the Executive Director, Office of Fiscal Affairs in accordance with Section 3 of this act.

*Rutgers, The State University*

570. *General University\**

33110. Instruction .....	\$58,820,000
33120. Sponsored Research and Other Sponsored Programs .....	2,025,000
33130. Extension and Public Service .....	4,043,000
33240. Auxiliary Services .....	21,669,000
33950. Academic Support .....	5,300,000
33960. Student Services .....	8,900,000
33970. Institutional Support .....	30,535,000*
Sub-Total, General Operations .....	\$131,292,000*
Special Funds expense .....	24,200,000
Total All Operations .....	\$155,492,000*
<i>Less:</i>	
<i>General Services income</i> .....	\$28,507,440
<i>Special Funds income</i> .....	24,200,000
<i>Auxiliary Services income</i> .....	21,669,000
<i>Receipts from Tuition Increase</i> ...	6,980,960
<i>Total Income Deductions</i> .....	\$81,357,400
Appropriation, Exclusive of Land	
Grant Interest .....	(\$74,224,800)
Land Grant Interest .....	( 5,800)
Sub-Total Appropriation, General University	\$74,134,600*

<b>Salaries:</b>	
Officers and employees .....	(\$77,038,463)
Student assistants .....	( 245,250)
Materials and Supplies .....	( 10,480,704)
Services Other Than Personal .....	( 7,390,328)
<b>Maintenance of Property:</b>	
Recurring .....	( 781,857)
Non-recurring and replacements ...	( 341,229)
<b>Extraordinary:</b>	
Research grants .....	( 256,199)
Guidance of public employees in em- ployee-management relationships (C34:13A) .....	( 50,000)
Graduate and law school fellowships	( 64,000)
Student aid .....	( 2,025,111)
College work-study program (State share) .....	( 300,000)
Retirement allowances .....	( 565,000)
Interest .....	( 79,523)
Contingent fund .....	( 110,000)
Major renovations .....	( 110,000)
Special projects .....	( 1,250,000)
Faculty research .....	( 200,000)
Veterinary school program .....	( 96,000)
Enrollment increases (4,522) .....	( 4,338,000)
Faculty teaching load .....	( 3,548,000)
Additions and Improvements .....	( 449,336)
Special Funds expense .....	( 24,200,000)
Auxiliary Services .....	( 21,669,000)
<b>Less:</b>	
<i>General Services Income</i> .....	( 28,507,440)
<i>Receipts from Tuition Increase</i> ....	( 6,980,960)
<i>Special Funds income</i> .....	( 24,200,000)
<i>Auxiliary Services income</i> .....	( 21,669,000)

Of the amount provided hereinabove for Rutgers, The State University, a sum shall be used for the adequate operation of Evening Law Schools at the Newark and Camden campuses, subject to the approval of the Chancellor of Higher Education and the Director of the Division of Budget and Accounting.

Of the amount provided hereinabove, \$546,000 shall be used for public service, under guidelines established by the Department of Higher Education.

Of the amount provided hereinabove, \$125,000 shall be used for graduate fellowships to be awarded to students in not more than ten graduate programs to be designated by the Board of Governors of Rutgers, The State University in accordance with a plan to maximize the quality of selected graduate programs.

Of the amount provided hereinabove, \$100,000 shall be paid to the city of New Brunswick for municipal services rendered to the University.

The amount appropriated hereinabove for Departmental Research and Educational Development shall be allocated by Rutgers, The State University according to a formal procedure to be established by its Board of Governors, which procedure shall be designed to encourage and support individual faculty members whose work in research and educational development is judged to be of highest priority.

Actual full-time and part-time enrollment, exclusive of enrollment in extension and public service programs, should not exceed 38,181 full-time equivalent (FTE) students at Rutgers University. In the event that actual enrollment should exceed this level, the amount appropriated hereinabove for Rutgers, The State University shall be reduced by a sum equal to the tuition and fee receipts collected by the University in excess of two percent above the tuition and fee receipts collected from 38,181 FTE students. Any such adjustment shall occur in the last quarter of the fiscal year.

572. *Agricultural Experiment Station*

33120. Research .....	\$5,401,000
33130. Extension and Public Service .....	1,800,000
	<hr/>
Sub-Total, General Operations .....	\$7,201,000

Federal research and extension funds expense . . . .	2,486,286
Special Funds expense . . . . .	2,300,000
	<hr/>
Total All Operations . . . . .	\$11,987,286
<b>Less:</b>	
<i>General Services income</i> . . . . .	\$35,000
<i>Federal research and extension</i>	
<i>funds income</i> . . . . .	2,486,286
<i>Special Funds income</i> . . . . .	2,300,000
	<hr/>
Total Income Deductions . . . . .	\$4,821,286
	<hr/>
Sub-Total Appropriation, Agricultural	
Experiment Station . . . . .	\$7,166,000
	<hr/>
<b>Salaries:</b>	
Officers and employees . . . . .	( \$6,844,630)
Student assistants . . . . .	( 43,198)
Materials and Supplies . . . . .	( 95,791)
Services Other Than Personal . . . . .	( 112,540)
<b>Maintenance of Property:</b>	
Recurring . . . . .	( 26,004)
Non-recurring and replacements . . . . .	( 8,937)
<b>Extraordinary:</b>	
South Jersey Research Center . . . . .	( 17,640)
Asparagus research . . . . .	( 20,160)
Operation of Willowood Farm	
Arboretum and Bird Sanctuary . . . . .	( 15,500)
Additions and Improvements . . . . .	( 16,600)
Federal research and extension funds . . . . .	( 2,486,286)
Special Funds expense . . . . .	( 2,300,000)
<b>Less:</b>	
<i>General services income</i> . . . . .	( 35,000)
<i>Federal research and extension</i>	
<i>funds income</i> . . . . .	( 2,486,286)
<i>Special funds income</i> . . . . .	( 2,300,000)
Total Appropriation, Rutgers, The State	
University . . . . .	\$81,300,600*
	<hr/>

573. *College of Medicine and Dentistry of New Jersey*573-100. *Central Administration*

33120.	Organized Research .....	\$700,000
33970.	Institutional Support .....	1,124,000
	Sub-Total, All Operations .....	<u>\$1,824,000</u>
<i>Less:</i>		
	<i>Special Services income</i> .....	<u>\$700,000</u>
	<i>Total Income Deductions</i> .....	<u>\$700,000</u>
	Sub-Total Appropriation, Central Adminis- tration .....	<u>\$1,124,000</u>

573-101. *New Jersey Medical School—Newark*

33110.	Instruction .....	\$8,595,000
33120.	Organized Research .....	6,760,000
33130.	Extension and Public Service—Newark Community Mental Health Center .....	2,917,728
33240.	Auxiliary Services .....	226,272
33950.	Academic Support .....	356,000
33960.	Student Services .....	105,000
33970.	Institutional Support .....	7,492,000
	Sub-Total, All Operations .....	<u>\$26,452,000</u>
<i>Less:</i>		
	<i>General Services income</i> .....	\$4,038,000
	<i>Receipts from Tuition Increase</i> .....	1,329,000
	<i>Special Services income</i> .....	6,760,000
	<i>Auxiliary Services income</i> .....	226,272
	<i>Newark Community Mental Health Center</i> .....	<u>2,917,728</u>
	<i>Total Income Deductions</i> .....	<u>\$15,271,000</u>
	Sub-Total Appropriation, New Jersey Medical School—Newark .....	<u>\$11,181,000</u>

573-102. *Rutgers Medical School*

33110.	Instruction .....	\$7,283,162
33120.	Organized Research .....	1,952,000
33130.	Extension and Public Service—Rutgers Community Mental Health Center .....	4,323,838
33950.	Academic Support .....	139,000
33960.	Student Services .....	222,000
33970.	Institutional Support .....	2,698,000
	Sub-Total, All Operations .....	<u>\$16,618,000</u>

*Less:*

<i>General Services income</i> .....	<i>\$1,947,162</i>
<i>Receipts from Tuition Increase</i> .....	<i>956,000</i>
<i>Special Services income</i> .....	<i>1,952,000</i>
<i>Rutgers Community Mental Health Center</i> .....	<i>4,323,838</i>

*Total Income Deductions* .....

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*\$9,179,000*

Sub-Total Appropriation, Rutgers Medical  
School .....

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\$7,439,000

573-103. *College-wide Programs*

33110.	Instruction .....	\$726,000
33960.	Student Services .....	155,000
33970.	Institutional Support .....	1,446,000
	Sub-Total, All Operations .....	<u>\$2,327,000</u>

*Less:*

<i>General Services income</i> .....	<i>\$122,000</i>
<i>Receipts from Tuition Increase</i> .....	<i>232,000</i>

*Total Income Deductions* .....

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*\$354,000*

Sub-Total Appropriation, College-wide Pro-  
grams .....

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\$1,973,000

573-104. *New Jersey Dental School—Newark*

33110.	Instruction .....	\$4,865,000
33120.	Organized Research .....	423,000
33950.	Academic Support .....	87,000
33970.	Institutional Support .....	975,000
	Sub-Total, All Operations .....	\$6,350,000
<i>Less:</i>		
	<i>General Services income</i> .....	\$1,153,000
	<i>Receipts from Tuition Increase</i> .....	748,000
	<i>Special Services income</i> .....	423,000
	<i>Total Income Deductions</i> .....	\$2,324,000
	Sub-Total Appropriation, New Jersey Dental School—Newark .....	\$4,026,000

573-105. *Martland Hospital—Newark*

33130.	Extension and Public Service	
	Nursing Service .....	\$9,002,972
	Outpatient Service .....	1,660,913
	Other Professional Service .....	12,339,227
	General Service .....	6,675,334
	Administration .....	4,495,554
	Sub-Total, All Operations .....	\$34,174,000
<i>Less:</i>		
	<i>Hospital Services income</i> .....	\$21,680,000
	<i>Total Income Deductions</i> .....	\$21,680,000
	Sub-Total Appropriation, Martland Hospital —Newark .....	\$12,494,000

573-106. *Raritan Valley Hospital*

33130.	Extension and Public Service	
	Nursing Service .....	\$2,224,892
	Outpatient Service .....	766,744
	Other Professional Service .....	3,233,342

General Service .....	1,960,692	
Administration .....	1,469,833	
		<hr/>
Sub-Total, All Operations .....		\$9,655,503
<i>Less:</i>		
<i>Hospital Services income</i> .....	<i>\$8,900,503</i>	
		<hr/>
<i>Total Income Deductions</i> .....		<i>\$8,900,503</i>
		<hr/>
Sub-Total Appropriation, Raritan Valley Hospital .....		\$755,000
		<hr/>
573-107. <i>Graduate School of Bio-Medical Sciences</i>		
33110. Instruction .....		\$284,000
		<hr/>
Sub-Total, All Operations .....		\$284,000
<i>Less:</i>		
<i>General Services income</i> .....	<i>\$45,000</i>	
<i>Receipts from Tuition Increase</i> .....	<i>40,000</i>	
		<hr/>
<i>Total Income Deductions</i> .....		<i>\$85,000</i>
		<hr/>
Sub-Total Appropriation, Graduate School of Bio-Medical Sciences .....		\$199,000
		<hr/>
573-108. <i>South Jersey Medical Program</i>		
33970. Institutional Support .....		\$641,000
		<hr/>
Sub-Total Appropriation, South Jersey Medical Program .....		\$641,000
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Total Appropriation, College of Medicine and Dentistry of New Jersey .....		\$39,832,000
		<hr/>
Salaries:		
Officers and employees .....	(\$56,941,370)	
New positions .....	( 573,389)	
Positions established from appro- priated revenue .....	( 750,549)	

Materials and Supplies .....	( 13,496,466)
Services Other Than Personal .....	( 6,640,968)
Maintenance of Property:	
Recurring .....	( 601,838)
Non-recurring and replacements ...	( 20,753)
Extraordinary:	
Central Administration—Board of trustees planning fund .....	( 8,000)
College-wide—Student aid .....	( 155,000)
South Jersey Medical Program—Development planning .....	( 641,000)
New Jersey Medical School—Student aid .....	( 52,000)
Martland Hospital—Pension and workmen's compensation .....	( 509,782)
Raritan Valley Hospital Mortgage program .....	( 494,000)
Rutgers Medical School Student aid .....	( 36,750)
Mortgage program .....	( 217,179)
Additions and Improvements .....	( 75,000)
Special Funds expense .....	( 9,643,893)
Auxiliary Fund expense .....	( 226,000)
Rutgers Community Mental Health Center .....	( 4,323,838)
Newark Community Mental Health Center .....	( 2,917,728)
Less:	
General Services income .....	( 7,530,179)
Receipts from Tuition Increase .....	( 3,250,961)
Special Services income .....	( 9,643,893)
Auxiliary Services income .....	( 246,401)
Hospital Services income .....	( 30,580,503)
Rutgers Community Mental Health Center .....	( 4,323,838)
Newark Community Mental Health Center .....	( 2,917,728)

All general services income or hospital services income in excess of the amounts shown hereinabove as income deductions shall be credited to the General State Fund and such excess income is hereby

appropriated therefrom for service improvements during fiscal year 1976-77 and the subsequent fiscal year, in the several component units of the College of Medicine and Dentistry of New Jersey, upon the request of the Board of Trustees thereof, subject to the approval of the Chancellor of Higher Education and the Director of the Division of Budget and Accounting.

With respect to the portion of such excess income arising from participation in the Demonstration Project approved under the provisions of Section 1115 of Title XIX of the Federal Social Security Act for the City of Newark, so much of such sum as represents the State share of medical assistance payments is hereby appropriated to the Division of Medical Assistance and Health Services in the Department of Institutions and Agencies for the purpose of making further payments (C30:4D-1 et seq.).

The College of Medicine and Dentistry of New Jersey, is hereby authorized to operate its Continuing Medical-Dental Education Program as a revolving fund and the revenue collected therefrom, and any unexpended balance therein, shall be retained for such fund.

Of the sum provided hereinabove an amount of \$25,000 shall be used for eye transplant research.

574. *New Jersey Institute of Technology*

33110.	Instruction .....	\$7,025,000
33120.	Sponsored Research and Other Sponsored Programs .....	60,000
33130.	Extension and Public Service .....	120,000
33240.	Auxiliary Services .....	1,200,000
33950.	Academic Support .....	1,200,000
33960.	Student Services .....	1,100,000
33970.	Institutional Support .....	4,305,000
	Sub-Total, All Operations .....	<u>\$15,010,000</u>

*Less:*

<i>General Services income</i> .....	<i>\$3,353,650</i>
<i>Auxiliary Services income</i> .....	<i>1,200,000</i>
<i>Receipts from Tuition Increase</i> ...	<i>238,750</i>

<i>Total Income Deductions</i> .....	<i>4,792,400</i>
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Total Appropriation, New Jersey Institute of Technology .....	<u><u>\$10,217,600</u></u>
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## Salaries :

Officers and employees .....	( \$9,288,000)
Student aides .....	( 130,000)
Materials and Supplies .....	( 1,200,000)
Services Other Than Personal .....	( 1,300,000)

## Maintenance of Property :

Recurring .....	( 100,000)
Non-recurring and replacements ..	( 125,000)

## Extraordinary :

Scholarships, grants, fellowships ..	( 119,000)
Social security tax .....	( 220,000)
Group life, major medical and hospitalization .....	( 210,500)
Retirement allowances .....	( 295,000)
Mortgage interest and amortization	( 27,500)
Enrollment increases (290) .....	( 260,000)
Faculty teaching load .....	( 355,000)
Additions and Improvements .....	( 180,000)
Auxiliary Fund Expenses .....	( 1,200,000)

*Less:*

<i>General services income</i> .....	<i>( 3,353,650)</i>
<i>Receipts from tuition increase</i> ....	<i>( 238,750)</i>
<i>Auxiliary services income</i> .....	<i>( 1,200,000)</i>

Total Appropriation, Department of Higher Education .....	<u><u>\$295,800,932*</u></u>
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Notwithstanding the provisions of NJSA 52:34-6, the amounts hereinabove set forth for the Department of Higher Education may be expended for the purchase of contract services from the New Jersey Education Computing Network (NJEEN),

and from the Higher Education Central Library Processing Center (CAPTAIN Library Services Corporation), as if they were State government agencies, in accordance with the provisions of NJSA 52:34-10(a).

All expenditures for data processing services, equipment and software from sources other than the New Jersey Education Computing Network (NJEEN) shall be subject to approval by the Director of the Division of Budget and Accounting.

Actual full-time and part-time enrollments, exclusive of enrollment in extension and public service programs, should not exceed 4,100 full-time equivalent (FTE) students at the New Jersey Institute of Technology. In the event that actual enrollment should exceed this level, the amount appropriated hereinabove for New Jersey Institute of Technology shall be reduced by a sum equal to the tuition and fees collected by the Institute in excess of two percent above the tuition and fees collected from 4,100 FTE students. Any such adjustment shall occur in the last quarter of the fiscal year.

DEPARTMENT OF TRANSPORTATION

*Construction of Transportation Facilities*

61400. *Debt Service*

61410-600. Interest on Bonds .....	\$27,050,223
Total Appropriation .....	\$27,050,223

Extraordinary:

Interest on Highway Improvement	
Bonds (PL 1930, c. 228) .....	( \$128,335)
Interest on State Transportation	
Bonds (PL 1968, c. 126) .....	( 26,921,888)

*Operation and Maintenance of Transportation Facilities*63100. *State Highway Facilities\**

63110-600. Roadway and Bridge Maintenance . . . . .	\$29,975,140
63120-600. Electrical and Traffic Operations . . . . .	10,572,348
63130-600. Physical Plant Maintenance . . . . .	2,310,256
63140-600. Equipment Acquisition and Maintenance . . . . .	13,436,311
	<hr/>
Total Appropriation . . . . .	\$56,294,055
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## Salaries:

Officers and employees . . . . .	(\$27,922,206)
Positions transferred from other subcategories . . . . .	( 185,815)
New positions . . . . .	( 350,000)
Materials and Supplies . . . . .	( 4,773,288)
Services Other Than Personal . . . . .	( 933,246)

## Maintenance of Property:

Recurring . . . . .	( 9,747,500)
Non-recurring and replacements . . . . .	( 6,482,000)

## Extraordinary:

Traffic signals, signs, lighting and safety improvements . . . . .	( 900,000)
Construction, reconstruction, improvement or rebuilding of State highways including resurfacing and major bridge repairs or rehabilitation . . . . .	( 5,000,000)

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

63200. *Public Transportation Facilities*

63210-600. Railroad and Bus Operations . . . . .	\$67,048,856
63220-600. Aeronautics . . . . .	272,664
	<hr/>
Total Appropriation . . . . .	\$67,321,520
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## Salaries:

Officers and employees . . . . .	( \$1,242,240)
Position transferred from another subcategory . . . . .	( 26,180)

Materials and Supplies ..... ( 20,125)  
 Services Other Than Personal ..... ( 2,027,975)

Extraordinary:

Passenger service subsidies for rail  
 and bus operations ..... } ( 64,000,000)  
 Subsidies for transportation ser-  
 vices to senior citizens and  
 handicapped persons ..... }  
 Additions and Improvements ..... ( 5,000)

The unexpended balance as of June 30, 1976 in the  
 Extraordinary category is hereby appropriated.

Of the sum provided hereinabove for passenger ser-  
 vice subsidies not more than \$200,000 may be used  
 for administrative expenses.

The sum provided hereinabove for passenger service  
 subsidies may be used to make payments in  
 accordance with labor protective agreements  
 entered into as a condition of receiving Federal  
 funds in support of operating subsidies for rail-  
 road and bus operations.

*Department Management and General Support*

69100. *Department Management and General Support*

69110-600. Department Administration ..... \$1,051,830  
 69120-600. Employee and Management Services .. 2,811,455  
 69130-600. Fiscal Management ..... 2,725,288

Total Appropriation ..... \$6,588,573

Salaries:

Commissioner ..... ( \$43,000)  
 Officers and employees ..... ( 3,849,364)  
 Positions transferred from other  
 subcategories ..... ( 218,355)  
 New positions ..... ( 401,785)  
 Materials and Supplies ..... ( 103,168)  
 Services Other Than Personal ..... ( 1,564,501)

Maintenance of Property:

Recurring ..... ( 56,400)  
 Non-recurring and replacements .. ( 1,000)

## Extraordinary:

Compensation awards ..... ( 350,000)  
 Additions and Improvements ..... ( 1,000)

The unexpended balance as of June 30, 1976, and the reimbursements, in the Department Stock Purchase revolving fund for the purchase of materials and supplies required for the operation of the Department are hereby appropriated.

There are hereby appropriated, as a revolving fund, receipts derived from services rendered by the Department of Transportation Data Processing Center for the purpose of operating the Data Processing Center, including the replacement and purchase of additional data processing equipment.

The Director of the Division of Budget and Accounting shall be empowered to transfer or credit to the Department of Transportation Data Processing Center from the various appropriations made to departments for data processing costs which are appropriated or allocated to such departments for their share of such costs.

69300. *Planning and Research\**

69310-600. Planning .....	\$3,791,585
69320-600. Research .....	1,262,536
Sub-Total Appropriation .....	<u>\$5,054,121</u>

*Less:*

<i>Portion of Federal aid receivable which is applicable to highway planning .....</i>	<i>\$1,654,700</i>
<i>Federal aid receivable which is applicable to metropolitan planning studies .....</i>	<i>1,271,120</i>
<i>Portion of Federal aid receivable which is applicable to highway research .....</i>	<i>500,000</i>

Total Appropriation .....	<u>\$1,628,301</u>
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## Salaries:

Officers and employees .....	( \$2,678,678)
Positions transferred from another subcategory .....	( 116,327)

Materials and Supplies .....	( 48,950)
Services Other Than Personal .....	( 435,716)
Maintenance of Property:	
Recurring .....	( 3,600)
Non-recurring and replacements ...	( 7,000)
Extraordinary:	
Comprehensive highway transporta-	
tion planning studies .....	( 140,000)
Metropolitan planning studies .....	( 1,616,850)
Additions and Improvements .....	( 7,000)
<i>Less:</i>	
<i>Portion of Federal aid receivable</i>	
<i>which is applicable to highway</i>	
<i>planning .....</i>	<i>( 1,654,700)</i>
<i>Federal aid receivable which is ap-</i>	
<i>licable to metropolitan planning</i>	
<i>studies .....</i>	<i>( 1,271,120)</i>
<i>Portion of Federal aid receivable</i>	
<i>which is applicable to highway</i>	
<i>research .....</i>	<i>( 500,000)</i>

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

Sums allocated by the Commissioner for planning and research in the annual construction program may be transferred to this account for expenditure.

Total Appropriation, Department of Transportation .....	<u>\$158,882,672</u>
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DEPARTMENT OF INSTITUTIONS AND AGENCIES

*Custody, Care and Rehabilitation*

12100. *Institutional Services*

731. *State Prison, Trenton*

12110. Institutional Control and Supervision .....	\$4,747,672
12120. Institutional Care Program .....	2,162,772
12130. Institutional Treatment Program .....	577,030

12170. Education Program—Garden State School District .....	296,335
12190. Institutional Administration .....	287,519
<b>Total Appropriation .....</b>	<b>\$8,071,328</b>

## Salaries:

Officers and employees .....	( \$6,325,681)
Position transferred from another account .....	( 9,907)
Food in lieu of cash .....	( 84,402)
Materials and Supplies .....	( 1,192,030)
Services Other Than Personal .....	( 358,858)

## Maintenance of Property:

Recurring .....	( 51,450)
Non-recurring and replacements .....	( 14,000)

## Extraordinary:

Compensation awards .....	( 35,000)
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The unexpended balance as of June 30, 1976 in the Relocation of inmates account is hereby appropriated for the same purpose.

732. *State Prison, Rahway*

12110. Institutional Control and Supervision .....	\$3,487,568
12120. Institutional Care Program .....	2,419,148
12130. Institutional Treatment Program .....	427,203
12170. Education Program—Garden State School District .....	249,213
12190. Institutional Administration .....	317,518
<b>Total Appropriation .....</b>	<b>\$6,900,650</b>

## Salaries:

Officers and employees .....	( \$4,490,088)
Positions transferred from another account .....	( 118,884)
Food in lieu of cash .....	( 47,328)
Materials and Supplies .....	( 1,486,063)
Services Other Than Personal .....	( 538,490)

## Maintenance of Property:

Recurring ..... ( 52,922)  
 Non-recurring and replacements... ( 101,658)

## Extraordinary:

Compensation awards ..... ( 50,000)  
 Additions and Improvements ..... ( 15,217)

12190-732-300. *Regional Laundry*

The unexpended balance as of June 30, 1976 in the Regional Laundry account, and the receipts derived from laundry services furnished to the several institutions, are hereby appropriated as a revolving fund for the purpose of defraying the costs of operation and maintenance of the Regional Laundry.

12190-732-301. *Dental Laboratory*

The unexpended balance as of June 30, 1976 in the Dental Laboratory account, and the receipts derived from dental services furnished to the several institutions, are hereby appropriated as a revolving fund for the purpose of defraying the costs of operation of the Dental Laboratory.

733. *State Prison, Leesburg*

12110. Institutional Control and Supervision . . . .	\$2,353,739
12120. Institutional Care Program . . . . .	2,071,346
12130. Institutional Treatment Program . . . . .	327,448
12170. Education Program—Garden State School District . . . . .	157,938
12190. Institutional Administration . . . . .	206,379
<b>Total Appropriation . . . . .</b>	<b>\$5,116,850</b>

## Salaries:

Officers and employees ..... ( \$3,344,864)  
 Food in lieu of cash ..... ( 53,460)  
 Materials and Supplies ..... ( 1,312,523)  
 Services Other Than Personal ..... ( 308,792)

Maintenance of Property:	
Recurring .....	( 36,800)
Non-recurring and replacements...	( 27,153)
Extraordinary:	
Compensation awards .....	( 7,000)
Additions and Improvements .....	( 26,258)

12190-733-300. *Regional Bakery*

The unexpended balance as of June 30, 1976 in the Regional Bakery account, and the receipts derived from the sale of bakery products to the several institutions, are hereby appropriated as a revolving fund for the purpose of defraying the costs of operation of the Regional Bakery.

734. *Youth Correctional Institution, Bordentown*

12110.	Institutional Control and Supervision .....	\$2,227,039
12120.	Institutional Care Program .....	1,886,471
12130.	Institutional Treatment Program .....	528,770
12170.	Education Program—Garden State School District .....	174,083
12190.	Institutional Administration .....	268,386
Total Appropriation .....		<u>\$5,084,749</u>

Salaries:	
Officers and employees .....	( \$3,479,275)
Positions established from lump sum appropriation .....	( 91,010)
Food in lieu of cash .....	( 41,507)
Materials and Supplies .....	( 1,084,456)
Services Other Than Personal .....	( 234,806)
Maintenance of Property:	
Recurring .....	( 49,900)
Non-recurring and replacements...	( 86,295)
Extraordinary:	
Compensation awards .....	( 10,000)
Additions and Improvements .....	( 7,500)

735. *Youth Reception and Correction Center, Yardville*

12110.	Institutional Control and Supervision . . . . .	\$2,751,273
12120.	Institutional Care Program . . . . .	1,935,110
12130.	Institutional Treatment Program . . . . .	826,781
12170.	Education Program—Garden State School District . . . . .	338,950
12190.	Institutional Administration . . . . .	286,216
	<b>Total Appropriation . . . . .</b>	<b>\$6,138,330</b>

## Salaries:

Officers and employees . . . . .	( \$4,358,610)
Positions established from lump sum appropriation . . . . .	( 69,404)
Positions transferred from another account . . . . .	( 164,622)
Food in lieu of cash . . . . .	( 49,440)
Materials and Supplies . . . . .	( 1,113,176)
Services Other Than Personal . . . . .	( 253,798)
Maintenance of Property:	
Recurring . . . . .	( 44,100)
Non-recurring and replacements . . . . .	( 33,355)
Extraordinary:	
Compensation awards . . . . .	( 30,000)
Additions and Improvements . . . . .	( 21,825)

737. *Correctional Institution for Women, Clinton*

12110.	Institutional Control and Supervision . . . . .	\$1,525,641
12120.	Institutional Care Program . . . . .	1,295,311
12130.	Institutional Treatment Program . . . . .	184,733
12170.	Education Program—Garden State School District . . . . .	110,828
12190.	Institutional Administration . . . . .	246,614
	<b>Total Appropriation . . . . .</b>	<b>\$3,363,127</b>

## Salaries:

Officers and employees . . . . .	( \$2,507,244)
Positions transferred from another account . . . . .	( 59,442)
Food in lieu of cash . . . . .	( 26,789)

Materials and Supplies .....	(	471,884)
Services Other Than Personal .....	(	223,329)
Maintenance of Property:		
Recurring .....	(	37,250)
Non-recurring and replacements ...	(	21,089)
Extraordinary:		
Compensation awards .....	(	10,000)
Additions and Improvements .....	(	6,100)

738. *Youth Correctional Institution, Annandale*

12110. Institutional Control and Supervision .....	\$2,022,931
12120. Institutional Care Program .....	1,620,363
12130. Institutional Treatment Program .....	373,247
12170. Education Program—Garden State School District .....	165,512
12190. Institutional Administration .....	248,417
	<hr/>
Total Appropriation .....	\$4,430,470

Salaries:

Officers and employees .....	(	\$3,230,240)
Food in lieu of cash .....	(	43,983)
Materials and Supplies .....	(	850,257)
Services Other Than Personal .....	(	201,953)
Maintenance of Property:		
Recurring .....	(	33,500)
Non-recurring and replacements ...	(	55,537)
Extraordinary:		
Compensation awards .....	(	10,000)
Additions and Improvements .....	(	5,000)

739. *Training School for Boys, Skillman*

12110. Institutional Control and Supervision .....	\$789,939
12120. Institutional Care Program .....	625,266
12130. Institutional Treatment Program .....	192,036
12170. Education Program—Garden State School District .....	146,022
12190. Institutional Administration .....	201,975
	<hr/>
Total Appropriation .....	\$1,955,238

## Salaries:

Officers and employees .....	( \$1,555,863)
Positions transferred from another account .....	( 58,183)
Materials and Supplies .....	( 261,678)
Services Other Than Personal .....	( 54,114)

## Maintenance of Property:

Recurring .....	( 19,900)
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## Extraordinary:

Compensation awards .....	( 5,000)
Additions and Improvements .....	( 500)

740. *Training School For Boys, Jamesburg*

12110. Institutional Control and Supervision .....	\$1,270,584
12120. Institutional Care Program .....	1,420,366
12130. Institutional Treatment Program .....	302,123
12170. Education Program—Garden State School District .....	340,096
12190. Institutional Administration .....	208,847
Total Appropriation .....	<u>\$3,542,016</u>

## Salaries:

Officers and employees .....	( \$2,690,327)
Position established from lump sum appropriation .....	( 16,444)
Food in lieu of cash .....	( 4,206)
Materials and Supplies .....	( 664,842)
Services Other Than Personal .....	( 88,657)

## Maintenance of Property:

Recurring .....	( 37,100)
Non-recurring and replacements ...	( 35,440)

## Extraordinary:

Compensation awards .....	( 5,000)
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12200. *Operation of Residential Group Centers*

12210-743. Highfields .....	\$98,072
12220-745. Warren .....	140,392
12230-746. Ocean .....	111,773
12240-747. Turrell .....	105,151
Total Appropriation .....	<u>\$455,388</u>

Salaries:	
Officers and employees .....	( \$291,915)
Food in lieu of cash .....	( 2,322)
Materials and Supplies .....	( 90,408)
Services Other Than Personal .....	( 25,868)
Maintenance of Property:	
Recurring .....	( 8,010)
Non-recurring and replacements ..	( 4,240)
Extraordinary:	
Compensation awards .....	( 2,100)
Additions and Improvements .....	( 30,525)

12300. *Parole and Community Programs*720. *State Parole Board*

12330. State Parole Board .....	\$351,892
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Total Appropriation .....	\$351,892
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Salaries:	
Officers and employees .....	( \$277,087)
New positions .....	( 47,082)
Materials and Supplies .....	( 1,668)
Services Other Than Personal .....	( 24,695)
Maintenance of Property:	
Recurring .....	( 360)
Additions and Improvements .....	( 1,000)

730. *Division of Correction and Parole*

12310. Parole .....	\$3,308,750
12320. Community Programs .....	638,167
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Total Appropriation .....	\$3,946,917
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Salaries:	
Officers and employees .....	( \$2,937,071)
Materials and Supplies .....	( 9,595)
Services Other Than Personal .....	( 376,246)
Maintenance of Property:	
Recurring .....	( 6,650)

Extraordinary:

Community residence center I . . . . .	( 78,355)
Community treatment centers . . . . .	( 149,000)
Correctional community service centers . . . . .	( 235,000)
Camden treatment center . . . . .	( 155,000)

12900. *Division Management and General Support*

730. *Division of Correction and Parole*

12910. Planning, Program Development and Support Services . . . . .	\$325,755
12920. Training and Staff Development . . . . .	300,473
12930. Administration . . . . .	1,307,777
Total Appropriation . . . . .	<u>\$1,934,005</u>

Salaries:

Officers and employees . . . . .	( \$505,183)
Positions transferred from other subcategories . . . . .	( 56,277)
Materials and Supplies . . . . .	( 2,483)
Services Other Than Personal . . . . .	( 69,662)

Maintenance of Property:

Recurring . . . . .	( 400)
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Extraordinary:

Officers' training school . . . . .	( 250,000)
For allotment to the various State correctional institutions for over- time on State holidays . . . . .	( 900,000)
To supplement inmate wage pay- ments at fiscal year 1975-76 rates . . . . .	( 150,000)

12410-725-300. *Bureau of State Use Industries*

The unexpended balance as of June 30, 1976 in the State Use Working Capital Fund, and all receipts derived from sales, are hereby appropriated to the Bureau of State Use Industries.

*Mental Retardation*25100. *Residential Functional Services*762. *Vineland State School*

25110. Resident Care and Habilitation .....	\$6,943,027
25130. Health Services .....	2,194,413
25190. Institutional Administration and Support Services .....	4,962,099
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Total Appropriation .....	\$14,099,539
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## Salaries:

Officers and employees .....	(\$11,220,083)
Food in lieu of cash .....	( 35,933)
Materials and Supplies .....	( 2,501,057)
Services Other Than Personal .....	( 121,401)

## Maintenance of Property:

Recurring .....	( 65,704)
Non-recurring and replacements .....	( 100,300)

## Extraordinary:

Compensation awards .....	( 55,061)
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763. *North Jersey Training School at Totowa*

25110. Resident Care and Habilitation .....	\$3,198,044
25130. Health Services .....	1,195,050
25190. Institutional Administration and Support Services .....	2,816,513
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Total Appropriation .....	\$7,209,607
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## Salaries:

Officers and employees .....	(\$5,641,305)
Food in lieu of cash .....	( 16,395)
Materials and Supplies .....	( 1,148,174)
Services Other Than Personal .....	( 179,504)

## Maintenance of Property:

Recurring .....	( 50,760)
Non-recurring and replacements .....	( 64,132)

## Extraordinary:

Compensation awards .....	( 78,641)
Additions and Improvements .....	( 30,696)

764. *Woodbine State School*

25110. Resident Care and Habilitation .....	\$4,193,502
25130. Health Services .....	1,166,222
25190. Institutional Administration and Support Services .....	2,803,003
<b>Total Appropriation .....</b>	<b>\$8,162,727</b>

## Salaries:

Officers and employees .....	( \$6,648,171)
Food in lieu of cash .....	( 23,836)
Materials and Supplies .....	( 1,299,998)
Services Other Than Personal .....	( 68,642)

## Maintenance of Property:

Recurring .....	( 51,035)
Non-recurring and replacements...	( 20,010)

## Extraordinary:

Compensation awards .....	( 45,835)
Additions and Improvements .....	( 5,200)

765. *New Lisbon State School*

25110. Resident Care and Habilitation .....	\$3,844,044
25130. Health Services .....	650,292
25190. Institutional Administration and Support Services .....	2,836,859
<b>Total Appropriation .....</b>	<b>\$7,331,195</b>

## Salaries:

Officers and employees .....	( \$5,575,339)
Food in lieu of cash .....	( 16,716)
Materials and Supplies .....	( 1,461,348)
Services Other Than Personal .....	( 104,662)

## Maintenance of Property:

Recurring .....	( 45,740)
Non-recurring and replacements...	( 74,000)

## Extraordinary:

Compensation awards .....	( 25,000)
Additions and Improvements .....	( 28,390)

766. *Woodbridge State School*

25110. Resident Care and Habilitation .....	\$4,503,466
25130. Health Services .....	1,684,520
25190. Institutional Administration and Support Services .....	3,079,597
<b>Total Appropriation .....</b>	<b>\$9,267,583</b>

**Salaries:**

Officers and employees .....	( \$7,175,708)
Food in lieu of cash .....	( 8,262)
Materials and Supplies .....	( 1,645,940)
Services Other Than Personal .....	( 210,670)

**Maintenance of Property:**

Recurring .....	( 46,345)
Non-recurring and replacements .....	( 60,032)

**Extraordinary:**

Compensation awards .....	( 75,000)
Additions and Improvements .....	( 45,626)

767. *Hunterdon State School*

25110. Resident Care and Habilitation .....	\$3,677,877
25130. Health Services .....	2,042,603
25190. Institutional Administration and Support Services .....	3,213,867
<b>Total Appropriation .....</b>	<b>\$8,934,347</b>

**Salaries:**

Officers and employees .....	( \$6,617,173)
New positions .....	( 200,000)
Food in lieu of cash .....	( 2,376)
Materials and Supplies .....	( 1,633,230)
Services Other Than Personal .....	( 313,223)

**Maintenance of Property:**

Recurring .....	( 61,485)
Non-recurring and replacements .....	( 56,860)

**Extraordinary:**

Compensation awards .....	( 50,000)
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768. *Edward R. Johnstone Training and Research Center*

25110.	Resident Care and Habilitation .....	\$2,082,486
25130.	Health Services .....	275,874
25150.	Research .....	160,000
25190.	Institutional Administration and Support Services .....	1,631,748
	<b>Total Appropriation .....</b>	<b>\$4,150,108</b>

## Salaries:

Officers and employees .....	( \$3,371,460)
Food in lieu of cash .....	( 10,619)
Materials and Supplies .....	( 542,477)
Services Other Than Personal .....	( 80,164)

## Maintenance of Property:

Recurring .....	( 43,123)
Non-recurring and replacements ...	( 56,765)

## Extraordinary:

Compensation awards .....	( 45,500)
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769. *New Jersey Neuropsychiatric Institute*

25110.	Resident Care and Habilitation .....	\$3,954,329
25130.	Health Services .....	879,074
25190.	Institutional Administration and Support Services .....	3,134,347
	<b>Total Appropriation .....</b>	<b>\$7,967,750</b>

## Salaries:

Officers and employees .....	( \$6,324,490)
Food in lieu of cash .....	( 24,301)
Materials and Supplies .....	( 1,139,757)
Services Other Than Personal .....	( 170,143)

## Maintenance of Property:

Recurring .....	( 77,792)
Non-recurring and replacements ...	( 149,707)

## Extraordinary:

Compensation awards .....	( 60,000)
Additions and Improvements .....	( 21,560)

25200. *Other Agency Services*760. *Division of Mental Retardation*

25210. Purchased Residential Care .....	\$4,850,090
25220. Social Supervision and Consultation .....	980,023
25230. Day Training and Adult Activities .....	5,098,701
25290. Management and General Support .....	3,223,702
Total Appropriation .....	<u>\$14,152,516</u>

## Salaries:

Officers and employees ..... ( \$2,738,931)

Positions established from lump  
sum appropriation ..... ( 93,874)

Materials and Supplies ..... ( 355,676)

Services Other Than Personal ..... ( 1,262,239)

## Maintenance of Property:

Recurring ..... ( 41,561)

Non-recurring and replacements ... ( 7,950)

## Extraordinary:

Purchase of residential care ..... ( 4,506,053)

Family care ..... ( 240,368)

Social services (State share) ..... ( 175,000)

Compensation awards ..... ( 23,000)

Purchase of day training services .. ( 1,065,442)

Adult activities (State share) ..... ( 870,508)

Foster grandparent program (State  
share) ..... ( 95,000)

Patient employees ..... ( 1,300,000)

Developmental disabilities services  
(State share) ..... ( 200,000)

For allotment to the various State  
institutions for the mentally re-  
tarded for overtime on State  
holidays ..... ( 1,161,914)

Additions and Improvements ..... ( 15,000)

The sum hereinabove appropriated for Purchase of residential care shall be available for the payment of obligations applicable to prior fiscal years.

None of the funds for Developmental disability services shall be expended without non-State matching funds.

*Mental Health*26100. *Institutional Services*777. *Greystone Park Psychiatric Hospital*

26110. Outpatient and Community Services .....	\$1,186,232
26120. Inpatient Care and Health Services .....	14,936,441
26190. Administration and Support .....	6,128,615
<b>Total Appropriation .....</b>	<b>\$22,251,288</b>

## Salaries:

Officers and employees .....	(\$17,297,163)
Food in lieu of cash .....	( 154,751)
Materials and Supplies .....	( 2,835,614)
Services Other Than Personal .....	( 399,180)
<b>Maintenance of Property:</b>	
Recurring .....	( 224,900)
Non-recurring and replacements ..	( 135,000)
<b>Extraordinary:</b>	
Community care .....	( 878,000)
Family care .....	( 231,680)
Compensation awards .....	( 95,000)

779. *Trenton Psychiatric Hospital*

26110. Outpatient and Community Services .....	\$1,237,638
26120. Inpatient Care and Health Services .....	12,733,246
26190. Administration and Support .....	5,431,833
<b>Total Appropriation .....</b>	<b>\$19,402,717</b>

## Salaries:

Officers and employees .....	(\$14,532,012)
Food in lieu of cash .....	( 54,716)
Materials and Supplies .....	( 2,949,276)
Services Other Than Personal .....	( 267,673)
<b>Maintenance of Property:</b>	
Recurring .....	( 120,450)
Non-recurring and Replacements ..	( 134,430)
<b>Extraordinary:</b>	
Family care .....	( 283,200)
Community care .....	( 878,000)
Compensation awards .....	( 150,000)
Additions and Improvements .....	( 32,960)

781. *Marlboro Psychiatric Hospital*

26110. Outpatient and Community Services .....	\$1,031,520
26120. Inpatient Care and Health Services .....	9,530,271
26190. Administration and Support .....	4,857,760
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Total Appropriation .....	\$15,419,551

## Salaries:

Officers and employees .....	(\$11,879,195)
Food in lieu of cash .....	( 68,759)
Materials and Supplies .....	( 1,768,941)
Services Other Than Personal .....	( 397,036)

## Maintenance of Property:

Recurring .....	( 125,650)
Non-recurring and replacements .....	( 97,900)

## Extraordinary:

Community care .....	( 555,000)
Family care .....	( 311,520)
Compensation awards .....	( 199,000)
Additions and Improvements .....	( 16,550)

783. *Ancora Psychiatric Hospital*

26110. Outpatient and Community Services .....	\$1,123,404
26120. Inpatient Care and Health Services .....	8,762,055
26190. Administration and Support .....	3,682,745
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Total Appropriation .....	\$13,568,204

## Salaries:

Officers and employees .....	(\$10,260,449)
Food in lieu of cash .....	( 118,289)
Materials and Supplies .....	( 1,811,140)
Services Other Than Personal .....	( 194,088)

## Maintenance of Property:

Recurring .....	( 115,020)
Non-recurring and replacements .....	( 94,518)

## Extraordinary:

Community care .....	( 615,000)
Family care .....	( 283,200)
Compensation awards .....	( 76,500)

790. *Arthur Brisbane Child Center at Allaire*

26120. Inpatient Care and Health Services .....	\$799,430
26190. Administration and Support .....	309,695

Total Appropriation .....	<u>\$1,109,125</u>
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## Salaries:

Officers and employees .....	( \$929,375)
Food in lieu of cash .....	( 5,000)
Materials and Supplies .....	( 130,000)
Services Other Than Personal .....	( 30,000)

## Maintenance of Property:

Recurring .....	( 14,250)
Non-recurring and replacements ...	( 500)

792. *Diagnostic Center at Menlo Park*

26110. Outpatient and Community Services .....	\$47,174
26130. Special Diagnostic Services .....	1,402,694
26190. Administration and Support .....	118,220

Total Appropriation .....	<u>\$1,568,088</u>
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## Salaries:

Officers and employees .....	( \$1,150,330)
Food in lieu of cash .....	( 972)
Materials and Supplies .....	( 317,021)
Services Other Than Personal .....	( 77,160)

## Maintenance of Property:

Recurring .....	( 22,605)
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794. *New Jersey Hospital at Glen Gardner*

26190. Administration and Support .....	\$2,150,000
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Total Appropriation .....	<u>\$2,150,000</u>
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## Extraordinary:

For opening a geriatric facility ...	( \$2,150,000)
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The unexpended balance as of June 30, 1976 in this account, not to exceed \$250,000, is hereby appropriated.

26900. *Management and General Support*770. *Division of Mental Health and Hospitals*

26910. Community Services .....	\$4,422,557
26920. Management and General Support .....	2,343,165
Total Appropriation .....	<u>\$6,765,722</u>

## Salaries:

Officers and employees .....	( \$542,394)
Materials and Supplies .....	( 6,175)
Services Other Than Personal .....	( 225,035)

## Maintenance of Property:

Recurring .....	( 650)
Non-recurring and replacements ...	( 1,150)

## Extraordinary:

Community mental health center, College of Medicine and Dentistry, Newark (State share) .....	( 896,000)
Community mental health center, College of Medicine and Dentistry, Rutgers (State share) .....	( 2,928,000)
Social service initiatives (State share) .....	( 410,000)
Compensation awards .....	( 318)
For allotment to the various State psychiatric institutions for over- time on State holidays .....	( 1,255,000)
Implementation of master plan ....	( 200,000)
Independent psychiatric evaluation and legal representation for in- digent patients .....	( 300,000)
Additions and Improvements .....	( 1,000)

Federal and other funds received or receivable for the operation of community mental health centers at the New Jersey Medical School and Rutgers Medical School shall be available to the College of Medicine and Dentistry of New Jersey for the operation of the centers.

The unexpended balance as of June 30, 1976, in the Institutional humanization account is hereby appropriated for the same purpose.

*Income Security and Human Resource Development*716. *Commission for the Blind and Visually Impaired*52400. *Services to the Blind and Visually Impaired*

52410. Habilitation and Rehabilitation .....	\$3,344,823
52420. Instruction and Community Programs .....	1,770,581
52490. Administration .....	381,008
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Total Appropriation .....	\$5,496,412
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## Salaries:

Officers and employees .....	( \$2,492,760)
Materials and Supplies .....	( 99,565)
Services Other Than Personal .....	( 2,885,177)

## Maintenance of Property:

Recurring .....	( 4,410)
Non-recurring and replacements .....	( 2,000)

## Extraordinary:

Compensation awards .....	( 2,000)
Additions and Improvements .....	( 10,500)

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

In addition to the appropriation hereinabove, recoveries of the State share of expenditures made in the year ending June 30, 1977, and those made in prior fiscal years, are hereby appropriated.

The portion of the appropriation made to or on behalf of this Commission, which represents General State funds, shall be expended on the several respective matching bases in proportion to anticipated Federal funds which are received or receivable.

The balance to the credit of the Revolving Industrial Fund as of June 30, 1976 is hereby appropriated in a sum not to exceed \$11,000 for the same purpose.

715. *Division of Public Welfare*52500. *Provision of Income Maintenance to Public Indigents*

52510. Fiscal Control .....	\$1,617,693
52520. Quality Control .....	1,121,370
52530. Income Maintenance .....	2,536,150
52590. Administration .....	2,180,698
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Total Appropriation .....	\$7,455,911
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## Salaries:

Officers and employees .....	( \$4,578,627)
Position transferred from another division .....	( 20,892)
Materials and Supplies .....	( 49,530)
Services Other Than Personal .....	( 1,636,737)

## Maintenance of Property:

Recurring .....	( 13,000)
Non-recurring and replacements .....	( 3,900)

## Extraordinary:

Establishment of a Bureau of Child Support .....	( 350,225)
Development of income maintenance information system .....	( 803,000)

The portion of the appropriation made to or on behalf of this Division, which represents General State funds, shall be expended on the several respective matching bases in proportion to anticipated Federal funds which are received or receivable.

717. *Division of Youth and Family Services*52600. *Social Services for Youth and Families*

52610. Community Services .....	\$4,173,784
52620. Residential Services .....	2,846,524
52630. Social Services .....	18,578,243
52690. Administration .....	1,804,158
	<hr/>
Total Appropriation .....	\$27,402,709
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## Salaries:

Officers and employees .....	(\$16,297,252)
Positions established from lump sum appropriation .....	( 2,661,864)
Materials and Supplies .....	( 468,595)
Services Other Than Personal .....	( 2,315,204)

## Maintenance of Property:

Recurring .....	( 82,200)
Non-recurring and replacements ...	( 11,500)

## Extraordinary:

Community day care (State share) .	( 2,967,194)
Early childhood and development program .....	( 113,000)
Work incentive program and day care (State share) .....	( 722,500)
Children in crisis (State share) ...	( 1,000,000)
Social Service Initiatives .....	( 318,000)

Social Service positions (100) to be established upon the recommen- dation of the DYFS Study Task Force, subject to the approval of the Subcommittee on Transfers of the Joint Appropriations Committee .....	( 280,000)
Additions and Improvements .....	( 165,400)

The funds provided hereinabove for Community Day Care (State share) shall be made available on the basis of up to 100% funding of the non-Federal share to those centers in which either the State financed the non-Federal share or were State operated in fiscal year 1976, and on the basis of up to 30% of the non-Federal share for other centers providing community day care services under contract with the Department of Institutions and Agencies.

The portion of the appropriation made to or on behalf of this Division, which represents General State funds, shall be expended on the several respective matching bases in proportion to anticipated Federal funds which are received or receivable.

The sum hereinabove for Community Day Care (State share) shall be available for the payment of obligations applicable to prior fiscal years.

52700. *Services to Veterans*

710. *New Jersey Memorial Home for Disabled Soldiers at Menlo Park*

52720. Domiciliary and Treatment Services .....	\$1,898,672
52730. Administration and Support Services .....	880,984
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Total Appropriation .....	\$2,779,656
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Salaries:

Officers and employees .....	( \$2,046,544)
New positions .....	( 228,000)
Food in lieu of cash .....	( 11,500)
Materials and Supplies .....	( 416,474)
Services Other Than Personal .....	( 61,918)

Maintenance of Property:

Recurring .....	( 12,830)
Non-recurring and replacements ...	( 2,390)

Receipts in excess of those anticipated for patient board are hereby appropriated for operating expenses.

711. *New Jersey Memorial Home for Disabled Soldiers at Vineland*

52720. Domiciliary and Treatment Services .....	\$2,452,447
52730. Administration and Support Services .....	938,228
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Total Appropriation .....	\$3,390,675
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Salaries:

Officers and employees .....	( \$2,514,258)
New positions .....	( 200,000)
Food in lieu of cash .....	( 8,000)
Materials and Supplies .....	( 585,594)
Services Other Than Personal .....	( 58,629)

Maintenance of Property:

Recurring .....	( 19,194)
Non-recurring and replacements ...	( 5,000)

Receipts in excess of those anticipated for patient board are hereby appropriated for operating expenses.

712. *Division on Veterans' Services*

52710. Field Services .....	\$565,000
<b>Total Appropriation .....</b>	<b>\$565,000</b>

**Salaries:**

Officers and employees .....	( \$239,500)
Materials and Supplies .....	( 5,000)
Services Other Than Personal .....	( 20,000)

**Maintenance of Property:**

Recurring .....	( 500)
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**Extraordinary:**

Veterans' Orphans Fund—Education Grants .....	( 90,000)
Blind veterans' allowances .....	( 60,000)
Paraplegic and hemiplegic veterans' allowances .....	( 150,000)

*Assistance to the Economically Disadvantaged*

714. *Division of Medical Assistance and Health Services*

53100. *Medical Assistance and Health Services*

53110. Long-term Care .....	\$2,337,270
53120. General Medical Services .....	279,751,038
53130. Newark Comprehensive Health Service Plan .....	5,000,000
53190. Administration and General Support .....	5,889,206
<b>Total Appropriation .....</b>	<b>\$292,977,514</b>

**Salaries:**

Officers and employees .....	( \$5,430,326)
New positions .....	( 216,793)
Materials and Supplies .....	( 59,686)
Services Other Than Personal .....	( 1,409,389)

**Maintenance of Property:**

Recurring .....	( 10,500)
Non-recurring and replacements .....	( 2,500)

## Extraordinary:

Payments to fiscal agents .....	( 11,606,930)
Payments to medical assistance recipients (State share) .....	(262,800,000)
Pharmaceutical assistance to the aged .....	( 4,000,000)
Newark comprehensive health service plan—Administration (State share) .....	( 1,000,000)
Newark comprehensive health service plan—Medical assistance (State share) .....	( 4,000,000)
Medical fraud investigation unit ...	( 245,000)
Eligibility determination .....	( 1,568,000)
To design, develop and implement a data processing system to improve claims processing, surveillance and utilization review .....	( 600,000)
Compensation awards .....	( 12,000)
Additions and Improvements .....	( 16,390)

The portion of the appropriation made to or on behalf of this Division, which represents General State funds, shall be expended on the several respective matching bases in proportion to anticipated Federal funds which are received or receivable.

All funds recovered under C30:4D-1 et seq. during the fiscal year ending June 30, 1977 are hereby appropriated.

The sum hereinabove for Payments to medical assistance recipients shall be available for the payment of obligations applicable to prior fiscal years.

Reimbursements for services provided for recipients of other jurisdictions, as established by interstate agreements which represent the State share of medical assistance are hereby appropriated to the Division of Medical Assistance and Health Services for the purpose of making further payments of medical assistance.

The unexpended balances as of June 30, 1976 or so much thereof as the Director of the Division of Budget and Accounting may determine, subject to the approval of the Subcommittee on Transfers of the Joint Appropriations Committee in the accounts Newark Comprehensive Health Service Plan—Administration (State share) and Newark Comprehensive Health Service Plan—Medical Assistance (State share) are hereby appropriated.

The unexpended balances as of June 30, 1976 in the account Pharmaceutical Assistance to the Aged are hereby appropriated.

The sum hereinabove for Pharmaceutical Assistance to the Aged Program shall be available for the payment of obligations applicable to prior fiscal years.

*Department Management and General Support*

79100. *Department Management and General Support*

79130-700. Education Program—Garden State School District .....	\$424,024
79140-700. Debt Service—Interest on Bonds .....	6,215,702
79190-700. Department Management .....	4,160,965
	\$10,800,691

Salaries:

Commissioner .....	( \$43,000)
Officers and employees .....	( 2,617,361)
Materials and Supplies .....	( 42,733)
Services Other Than Personal .....	( 1,019,195)

Maintenance of Property:

Recurring .....	( 7,500)
Non-recurring and replacements .....	( 2,200)

Extraordinary:

Bond interest .....	( 6,215,702)
State social services (State share) ..	( 270,000)
Information systems development ..	( 200,000)
Nursing scholarship program .....	( 270,000)

Maintenance and security services at the former Training School for Girls, Trenton . . . . .	( 100,000)
Compensation awards . . . . .	( 9,500)
Additions and Improvements . . . . .	( 3,500)

The unexpended balance as of June 30, 1976, in the Education Program—Garden State School District program element is hereby appropriated for the same purpose.

There shall be appropriated as a revolving fund the receipts derived from services rendered by the Data Processing Center, and the unexpended balance of such receipts as of June 30, 1976, for the purpose of operating the Data Processing Center, including the replacement and the purchase of additional data processing equipment.

The Director of the Division of Budget and Accounting is hereby empowered to transfer or credit to the Data Processing Center of this department from the various appropriations made to any department for data processing costs which are appropriated or allocated to such departments for their share of such costs.

No funds in the State social services (State share) account shall be expended until a plan and fund allocation schedule are developed by the Commissioner of the Department of Institutions and Agencies and approved by the Director of the Division of Budget and Accounting.

Total Appropriation, Department of Institutions and Agencies . . . . .	<u>\$565,669,595</u>
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In addition to the amounts hereinabove specifically appropriated for the various institutions, all funds derived from the sale of farm products to any State agency or political subdivision of the State are hereby appropriated.

Balances on hand as of June 30, 1976 of funds held for the benefit of patients and inmates in the

several institutions, and such funds as may be received, are hereby appropriated for the use of such patients and inmates.

Funds received from the sale of articles made in occupational therapy departments of the several institutions are hereby appropriated for the purchase of additional material and other expenses incidental to such sale or manufacture.

The unexpended balances as of June 30, 1976 of funds received by the several institutions representing rental of garages, and such funds as may be received during fiscal year 1976-77 are hereby appropriated for the repair and maintenance of existing garages and for the construction of additional garages by such institutions.

Payments received by the State from employers of prisoners on their behalf, as part of any work release program, are hereby appropriated for the purposes provided. (C30:4-91.1 et seq.)

So much of the sums received by the various State institutions from payments which represent the State share of medical assistance, not otherwise anticipated, are hereby appropriated to the Division of Medical Assistance and Health Services for the purpose of making further payments for the State share of medical assistance. (C30:4D-1 et seq.)

Out of the receipts of the Department of Institutions and Agencies received as a result of indirect cost recoveries from the Federal Government, a sum not to exceed \$60,000 is hereby appropriated.

Of the amount hereinabove appropriated to the Department of Institutions and Agencies, the sums hereinafter set forth are hereby appropriated from the State Lottery Fund:

Increased costs of operation of:	
Correctional Institutions . . . . .	( \$2,084,209)
Institutions for the Mentally	
Retarded . . . . .	( 1,697,600)

Operation of Homes for Disabled Veterans (net costs) :	
Memorial Home for Disabled Veterans, Menlo Park . . . . .	( 1,495,259)
Memorial Home for Disabled Veterans, Vineland . . . . .	( 1,972,388)
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Total Appropriation from the State Lottery Fund . . . . .	( \$7,249,456)
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## DEPARTMENT OF COMMUNITY AFFAIRS

*Development of Community Programs*42100. *Community Development Management*

42110-800. Housing Code Enforcement . . . . .	\$2,456,522
42120-800. Housing . . . . .	968,870
42130-800. Local Government Services . . . . .	1,300,086
42140-800. State and Regional Planning . . . . .	946,643
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Total Appropriation . . . . .	\$5,672,121
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## Salaries :

Board Members (5 @ \$6,000) . . . . .	( \$30,000)
Officers and employees . . . . .	( 1,606,930)
Positions established from lump sum appropriation . . . . .	( 1,263,676)
Positions transferred from another account . . . . .	( 134,750)
Materials and Supplies . . . . .	( 93,216)
Services Other Than Personal . . . . .	( 1,844,049)

## Maintenance of Property :

Recurring . . . . .	( 3,300)
Non-recurring and replacements . . . . .	( 600)

## Extraordinary :

Hackensack Meadowland Develop- ment Commission . . . . .	( 250,000)
Delaware Valley Regional Planning Commission . . . . .	( 50,000)

Tri-State Regional Planning Com- mission .....	( 229,200)
Cooperative governmental planning	( 154,000)
Additions and Improvements .....	( 12,400)

The amount appropriated hereinabove for the Housing Code enforcement element shall be payable from fees and fines derived therefrom, and receipts in excess of those anticipated from such fees and fines are hereby appropriated for additional operating costs.

The funds hereinabove appropriated for Relocation assistance shall be applicable to the fiscal year 1976-77 only; provided, however, that the Commissioner of the Department of Community Affairs, be empowered to continue existing contracts for rent supplements (C52:27D-66).

The unexpended balance as of June 30, 1976 in the Hackensack Meadowlands Development Commission account is hereby appropriated for the same purpose.

The sum appropriated hereinabove and any reappropriated funds for the Hackensack Meadowlands Development Commission shall be refunded to the General State Fund from the proceeds of any obligations issued by the Commission; provided, however, that the said Commission pay interest at the rate of 8% per annum on any sum appropriated after June 30, 1975, and at a rate of 6% per annum on any loans outstanding prior to July 1, 1975.

The amount appropriated hereinabove for the Delaware Valley Regional Planning Commission shall be used for land development planning aspects of studies conducted in the Philadelphia-Camden Urban Area by such Commission, contingent upon Federal participation of no less than 66 $\frac{2}{3}$ %; provided, however, that the expenditure of such funds by the Delaware Valley Regional Planning Commission be subject to the approval of the Commissioner of the Department of Community Affairs.

The amount appropriated hereinabove for the Tri-State Regional Planning Commission shall be used for land development planning aspects of studies conducted in the Northeastern New Jersey-New York Urban Area by such Commission, contingent upon Federal participation of no less than 66 $\frac{2}{3}$ %; provided, however, that the expenditure of such funds by the Tri-State Regional Planning Commission be subject to the approval of the Commissioner of the Department of Community Affairs.

*Income Security and Human Resource Development*

52300. *Human Resource Development*

52310-800. Human Resources .....	\$329,000
52320-800. Programs for Aging .....	306,896
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Total Appropriation .....	\$635,896
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Salaries:

Officers and employees .....	( \$280,404)
Positions transferred from another account .....	( 34,491)
Materials and Supplies .....	( 15,700)
Services Other Than Personal .....	( 74,851)
Maintenance of Property:	
Recurring .....	( 450)
Extraordinary:	
For operation of a Division on Women .....	( 80,000)
Federal aging programs (State share) .....	( 150,000)

The funds hereinabove in the Federal Aging Programs (State share) account only shall be expended in an amount not to exceed 50% of the non-Federal share of Federally approved projects.

The unexpended balance as of June 30, 1976 in the Urban Loan Authority account is hereby appropriated for the same purpose.

*Management and General Support*79100. *Department Management*

79190-800. Department Management .....	\$719,464
Total Appropriation .....	\$719,464

## Salaries:

Commissioner .....	(\$ 43,000)
Officers and employees .....	( 549,876)
Materials and Supplies .....	( 8,907)
Services Other Than Personal .....	( 105,286)

## Maintenance of Property:

Recurring .....	( 3,500)
Non-recurring and replacements ..	( 2,075)

## Extraordinary:

Compensation awards .....	( 6,820)
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The unexpended balance as of June 30, 1976 in the revolving fund for printing and reprinting literature for sale, and the receipts derived from such sales, are hereby appropriated.

Total Appropriation, Department of Community Affairs .....	\$7,027,481
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The unexpended balances as of June 30, 1976, not to exceed \$100,000, in the Department of Community Affairs are hereby appropriated to fund transitional expenses as programs are transferred to other departments, as the Director of the Division of Budget and Accounting shall determine.

## DEPARTMENT OF THE PUBLIC ADVOCATE

*Public Advocacy*11500. *Protection of Citizen Rights*

11510-850. Mental Health Advocacy .....	\$550,698
11520-850. Public Interest Advocacy .....	266,992
11530-850. Citizen Complaints and Dispute Settlement .....	507,764
Total Appropriation .....	\$1,325,454

Salaries:

Officers and employees ..... ( \$913,503)  
 Materials and Supplies ..... ( 35,921)  
 Services Other Than Personal ..... ( 190,530)

Maintenance of Property:

Recurring ..... ( 500)

Extraordinary:

Office of Dispute Settlement ..... ( 185,000)

The unexpended balance as of June 30, 1976 in the Rate Counsel account, and receipts in excess of those anticipated, are hereby appropriated as a revolving fund for the purpose of defraying the costs of operation of the Rate Counsel activity and 20% of the administrative costs of the Commissioner's office.

*Assistance to the Economically Disadvantaged*

53200. *Criminal Defense of Indigents*

53210-850. Trial .....	\$8,152,900
53220-850. Appellate .....	1,727,140
53290-850. Administration .....	406,210
Total Appropriation .....	<u>\$10,286,250</u>

Salaries:

Officers and employees ..... ( \$7,458,776)  
 Materials and Supplies ..... ( 176,079)  
 Services Other Than Personal ..... ( 2,547,469)

Maintenance of Property:

Recurring ..... ( 4,845)

Extraordinary:

Representation of child abuse proceedings (State share) ..... ( 97,081)  
 Compensation awards ..... ( 2,000)

The unexpended balance as of June 30, 1976 in the Receipts from clients accounts, and any receipts collected, are hereby appropriated.

The sum appropriated hereinabove shall be available for the payment of obligations applicable to prior fiscal years.

*Management and General Support*79100. *Department Management and General Support*

79110-850. Management Services .....	\$401,680
79190-850. Department Management .....	248,182
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Total Appropriation .....	\$649,862
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## Salaries:

Commissioner .....	( \$43,000)
Officers and employees .....	( 554,652)
Materials and Supplies .....	( 13,000)
Services Other Than Personal .....	( 38,110)

## Maintenance of Property:

Recurring .....	( 1,100)
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Total Appropriation, Department of the Public Advocate .....	\$12,261,566
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## MISCELLANEOUS EXECUTIVE COMMISSIONS

*Direct Public Services*34200. *Programs for the State Library and  
Historical Commission*917. *New Jersey American Revolution Bicentennial  
Celebration Commission*

34250. New Jersey American Revolution Bicen- tennial Celebration Commission .....	\$192,500
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Total Appropriation .....	\$192,500
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## Extraordinary:

Expenses of Commission .....	( \$142,500)
Grants for historic restoration in the capital city .....	( 25,000)
Collate, publish and distribute the papers of Woodrow Wilson .....	( 25,000)

The unexpended balance as of June 30, 1976 in this account, and the receipts derived from commissions and the sale of merchandise, are hereby appropriated.

*Environmental Management*41300. *Resource Management*914. *Delaware River Basin Commission*

41310. Water Supply Management .....	\$297,190
Total Appropriation .....	<u>\$297,190</u>

## Extraordinary:

Expenses of Commission ..... ( \$297,190)

41400. *Pollution Control*913. *Interstate Sanitation Commission*

41410. Air Pollution .....	\$81,000
41440. Water Quality .....	137,900
Total Appropriation .....	<u>\$218,900</u>

## Extraordinary:

New Jersey share of air pollution  
costs (45%) ..... ( \$81,000)  
New Jersey share of water quality  
costs (45%) ..... ( 137,900)

*Recreational Management*46100. *Recreational Opportunities*911. *Palisades Interstate Park Commission*

46110. Parks Management .....	\$912,197
46180. Patrol Activities and Crime Control .....	554,508
Sub-Total Appropriation .....	<u>\$1,466,705</u>

*Less:*

*Revenues derived from gasoline stations, police  
court, stands and concessions .....* 424,850

Total Appropriation ..... \$1,041,855

## Salaries:

Officers and employees ..... ( \$1,151,420)  
Materials and Supplies ..... ( 130,155)  
Services Other Than Personal ..... ( 60,080)

Maintenance of Property:	
Recurring .....	( 61,410)
Non-recurring and replacements ...	( 62,640)
Additions and Improvements .....	( 1,000)

*Less:*

<i>Revenues derived from gasoline</i>	
<i>stations, police court, stands and</i>	
<i>concessions .....</i>	( 424,850)

The net share of revenues derived from the operation of gasoline stations on the New Jersey section of the Palisades Interstate Parkway, and the unexpended balance as of June 30, 1976 from such revenues, are hereby appropriated for maintenance of such stations, for Parkway maintenance and for capital projects and plans.

The unexpended balances as of June 30, 1976 from the police court, stands and concessions and self-sustaining activities operated or supervised by this Commission, and receipts from such activities, are hereby appropriated.

*Operation and Maintenance of Transportation Facilities*63100. *State Highway Facilities*912. *Delaware River Joint Toll Bridge Commission*

63150. Delaware River Joint Toll Bridge Commission .....	\$865,084
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Total Appropriation .....	\$865,084
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## Salaries:

Officers and employees .....	( \$651,034)
Materials and Supplies .....	( 43,450)
Services Other Than Personal .....	( 52,500)

## Maintenance of Property:

Recurring .....	( 17,000)
Non-recurring and replacements ...	( 101,100)

*Executive Management, Planning and Control*71200. *Central Management, Planning and Control*915. *New Jersey Commission on Capital Budgeting and Planning*

71210. New Jersey Commission on Capital Budgeting and Planning .....	\$82,650
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Total Appropriation .....	\$82,650
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## Extraordinary:

Expenses of commission .....	(\$82,650)
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The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

Total Appropriation, Miscellaneous Executive Commissions .....	\$2,698,179
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## INTER-DEPARTMENTAL ACCOUNTS

*Centrally Financed Facilities and Services*78200. *Inter-Departmental Service Appropriations*

78210-940. Property Rentals—Buildings and Grounds .....	\$18,277,311
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78260-940. Insurance and Other Services .....	1,300,000
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Total Appropriation .....	\$19,577,311
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## Services Other Than Personal:

## Rent

Buildings and grounds .....	(\$23,717,415)
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Health-Agricultural Building ..	( 664,500)
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Education Building .....	( 332,355)
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Cultural Center .....	( 541,260)
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*Less:*

<i>Direct charges and charges to Non-State Fund sources .....</i>	<i>( 6,978,219)</i>
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## Extraordinary:

Excess Liability Insurance Master Policy .....	( 400,000)
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Tort Claims Liability Fund (C59:12-1) .....	( 900,000)
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The Director of the Division of Budget and Accounting is hereby empowered to allocate to any State agency occupying space in any State-owned building, equitable charges for the rental of such space to include but not be limited to the costs of operation and maintenance thereof, and the amounts so charged shall be credited to the General State Fund; and, to the extent that such charges may exceed the amounts appropriated for such purposes to any agency financed from any fund other than the General State Fund, the required additional appropriation shall be made out of such other fund.

With respect to the equitable charges allocated to agencies occupying the Department of Labor and Industry Office Building, such amounts which may be attributable to the amortization of the portion of the building, the construction cost of which was provided from funds made available from the Unemployment Trust Fund, shall be credited to that Fund.

Receipts derived from direct charges and charges to non-State fund sources are hereby appropriated for the rental of property, including the costs of operation and maintenance of such properties.

Notwithstanding any other provision of law, no lease for the rent of any office or building shall be executed without the prior written approval of the State Treasurer, the Director of the Division of Budget and Accounting, the President of the Senate and the Speaker of the General Assembly.

The sum appropriated above shall be available for the payment of obligations applicable to prior fiscal years.

The unexpended balance in the account of the Department of Law and Public Safety heretofore established for Tort claims is hereby appropriated for the same purpose to the Tort Claim Liability Fund established herein, for expenditure (C59 :1-1 et seq.)

The amount provided hereinabove for property rentals—buildings and grounds may be used for offices, rent, telephones, answering services, furniture and office equipment for district offices of members of the Legislature at a cost not to exceed \$3,000 per legislator for rent; provided, however, that the rental of office space for a district office shall not be in any facility in which the legislator has any proprietary interest; provided, further, however, that the sum shall not be used to provide remuneration to any members of the Legislature; and provided further, however, that the expenditure shall be in accordance with joint rules established by the President of the Senate and the Speaker of the General Assembly.

78220-941. Employee Benefits .....	\$160,732,062
Total Appropriation .....	<u>\$160,732,062</u>

**Extraordinary:**

Heath Act .....	( \$75,000)
Veterans Act .....	( 125,000)
Miscellaneous special acts .....	( 13,000)
Governors' widows annuity .....	( 8,000)
Judicial Retirement System .....	( 4,358,419)
Prison officers' pensions .....	( 1,150,000)
Public Employees' Retirement System .....	( 37,267,377)
Premiums for non-contributory insurance .....	( 2,920,652)
Social Security tax .....	( 46,175,000)
State Police Retirement System ...	( 6,342,520)
Premium for non-contributory in- surance—State Police .....	( 360,500)
State employees' health benefits ...	( 37,625,000)
Pension Increase Act .....	( 4,600,000)
Accelerated CPI Adjustment— Pension Increase Act .....	( 800,000)
Employer contributions, alternate benefit program .....	( 12,362,000)

Pension and insurance contributions payable to Teachers' Pension and Annuity Fund for higher education and State employee members	( 2,149,594)
Unemployment insurance benefit costs for employees of State hospitals and State institutions of higher education	( 1,200,000)
Police and Firemen's Retirement System (C43:16A-1)	( 3,200,000)

Out of the sum appropriated hereinabove, upon application to the Director of the Division of Budget and Accounting, an annuity of \$4,000 shall be paid to the widow of any person, now deceased, who was elected and served as Governor of this State; provided such widow was the wife of such person for all or part of the period during which he served as Governor, and; provided further, that this shall not apply to any widow receiving a pension granted under RS 43:8-2, and continued by RS 43:7-1 et seq., RS 43:8-1 et seq. and RS 43:8-8 et seq.

Any adjustment which may be required for the payment of Premium for non-contributory insurance shall result in a contra-adjustment in the payment of the normal contribution for the Public Employees' Retirement System.

Any adjustment which may be required for the payment of Premium for non-contributory insurance shall result in a contra-adjustment in the payment of the normal contribution for the State Police Retirement System.

Notwithstanding the provisions of any other law, the sum appropriated for the Public Employees' Retirement System may be paid to the System as follows:  $\frac{1}{2}$  of such sum may be paid not later than December 31, 1976 in amounts and at times as determined by the Director of the Division of Budget and Accounting; and  $\frac{1}{2}$  of such sum may be paid not later than June 30, 1977 in amounts

and at times as determined by the Director of the Division of Budget and Accounting, with interest at the average rate of earnings during the fiscal year from the State's general investments, computed from the period beginning July 1, 1976 through the date of such payment.

Such additional sums which may be required for Social Security tax and State employees' health benefits may be allotted from the various departmental operating appropriations to this account, as the Director of the Division of Budget and Accounting shall determine.

78230-942. State Emergency Fund .....	\$1,400,000
Total Appropriation .....	\$1,400,000

**Extraordinary:**

For allotment to the various departments or agencies, to meet any condition of emergency or necessity; provided, however, that a sum not in excess of \$5,000 shall be available for the expense of officially receiving dignitaries and for incidental expenses, including lunches for non-salaried board members and others for whom official reception shall be beneficial to the State. Allotments from this appropriation shall be made only upon authorization of the Governor ..... ( \$250,000)

For allotment, as required, to meet contingencies which may result from increases in the price of fuel and food, and other commodities and services beyond those anticipated, as the Director of the Division of Budget and Accounting shall determine ..... ( 1,000,000)

For allotment to the various departments or agencies to pay compensation awards allowed State employees, upon approval of the Director of the Division of Budget and Accounting .....	( 150,000)	
78240-943. Salary and Other Benefits .....		\$65,202,000
Total Appropriation .....		<u>\$65,202,000</u>

**Extraordinary:**

To the Director of the Division of Budget and Accounting for allotment to the various agencies for lump sum payments to eligible retired employees for earned and unused accumulated sick leave (PL 1973, c. 130) .....

( \$1,700,000)

To the Director of the Division of Budget and Accounting for allotment to the various agencies for normal merit salary increments ..

( 14,331,000)

To the Director of the Division of Budget and Accounting for allotment to the various agencies for the costs of salary and other benefits resulting from negotiated contractual agreements with various employee organizations .....

( 40,171,000)

To the Director of the Division of Budget and Accounting for allotment to the various agencies for the costs of salary and other benefits for those employees not covered by a negotiated contractual agreement with any employee organization .....

( 9,000,000)

The appropriation for Salary and other benefits provided hereinabove shall be subject to rules and regulations established by the State Trea-

surer, the President of the Civil Service Commission, and the Director of the Division of Budget and Accounting.

The salary rate which may be paid to any employee, including cash salary and the value of maintenance received shall not be increased to a salary rate as high as the cash salary rate provided by law for the respective department head, including employees of the College of Medicine and Dentistry of New Jersey; Rutgers, The State University; the New Jersey Institute of Technology and the State Colleges; except that the rates of pay of medical faculty at the College of Medicine and Dentistry of New Jersey, of medical doctors in other State agencies, and of the President of Rutgers, The State University, may be increased above the department head's salary rate with the approval of the State Treasurer, the President of the Civil Service Commission, and the Director of the Division of Budget and Accounting, or their designated representatives; and provided further that any salary adjustment which may be authorized shall be made effective at the beginning of the biweekly pay period nearest July 1, 1976, or thereafter, as the State Treasurer, the President of the Civil Service Commission, the Director of the Division of Budget and Accounting, or their designated representatives shall determine.

No salary range or rate of pay shall be increased or salary adjustment paid in any State department, agency, commission or higher education institution without the approval of the State Treasurer, the President of the Civil Service Commission and the Director of the Division of Budget and Accounting, or their designated representatives; a copy of any such proposed salary increase or adjustment shall be transmitted to the Executive Director, Office of Fiscal Affairs, upon the effective date of such proposal; and provided further that any sums appropriated to the several departments for salaries shall be made available for

salary adjustments therein, arising from various exigencies of the State service as the State Treasurer, the President of the Civil Service Commission and the Director of the Division of Budget and Accounting, or their designated representatives shall determine. Nothing herein shall be construed as applicable to the unclassified personnel of the Legislative Branch.

The Classification, Compensation, Promotion and Salary Administration Program Plans of Rutgers, The State University; the New Jersey Institute of Technology; and the College of Medicine and Dentistry of New Jersey shall be maintained and amended as required, in accordance with standards and guidelines established by the President of the Civil Service Commission, and approved by the State Treasurer and the Director of the Division of Budget and Accounting, or their designated representatives, and shall be subject to audit by the Civil Service Commission. Information copies of such Program Plans as hereinabove described shall be forwarded to the Executive Director, Office of Fiscal Affairs, upon promulgation of such plans.

Any sums appropriated for salaries shall be made available for any person holding State office, position or employment, whose compensation is paid directly or indirectly, in whole or in part from State funds, including any person holding office, position or employment in any educational institution for which appropriations are made to Rutgers, The State University; the College of Medicine and Dentistry of New Jersey or to the State Board of Higher Education for the New Jersey Institute of Technology, or holding office, position or employment under the Delaware River Joint Toll Bridge Commission, the Palisades Interstate Park Commission and the Interstate Sanitation Commission.

Each person holding such State office, position or employment, whose compensation from State funds is derived in whole or in part from Federal or non-State Fund sources, shall be entitled to

such salary payments which may be authorized which he would receive if his compensation were paid wholly from State funds; provided, however, that the Federal government or non-State Fund sources consent thereto and pay the cost thereof.

Such additional sums which may be required to provide supplemental compensation payments to eligible retired employees of the respective departments for accumulated unused sick days shall be allotted from the various departmental operating appropriations to the account for making such lump sum payments as the Director of the Division of Budget and Accounting shall determine.

The unexpended balance as of June 30, 1976 in the Fair Labor Standards Act escrow accounts is hereby appropriated.

78250-944. Overtime Compensation .....	\$500,000
Total Appropriation .....	\$500,000

Extraordinary:

To the Director of the Division of Budget and Accounting for allotment, as required, to the various agencies to compensate employees for authorized overtime at a rate of 1½ times the employees' applicable rate of pay, for those employees in class titles eligible for such payment, under the regulations promulgated by the State Treasurer, the President of the Civil Service Commission and the Director of the Division of Budget and Accounting, or their designated representatives, provided, however, that, subject to the provisions of the aforesaid regulations, compensation may be in the form of time off .....

( \$500,000)	
Total Appropriation, Inter-Departmental Accounts .....	\$247,411,373

## THE JUDICIARY

*Judicial Affairs*73100. *Court Operations*

73110-970. Supreme Court .....	\$981,723
73120-970. Superior Court .....	8,430,741
	<hr/>
Total Appropriation .....	\$9,412,464

## Salaries:

Chief Justice .....	( \$50,500)
Associate Justices (6 @ \$48,000) ..	( 288,000)
Judges (120) .....	( 4,906,000)
Officers and employees .....	( 3,468,264)
Materials and Supplies .....	( 279,900)
Services Other Than Personal .....	( 327,200)

## Maintenance of Property:

Recurring .....	( 29,600)
Non-recurring and replacements ...	( 22,500)
Additions and Improvements .....	( 40,500)

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

73200. *Court Support Services*

73210-970. Official Court Reporters .....	\$3,369,780
73290-970. General Support .....	1,294,303
	<hr/>
Total Appropriation .....	\$4,664,083

## Salaries:

Officers and employees .....	( \$3,869,168)
Materials and Supplies .....	( 121,000)
Services Other Than Personal .....	( 623,415)

## Maintenance of Property:

Recurring .....	( 14,000)
Non-recurring and replacements ...	( 500)

## Extraordinary:

Compensation awards .....	( 30,000)
Additions and Improvements .....	( 6,000)

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

73300. *Court Administration*

73310-970. Legal Services .....	\$650,000
73320-970. Probation Services .....	89,268
73390-970. Management Services .....	600,000
	<hr/>
Total Appropriation .....	\$1,339,268
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Salaries:

Officers and employees .....	( \$1,029,773)
Positions transferred from another subcategory .....	( 88,700)
Materials and Supplies .....	( 59,400)
Services Other Than Personal .....	( 122,525)

Maintenance of Property:

Recurring .....	( 11,700)
Non-recurring and replacements ...	( 25,970)
Additions and Improvements .....	( 1,200)

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

Total Appropriation, The Judiciary .....	\$15,415,815
	<hr/> <hr/>

Receipts in excess of those anticipated are hereby appropriated.

Total Appropriation, General State Operations .....	\$1,581,497,799*
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STATE AID

DEPARTMENT OF LAW AND PUBLIC SAFETY

*Law Enforcement*

11400. *Protection of Individual Rights—State Aid*

11410-160. Consumer Affairs—General .....	\$2,700
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Total Appropriation .....	\$2,700

Grants-in-Aid:

For payment of fees to counties and municipalities from the sale of solid fuel licenses (RS 51:8-13), approximating .....	( \$2,400)
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**New Jersey State Library**

For payment of fees to counties and municipalities from the sale of poultry licenses (RS 4:11-48), approximating ..... ( 300)

In addition to the amounts appropriated hereinabove there are hereby appropriated, subject to allotment by the Director of the Division of Budget and Accounting, such additional sums, not in excess of 50% of the revenues received, as may be required to make payments (RS 51:8-13 and RS 4:11-48).

11600. *Miscellaneous Law Enforcement and Related Agencies—  
State Aid*

11620-190. Law Enforcement Planning .....	\$685,000
Total Appropriation .....	\$685,000

Grants-in-Aid:

For 50% of the non-Federal share of Law Enforcement Assistance Action Grant projects undertaken by local governments, in compliance with the Federal Omnibus Crime Control and Safe Streets Act .... ( \$640,000)

For 50% of the non-Federal share of Law Enforcement Assistance Planning Grant projects undertaken by local governments, in compliance with the Federal Omnibus Crime Control and Safe Streets Act ..... ( 45,000)

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

Total Appropriation, Department of Law and Public Safety .....	\$687,700
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## DEPARTMENT OF THE TREASURY

*Financial Aid to Counties and Municipalities*77100. *Shared and State-Collected Local Taxes—State Aid*

77120-240. Railroad Property Taxes . . . . .	\$7,725,663
Total Appropriation . . . . .	\$7,725,663

## Extraordinary:

Payments to municipalities in lieu  
of railroad property tax . . . . . ( \$7,725,663)

In addition to the amount appropriated hereinabove there are hereby appropriated such additional sums as may be required for the payment of State aid to certain municipalities in which railroad property is located (C54:29A-1 et seq.).

There are hereby appropriated so much of the proceeds of taxes derived from the fire insurance premiums as may be required for payment to the New Jersey Firemen's Home and the New Jersey Firemen's Association (RS 54:17-4).

There are hereby appropriated so much of the proceeds derived from the imposition of the Unincorporated Business Tax, Business Personal Property Tax, Retail Gross Receipts Tax, and the Corporation Business Tax as may be required for payment to the local taxing districts (C54:11D-1 et seq.).

Notwithstanding the provisions of PL 1975, c. 170, there are hereby appropriated so much of the proceeds derived from the taxes collected from banking corporations pursuant to the Corporation Business Tax Act and the Business Personal Property Tax Act as may be required for payment to the local taxing districts; provided, however, that the sum apportioned to the several counties of the State shall not be distributed and shall be anticipated as revenue for general State purposes.

Notwithstanding the provisions of PL 1975, c. 171, there are hereby appropriated so much of the proceeds derived from the imposition of the Financial Business Tax as may be required for payment to the local taxing district; provided, however, that the sum apportioned to the several counties of the State shall not be distributed and shall be anticipated as revenue for general State purposes.

77200. *State Subsidies and Services—State Aid*

77230-240. Reimbursements—Senior Citizens' Tax Deductions .....	\$14,000,000
77240-240. County Boards of Taxation .....	433,125
77250-295. Consolidated Police and Firemen's Pension Fund .....	5,353,852
<b>Total Appropriation .....</b>	<b>\$19,786,977</b>

Salaries:

County Tax Board Members (69) .. ( \$433,125)

Extraordinary:

State reimbursement to municipalities for one-half of the Senior citizens' tax deductions .. ( 14,000,000)

State contribution to Consolidated Police and Firemen's Pension Fund .. ( 5,353,852)

There are hereby appropriated such additional sums as may be required for State reimbursement to municipalities for one-half of the Senior citizens' tax deductions.

Total Appropriation, Department of the Treasury .....	\$27,512,640
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DEPARTMENT OF HEALTH

*Community Health Programs*

23200. *Local Health Services—State Aid*

The unexpended balance as of June 30, 1976 in this account is hereby appropriated for monitoring of local programs.

## DEPARTMENT OF ENVIRONMENTAL PROTECTION

*Environmental Management*41300. *Resource Management—State Aid*

41330-400. Marine Lands Management .....	\$1,000,000
Total Appropriation .....	<u>\$1,000,000</u>

## Extraordinary:

Shore protection projects, contingent upon no less than 50% participation by local governments (State share) ..... ( \$1,000,000)

The unexpended balance as of June 30, 1976 in this account, excluding Reconstruct and raise the elevation of dike at Repaupo Creek Watershed and Establish an emergency flood control project in Pennsauken Township accounts, is hereby appropriated.

*Management and General Support*49100. *Department Management—State Aid*

49110-400. Department Management and Administrative Services .....	\$275,000
Total Appropriation .....	<u>\$275,000</u>

## Extraordinary:

Mosquito control and research .... ( \$275,000)

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

The amount provided hereinabove in the Mosquito control and research account shall not be expended or contracted for without the approval of an Interdepartmental Committee consisting of the Commissioners of Environmental Protection and Health, the Secretary of Agriculture, and the Director of the Division of Budget and Accounting, or their designated representatives.

Total Appropriation, Department of Environmental Protection .....	<u><u>\$1,275,000</u></u>
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## DEPARTMENT OF EDUCATION

*General Assistance for Public and Non-Public Education*31100. *Financial Assistance to Local School Districts—State Aid*

31110-500. State School Incentive Equalization Aid .....	\$431,808,284
31120-500. Special Education .....	63,021,892
31130-500. Teachers' Pension and Annuity Fund ..	217,157,007
31140-500. School Facility Program .....	33,007,075
31150-500. Pupil Transportation .....	37,070,000
31160-500. Aid for Non-Public Education .....	3,500,000
31170-500. Adult and Continuing Education .....	3,379,533
31190-500. Other Grants-in-Aid .....	4,234,545
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Sub-Total Appropriation .....	\$793,178,336

*Less:*

<i>Allocation to local school districts of 25% of the cost of employer liability for pension and other fringe benefits for local school employees .....</i>	<i>53,914,252</i>
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Total Appropriation .....	<hr/> <hr/> \$739,264,084
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## Salaries:

Officers and employees .....	( \$392,074)
Services Other Than Personal .....	( 25,000)

## Grants-in-Aid:

Equalization and incentive aid (NJS 18A :58-1 et seq.) .....	( 431,808,284)
Special education program .....	( 62,604,818)
Equalization and incentive building aid (NJS 18A :58-1 et seq.) .....	( 19,383,951)
Pupil transportation .....	( 37,070,000)
School building aid debt service ..	( 13,623,124)
Aid for non-public education .....	( 3,500,000)
Emergency fund .....	( 200,000)
Children resident in institutions ..	( 1,032,108)
Children resident on State-owned property .....	( 495,839)
Public school safety act .....	( 2,506,598)

*Less:*

<i>Allocation to local school districts of 25% of the cost of employer liability for pension and other fringe benefits for local school employees</i> .....	( 53,914,252)
<b>Teachers' Pension and Annuity Fund:</b>	
Normal contribution .....	( 81,946,143)
Accrued liability .....	( 25,435,494)
Payment on behalf of local em- ployee veterans appointed after January 1, 1955 .....	( 186,810)
Premium for non-contributory insurance .....	( 7,488,560)
Social security tax .....	( 82,400,000)
Pension Increase Act .....	} ( 19,700,000)
Accelerated CPI adjustment— Pension Increase Act .....	
High school equivalency .....	( 1,264,436)
Adult education .....	( 1,041,738)
Adult literacy .....	( 889,000)
Evening schools for foreign-born residents .....	( 184,359)

Of the amount hereinabove included in the Equalization and incentive aid account (NJS 18A :58-1 et seq.), not more than \$200,000 shall be used for administrative expenses.

Of the sum provided hereinabove for Grants-in-aid, an amount not to exceed \$2,586,676 shall be provided for county special education districts.

The unexpended balance as of June 30, 1976 in the School building aid debt service account is hereby appropriated for the same purpose.

Notwithstanding any other provisions of law, the cost of employer contributions to the Teachers' Pension and Annuity Fund and the employer share of Social security tax shall be shared with local school districts on the basis of 25% local-75% State, and that the local share to be assumed by each school district shall be determined by

multiplying the amount to be paid by all school districts, by the quotient obtained by dividing the amount of each district's 1975 first quarter Social Security wage report for members of the Teachers' Pension and Annuity Fund by the amount of such wage report for all school districts in the State, less a credit of 25% of the amount transmitted to the State in the fiscal year 1976 for contributions paid on behalf of employees hired pursuant to the Federal Elementary and Secondary Education Act of 1965 as amended, but that in no case shall the local share so calculated exceed the total amount of State aid payable for formula aid, transportation aid, and atypical pupil aid; and that the local district share, delineated above, shall be hereby deducted from the amount of State aid grants which would otherwise be payable, as hereinabove provided.

This provision shall become inoperative in the event that monies are appropriated sufficient to fund PL 1975, c. 212 and to reassume the 25% of employer pension liability hereinabove allocated to local school districts.

The sum in the Social security tax account is hereby available for the payment of such tax applicable to the prior fiscal year.

Any adjustment in the Premium for non-contributory insurance is hereby reflected in the appropriation for Normal contribution.

The sum in the Pension Increase Act account shall be available for the payment of such increase applicable to the prior fiscal year.

Notwithstanding the provisions of any other law, the sum appropriated for the State Contribution to Teachers' Pension and Annuity Fund may be paid to the Fund as follows:  $\frac{1}{2}$  of such sum may be paid not later than December 31, 1976 in amounts and at times as determined by the Director of the Division of Budget and Accounting; and  $\frac{1}{2}$  of such sum may be paid not later than June 30, 1977

in amounts and at times as determined by the Director of the Division of Budget and Accounting, with interest at the average rate of earnings during the fiscal year from the State's general investments, computed from the period beginning July 1, 1976 through the date of such payment.

*Programs for Specific Groups and Limited Purposes*

32100. *Programs for the Disadvantaged and Handicapped—*

*State Aid*

32110-500. Programs for the Disadvantaged and Handicapped .....	\$900,000
Total Appropriation .....	<u>\$900,000</u>

Grants-in-Aid:

Pilot project for pre-school education for the handicapped ..... ( \$900,000)

32400. *Programs for School Nutrition—State Aid*

32410-500. School and Non-School Nutrition Programs .....	\$9,431,514
Total Appropriation .....	<u>\$9,431,514</u>

Salaries:

Officers and employees ..... ( \$117,514)  
 Materials and Supplies ..... ( 2,000)  
 Services Other Than Personal ..... ( 12,000)

Grants-in-Aid:

State school lunch aid ..... ( 9,300,000)

32500. *Career Development—State Aid*

32510-500. General Vocational Education .....	\$6,495,709
32520-500. Aid for Part-Time County Vocational Schools .....	1,791,248
Total Appropriation .....	<u>\$8,286,957</u>

## Extraordinary:

Career development .....	( \$597,000)
Interest on Public Building Construction Bonds (PL 1968, c. 128) ..	( 1,308,709)

## Grants-in-Aid:

Vocational education .....	( 4,000,000)
District and regional vocational schools .....	( 1,791,248)
Work-study program .....	( 500,000)
Schools for industrial education (PL 1971, c. 430) .....	( 90,000)

*Direct Public Services*34200. *Programs for the State Library and Historical Commission—State Aid*

34210-520. State Library .....	\$6,745,714
<b>Total Appropriation .....</b>	<b>\$6,745,714</b>

## Salaries:

Officers and employees .....	( \$55,055)
Materials and Supplies .....	( 4,255)
Services Other Than Personal .....	( 10,000)

## Maintenance of Property:

Recurring .....	( 1,000)
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## Extraordinary:

Workshops .....	( 6,000)
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## Grants-in-Aid:

State aid for certain libraries .....	( 6,669,404)
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34300. *Programs for the State Museum—State Aid*

34310-500. State Museum .....	\$500,000
<b>Total Appropriation .....</b>	<b>\$500,000</b>

## Extraordinary:

Newark Museum Association .....	( \$500,000)
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**Total Appropriation, Department of Education .....**

**\$765,128,269**

The unexpended balance as of June 30, 1976 in the remaining Grants-in-Aid accounts, not to exceed \$250,000 is hereby appropriated.

Notwithstanding the provisions of any other laws, the sums recommended in all Grants-in-Aid accounts, if insufficient to carry out in full the provisions of Title 18A of the New Jersey Statutes, as amended and supplemented by this act, are hereby apportioned among the parties receiving said sums in proportion to the State aid each party would be allocated if the full amount were appropriated; provided, further, that no party shall receive any allocation for save harmless or minimum aid.

Nothing herein contained shall be deemed to appropriate any funds received in the State Treasury under the State and Local Fiscal Assistance Act of 1972 for any program of State Aid to local school districts, nor for any payment by the State on behalf of local school districts.

Of the amount hereinabove appropriated to the Department of Education, the sums hereinafter set forth are hereby appropriated from the State Lottery Fund:

Aid for non-public education . . . .	( \$3,500,000)
Vocational education . . . . .	( 4,000,000)
Equalization and incentive aid . . }	} ( 46,250,544)
Equalization and incentive build-	
ing aid . . . . .	
School building aid debt service . }	

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Total Appropriation from State  
Lottery Fund . . . . . (\$53,750,544)

DEPARTMENT OF HIGHER EDUCATION

*Department Management and General Support*

39200. *General Support—State Aid*

39220-540. Aid to County Colleges . . . . .	\$39,687,857
Total Appropriation . . . . .	<u>\$39,687,857</u>

Grants-in-Aid for County Colleges:  
 Operational costs . . . . . (\$33,877,400)  
 Debt service (NJS 18A:64A-22) . . . ( 1,900,000)  
 Interest on higher education con-  
 struction bonds (PL 1971, c. 164) . ( 1,673,704)  
 Interest on public buildings con-  
 struction bonds (PL 1968, c. 128) . ( 2,236,753)

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

In computing the State support for operational costs for any county college or any county-assisted junior college, there shall be excluded from the total operational costs of such college that portion of salary costs which may result from any salary schedule adopted by the college which is higher than the salary schedule in effect during the same fiscal-academic year for the New Jersey State colleges.

The sum appropriated hereinabove shall be available for the payment of obligations applicable to prior fiscal years.

The appropriation hereinabove shall fund a total enrollment during the 1976-77 fiscal year of 56,462 equated full-time students and no adjustment shall be payable in future fiscal years to compensate any county college or any county-assisted junior college for enrollment in excess of its proportionate share of the said total.

Total Appropriation, Department of Higher Education . . . . .	<u><u>\$39,687,857</u></u>
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DEPARTMENT OF TRANSPORTATION

*Construction of Transportation Facilities*

61200. *Public Transportation Facilities—State Aid*

61250-600. *Grade Crossing Projects*

The first \$500,000 of the unexpended balance in this account as of June 30, 1976 is hereby appropriated, and the unexpended balance in excess of

\$500,000 is hereby lapsed and returned to the State Transportation Fund for Public Transportation projects.

61500. *Local Highway Facilities—State Aid*

61560-620. County and Municipal Aid .....	\$700,000
61580-620. State Aid Road System Projects .....	11,182,681
61590-620. Construction Engineering .....	1,415,900
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Total Appropriation .....	\$13,298,581
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Salaries:

Officers and employees .....	( \$1,281,436)
Positions transferred from other subcategories .....	( 31,918)
Materials and Supplies .....	( 28,500)
Services Other Than Personal .....	( 68,718)

Maintenance of Property:

Recurring .....	( 4,000)
Non-recurring and replacements ...	( 700)

Extraordinary:

County and municipal aid for lighting .....	( 700,000)
Extraordinary State aid for county highways (PL 1966, c. 33) .....	
Extraordinary State aid for municipal highways (PL 1966, c. 33) .....	( 11,182,681)
State aid for county and municipal highways (C27:13A-1 et seq.) ..	
Additions and Improvements .....	( 628)

The unexpended balances as of June 30, 1976 in these accounts are hereby appropriated and that all outstanding projects be reviewed and reprogrammed, by October 1, 1976 after consultation with the Subcommittee on Transfers of the Joint Appropriations Committee.

Total Appropriation, Department of Transportation .....	\$13,298,581
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## DEPARTMENT OF INSTITUTIONS AND AGENCIES

*Mental Health*26900. *Management and General Support—State Aid*

26910-770. Inpatient Services of County Mental Hospitals .....	\$18,350,000
26910-770. Outpatient and Community Services ...	7,500,000
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Total Appropriation .....	\$25,850,000
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## Extraordinary:

Support of patients in county mental hospitals (RS 30:4-78) .....	(\$18,350,000)
Establishment, development, improvement and expansion of community mental health services ... (	7,500,000)

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

The funds appropriated to the Outpatient and community services program element shall be available for training stipends, training programs and the support of demonstration projects in mental health to the extent that the appropriation exceeds the funds required for the aid program.

The sums appropriated hereinabove shall be available for the payment of obligations applicable to prior fiscal years.

*Income Security and Human Resource Development*52500. *Provision of Income Maintenance to Public Indigents—State Aid*

52530-715. Income Maintenance .....	\$231,375,000*
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Total Appropriation .....	\$231,375,000*
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## Extraordinary:

Payments to municipalities for cost of general assistance (State share) (C44:8-134) .....	(\$31,485,000)
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Payments for dependent children assistance—Regular Segment (State share) (C44:10-4 et seq.)	(165,586,000)
Payments for dependent children assistance—Unemployment of father (State share) . . . . .	( 4,669,000)
Payments for dependent children assistance—Insufficient employ- ment of parents (State share) . . .	( 9,386,000)
Payments for supplementary secu- rity income (State share) . . . . .	( 19,649,000)
Payments for emergency assistance	( 803,000)

The amounts hereinabove appropriated for the State share of "Payments for dependent children assistance—unemployment of father and insufficient employment of parents" shall be expended for "Assistance to families of the working poor" pursuant to C44:13-1 et seq. pending enactment of legislation to establish the above two categories of aid for dependent children.

The Director of the Division of Budget and Accounting is hereby authorized to transfer from "Payments for supplemental security income (State share)" to the account "Payments to medical assistance recipients (State share)" such sums as are necessary to pay for medical assistance costs of citizens newly eligible for medical assistance as a result of the pass-through to them of any Federal increase in supplemental security income benefits. When making such transfer, the Director shall notify the Subcommittee on Transfers of the Joint Appropriations Committee.

The State net share of reimbursements and the net balances remaining after full payment of sums due the Federal government of all funds recovered under RS 44:7-14, C44:10-4 et seq., C30:4B-1 et seq. and C44:13-1 et seq. during the fiscal year ending June 30, 1977 are hereby appropriated.

Receipts from State administered towns during fiscal year ending June 30, 1977 are hereby appropriated.

The sum appropriated hereinabove shall be available for payment of obligations applicable to prior fiscal years.

52600. <i>Social Services for Youth and Families—State Aid</i>	
52620-717. Residential Services .....	\$25,040,075
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Total Appropriation .....	\$25,040,075
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Extraordinary:

Payment of Child Care costs (State share) (C30:4C-1 et seq.) ..... (\$25,040,075)

The unexpended balance as of June 30, 1976 in this account, including the State net share of reimbursement and the net balance remaining after full payment of sums due the Federal government of all funds recovered under C30:4C-1 et seq. during the fiscal year ending June 30, 1976 and, in addition thereto, all such funds recovered under C30:4C-1 et seq. during the fiscal year ending June 30, 1977 are hereby appropriated.

The sum appropriated hereinabove shall be available for the payment of obligations applicable to prior fiscal years.

Total Appropriation, Department of Institutions and Agencies .....	\$282,265,075*
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DEPARTMENT OF COMMUNITY AFFAIRS

*Development of Community Programs*

42100. <i>Community Development Management—State Aid</i>	
42120-800. Housing .....	\$7,193,300
42130-800. Local Government Services .....	45,300,170*
	<hr/>
Total Appropriation .....	\$52,493,470*
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**Extraordinary:**

Interest on State housing assistance bonds (PL 1968, c. 127) . . . .	( \$593,300)
Revolving Housing Development and Demonstration Grant Fund . .	( 1,700,000)
Special Housing Finance Agency account . . . . .	( 4,900,000)
Safe and clean neighborhoods . . . .	( 5,500,000)
Municipal aid, subject to enactment of enabling legislation . . . . .	( 38,940,170)
To the capital district for municipal services and in lieu of taxes:	
Trenton . . . . .	( 560,000)
Ewing Township . . . . .	( 300,000)
For aid to depressed rural areas subject to the enactment of enabling legislation . . . . .	( 400,000)

The unexpended balance as of June 30, 1976 in the Revolving Housing Development and Demonstration Grant Fund account, and receipts, are hereby appropriated for the same purpose.

The amount appropriated hereinabove for the Special Housing Finance Agency account shall be payable to the Special Reserve Fund of the New Jersey Housing Finance Agency for bond security, pursuant to the conditions prescribed by the State Treasurer.

The amount provided hereinabove for Safe and Clean Neighborhoods shall be available to those municipalities qualifying for Municipal aid, subject to enactment of enabling legislation, for the purpose of improving safety and cleanliness of neighborhoods; provided, however, that each recipient municipality match its allocation with an equal amount; and provided further, that no municipality receive more than \$1 million.

The amount hereinabove for the Special Housing Finance Agency account be payable to the Special Reserve Fund of the New Jersey Housing Finance Agency for bond security, pursuant to

the conditions prescribed by the State Treasurer. It is also the intent of the Legislature to provide future State appropriations for this Special Reserve Fund to strengthen the issuance of bonds by the HFA during the period of July 1, 1977 to June 30, 1978.

*Income Security and Human Resource Development*

52300. *Human Resource Development—State Aid*

52310-800. Human Resources .....	\$3,591,000
52320-800. Programs for Aging .....	360,000
Total Appropriation .....	<u>\$3,951,000</u>

Extraordinary:

Youth employment program .....	( \$1,900,000)
Community development .....	( 395,000)
Program development .....	( 496,000)
Economic opportunity programs ..	( 800,000)
County offices on aging .....	( 360,000)

The amount provided hereinabove for youth employment shall be expended exclusively for jobs for persons aged 14 to 19 from lower income families, and an amount no less than \$450,000 shall be expended for school term employment.

From the amount provided hereinabove for program development an amount of \$400,000 shall be used for special assistance projects for the Spanish speaking and shall be allocated to and administered by the Office of Hispanic Affairs.

Total Appropriation, Department of Community Affairs .....	<u><u>\$56,444,470*</u></u>
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THE JUDICIARY

*Judicial Affairs*

73100. *Court Operations—State Aid*

73130-970. County Courts .....	\$1,602,000
Total Appropriation .....	<u>\$1,602,000</u>

**Extraordinary:**

Amounts to be paid to various counties representing 40% of the salaries of county court judges (NJS 2A:3-19) ..... ( \$1,552,000)

Reimbursement to counties for certain expenses incurred in connection with the prosecution and defense of defendants accused of committing crimes in State penal or correctional institutions (C2A:166A-1 et seq.) ..... ( 25,000)

Reimbursement for 50% of expenses in connection with the disposition of cases transferred from other counties (C2A:11-5.1 et seq.) .... ( 25,000)

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

The sums appropriated hereinabove shall be available for the payment of obligations applicable to prior fiscal years.

Total Appropriation, The Judiciary ..... \$1,602,000

Total Appropriation, State Aid ..... \$1,187,901,592\*

## CAPITAL CONSTRUCTION

## DEPARTMENT OF LAW AND PUBLIC SAFETY

*Law Enforcement*11100. *Regulation of Motor Vehicles*

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

*Law Enforcement*11200-120. *State Police—Capital*

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

11400-160. *Protection of Individual Rights—Capital*

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

Funds derived from the sale of any lands or buildings held by the Department of Law and Public Safety are hereby appropriated for acquisition of land, for rehabilitation or improvement of existing facilities and for construction of new facilities for use by the Department of Law and Public Safety.

## DEPARTMENT OF THE TREASURY

*Centrally Financed Facilities and Services*78100-230. *Central Support Services—Capital*

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

## DEPARTMENT OF DEFENSE

*Protection Against Natural and Man-Made Hazards*13100-340. *National Guard—Capital*

Funds derived from the sale of any buildings or lands held by the Department of Defense are hereby appropriated for acquisition of lands, for rehabilitation or improvement of existing facilities and for construction of new buildings for use by the State military or naval services.

The unexpended balance as of June 30, 1976 in this account is hereby appropriated, and any additional Federal aid made available by the Congress for capital construction purposes, are hereby appropriated for use by the Department of Defense.

DEPARTMENT OF PUBLIC UTILITIES

*Direct Public Services*

34500-352. *Public Broadcasting—Capital*

Redemption of Public Building Construction Bonds (PL 1968, c. 128) .. ( \$271,000)	
Total Appropriation, Department of Public Utilities .....	\$271,000
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DEPARTMENT OF HEALTH

*Community Health Programs*

23300-360. *Alcohol, Narcotics and Drug Abuse Control—Capital*

Redemption of Public Building Construction Bonds (PL 1968, c. 128) . ( \$217,000)	
Total Appropriation, Department of Health .	\$217,000
	<hr/> <hr/>

DEPARTMENT OF ENVIRONMENTAL PROTECTION

*Environmental Management*

41300-400. *Resource Management—Capital*

*Water Supply and Flood Plain Management*

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

The proceeds derived from the sale or exchange of State-owned land, and/or buildings heretofore acquired under RS 13:13-1 et seq. are hereby appropriated for acquisition of and/or easement over adjacent lands for the purpose of protecting Delaware and Raritan Canal waterways, rehabilitation of existing flood guard and towpath embankments and related appurtenances thereto, and replacing Delaware and Raritan Canal maintenance service centers.

41300-400. *Resource Management—Capital*

*Wildlife and Fisheries Management*

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

46100-400. *Recreational Opportunities—Capital*  
*Recreational Boating, Boat Regulation Commission*

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

*Recreational Management*

46100-400. *Recreational Opportunities—Capital*  
*Parks Management*

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

The proceeds derived from the sale or exchange of State-owned land, and marinas, and proceeds from the sale of all fill material, are hereby appropriated for the acquisition or development of State Parks, forests and marinas.

*Management and General Support*

49100-400. *Department Management—Capital*

Redemption of Water Development Bonds (PL 1958, c. 35) .....	\$2,500,000
Redemption of Recreation and Conservation Land Acquisition Bonds (PL 1961, c. 46) .....	2,600,000
Redemption of Water Conservation Bonds (PL 1969, c. 127) .....	5,305,000
Redemption of Recreation and Conservation Land Acquisition Bonds (PL 1971, c. 165) .....	1,200,000
Redemption of Recreation and Conservation Land Acquisition and Development Bonds (PL 1974, c. 102) .....	1,000,000
	<hr/>
Total Appropriation .....	\$12,605,000
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Total Appropriation, Department of Environmental Protection .....	\$12,605,000
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## DEPARTMENT OF EDUCATION

*Programs for Specific Groups and Limited Purposes*32100-500. *Programs for the Disadvantaged and Handicapped*  
—*Capital*

Redemption of Facilities for Handicapped Bonds (PL 1973, c. 149) .....	\$500,000
Total Appropriation .....	<u>\$500,000</u>

32500-500. *Career Development—Capital*

Redemption of Public Buildings Construction Bonds (PL 1968, c. 128) .....	\$994,000
Total Appropriation .....	<u>\$994,000</u>

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

*Direct Public Services*34100-535. *Programs for the Deaf—Capital*

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

34300-530. *Programs for the State Museum—Capital*

Temperature and humidity controls .....	\$78,016
Total Appropriation .....	<u>\$78,016</u>

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

Total Appropriation, Department of Education .....	<u><u>\$1,572,016</u></u>
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## DEPARTMENT OF HIGHER EDUCATION

*Higher Education—Institutional Programs*33900. *Support Services—Capital*570. *Rutgers, The State University*

Mortgage redemption .....	\$250,000
Total Appropriation .....	<u>\$250,000</u>

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

572. *Agricultural Experiment Station*

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

573. *College of Medicine and Dentistry of New Jersey*

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

594. *State College Construction*

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

*Department Management and General Support*

39200-540. *General Support—Capital*

Redemption of State Higher Education Construction Bonds (PL 1964, c. 142) .....	\$2,000,000
Redemption of Public Building Construction Bonds (PL 1968, c. 128) .....	7,320,000
Redemption of State Higher Education Bonds (PL 1971, c. 164) .....	2,700,000
	<hr/>
Total Appropriation .....	\$12,020,000
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39200-540. *Other Capital Construction*

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

Total Appropriation, Department of Higher Education .....	\$12,270,000
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## DEPARTMENT OF TRANSPORTATION

*Construction of Transportation Facilities*61100. *State Highway Facilities—State Highway  
Construction—Capital*

61110-612.	Federal Aid Interstate Highway Proj- ects .....	}	\$16,100,000
61120-612.	Federal Aid Urban Highway Projects ..		
61130-612.	Federal Aid Rural Highway Projects ..		
61140-612.	Federal Aid Highway Safety Projects ..		
61160-612.	Non-Federal Highway Projects .....		
61180-612.	Physical Plant Construction Projects ..		
	Sub-Total .....		\$16,100,000
<hr/>			
61190-612.	Transportation Construction Engineer- ing .....		\$9,387,060
<b>Salaries:</b>			
	Officers and employees .....		(\$21,613,884)
	Positions transferred from other subcategories .....		( 53,496)
	Materials and Supplies .....		( 265,500)
	Services Other Than Personal .....		( 1,802,180)
<b>Maintenance of Property:</b>			
	Recurring .....		( 10,000)
	Non-recurring and replacements ...		( 12,000)
<b>Less:</b>			
	<i>Portion of Federal aid receivable which is applicable to highway construction engineering costs ...</i>		<i>( 9,000,000)</i>
	<i>Portion of construction program to be allocated for the cost of State employees in lieu of personal services by contract for engineer- ing design, construction and right- of-way acquisition .....</i>		<i>( 5,370,000)</i>
	Total Appropriation .....		\$25,487,060

The unexpended balance as of June 30, 1976 in this subcategory is hereby appropriated and that all outstanding projects be reviewed and reprogrammed, by October 1, 1976 after consultation with the Subcommittee on Transfers of the Joint Appropriations Committee.

In addition to the amounts hereinabove appropriated for State Highway Construction, there are hereby appropriated such sums as may be received or receivable from, or authorized or allocated by the Federal government, the New Jersey Turnpike Authority, the New Jersey Highway Authority, the Delaware River Joint Toll Bridge Commission, the Delaware River Port Authority, the Port Authority of New York and New Jersey, the Atlantic City Expressway Authority, the Delaware River and Bay Authority, the New Jersey Sports and Exposition Authority and local government jurisdictions, for construction purposes.

The sums provided herein for State Highway Construction shall be set forth in a construction program, by route number within the program elements of the appropriation, by the Commissioner of Transportation, with the approval of the Director of the Division of Budget and Accounting, and the Subcommittee on Transfers of the Joint Appropriations Committee and shall not be expended or contracted for without the Governor.

From the amount provided herein for State Highway Construction and purchase of right-of-way, there may be allocated such amounts as the Commissioner of Transportation may determine for personal services by contract or, in lieu thereof, by State employees for planning, engineering, design, research, construction, right-of-way acquisition or other costs related to the construction program.

Of the sums provided herein not more than \$3,000,000 may be used for non-participating portions of Federal aid projects.

Funds provided herein may be allocated by the Commissioner of Transportation to provide the non-Federal share of construction of Local highway facilities.

Funds provided herein for State highway construction may be used for public transportation capital purposes.

Funds from the sale or exchange of any buildings or land held by the Division of Central Services are hereby appropriated for acquisition of other land for rehabilitation or improvement of existing installations and for construction of new buildings.

61200-612. *Public Transportation Facilities—Capital*

The unexpended balance as of June 30, 1976 in this account is hereby appropriated.

61400. *Redemption of Bonds—Capital*

61430-612. Redemption of Highway Improvement Bonds (PL 1930, c. 228) .....	\$645,000
61440-612. Redemption of State Transportation Bonds (PL 1968, c. 126) .....	17,050,000
Total Appropriation .....	<u>\$17,695,000</u>
Total Appropriation, Department of Transportation .....	<u><u>\$43,182,060</u></u>

DEPARTMENT OF INSTITUTIONS AND AGENCIES

25200. *Other Agency Services*

760. *Division of Mental Retardation—Capital*

Life Safety and Fire Protection .....	\$3,200,000
Total Appropriation .....	<u>\$3,200,000</u>

The amount hereinabove appropriated to the Division of Mental Retardation is hereby appropriated from the State Lottery Fund.

26900. *Management and General Support—Capital*770. *Division of Mental Health*

Life Safety and Fire Protection .....	\$2,800,000
	<hr/>
Total Appropriation .....	\$2,800,000
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The amount hereinabove appropriated to the Division of Mental Health is hereby appropriated from the State Lottery Fund.

*Management and General Support*79100-700. *Department Management and General Support—Capital*

Redemption of Institution Construction Bonds (PL 1960, c. 156) .....	\$1,800,000
Redemption of Institution Construction Bonds (PL 1964, c. 144) .....	2,000,000
Redemption of Public Building Construction Bonds (PL 1968, c. 128) .....	3,398,000
	<hr/>
Total Appropriation .....	\$7,198,000
	<hr/>
Total Appropriation, Department of Institutions and Agencies .....	\$13,198,000
	<hr/> <hr/>

Funds derived from the sale of any lands or buildings held by the Department of Institutions and Agencies are hereby appropriated for acquisition of land, for rehabilitation or improvement of existing facilities and for construction of new facilities for use by the Department of Institutions and Agencies.

The unexpended balances as of June 30, 1976 in all capital construction accounts of the Department of Institutions and Agencies are hereby appropriated.

DEPARTMENT OF COMMUNITY AFFAIRS  
*Development of Community Programs*

42100-800. *Community Development Management—Capital*

Redemption of State Housing Assistance Bonds (PL 1968, c. 127) .....	\$600,000
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Total Appropriation, Department of Com- munity Affairs .....	\$600,000
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The appropriation provided hereinabove shall be transferred to any other department to which any or all of the functions are transferred.

MISCELLANEOUS EXECUTIVE COMMISSIONS

*Recreational Management*

46100. *Recreational Opportunities*

911. *Palisades Interstate Park Commission—Capital*

The net share of revenues derived from the operation of gasoline stations on the New Jersey section of the Palisades Interstate Parkway, and the unexpended balances of such revenues as of June 30, 1976 are hereby appropriated for capital projects and plans.

In addition to the amounts appropriated hereinabove for capital construction at the New Jersey portion of the Palisades Interstate Park, there are hereby appropriated such sums as may be received or receivable from the Federal government for capital construction purposes.

Total Appropriation, Capital Construction ..	\$83,915,076
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Grand Total Appropriation .....	\$2,853,314,467*
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2. In addition to the amounts hereinabove specifically appropriated, there are appropriated, subject to allotment by the Director of the Division of Budget and Accounting, the following: sums required to refund amounts credited to the State Treasury

which do not represent State revenues; Federal, other non-State, revolving and dedicated funds received or receivable for the use of the State or its agencies in excess of those anticipated and the unexpended balances as of June 30, 1976 of such sums; sums received representing insurance to cover losses by fire and other casualties and the unexpended balance as of June 30, 1976 of such sums; sums received by any State department or agency from the sale of equipment, when such sums are received in lieu of trade-in value in the replacement of such equipment; private funds contributed to the State and the unexpended balance as of June 30, 1976 of such sums; sums received in the State Treasury representing refunds of payments made from appropriations provided in this act.

3. In order that there be flexibility in the handling of appropriations, any department or agency, except the Legislature, receiving an appropriation by any act of the Legislature may apply to the Director of the Division of Budget and Accounting for permission to transfer a part of any item granted to such department or agency to any other item in such appropriation. Such application shall be made only during the current year for which the appropriation was made, and if the Director of the Division of Budget and Accounting shall consent thereto, he shall place the amount so transferred to the credit of the item so designated and so notify the Executive Director, Office of Fiscal Affairs upon the effective date thereof; provided, however, that cumulative transfers in excess of \$200,000 in any account, other than transfers from lump sum accounts and of non-State funds, shall be transmitted to the Executive Director, Office of Fiscal Affairs, for his approval or disapproval and returned to the Director of the Division of Budget and Accounting within 5 working days; provided further, however, that no sum appropriated for any capital improvement, except as otherwise provided, shall be used for maintenance or for any temporary purpose except extraordinary snow removal and extraordinary highway maintenance; and provided further, that any item for capital improvement may be transferred to any other item of capital improvement. Regarding appropriations made to the Legislature, upon request of the spending authority, the Executive Director, Office of Fiscal Affairs, shall transfer part of any item to any other item within an appropriation and so notify the Director of the Division of Budget and Accounting upon the effective date thereof.

4. The Director of the Division of Budget and Accounting is hereby empowered and it shall be his duty in the disbursement of funds appropriated for the maintenance and operation of any department or branch thereof, except for the Legislature and any of its agencies, the duties or responsibilities of which are or may hereafter be transferred to any other department or branch, to transfer such appropriations to such department or branch as shall be charged with the responsibility of administering the functions of such department or branch so transferred. The Director of the Division of Budget and Accounting shall also have the authority to create such new accounts as may be necessary to carry out the intent of the transfer. Information copies of such transfers shall be transmitted to the Executive Director, Office of Fiscal Affairs, upon the effective date of such transfers. Where such transfers may be required among appropriations made to the Legislature and its agencies, the Executive Director, Office of Fiscal Affairs, subject to the approval of the President of the Senate and the Speaker of the General Assembly, is hereby empowered and it shall be his duty to effect such transactions hereinabove described and to notify the Director of the Division of Budget and Accounting upon the effective date thereof.

5. The Director of the Division of Budget and Accounting is hereby empowered and it shall be his duty in the disbursement of funds for payment of pensions, contributions to pension funds, social security tax, unemployment compensation contributions, health benefits, debt service, charges for rent, telephone, insurance and postage to credit or transfer to the Department of the Treasury, or to the General State Fund, as applicable, from any other department, branch or non-State fund source out of funds appropriated thereto, such sums as may be required to cover the costs of such payment attributable to such other department, branch or non-State fund source as the Director of the Division of Budget and Accounting shall determine. Any receipts in any non-State fund are hereby appropriated for the purpose of such transfer.

6. The Director of the Division of Budget and Accounting shall make such correction of the title, text or account number of an appropriation necessary to make such appropriation available in accordance with legislative intent. Such correction shall be by written ruling, reciting in appropriate details the facts thereof, and the reasons therefor, attested by the signature of said Director of the Division of Budget and Accounting and filed in the Division

of Budget and Accounting of the Department of the Treasury as an official record thereof, and any action thereunder, including disbursements and the audit thereof, shall be legally binding and of full force and virtue. An official copy of each such written ruling shall be transmitted to the Executive Director, Office of Fiscal Affairs, upon the effective date of such ruling.

7. The Director of the Division of Budget and Accounting is empowered to establish revolving and dedicated funds as required. Notice of the establishment of such funds shall be transmitted to the Executive Director, Office of Fiscal Affairs, upon the effective date thereof.

8. The Director of the Division of Budget and Accounting is empowered to transfer or credit to any central data processing center from any appropriation made to any department for data processing costs which had been appropriated or allocated to such departments for their share of costs of such data processing center.

9. Upon request of any department receiving non-State funds, the Director of the Division of Budget and Accounting is empowered to transfer such funds from that department to other departments as may be charged with the responsibility for the expenditure thereof.

10. The Director of the Division of Budget and Accounting may, upon application therefor, allot from appropriations made to any official, department, commission or board a sum to establish a petty cash fund, for the payment of expenses under rules and regulations established by said Director. The allotments thus made by the Director of the Division of Budget and Accounting shall be paid to such person as shall be designated as the custodian thereof by the official, department, commission or board making a request therefor, and the money thus allotted shall be disbursed by such custodian who shall require a receipt therefor from all persons obtaining money from said fund. Such receipts shall be forwarded monthly by such custodian to the Director of the Division of Budget and Accounting for audit, and said Director shall likewise make regulations governing disbursement from petty cash funds.

11. The Director of the Division of Budget and Accounting may settle any claim not exceeding \$25 due and owing to the State.

12. Notwithstanding the provisions of section 1 of this act, the State Treasurer, upon warrant of the Director of the Division of

Budget and Accounting, shall pay any claim not exceeding \$250 out of any appropriations made to the several departments, provided such claim is recommended for payment by the head of such department. Any claimant who has presented a claim not exceeding \$250 which has been denied or not recommended by the head of such department shall be precluded from presenting said claim to the Legislature for consideration. Notice and description of such claim payment as hereinabove described shall be transmitted to the Executive Director, Office of Fiscal Affairs, at the time such payment is made.

13. There are hereby appropriated the unexpended balances as of June 30, 1976 in the accounts of the several departments and agencies heretofore appropriated or established in the categories of Maintenance of Property: Non-recurring and replacements, and Additions and Improvements where such unexpended balances exceed \$100.

14. The unexpended balances as of June 30, 1976 in the accounts of the several departments and agencies which represent the State's share of State Law Enforcement Planning Agency projects for which Federal funds are approved and the State's share of highway safety projects for which Federal funds are approved are hereby appropriated.

15. Out of the appropriations recommended herein, the Director of the Division of Budget and Accounting shall be empowered to approve payments to liquidate any unrecorded liabilities for materials delivered and/or services rendered in prior fiscal years upon the written recommendation of any department head. The Director of the Division of Budget and Accounting shall reject any recommendation for payment which he deems improper.

16. There shall be constituted a Subcommittee on Transfers of the Joint Appropriations Committee, appointed by its Chairman, which shall consist of two members of the Assembly Committee on Appropriations, one of each political party; two members of the Senate Committee on Revenue, Finance, and Appropriations, one of each political party; and the Chairman of the Joint Committee. If pursuant to section 3 of this act, the Executive Director, Office of Fiscal Affairs, should withhold his approval from any transfer, the Subcommittee herein established is empowered to review such transfer and may direct that said Executive Director approve it.

17. Any change by the Department of Institutions and Agencies in the standards upon which or from which grants of categorical

public assistance are determined, shall first be approved by the Director of the Division of Budget and Accounting and the Subcommittee on Transfers of the Joint Appropriations Committee.

18. Unless otherwise provided, Federal grant and project receipts representing reimbursement for agency and central support services, indirect and administrative costs, as determined by the Director of the Division of Budget and Accounting, shall be transmitted to the Department of the Treasury for credit to the General State Fund. Such receipts shall be forwarded to the Director of the Division of Budget and Accounting upon completion of the project or at the end of the fiscal year, whichever occurs earlier.

19. Unless otherwise provided, balances remaining as of June 30, 1976 in accounts of appropriations enacted subsequent to April 1, 1976 are hereby appropriated as the Director of the Division of Budget and Accounting shall determine.

20. The Governor is hereby authorized and directed to identify up to \$34,700,000 of the appropriations herein made, which shall be deferred and shall become available for expenditure only upon certification by the Governor that equivalent revenue is available to the State, after December 31 of the fiscal year herein provided for, as Federal Revenue Sharing funds.

21. This act shall take effect July 1, 1976.

Approved July 1, 1976.

#### STATEMENT ON SENATE BILL No. 1500

Pursuant to Article V, Section 1, Paragraph 15 of the Constitution, I am appending to Senate Bill No. 1500 at the time of signing it, this statement of the items, or parts thereof, to which I object so that each item, or part thereof, so objected to shall not take effect.

*“Legislative Branch”*

*“Legislative Services”*

On Page 8, Line 1:

“72210-003. Legislative Services Agency . . . . \$1,722,187”

This item is reduced to \$1,498,356.

On Page 8, Lines 2-3:

“Total Appropriation, Legislative Services  
Agency . . . . . \$1,722,187”

This item is reduced to \$1,498,356.

*“Office of Fiscal Affairs”*

On Page 8, Line 3:

“72320-004. Division of State Auditing . . . . . \$1,113,918”

This item is reduced to \$1,106,732.

On Page 8, Line 4:

“72330-004. Division of Budget Review . . . . . \$332,786”

This item is reduced to \$286,420.

On Page 8, Line 4A:

“72340-004. Division of Program Analysis . . . \$369,628”

This item is reduced to \$300,438.

On Page 8, Line 5:

“Total Appropriation, Office of Fiscal Affairs . . . \$2,094,800”

This item is reduced to \$1,972,058.

On Page 10, Line 6:

“Total Appropriation, Legislative Affairs . . . . \$10,101,319”

This item is reduced to \$9,754,746.

*“Executive Branch”*

*“Department of Law and Public Safety”*

On Page 12, Line 3:

“11290-120. Administration and Support . . . . \$3,287,461”

This item is reduced to \$3,137,461.

On Page 12, Line 4:

“Total Appropriation . . . . . \$34,221,127”

This item is reduced to \$34,071,127.

On Page 18, Lines 23-24:

“Total Appropriation, Department of Law and  
Public Safety . . . . . \$81,243,347”

This item is reduced to \$81,093,347.

*“Department of State”*

On Page 24, Lines 11C, 11D, 11E, 11F:

“Of the amount provided hereinabove for cultural projects a sum of \$100,000 shall be provided for Newark Symphony Hall for staffing and operations.”

This quoted language is deleted in its entirety.

*“Department of Agriculture”*

On Page 27, Line 3:

“41130-300. Resource Development Services \$452,824”

This item is reduced to \$437,824.

On Page 27, Line 4:

“Total Appropriation ..... \$1,839,980”

This item is reduced to \$1,824,980.

On Page 29, Lines 14-15:

“Total Appropriation, Department of Agriculture ..... \$3,681,275”

This item is reduced to \$3,666,275.

*“Department of Environmental Protection”*

On Page 46, Line 1:

“46110-400. Parks Management ..... \$5,368,806”

This item is reduced to \$5,348,806.

On Page 46, Line 5:

“Total Appropriation ..... \$7,352,408”

This item is reduced to \$7,332,408.

On Page 49, Lines 6-7:

“Total Appropriation, Department of Environmental Protection ..... \$40,762,923”

This item is reduced to \$40,742,923.

*“Department of Higher Education”*

On Page 65, Line 8:

“33970. Institutional Support ..... \$30,631,000”

This item is reduced to \$30,535,000.

On Page 65, Line 9:

“Sub-Total, General Operations ..... \$131,388,000”

This item is reduced to \$131,292,000.

- On Page 65, Line 11:  
 “Total All Operations . . . . . \$155,588,000”  
 This item is reduced to \$155,492,000.
- On Page 66, Line 21c:  
 “Sub-Total Appropriation, General University \$74,230,600”  
 This item is reduced to \$74,134,600.
- On Page 67, Lines 32-39:  
 “Of the amount provided hereinabove, \$96,000 shall be for the hiring of a Dean and for the development, planning, and study of a Veterinary School in New Jersey. A report shall be filed with the Chancellor of Higher Education by June 30, 1977, outlining recommendations including cost estimates and funding sources.”  
 This quoted language is deleted in its entirety.
- On Page 69, Lines 36-37:  
 “Total Appropriation, Rutgers, The State University . . . . . \$81,396,600”  
 This item is reduced to \$81,300,600.
- On Page 75, Lines 17-18:  
 “Total Appropriation, Department of Higher Education . . . . . \$295,896,932”  
 This item is reduced to \$295,800,932.  
*“Department of Transportation”*
- On Page 77, Lines 22-25:  
 “Of the amount provided hereinabove for Roadway and Bridge maintenance, a sum of \$100,000 shall be used for resurfacing Route 27 in Highland Park.”  
 This quoted language is deleted in its entirety.
- On Page 79, Lines 40-45:  
 “. . . including \$30,000 for the feasibility study on the activation of the West Shore Railroad.”  
 The quoted language is deleted in its entirety.
- On Page 120, Lines 20-21:  
 “Total Appropriation, General State Operations . . . . . \$1,582,125,372”  
 This item is reduced to \$1,581,497,799.

*“STATE AID”**“Department of Institutions and Agencies”*

On Page 132, Line 1:

“52530-715. Income Maintenance ..... \$231,578,000”  
This item is reduced to \$231,375,000.

On Page 132, Line 2:

“Total Appropriation ..... \$231,578,000”  
This item is reduced to \$231,375,000.

On Page 134, Lines 18-19:

“Total Appropriation, Department of Institutions and Agencies ..... \$282,468,075”  
This item is reduced to \$282,265,075.

*“Department of Community Affairs”*

On Page 134, Line 2:

“42130-800. Local Government Services ..... \$45,700,170”  
This item is reduced to \$45,300,170.

On Page 134, Line 3:

“Total Appropriation ..... \$52,893,470”  
This item is reduced to \$52,493,470.

On Page 135, Lines 17-18:

“Total Appropriation, Department of Community Affairs ..... \$56,844,470”  
This item is reduced to \$56,444,470.

On Page 136, Line 25:

“Total Appropriation, State Aid ..... \$1,188,504,592”  
This item is reduced to \$1,187,901,592.

On Page 145, Line 14:

“Grand Total Appropriation ..... \$2,854,545,040”  
This item is reduced to \$2,853,314,467.

The Appropriations Bill allocates \$1,722,187 to the Legislative Services Agency for Fiscal Year 1977. This is an increase of \$223,831, or 15%, over the amount available to the agency in the current fiscal year. This amount also represents the amount requested by the agency. In this period of economic restraint every department in State Government has been forced to make sacrifices. Revenues have not increased sufficiently to justify large

increases over the current level of spending. Few, if any agencies, have an appropriation which is more than the current year's appropriation. This is particularly true of agencies such as Legislative Services which have the use of unexpended balances, in this case, \$100,000. Accordingly, the appropriation to the Legislative Services Agency is reduced by \$223,831, to the Fiscal Year 1976 level.

The Appropriations Bill allocates \$2,094,800 to the Office of Fiscal Affairs. This represents an increase of \$122,742 over the present level of funding and is the amount requested by the agency. A significant part of this increase is due to a 23% increase over the current year's appropriation level for the Division of Program Analysis. While I recognize the importance of the Office of Fiscal Affairs and value its contribution to the operation of State Government, as with the Legislative Services Agency, I cannot justify such an increased appropriation at the present time. The appropriation is therefore reduced by \$122,742 to the 1976 appropriation level.

The Department of Law and Public Safety annually conducts State Police Recruit Classes. The funds provided in the Appropriations Bill exceed the amount necessary to conduct one class but are insufficient for two classes. Therefore, the amount is reduced by \$150,000. This represents the appropriation necessary to train one recruit class.

Newark Symphony Hall is one of New Jersey's oldest and finest cultural institutions. Its continued existence benefits every citizen of the State. It is therefore appropriate that the State contribute to its operation and maintenance, and I fully support expenditures for this purpose. However, this State is also fortunate to have a State Council on the Arts. The responsibility, and indeed, the obligation to determine priorities for expenditure of the cultural project funds is theirs. The Appropriations Bill is an inappropriate vehicle by which to determine such priorities. Therefore, although I strongly endorse the expenditure of funds by the Council for staffing and operations at Newark Symphony Hall, I delete the language in the bill which would mandate this expenditure.

The amount appropriated for Grants to Soil Conservation districts is reduced by \$15,000. The sum recommended in the bill is higher than the Department of Agriculture's request of \$93,000.

The Appropriations Committee funded the Delaware and Raritan Canal Commission at a level higher than prior years' appropriations.

The amount provided also exceeds the Department of Environmental Protection's determination of an adequate level of financing for Fiscal Year 1977. In accordance with my policy of fiscal restraint, the appropriation for expenses of the commission is therefore reduced by \$20,000.

For several years, New Jersey has purchased veterinary medicine education in out-of-State veterinary institutions. This has permitted many New Jersey residents to obtain an education in veterinary medicine which would otherwise be unavailable because of the absence of an in-State facility. My budget message increased the allocation of this program. The Appropriations Committee, however, reduced the funds available to purchase these educational services by \$96,000 and directed that this amount be used to hire a dean and to develop and plan a veterinary school of New Jersey. While I support the concept that New Jersey should have a veterinary school, I must delete that part of the Appropriations Bill which would transfer the usage of funds from purchase of services to planning and the hiring of a dean. I cannot justify commencing the development of a new institution of graduate education, with its necessarily significant cost implications for the future—both capital and operating—at a time when our existing institutions of higher education are operating on restricted budgets. We simply cannot now afford the luxury of undertaking a new and substantial financial obligation for another institution for graduate education, albeit one which will benefit the citizens of this State. Fiscal integrity demands that we maintain, for the present, the purchase of service systems within the Central Office of the Department of Higher Education.

The Appropriations Bill, as submitted to me, designates two specific projects to be financed from appropriations to the Department of Transportation. These are the resurfacing of Route 27 in Highland Park and a feasibility study for the activation of the West Shore Railroad. While these projects may well prove to be highly meritorious and deserving of priority, the Appropriations Bill is an inappropriate vehicle through which to direct their initiation. Effective program management within the department dictates that the department, with its particular expertise and overview of the myriad of proposed projects in the State, determine the priority of such projects. I am certain that the merits of these particular projects will speak for themselves in such a departmental review. Accordingly, the language specifying the completion of these projects is deleted. However, the funding for Comprehensive

Transportation Planning is not reduced. I support the amount provided by the Appropriations Committee.

There is presently in the Appropriations Bill an amount for Emergency Assistance. This amount exceeds what is expected to be required in Fiscal Year 1977. Accordingly, the funds for payments for Emergency Assistance are reduced by \$203,000. This sum recommended should be more than adequate to meet the expenses for emergency assistance, even with the recent amendments to the Emergency Assistance regulations which liberalize the availability of payments under extraordinary services.

Provision has been made in the Appropriations Bill for funds for Aid to Depressed Rural Areas, subject to the enactment of enabling legislation. Although a bill has been introduced to implement this program, the Legislature has, to date, failed to enact it. In the absence of authorizing legislation, I cannot approve the inclusion of these funds in the budget. The funds for Aid to Depressed Rural Areas are therefore reduced by \$400,000.

Respectfully,

[SEAL]  
Attest:

JOHN J. DEGNAN,

*Executive Secretary to the Governor.*

BRENDAN BYRNE,  
*Governor.*

## CHAPTER 43

AN ACT concerning motor vehicles and amending sections 39:3-8, 39:3-30 and 39:8-1 and 39:8-2 of the Revised Statutes.

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

1. R. S. 39:3-8 is amended to read as follows:

**Fees for registration of passenger automobiles; license of semitrailers and trailers.**

39:3-8. The applicant for registration for passenger automobiles shall pay to the director for each registration a fee of \$14.00 for each such vehicle having a manufacturer's shipping weight of less than 2,700 pounds, a fee of \$23.00 for each such vehicle having a manufacturer's shipping weight of 2,700 pounds or more, but not greater than 3,800 pounds, and a fee of \$44.00 for each vehicle having a manufacturer's shipping weight in excess of 3,800 pounds. The director shall determine the manufacturer's shipping weight for each passenger automobile on the basis of the information contained in the certificate of origin, the application for registration or for renewal of registration, or the records of the division, or any or all of these; and any case in which the manufacturer's shipping weight of any particular passenger automobile is unavailable, or in doubt or dispute, the director may require that such automobile be weighed on a scale designated by him, and such actual weight shall be considered the manufacturer's shipping weight for the purposes of this section; but in all cases the director's determination of the manufacturer's shipping weight of any such automobile shall be final.

The director may also license private utility and house type semitrailers and trailers with a gross load not in excess of 2,000 pounds at a fee of \$4.00 per annum and all other such utility and house type semitrailers and trailers at \$9.00 per annum. Application for such registration shall be made on a blank to be furnished by the division and the application shall contain a statement to the effect that the vehicle so registered will not be used for the commercial transportation of goods, wares and merchandise, or for hire.

No private utility or house type semitrailer or trailer with an outside width of more than 96 inches, a maximum height of 13 feet 6 inches, a maximum length for a single vehicle of more than

35 feet, a maximum length for a semitrailer and its towing vehicle of more than 45 feet, and a maximum length for a trailer and its towing vehicle of more than 50 feet, shall be operated on any highway in this State, except that a vehicle exceeding the above limitations may be operated when a special permit so to operate is secured in advance from the director. The application for such permit shall be accompanied by a fee fixed by the director. A special permit issued by the director shall be in the possession of the operator of the vehicle for which such permit was issued. In computing any dimensions of a vehicle, for the purposes of this section, there shall not be included in the dimensional limitations safety equipment such as mirrors or lights, provided such appliances do not exceed the overall limitations established by the director by rule or regulation.

2. Section 39:3-30 of the Revised Statutes is amended to read as follows:

**Transfer of ownership or destruction of motor vehicle.**

39:3-30. Upon the transfer of ownership or the destruction of any motor vehicle its registration shall become void. If the motor vehicle is sold the original owner shall remove the license plates therefrom, and, within 48 hours, notify the director of the name and address of the purchaser.

The original owner may, by proper sworn application on a form to be furnished by the division, register another motor vehicle for the unexpired portion of the registration period of the original vehicle, upon payment of a fee of \$4.50 if the vehicle is of a weight or other classification equal with or less than the one originally registered, and upon the payment of a fee of \$4.50 and the difference between the fee originally paid and that due if the new motor vehicle is properly registerable in a higher class. Unless the original license plates have been destroyed, the owner shall be assigned the license number previously issued to him and shall receive a new registration certificate. If the original license plates have been destroyed, replacement of the plates will be made under the provisions of section 39:3-32 of this Title.

The surviving husband, wife, child or children of a deceased registered owner of any motor vehicle in whom title thereto shall vest by virtue of the terms of the will of such deceased owner, or otherwise, shall, upon application to the director, upon the payment of a fee of \$4.50 be entitled to have the registration of such vehicle transferred to his or her name.

3. R. S. 39:8-1 is amended to read as follows:

**Inspection of registered motor vehicles required; exceptions; inspectors; inspection stations.**

39:8-1. The director shall require every motor vehicle registered in this State which is used over the highways of this State, except vehicles and traction equipment registered pursuant to section 39:3-24 of this Title, motor vehicles used for the transportation of passengers for hire which are subject to the jurisdiction of the board of public utility commissioners and historic motor vehicles registered as such, to have such motor vehicles inspected by designated inspectors or at official inspection stations to be designated by the director. The director shall have the discretion to determine what motor vehicle equipment shall be subject to inspection under the provisions of this chapter.

4. Section 39:8-2 of the Revised Statutes is amended to read as follows:

**Examiners of motor vehicles; appointment; powers; rules and regulations; certificates of approval; purchase, lease, or condemnation of property; charge for inspection.**

39:8-2. The director may designate and appoint, subject to existing laws, competent examiners of motor vehicles to examine motor vehicles required to be inspected in accordance with the provisions of this chapter. Such examiners may be delegated to enforce the provisions of the motor vehicle and traffic law.

The director may make rules and regulations with respect to the character and frequency of the inspections to be made, and with respect to the approval or rejection of motor vehicles as a result of such inspections.

The director shall furnish to designated examiners official certificates of approval, the form, content and use of which he shall prescribe.

The director may, with the approval of the State House Commission, purchase, lease or acquire by the exercise of the power of eminent domain any property for the purpose of assisting him in carrying out the provisions of this chapter. Such property may also be used by the director for the exercise of the duties and powers conferred upon him by the other chapters of this Title.

The director shall make a charge of \$2.50 for the initial inspection for each vehicle subject to inspection, which amount shall be paid to the director or his representative when payment of the registration fees fixed in chapter 3 of this Title is made. Said fee

is not applicable to reinspection by licensed reinspection centers of vehicles rejected upon initial inspection at a motor vehicle inspection station.

5. This act shall take effect 60 days succeeding enactment.

Approved June 30, 1976.

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#### CHAPTER 44

AN ACT concerning alcoholic beverages and amending sections 33:1-10, 33:1-11, 33:1-12, 33:1-20, 33:1-25, 33:1-28 and 33:1-74 of the Revised Statutes.

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

1. R. S. 33:1-10 is amended to read as follows:

**Class A licenses; subdivisions; fees.**

33:1-10. Plenary brewery license. 1a. The holder of this license shall be entitled, subject to rules and regulations, to brew any malt alcoholic beverages and to sell and distribute his products to wholesalers and retailers licensed in accordance with this chapter, and to sell and distribute without this State to any person pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse. The fee for this license shall be \$8,500.00.

Limited brewery license. 1b. The holder of this license shall be entitled, subject to rules and regulations, to brew any malt alcoholic beverages in a quantity to be expressed in said license, dependent upon the following fees and not in excess of 300,000 barrels of 31 fluid gallons capacity per year and to sell and distribute his products to wholesalers and retailers licensed in accordance with this chapter, and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse. The fee for this license shall be graduated as follows: To so brew not more than 50,000 barrels of 31 fluid gallons capacity per annum, \$1,000.00; to so brew not more than 100,000 barrels of 31 fluid gallons capacity per annum, \$2,000.00; to so brew not more than 200,000 barrels of 31 fluid gallons capacity

per annum, \$4,000.00; to so brew not more than 300,000 barrels of 31 fluid gallons capacity per annum, \$6,000.00.

Plenary winery license. 2a. The holder of this license shall be entitled, subject to rules and regulations, to manufacture any fermented wines, and to blend, fortify and treat wines, and to sell and distribute his products to wholesalers and retailers licensed in accordance with this chapter and to churches for religious purposes, and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse. The fee for this license shall be \$750.00. Upon payment of an additional fee of \$200.00 for each but not in excess of two premises, in addition to the licensed premises of the winery, the holder of this license shall have the right to sell such wine at retail for consumption on or off the premises as is manufactured, blended, fortified or treated by the licensee in his licensed premises and sold at the licensee's products under the label or labels of the licensee or in lieu of such additional fee of \$200.00 but upon payment of an additional fee of \$600.00 the holder of this license shall have the right to sell wines and other alcoholic beverages at retail on the licensed premises; provided, however, that such sales shall be made only for consumption off the licensed premises; and provided further, that such wines and other alcoholic beverages shall be manufactured or blended, fortified, distilled or treated by the licensee in his licensed premises or by the licensee's subsidiary corporation and sold only under the label or labels of the licensee. The combined total number of plenary winery licenses having retail privileges, shall not exceed one per each million of population in the State as shown by the last preceding Federal census. In the granting of such plenary winery licenses, the Director of the Division of Alcoholic Beverage Control may, in the exercise of his discretion and pursuant to such rules and regulations as he may adopt, give prior consideration to applicants engaged in growing and cultivating grapes upon land owned by the applicant, having an area not less than 3 acres. The containers of all wine sold at retail by such licensee shall have attached thereto a label setting forth such information as shall be required by the rules and regulations of the Director of Alcoholic Beverage Control.

Limited winery license. 2b. The holder of this license shall be entitled, subject to rules and regulations, to manufacture any naturally fermented wines and fruit juices in a quantity to be expressed in said license, dependent upon the following fees and not

in excess of 5,000 gallons per year and to sell and distribute his products to wholesalers and retailers licensed in accordance with this chapter and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse and to sell at retail to consumers; provided, however, that such sale to consumers shall be made only for consumption off the licensed premises and then only when the winery at which such naturally fermented wines and fruit juices are manufactured is located and constructed upon a tract of land owned exclusively by the holder of such limited winery license, which said tract of land shall have an area of not less than 3 acres and have growing and under cultivation upon said land at least 1,200 grape vines; and provided, further, that such naturally fermented wines and fruit juices shall be manufactured only from fresh grapes or fruit grown in this State. The containers of all wine sold to consumers by such licensee shall have attached thereto a label setting forth such information as shall be required by the rules and regulations of the Director of Alcoholic Beverage Control. The fee for this license shall be graduated as follows: To so manufacture between 2,500 and 5,000 gallons per annum, \$400.00; to so manufacture between 1,000 and 2,500 gallons per annum, \$200.00; to so manufacture less than 1,000 gallons per annum, \$100.00.

Plenary distillery license. 3a. The holder of this license shall be entitled, subject to rules and regulations, to manufacture any distilled alcoholic beverages and rectify, blend, treat and mix, and to sell and distribute his products to wholesalers and retailers licensed in accordance with this chapter, and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse. The fee for this license shall be \$10,000.00.

Limited distillery license. 3b. The holder of this license shall be entitled, subject to rules and regulations, to manufacture and bottle any alcoholic beverages distilled from fruit juices and rectify, blend, treat, mix, compound with wine and add necessary sweetening and flavor to make cordial or liqueur, and to sell and distribute to wholesalers and retailers licensed in accordance with this chapter, and to sell and distribute without this State, to any persons pursuant to the laws of the places of such sale and distribution and to warehouse these products. The fee for this license shall be \$3,000.00.

Supplementary limited distillery license. 3c. The holder of this license shall be entitled, subject to rules and regulations, to bottle and rebottle, in a quantity to be expressed in said license, dependent upon the following fees, alcoholic beverages distilled from fruit juices by such holder pursuant to a prior plenary or limited distillery license, and to sell and distribute his products to wholesalers and retailers licensed in accordance with this chapter, and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse. The fee for this license shall be graduated as follows: To so bottle and rebottle not more than 5,000 wine gallons per annum, \$250.00; to so bottle and rebottle not more than 10,000 wine gallons per annum, \$500.00; to so bottle and rebottle without limit as to amount, \$1,000.00.

Rectifier and blender license. 4. The holder of this license shall be entitled, subject to rules and regulations, to rectify, blend, treat and mix distilled alcoholic beverages, and to fortify, blend, and treat fermented alcoholic beverages, and prepare mixtures of alcoholic beverages, and to sell and distribute his products to wholesalers and retailers licensed in accordance with this chapter, and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse. The fee for this license shall be \$6,000.00.

Bonded warehouse bottling license. 5. The holder of this license shall be entitled, subject to rules and regulations, to bottle alcoholic beverages in bond on behalf of all persons authorized by Federal and State law and regulations to withdraw alcoholic beverages from bond. The fee for this license shall be \$500.00. This license shall be issued only to persons holding permits to operate internal revenue bonded warehouses pursuant to the laws of the United States.

2. R. S. 33:1-11 is amended to read as follows:

**Class B licenses; subdivisions; fees.**

33:1-11. Class B licenses shall be subdivided and classified as follows:

Plenary wholesale license. 1. The holder of this license shall be entitled, subject to rules and regulations, to sell and distribute alcoholic beverages to retailers and wholesalers licensed in accordance with this chapter, and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse and salesroom; provided, however, that the delivery of such alcoholic beverages by the

holder of this license to retailers licensed under this Title shall be from inventory in a warehouse located in New Jersey which is operated under a plenary wholesale license. The fee for this license shall be \$7,000.00.

Limited wholesale license. 2a. The holder of this license shall be entitled, subject to rules and regulations, to sell and distribute brewed malt alcoholic beverages and naturally fermented wines to retailers and wholesalers licensed in accordance with this chapter, and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse and salesroom. The fee for this license shall be \$1,500.00.

Wine wholesale license. 2b. The holder of this license shall be entitled, subject to rules and regulations, to sell and distribute any naturally fermented, treated, blended, fortified and sparkling wines, to retailers and wholesalers, licensed in accordance with this chapter, and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse and salesroom; provided, however, that the delivery of such wines by the holder of this license to retailers licensed under this Title shall be from inventory in a warehouse located in New Jersey which is operated under a wine wholesale license. The fee for this license shall be \$3,000.00.

State beverage distributor's license. 2c. The holder of this license shall be entitled, subject to rules and regulations, to sell and distribute unchilled, brewed, malt alcoholic beverages in original containers only, in quantities of not less than 144 fluid ounces, to retailers licensed in accordance with this chapter, and to sell and distribute without this State to any person pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse and salesroom. The holder of this license may sell unchilled, brewed, malt alcoholic beverages in original containers only, in quantities of not less than 144 fluid ounces, at retail; provided, however, that such sales shall be made only for consumption off the licensed premises. This license shall not be issued to any person holding a plenary or limited brewery license, nor shall it be issued to any person directly or indirectly interested in any brewery within or without this State. This license shall not be issued for premises in or upon which any retail business, except the sale of malt alcoholic beverages and nonalcoholic beverages, is carried on. The fee for this license shall be \$825.00.

3. R. S. 33:1-12 is amended to read as follows:

**Class C licenses; subdivisions; fees.**

33:1-12. Class C licenses shall be subdivided and classified as follows:

Plenary retail consumption license. 1. The holder of this license shall be entitled, subject to rules and regulations, to sell any alcoholic beverages for consumption on the licensed premises by the glass or other open receptacle, and also to sell any alcoholic beverages in original containers for consumption off the licensed premises; but this license shall not be issued to permit the sale of alcoholic beverages in or upon any premises in which a grocery, delicatessen, drug store or other mercantile business (except, subject to such rules and regulations established from time to time by the director, the keeping of a hotel or restaurant including the sale of mercantile items incidental thereto as an accommodation to patrons, or the sale of distillers and vintners packaged holiday merchandise prepacked as a unit with suitable glassware as gift items to be sold only as a unit, cigars, cigarettes, packaged crackers, chips, nuts and similar snacks and ice at retail as an accommodation to patrons, or the retail sale of nonalcoholic beverages as accessory beverages to alcoholic beverages, or, in commercial bowling establishments, the retail sale or rental of bowling accessories and the retail sale from vending machines of candy, ice cream and nonalcoholic beverages) is carried on. The fee for this license shall be fixed by the governing board or body of the municipality in which the licensed premises are situated, by ordinance, at not less than \$200.00 and not more than \$2,000.00. No ordinance shall be enacted which shall raise or lower the fee to be charged for this license by more than 20% from that charged in the preceding license year or \$500.00, whichever is the lesser. The governing board or body of each municipality may, by ordinance, enact that no plenary retail consumption license shall be granted within its respective municipality.

Seasonal retail consumption license. 2. The holder of this license shall be entitled, subject to rules and regulations, to sell any alcoholic beverages for consumption on the licensed premises by the glass or other open receptacle, and also to sell any alcoholic beverages in original containers for consumption off the licensed premises, during the summer season from May 1 until November 14, inclusive, or during the winter season from November 15 until April 30, inclusive; but this license shall not be issued to

permit the sale of alcoholic beverages in or upon any premises in which a grocery, delicatessen, drug store or other mercantile business (except, subject to such rules and regulations established from time to time by the director, the keeping of a hotel or restaurant including the sale of mercantile items incidental thereto as an accommodation to patrons, or the sale of distillers and vintners packaged holiday merchandise prepacked as a unit with suitable glassware as gift items to be sold only as a unit, cigars, cigarettes, packaged crackers, chips, nuts and similar snacks and ice at retail as an accommodation to patrons, or the retail sale of nonalcoholic beverages as accessory beverages to alcoholic beverages) is carried on. The fee for this license shall be fixed by the governing board or body of the municipality in which the licensed premises are situated, by ordinance, at 75% of the fee fixed by said board or body for plenary retail consumption licenses. The governing board or body of each municipality may, by ordinance, enact that no seasonal retail consumption license shall be granted within its respective municipality.

Plenary retail distribution license. 3a. The holder of this license shall be entitled, subject to rules and regulations, to sell any alcoholic beverages for consumption off the licensed premises, but only in original containers. The governing board or body of each municipality may, by ordinance, enact that this license shall not be issued to permit the sale of alcoholic beverages in or upon any premises in which any other mercantile business is carried on, except that any such ordinance, heretofore or hereafter adopted, shall not prohibit the retail sale of distillers and vintners packaged holiday merchandise prepacked as a unit with suitable glassware as gift items to be sold only as a unit, cigars, cigarettes, packaged crackers, chips, nuts, and similar snacks, ice, and nonalcoholic beverages as accessory beverages to alcoholic beverages. The fee for this license shall be fixed by the governing board or body of the municipality in which the licensed premises are situated, by ordinance, at not less than \$100.00, and not more than \$2,000.00. No ordinance shall be enacted which shall raise or lower the fee to be charged for this license by more than 20% from that charged in the preceding license year or \$500.00, whichever is the lesser. The governing board or body of each municipality may, by ordinance, enact that no plenary retail distribution license shall be granted within its respective municipality.

Limited retail distribution license. 3b. The holder of this license shall be entitled, subject to rules and regulations, to sell any

unchilled, brewed, malt alcoholic beverages in quantities of not less than 72 fluid ounces for consumption off the licensed premises, but only in original containers; provided, however, that this license shall be issued only for premises operated and conducted by the license as a bona fide grocery store, meat market, meat and grocery store, delicatessen, or other type of bona fide food store at which groceries or other foodstuffs are sold at retail; and provided further, that this license shall not be issued except for premises at which the sale of groceries or other foodstuffs is the primary and principal business and at which the sale of alcoholic beverages is merely incidental and subordinate thereto. The fee for this license shall be fixed by the governing body or board of the municipality in which the licensed premises are situated, by ordinance, at not less than \$25.00 and not more than \$50.00. The governing board or body of each municipality may, by ordinance, enact that no limited retail distribution license shall be granted within its respective municipality.

Plenary retail transit license. 4. The holder of this license shall be entitled, subject to rules and regulations, to sell any alcoholic beverages for consumption only on railroad trains, airplanes and boats, while in transit. The fee for this license for use by a railroad or air transport company shall be \$300.00 and, for use on a boat, the fee for this license shall be \$50.00 on a boat 65 feet or less in length, \$100.00 on a boat more than 65 feet in length but not more than 110 feet in length, and \$300.00 on a boat more than 110 feet in length; such boat lengths shall be determined in the manner prescribed by the Bureau of Customs of the United States Government or any Federal agency successor thereto for boat measurement in connection with issuance of Marine Documents. A license issued under this provision to a railroad or air transport company shall cover all dining and club cars and planes operated by any such company within the State of New Jersey. A license for a boat issued under this provision shall apply only to the particular boat for which issued.

Club license. 5. The holder of this license shall be entitled, subject to rules and regulations, to sell any alcoholic beverages but only for immediate consumption on the licensed premises and only to bona fide club members and their guests. The fee for this license shall be fixed by the governing board or body of the municipality in which the licensed premises are situated, by ordinance, at not less than \$50.00 and not more than \$150.00. The governing board or body of each municipality may, by ordinance, enact that no club

licenses shall be granted within its respective municipality. Club licenses may be issued only to such corporations, associations and organizations as are operated for benevolent, charitable, fraternal, social, religious, recreational, athletic, or similar purposes, and not for private gain, and which comply with all conditions which may be imposed by the Commissioner of Alcoholic Beverage Control by rules and regulations.

4. R. S. 33:1-20 is amended to read as follows :

**License to member of issuing authority; additional fee.**

33:1-20. No license other than a club license shall be issued under this chapter by any issuing authority to any member thereof or to any corporation, organization or association in which any member thereof is interested directly or indirectly; but in any such case application for such license may be made by such member, corporation, organization or association directly to the director who is hereby authorized to issue such license, subject to rules and regulations, upon the same terms and conditions and for the same fee as other licenses of the same class are issued or are issuable by the said governing board or body. In addition to the fee for such license, which shall be payable to the municipality, a fee of \$50.00 shall be payable to the director to be accounted for by him as are license fees.

5. R. S. 33:1-25 is amended to read as follows :

**Licenses; qualifications; applications; contents; corporations; partnerships; clubs; notice; publications.**

33:1-25. No license of any class shall be issued to any person under the age of 21 years or to any person who has been convicted of a crime involving moral turpitude.

In applications by corporations, except for club licenses, the names and addresses of, and the amount of stock held by, all stockholders holding 1% or more of any of the stock thereof, and the names and addresses of all officers and of all members of the board of directors must be stated in the application, and if one or more of such officers or members of the board of directors or one or more of the owners, directly or indirectly, of more than 10% of such stock would fail to qualify as an individual applicant in all respects, no license of any class shall be granted.

In applications for club licenses, the names and addresses of all officers, trustees, directors, or other governing official, together

with the names and addresses of all members of the corporation, association or organization must be stated in the application.

In applications by partnerships, the application shall contain the names and addresses of all of the partners. No license shall be issued unless all of the partners would qualify as individual applicants.

A photostatic copy of all Federal permits necessary to the lawful conduct of the business for which a State license is sought and which relate to alcoholic beverages, or other evidence in lieu thereof satisfactory to the director, must accompany the license application, together with a deposit of the full amount of the required license fee, which deposit to the extent of 90% thereof shall be returned to the applicant by the director or other issuing authority if the application is denied, and the remaining 10% shall constitute an investigation fee and be accounted for as other license fees.

Every applicant for a license that is not a renewal of an annual license shall cause a notice of the making of such application to be published in a form prescribed by rules and regulations, once a week for 2 weeks successively in a newspaper printed in the English language, published and circulated in the municipality in which the licensed premises are located: but if there shall be no such newspaper, then such notice shall be published in a newspaper, printed in the English language, published and circulated in the county in which the licensed premises are located. No publication shall be required with respect to applications for transportation or public warehouse licenses or with respect to applications for renewal of licenses.

The Division of Alcoholic Beverage Control shall cause a general notice of the making of annual renewal applications and the manner in which members of the public may object to the approving of such applications to be published in a form prescribed by rules and regulations, once a week from the week of April 1 through the week of June 1 in a newspaper printed in the English language published and circulated in the counties in which the premises of applicants for renewals of annual licenses are located. Any application for the renewal of an annual license shall be made by May 1, and none shall be approved before May 1.

Every person filing an application for license, renewal of license or transfer of license with a municipal issuing authority shall,

within 10 days of such filing, file with the director a copy of such application together with a nonreturnable filing fee of \$50.00.

Applicants for licenses shall answer such questions as may be asked and make such declarations as shall be required by the form of application for license as may be promulgated by the director from time to time. All applications shall be duly sworn to by each of the applicants, except in the case of applicants in the military service of the United States whose applications may be signed in their behalf by an attorney-in-fact holding a power of attorney in form approved by the director, and except in cases of applications by corporations which shall be duly sworn to by the president or vice-president. All statements in said applications required to be made by law or by rules and regulations shall be deemed material, and any person who shall knowingly misstate any material fact, under oath, in said application shall be guilty of a misdemeanor. Fraud, misrepresentation, false statements, misleading statements, evasions or suppression of material facts in the securing of a license are grounds for suspension or revocation of the license.

6. R. S. 33:1-28 is amended to read as follows:

**Transportation of beverages by licensees in their own vehicles; transit insignia.**

33:1-28. Licensees, except public warehouse licensees, may transport alcoholic beverages in their own vehicles, solely, however, for their own respective business in connection with and as defined in their respective licenses, without possessing a transportation license; provided, however, that such vehicles while so used shall be marked in the manner prescribed for all vehicles authorized to transport alcoholic beverages as shall be provided in rules and regulations. Each vehicle so used shall bear a transit insignia to be furnished by the director at a fee of \$25.00 each.

7. R. S. 33:1-74 is amended to read as follows:

**Temporary contingency permits; fee; number for designated premises.**

33:1-74. To provide for contingencies where it would be appropriate and consonant with the spirit of this chapter to issue a license but the contingency has not been expressly provided for, the director of the division may for special cause shown, subject to rules and regulations, issue temporary permits. The fee for a 1-day permit authorizing the sale of alcoholic beverages for consumption on a designated premises by civic, religious or educational organizations shall be \$50.00 and for a 1-day permit authorizing such sale by any other organization, \$75.00. The fee for any other

type of temporary permit shall be determined in each case by the director of the division and shall not be less than \$5.00 nor more than \$500.00, payable to the director of the division and to be accounted for by him as are license fees.

As to any designated premises such temporary permits shall not exceed in the aggregate 25 in any 1 calendar year, but the director of the division may by said rules and regulations provide for a lesser number in the aggregate for any such designated premises in any 1 calendar year.

8. This act shall take effect immediately, provided, however, that licensees, who, as of August 1, 1976 have paid the retail filing fee for the year July 1, 1976 to June 30, 1977 pursuant to R. S. 33:1-25 shall not be subject to payment of the increased fee for that year as provided for in section 5 of this act.

Approved June 30, 1976.

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#### CHAPTER 45

AN ACT concerning intermunicipal police and fire assistance agreements and supplementing chapter 14 of Title 40A of the New Jersey Statutes.

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

**C. 40A:14-156.1 Intermunicipal police and fire assistance agreements.**

1. The governing bodies of two or more municipalities may by reciprocal ordinances enter into agreements with each other for mutual police or fire aid in case of emergency. Such agreements may provide for:

a. The reimbursement of the municipality or municipalities rendering such aid, for any damage to police or fire equipment or other property, and for payment to any member of a police force or fire department and force or volunteer fire company for injuries sustained while serving pursuant to such agreements or to a surviving spouse or other dependent if death results;

b. A joint meeting of the municipalities entering into such agreements, for the selection of necessary officers or personnel, or for such other matters as are mutually deemed necessary; and

c. The acquisition of lands, and the establishment and maintenance of a central office. Real and personal property so acquired shall be held by such municipalities as tenants in common.

**C. 40A:14-156.2 Powers, authority and immunities of police and fire department members of municipality entering into agreement.**

2. Members of a police force or fire department and force or volunteer fire company in any municipality entering into any agreement hereunder, while on duty rendering assistance to any other municipality entering into said agreement, shall have the same powers, authority and immunities as have the members of the police force or fire department and force or volunteer fire company, as the case may be, of the municipality in which such assistance is being rendered.

**C. 40A:14-156.3 Injury or death during performance of duties.**

3. If any member of a police force or fire department and force or volunteer fire company summoned pursuant to an agreement to render assistance suffers injury or death in the performance of his duties, he or his designee or legal representative shall be entitled to such salary, pension rights, workmen's compensation or other benefits as would have accrued if such injury or death had occurred in the performance of duties in the territorial jurisdiction in which the duties were normally performed.

**C. 40A:14-156.4 Suspension of operation of agreement.**

4. The county disaster control coordinator for the county in which a municipality entering into such agreements is situated may by express order suspend operation of an agreement entered into pursuant to this act as to that municipality upon declaration of an emergency pursuant to P. L. 1942, c. 251 (C. App. A:9-33 et seq.), as amended and supplemented by P. L. 1953, c. 438, or any regulation promulgated thereunder.

5. This act shall take effect immediately.

Approved July 1, 1976.

## CHAPTER 46

AN ACT concerning traffic regulations and amending R. S. 39:4-115.

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

1. R. S. 39:4-115 is amended to read as follows:

**Making right or left turn.**

39:4-115. The driver of a vehicle or the motorman of a streetcar  
a. intending to turn to the right or left at an intersection where traffic is controlled by traffic control signals or by a traffic or police officer, shall proceed to make either turn with proper care to avoid accidents and, except as provided in b. below, only upon the "Go" signal unless otherwise directed by a traffic or police officer, an official sign or special signal; or b. intending to turn right at an intersection where traffic is controlled by a traffic control signal shall, unless an official sign of the State, municipality, or county authority having jurisdiction over the intersection prohibits the same, proceed to make the turn upon a "Stop" or "Caution" signal with proper care to avoid accidents after coming to a full stop, observing traffic in all directions and yielding to all pedestrians and other traffic traveling in a direction in which the turn will be made. Both the approach for and the turn shall be made as close as practicable to the righthand curb or edge of the roadway, unless such intersection is otherwise posted.

2. This act shall take effect 180 days following enactment.

Approved July 6, 1976.

## CHAPTER 47

AN ACT establishing Title 54A of the New Jersey Statutes, providing for the taxation of gross incomes, establishing a New Jersey State Gross Income Tax to be administered and collected by the Director of the Division of Taxation in the Department of the Treasury, and providing penalties for violations thereof.

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

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**C. 54A:1-1 Short title.**

54A:1-1 Short title. This title shall be known and may be cited as the "New Jersey Gross Income Tax Act."

**C. 54A:1-2 Definitions.**

54A:1-2. Definition. As used in this act, unless the context clearly indicates otherwise, the following words and phrases shall have the following meaning:

a. "Director" means the Director of the Division of Taxation in the Department of the Treasury.

b. "Fiduciary" means a guardian, trustee, executor, administrator, receiver, conservator, or any person acting in any fiduciary capacity for any person.

c. "Excludable income" shall be limited to those payments set forth in chapter 6 hereunder.

d. "Gross income" shall include that set forth in chapter 5 hereunder.

e. "Dependent" means a spouse or child or any individual related to the taxpayer and who is a dependent pursuant to the provisions of the Internal Revenue Code during a taxable year.

f. "Disabled" means total and permanent inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment, including blindness. For purposes of this subsection, "blindness" means central visual acuity of 20/200 or less in the better eye with the use of a correcting lens. An eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be considered as having a central visual acuity of 20/200 or less.

g. "Medical expenses" means nonreimbursed payments for physicians, dental and other medical fees, hospital care, nursing care, medicines and drugs, prosthetic devices, X-rays and other diagnostic services conducted by or directed by a physician or dentist. In addition, medical expenses may also include amounts paid for transportation primarily for and essential to medical care and insurance (including amounts paid as premiums under part B of Title XVIII of the Social Security Act, relating to supplementary medical insurance for the aged) covering medical care.

h. Partnership and partner. The term "partnership" includes a syndicate, group, pool, joint venture, or other unincorporated organization, through or by means of which any business, financial operation, or venture is carried on, and which is not, within the meaning of this act, a trust or estate or a corporation; and the term "partner" includes a member in such a syndicate, group, pool, joint venture, or organization.

i. Blank.

j. Blank.

k. "Taxable year" means the calendar or fiscal accounting period for which a tax is payable under this act.

l. "Taxpayer" means any individual, estate or trust required to report or to pay taxes, interest and penalties under this act, or whose income in whole or in part is subject to the tax imposed by this act.

m. "Resident taxpayer" means an individual:

1. Who is domiciled in this State, unless he maintains no permanent place of abode in this State, maintains a permanent place of abode elsewhere, and spends in the aggregate no more than 30 days of the taxable year in this State; or

2. Who is not domiciled in this State but maintains a permanent place of abode in this State and spends in the aggregate more than 183 days of the taxable year in this State, unless such individual is in the Armed Forces of the United States.
- n. "Nonresident taxpayer" means a taxpayer who is not a resident.
- o. Resident estate or trust. A resident estate or trust means:
- (1) The estate of a decedent who at his death was domiciled in this State,
  - (2) A trust, or a portion of a trust, consisting of property transferred by will of a decedent who at his death was domiciled in this State, or
  - (3) A trust, or portion of a trust, consisting of the property of:
    - (a) A person domiciled in this State at the time such property was transferred to the trust, if such trust or portion of a trust was then irrevocable, or if it was then revocable and has not subsequently become irrevocable; or
    - (b) A person domiciled in this State at the time such trust, or portion of a trust, became irrevocable, if it was revocable when such property was transferred to the trust but has subsequently become irrevocable.
- For the purposes of the foregoing, a trust or portion of a trust is revocable if it is subject to a power, exercisable immediately or at any future time, to revest title in the person whose property constitutes such trust or portion of a trust, and a trust or portion of a trust becomes irrevocable when the possibility that such power may be exercised has been terminated.
- p. Nonresident estate or trust. A nonresident estate or trust means an estate or trust which is not a resident.
- q. Unless the context in which it occurs requires otherwise, the term "act" or "this act" shall mean the New Jersey Gross Income Tax Act, Title 54A of the New Jersey Statutes.

## CHAPTER 2. IMPOSITION OF TAX

### C. 54A:2-1 Imposition of tax.

54A:2-1. Imposition of tax. There is hereby imposed a tax for each taxable year (which shall be the same as the taxable year for Federal income tax purposes) on the New Jersey gross income as herein defined of every individual, estate or trust (other than a

charitable trust or a trust forming part of a pension or profit-sharing plan), subject to the deduction, limitations and modifications hereinafter provided, determined in accordance with the following table with respect to the taxpayer's taxable income:

If the taxable income is :

The tax is :

Not over \$20,000.00 .....	2% of taxable income
Over \$20,000.00 .....	\$400.00 plus 2.5% of the excess over \$20,000.00

**C. 54A:2-2 Partners and partnerships.**

54A:2-2. Partners and partnerships. A partnership as such shall not be subject to the New Jersey Gross Income Tax. Individuals carrying on business as partners shall be liable for the New Jersey Gross Income Tax only in their separate or individual capacities.

**C. 54A:2-3 Associations taxable as corporations.**

54A:2-3. Associations taxable as corporations. An association, trust, or other unincorporated organization which is taxable as a corporation for Federal income tax purposes shall not be subject to tax under this act.

**C. 54A:2-4 Minimum taxable income.**

54A:2-4. Minimum taxable income. Notwithstanding any other provisions of this act, a taxpayer or a married couple filing a joint return with a gross income of \$3,000.00 or less (\$1,500 or less in the case of a married person filing separately) shall not be subject to tax under this act. In the case of a nonresident, gross income shall mean gross income which such nonresident would have reported if he had been a resident.

CHAPTER 3. PERSONAL EXEMPTIONS AND DEDUCTIONS

**C. 54A:3-1 Personal exemptions and deductions.**

54A:3-1. Personal exemptions and deductions. Each taxpayer shall be allowed personal exemptions and deductions against his gross income as follows:

(a) Taxpayer. Each taxpayer shall be allowed a personal exemption of \$1,000.00 which may be taken as a deduction from his New Jersey gross income.

(b) Additional exemptions. In addition to the personal exemptions allowed in (a), the following additional personal exemptions shall be allowed as a deduction from gross income:

1. For the taxpayer's spouse who does not file separately—\$1,000.00.

2. For each dependent who qualifies as a dependent of the taxpayer during the taxable year for Federal income tax purposes—\$1,000.00 plus, for each dependent child attending on a full-time basis an elementary or secondary educational institution not deriving its primary support from public moneys—\$1,000.00.

3. Taxpayer 65 years of age or over at the close of the taxable year—\$1,000.00.

4. Taxpayer's spouse 65 years of age or over at the close of the taxable year—\$1,000.00.

5. Blind or disabled taxpayer—\$1,000.00.

6. Blind or disabled spouse—\$1,000.00.

(c) Special Rule. The personal exemptions allowed under this section shall be limited to that percentage which the total number of months within a taxpayer's taxable year under this act bears to 12. For this purpose fifteen days or more shall constitute a month.

(d) Nonresidents. A nonresident taxpayer shall be allowed the same deduction for personal exemptions as a resident taxpayer. However, if (1) the nonresident's gross income which is subject to tax under this act is exceeded by (2) his gross income which he would be required to report under this act if he were a resident by more than \$100.00, his deduction for personal exemptions shall be limited by the percentage which (1) is to (2).

**C. 54A:3-2 Alimony and separate maintenance payments.**

54A:3-2. Alimony and separate maintenance payments. There shall be allowed as a deduction amounts includible under section 54A:5-1(n) with respect to payments included as income in the return of a former spouse or of a spouse receiving separate maintenance pursuant to a court decree (or which would have otherwise been includible if such payments were made to an individual subject to tax under this act).

**C. 54A:3-3 Medical expenses.**

54A:3-3. Medical Expenses. (a) Each taxpayer shall be allowed to deduct from his gross income medical expenses for himself, his spouse, and his dependents with respect to such expenses that were paid during the taxable year and to the extent that such medical expenses exceed 2% of the taxpayer's gross income. In the case of a nonresident, gross income shall mean gross income which such nonresident would have reported if he had been subject to tax during the entire taxable year as a resident.

(b) Special Rule for Decedents.

(1) Treatment of expenses paid after death. Expenses for the medical care of the taxpayer which are paid out of his estate during the one-year period beginning with the day after the day of the death shall be treated as paid by the taxpayer at the time incurred.

(2) Limitation. Paragraph (1) shall not apply if the amount paid is not allowable as a deduction in computing medical expense deductions for Federal income tax purposes.

(c) Exclusion of amounts allowed for care of certain dependents. Any expenses allowed as a deduction of expenses for household and dependent care services necessary for gainful employment shall not be allowed as an expense paid for medical care for purposes of this section.

#### CHAPTER 4. CREDITS AGAINST THE TAX

**C. 54A:4-1 Resident credit for tax of another state.**

54A:4-1. Resident credit for tax of another state. (a) A resident taxpayer shall be allowed a credit against the tax otherwise due under this act for the amount of any income tax or wage tax imposed for the taxable year by another state of the United States or political subdivision of such state, or by the District of Columbia, with respect to income which is also subject to tax under this act.

(b) The credit provided under this section shall not exceed the proportion of the tax otherwise due under this act that the amount of the taxpayer's income subject to tax by the other jurisdiction bears to his entire New Jersey income.

(c) Readjustment of the tax of another state or political subdivision thereof—if the taxpayer is allowed credit under this section for more or less of the tax of another state or political subdivision thereof than he is finally required to pay, the taxpayer shall send notice of the difference to the director who shall re-determine the tax for any years affected regardless of any otherwise applicable statute of limitations.

**C. 54A:4-2 Credit for taxes withheld on wages.**

54A:4-2. Credit for taxes withheld on wages. Any amount of tax actually deducted and withheld by an employer under this act in any calendar year shall be deemed to have been paid to the director on behalf of the person from whom withheld, and such person shall be credited with having paid that amount of tax for the taxable year beginning in such calendar year. For a taxable

year of less than 12 months, the credit shall be made under regulations of the director.

**C. 54A:4-3 Homestead credit for tenant.**

54A:4-3. Homestead credit for tenant. a. Any qualified residential tenant or shareholder in a cooperative shall be entitled to a homestead credit of \$65.00 against the tax otherwise due hereunder. Any qualified residential tenant or shareholder in a cooperative shall be entitled to an additional homestead credit of \$35.00 if such resident is (1) permanently and totally disabled, (2) 65 years of age or over, or (3) a surviving spouse of a person qualified under (2) above who has remained unmarried since becoming a widow or widower at the age of 55 years or over.

b. Husband and wife. A married couple who elect to file separate New Jersey returns shall each be entitled to one-half of the credit otherwise allowable under subsection a.

c. Special limitations (1) If more than one qualified resident tenant, other than a husband and wife, qualify for the credit allowed under this section by reason of their having occupied the same rented homestead, it shall be presumed that the tenant's credit otherwise allowed under this section shall be equally divided among such taxpayers. A tenant, however, may claim a credit which shall bear the same proportion as the rent he pays to the total rent paid by all members of the unit.

(2) A taxpayer shall not be entitled to more than one homestead credit in any one year. A taxpayer who claims a homestead credit under this section may not claim a homestead exemption for the same year under any other law.

(3) The amount of the homestead credit shall be prorated in the proportion that the number of days the qualified tenant occupied residential property in the year bears to 365 days.

(4) Where more than one tenant occupies a single dwelling unit not more than one qualified tenant credit shall be claimed. No tenant homestead credit shall be allowed for occupants of rooming houses, hotels or motels unless the rooms rented to the tenant are equipped with kitchen and bathroom facilities and unless such person is a permanent resident thereof.

## CHAPTER 5. GROSS INCOME

**C. 54A:5-1 New Jersey gross income defined.**

54A:5-1. New Jersey Gross Income Defined. New Jersey gross income shall consist of the following categories of income:

(a) Salaries, wages, tips, fees, commissions, bonuses, and other remuneration received for services rendered whether in cash or in property;

(b) Net profits from business. The net income from the operation of a business, profession, or other activity, after provision for all costs and expenses incurred in the conduct thereof, determined either on a cash or accrual basis in accordance with the method of accounting allowed for Federal income tax purposes but without deduction of taxes based on income;

(c) Net gains or income from disposition of property. Net gains or net income, less net losses, derived from the sale, exchange or other disposition of property, including real or personal, whether tangible or intangible as determined in accordance with the method of accounting allowed for Federal income tax purposes. For the purpose of determining gain or loss, the basis of property shall be the adjusted basis used for Federal income tax purposes.

The term "net gains or income" shall not include gains or income derived from obligations which are referred to in clauses (1) or (2) of section 54A:6-14 of this act. The term "net gains or net income" shall not include gains or income from transactions to the extent to which non-recognition is allowed for Federal income tax purposes. The term "sale, exchange or other disposition" shall not include the exchange of stock or securities in a corporation a party to a reorganization in pursuance of a plan of reorganization, solely for stock or securities in such corporation or in another corporation a party to the reorganization and the transfer of property to a corporation by one or more persons solely in exchange for stock or securities in such corporation if immediately after the exchange such person or persons are in control of the corporation. For purposes of this clause, stock or securities issued for services shall not be considered as issued in return for property.

For purposes of this clause, the term "reorganization" means—

- (i) A statutory merger or consolidation;
- (ii) The acquisition by one corporation, in exchange solely for all or a part of its voting stock (or in exchange solely for all or a part of the voting stock of a corporation which is in control of the acquiring corporation) of stock of another corporation if, immediately after the acquisition, the acquiring corporation has control

of such other corporation (whether or not such acquiring corporation had control immediately before the acquisition);

(iii) The acquisition by one corporation, in exchange solely for all or a part of its voting stock (or in exchange solely for all or a part of the voting stock of a corporation which is in control of the acquiring corporation), of substantially all of the properties of another corporation, but in determining whether the exchange is solely for stock the assumption by the acquiring corporation of a liability of the other, or the fact that property acquired is subject to a liability, shall be disregarded;

(iv) A transfer by a corporation of all or a part of its assets to another corporation if immediately after the transfer the transferor, or one or more of its shareholders (including persons who were shareholders immediately before the transfer), or any combination thereof, is in control of the corporation to which the assets are transferred;

(v) A recapitalization;

(vi) A mere change in identity, form, or place of organization however effected; or

(vii) The acquisition by one corporation, in exchange for stock of a corporation (referred to in this subclause as "controlling corporation") which is in control of the acquiring corporation, of substantially all of the properties of another corporation which in the transaction is merged into the acquiring corporation shall not disqualify a transaction under subclause (i) if such transaction would have qualified under subclause (i) if the merger had been into the controlling corporation, and no stock of the acquiring corporation, is used in the transaction;

(viii) A transaction otherwise qualifying under subclause (i) shall not be disqualified by reason of the fact that stock of a corporation (referred to in this subclause as the "controlling corporation") which before the merger was in control of the merged corporation is used in the transaction, if after the transaction, the corporation surviving the merger holds substantially all of its properties and of the properties of the merged corporation (other than stock of the controlling corporation distributed in the transaction); and in the transaction, former shareholders of the surviving corporation exchanged, for an amount of voting stock of the controlling corporation, an amount of stock in the surviving corporation which constitutes control of such corporation.

For purposes of this clause, the term "control" means the ownership of stock possessing at least 80% of the total combined voting power of all classes of stock entitled to vote and at least 80% of

the total number of shares of all other classes of stock of the corporation.

For purposes of this clause, the term "a party to a reorganization" includes a corporation resulting from a reorganization, and both corporations, in the case of a reorganization resulting from the acquisition by one corporation of stock or properties of another. In the case of a reorganization qualifying under subclause (i) by reason of subclause (vii) the term "a party to a reorganization" includes the controlling corporation referred to in such subclause (vii).

Notwithstanding any provisions hereof, upon every such exchange or conversion, the taxpayer's base for the stock or securities received shall be the same as the taxpayer's actual or attributed base for the stock, securities or property surrendered in exchange therefor.

(d) Net gains or net income derived from or in the form of rents, royalties, patents, and copyrights.

(e) Interest, except interest referred to in clauses (1) or (2) of section 54A:6-14 of this act.

(f) Dividends. "Dividends" means any distribution in cash or property made by a corporation, association or business trust, (1) out of accumulated earnings and profits, or (2) out of earnings and profits of the year in which such dividend is paid.

(g) Gambling winnings.

(h) Net gains or income derived through estates or trusts.

(i) Income in respect of a decedent.

(j) Pensions and annuities to the extent that the proceeds exceed the contributions made by the taxpayer.

(k) Distributive share of partnership income.

(l) Amounts received as prizes and awards, except as provided in sections 54A:6-8 and 54A:6-11 hereunder.

(m) Rental value of a residence furnished by an employer or a rental allowance paid by an employer to provide a home.

(n) Alimony and separate maintenance payments to the extent that such payments are required to be made under a decree of divorce or separate maintenance but not including payments for support of minor children.

**C. 54A:5-2 Losses.**

54A:5-2. Losses. Losses which occur within one category of gross income may be applied against other sources of gross income within the same category of gross income during the taxable year.

However, a net loss in one category of gross income may not be applied against gross income in another category of gross income.

**C. 54A:5-3 Taxability of estates, trusts and their beneficiaries.**

54A:5-3. Taxability of estates, trusts and their beneficiaries. The income of a beneficiary of an estate or trust in respect of such estate or trust shall consist of that part of the income or gains received by the estate or trust for its taxable year ending within or with the beneficiary's taxable year which, under the governing instrument and applicable State law, is required to be distributed currently or is in fact paid or credited to said beneficiary.

The income or gains of the estate or trust, if any, taxable to such estate or trust shall consist of the income or gains received by it which has not been distributed or credited to its beneficiaries.

Where an estate or trust has paid a tax under this act upon income distributed or to be distributed to a beneficiary, such beneficiary may exclude such income from his gross income in the year paid or credited to him.

**C. 54A:5-4 Taxability of partners.**

54A:5-4. Taxability of partners. A partnership or association as such shall not be subject to the tax imposed by this act, but the income or gain of a member of a partnership or association shall be subject to the tax and the tax shall be imposed on his share, whether or not distributed, of the income or gain received by the partnership or association for its taxable year ending within or with the partner's or member's taxable year.

**C. 54A:5-5 Nonresident individuals; taxable income.**

54A:5-5. Nonresident individuals; taxable income. The income of a nonresident individual shall be that part of his income derived from sources within this State as defined in this act.

**C. 54A:5-6 Husband and wife.**

54A:5-6. Husband and wife. (a) Separate return. If the income of husband or wife who are both nonresidents of this State and are subject to tax under this act is determined on a separately filed return, their incomes from sources within this State shall be separately determined.

(b) One spouse a nonresident. If either husband or wife is a nonresident and the other a resident, separate taxes shall be determined on their separate incomes on such forms as the director shall prescribe, unless both elect to determine their joint income as if both were residents in which event their tax liabilities shall be joint and several.

(c) The filing requirements for nonresidents shall be governed by the provisions of section 54A:8-3.1 except with respect to the conditions set forth in subsection (b) of this section.

**C. 54A:5-7 Allocation of income of nonresidents.**

54A:5-7. Allocations of income of nonresidents. Where a nonresident taxpayer earns, receives or acquires income from sources partly within and partly without this State or engages in a business, trade, profession or occupation partly within and partly without this State, and, as a result thereof or for other reasons that portion of the income derived from or connected with sources within this State cannot readily or accurately be ascertained, the director may by regulation prescribe uniform rules for apportionment or allocation of so much of such taxpayer's income as fairly and equitably represents income, derived from sources within this State and subject to tax under this act.

**C. 54A:5-8 Income from sources within this State for a nonresident.**

54A:5-8. Income from sources within this State for a nonresident individual, estate or trust means the same as compensation, net profits, gains, dividends, interest or income enumerated and classified under chapter 5 of this act to the extent that it is earned, received or acquired from sources within this State:

(1) By reason of ownership or disposition of any interest in real or tangible personal property in this State; or

(2) In connection with a trade, profession, occupation carried on in this State or for the rendition of personal services performed in this State; or

(3) As a distributive share of the income of an unincorporated business, profession, enterprise, undertaking or other activity as the result of work done, services rendered or other business activities conducted in this State except as allocated to another state pursuant to regulations promulgated by the director under this act; or

(4) From intangible personal property employed in a trade, profession, occupation or business carried on in this State.

CHAPTER 6. EXCLUDABLE INCOME

**C. 54A:6-1 Items in 54A:6-2 to 54A:6-9 excluded.**

54A:6-1. The items in sections 54A:6-2 to 54A:6-9, inclusive, shall be specifically excluded from gross income.

**C. 54A:6-2 Federal social security benefits.**

54A:6-2. Federal social security benefits. All payments received under the Federal Social Security Act, whether they be regularly monthly benefits or lump sum death benefits.

**C. 54A:6-3 Railroad retirement benefits.**

54A:6-3. Railroad retirement benefits. All payments received under the Railroad Retirement Act administered by the Federal Government.

**C. 54A:6-4 Certain death benefits.**

54A:6-4. Certain death benefits:

a. Proceeds of life insurance contracts payable by reason of death.

b. Employees' death benefits, if such amounts are paid by or on behalf of an employer and are paid by reason of the death of the employee.

**C. 54A:6-5 Gifts and inheritances.**

54A:6-5. Gifts and inheritances:

a. The value of property acquired by gift, bequest, devise or inheritance.

b. Income. Subsection a. shall not exclude from gross income:

1. The income from any property referred to in subsection a.

2. Where the gift, bequest, devise or inheritance is of income from property, the amount of such income.

**C. 54A:6-6 Compensation for injuries or sickness.**

54A:6-6. Compensation for injuries or sickness:

a. Amounts received under workmen's compensation acts as compensation for personal injuries or sickness.

b. The amount of damages received, whether by suit or agreement, on account of personal injuries or sickness.

c. Amounts received through accident or health insurance for personal injuries or sickness.

d. Amounts received as a pension, annuity or similar allowance for personal injuries or sickness resulting from active service in the Armed Forces of the United States or in the Coast and Geodetic Survey or the Public Health Service, or as a disability annuity payable under the Foreign Service Act of 1946.

**C. 54A:6-7 Certain pay of members of armed forces.**

54A:6-7. Certain pay of members of the armed forces.

a. Compensation paid by the United States for service in the Armed Forces of the United States performed by an individual not domiciled in this State.

b. Amounts received during the taxable year as mustering-out payments with respect to service in the Armed Forces of the United States.

**C. 54A:6-8 Scholarships and fellowships.****54A:6-8. Scholarships and fellowship grants.**

a. Any amount received as a scholarship at an educational institution.

b. Any amount received as a fellowship grant.

c. Any amount received to cover expenses for travel, research or equipment which are incident to a scholarship or research grant, but only to the extent that the amount is so expended by the recipient.

**C. 54A:6-9 Gains on sale or exchange of residence.****54A:6-9. Exemption for Gains Derived from the Sale or Exchange of Principal Residence.**

a. If a taxpayer realizes a gain from the sale or exchange of his principal residence, the gain shall be excludable from gross income if the taxpayer purchased or received in exchange another principal residence to replace the residence sold, provided that such new residence had been acquired either 18 months before or 18 months after the date of the sale of the original residence except that where the taxpayer has constructed a new residence, the period prior to and after the date of sale shall be 24 months. Where the adjusted sales price of the residence sold exceeds the purchase price of the new residence, the taxpayer shall be required to include in his gross income that portion of the gain which is represented by the amount that the adjusted sales price of the old residence exceeds the cost of the new residence. To the extent that any gain shall be excludable under this section, the basis of the new residence shall be reduced.

b. In lieu of the exemption allowed under subsection a. of this section, a taxpayer who has attained the age of 65 on or before the date of the sale of a property which has been used by him as a principal residence for at least 5 years of the 8 years immediately preceding the date of such sale, may elect to avail himself of the exemption allowed under this subsection. If the exemption provided for in this subsection is availed of by a taxpayer in or for any taxable year, no such exemption shall be allowed with respect to such taxpayer or spouse thereof in any subsequent taxable year. If the adjusted sales price of the property sold or exchanged exceeds \$35,000.00, this subsection shall apply to that portion of the gain which bears the same ratio to the total amount of such gain as \$35,000.00 bears to such adjusted sales price. For the purpose of this section, the word "sale" means a "sale,"

“exchange,” “transaction,” or “event” through which the taxpayer is divested of all interest in his residence.

c. Subsection a. shall not apply to any sale or exchange by the taxpayer with respect to more than one property during any 18-month period.

d. Subsection b. shall not apply to any sale or exchange by the taxpayer with respect to more than one property.

e. Property used in part as a residence. In case of property only a portion of which has been owned and used by the taxpayer as his principal residence, this section shall apply with respect to so much of the sale or exchange of such property as is determined, under regulations prescribed by the director, to be attributable to the portion of the property so owned and used by the taxpayer.

f. The provisions of this section shall also be applicable with respect to qualified tenant-shareholders in cooperatives.

g. For purposes of this section, the destruction, theft, seizure, requisition, or condemnation of property shall be treated as the sale of such property.

**C. 54A:6-10 Pensions and annuities.**

54A:6-10. Pensions and annuities. Gross income shall not include that part of any amount received as an annuity under an annuity, endowment, or life insurance contract which bears the same ratio to such amount as the investment in the contract (as of the annuity starting date) bears to the expected return under the contract (as of such date). Where (1) part of the consideration for an annuity, endowment, or life insurance contract is contributed by the employer, and (2) during the 3-year period beginning on the date on which an amount is first received under the contract as an annuity, the aggregate amount receivable by the employee under the terms of the contract is equal to or greater than the consideration for the contract contributed by the employee, then all amounts received as an annuity under the contract shall be excluded from gross income until there has been so excluded an amount equal to the consideration for the contract contributed by the employee.

**C. 54A:6-11 New Jersey State lottery winnings.**

54A:6-11. Lottery winnings. Gross income shall not include lottery winnings from the New Jersey Lottery.

**C. 54A:6-12 Pensions limited.**

54A:6-12. Pensions of persons not covered under Social Security. Gross income shall not include pension, disability or retirement

programs of the Federal Government or of any State or its political subdivisions, or agencies thereof, for persons not covered under 54A:6-2 or 54A:6-3 hereof; provided, however, that the total amount of benefits to be allowed exclusion herein shall not be in excess of the maximum amount of benefits payable to and allowable for exclusion in 54A:6-2 and 54A:6-3.

**C. 54A:6-13 Unemployment insurance benefits.**

54A:6-13. Unemployment insurance benefits. All payments and benefits received under any unemployment insurance law.

**C. 54A:6-14 Interest on certain obligations.**

54A:6-14. Interest on certain obligations. Gross income shall not include interest on obligations (1) issued by or on behalf of this State or any county, municipality, school or other district, agency, authority, commission, instrumentality, public corporation (including one created or existing pursuant to agreement or compact with this or any other state), body corporate and politic or political subdivision of this State, or (2) those obligations which are statutorily free from State or local taxation under any other act of this State or under the laws of the United States.

#### CHAPTER 7. WITHHOLDING OF TAX

**C. 54A:7-1 Requirements for withholding.**

54A:7-1. Requirement of withholding tax from wages. (a) General.—From and after the first day of the first month following at least a full calendar month after the enactment of this act, every employer maintaining an office or transacting business within this State and making payment of any wages subject to New Jersey personal income tax to a resident or nonresident individual shall deduct and withhold from such wages for each payroll period a tax computed in such manner as to result, so far as practicable, in withholding from the employee's wages during each calendar year an amount substantially equivalent to the tax reasonably estimated to be due resulting from the inclusion in the employee's New Jersey income of his wages received during such calendar year. The method of determining the amount to be withheld shall be prescribed by regulations of the director, with due regard to the withholding exemptions of the employee.

(b) Withholding exemptions.—For purposes of this section:

An employee shall be entitled to the equivalent of the same number of New Jersey withholding exemptions as the number of withholding exemptions to which he is entitled for Federal income tax

withholding purposes. An employer may rely upon the number of Federal withholding exemptions claimed by the employee.

**C. 54A:7-2 Statement for employee.**

54A:7-2. Information statement for employee. Every employer required to deduct and withhold tax under this act from the wages of an employee, or who would have been required so to deduct and withhold tax if the employee had claimed no more than one withholding exemption, shall furnish to each such employee in respect of the wages paid by such employer to such employee during the calendar year on or before February 15 of the succeeding year, or, if his employment is terminated before the close of such calendar year, within 30 days from the date on which the last payment of the wages is made, a written statement as prescribed by the director showing the amount of wages paid by the employer to the employee, the amount deducted and withheld as tax, and such other information as the director shall prescribe.

**C. 54A:7-3 Credit for tax withheld.**

54A:7-3. Credit for tax withheld. Wages upon which tax is required to be withheld shall be taxable under this act as if no withholding were required, but any amount of tax actually deducted and withheld under this act in any calendar year shall be deemed to have been paid to the director on behalf of the person from whom withheld, and such person shall be credited with having paid that amount of tax for the taxable year beginning in such calendar year. For a taxable year of less than 12 months the credit shall be made under regulations of the director.

**C. 54A:7-4 Employer's return and payment of tax.**

54A:7-4. Employer's return and payment of withheld taxes. (a) General.—Every employer required to deduct and withhold tax under this act shall, for each calendar month, on or before the fifteenth day of the month following the close of such calendar month, file a withholding return as prescribed by the director and pay over to the director or to a depositary designated by the director the taxes so required to be deducted and withheld. The director may, if he deems it necessary, extend the initial filing of withholding returns and payment of withheld taxes for a period not to exceed 60 days. Where the aggregate amount required to be deducted and withheld by any employer is less than \$25.00 in a calendar month and the aggregate for the semiannual period ending on June 30 and December 31 can reasonably be expected to be less than \$150.00, the director may by regulation permit an employer to file a return on

or before July 31 for the semiannual period ending on June 30 and on or before January 31 for the semiannual period ending on December 31. The director may, if he believes such action necessary for the protection of the revenues, require any employer to make such return and pay to him the tax deducted and withheld at any time, or from time to time. Where the amount of wages paid by an employer is not sufficient under this act to require the withholding of tax from the wages of any of his employees, the director may, by regulation, permit such employer to file an annual return on or before February 28 of the following calendar year.

The director may, by regulation, require the filing and payment of withholding returns and taxes on a semimonthly or more frequent basis where he deems such action in the best interest of the State.

(b) Deposit in trust for director.—Whenever any employer fails to collect, truthfully account for, pay over the tax, or make returns of the tax as required in this section, the director may serve a notice requiring such employer to collect the taxes which become collectible after service of such notice, to deposit such taxes in a bank approved by the director in a separate account, in trust for and payable to the State of New Jersey and to keep the amount of such tax in such account until payment over to the director. Such notice shall remain in effect until a notice of cancellation is served by the director.

**C. 54A:7-5 Employer's liability for tax withheld.**

54A:7-5. Employer's liability for withheld taxes. Every employer required to deduct and withhold tax under this act is hereby made liable for such tax. For purposes of assessment and collection, any amount required to be withheld and paid over to the director, and any additions to tax, penalties and interest with respect thereto, shall be considered the tax of the employer. Any amount of tax actually deducted and withheld under this act shall be held to be a special fund in trust for the director. No employee shall have any right of action against his employer in respect to any moneys deducted and withheld from his wages and paid over to the director in compliance or in intended compliance with this act.

**C. 54A:7-6 Employer's failure to withhold.**

54A:7-6. Employer's failure to withhold. If an employer fails to deduct and withhold tax as required, and thereafter the tax against which such tax may be credited is paid, the tax so required to be deducted and withheld shall not be collected from the employer, but the employer shall not be relieved from liability for

any penalties, interest, or additions to the tax otherwise applicable in respect of such failure to deduct and withhold.

**C. 54A:7-7 Annual reconciliation of tax withheld.**

54A:7-7. Filing annual reconciliation of tax withheld. A reconciliation of tax withheld shall be filed by the employer with the Division of Taxation on or before February 15 following the close of the calendar year in accordance with rules and regulations prescribed by the director.

CHAPTER 8. PAYMENT OF TAX

**C. 54A:8-1 Payment; returns; extension of time.**

54A:8-1. Payment of tax; returns; extension of time. With respect to each taxpayer, the tax imposed by this act shall be due and payable annually, hereafter, in the manner provided in this section:

a. Every taxpayer shall annually pay the tax imposed by this act with respect to all or any part of each of his fiscal or calendar accounting years beginning on and after July 1, 1976, to be computed as in this act provided, for such fiscal or calendar accounting year or part thereof, on a return which shall be filed, in the case of a taxpayer reporting on a calendar year basis, on or before April 15 following the close of such calendar year, or, in the case of a taxpayer reporting on a fiscal year basis, on or before the fifteenth day of the fourth month following the close of such fiscal year, and the full amount of the tax shall be due and payable on or before the date prescribed herein for the filing of the return.

In the case of a taxable year which ends on or after July 1, 1976, and prior to December 31, 1976, an income tax return for such taxable year shall be filed on or before April 15, 1977.

b. Each return shall carry a certificate signed by the taxpayer to the effect that all statements contained therein are true, under the same penalties as for perjury committed. Blank forms of return shall be furnished on application, but failure to secure the form shall not relieve any taxpayer of the obligation of making any return herein required. Subject to regulations under this act and in such form as may be indicated thereby, taxpayers whose net income taxable under this act is or may be subject to tax under a similar law of another jurisdiction may be permitted to file a simple, short form return attached to a copy of his return as filed or about to be filed by him in such other jurisdiction.

Subject to regulations under this act, reasonable extensions of time for good cause shown, may be granted for not more than 6

months unless exceptional circumstances justify a longer period, within which returns may be filed.

In addition, persons in active service with the Armed Forces of the United States, who may be prevented by distance or injury or hospitalization arising out of such service, may be allowed such extension of time for the filing of returns, without interest or penalty, as may be fixed by regulations under this act.

**C. 54A:8-2 Optional tax tables.**

54A:8-2. Optional tax tables. (a) General.—The director may promulgate uniform tax tables for individual taxpayers for any taxable year. An individual may elect to use or not to use any such tax table for which he is eligible.

(b) Preparation of tax tables.—Tax tables promulgated hereunder shall be based either upon (i) the individual's New Jersey income, or (ii) the individual's taxable income. In computing such tables, the director shall make allowance for the deductions and personal exemptions allowed under this act. In either case the director shall by regulation prescribe the conditions of eligibility for the use of a tax table. In no case shall the amount of tax calculated by use of a tax table deviate by more than \$5.00 from the amount otherwise due under section 54A:2-1.

**C. 54A:8-3 Accounting periods and methods.**

54A:8-3. Accounting periods and methods. (a) Accounting periods.—A taxpayer's taxable year under this act shall be the same as his taxable year for Federal income tax purposes.

(b) Change of accounting periods.—If a taxpayer's taxable year is changed for Federal income tax purposes, his taxable year for purposes of this act shall be similarly changed.

(c) Accounting methods.—A taxpayer's accounting method under this act shall be the same as his accounting method for Federal income tax purposes. In the absence of any accounting method for Federal income tax purposes, New Jersey taxable income shall be computed under such method as in the opinion of the director clearly reflects income.

(d) Change of accounting methods.—(1) If a taxpayer's accounting method is changed for Federal income tax purposes, his accounting method for purposes of this act shall be similarly changed.

(2) If a taxpayer's accounting method is changed, other than from an accrual to an installment method, any additional tax which results from adjustments determined to be necessary solely by reason of the change shall not be greater than if such adjustments

were ratably allocated and included for the taxable year of the change and the preceding taxable years, not in excess of two, during which the taxpayer used the accounting method from which the change is made.

(3) If a taxpayer's accounting method is changed from an accrual to an installment method, any additional tax for the year of such change of method and for any subsequent year which is attributable to the receipt of installment payments properly accrued in a prior year, shall be reduced by the portion of tax for any prior taxable year attributable to the accrual of such installment payments, in accordance with regulations of the director.

**C. 54A:8-3.1 Persons required to file.**

54A:8-3.1. Persons required to file.

a. On or before the filing date prescribed in section 1 of this chapter (C. 54A:8-1), an income tax return shall be made and filed by or for every individual, estate or trust having a gross income in excess of \$3,000.00 or more (\$1,500.00 or more in the case of a married person filing separately).

b. If the income tax liability of husband and wife is determined on a separate return for Federal income tax purposes, they shall each also file a separate return for New Jersey income tax purposes and their income tax liabilities under this act shall be separate.

c. If the income tax liabilities of husband and wife are determined on a joint return for Federal income tax purposes, they shall also file a joint return for New Jersey income tax purposes and their tax liabilities under this act shall be joint and several.

d. If either husband or wife is a resident and the other is a non-resident, they shall file separate tax returns under this act on such single or separate forms as may be required by the director in which event their tax liabilities shall be separate unless both elect to determine their joint taxable income as if both were residents, in which event their liabilities shall be joint and several.

e. The return for any deceased individual shall be made and filed by his fiduciary or other person charged with his property.

f. The return for an individual who is unable to make a return by reason of minority or other disability shall be made and filed by his fiduciary or other person charged with the care of his person or property (other than a receiver in possession of only a part of his property), or by his duly authorized agent.

g. Any tax under this act, and any increase, interest or penalty thereon, shall, from the time it is due and payable, be a personal

debt of the person liable to pay the same, to the State of New Jersey.

**C. 54A:8-4 Declarations of estimated tax.**

54A:8-4. Declarations of estimated tax. (a) Requirement of filing. Every resident and nonresident individual shall make a declaration of his estimated New Jersey personal income tax for each taxable year beginning after June 30, 1976, if his estimated New Jersey personal income tax can reasonably be expected to be more than \$100.00 in excess of any credits allowable against his tax, whether or not he is required to file a Federal declaration of estimated tax for such year.

(b) Definition of estimated tax. The term "estimated tax" means the amount which an individual estimates to be his income tax under this act for the taxable year, less the amount which he estimates to be the sum of any credits allowable against the tax.

(c) Joint declaration of husband and wife. A husband and wife may make a joint declaration of estimated tax as if they were one taxpayer, in which case the liability with respect to the estimated tax shall be joint and several. No joint declaration may be made if husband and wife are separated under a decree of divorce or of separate maintenance, or if they have different taxable years. If a joint declaration is made but husband and wife elect to determine their taxes under this act separately, the estimated tax for such year may be treated as the estimated tax of either husband or wife, or may be divided between them, as they may elect.

(d) Time for filing declaration. Beginning in the taxable year 1976 and every taxable year thereafter a declaration of estimated tax of an individual other than a farmer shall be filed on or before April 15 of the taxable year, except that if the requirements of subsection (a) are first met:

(1) After April 1 and before June 2 of the taxable year, the declaration shall be filed on or before June 15; or

(2) After June 1 and before September 2 of the taxable year the declaration shall be filed on or before September 15; or

(3) After September 1 of the taxable year, the declaration shall be filed on or before January 15 of the succeeding year.

(e) Declaration of estimated tax by a farmer. A declaration of estimated tax of an individual having an estimated New Jersey income from farming (including oyster farming) for the taxable year which is at least two-thirds of his total estimated New Jersey income for the taxable year may be filed at any time on or before

January 15 of the succeeding year, in lieu of the time otherwise prescribed.

(f) Declaration of estimated tax of \$100.00 or less. A declaration of estimated tax of an individual having a total estimated tax for the taxable year of \$100.00 or less may be filed at any time on or before January 15 of the succeeding year under regulations of the director.

(g) Amendments of declaration. An individual may amend a declaration under regulations of the director.

(h) Return as declaration or amendment. If on or before February 15 of the succeeding taxable year an individual files his return for the taxable year for which the declaration is required, and pays therewith the full amount of the tax shown to be due on the return:

(1) Such return shall be considered as his declaration if no declaration was required to be filed during the taxable year, but is otherwise required to be filed on or before January 15;

(2) Such return shall be considered as the amendment permitted by subsection (g) to be filed on or before January 15 if the tax shown on the return is greater than the estimated tax shown in a declaration previously made.

(i) Fiscal year. This section shall apply to a taxable year other than a calendar year by the substitution of the months of such fiscal year for the corresponding months specified in this section,

(j) Short taxable year. An individual having a taxable year of less than 12 months shall make a declaration in accordance with regulations of the director.

(k) Declaration for individual under a disability. The declaration of estimated tax for an individual who is unable to make a declaration by reason of minority or other disability shall be made and filed by his guardian, committee, fiduciary or other person charged with the care of his person or property (other than a receiver in possession of only a part of his property), or by his duly authorized agent.

(1) In the taxable year 1976, no declaration shall be required until the lapse of at least one full calendar quarter following enactment of this act.

**C. 54A:8-5 Payments of estimated tax.**

54A:8-5. Payments of estimated tax (a) General. The estimated tax with respect to which a declaration is required shall be paid as follows:

(1) If the declaration is filed on or before April 15 of the taxable year the estimated tax shall be paid in four equal installments. The first installment shall be paid at the time of the filing of the declaration, and the second, third and fourth installments shall be paid on the following June 15, September 15, and January 15, respectively.

(2) If the declaration is filed after April 15 and not after June 15 of the taxable year, the estimated tax shall be paid in three equal installments. The first installment shall be paid at the time of the filing of the declaration, and the second and third installments shall be paid on or before the following September 15 and January 15, respectively.

(3) If the declaration is filed after June 15 and not after September 15 of the taxable year, and is not required to be filed on or before June 15 of the taxable year, the estimated tax shall be paid in two equal installments. The first installment shall be paid at the time of the filing of the declaration, and the second shall be paid on or before the following January 15.

(4) If the declaration is filed after September 15 of the taxable year, and is not required to be filed on or before September 15 of the taxable year, the estimated tax shall be paid in full at the time of the filing of the declaration.

(5) If the declaration is filed after the time prescribed therefor, or after the expiration of any extension of time therefor, paragraphs (2), (3), and (4) of this subsection shall not apply, and there shall be paid at the time of such filing all installments of estimated tax payable at or before such time, and the remaining installments shall be paid at the times at which, and in the amounts in which, they would have been payable if the declaration had been filed when due.

(b) Farmers. If an individual referred to in subsection (e) of section 54A:8-4 (relating to income from farming) makes a declaration of estimated tax after September 15 of the taxable year and on or before the following January 15, the estimated tax shall be paid in full at the time of the filing of the declaration.

(c) Amendments of declaration. If any amendment of a declaration is filed, the remaining installments, if any, shall be ratably increased or decreased (as the case may be) to reflect any increase or decrease in the estimated tax by reason of such amendment, and if any amendment is made after September 15 of the taxable year, any increase in the estimated tax by reason thereof shall be paid at the time of making such amendment.

(d) Application to short taxable year. This section shall apply to a taxable year of less than 12 months in accordance with regulations of the director.

(e) Fiscal year. This section shall apply to a taxable year other than a calendar year by the substitution of the months of such fiscal year for the corresponding months specified in this section.

(f) Installments paid in advance. An individual may elect to pay any installment of his estimated tax prior to the date prescribed for its payment.

**C. 54A:8-6 Returns; notices; records; statements.**

54A:8-6. Requirements concerning returns, notices, records and statements. (a) General. The director may prescribe regulations as to the keeping of records, the content and form of returns and statements, and the filing of copies of Federal income tax returns and determinations. The director may require any person, by regulation or notice served upon such person, to make such returns, render such statements, or keep such records, as the director may deem sufficient to show whether or not such person is liable under this act for tax or for collection of tax.

(b) Partnerships. Every partnership having a resident partner or having any income derived from New Jersey sources, shall make a return for the taxable year setting forth all items of income, gain, loss and deduction and such other pertinent information as the director may by regulations and instructions prescribe. Such return shall be filed on or before the fifteenth day of the fourth month following the close of each taxable year. For the purposes of this subsection, "taxable year" means a year or period which would be a taxable year of the partnership if it were subject to tax under this act.

(c) Information at source. The director may prescribe regulations and instructions requiring returns of information to be made and filed on or before February 15 of each year as to the payment or crediting in any calendar year of amounts of \$100.00 or more to any taxpayer under this act. Such returns may be required of any person, including lessees or mortgagors of real or personal property, fiduciaries, employers, and all officers and employees of this State, or of any municipal corporation or political subdivision of this State, having the control, receipt, custody, disposal or payment of interest, rents, salaries, wages, premiums, annuities, compensations, remunerations, emoluments or other fixed or determinable gains, profits or income, except interest coupons payable to

bearer. A duplicate of the statement as to tax withheld on wages, required to be furnished by an employer to an employee, shall constitute the return of information required to be made under this section with respect to such wages.

(d) Notice of qualification as receiver, et cetera. Every receiver, trustee in bankruptcy, assignee for benefit of creditors, or other like fiduciary shall give notice of his qualification as such to the director, as may be required by regulation.

**C. 54A:8-7 Report of change in taxable income.**

54A:8-7. Report of change in Federal taxable income. If the amount of a taxpayer's Federal taxable income reported on his Federal income tax return for any taxable year is changed or corrected by the United States Internal Revenue Service or other competent authority, or as the result of a renegotiation of a contract or subcontract with the United States, the taxpayer shall report such change or correction in Federal taxable income within 90 days after the final determination of such change, correction, or renegotiation, or as otherwise required by the director, and shall concede the accuracy of such determination or state wherein it is erroneous. Any taxpayer filing an amended Federal income tax return shall also file within 90 days thereafter an amended return under this act, and shall give such information as the director may require. The director may by regulation prescribe such exceptions to the requirements of this section as he deems appropriate.

CHAPTER 9. ADMINISTRATION OF TAX

**C. 54A:9-1 Applicability of State tax uniform procedure.**

54A:9-1. Applicability of State Tax Uniform Procedure Law. The taxes imposed by this act shall be governed in all respects by the provisions of the State Tax Uniform Procedure Law (sub-title 9 of Title 54 of the Revised Statutes) except only to the extent that a specific provision of this act may be in conflict therewith.

**C. 54A:9-2 Notice of deficiency.**

54A:9-2. Notice of deficiency. (a) General. If upon examination of a taxpayer's return under this act the director determines that there is a deficiency of income tax, he may mail a notice of deficiency to the taxpayer. If a taxpayer fails to file an income tax return required under this act, the director is authorized to estimate the taxpayer's New Jersey income and tax thereon, from any information in his possession, and to mail a notice of deficiency to the taxpayer. A notice of deficiency shall be mailed to the taxpayer at

his last known address in or out of this State. If a husband and wife are jointly liable for tax, a notice of deficiency may be a single joint notice, except that if the director has been notified in writing by either spouse that separate residences have been established, then, in lieu of the single joint notice, a duplicate original of the joint notice shall be mailed to each spouse at his or her last known address in or out of this State. If the taxpayer is deceased or under a legal disability, a notice of deficiency may be mailed to his last known address in or out of this State, unless the director has received written notice of the existence of a fiduciary relationship with respect to the taxpayer.

(b) Notice of deficiency as assessment. After 90 days from the mailing of a notice of deficiency, such notice shall be an assessment of the amount of tax specified in such notice, together with the interest, additions to tax and penalties stated in such notice, except only for any such tax or other amounts as to which the taxpayer has within such 90-day period filed with the director a petition under section 54A:9-9. If the notice of deficiency is addressed to a person outside of the United States, such period shall be 150 days instead of 90 days.

(c) Restrictions on assessment and levy. No assessment of a deficiency in tax and no levy or proceeding in court for its collection shall be made, begun or prosecuted, except as otherwise provided in section 54A:9-14, until a notice of deficiency has been mailed to the taxpayer, nor until the expiration of the time for filing a petition contesting such notice, nor, if a petition with respect to the taxable year has been filed with the director, until the decision of the director has become final. For exception in the case of review of the decision of the director, see subsection (c) of section 54A:9-10.

(d) Exceptions for mathematical errors. If a mathematical error appears on a return (including an overstatement of the credit for income tax withheld at the source, or of the amount paid as estimated income tax), the director shall notify the taxpayer that an amount of tax in excess of that shown upon the return is due, and that such excess has been assessed. Such notice shall not be considered as a notice of deficiency for the purposes of this section, subsection (e) of section 54A:9-8 (limiting credits or refunds after petition to the director), or subsection (b) of section 54A:9-9 (authorizing the filing of a petition with the director based on a notice of deficiency) nor shall such assessment or collection be prohibited by the provisions of subsection (c).

(e) Exception where change in Federal taxable income is not reported.

(1) If the taxpayer fails to comply with section 54A:8-7 in not reporting a change or correction increasing his Federal taxable income as reported on his Federal income tax return or in not reporting a change or correction which is treated in the same manner as if it were a deficiency for Federal income tax purposes or in not filing an amended return, instead of the mode and time of assessment provided for in subsection (b) of this section, the director may assess a deficiency based upon such changed or corrected Federal taxable income by mailing to the taxpayer a notice of additional tax due specifying the amount of the deficiency, and such deficiency, together with the interest, additions to tax and penalties stated in such notice, shall be deemed assessed on the date such notice is mailed unless within 30 days after the mailing of such notice a report of the Federal change or correction or an amended return, where such return was required by section 54A:8-7, is filed accompanied by a statement showing wherein such Federal determination and such notice of additional tax due are erroneous.

(2) Such notice shall not be considered as a notice of deficiency for the purposes of this section, subsection (e) of section 54A:9-8 (limiting credits or refunds after petition to the director), or subsection (b) of section 54A:9-9 (authorizing the filing of a petition with the director based on a notice of deficiency), nor shall such assessment or the collection thereof be prohibited by the provisions of subsection (c).

(3) If a husband and wife are jointly liable for tax, a notice of additional tax due may be a single joint notice, except that if the director has been notified in writing by either spouse that separate residences have been established, then, in lieu of the joint notice, a duplicate original of the joint notice shall be mailed to each spouse at his or her last known address in or out of this State. If the taxpayer is deceased or under a legal disability, a notice of additional tax due may be mailed to his last known address in or out of this State, unless the director has received written notice of the existence of a fiduciary relationship with respect to the taxpayer.

(f) Waiver of restrictions. The taxpayer shall at any time (whether or not a notice of deficiency has been issued) have the right to waive the restrictions on assessment and collection of the

whole or any part of the deficiency by a signed notice in writing filed with the director.

(g) Deficiency defined. For purposes of this act, a deficiency means the amount of the tax imposed by this act, less (i) the amount shown as the tax upon the taxpayer's return (whether the return was made or the tax computed by him or by the director), and less (ii) the amounts previously assessed (or collected without assessment) as a deficiency and plus (iii) the amount of any rebates. For the purpose of this definition, the tax imposed by this act and the tax shown on the return shall both be determined without regard to payments on account of estimated tax or the credit for withholding tax; and a rebate means so much of an abatement, credit, refund or other repayment (whether or not erroneous) made on the ground that the amounts entering into the definition of a deficiency showed a balance in favor of the taxpayer.

**C. 54A:9-3 Assessment.**

54A:9-3. Assessment. (a) Assessment date. The amount of tax which a return shows to be due, or the amount of tax which a return would have shown to be due but for a mathematical error, shall be deemed to be assessed on the date of filing of the return (including any amended return showing an increase of tax). In the case of a return properly filed without computation of tax, the tax computed by the director shall be deemed to be assessed on the date on which payment is due. If a notice of deficiency has been mailed, the amount of the deficiency shall be deemed to be assessed on the date specified in subsection (b) of section 54A:9-2 if no petition to the director is filed, or if a petition is filed, then upon the date when a decision of the director establishing the amount of the deficiency becomes final. If an amended return or report filed pursuant to section 54A:8-7 concedes the accuracy of a Federal change or correction, any deficiency in tax under this act resulting therefrom shall be deemed to be assessed on the date of filing such report or amended return, and such assessment shall be timely notwithstanding section 54A:9-4. If a notice of additional tax due, as prescribed in subsection (e) of section 54A:9-2 has been mailed, the amount of the deficiency shall be deemed to be assessed on the date specified in such subsection unless within 30 days after the mailing of such notice a report of the Federal change or correction or an amended return, where such return was required by section 54A:8-7 is filed accompanied by a statement showing wherein such Federal determination and such notice of additional tax due are erroneous. Any amount paid as a tax or in respect of

a tax, other than amounts withheld at the source or paid as estimated income tax, shall be deemed to be assessed upon the date of receipt of payment, notwithstanding any other provisions.

(b) Other assessment powers. If the mode or time for the assessment of any tax under this act (including interest, additions to tax and assessable penalties) is not otherwise provided for, the director may establish the same by regulations.

(c) Estimated income tax. No unpaid amount of estimated tax under section 54:8-5 shall be assessed.

(d) Supplemental assessment. The director may, at any time within the period prescribed for assessment, make a supplemental assessment, subject to the provisions of section 54A:9-2 where applicable, whenever it is ascertained that any assessment is imperfect or incomplete in any material respect.

**C. 54A:9-4 Limitation on assessment.**

54A:9-4. Limitations on assessment. (a) General. Except as otherwise provided in this section, any tax under this act shall be assessed within 3 years after the return was filed (whether or not such return was filed on or after the date prescribed).

(b) Time returned deemed filed.

(1) Early return. For purposes of this section a return of income tax, except withholding tax, filed before the last day prescribed by law or by regulations promulgated pursuant to law for the filing thereof, shall be deemed to be filed on such last day.

(2) Return of withholding tax. For purposes of this section, if a return of withholding tax for any period ending with or within a calendar year is filed before April 15 of the succeeding calendar year, such return shall be deemed to be filed on April 15 of such succeeding calendar year.

(c) Exceptions.

(1) Assessment at any time. The tax may be assessed at any time if—

(A) No return is filed,

(B) A false or fraudulent return is filed with intent to evade tax, or

(C) The taxpayer fails to comply with section 54A:8-7, in not reporting a change or correction increasing his Federal taxable income as reported on his Federal income tax return, or in not reporting a change or correction which is treated in the same manner as if it were a deficiency for Federal income tax purposes, or in not filing an amended return.

(2) Extension by agreement. Where, before the expiration of the time prescribed in this section for the assessment of tax, both the director and the taxpayer have consented in writing to its assessment after such time, the tax may be assessed at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.

(3) Report of changed or corrected Federal income. If the taxpayer shall, pursuant to section 54A:8-7, report a change or correction or file an amended return increasing his Federal taxable income or report a change or correction which is treated in the same manner as if it were a deficiency for Federal income tax purposes, the assessment (if not deemed to have been made upon the filing of the report or amended return) may be made at any time within 2 years after such report or amended return was filed. The amount of such assessment of tax shall not exceed the amount of the increase in New Jersey tax attributable to such Federal change or correction. The provisions of this paragraph shall not affect the time within which or the amount for which an assessment may otherwise be made.

(4) Recovery of erroneous refund. An erroneous refund shall be considered an underpayment of tax on the date made, and an assessment of a deficiency arising out of an erroneous refund may be made at any time within 3 years from the making of the refund, except that the assessment may be made within 5 years from the making of the refund if it appears that any part of the refund was induced by fraud or misrepresentation of a material fact.

(5) Request for prompt assessment. If a return is required for a decedent or for his estate during the period of administration, the tax shall be assessed within 18 months after written request therefor (made after the return is filed) by the executor, administrator or other person representing the estate of such decedent, but not more than 3 years after the return was filed, except as otherwise provided in this subsection and subsection (d).

(d) Omission of income on return. The tax may be assessed at any time within 6 years after the return was filed if—

(1) An individual omits from his New Jersey income an amount properly includible therein which is in excess of 25% of the amount of New Jersey income stated in the return; or

(2) An estate or trust omits income from its return in an amount in excess of 25% of its income determined as if it were an individual, computing his New Jersey income under this act.

For purposes of this subsection there shall not be taken into account any amount which is omitted in the return if such amount is disclosed in the return, or in a statement attached to the return, in a manner adequate to apprise the director of the nature and amount of such item.

(e) Suspension of running of period of limitation. The running of the period of limitations on assessment or collection of tax or other amount (or of a transferee's liability) shall, after the mailing of a notice of deficiency, be suspended for the period during which the director is prohibited under subsection (c) of section 54A :9-2 from making the assessment or from collecting by levy.

**C. 54A:9-5 Interest on underpayment.**

54A :9-5. Interest on underpayment. (a) General. If any amount of income tax is not paid on or before the last date prescribed in this act for payment, interest on such amount at the rate of 9% per annum shall be paid for the period from such last date to the date paid, whether or not any extension of time for payment was granted. Interest under this subsection shall not be paid if the amount thereof is less than \$1.00. If the time for filing of a return of tax withheld by an employer is extended, the employer shall pay interest for the period for which the extension is granted and may not charge such interest to the employee.

(b) Exception as to estimated tax. This section shall not apply to any failure to pay estimated tax under section 54A :8-5.

(c) Exception for mathematical error. No interest shall be imposed on any underpayment of tax due solely to mathematical error if the taxpayer files a return within the time prescribed in this act (including any extension of time) and pays the amount of underpayment within 3 months after the due date of such return, as it may be extended.

(d) No interest on interest. No interest under this act shall be imposed on any interest provided by this act.

(e) Suspension of interest on deficiencies. If a waiver of restrictions on assessment of a deficiency has been filed by the taxpayer, and if notice and demand by the director for payment of such deficiency is not made within 30 days after the filing of such waiver, interest shall not be imposed on such deficiency for the period beginning immediately after such thirtieth day and ending with the date of notice and demand.

(f) Interest treated as tax. Interest under this section shall be paid upon notice and demand and shall be assessed, collected and

paid in the same manner as income tax. Any reference in this act to the tax imposed by this act shall be deemed also to refer to interest imposed by this section on such tax.

(g) Interest on penalties or additions to tax. Interest shall be imposed under subsection (a) in respect of any assessable penalty or addition to tax only if such assessable penalty on addition to tax is not paid within 10 days from the date of the notice and demand therefor under subsection (b) of section 54A:9-12, and in such case interest shall be imposed only for the period from such date of the notice and demand to the date of payment.

(h) Payment prior to notice of deficiency. If, prior to the mailing to the taxpayer of a notice of deficiency under subsection (b) of section 54A:9-2, the director mails to the taxpayer a notice of proposed increase of tax and within 30 days after the date of the notice of proposed increase the taxpayer pays all amounts shown on the notice to be due to the director, no interest under this section on the amount so paid shall be imposed for the period after the date of such notice of proposed increase.

(i) Payment within 10 days after notice and demand. If notice and demand is made for payment of any amount under subsection (b) of section 54A:9-12, and if such amount is paid within 10 days after the date of such notice and demand, interest under this section on the amount so paid shall not be imposed for the period after the date of such notice and demand.

(j) Limitation on assessment and collection. Interest prescribed under this section may be assessed and collected at any time during the period within which the tax or other amount to which such interest relates may be assessed and collected, respectively.

(k) Interest on erroneous refund. Any portion of tax or other amount which has been erroneously refunded, and which is recoverable by the director, shall bear interest at the rate of 9% per annum from the date of the payment of the refund, but only if it appears that any part of the refund was induced by fraud or a misrepresentation of a material fact.

(l) Satisfaction by credits. If any portion of a tax is satisfied by credit of an overpayment, then no interest shall be imposed under this section on the portion of the tax so satisfied for any period during which, if the credit had not been made, interest would have been allowable with respect to such overpayment.

**C. 54A:9-6 Additions to tax and civil penalties.**

54A:9-6. Additions to tax and civil penalties. (a) Failure to file tax return. In case of failure to file a tax return under this act on

or before the prescribed date (determined with regard to any extension of time for filing), unless it is shown that such failure is due to reasonable cause and not due to willful neglect, there shall be added to the amount required to be shown as tax on such return such amount as is required under the State Tax Uniform Procedure Law, Subtitle 9 of Title 54 of the Revised Statutes. For this purpose, the amount of tax required to be shown on the return shall be reduced by the amount of any part of the tax which is paid on or before the date prescribed for payment of the tax and by the amount of any credit against the tax which may be claimed upon the return.

(b) Deficiency due to negligence. If any part of a deficiency is due to negligence or intentional disregard of this act or rules or regulations hereunder (but without intent to defraud), there shall be added to the tax an amount equal to 5% of the deficiency.

(c) Failure to file declaration or underpayment of estimated tax. If any taxpayer fails to file a declaration of estimated tax or fails to pay all or any part of an installment of estimated tax, he shall be deemed to have made an underpayment of estimated tax. There shall be added to the tax for the taxable year an amount at the rate of 9% per annum upon the amount of the underpayment for the period of the underpayment but not beyond the fifteenth day of the fourth month following the close of the taxable year. The amount of underpayment shall be the excess of the amount of the installment which would be required to be paid if the estimated tax were equal to 80% of the tax (two-thirds of the tax for farmers referred to in subsection (e) of section 54A:8-4) shown on the return for the taxable year (or if no return was filed, of the tax for such year) over the amount, if any, of the installment paid on or before the last day prescribed for such payment. No underpayment shall be deemed to exist with respect to a declaration or installment otherwise due on or after the taxpayer's death.

(d) Exception to addition for underpayment of estimated tax. The addition to tax under subsection (c) with respect to any underpayment of any installment, shall not be imposed if the total amount of all payments of estimated tax made on or before the last date prescribed for the payment of such installment equals or exceeds whichever of the following is the lesser—

(1) The amount which would have been required to be paid on or before such date if the estimated tax were whichever of the following is the least—

(A) The tax shown on the return of the individual for the preceding taxable year, if a return showing a liability for tax was filed by the individual for the preceding taxable year and such preceding year was a taxable year of 12 months, or

(B) An amount equal to the tax computed, at the rates applicable to the taxable year, on the basis of the taxpayer's status with respect to his personal exemptions for the taxable year, but otherwise on the basis of the facts shown on his return for, and the law applicable to, the preceding taxable year, or

(C) An amount equal to 80% of the tax for the taxable year (two-thirds of the tax for farmers referred to in subsection (e) of section 54A :8-4) computed by placing on an annualized basis the income for the months in the taxable year ending before the month in which the installment is required to be paid. For purposes of this subparagraph, the income shall be placed on an annualized basis by—

(i) Multiplying by 12 (or, in the case of a taxable year of less than 12 months, the number of months in the taxable year) the income for the months in the taxable year ending before the month in which the installment is required to be paid,

(ii) Dividing the resulting amount by the number of months in the taxable year ending before the month in which such installment date falls, and

(iii) Deducting from such amount the deductions for personal exemptions allowable for the taxable year (such personal exemptions being determined as of the last date prescribed for payment of the installment); or

(2) An amount equal to 90% of the tax computed, at the rates applicable to the taxable year, on the basis of the actual income for the months in the taxable year ending before the month in which the installment is required to be paid.

(e) Deficiency due to fraud. If any part of a deficiency is due to fraud, there shall be added to the tax an amount equal to 50% of the deficiency. This amount shall be in lieu of any other addition to tax imposed by subsection (a) or (b).

(f) Non willful failure to pay withholding tax. If any employer, without intent to evade or defeat any tax imposed by this act or the payment thereof, shall fail to make a return and pay a tax withheld by him at the time required by or under the provisions of section 54A :7-4, such employer shall be liable for such tax and shall pay

the same together with interest thereon and the addition to tax provided in subsection (a), and such interest and addition to tax shall not be charged to or collected from the employee by the employer. The director shall have the same rights and powers for the collection of such tax, interest and addition to tax against such employer as are now prescribed by this act for the collection of tax against an individual taxpayer.

(g) Willful failure to collect and pay over tax. Any person required to collect, truthfully account for, and pay over the tax imposed by this act who willfully fails to collect such tax or truthfully account for and pay over such tax or willfully attempts in any manner to evade or defeat the tax or the payment thereof, shall, in addition to other penalties provided by law, be liable to a penalty equal to the total amount of the tax evaded, or not collected, or not accounted for and paid over. No addition to tax under subsections (b) or (c) shall be imposed for any offense to which this subsection applies.

(h) Failure to file certain information returns. In case of each failure to file a statement of a payment to another person, required under authority of subsection (c) of section 54A:8-6 (relating to information at source, including the duplicate statement of tax withheld on wages) on the date prescribed therefor (determined with regard to any extension of time for filing), unless it is shown that such failure is due to reasonable cause and not to willful neglect, there shall, upon notice and demand by the director and in the same manner as tax, be paid by the person so failing to file the statement, a penalty of \$1.00 for each statement not so filed, but the total amount imposed on the delinquent person for all such failures during any calendar year shall not exceed \$1,000.00.

(i) Additional penalty. Any person who with fraudulent intent shall fail to pay, or to deduct or withhold and pay, any tax, or to make, render, sign or certify any return or declaration of estimated tax or to supply any information within the time required by or under this act, shall be liable to penalty of not more than \$1,000.00, in addition to any other amounts required under this act, to be imposed, assessed and collected by the director. The director shall have the power, in his discretion, to waive, reduce or compromise any penalty under this subsection.

(j) Additions treated as tax. The additions to tax and penalties provided by this section shall be paid upon notice and demand and shall be assessed, collected and paid in the same manner as taxes and any reference in this act to income tax or tax imposed by this

act, shall be deemed also to refer to the additions to tax and penalties provided by this section. For purposes of section 54A:9-2, this subsection shall not apply to:

(1) Any addition to tax under subsection (a) except as to that portion attributable to a deficiency;

(2) Any addition to tax under subsection (e); and

(3) Any additional penalty under subsection (i).

(k) Determination of deficiency. For purposes of subsections (b) and (c), the amount shown as the tax by the taxpayer upon his return shall be taken into account in determining the amount of the deficiency only if such return was filed on or before the last day prescribed for the filing of such return, determined with regard to any extension of time for such filing.

(l) Person defined. For purposes of subsections (g) and (i), the term person includes an individual, corporation or partnership or an officer or employee of any corporation (including a dissolved corporation) or a member or employee of any partnership, who as such officer, employee, or member is under a duty to perform the act in respect of which the violation occurs.

**C. 54A:9-7 Overpayment.**

54A:9-7. Overpayment. (a) General. The director, within the applicable period of limitations may credit an overpayment of income tax against any liability in respect of any tax imposed by the tax law on the person who made the overpayment, and the balance shall be refunded by the comptroller out of the proceeds of the tax retained by him for such general purpose. Any refund under this section shall be made only upon the filing of a return and upon a certificate of the director approved by the comptroller. The State Treasurer, as a condition precedent to the approval of such a certificate, may examine into the facts as disclosed by the return of the person who made the overpayment and other information and data available in the files of the director.

(b) Excessive withholding. If the amount allowable as a credit for tax withheld from the taxpayer exceeds his tax to which the credit relates, the excess shall be considered an overpayment.

(c) Overpayment by employer. If there has been an overpayment of tax required to be deducted and withheld under section 54A:7-4, refund shall be made to the employer only to the extent that the amount of the overpayment was not deducted and withheld by the employer.

(d) Credits against estimated tax. The director may prescribe regulations providing for the crediting against the estimated income tax for any taxable year of the amount determined to be an overpayment of the income tax for a preceding taxable year. If any overpayment of income tax is so claimed as a credit against estimated tax for the succeeding taxable year, such amount shall be considered as a payment of the income tax for the succeeding taxable year (whether or not claimed as a credit in the declaration of estimated tax for such succeeding taxable year), and no claim for credit or refund of such overpayment shall be allowed for the taxable year for which the overpayment arises.

(e) Rule where no tax liability. If there is no tax liability for a period in respect of which an amount is paid as income tax, such amount shall be considered an overpayment.

(f) Under regulations prescribed by the director with approval of the State Treasurer interest shall be allowed and paid at the rate of 6% per annum upon any overpayment in respect of the tax imposed by this act; but no interest shall be allowed or paid on an overpayment of less than \$1.00, nor upon any overpayment refunded within 6 months after the last date prescribed, or permitted by extension of time, for filing the return or within 6 months after the return is filed, whichever is later.

**C. 54A:9-8 Limitations on credit or refund.**

54A:9-8. Limitations on credit or refund. (a) General. Claim for credit or refund of an overpayment of income tax shall be filed by the taxpayer within 3 years from the time the return was filed or 2 years from the time the tax was paid, whichever of such periods expires the later, or if no return was filed, within 2 years from the time the tax was paid. If the claim is filed within the 3-year period, the amount of the credit or refund shall not exceed the portion of the tax paid within the 3 years immediately preceding the filing of the claim plus the period of any extension of time for filing the return. If the claim is not filed within the 3-year period, but is filed within the 2-year period, the amount of the credit or refund shall not exceed the portion of the tax paid during the 2 years immediately preceding the filing of the claim. Except as otherwise provided in this section, if no claim is filed, the amount of a credit or refund shall not exceed the amount which would be allowable if a claim had been filed on the date the credit or refund is allowed.

(b) Extension of time by agreement. If an agreement under the provisions of paragraph (2) of subsection (c) of section 54A:9-4

(extending the period for assessment of income tax) is made within the period prescribed in subsection (a) for the filing of a claim for credit or refund, the period for filing a claim for credit or refund, or for making credit or refund if no claim is filed, shall not expire prior to 6 months after the expiration of the period within which an assessment may be made pursuant to the agreement or any extension thereof. The amount of such credit or refund shall not exceed the portion of the tax paid after the execution of the agreement and before the filing of the claim or the making of the credit or refund, as the case may be, plus the portion of the tax paid within the period which would be applicable under subsection (a) if a claim had been filed on the date the agreement was executed.

(c) Notice of change or correction of Federal income. If a taxpayer is required by section 54A:8-7 to report a change or correction in Federal taxable income reported on his Federal income tax return, or to report a change or correction which is treated in the same manner as if it were an overpayment for Federal income tax purposes, or to file an amended return with the director, claim for credit or refund of any resulting overpayment of tax shall be filed by the taxpayer within 2 years from the time the notice of such change or correction or such amended return was required to be filed with the director. The amount of such credit or refund shall not exceed the amount of the reduction in tax attributable to such Federal change, correction or items amended on the taxpayer's amended Federal income tax return. This subsection shall not affect the time within which or the amount for which a claim for credit or refund may be filed apart from this subsection.

(d) Failure to file claim within prescribed period. No credit or refund shall be allowed or made, except as provided in subsection (e) of this section or subsection (d) of section 54A:9-10, after the expiration of the applicable period of limitation specified in this act, unless a claim for credit or refund is filed by the taxpayer within such period. Any later credit shall be void and any later refund erroneous. No period of limitations specified in any other law shall apply to the recovery by a taxpayer of moneys paid in respect of taxes under this act.

(e) Effect of petition to director. If a notice of deficiency for a taxable year has been mailed to the taxpayer under section 54A:9-2 and if the taxpayer files a timely petition with the director under section 54A:9-9, he may determine that the taxpayer has made an

overpayment for such year (whether or not he also determines a deficiency for such year). No separate claim for credit or refund for such year shall be filed, and no credit or refund for such year shall be allowed or made, except—

(1) As to overpayments determined by a decision of the director which has become final; and

(2) As to any amount collected in excess of an amount computed in accordance with the decision of the director which has become final; and

(3) As to any amount claimed as a result of a change or correction described in subsection (c).

(f) Limit on amount of credit or refund. The amount of overpayment determined under subsection (e) shall, when the decision of the director has become final, be credited or refunded in accordance with subsection (a) of section 54A:6-6 and shall not exceed the amount of tax which the director determines as part of his decision was paid—

(1) After the mailing of the notice of deficiency; or

(2) Within the period which would be applicable under subsections (a), (b) or (c), if on the date of the mailing of the notice of a deficiency a claim had been filed (whether or not filed) stating the grounds upon which the director finds that there is an overpayment.

(g) Early return. For purposes of this section, any return filed before the last day prescribed for the filing thereof shall be considered as filed on such last day, determined without regard to any extension of time granted the taxpayer.

(h) Prepaid income tax. For purposes of this section, any tax paid by the taxpayer before the last day prescribed for its payment, any income tax withheld from the taxpayer during any calendar year, and any amount paid by the taxpayer as estimated income tax for a taxable year shall be deemed to have been paid by him on the fifteenth day of the fourth month following the close of his taxable year with respect to which such amount constitutes a credit or payment.

(i) Return and payment of withholding tax. Notwithstanding subsection (h), for purposes of this section with respect to any withholding tax—

(1) If a return for any period ending with or within a calendar year is filed before April 15 of the succeeding calendar year, such return shall be considered filed on April 15 of such succeeding calendar year; and

(2) If a tax with respect to remuneration paid during any period ending with or within a calendar year is paid before April 15 of the succeeding calendar year, such tax shall be considered paid on April 15 of such succeeding calendar year.

**C. 54A:9-9 Petition to director.**

54A:9-9. Petition to director. (a) General. The form of a petition to the director, and further proceedings before the director in any case initiated by the filing of a petition, shall be governed by such rules as the director shall prescribe. No petition shall be deemed in whole or in part without opportunity for a hearing on reasonable prior notice. Such hearing shall be conducted by the director, or by a hearing officer designated by him to take evidence and report to the director. The director shall decide the case as quickly as practicable. Notice of the decision shall be mailed promptly to the taxpayer at his last known address, and such notice shall set forth the director's findings of fact and a brief statement of the grounds of decision in each case decided in whole or in part adversely to the taxpayer.

(b) Petition for redetermination of a deficiency. Within 90 days, or 150 days if the notice is addressed to a person outside of the United States, after the mailing of the notice of deficiency authorized by section 54A:9-2, the taxpayer may file a petition with the director for a redetermination of the deficiency. Such petition may also assert a claim for refund for the same taxable year or years, subject to the limitations of subsection (f) of section 54A:9-8.

(c) Petition for refund. A taxpayer may file a petition with the director for the amounts asserted in a claim for refund if—

(1) The taxpayer has filed a timely claim for refund with the director;

(2) The taxpayer has not previously filed with the director a timely petition under subsection (b) for the same taxable year unless the petition under this subsection relates to a separate claim for credit or refund properly filed under subsection (e) of section 54A:9-8; and

(3) Either (A) 6 months have expired since the claim was filed, or (B) the director has mailed to the taxpayer a notice of disallowance of such claim in whole or in part.

No petition under this subsection shall be filed more than 2 years after the date of mailing of a notice of disallowance, unless prior to the expiration of such 2-year period it has been extended by written agreement between the taxpayer and the director. If a taxpayer

files a written waiver of the requirement that he be mailed a notice of disallowance, the 2-year period prescribed by this subsection for filing a petition for refund shall begin on the date such waiver is filed.

(d) Assertion of deficiency after filing petition.—

(1) Petition for redetermination of deficiency. If a taxpayer files with the director a petition for redetermination of a deficiency, the director shall have power to determine a greater deficiency than asserted in the notice of deficiency and to determine if there should be assessed any addition to tax or penalty provided in section 54A:9-6, if claim therefor is asserted at or before the hearing under rules of the director.

(2) Petition for refund. If the taxpayer files with the director a petition for credit or refund for a taxable year, the director may

(A) Determine a deficiency for such year as to any amount of deficiency asserted at or before the hearing under rules of the director, and within the period in which an assessment would be timely under section 54A:9-4, or

(B) Deny so much of the amount for which credit or refund is sought in the petition, as is offset by other issues pertaining to the same taxable year which are asserted at or before the hearing under rules of the director.

(3) Opportunity to respond. A taxpayer shall be given a reasonable opportunity to respond to any matters asserted by the director under this subsection.

(4) Restriction on further notices of deficiency. If the taxpayer files a petition with the director under this section, no notice of deficiency under section 54A:9-2 may thereafter be issued by the director for the same taxable year, except in case of fraud or with respect to a change or correction in Federal taxable income required to be reported under section 54A:8-7.

(e) Burden of proof. In any case before the director under this act, the burden of proof shall be upon the petitioner except for the following issues, as to which the burden of proof shall be upon the director:

(1) Whether the petitioner has been guilty of fraud with intent to evade tax;

(2) Whether the petitioner is liable as the transferee of property of a taxpayer, but not to show that the taxpayer was liable for the tax; and

(3) Whether the petitioner is liable for any increase in a deficiency where such increase is asserted initially after a notice of deficiency was mailed and a petition under this section filed, unless such increase in deficiency is the result of a change or correction of Federal taxable income required to be reported under section 54A:8-7, and of which change or correction the director had no notice at the time he mailed the notice of deficiency.

(f) Evidence of related Federal determination. Evidence of a Federal determination relating to issues raised in a case before the director under this section shall be admissible, under rules established by the director.

(g) Jurisdiction over other years. The director shall consider such facts with relation to the taxes for other years as may be necessary correctly to determine the tax for the taxable year, but in so doing shall have no jurisdiction to determine whether or not the tax for any other year has been overpaid or underpaid.

**C. 54A:9-10 Review of director's decision.**

54A:9-10. Review of director's decision. (a) Appeal to Division of Tax Appeals. Any aggrieved taxpayer may, within 4 months after any decision, order, finding, assessment or action of the Director of Taxation made pursuant to the provisions of this act, appeal therefrom to the Division of Tax Appeals, by filing a petition of appeal with said Division of Tax Appeals in the manner and form prescribed by the said Division of Tax Appeals.

(b) Appeal exclusive remedy of taxpayer. The appeal provided by this section shall be the exclusive remedy available to any taxpayer for review of a decision of the director in respect of the determination of the liability of the taxpayer for the taxes imposed by this act.

(c) Credit, refund or abatement after review. If the amount of a deficiency determined by the director is disallowed in whole or in part, the amount so disallowed shall be credited or refunded to the taxpayer, without the making of claim therefor, or, if payment has not been made, shall be abated.

(d) Date of finality of director's decision. A decision of the director shall become final upon the expiration of the period specified in subsection (a) for filing a petition of appeal, if no such petition has been filed within such time, or if such petition has been duly made, upon expiration of the time for all further appeals, or upon the rendering by the director of a decision in accordance with the mandate of the Division of Tax Appeals or the courts on appeal.

Notwithstanding the foregoing, for the purpose of forming a petition of appeal, the decision of the director shall be deemed final on the date the notice of decision is sent by mail to the taxpayer.

(e) Judicial review. The judgment or order of the Division of Tax Appeals respecting any matter arising under the provisions of this act may be reviewed by a proceeding in lieu of prerogative writ in the same manner as other judgments of said division.

**C. 54A:9-11 Mailing rules; holidays.**

54A:9-11. Mailing rules; holidays. (a) Timely mailing. If any claim, statement, notice, petition, or other document (including to the extent authorized by the director, a return or a declaration of estimated tax) required to be filed within a prescribed period or on or before a prescribed date under authority of any provision of this act is, after such period or such date, delivered by United States mail to the director, bureau, office, officer or person with which or with whom such document is required to be filed, the date of the United States postmark stamped on the envelope shall be deemed to be the date of delivery. This subsection shall apply only if the postmark date falls within the prescribed period or on or before the prescribed date for the filing of such document, determined with regard to any extension granted for such filing, and only if such document was deposited in the mail, postage prepaid, properly addressed to the director, bureau, office, officer or person with which or with whom the document is required to be filed. If any document is sent by United States registered mail, such registration shall be prima facie evidence that such document was delivered to the director, bureau, office, officer or person to which or to whom addressed. To the extent that the director shall prescribe by regulation, certified mail may be used in lieu of registered mail under this section. This subsection shall apply to the case of postmarks not made by the United States Post Office only if and to the extent provided by regulations of the director.

(b) Last known address. For purposes of this act, a taxpayer's last known address shall be the address given in the last return filed by him, unless subsequently to the filing of such return the taxpayer shall have notified the director of a change of address.

(c) Last day a Saturday, Sunday or legal holiday. When the last day prescribed under authority of this act (including any extension of time) for performing any act falls on Saturday, Sunday, or a legal holiday in the State of New Jersey, the performance of such act shall be considered timely if it is performed on the next succeeding day which is not a Saturday, Sunday or a legal holiday.

**C. 54A:9-12 Collection, levy and liens.**

54A :9-12. Collection, levy and liens. (a) Collection procedures. The taxes imposed by this act shall be collected by the director, and he may establish the mode or time for the collection of any amount due him under this act if not otherwise specified. The director shall, upon request, give a receipt for any sum collected under this act. The director may authorize banks or trust companies which are depositaries or financial agents of the State to receive and give a receipt for any tax imposed under this act in such manner, at such times, and under such conditions as the director may prescribe; and the director shall prescribe the manner, times and conditions under which the receipt of such tax by such banks and trust companies is to be treated as payment of such tax to the director.

(b) Notice and demand for tax. The director shall as soon as practicable give notice to each person liable for any amount of tax, addition to tax, penalty or interest, which has been assessed but remains unpaid, stating the amount and demanding payment thereof. Such notice shall be left at the dwelling or usual place of business of such person or shall be sent by mail to such person's last known address. Except where the director determines that collection would be jeopardized by delay, if any tax is assessed prior to the last date (including any date fixed by extension) prescribed for payment of such tax, payment of such tax shall not be demanded until after such date.

(c) Issuance of Certificate of Debt after notice and demand. If any person liable under this act for the payment of any tax, addition to tax, penalty or interest neglects or refuses to pay the same within 10 days after the notice and demand therefor is given to such person under subsection (b), the director may within 6 years after the date of such assessment issue a certificate of debt, pursuant to the State Tax Uniform Procedure Law (Subtitle 9 of Title 54 of the Revised Statutes).

(d) Taxpayer not a resident. Where a notice and demand under subsection (b) shall have been given to a taxpayer who is not then a resident, and it appears to the director that it is not practicable to find in this State property of the taxpayer sufficient to pay the entire balance of tax or other amount owing by such taxpayer who is not then a resident, the director may, in accordance with subsection (c), issue a certificate of debt. Thereupon the director may authorize the institution of any action or proceeding to collect or enforce the certificate of debt in any place and by any procedure that a civil certificate of debt of the Superior Court of the State of

New Jersey could be collected or enforced. The director may also, in his discretion, designate agents or retain counsel for the purpose of collecting, outside the State of New Jersey, any unpaid taxes, additions to tax, penalties or interest which have been assessed under this act against taxpayers who are not residents of this State, may fix the compensation of such agents and counsel to be paid out of money appropriated or otherwise lawfully available for payment thereof, and may require of them bonds or other security for the faithful performance of their duties, in such form and in such amount as the director shall deem proper and sufficient.

(e) Action by State for recovery of taxes. Action may be brought by the Attorney General at the instance of the director in the name of the State to recover the amount of any unpaid taxes, additions to tax, penalties or interest which have been assessed under this act within 6 years prior to the date the action is commenced.

(f) Actions for collection of tax. (1) At the request of the Division of Taxation, the Attorney General may bring suit, in the name of this State, in the appropriate court of any other state to collect any tax legally due this State under this act.

(2) The courts of this State shall recognize and enforce liabilities for taxes lawfully imposed by any other state, upon incomes, which extends a like comity to this State, and the duly authorized officer of any such state may sue for the collection of such a tax in the courts of this State. A certificate by the secretary of state of such other state that an officer suing for the collection of such a tax is duly authorized to collect the same shall be conclusive proof of such authority.

(3) For the purposes of this section, the words "tax" and "taxes" shall include interest and penalties due under this act, and liability for such interest or penalties or both, due under a taxing statute of another state shall be recognized and enforced by the courts of this State to the same extent that the laws of such other state permit the enforcement in its courts of liability for such interest or penalties or both, due under this act.

(g) Renewal and release of lien. Within 20 years from the date of the filing or from the date of the last extension of the lien, the lien may be extended by the filing of a new warrant with the county recording officer. The director if he finds that the interests of the State will not thereby be jeopardized, and upon such conditions as he may require, may release any property from the lien of any

warrant for unpaid taxes, additions to tax, penalties and interest filed pursuant to this section, and such release may be recorded in the office of any recording officer in which such warrant has been filed.

**C. 54A:9-13 Transferees.**

54A:9-13. Transferees. (a) General. The liability, at law or in equity, of a transferee of property of a taxpayer for any tax, additions to tax, penalty or interest due the director under this act, shall be assessed, paid, and collected in the same manner and subject to the same provisions and limitations as in the case of the tax to which the liability relates, except that the period of limitations for assessment against the transferee shall be extended by 1 year for each successive transfer, in order, from the original taxpayer to the transferee involved, but not by more than 3 years in the aggregate. The term transferee includes, donee, heir, legatee, devisee and distributee.

(b) Exceptions.

(1) If before the expiration of the period of limitations for assessment of liability of the transferee, a claim has been filed by the director in any court against the original taxpayer or the last preceding transferee based upon the liability of the original taxpayer, then the period of limitation for assessment of liability of the transferee shall in no event expire prior to 1 year after such claim has been finally allowed, disallowed or otherwise disposed of.

(2) If, before the expiration of the time prescribed in subsection (a) or the immediately preceding paragraph of this subsection for the assessment of the liability, the director and the transferee have both consented in writing to its assessment after such time, the liability may be assessed at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon. For the purpose of determining the period of limitation on credit or refund to the transferee of overpayments of tax made by such transferee or overpayments of tax made by the transferor as to which the transferee is legally entitled to credit or refund, such agreement and any extension thereof shall be deemed an agreement and extension thereof referred to in subsection (b) of section 54A:9-8. If the agreement is executed after the expiration of the period of limitation for assessment against the original taxpayer, then in applying the limitations under subsection (b) of section 54A:9-8 on the amount of the credit

or refund, the periods specified in subsection (a) of section 54A:9-8 shall be increased by the period from the date of such expiration to the date of the agreement.

(c) Deceased transferor. If any person is deceased, the period of limitation for assessment against him shall be the period that would be in effect if he had lived.

(d) Evidence. Notwithstanding the provisions of R. S. 54:50-8 of the State Tax Uniform Procedure Law, Subtitle 9 of Title 54 of the Revised Statutes, the director shall use his powers to make available to the transferee evidence necessary to enable the transferee to determine the liability of the original taxpayer and of any preceding transferees, but without undue hardship to the original taxpayer or preceding transferee. See subsection (e) of section 54A:9-9 for rule as to burden of proof.

**C. 54A:9-14 Jeopardy assessment.**

54A:9-14. Jeopardy assessment. (a) Authority for making. If the director believes that the assessment or collection of a deficiency will be jeopardized by delay, he shall, notwithstanding the provisions of sections 54A:9-2 and 54A:9-16, immediately assess such deficiency (together with all interests, penalties and additions to tax provided for by law), and notice and demand shall be made by the director for the payment thereof.

(b) Notice of deficiency. If the jeopardy assessment is made before any notice in respect of the tax to which the jeopardy assessment relates has been mailed under section 54A:9-2, then the director shall mail a notice under such section within 60 days after the making of the assessment.

(c) Amount assessable before decision of director. The jeopardy assessment may be made in respect of a deficiency greater or less than of which notice is mailed to the taxpayer and whether or not the taxpayer has theretofore filed a petition with the director. The director may, at any time before rendering his decision, abate such assessment, or any unpaid portion thereof, to the extent that he believes the assessment to be excessive in amount. The director may in his decision redetermine the entire amount of the deficiency and of all amounts assessed at the same time in connection therewith.

(d) Amount assessable after decision of director. If the jeopardy assessment is made after the decision of the director is rendered, such assessment may be made only in respect of the deficiency determined by the director in his decision.

(e) Expiration of right to assess. A jeopardy assessment may not be made after the decision of the director has become final or after the taxpayer has filed a petition with the Division of Tax Appeals for review of the decision of the director.

(f) Collection of unpaid amounts. When a petition has been filed with the director and when the amount which should have been assessed has been determined by a decision of the director which has become final, then any unpaid portion, the collection of which has been stayed by bond, shall be collected as part of the tax upon notice and demand from the director, and any remaining portion of the assessment shall be abated. If the amount already collected exceeds the amount determined as the amount which should have been assessed, such excess shall be credited or refunded to the taxpayer as provided in section 54A:9-7 without the filing of claim therefor. If the amount determined as the amount which should have been assessed is greater than the amount actually assessed, then the difference shall be assessed and shall be collected as part of the tax upon notice and demand from the director.

(g) Abatement if jeopardy does not exist. The director may abate the jeopardy assessment if he finds that jeopardy does not exist. Such abatement may not be made after a decision of the director in respect of the deficiency has been rendered or, if no petition is filed with the director, after the expiration of the period for filing such petition. The period of limitation on the making of assessments and levy or a proceeding for collection, in respect of any deficiency, shall be determined as if the jeopardy assessment so abated had not been made, except that the running of such period shall in any event be suspended for the period from the date of such jeopardy assessment until the expiration of the tenth day after the day on which such jeopardy assessment is abated.

(h) Bond to stay collection. The collection of the whole or any amount of any jeopardy assessment may be stayed by filing with the director, within such time as may be fixed by regulation, a bond in an amount equal to the amount as to which the stay is desired, conditioned upon the payment of the amount (together with interest thereon) the collection of which is stayed at the time at which, but for the making of the jeopardy assessment, such amount would be due. Upon the filing of the bond the collection of so much of the amount assessed as is covered by the bond shall be stayed. The taxpayer shall have the right to waive such stay at any time in respect of the whole or any part of the amount covered by the bond, and if as a result of such waiver any part of the amount covered

by the bond is paid, then the bond shall at the request of the taxpayer, be proportionately reduced. If any portion of the jeopardy assessment is abated, or if a notice of deficiency under section 54A:9-2 is mailed to the taxpayer in a lesser amount, the bond shall, at the request of the taxpayer, be proportionately reduced.

(i) Petition to director. If the bond is given before the taxpayer has filed his petition under section 54A:9-9, the bond shall contain a further condition that if a petition is not filed within the period provided in such section, then the amount, the collection of which is stayed by the bond, will be paid on notice and demand at any time after the expiration of such period, together with interest thereon from the date of the jeopardy notice and demand to the date of notice and demand under this subsection. The bond shall be conditioned upon the payment of so much of such assessment (collection of which is stayed by the bond) as is not abated by a decision of the director which has become final. If the director determines that the amount assessed is greater than the amount which should have been assessed, then the bond shall, at the request of the taxpayer, be proportionately reduced when the decision of the director is rendered.

(j) Stay of sale of seized property pending director's decision. Where a jeopardy assessment is made, the property seized for the collection of the tax shall not be sold—

(1) If subsection (b) is applicable, prior to the issuance of the notice of deficiency and the expiration of the time provided in section 54A:9-9, for filing a petition with the director, and

(2) If a petition is filed with the director (whether before or after the making of such jeopardy assessment), prior to the expiration of the period during which the assessment of the deficiency would be prohibited if subsection (a) were not applicable.

Such property may be sold if the taxpayer consents to the sale, or if the director determines that the expenses of conservation and maintenance will greatly reduce the net proceeds, or if the property is perishable.

(k) Interest. For the purpose of subsection (a) of section 54A:9-5, the last date prescribed for payment shall be determined without regard to any notice and demand for payment issued under this section prior to the last date otherwise prescribed for such payment.

(1) Early termination of taxable year. If the director finds that a taxpayer designs quickly to depart from this State or to remove

his property therefrom, or to conceal himself or his property therein, or to do any other act tending to prejudice or to render wholly or partly ineffectual proceedings to collect the income tax for the current or the preceding taxable year unless such proceedings be brought without delay, the director shall declare the taxable period for such taxpayer immediately terminated, and shall cause notice of such finding and declaration to be given the taxpayer, together with a demand for immediate payment of the tax for the taxable period so declared terminated and of the tax for the preceding taxable year or so much of such tax as is unpaid, whether or not the time otherwise allowed by law for filing return and paying the tax has expired; and such taxes shall thereupon become immediately due and payable. In any proceeding brought to enforce payment of taxes made due and payable by virtue of the provisions of this subsection, the finding of the director made as herein provided, whether made after notice to the taxpayer or not, shall be for all purposes presumptive evidence of jeopardy.

(m) Reopening of taxable period. Notwithstanding the termination of the taxable period of the taxpayer by the director, as provided in subsection (l), the director may reopen such taxable period each time the taxpayer is found by the director to have received income, within the current taxable year, since the termination of such period. A taxable period so terminated by the director may be reopened by the taxpayer if he files with the director a true and accurate return of taxable income and credits allowed under this act for such taxable period, together with such other information as the director may by regulations prescribe.

(n) Furnishing of bond where taxable year is closed by the director. Payment of taxes shall not be enforced by any proceedings under the provisions of subsection (l) prior to the expiration of the time otherwise allowed for paying such taxes if the taxpayer furnishes, under regulations prescribed by the director, a bond to insure the timely making of returns with respect to, and payment of, such taxes or any income taxes for prior years.

**C. 54A:9-15 Criminal penalties.**

54A:9-15. Criminal penalties. (a) Attempt to evade tax. Any individual, corporation or partnership or any officer or employee of any corporation, or member or employee of any partnership, who, with intent to evade any tax or any requirement of this act or any lawful requirement of the director thereunder, shall fail to pay the tax, or to make, render, sign or certify any return or declaration of estimated income, or to supply any information

within the time required by or under the provisions of this act, or who, with like intent, shall make, render, sign or certify any false or fraudulent return, declaration or statement, or shall supply any false or fraudulent information, or who shall fail to comply with the provisions of subsection (b) of section 54A:7-4 after the service of a notice by the director thereunder, shall be guilty of a misdemeanor and shall, upon conviction, be fined not to exceed \$5,000.00 or be imprisoned not to exceed 1 year, or both, at the discretion of the court.

(b) Limitations. Notwithstanding the provisions of any other law, a prosecution for any offense under this section may be commenced at any time not later than 5 years after the commission of such offense provided that, if such offense is the failure to do an act required by or under the provision of this act to be done before a certain date, a prosecution for such offense may be commenced not later than 5 years after such date.

(c) Willful failure to withhold. Any individual, corporation or partnership or any officer or employee of any corporation (including a dissolved corporation), or member or employee of any partnership, who willfully fails to collect or pay over any withholding tax as required, shall, in addition to other penalties provided by law, be guilty of a misdemeanor, and, upon conviction thereof shall be fined not to exceed \$5,000.00 or imprisoned not to exceed 1 year, or both.

(d) Two or more charges. In the prosecution of offenses under this section, if there are two or more charges against any person or corporation, involving a violation or violations of any provision or provisions of this act, whether for the same or different taxable years, instead of returning several indictments or filing several informations, all of such charges may be joined in one indictment or information, in separate counts, and if two or more indictments are found, or two or more informations are filed, the court may order them to be consolidated. If a person or corporation shall be convicted of two or more offenses constituting different crimes set forth in different counts of one indictment or information, or in separate indictments or informations consolidated as hereinbefore provided, the court may impose a separate sentence for each offense, and if imprisonment is imposed, the court may order any of such sentences to be served concurrently or consecutively.

(e) Miscellaneous rules. The failure to do any act required by or under the provisions of this act shall be deemed an act committed in part at the office of the director in Trenton. Any prosecution

under this section may be conducted in any county where the person or corporation to whose tax liability the proceeding relates resides, or has a place of business, or from which such person or corporation received any income, or in any county in which any such crime is committed, or in the county of Mercer. The Attorney General shall have concurrent jurisdiction with any prosecuting attorney in the prosecution of any offenses under this section. If the provisions of this section conflict with those contained in any other law, this section shall control. The certificate of the director to the effect that a tax has not been paid, that a return or declaration of estimated tax has not been filed, or that information has not been supplied, as required by or under the provisions of this act, shall be prima facie evidence that such tax has not been paid, that such return or declaration has not been filed, or that such information has not been supplied. All fines levied under this section shall be paid to the director and deposited in the same manner as revenues collected or received under this act.

**C. 54A:9-16 Armed forces relief provisions.**

54A:9-16. Armed forces relief provisions. (a) Time to be disregarded. In the case of an individual serving in the Armed Forces of the United States, or serving in support of such armed forces, in an area designated by the President of the United States by executive order as a "combat zone" at any time during the period designated by the president by executive order as the period of combatant activities in such zone, or hospitalized outside the State as a result of injury received while serving in such an area during such time, the period of service in such area, plus the period of continuous hospitalization outside the State attributable to such injury, and the next 180 days thereafter, shall be disregarded in determining, under this act, in respect of the income tax liability (including any interest, penalty, or addition to the tax) of such individual.

(1) Whether any of the following acts was performed within the time prescribed therefor:

(A) Filing any return of income tax (except withholding tax);

(B) Payment of any income tax (except withholding tax) or any installment thereof or of any other liability to the State, in respect thereof;

(C) Filing a petition with the director for credit or refund or for redetermination of a deficiency, or application for review of a decision rendered by the director;

- (D) Allowance of a credit or refund of income tax;
- (E) Filing a claim for credit or refund of income tax;
- (F) Assessment of income tax;
- (G) Giving or making any notice or demand for the payment of any income tax, or with respect to any liability to the State in respect of income tax;
- (H) Collection, by the director, by levy or otherwise of the amount of any liability in respect of income tax;
- (I) Bringing suit by the State, or any officer, on its behalf, in respect of any liability in respect of income tax; and
- (J) Any other act required or permitted under this act or specified in regulations prescribed under this section by the director.

(2) The amount of any credit or refund (including interest).

(b) Action taken before ascertainment of right to benefits. The assessment or collection of the tax imposed by this act or of any liability to the State in respect of such tax, or any action or proceeding by or on behalf of the State in connection therewith, may be made, taken, begun, or prosecuted in accordance with law, without regard to the provisions of subsection (a), unless prior to such assessment, collection, action, or proceeding it is ascertained that the person concerned is entitled to the benefits of subsection (a).

(c) Members of armed forces dying in action. In the case of any person who dies during an induction period while in active service as a member of the Armed Forces of the United States, if such death occurred while serving in a combat zone during a period of combatant activities in such zone, as described in subsection (a), or as a result of wounds, disease or injury incurred while so serving, the tax imposed by this act shall not apply with respect to the taxable year in which falls the date of his death, or with respect to any prior taxable year ending on or after the first day he so served in a combat zone, and no returns shall be required in behalf of such person or his estate for such year, and the tax for any such taxable year which is unpaid at the date of his death, including interest, additions to tax and penalties, if any, shall not be assessed and, if assessed, the assessment shall be abated and, if collected, shall be refunded to the legal representative of his estate if one has been appointed and has qualified, or, if no legal representative has been appointed or has qualified, to his widow.

**C. 54A:9-17 General powers of director.**

54A:9-17. General powers of the director. (a) General. The director shall administer and enforce the tax imposed by this act

and is authorized to make such rules and regulations, and to require such facts and information to be reported as he may deem necessary to enforce the provisions of this act. The director may divide the State into districts in each of which a branch office may be maintained by him, but in no case shall a county be divided in forming a district.

(b) Delegation of powers. The director may delegate to any officer or employee of his division such of his powers as he may deem necessary to carry out efficiently the provisions of this act, and the person or persons to whom such power has been delegated shall possess and may exercise all of the power and perform all of the duties herein conferred and imposed upon the director.

(c) Examination of books and witnesses. The director for the purpose of ascertaining the correctness of any return, or for the purpose of making an estimate of taxable income of any person, shall have power to examine or to cause to have examined, by any agent or representative designated by him for that purpose, any books, papers, records or memoranda bearing upon the matters required to be included in the return, and may require the attendance of the person rendering the return or any officer or employee of such person, or the attendance of any other person having knowledge in the premises, and may take testimony and require proof material for his information, with power to administer oaths to such person or persons.

(d) Abatement authority. The director, on his own motion, may abate any small unpaid balance of an assessment of income tax, or any liability in respect thereof, if the director determines under uniform rules prescribed by him that the administration and collection costs involved would not warrant collection of the amount due. He may also abate, on his own motion, the unpaid portion of the assessment of any tax or any liability in respect thereof, which is excessive in amount, or is assessed after the expiration of the period of limitation properly applicable thereto, or is erroneously or illegally assessed. No claim for abatement under this subsection shall be filed by a taxpayer.

(e) The Department of the Treasury, Division of Taxation, may enter into an agreement with the taxing authorities of any state which imposes a tax on or is measured by income to provide that compensation paid in such state to residents of this State shall be exempt from such tax; in such case any compensation paid in this State to residents of such state shall be exempt from New Jersey personal income tax. The Division, in such agreements,

may provide for reciprocal withholding, employer liability, exchange of information and all other matters relating to cooperation between the states.

**C. 54A:9-17.1 Identifying numbers.**

54A:9-17.1. Identifying numbers. (a) Supplying of identifying numbers. When required by regulations prescribed by the director:

(1) Inclusion in returns. Any person required under the authority of this act to make a return, statement, or other document shall include in such return, statement, or other document such identifying number as may be prescribed for securing proper identification of such person.

(2) Furnishing number to other person. Any person with respect to whom a return, statement, or other document is required under the authority of this act to be made by another person shall furnish to such other person such identifying number as may be prescribed for securing his proper identification.

(3) Furnishing number of another person. Any person required under the authority of this act to make a return, statement, or other document with respect to another person shall request from such other person, and shall include in any such return, statement, or other document, such identifying number as may be prescribed for securing proper identification of such other person.

(b) Limitation. (1) Except as provided in paragraph (2), a return of any person with respect to his liability for tax, or any statement or other document in support thereof, shall not be considered for purposes of paragraphs (2) and (3) of subsection (a) as a return, statement, or other document with respect to another person.

(2) For purposes of paragraphs (2) and (3) of subsection (a), a return of an estate or trust with respect to its liability for tax, and any statement or other document in support thereof, shall be considered as a return, statement, or other document with respect to each beneficiary of such estate or trust.

(c) Requirement of information. For purposes of this section, the director is authorized to require such information as may be necessary to assign an identifying number to any person.

**C. 54A:9-18 Order to compel compliance.**

54A:9-18. Order to compel compliance. (a) Failure to file tax return. If any person willfully refuses to file an income tax return required by this act, the director may apply to a judge of the su-

perior court for an order directing such person to file the required return. If a person fails or refuses to obey such order, he shall be guilty of contempt of court.

(b) Failure to furnish records or testimony. If any person willfully refuses to make available any books, papers, records or memoranda for examination by the director or his representative or willfully refuses to attend and testify, pursuant to the powers conferred on the director under this act, the director may apply to a judge in the superior court in the county where such person resides, for an order directing that person to comply with the director's request for books, papers, records or memoranda or for his attendance and testimony. If the books, papers, records or memoranda required by the director are in the custody of a corporation, the order of the court may be directed to any principal officer of such corporation. If a person fails or refuses to obey such order, he shall be guilty of contempt of court.

**C. 54A:9-19 Exercise of division powers by director.**

54A :9-19. Exercise of powers and duties of Division of Taxation by director. All the powers, duties and responsibilities vested in the Division of Taxation by this act shall be exercised by the director thereof or his duly designated representative.

**C. 54A:9-20 Appropriation.**

54A :9-20. Appropriation. There is hereby appropriated to the Division of Taxation in the Department of the Treasury the sum of \$5.0 million or so much thereof as shall be required to carry out the provisions of this act from the effective date hereof through the period ending June 30, 1977.

**C. 54A:9-21 Severability clause.**

54A :9-21. Severability clause. If any provision of this act, or any application of any provision, is held invalid, the invalidity shall not affect other applications of the provision, or other provisions of the act, which reasonably can be given effect despite the invalidity.

**C. 54A:9-22 Repeal of emergency transportation tax act.**

54A :9-22. Repeal of emergency transportation tax act. (a) Savings clause. Chapter 32, laws of 1961 (C. 54:8A-1 et seq.), as amended, is hereby repealed, effective July 1, 1976 and shall be inoperative with respect to income subject to tax, under said act, paid or accrued on and after said date. Such repeal shall not affect the obligation, lien or duty to pay any taxes, interest or penalties which have accrued or may accrue by virtue of any

assessment made or which may be made with respect to taxes levied for any taxable year prior to, July 1, 1976 nor shall this act affect the legal authority to assess and collect taxes which may be or have been due and payable under said chapter 32, laws of 1961, as amended, together with such interest and penalties as would have accrued thereon under any provision of law amended or repealed hereby; nor shall this act invalidate any assessments or affect any proceeding for the enforcement thereof.

(b) Credit for tax withheld on and after July 1, 1976. A taxpayer whose taxes have been withheld under chapter 32, laws of 1961, as amended, on and after July 1, 1976 shall be entitled to a credit against his tax liability under this act.

**C. 54A:9-23 Repeal of transportation benefits tax act.**

54A:9-23. Repeal of transportation benefits tax act. (a) Savings clause. Chapter 222, laws of 1971 (C. 54:8A-58 et seq.), as amended, is hereby repealed, effective July 1, 1976, and shall be inoperative with respect to income subject to tax, under said act, paid or accrued on and after said date. Such repeal shall not affect the obligation, lien or duty to pay any taxes, interest or penalties which have accrued or may accrue by virtue of any assessment made or which may be made with respect to taxes levied for any taxable year prior to July 1, 1976, nor shall this act affect the legal authority to assess and collect taxes which may be or have been due and payable under said chapter 222, laws of 1971, as amended, together with such interest and penalties as would have accrued thereon under any provision of law amended or repealed hereby; nor shall this act invalidate any assessments or affect any proceeding for the enforcement thereof.

(b) Credit for tax withheld on and after July 1, 1976. A taxpayer whose taxes have been withheld under chapter 222, laws of 1971, as amended, on and after July 1, 1976 shall be entitled to a credit against his tax liability under this act.

**C. 54A:9-24 Repeal of capital gains and unearned income tax.**

54A:9-24. Repeal of Tax on Capital Gains and Other Unearned Income. Chapter 172, laws of 1975 (C. 54:8B-1 et seq.) is hereby repealed, effective July 1, 1976, and shall be inoperative with respect to capital gains and other unearned income subject to tax, under said act, paid or accrued on and after said date. Such repeal shall not affect the obligation, lien or duty to pay any taxes, interest or penalties which have accrued or may accrue by virtue of any assessment made or which may be made with respect to

taxes levied for any taxable year or part of a taxable year prior to July 1, 1976, nor shall this act affect the legal authority to assess and collect the taxes which may be or have been due and payable under said chapter 172, laws of 1975 as amended, together with such interest and penalties as would have accrued thereon under any provision of law amended or repealed hereby; nor shall this act invalidate any assessments or affect any proceeding for the enforcement thereof. In the event of such repeal, the adjusted gross income requirements and the personal exemptions allowed shall be prorated according to the number of taxable months required to be reported divided by 12. The taxpayer may, at his option, determine actual adjusted gross income for the period required to be reported.

**C. 54A:9-25 Property tax relief fund.**

54A:9-25. Taxes collected under the provisions of this act shall be deposited by the State Treasurer in a special account to be known as the Property Tax Relief Fund. Moneys in the Property Tax Relief Fund shall be annually appropriated, pursuant to formulas established from time to time by the Legislature, to the several counties, municipalities and school districts of this State exclusively for the purpose of providing property tax relief and for the purpose of reducing or offsetting property taxes, including the funding of the requirement of P. L. 1975, c. 212, and homestead exemptions under 1976 Assembly Bill No. 1330, as said acts may hereafter be amended or supplemented and provided there may be deducted the administrative costs of the collection hereof and in replacement of revenues resulting from the repeal of certain laws under this and companion legislation.

**C. 54A:9-25.1 Election fund checkoff.**

54A:9-25.1. There is hereby established within the General Treasury a special fund to be known as the "Gubernatorial General Elections Fund." Where a taxpayer has indicated on a return filed pursuant to this act that one dollar of his taxes is to be reserved for such fund, the Treasurer shall credit such fund from the taxes collected under the provisions of this act. The fund shall be available for appropriation pursuant to section 5 of P. L. 1974, c. 26 (C. 19:44A-30), provided however that establishment of the "Gubernatorial General Elections Fund" shall in no way affect the operation of said section.

Blank forms of return provided by the director for use in reporting under this act shall include, in a conspicuous place, the

opportunity for a taxpayer to indicate his preference under this section in substantially the following manner:

Yes No

"Gubernatorial General Elections Fund"	Do you wish to designate \$1 of your taxes for this fund?		
NOTE: If you check the "Yes" box(es) it will not increase your tax or reduce your refund.	If joint return, does your spouse wish to designate \$1?		

**C. 54A:9-26 Blank.**

54A:9-26. Blank.

**C. 54A:9-27. Effective date.**

54A:9-27. Effective date. (a) This act shall take effect immediately and shall be applicable with respect to items of income, deduction, loss or gain occurring in taxable years ending on or after July 1, 1976 but only to the extent such items have been earned, or incurred on or after July 1, 1976.

(b) New Jersey taxable income for 1976 from a person or entity with an accounting period for Federal income tax purposes which begins before July 1, 1976 shall be determined by computing the total taxable income of the person or entity for the full accounting period and by multiplying such taxable income by the quotient of the number of days in such year after July 1, 1976, divided by 365. However, where the taxpayer's taxable year covers a period of less than 12 months, the taxpayer may determine total taxable income solely on the basis of the items of income, deductions, loss or gain occurring during such taxable year.

(c) This act shall remain inoperative unless and until the "Tenants' Property Tax Rebate Act" now pending before the Legislature as Senate Bill No. 1546 and Assembly Bill No. 1330 and Assembly Bill No. 1663 are enacted.

Approved July 8, 1976.

## CHAPTER 48

A SUPPLEMENT to the "Safe and Clean Neighborhoods Act of 1973," approved February 27, 1973 (P. L. 1973, c. 46, C. 52:27D-108 et seq.).

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

1. Those municipalities which receive State aid pursuant to the provisions of P. L. 1975, c. 229, may anticipate in the municipal budget prepared for the year 1976 an amount equivalent to that which they were entitled to receive under said act, provided that each such municipality makes application to the Commissioner of the Department of Community Affairs and meets the criteria and standards contained in said act and the rules, regulations and guidelines in connection therewith issued by the commissioner.

2. If the Legislature funds this program for an amount less than the amount appropriated in State fiscal year 1976, the Commissioner of the Department of Community Affairs shall adjust the amount of the grants and the time limits for the grants in accordance with the amount appropriated and may promulgate any rules, regulations, and guidelines deemed appropriate to effectuate the purpose of this section.

3. In the event that any funds remain unapportioned as certified by the Commissioner of the Department of Community Affairs after each qualifying municipality has had an opportunity to apply for State aid under section 1 of this act and any adjustments have been made pursuant to section 2 of this act, there shall be established a discretionary fund and participating municipalities may make application for such funds as still remain unapportioned as determined by the commissioner for special nonrecurring projects.

4. The Commissioner of the Department of Community Affairs shall, within 5 days of the effective date of this act, determine and certify to the State Treasurer and the chief financial officer of each municipality which shall receive aid under this act the amount payable to each qualifying municipality. The State Treasurer upon the certification of the commissioner and upon the warrant of the State Comptroller, shall pay and distribute, from funds appropriated therefor, to each qualifying municipality the amount so determined and certified.

5. Such funds as a qualifying municipality shall acquire pursuant to this act shall be appropriated by said municipality in compliance with the "Local Budget Law" (N. J. S. 40A:4-1 et seq.). Notwithstanding any provisions of the local budget law, any municipality qualifying for State aid under the provisions of this act may anticipate the receipt of the amount of State aid certified by the Commissioner of the Department of Community Affairs and may file such amendments or corrections in its local budget as may be required to properly reflect such amount in its budget for the year 1976.

6. The commissioner is hereby authorized to hire, employ or assign such secretarial, clerical and other technical or professional personnel as shall be required for the purposes of providing technical assistance, conducting performance evaluations and otherwise securing the accountability of the municipalities for complying with the provisions of this act. The commissioner may, with the approval of the Director of the Division of Budget and Accounting of the Department of the Treasury, allocate from any appropriation made to implement this act not more than \$75,000.00 for the administration of this act.

7. This act shall take effect immediately.

Approved July 8, 1976.

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#### CHAPTER 49

AN ACT relating to the duties of commissioners of registration with respect to voter registration forms, and amending P. L. 1974, c. 30.

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

1. Section 17 of P. L. 1974, c. 30 (C. 19:31-6.5) is amended to read as follows:

**C. 19:31-6.5 Acceptance or denial of registration; notice to registrant; disposition of form; additional information.**

17. a. Upon receipt of any completed registration form, the commissioner of registration in counties having a superintendent

of elections, and the members of the county board in all other counties, shall review it, and if it is found to be in order, shall:

(1) Send to the registrant written notification that such registrant is duly registered to vote. On the face of such notification in the upper left-hand corner shall be printed the words: "Do Not Forward. Return Postage Guaranteed. If not delivered in 2 days, return to the 'Superintendent of Elections'" in counties having a superintendent of elections and to the "Commissioner of Registration" in all other counties.

(2) Paste or tape the completed registration form onto an original permanent registration form, and shall paste or tape a copy of such completed registration form onto a duplicate permanent registration form, both of which shall be filed as provided in R. S. 19:31-10. Nothing in this paragraph shall preclude any commissioner of registration from transferring by photocopy an image of the mail registration form to the original and duplicate permanent registration forms and keeping the original mail registration form on file.

(3) In the case of a registrant currently registered in another county of this State, notify the commissioner of registration of such other county to delete such registrant's name from the list of persons registered in such other county.

b. The commissioner in counties having a superintendent of elections, and the members of the county board in all other counties, shall notify a registrant of the reasons for any refusal to approve his registration.

c. If the registration form has been signed by someone other than the registrant, any additional information required on the original and duplicate permanent registration form shall be obtained by the district board or the commissioner of registration at the first election at which the registrant shall appear or apply to vote.

2. This act shall take effect immediately.

Approved July 19, 1976.

## CHAPTER 50

AN Act appropriating \$5,000,000.00 from the State Recreation and Conservation Land Acquisition and Development Fund for State programs to acquire and conserve lands for recreation and conservation purposes.

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

**C. 4:1B-1 Short title.**

1. This act shall be known and may be cited as the "Agricultural Preserve Demonstration Program Act."

**C. 4:1B-2 Legislature's findings.**

2. The Legislature hereby finds and declares:

a. That the preservation of agricultural open space and the retention of agricultural activities would serve the best interests of all citizens of this State by insuring the numerous social, economic and environmental benefits which accrue from the continuation of agriculture in the Garden State.

b. That past and present policies and efforts of this State intended to promote such preservation and retention, while beneficial and worthy of continuation, have been inadequate to insure the permanent existence of such activities, which constitute a vital and benevolent use of the land which is so rapidly disappearing in this, the most densely populated and highly urbanized State in the nation.

c. That it is both necessary and desirable to implement additional policies, including the creation of an agricultural preserve, designed to provide for such preservation and retention.

d. That it is the express intention of this act to promote and insure the continuation of such activities within the agricultural preserve as provided herein.

**C. 4:1B-3 Legislature's additional findings.**

3. The Legislature further finds and declares that the State preservation of agricultural open space through the purchase of development easements to prime agricultural lands is wholly compatible with, and specifically authorized by, the provisions of the "New Jersey Green Acres and Recreation Opportunities Bond Act of 1974" (P. L. 1974, c. 102).

**C. 4:1B-4 Definitions.**

4. As used in this act:

a. "Agricultural preserve" means a significant mass of reasonably contiguous prime agricultural lands created through the State purchase of development easements to such lands;

b. "Committee" means the Joint Legislative Oversight Committee for the Agricultural Preserve Demonstration Program designated pursuant to section 10 of this act;

c. "Departments" means the Department of Environmental Protection and the Department of Agriculture;

d. "Development easement" means an interest in land, less than fee simple absolute title thereto, which interest represents the right to develop such lands for all nonagricultural purposes as determined by the provisions of this act and any relevant rules or regulations promulgated pursuant hereto;

e. "Prime agricultural land" means land having soil classifications of Class I, II or III, according to Soil Conservation class, except that a certain amount of land supportive of cranberry, blueberry or other special agricultural production and woodland immediately supportive of agriculture may be considered as prime agricultural lands for the purposes of this act;

f. "Program" means the Agricultural Preserve Demonstration Program established by this act;

g. "Program area" means the location of the program designated pursuant to section 14 of this act;

h. "Steering committee" means the Steering Committee on the Agricultural Preserve Demonstration Program created pursuant to section 8 of this act.

**C. 4:1B-5 Agricultural preserve demonstration program; establishment; purposes; goal.**

5. There is hereby established the Agricultural Preserve Demonstration Program. The purpose of this program shall be the creation of an agricultural preserve, which shall remain undeveloped for other than agricultural purposes as determined in accordance with the provisions of this act. Such preserve shall be established through the State purchase of development easements to such lands. It shall further be the purpose of this program to provide information and experience concerning such State efforts to preserve agricultural open space. It shall be the goal of the program to acquire such easements to approximately 5,000 acres of such land within the agricultural preserve.

**C. 4:1B-6 Administration of program.**

6. The program shall be administered by the Department of Environmental Protection and the Department of Agriculture. The Division of Rural Resources of the Department of Agriculture shall have operating responsibility for the program.

**C. 4:1B-7 Program voluntary for landowners.**

7. The program shall be conducted on a voluntary basis for all landowners in the program area; the provisions of any law to the contrary notwithstanding, it is the intention of this act to prohibit the exercise of eminent domain by the State, or any agency or instrumentality thereof, in acquiring development easements to prime agricultural lands pursuant to the provisions of this act.

**C. 4:1B-8 Implementation of program.**

8. The program shall be implemented by the departments in the following manner:

a. An intensive informational and educational effort will be undertaken to provide residents, landowners and elected officials within the program area with the basic objectives and details of the program. Such effort shall be conducted at public meetings held within, or in the vicinity of, the program area as well as through the mails.

b. Voluntary offers to sell the development easements to prime agricultural lands will be solicited from such landowners in the program area. Such landowners will be asked to offer to sell such development easements to the State at a price which, in the opinion of the landowner, represents a fair value of the development potential of such lands for nonagricultural purposes as determined in accordance with the provisions of this act. A final date for the submission of such offers shall be fixed by the departments in the regulations promulgated pursuant to section 14 of this act.

c. Such offers will be reviewed and evaluated by the departments, with the advice of the steering committee as provided in section 9 of this act, in order to determine the suitability of the prime agricultural lands represented thereby for inclusion in the program. Decisions regarding such suitability shall be based upon the satisfaction of the following criteria:

(1) The degree to which such offers reflect price levels which appear to be within the financial resources of the program;

(2) Suitability as to soil classification or other criteria for prime agricultural lands as provided by this act;

(3) The degree to which such offers would facilitate the formulation of an agricultural preserve as defined in section 4 of this act.

The departments shall reject any offer for the sale of development easements to prime agricultural lands which are unsuitable according to the above criteria.

d. Two separate independent appraisals shall be conducted for each remaining parcel of prime agricultural lands so offered and deemed suitable. Such appraisals shall determine the current overall fair market value of such parcels for all purposes, including nonagricultural and development purposes, as well as the current fair market value of such parcels for agricultural purposes. The difference between current overall fair market value and current agricultural fair market value shall represent an appraisal of the value of development easements to such parcels.

Such appraisals shall be conducted by independent, professional appraisers selected by the departments from among members of recognized organizations of real estate appraisers.

e. After receiving the results of such appraisals, the departments shall compare the appraised value and the offered value of development easements to such parcels. Following such comparison, and after consultation with the steering committee, the departments shall determine (1) whether the acquisition of all or a portion of such development easements would be within the financial resources of the program and (2) whether such acquisition would provide for the formulation of the agricultural preserve as provided by this act. Decisions concerning the acquisition of specific development easements shall be made within 6 months of the final date fixed for the submission of offers for such easements.

f. Following a determination of the satisfaction of such criteria and the submission to the committee of a report containing a positive recommendation concerning such acquisition, the Department of Environmental Protection is hereby empowered to purchase such development easements on behalf of the State.

**C. 4:1B-9 Steering Committee on the Agricultural Preserve Demonstration Program; establishment; purpose; membership; duties and responsibilities.**

9. a. There is hereby established a Steering Committee on the Agricultural Preserve Demonstration Program. Such steering committee shall be a local advisory body composed of elected officials and residents of the program area. The purpose of the steering committee shall be to provide the departments with local input concerning the implementation of the program. Membership on the steering committee shall be as follows:

(1) Two members appointed by the governing body of each municipality located within the program area;

(2) One member appointed by the planning board of each municipality located within the program area;

(3) Two members appointed by the county board of agriculture of each county located, in whole or part, within the program area;

(4) One member appointed by the county board of chosen freeholders of each county located, in whole or part, within the program area;

(5) One member appointed by the planning board of each county located, in whole or part, within the program area;

(6) The Secretary of Agriculture, or his designated representative;

(7) The Commissioner of Environmental Protection, or his designated representative;

(8) Ex-officio members of the Legislature representing legislative districts located, in whole or part, within the program area.

b. The duties and responsibilities of the steering committee shall be:

(1) To communicate to residents and landowners in the program area the details of the program and the implications and effects of participation therein;

(2) To advise the departments on guidelines furnished to the owners of prime farmlands within the program area concerning the offer and sale of development easements to such land to the State;

(3) To advise the departments, following the receipt of development easements offers as provided by section 9 of this act, as to the compatibility of such easements with municipal and county zoning and master plans, and to make recommendations concerning the suitability of such easements for inclusion in the program;

(4) To advise the departments on the guidelines used to appraise prime agricultural lands for overall market and agriculture value pursuant to section 8 of this act;

(5) To make recommendations to the departments, following the results of such appraisals, on the acquisition of such development easements.

**C. 4:1B-10 Joint Legislative Oversight Committee for the Agricultural Preserve Demonstration Program; duties and responsibilities.**

10. The Assembly Committee on Agriculture and Environment and the Senate Committee on Agriculture are hereby designated as the Joint Legislative Oversight Committee for the Agricultural

Preserve Demonstration Program. The duties and responsibilities of the committee shall be as follows:

a. To review and evaluate the proposed rules, regulations and guidelines for the implementation and administration of the agricultural preserve program, in terms of feasibility, effect and conformance with the intentions and provisions of this act.

b. To analyze the progress of the program prior to the State acquisition of development easements to prime agricultural lands, so as to determine the advisability of proceeding therewith.

c. To conduct a final program review and evaluation following the State acquisition of such easements; such final review and evaluation shall be conducted and transmitted to the Legislature within 1 year of such acquisition, and shall include the following:

(1) A statement of the social, economic and environmental effects of the program on the program area and on the State;

(2) An evaluation of the impact of the program on agriculture and related industries in this State;

(3) An analysis of the mechanism of the State purchase of developments rights to prime agricultural lands as a means of preserving agricultural open space, the feasibility of further use of such mechanism in other areas of the State, and potential sources of funding therefor; and,

(4) An identification of possible alternative methods of preserving agricultural open space in New Jersey.

d. To review and evaluate all relevant existing and proposed statutes, rules, regulations and ordinances, so as to determine the individual and cumulative effect upon the conduct of agricultural activities in this State.

e. To recommend to the Legislature and to the departments, prior to, during and following the implementation of the program, any legislation, rule, regulation, guideline, or revision thereto which it deems necessary in order to effectuate the purposes of this act or the findings of the committee concerning the program created herein.

The departments are hereby directed to cooperate with the committee in providing any assistance or information necessary for or incident to the performance of the duties and responsibilities of the committee as herein provided.

**C. 4:1B-11 Statement of conditions of conveyance and terms of restrictions on land; recording.**

11. Following the purchase by the State of any development easement to prime agricultural land as provided by this act, the

owner of such lands shall cause a statement containing the conditions of such conveyance and the terms of the restrictions on the use and development of such land to be attached to and recorded with the deed to such land in the same manner as such deed was originally recorded.

**C. 4:1B-12 Enforcement of conditions or restrictions.**

12. The Department of Environmental Protection is hereby empowered to institute, in the name of the State, any proceeding intended to enforce the conditions or restrictions on the use and development of land created pursuant to the State purchase of development easements as provided herein.

**C. 4:1B-13 Conveyance of development easements; public hearing; approval.**

13. No development easement purchased by the State pursuant to the provisions of this act shall be sold, given, transferred or otherwise conveyed in any manner and no lands within the agricultural preserve shall be diverted to a use other than conservation or recreation without the approval of the Commissioner of Environmental Protection, the Secretary of Agriculture and the State House Commission and following a public hearing at least 1 month prior to any such approvals. In the case of the conveyance of such development easements, such approvals shall not be given unless an amount equal to the value of such development easement, as determined by the State House Commission, shall be deposited in the State Recreation and Conservation Land Acquisition and Development Fund created pursuant to P. L. 1974, c. 102. Money so returned to said fund shall be deemed wholly a part of the portion of that fund available for land acquisition or development by the State pursuant to the provisions of P. L. 1974, c. 102 and P. L. 1975, c. 155.

**C. 4:1B-14 Rules and regulations; contents.**

14. a. The departments shall have the power, in accordance with the provisions of the "Administrative Procedure Act" (C. 52:14B-1 et seq.) to adopt, amend or repeal any rule or regulation deemed necessary to effectuate the purposes of this act. Such rules or regulations shall include a designation of the following:

(1) The specific location of the program. Such designation shall result from studies conducted by the departments of alternate locations offering prime agricultural lands which are reasonably representative of all such lands located within this State in terms

of agricultural characteristics, value, and vulnerability to pressures for development for other than agricultural purposes.

(2) The maximum acceptable percentage of woodland contained in specific offers of such development easements;

(3) The minimum acceptable percentage of total farm acreage to be represented by such offers;

(4) Guidelines concerning the specific restrictions on the use and development of prime agricultural lands subject to a development easement purchased by the State pursuant to this act. Such guidelines shall prohibit nonagricultural uses and development of such lands except for limited improvements or construction designed to provide housing for persons deriving a substantial portion of their income from agricultural activities conducted on such lands.

b. The departments shall transmit copies of all proposed rules and regulations to the committee in order to facilitate the review and evaluation of the program.

**C. 4:1B-15 Partial invalidity.**

15. If any clause, sentence, paragraph, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section or party thereof directly involved in the controversy in which such judgement shall have been rendered.

16. There is hereby appropriated to the Department of Environmental Protection, from the State Recreation and Conservation Land Acquisition and Development Fund created pursuant to the "New Jersey Green Acres and Recreation Opportunities Bond Act of 1974" (P. L. 1974, c. 102) a sum of \$5,000,000.00, or so much thereof as may be necessary, in order to defray the cost of State acquisition of development easements to prime agricultural lands in accordance with the provisions of this act. Any portion of such sum which is not expended for such purposes within 2 years of the effective date of this act shall revert to the aforesaid fund to be used, subject to appropriation, in accordance with the provisions of P. L. 1974, c. 102, and P. L. 1975, c. 155.

17. This act shall take effect immediately.

Approved July 22, 1976.

## CHAPTER 51

AN ACT to amend the "New Jersey Mortgage Finance Agency Law," approved May 4, 1970 (P. L. 1970, c. 38) and amending P. L. 1975, c. 160.

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

1. Section 1 of P. L. 1975, c. 160 (C. 17:1B-5.1) is amended to read as follows:

**C. 17:1B-5.1 Legislature's findings and determination.**

1. The Legislature hereby finds that national economic conditions have caused the persistence of a critical shortage of adequate housing in this State and a drastic decline in new housing starts; that as a result an increasingly large number of New Jersey residents will be subjected to hardship in finding adequate, safe and sanitary housing unless new housing is constructed and existing housing, where appropriate, rehabilitated or improved; that unless the supply of housing and the availability to residents of this State of residential mortgage, rehabilitation, and improvement financing is increased over present levels, a large number of residents of this State will continue to be compelled to live in unsanitary, overcrowded and unsafe conditions to the detriment of the health, welfare and well-being of these residents and of the whole community of which they are a part; and that an increase in the housing supply of this State will assist in the clearance, replanning, development and redevelopment of blighted areas and will ameliorate the critical shortage of adequate housing.

It is hereby found that existing programs of the New Jersey Mortgage Finance Agency will not be sufficient in the future to meet the demands for available funds to assist in the financing of the new residential mortgage loans and, where appropriate, the rehabilitation or improvement of existing housing which is needed to remedy the continuing housing crisis.

The Legislature hereby determines that in order to more effectively promote the expansion of the supply of funds available for residential mortgage, rehabilitation and improvement loans and thus help alleviate the shortage of adequate housing in this State, the New Jersey Mortgage Finance Agency shall be granted power to raise funds from private investors and make those funds avail-

able through mortgage lending institutions and firms in this State for new residential loans through the purchase by the agency of existing residential mortgage loans and residential rehabilitation and improvement loans from mortgage lending institutions and firms within the State during periods when there is an inadequate supply of credit otherwise available in the State, any particular area or areas of the State or available to persons or families of the State of low or moderate income for residential loans and that this program will be accomplished by the agency on terms designed to assure the expansion of available funds in the State or any such area or areas or for any such persons or families while protecting against the realization by mortgage lending institutions and firms of any excessive financial return or benefit.

The Legislature further finds and determines that a secondary mortgage market which will be provided by the residential loan purchase program of the agency will be an appropriate and effective means of encouraging investment in New Jersey residential loans, of reducing the volatility of mortgage flows over the business cycle, and of providing greater stability for the economy of the State of New Jersey.

The Legislature further finds and determines that the shortage of adequate housing in the State will be reduced if the present authority of the New Jersey Mortgage Finance Agency to raise funds from private investors and loan such funds to mortgage lending institutions to make residential mortgage loans is extended to permit the agency to loan such funds to mortgage lending institutions to make residential rehabilitation and improvement loans.

2. Section 3 of P. L. 1970, c. 38 (C. 17:1B-6) is amended to read as follows:

**C. 17:1B-6 Definitions.**

3. The following words or terms as used in this act shall have the following meanings unless a different meaning clearly appears from the context:

(a) "Act" means this New Jersey Mortgage Finance Agency Law.

(b) "Agency" means the New Jersey Mortgage Finance Agency created by section 4 of the act.

(c) "Bonds" means bonds issued by the agency pursuant to the act.

(d) "Mortgage lender" means any bank or trust company, savings bank, national banking association, savings and loan associa-

tion, or building and loan association maintaining an office in the State, or any insurance company authorized to transact business in the State.

(e) "New residential loan" means: (1) a loan made by a mortgage lender or mortgage seller and secured by a mortgage constituting a first lien upon real property (or a lease of the fee of real property) located in the State and improved by a residential building or unimproved if the proceeds of such loan shall be used for the purpose of erecting a residential building thereon, or (2) a loan made for the rehabilitation or improvement of a residence whether or not secured by a mortgage; provided that such loan shall be made from the proceeds of a loan made by the agency to such mortgage lender or from the proceeds of a purchase of eligible mortgages by the agency from such mortgage seller, as the case may be, all pursuant to the act.

(f) "Notes" means notes issued by the agency pursuant to the act.

(g) "State" means the State of New Jersey.

(h) "Eligible loan" means: (1) a loan made or owned by a mortgage seller and secured by a mortgage on real property (or lease of the fee of real property) located in the State and improved by a residential building or unimproved if the proceeds of such loan shall be used for the purpose of erecting a residential building thereof, or (2) a loan made for the rehabilitation or improvement of a residence which is not secured by a mortgage provided that such a loan satisfies agency regulations promulgated pursuant to this act. Any undivided interest in a loan secured by a mortgage shall qualify as an eligible loan.

(i) "Mortgage seller" means any bank or trust company, savings bank, national banking association, savings and loan association, or building and loan association maintaining an office in the State, or any insurance company or any mortgage banking firm or mortgage banking corporation authorized to transact business in the State, or any agency or instrumentality of the United States or the State or a political subdivision of the State, which is authorized to make residential mortgage, rehabilitation, or home improvement loans.

(j) "Persons and families of low and moderate income" means persons and families, irrespective of race, creed, national origin or sex, determined by the agency to require assistance through any mortgage interest subsidy program or other special program estab-

lished by the agency therefor on account of personal or family income not sufficient to afford adequate housing. In making such determination the agency shall take into account the following: (1) the amount of the total income of such persons and families available for housing needs, (2) the size of the family, (3) the cost and condition of housing facilities available, (i) the eligibility of such persons and families to compete successfully in the normal housing market and to pay the amounts at which private enterprise is providing sanitary, decent and safe housing. In the case of Federally subsidized mortgages with respect to which income limits have been established by any agency of the Federal Government having jurisdiction thereover for the purpose of defining eligibility of low and moderate income families, the agency may determine that the limits so established shall govern. In all other cases income limits for the purpose of defining low or moderate income persons shall be established by the agency in its rules and regulations.

3. Section 5 of P. L. 1975, c. 160 (C. 17:1B-9.1) is amended to read as follows:

**C. 17:1B-9.1 Agency's additional powers.**

5. In addition to the powers granted by section 5 of the act, the agency shall have the further power:

(a) To purchase or participate in the purchase, and to contract to purchase or participate in the purchase, of eligible loans owned by mortgage sellers and to enter into advance commitments to mortgage sellers for the purchase, or for participation in the purchase, of eligible loans, all subject to the applicable provisions of the act;

(b) To sell eligible loans acquired by the agency at public or private sale and at such price or prices and upon such terms and conditions as shall be determined by the agency;

(c) To enter into arrangements or agreements with mortgage sellers, which may be a part of any contract with the mortgage sellers for the purchase or participation in the purchase of eligible loans, containing such provisions as shall be determined by the agency to be necessary or appropriate to provide security for its bonds or notes, including but not limited to provisions requiring the repurchase of eligible loans or participations therein by the mortgage sellers at the option of the agency, payments of such premiums, fees, charges or other amounts by mortgage sellers to provide a reserve or escrow fund for the purposes, among others, of protecting against defaults with respect to eligible loans, and

provisions for the guarantee by, or for recourse against, mortgage sellers with respect to defaults on eligible loans of the agency;

(d) To enter into contracts for the servicing and custody of eligible loans of the agency by mortgage sellers, which contracts may provide for the payment of the reasonable value of services rendered to the agency pursuant to such contracts;

(e) To renegotiate, refinance or foreclose, or contract for the foreclosure of, any eligible loans in default; to waive any default or consent to the modification of the terms of any mortgage; to commence any action to protect or enforce any right conferred upon it by any law, mortgage, insurance policy, contract or other agreement, and to bid for and to purchase such property at any foreclosure or at any other sale, or acquire or take possession of any such property: to operate, manage, lease, dispose of, and otherwise deal with such property; all in such manner as may be necessary to protect the interest of the agency and the holders of its bonds and notes;

(f) To procure insurance against any default with respect to eligible loans in such amounts and from such insurers as may be necessary or desirable;

(g) To establish, revise from time to time, charge and collect such premiums, fees or other charges in connection with such purchase of eligible loans from mortgage sellers, as the agency shall determine and to apply such premiums, fees or charges to such purposes or deposit the same in such funds or reserves, as the agency shall determine; and

(h) To purchase or otherwise participate in the purchase of, or enter into commitments or other contracts for such purchase or participation, of eligible loans to persons and families of low and moderate income and to provide subsidies or other reductions of interest rates with respect to such loans.

4. Section 6 of P. L. 1975, c. 160 (C. 17:1B-9.2) is amended to read as follows:

**C. 17:1B-9.2 Purchase of eligible loans from mortgage sellers.**

6. a. The agency shall purchase eligible loans from mortgage sellers within the State whenever it shall determine that the supply of funds available in the State, any particular area or areas of the State or for persons or families of the State of low or moderate income for residential loans is inadequate and shall require such mortgage sellers to invest the proceeds thereof as rapidly as possible in new residential loans, as provided in the act, unless

such eligible loans pursuant to a commitment with the agency. The agency shall purchase such eligible loans at such prices and upon such terms and conditions as it shall determine.

(b) The agency shall from time to time adopt, modify, amend or repeal rules and regulations governing the purchase of eligible loans from mortgage sellers, including, without limitation, rules and regulations as to any or all of the following:

(1) Procedures for the purchase of eligible loans by the agency, whether by auction, invitation of tenders, or negotiation;

(2) Standards and requirements as to allocations of purchases of eligible loans among all or certain of the mortgage sellers or among particular areas of the State;

(3) Limitations or restrictions as to the number of family units, income levels for owners or occupants, or location or other qualifications or characteristics of residences to be financed by the new residential loans to be made by mortgage sellers from the proceeds of eligible loans or to be financed pursuant to commitments with mortgage sellers with respect to the origination of eligible loans;

(4) Restrictions as to the maturities and interest rates on such new residential loans or the return realized therefrom by the mortgage sellers;

(5) Standards and requirements for eligible loans which are not secured by a mortgage;

(6) Any other matters related to the duties and the exercise of the powers of the agency in connection with the purchase of eligible loans under the act.

(c) Such rules and regulations and the terms and conditions for the purchase of eligible loans and for the making of new residential loans shall effectuate the general purposes of the act and the following specific objectives: (1) the expansion of the supply of funds in the State available for new residential loans; (2) the provision of the additional housing needed to remedy the shortage of adequate housing in the State and to eliminate the existence of a large number of substandard dwellings; and (3) the effective participation of mortgage sellers in the program authorized by this section and the restriction of the financial return and benefit thereto to that which is necessary to induce such participation.

(d) The agency shall require as a condition of each purchase of eligible loans from a mortgage seller that such mortgage seller proceed as promptly as practicable to make and disburse from the proceeds thereof new residential loans in an aggregate principal

amount equal, as nearly as practicable, to the amount of such proceeds from the purchase by the agency of eligible loans therefrom, provided that such requirements shall not apply if the eligible loans so purchased were originated pursuant to a commitment or other arrangement with the agency.

(e) The agency shall require the submission to it by each mortgage seller from which the agency has purchased eligible loans evidence satisfactory to the agency of the making of new residential loans or the application of the proceeds from the purchase of eligible loans in accordance with commitments with the agency for the origination of such eligible loans by the mortgage seller, as may be appropriate and in connection therewith may, through its employees or agents, inspect the books and records of such mortgage seller.

(f) The agency may require as a condition of any purchase of eligible loans from mortgage sellers such representations and warranties as it shall determine to be necessary in connection with such purchase and to carry out the purposes of the act.

(g) All new residential loans made as required by this section shall comply as to the applicable provisions of the laws of the State, and, where Federal law or the law of another jurisdiction governs the affairs of the mortgage seller, shall comply with the applicable provisions of such law.

(h) Compliance by any mortgage seller with the terms of its agreement with or undertaking to the agency with respect to the making of any new residential loans may be enforced by decree of the Superior Court. The agency may require as a condition of purchase of eligible loans from any mortgage seller the consent of such mortgage seller to the jurisdiction of the Superior Court over any such proceeding. The agency may also require agreement by any mortgage seller, as a condition of the agency's purchase of eligible loans from such mortgage seller, to the payment of penalties to the agency for violation by the mortgage seller of its undertakings to the agency, and such penalties shall be recoverable at the suit of the agency.

(i) Whenever any eligible loans purchased by the agency is to be held or serviced by a mortgage seller, a statement designating the eligible loan being so held or serviced and the mortgage seller so holding or servicing and setting forth the agency's interest in such eligible loan may be filed with the Secretary of State and no possession, further filing, or other action under Title 12A, Commercial Transactions, of the New Jersey Statutes or any other law

of the State shall be required to perfect any security interest which may be deemed to have been created in favor of the agency. The mortgage seller shall, in any such case, be and be deemed to be the trustee of an express trust for the benefit of the agency in all matters relating to any such eligible loan.

(j) Notwithstanding the provisions of section 213.1 of P. L. 1948, c. 64 (C. 17:9A-213.1) or any other provision of law to the contrary any mortgage seller may, in connection with the sale of eligible loans to the agency pursuant to the act, enter into such arrangements or agreements with the agency as are authorized under and contemplated by the act, including, without limitation, provisions requiring the repurchase of eligible loans or participations therein by the mortgage seller at the option of the agency, the payment of such premiums, fees or charges or other amounts by the mortgage seller to provide a reserve or escrow for the purposes, among others, of protecting against defaults with respect to eligible loans, and provisions for the guarantee by, or for recourse against, the mortgage seller with respect to defaults on eligible loans of the agency.

5. Section 7 of P. L. 1970, c. 38 (C. 17:1B-10) is amended to read as follows:

**C. 17:1B-10 Issuance of bonds and notes.**

7. (a) The agency shall have the power and is hereby authorized from time to time to issue its bonds or notes in such principal amounts as in the opinion of the agency shall be necessary to provide sufficient funds for any of its corporate purposes, including the making of loans to mortgage lenders, the purchase of eligible loans from mortgage sellers, the payment, funding or refunding of the principal of, or interest or redemption premiums on, any bonds or notes issued by it whether the bonds or notes or interest to be funded or refunded have or have not become due, the establishment or increase of such reserves to secure or to pay such bonds or notes or interest thereon, or to provide, insure or otherwise protect against defaults on or prepayment of eligible loans, and all other costs or expenses of the agency incident to and necessary or convenient to carry out its corporate purposes and powers.

(b) Except as may be otherwise expressly provided in the act or by the agency, every issue of bonds or notes shall be general obligations payable out of any revenues or funds of the agency, subject only to any agreements with the holders of particular bonds or notes pledging any particular revenues or funds. The agency

may issue such types of bonds or notes as it may determine, including bonds or notes as to which the principal and interest are payable (1) exclusively from the revenues of the agency resulting from the loans to mortgage lenders made with the proceeds of such bonds or notes or from the payments on account of principal of and interest on eligible loans purchased from mortgage sellers or other premiums, fees or charges paid by such mortgage sellers; (2) exclusively from the revenues of the agency resulting from certain loans made to mortgage lenders or resulting from the purchases of certain eligible loans whether or not such loans were made or such eligible loans purchased in whole or in part from the proceeds of such bonds or notes; or (3) from its revenues generally. Any such bonds or notes may be additionally secured by a pledge of any grant, subsidy or contribution from the United States of America or any agency or instrumentality thereof or the State or any agency, instrumentality or political subdivision thereof, or any person, firm or corporation, or a pledge of any income or revenues, funds or moneys of the agency from any source whatsoever.

(c) Whether or not the bonds and notes are of such form and character as to be negotiable instruments under the terms of Title 12A, Commercial Transactions, New Jersey Statutes, the bonds and notes are hereby made negotiable instruments within the meaning of and for all the purposes of said Title 12A, subject only to the provisions of the bonds and notes for registration.

(d) Bonds or notes of the agency shall be authorized by a resolution or resolutions of the agency and may be issued in one or more series and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates of interest per annum or within such maximum rate, be in such denomination or denominations, be in such form, either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable from such sources in such medium of payment at such place or places within or without the State, and be subject to such terms of redemption (with or without premium) as such resolution or resolutions may provide.

(e) Bonds or notes of the agency may be sold at public or private sale at such price or prices and in such manner as the agency shall determine. Every bond shall mature and be paid not later than 40 years from the date thereof, and every note shall mature and be paid not later than 5 years from the date thereof.

(f) Bonds or notes may be issued under the provisions of the act without obtaining the consent of any department, division,

commission, board, bureau or agency of the State, and without any other proceeding or the happening of any other conditions or other things than those proceedings, conditions or things which are specifically required by the act.

(g) Bonds and notes of the agency issued under the provisions of the act shall not be in any way a debt or liability of the State or of any political subdivision thereof other than the agency and shall not create or constitute any indebtedness, liability or obligation of the State or of any such political subdivision or be or constitute a pledge of the faith and credit of the State or of any such political subdivision but all such bonds and notes, unless funded or refunded by bonds or notes of the agency, shall be payable solely from revenues or funds pledged or available for their payment as authorized in the act. Each bond and note shall contain on its face a statement to the effect that the agency is obligated to pay the principal thereof or the interest thereon only from revenues or funds of the agency and that neither the State nor any political subdivision thereof is obligated to pay such principal or interest and that neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal of or the interest on such bonds or notes.

(h) All expenses incurred in carrying out the provisions of the act shall be payable solely from revenues or funds provided or to be provided under the provisions of the act and nothing in the act shall be construed to authorize the agency to incur any indebtedness or liability on behalf of or payable by the State or any political subdivision thereof.

6. Section 8 of P. L. 1970, c. 38 (C. 17:1B-11) is amended to read as follows:

**C. 17:1B-11 Contract provisions regarding bonds and notes.**

8. Any resolution or resolutions authorizing any bonds or notes of the agency may contain provisions which shall be a part of the contract with the holders of such bonds or notes, as to the following:

(1) The pledging of or creating of a lien on, as security for the payment of the principal and redemption price of and interest on any bonds or notes of the agency, all or any part of its revenues or assets to which its right then exists or may thereafter come into existence, and the moneys derived therefrom, including the loans made to mortgage lenders pursuant to the act and the revenues therefrom and the rights and interests of the agency in and to any

collateral securing such loans and the collections and proceeds therefrom, the eligible loans and all payments on account of principal and interest with respect thereto and all other premiums, fees and charges payable by mortgage sellers, all or any part of any money, funds or property held in trust or otherwise by others for the payment of any such loans to mortgage lenders or such eligible loans, or any bonds or notes of the agency, and all or any part of the proceeds of any bonds or notes, and covenanting against pledging all or any part of such revenues, assets, moneys, funds or property, or against permitting or suffering any lien thereon;

(2) Otherwise providing for the custody, collection, securing, investment and payment of any revenues, assets, moneys, funds or property of the agency or with respect to which the agency may have any rights or interest;

(3) The use and disposition of any and all payments of principal or interest received by the agency with respect to loans to mortgage lenders or eligible loans or any income or proceeds from investments held by the agency or other income, revenues or receipts of the agency;

(4) The establishment and setting aside of reserves or sinking funds and the regulation and disposition thereof;

(5) The custody, application and disposition of the proceeds of any bonds or notes;

(6) Limitations on the issuance of additional bonds or notes, the terms upon which additional bonds or notes may be issued and secured, and on the refunding of other bonds or notes;

(7) The rank or priority of any such bonds or notes with respect to any lien or security or as to the acceleration of the maturity of any such bonds or notes;

(8) The creation of special funds or moneys to be held in trust or otherwise for operating expenses, payment or redemption of bonds or notes, reserves against defaults or prepayments of eligible loans or for other purposes and as to the use and disposition of the moneys held in such funds;

(9) The procedure, if any, by which the terms of any contract or covenant with or for the benefit of the holders of bonds or notes may be amended or abrogated, the amount of bonds or notes the holders of which must consent thereto, and the manner in which such consent may be given;

(10) The custody of any of its properties or investments, the safekeeping thereof, the insurance to be carried thereon, and the use and disposition of insurance moneys;

(11) The time or manner of enforcement or restraint from enforcement of any rights of the agency arising by reason of or with respect to nonpayment of principal or interest with respect to loans to mortgage lenders or any rights to or security interest in the collateral securing such loans or arising with respect to the default with respect to any eligible loan;

(12) Defining the acts or omissions to act which shall constitute a default in the obligations and duties of the agency and providing for the rights and remedies of the holders of bonds or notes in the event of such default, provided, however, that such rights and remedies shall not be inconsistent with the general laws of the State and other provisions of the act;

(13) Vesting in a trustee or trustees within or without the State such properties, rights, powers and duties in trust as the agency may determine, which may include any or all of the rights, powers and duties of any trustee appointed by the holders of any bonds or notes pursuant to section 9 of the act and to limit or abrogate the right of the holders of any bonds or notes of the agency to appoint a trustee under the act or limiting the rights, powers and duties of such trustee;

(14) Appointing and providing for the duties and obligations of a paying agent or paying agents or such other fiduciaries within or without the State;

(15) Any other matters of like or different character which in any way affect the security and protection of the bonds or notes and the rights of the holders thereof.

7. Section 9 of P. L. 1970, c. 38 (C. 17:1B-12) is amended to read as follows:

**C. 17:1B-12 Default by agency.**

9. (a) In the event that the agency shall default in the payment of principal of or interest on any issue of bonds or notes after the same shall become due, whether at maturity or upon call for redemption, and such default shall continue for a period of 30 days, or in the event that the agency shall fail or refuse to comply with the provisions of the act or shall fail or refuse to carry out and perform the terms of any contract with the holders of any such bonds or notes and such failure or refusal shall continue for a period of 30 days after written notice to the agency of its existence and nature, the holders of 25% in aggregate principal amount of such issue of bonds or notes then outstanding by instrument or instruments filed in the office of the Secretary of State and proved

or acknowledged in the same manner as a deed to be recorded, may appoint a trustee to represent the holders of such bonds or notes for the purpose provided in this section.

(b) Such trustee may and upon written request of the holders of 25% in aggregate principal amount of such bonds or notes then outstanding shall, in his or its own name:

(1) By any action, writ, or other proceeding, enforce all rights of the holders of such bonds or notes, including the right to collect and enforce the payment of principal of and interest due or becoming due on loans to mortgage lenders and collect and enforce any collateral securing such loans or sell such collateral and the right to cause the foreclosure of any eligible mortgage loan, and to sell any property purchased at any such foreclosure, so as to carry out any contract as to, or pledge of, revenues, and to require the agency to carry out and perform the terms of any contract with the holders of such bonds or notes or its duties under the act;

(2) Bring suit upon all or any part of such bonds or notes;

(3) By action, require the agency to account as if it were the trustee of an express trust for the holders of such bonds;

(4) By action, enjoin any acts or things which may be unlawful or in violation of the rights of the holders of such bonds or notes; or

(5) Declare all such bonds or notes due and payable, whether or not in advance of maturity, upon 30 days' prior notice in writing to the agency, and, if all defaults shall be made good, then with the consent of the holders of 25% of the principal amount of such bonds then outstanding, annul such declaration and its consequences.

(c) Such trustee shall, in addition to the foregoing, have and possess all of the powers necessary or appropriate for the exercise of the functions specifically set forth herein or incident to the general representation of the holders of bonds or notes in the enforcement and protection of their rights.

(d) In any action or proceeding by such trustee, the fees, counsel fees and expenses of the trustee, if any, appointed pursuant to this act, shall constitute taxable costs and disbursements, and all costs and disbursements, allowed by the court, shall be a first charge upon any revenues, moneys, funds or property of the agency pledged for the payment or security of such issue of bonds or notes.

8. This act shall take effect immediately.

Approved July 22, 1976.

## CHAPTER 52

AN ACT concerning the Department of Transportation and adding a route to the State highway system.

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

**C. 27:6-1 Note.**

1. The Commissioner of Transportation is authorized, as soon as practical and in accordance with the procedure set forth in article 1, of chapter 7, of Title 27 of the Revised Statutes, to add to the present State highway system the following described route: beginning at the Bayonne bridge approach in the city of Bayonne, Hudson county and proceeding northeasterly and northerly to the vicinity of the New Jersey Turnpike, Newark Bay extension (I-78) in Jersey City, Hudson county and, thence, west-northwesterly, to the vicinity of New Jersey Route 440 in Jersey City, Hudson county; also to include a northerly spur, wholly within Jersey City, Hudson county, beginning in the vicinity of Harbor drive and proceeding in a northerly direction to a connection with Bayview avenue.

2. When the route is taken into the State highway system, as provided in section 1 of this act, the Commissioner of Transportation shall designate the said route by an appropriate route number as provided by law.

3. P. L. 1947, c. 325 is hereby repealed to the extent that it designates as a freeway any portion of the highway described by this act.

4. This act shall take effect immediately.

Approved July 22, 1976.

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CHAPTER 53

AN ACT concerning the "Teachers' Pension and Annuity Fund Law" and amending N. J. S. 18A:66-2.

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

1. N. J. S. 18A:66-2 is amended to read as follows:

**Definitions.**

18A:66-2. As used in this article:

a. "Accumulated deductions" means the sum of all the amounts, deducted from the compensation of a member or contributed by him or on his behalf, including interest credited to January 1, 1956, standing to the credit of his individual account in the annuity savings fund.

b. "Annuity" means payments for life derived from the accumulated deductions of a member as provided in this article.

c. "Beneficiary" means any person receiving a retirement allowance or other benefit as provided in this article.

d. "Compensation" means the contractual salary, for services as a teacher as defined in this article, which is in accordance with established salary policies of the member's employer for all employees in the same position but shall not include individual salary adjustments which are granted primarily in anticipation of the member's retirement or additional remuneration for performing temporary or extracurricular duties beyond the regular school day or the regular school year.

e. "Employer" means the State, the board of education or any educational institution or agency of or within the State by which a teacher is paid.

f. "Final compensation" means the average annual compensation for which contributions are made for the 3 years of creditable service in New Jersey immediately preceding his retirement or death, or it shall mean the average annual compensation for New Jersey service for which contributions are made during any 3 fiscal years of his or her membership providing the largest possible benefit to the member or his beneficiary.

g. "Fiscal year" means any year commencing with July 1, and ending with June 30, next following.

h. "Pension" means payments for life derived from appropriations made by the State or employers to the Teachers' Pension and Annuity Fund.

i. "Annuity reserve" means the present value of all payments to be made on account of any annuity or benefit in lieu of an annuity, granted under the provisions of this article, computed on the basis of such mortality tables recommended by the actuary as the board of trustees adopts, with regular interest.

j. "Pension reserve" means the present value of all payments to be made on account of any pension or benefit in lieu of a pension

granted to a member from the Teachers' Pension and Annuity Fund computed on the basis of such mortality tables recommended by the actuary as the board of trustees adopts, with regular interest.

k. "Present-entrant" means any member of the Teachers' Pension and Annuity Fund who has established status as a "present-entrant member" of said fund prior to January 1, 1956.

l. "Rate of contribution initially certified" means the rate of contribution certified by the retirement system in accordance with section 18A :66-29.

m. "Regular interest" shall mean interest as determined annually by the State Treasurer after consultation with the directors of the Divisions of Investment and Pensions and the actuary of the fund. It shall bear a reasonable relationship to the percentage rate of earnings on investments but shall not exceed 105% of such percentage rate.

n. "Retirement allowance" means the pension plus the annuity.

o. "School service" means any service as a "teacher" as defined in this section.

p. "Teacher" means any regular teacher, special teacher, helping teacher, teacher clerk, principal, vice-principal, supervisor, supervising principal, director, superintendent, city superintendent, assistant city superintendent, county superintendent, State Commissioner or assistant Commissioner of Education, members of the State Department of Education who are certificated, unclassified professional staff and other members of the teaching or professional staff of any class, public school, high school, normal school, model school, training school, vocational school, truant reformatory school, or parental school, and of any and all classes or schools within the State conducted under the order and superintendence, and wholly or partly at the expense of the State Board of Education, of a duly elected or appointed board of education, board of school directors, or board of trustees of the State or of any school district or normal school district thereof, and any persons under contract or engagement to perform one or more of these functions. No person shall be deemed a teacher within the meaning of this article who is a substitute teacher or is a teacher not regularly engaged in performing one or more of these functions as a full-time occupation outside of vacation periods. In all cases of doubt the board of trustees shall determine whether any person is a teacher as defined in this article.

q. "Teachers' Pension and Annuity Fund" hereinafter referred to as the "retirement system," is the corporate name of the arrangement for the payment of retirement allowances and other benefits under the provisions of this article including the several funds placed under said system. By that name all its business shall be transacted, its funds invested, warrants for money drawn, and payments made and all of its cash and securities and other property held.

r. "Veteran" means any honorably discharged officer, soldier, sailor, airman, marine or nurse who served in any Army, Air Force or Navy of the Allies of the United States in World War I between July 14, 1914, and November 11, 1918, or who served in any Army, Air Force or Navy of the Allies of the United States in World War II, between September 1, 1939, and September 2, 1945, and who was inducted into such service through voluntary enlistment, and was a citizen of the United States at the time of such enlistment, and who did not, during or by reason of such service, renounce or lose his United States citizenship, and any officer, soldier, sailor, marine, airman, nurse or army field clerk who has served in the active military or naval service of the United States and has or shall be discharged or released therefrom under conditions other than dishonorable, in any of the following wars, uprisings, insurrections, expeditions or emergencies, and who has presented to the retirement system evidence of such record of service in form and content satisfactory to said retirement system:

(1) The Indian wars and uprisings during any of the periods recognized by the War Department of the United States as periods of active hostility;

(2) The Spanish-American War between April 20, 1898, and April 11, 1899;

(3) The Philippine insurrections and expeditions during the periods recognized by the War Department of the United States as of active hostility from February 4, 1899, to the end of 1913;

(4) The Peking relief expedition between June 20, 1900, and May 27, 1902;

(5) The army of Cuban occupation between July 18, 1898, and May 20, 1902;

(6) The army of Cuban pacification between October 6, 1906, and April 1, 1909;

(7) The Mexican punitive expedition between March 14, 1916, and February 7, 1917;

(8) The Mexican border patrol, having actually participated in engagements against Mexicans between April 12, 1911, and June 16, 1919;

(9) World War I, between April 6, 1917, and November 11, 1918;

(10) World War II, between September 16, 1940, and September 2, 1945, who shall have served at least 90 days in such active service, exclusive of any period he was assigned (1) for a course of education or training under the Army Specialized Training Program or the Navy College Training Program which course was a continuation of his civilian course and was pursued to completion, or (2) as a cadet or midshipman at one of the service academies any part of which 90 days was served between said dates; provided, that any person receiving an actual service-incurred injury or disability shall be classed as a veteran whether or not he has completed the 90-day service as herein provided;

(11) Korean conflict after June 23, 1950, and prior to July 27, 1953, who shall have served at least 90 days in such active service, exclusive of any period he was assigned (1) for a course of education or training under the Army Specialized Training Program or the Navy College Training Program which course was a continuation of his civilian course and was pursued to completion, or (2) as a cadet or midshipman at one of the service academies, any part of which 90 days was served between said dates; provided, that any person receiving an actual service-incurred injury or disability shall be classed as a veteran whether or not he has completed the 90-day service as herein provided; and provided further, that any member classed as a veteran pursuant to this subsection prior to August 1, 1966, shall continue to be classed as a veteran whether or not he completed the 90-day service between said dates as herein provided;

(12) Vietnam conflict, after December 31, 1960, and prior to the date of termination as proclaimed by the Governor, who shall have served at least 90 days in such active service, exclusive of any period he was assigned (1) for a course of education or training under the Army Specialized Training Program or the Navy College Training Program which course was a continuation of his civilian course and was pursued to completion, or (2) as a cadet or midshipman at one of the service academies, any part of which 90 days was served between said dates; and exclusive of any service performed pursuant to the provisions of section 511 (d) of Title 10, United States Code, pursuant to an enlistment in the Army National Guard or as a reserve for service in the Army Reserve,

Naval Reserve, Air Force Reserve, Marine Corps Reserve, or Coast Guard Reserve; provided, that any person receiving an actual service-incurred injury or disability shall be classed as a veteran whether or not he has completed the 90 days service as herein provided.

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

t. "Widower" means the man to whom a member was married at least 5 years before the date of her death and to whom she continued to be married until the date of her death and who was receiving at least one-half of his support from the member in the 12-month period immediately preceding the member's death or the accident which was the direct cause of the member's death. The dependency of such a widower will be considered terminated by marriage of the widower subsequent to the death of the member. In the event of the payment of an accidental death benefit, the 5-year qualification shall be waived.

u. "Widow" means the woman to whom a member was married at least 5 years before the date of his death and to whom he continued to be married until the date of his death and who was receiving at least one-half of her support from the member in the 12-month period immediately preceding the member's death or the accident which was the direct cause of the member's death. The dependency of such a widow will be considered terminated by the marriage of the widow subsequent to the member's death. In the event of the payment of an accidental death benefit, the 5-year qualification shall be waived.

v. "Parent" means the parent of a member who was receiving at least one-half of his support from the member in the 12-month period immediately preceding the member's death or the accident which was the direct cause of the member's death. The dependency of such a parent will be considered terminated by marriage of the parent subsequent to the death of the member.

w. "Medical board" means the board of physicians provided for in section 18A:66-56.

2. Any individual in the categories specified in section 1 p. of this act, who was a member of the Teachers' Pension and Annuity Fund on December 11, 1975, shall be considered to be in continuous membership in that system.

3. This act shall take effect immediately.

Approved July 22, 1976.

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## CHAPTER 54

AN ACT concerning alcoholic beverage control, and amending R. S. 33:1-12.

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

1. R. S. 33:1-12 is amended to read as follows:

**Class C licenses; subdivisions; fees.**

33:1-12. Class C licenses shall be subdivided and classified as follows:

Plenary retail consumption license. 1. The holder of this license shall be entitled, subject to rules and regulations, to sell any alcoholic beverages for consumption on the licensed premises by the glass or other open receptacle, and also to sell any alcoholic beverages in original containers for consumption off the licensed premises; but this license shall not be issued to permit the sale of alcoholic beverages in or upon any premises in which a grocery, delicatessen, drug store or other mercantile business is carried on, except as hereinafter provided. Subject to such rules and regulations established from time to time by the director, the holder of this license shall be permitted to sell alcoholic beverages in or upon the premises in which any of the following is carried on: the keeping of a hotel or restaurant including the sale of mercantile items incidental thereto as an accommodation to patrons; the sale of distillers and vintners packaged holiday merchandise prepacked as a unit with suitable glassware as gift items to be sold only as a unit; the sale of novelty wearing apparel identified with the name of the establishment licensed under the provisions of this section; the sale of cigars, cigarettes, packaged crackers, chips, nuts and

similar snacks and ice at retail as an accommodation to patrons, or the retail sale of nonalcoholic beverages as accessory beverages to alcoholic beverages; or, in commercial bowling establishments, the retail sale or rental of bowling accessories and the retail sale from vending machines of candy, ice cream and nonalcoholic beverages. The fee for this license shall be fixed by the governing board or body of the municipality in which the licensed premises are situated, by ordinance, at not less than \$200.00 and not more than \$2,000.00. No ordinance shall be enacted which shall raise or lower the fee to be charged for this license by more than 20% from that charged in the preceding license year or \$500.00, whichever is the lesser. The governing board or body of each municipality may, by ordinance, enact that no plenary retail consumption license shall be granted within its respective municipality.

Seasonal retail consumption license. 2. The holder of this license shall be entitled, subject to rules and regulations, to sell any alcoholic beverages for consumption on the licensed premises by the glass or other open receptacle, and also to sell any alcoholic beverages in original containers for consumption off the licensed premises, during the summer season from May 1 until November 14, inclusive, or during the winter season from November 15 until April 30, inclusive; but this license shall not be issued to permit the sale of alcoholic beverages in or upon any premises in which a grocery, delicatessen, drug store or other mercantile business is carried on, except as hereinafter provided. Subject to such rules and regulations established from time to time by the director, the holder of this license shall be permitted to sell alcoholic beverages in or upon the premises in which any of the following is carried on: the keeping of a hotel or restaurant including the sale of mercantile items incidental thereto as an accommodation to patrons; the sale of distillers and vintners packaged holiday merchandise prepacked as a unit with suitable glassware as gift items to be sold only as a unit; the sale of novelty wearing apparel identified with the name of the establishment licensed under the provisions of this section; the sale of cigars, cigarettes, packaged crackers, chips, nuts and similar snacks and ice at retail as an accommodation to patrons; or the retail sale of nonalcoholic beverages as accessory beverages to alcoholic beverages. The fee for this license shall be fixed by the governing board or body of the municipality in which the licensed premises are situated, by ordinance, at 75% of the fee fixed by said board or body for plenary retail consumption licenses. The governing board or body of each municipality may, by ordi-

nance, enact that no seasonal retail consumption license shall be granted within its respective municipality.

Plenary retail distribution license. 3. a. The holder of this license shall be entitled, subject to rules and regulations, to sell any alcoholic beverages for consumption off the licensed premises, but only in original containers. The governing board or body of each municipality may, by ordinance, enact that this license shall not be issued to permit the sale of alcoholic beverages in or upon any premises in which any other mercantile business is carried on, except that any such ordinance, heretofore or hereafter adopted, shall not prohibit the retail sale of distillers and vintners packaged holiday merchandise prepacked as a unit with suitable glassware as gift items to be sold only as a unit, the sale of novelty wearing apparel identified with the name of the establishment licensed under the provisions of this act, cigars, cigarettes, packaged crackers, chips, nuts and similar snacks, ice, and nonalcoholic beverages as accessory beverages to alcoholic beverages. The fee for this license shall be fixed by the governing board or body of the municipality in which the licensed premises are situated, by ordinance, at not less than \$100.00, and not more than \$2,000.00. No ordinance shall be enacted which shall raise or lower the fee to be charged for this license by more than 20% from that charged in the preceding license year or \$500.00, whichever is the lesser. The governing board or body of each municipality may, by ordinance, enact that no plenary retail distribution license shall be granted within its respective municipality.

Limited retail distribution license. 3. b. The holder of this license shall be entitled, subject to rules and regulations, to sell any unchilled, brewed, malt alcoholic beverages in quantities of not less than 72 fluid ounces for consumption off the licensed premises, but only in original containers; provided, however, that this license shall be issued only for premises operated and conducted by the license as a bona fide grocery store, meat market, meat and grocery store, delicatessen, or other type of bona fide food store at which groceries or other foodstuffs are sold at retail; and provided further, that this license shall not be issued except for premises at which the sale of groceries or other foodstuffs is the primary and principal business and at which the sale of alcoholic beverages is merely incidental and subordinate thereto. The fee for this license shall be fixed by the governing body or board of the municipality in which the licensed premises are situated, by ordinance, at not

less than \$25.00 and not more than \$50.00. The governing board or body of each municipality may, by ordinance, enact that no limited retail distribution license shall be granted within its respective municipality.

Plenary retail transit license. 4. The holder of this license shall be entitled, subject to rules and regulations, to sell any alcoholic beverages for consumption only on railroad trains, airplanes and boats, while in transit. The fee for this license for use by a railroad or air transport company shall be \$150.00 and, for use on a boat, the fee for this license shall be \$25.00 on a boat 65 feet or less in length, \$50.00 on a boat more than 65 feet in length but not more than 110 feet in length, and \$150.00 on a boat more than 110 feet in length; such boat lengths shall be determined in the manner prescribed by the Bureau of Customs of the United States Government or any Federal agency successor thereto for boat measurement in connection with issuance of Marine Documents. A license issued under this provision to a railroad or air transport company shall cover all dining and club cars and planes operated by any such company within the State of New Jersey. A license for a boat issued under this provision shall apply only to the particular boat for which issued.

Club license. 5. The holder of this license shall be entitled, subject to rules and regulations, to sell any alcoholic beverages but only for immediate consumption on the licensed premises and only to bona fide club members and their guests. The fee for this license shall be fixed by the governing board or body of the municipality in which the licensed premises are situated, by ordinance, at not less than \$50.00 and not more than \$150.00. The governing board or body of each municipality may, by ordinance, enact that no club licenses shall be granted within its respective municipality. Club licenses may be issued only to such corporations, associations and organizations as are operated for benevolent, charitable, fraternal, social, religious, recreational, athletic, or similar purposes, and not for private gain, and which comply with all conditions which may be imposed by the Commissioner of Alcoholic Beverage Control by rules and regulations.

2. This act shall take effect immediately.

Approved July 26, 1976.

## CHAPTER 55

AN ACT relating to maritime liens, and amending N. J. S. 2A:44-59.

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

1. N. J. S. 2A:44-59 is amended to read as follows:

**Debt continuing lien upon vessel; preferences.**

2A:44-59. A debt contracted by an owner of a vessel within this State, shall be a continuing lien upon the vessel and her apparel until paid, for:

- a. Labor performed or materials or articles furnished in this State for the building, repairing, fitting, furnishing or equipping the vessel in this State at the time when the same was performed or were furnished; or
- b. Supplies, provisions and stores furnished within this State for the use of the vessel; or
- c. Towing, wharfage and dry dockage of the vessel and the expenses of keeping the same in storage in port in water or on land, including expenses incurred in taking care of and employing persons to watch the vessel.

The lien shall be preferred to all other liens on the vessel, except mariner's wages.

2. This act shall take effect immediately.

Approved July 27, 1976.

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CHAPTER 56

AN ACT concerning interest and usury and amending R. S. 31:1-1.

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

1. R. S. 31:1-1 is amended to read as follows:

**Contract rate; computation of interest or discount; determination of rates.**

31:1-1. (a) Except as otherwise provided by law, no person shall, upon contract, take, directly or indirectly for loan of any money,

wares, merchandise, goods and chattels, above the value of \$6.00 for the forbearance of \$100.00 for a year; except that the Commissioner of Banking, with the advice of a special advisory board constituted as hereinafter provided, may by regulation adopted, amended and rescinded from time to time, provide that the value which may be taken for any such loan shall be a value more than \$6.00 but not more than \$9.50 for the forbearance of \$100.00 for a year, as shall be prescribed in such regulation, and after that rate for a greater or less sum or for longer or shorter time. The special advisory board herein provided for shall consist of the members of the Banking Advisory Board as constituted pursuant to Article 43 of the Banking Act of 1948, P. L. 1948, c. 67, plus two additional persons appointed by the Governor with the advice and consent of the Senate, one of whom shall be an officer of an association as defined in section 5 (3) of the Savings and Loan Act (1963), P. L. 1963, c. 144, and the other of whom shall be an officer of a life insurance company incorporated under the laws of this State. The two additional persons so appointed shall hold office for a term of 1 year. When, however, pursuant to any such contract, interest or discount is taken or reserved for a period of less than 1 year, or when interest is required to be paid at intervals of less than 1 year, such interest or discount may be computed on a daily basis, or on a monthly basis, or on a combination of both such bases when the period for which interest or discount is taken or reserved contains 1 or more months and 1 or more days; and, in any such case, a day shall be deemed to be a  $1/360$  part of a year, and a month shall be deemed to be a  $1/12$  part of a year, regardless of the number of days contained in such month. Any computation of interest or discount made on any such basis shall constitute a compliance with this section, and any such basis may be applied regardless whether the principal debt is payable in more than or less than 1 year from the time of making the loan.

(b) In making, amending and rescinding regulations pursuant to subsection (a) of this section, the Commissioner of Banking and the special advisory board shall consider the general state of the economy, the discount rates prescribed by the Federal Reserve Bank of New York and the Federal Reserve Bank of Philadelphia, the advance rate as prescribed by the Federal Home Loan Bank of New York, the availability of funds for loans, studies and statistics published by the Federal Home Loan Bank Board and other agencies of the United States and of this State, and such other factors and bases for determination as the commis-

sioner and the board may deem pertinent. The rate established by any such regulation shall reasonably reflect prevailing market conditions, regionally and nationally, based upon the studies, statistics and factors considered, and shall remain in force until such time as such regulation is rescinded or such rate is increased or decreased by a subsequent regulation. Any such regulation shall have prospective effect only, and any rate established in excess of 8% shall apply only to loans secured by real estate on which there is erected or to be erected a structure containing one, two, three, four, five or six dwelling units, a portion of which structure may also be used for nonresidential purposes. Notwithstanding the provisions of paragraph (a) of this section, contracts for the following classes or types of loans may provide for any rate of interest which the parties agree upon, and interest at any such rate may be taken, notwithstanding that it exceeds a rate limited by paragraph (a) of this section:

(1) Loans in the amount of \$50,000.00 or more, except loans where the security given is a mortgage on real property consisting of a lot of land upon which there is constructed or in the course of construction a dwelling house of three family units or less. The rate of interest stated in such contract upon the origination of such loans may be taken notwithstanding that payments thereon reduce the amount outstanding to less than \$50,000.00;

(2) Loans or advances of credit made by savings and loan associations, banking institutions, or any Department of Housing and Urban Affairs or Federal Housing Administration approved mortgages which are subsequently purchased, in whole or in part, by the Federal Housing Administration, Veterans Administration, Farmers Home Administration, Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, and any successor thereof or by any organization authorized by the Emergency Home Finance Act of 1970 to purchase such loans or by any State or Federal Governmental or quasi-governmental organizations.

If such loan is not purchased within 395 days from the date the loan instruments are executed, the maximum rate of interest which may be charged on such loan shall not be in excess of that authorized by the commissioner under the provisions of this section and such rate of interest, if in excess of that rate, shall be reduced to the rate in effect at the date of the execution of the loan instruments. No such reduction shall change the maturity date of the

loan without the written consent of the borrower nor shall such reduction affect the lien of the mortgage which secures the loan.

Any provision in a mortgage commitment contracted prior to the effective date of this act providing for an increase in interest rates to be charged based on the highest lawful interest rate shall be null and void.

2. This act shall take effect immediately.

Approved July 28, 1976.

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## CHAPTER 57

AN ACT to reconstitute the list of organizations entitled to delegates to the annual State Agricultural Convention and amending R. S. 4:1-6.

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

1. R. S. 4:1-6 is amended to read as follows:

**Delegates to convention; organizations having representation.**

4:1-6. Each county board of agriculture shall be entitled to be represented in the annual convention by two delegates.

Each of the following organizations shall be entitled to be represented in the annual convention by one delegate: American Cranberry Growers' Association, Board of Managers, College of Agriculture and Environmental Science, Rutgers University, College of Agriculture and Environmental Science, Rutgers University, The Cooperative Marketing Associations in New Jersey, Inc., Cultivated Sod Association of New Jersey, Inc., Garden State Dairy Goat Association, Inc., Garden State Service Cooperative Association, Inc., New Jersey Angus Association, Inc., New Jersey Agricultural Society, Inc., New Jersey Association of Agricultural Fairs, New Jersey Association of Nurserymen, Inc., New Jersey Beekeepers' Association, Inc., New Jersey Crop Improvement Cooperative Association, Inc., New Jersey Dairymen's Council, New Jersey Farm Bureau, Inc., New Jersey Fur Breeders Association, Inc., New Jersey Guernsey Breeders' Association, Inc., New Jersey Hereford Association, New Jersey Holstein-Friesian

Association, Inc., New Jersey Horse Council, New Jersey Livestock Cooperative Association, Inc., New Jersey Plant and Flower Growers Association, Inc., The N. J. Pony Breeders and Owners, Inc., New Jersey Sheep and Wool Cooperative Association, Inc., New Jersey State Florists' Association, Inc., New Jersey State Grange, Patrons of Husbandry, Inc., New Jersey State Horticultural Society, Inc., New Jersey State Potato Association, Inc., New Jersey State Poultry Association, Inc., New Jersey State Rabbit and Cavy Breeders Association, Inc., New Jersey State Sweet Potato Industry Association, Inc., New Jersey Turkey Association, North Jersey Metropolitan Association of Nurserymen, Inc., each Pomona Grange, Patrons of Husbandry, Standardbred Breeders & Owners Association of New Jersey, Inc., Thoroughbred Breeders' Association of New Jersey, True-Blue Cooperative Association, Inc., Vegetable Growers Association of New Jersey, Inc., and the E. B. Voorhees Agricultural Society.

Prior to the time fixed for the holding of the annual convention each of the organizations named in this section shall choose from its members the authorized number of delegates and certify to the convention their qualifications as such. The credentials shall be filed with the proper convention officer or committee, and upon the acceptance thereof by the convention such persons shall have all the rights and powers of delegates.

2. This act shall take effect immediately.

Approved July 28, 1976.

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## CHAPTER 58

AN ACT temporarily prohibiting contracts for revaluation of real property in cities of the first class having a population in excess of 300,000.

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

1. The Legislature finds and declares that in cities of the first class having a population in excess of 300,000 substantial areas of such cities are characterized by a high incidence of buildings and structures in need of rehabilitation; that the expressed intent of

Article VIII, Section I, paragraph 6 of the Constitution was to provide authorization for the Legislature to enact laws providing for the rehabilitation of buildings and structures in need thereof; that no legislation effectuating the provisions of Article VIII, Section I, Paragraph 6 of the Constitution has yet been enacted into law; and that unless such legislation is enacted into law and a program for rehabilitation of buildings and structures implemented, any program for the general revaluation of real property in such cities at this time can only result in the further deterioration of both commercial and residential property and to gross inequities in the relative tax burden borne by the residents of such cities, a result directly contrary to the expressed intent of Article VIII, Section I, paragraph 6 of the Constitution.

2. Notwithstanding any provisions of law or any judicial order to the contrary, no city of the first class having a population in excess of 300,000, or any of its officers or employees, shall execute a program for the general revaluation of real property or enter into any contract with any person, firm or corporation for the preparation and execution of a program for the general revaluation of real property within such city, nor shall any such program or contract be entered into on behalf of, or with respect to, such a city by any other governmental unit of this State.

3. This act shall take effect immediately and shall expire 6 months after the date of enactment.

Approved July 28, 1976.

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#### CHAPTER 59

A SUPPLEMENT to "An act relating to public buildings and making appropriations for construction, reconstruction, development, extension, improvement and equipment of public buildings, all for health and welfare purposes," approved February 13, 1969 (P. L. 1969, c. 4).

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

1. From sums previously appropriated to the Department of Health to provide facilities for drug addicts and abusers, the sum

of \$3,300,000.00 is hereby transferred to the Department of Institutions and Agencies for construction, reconstruction, development, extension, improvement and equipping public facilities for the mentally ill and mentally retarded.

2. This act shall take effect immediately.

Approved July 29, 1976.

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## CHAPTER 60

AN ACT to amend “An act relating to affirmative action in relation to discrimination in connection with certain public contracts and supplementing the ‘Law Against Discrimination,’ approved April 16, 1945 (P. L. 1945, c. 169),” approved June 23, 1975 (P. L. 1975, c. 127).

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

1. Section 3 of P. L. 1975, c. 127 (C. 10:5-33) is amended to read as follows:

**C. 10:5-33 Provisions in bid specifications, contracts, and solicitations or advertisements for bids.**

3. The State or any county or municipality or other political subdivision of the State, or any agency of or authority created by any of the foregoing, shall include in the bid specifications and the contract provisions of any public works contract the following language:

“During the performance of this contract, the contractor agrees as follows:

a. The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status or sex. The contractor will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status or sex. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or

other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause;

b. The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status or sex;

c. The contractor or subcontractor where applicable, will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment."

In soliciting bids for any public works contract the State or any county or municipality or other political subdivision of the State, or any agency of or authority created by any of the foregoing, shall include in the advertisement and solicitation of bids the following language: "Bidders are required to comply with the requirements of P. L. 1975, c. 127."

2. This act shall take effect immediately.

Approved August 2, 1976.

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## CHAPTER 61

AN ACT to delay the operative date of P. L. 1975, c. 353 relating to the "Local Public Contracts Law," and amending section 1 of P. L. 1976, c. 25.

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

1. Section 1 of P. L. 1976, c. 25 is amended to read as follows:

1. Notwithstanding the provisions of section 15 of P. L. 1975, c. 353, the amendatory and supplementary provisions of the afore-

said act shall remain inoperative for a period of 150 days after the effective date of this act.

2. This act shall take effect immediately.

Approved August 9, 1976.

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CHAPTER 62

A SUPPLEMENT to the "Judicial Retirement System Act," approved May 22, 1973 (P. L. 1973, c. 140).

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

**C. 43:6A-9.3 Qualification for maximum pension.**

1. Any judge of the county court who was entitled to qualify for the maximum pension of 50% of his final salary under an act repealed by the Judicial Retirement System Act, P. L. 1973, c. 140, shall be entitled to qualify himself for the maximum pension of 75% of his final salary as provided under said Judicial Retirement System Act.

**C. 43:6A-9.4 Payment of pension to widow.**

2. Upon receipt of the proper proofs of death of a judge who has retired under the provisions of this supplementary act, there shall be paid to the judge's widow a pension of 25% of the final salary received by the member.

**C. 43:6A-9.5 Applicability of act.**

3. The provisions of this act shall not apply to any judge or the surviving widow of any judge who has retired prior to the effective date hereof.

4. This act shall take effect on July 1, 1976.

Approved August 12, 1976.

**New Jersey State Library**

## CHAPTER 63

AN ACT providing for property tax rebates for residential tenants in certain cases.

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

**C. 54:4-6.2 Short title.**

1. This act shall be known and may be cited as the "Tenants' Property Tax Rebate Act."

**C. 54:4-6.3 Definitions.**

2. As used in this act unless the context clearly indicates a different meaning:

a. "Qualified real rental property" means real property rented or leased for residential purposes containing more than four units, except hotels, motels or other guesthouses serving transient or seasonal guests.

b. "Property tax reduction" means the amount of property tax reduction to the property owner of the qualified real rental property attributable solely to the State aid received during a tax period from the State Aid for Schools Fund established in N. J. S. 54A:9-25 as computed in section 4 of this act.

c. "Tax period" with respect to preparation of tax bills for the tax year 1977 means the fourth calendar quarter of 1976 and the first and second calendar quarters of 1977; thereafter "tax period" means the third and fourth quarters of the previous calendar year and the first and second quarters of the year in which the tax bills are prepared.

**C. 54:4-6.4 Owner to provide property tax rebate.**

3. An owner of qualified real rental property shall provide a property tax rebate to the tenants thereof as provided in this act for each tax period in which he receives a property tax reduction.

**C. 54:4-6.5 Computation of amount of property tax reduction; notice to property owner.**

4. At the time when municipal property tax bills are prepared pursuant to R. S. 54:4-64 for the tax year 1977, the municipal tax collector shall compute the amount of property tax reduction for the tax period for each property owner of qualified real rental property by multiplying 50% of the amount of aid received during the tax period from the State Aid for Schools Fund by that pro-

portion by which the assessed value of the qualified rental property for the tax period bears to the assessed value of all taxable real property in the municipality for the tax period and shall provide a notice to inform the property owner receiving a property tax reduction of the amount thereof and of his obligations under this act.

**C. 54:4-6.6 Computation of property tax rebate.**

5. The property tax rebate for each tenant shall be computed in the following manner:

The property tax reduction on the qualified real rental property for the tax period shall be divided by the total annual rent for all dwelling units on such property for the said tax period to determine the property tax rebate as a fixed percentage of rebate for every tenant who rented or leased a dwelling unit during the said tax period or any part thereof. The annual rent of each unit shall be multiplied by such fixed percentage to determine the annual amount of tax rebate for each such unit.

**C. 54:4-6.7 Payment to tenant.**

6. The property tax rebate for each dwelling unit shall be paid to the tenant, who rented or leased a dwelling unit during the tax period, within 45 days from the date of the notice issued by the tax collector with respect to the property tax reduction.

**C. 54:4-6.8 Statement on form by property owner filing corporation tax return.**

7. Any person filing a corporation tax return pursuant to the "Corporation Business Tax Act (1945)" (P. L. 1945, c. 162, C. 54:10A-1 et seq.) or the "Corporation Income Tax Act (1972)" (P. L. 1973, c. 170, C. 54:10E-1 et seq.) who is a property owner of qualified real rental property shall state on a form required to be filed under such acts the total property tax rebate paid with respect to such qualified real rental property and shall certify that the corporation has complied with the provisions of this act.

**C. 54:4-6.9 Statement on form by property owner filing return pursuant to New Jersey Gross Income Tax Act.**

8. Any individual or partnership filing a return pursuant to the "New Jersey Gross Income Tax Act," (P. L. . . . ., C. . . . .) (Title 54A of the New Jersey Statutes), who is a property owner of qualified real rental property shall state on a form prescribed for filing under that act the total property tax rebate paid with respect to qualified real rental property and shall certify that the individual or partnership has complied with the provisions of this act.

**C. 54:4-6.10 Procedures for computing property tax reductions and rebates; forms for notices; rules and regulations.**

9. The Director of the Division of Local Government Services shall by regulation prescribe the procedures for computing property tax reductions and rebates in 1977 and thereafter, and the necessary forms to be used for the notices required by this act and any additional information he deems advisable to be provided in such notices, and such other rules or regulations as he deems necessary or advisable for the efficient administration and implementation of the purposes and provisions of this act.

**C. 54:4-6.11 Failure to provide property tax rebate; amount of liability.**

10. Any property owner of qualified real rental property who fails to provide a tenant with a property tax rebate in accordance with the provisions of this act shall be liable to the tenant for twice the amount of the property tax rebate to which the tenant was entitled or \$100.00, whichever is greater.

**C. 54:4-6.12 Failure to provide rebate, notice, certification, information or statement required by act; penalty; enforcement; jurisdiction over proceedings.**

11. Any landlord who fails to provide property tax rebates to his tenants in accordance with the provisions of this act, or who knowingly and willfully fails to provide or post any notice, certification, information or statement required by this act shall be liable for a penalty of not more than \$100.00 for each offense. Such penalty shall be collected and enforced by summary proceedings pursuant to the Penalty Enforcement Law (N. J. S. 2A:58-1 et seq.) The county district court of the county and the municipal court of the municipality in which the qualified real rental property is located shall have jurisdiction over such proceedings. Process shall be in the nature of a summons or warrant, and shall be issued upon the complaint of the local enforcement agency, or any other person. Any money received as a result of such proceedings shall be paid over to the governing body of the municipality in which the qualified real rental property is located and may be used by the governing body for any lawful municipal purpose.

**C. 54:4-6.13 Partial invalidity.**

12. If any section, subsection, clause, sentence, paragraph, or part of this act or the application thereof to any person or circumstances, shall, for any reason, be adjudged by a court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act.

13. This act shall take effect immediately.

Approved August 17, 1976.

## CHAPTER 64

A SUPPLEMENT to "An act making appropriations for the support of the State Government and the several public purposes for the fiscal year ending June 30, 1977 and regulating the disbursement thereof," approved July 1, 1976 (P. L. 1976, c. 42).

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

1. The following sums are hereby appropriated:

## STATE AID

## DEPARTMENT OF THE TREASURY

For payments of amounts of homestead exemptions to qualified property owners from the New Jersey State Gross Income Tax pursuant to P. L. 1976, c. . . . (Assembly Bill No. 1330, now pending before the Legislature) . . . . . \$130,000,000.00

## Financial Aid to Counties and Municipalities

For sharing of revenues of the New Jersey State Gross Income Tax with municipalities pursuant to P. L. 1976, c. . . . (Assembly No. 1663, now pending before the Legislature) . . . . . \$25,000,000.00

## 77200. State Subsidies and Services—State Aid

77230-240. Reimbursements—Senior Citizens' Tax Deductions  
For reimbursements to municipalities for senior citizens' and veterans' tax deductions . . . . . \$22,000,000.00

## DEPARTMENT OF EDUCATION

## General Assistance for Public and Non-Public Education

31100. Financial Assistance to Local School Districts—State Aid

For allocation, consistent with the provisions of Senate Bill No. 1503, to local school districts of 25% of the cost of employer liability for pension and other fringe benefits for local school employees, the balance to be used for funding of the requirements of P. L. 1975, c. 212, including costs

of implementation and administration by the Department of Education, and for existing grant in aid programs to local school districts . . . . . \$374,000,000.00

72410-013. The Task Force on Business Efficiency of the Public Schools

The unexpended balances as of June 30, 1976 in the account number 72410-013-100-500, the Task Force on Business Efficiency of the Public Schools is hereby appropriated.

2. This act shall take effect immediately.

Approved August 17, 1976.

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CHAPTER 65

AN ACT to repeal sections 54A:9-22 and 54A:9-23 of the "New Jersey Gross Income Tax Act" now pending before the Legislature as Assembly Committee Substitute for Assembly Bill No. 1513.

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

**Repealer.**

1. N. J. S. 54A:9-22 and 54A:9-23 are repealed.

2. This act shall take effect immediately.

Approved August 17, 1976.

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CHAPTER 66

AN ACT concerning tax liability under the New Jersey Gross Income Tax Act and the Emergency Transportation Tax Act or the Transportation Benefit Tax Act and for the disposition of taxes collected thereunder.

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

**C. 54:8A-119 Amount of tax liability.**

1. An individual subject to the New Jersey Gross Income Tax, Title 54A of the New Jersey Statutes, and to the Emergency Transportation Tax, P. L. 1961, c. 32 (C. 54:8A-1 et seq.), or the Transportation Benefits Tax, P. L. 1971, c. 222 (C. 54:8A-58 et seq.), shall only be liable for a sum equal to the amount of tax due and payable under

(1) the New Jersey Gross Income Tax Act or

(2) the Emergency Transportation Tax Act or the Transportation Benefits Tax Act, whichever is greater.

**C. 54:8A-120 Amount of tax which exceeds sum due under New Jersey Gross Income Tax Act; deposit.**

2. Notwithstanding the provisions of sections 20 and 22 of P. L. 1961, c. 32 (C. 54:8A-20 and 54:8A-22), and 49 and 51 of P. L. 1971, c. 222 (C. 54:8A-106 and 54:8A-108), relative to the purposes and application of the Emergency Transportation Tax and the Transportation Benefits Tax, there shall be deposited in the Transportation Fund or the Transportation Benefit Fund, as the case may be, a sum equal to the amount of tax due and payable under the Emergency Transportation Tax Act or the Transportation Benefits Tax Act, less a sum equal to the amount of tax due and payable under the New Jersey Gross Income Tax Act.

**C. 54:8A-121 Authorization to transfer amounts between funds.**

3. The State Treasurer is authorized to transfer any amounts between the Transportation Fund or the Transportation Benefit Fund and the Property Tax Relief Fund to effectuate the purposes of this act.

4. This act shall take effect upon the enactment of Senate Bill No. 1594, now pending before the Legislature.

Approved August 17, 1976.

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**CHAPTER 67**

**AN ACT** limiting maximum permissible expenditures by the State in certain instances, and supplementing Title 52 of the Revised Statutes.

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

**C. 52:9H-5 Short title.**

1. This act shall be known and may be cited as the "State Expenditures Limitation Act."

**C. 52:9H-6 Definitions.**

2. As used in this act:

a. "Base year" means the year prior to the current fiscal year of the State;

b. "Expenditures" means all amounts appropriated by the State in the general appropriation law and all other laws appropriating money for any purpose in any fiscal year, exclusive of money appropriated and paid or to be paid by the State as State aid to counties, municipalities and local school districts or on behalf of counties, municipalities and school districts, or other instrumentalities; and exclusive of all expenditures of money received by the State from the Federal Government, and of money derived from, expended in payment of any interest or principal on, any general obligation bond issues approved by the legally qualified voters of the State at any general election;

**C. 52:9H-7 Formula limiting maximum permissible State expenditures; definitions; computation of per capita personal income.**

3. In each fiscal year commencing after June 30, 1977, the expenditures of the State shall not exceed the maximum expenditures permitted pursuant to the following formula:

$$\frac{\text{PCI}_i}{\text{PCI}_{i-1}} \times \text{b. exp.} = \text{Maximum expenditures}$$

where:

a.  $\text{PCI}_i$  means State per capita personal income as certified by the United States Department of Commerce in the current fiscal year;

b.  $\text{PCI}_{i-1}$  means State per capita personal income as defined above in the base year; and

c. "b.exp" means the appropriations of the State in the base year; provided, however, that for the purposes of this formula, the State Per Capita Personal Income in the base year and in each fiscal year other than the base year shall be computed:

(1) In the case of each year other than the base year, by taking the amount certified by the United States Department of Commerce for the last calendar quarter preceding the commencement of the fiscal year for which either preliminary or final figures are available, and adding to such amount the amounts certified by said

United States Department of Commerce for the three calendar quarters immediately preceding said last calendar quarter; and

(2) In the case of the base year, by taking the amount certified by the United States Department of Commerce for the same calendar quarter of 1975 as the calendar quarter determined in the case of each year other than the base year, and adding to such amount the amounts certified by said United States Department of Commerce for the three calendar quarters immediately preceding said calendar quarter.

**C. 52:9H-8 Adjustment of formula resulting from transfer or assumption of functions, performance of services or costs of operations.**

4. If in any fiscal year any function or service performed by the State is transferred to, or its costs of operation or performance are assumed by, any of the counties or municipalities or if any function or service performed by any of the counties or municipalities is transferred to, or its costs of operation or performance are assumed by the State, such transfer or assumption shall, for the purposes of the formula prescribed in section 3 of this act, be deemed to have occurred in the base year and, therefore, the "b.exp" component of the aforesaid formula shall be adjusted accordingly to reflect any increase or decrease in expenditures as a result of such transfer or assumption by the State.

**C. 52:9H-9 Financing of transferred functions or performance of services by issuance of bonds; adjustment of formula; "bonds" defined.**

5. If in any fiscal year any function or service performed by the State is transferred to, or its operation or performance is assumed by, any agency or instrumentality of the State or any county or municipality with the power to issue bonds to finance the undertaking of such function or the performance of such service, or if any function or service performed by any such agency or instrumentality of the State or any county or municipality is transferred to, or its operation or performance is assumed by the State, such transfer or assumption shall, for the purposes of the formula prescribed in section 3 of this act, be deemed to have occurred in the base year and, therefore, the "b.exp" component of the aforesaid formula shall be adjusted accordingly to reflect any increase or decrease in expenditures as a result of such transfer or assumption by the State.

The word "bonds" as used in this section means bonds which do not constitute a debt or liability of the State or of any of its counties or municipalities or a pledge of the faith and credit of the State or of any of its counties or municipalities.

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**C. 52:9H-10 Exception.**

6. Any provisions of this act to the contrary notwithstanding, the State may exceed the maximum expenditures permitted pursuant to the formula prescribed in section 3 of this act in any fiscal year if such increase over such maximum expenditures is submitted to the people of the State in the form of a referendum at a general election held prior to or during any such fiscal year and approved by a majority of the legally qualified voters of the State or county or municipality, as the case may be, voting thereon.

**C. 52:9H-11 Maximum expenditure not construed as requirement to expend full amount.**

7. Nothing herein contained shall be construed as requiring the State to expend in any fiscal year the full amount of maximum expenditures permitted pursuant to the formula prescribed in section 3 of this act.

8. This act shall take effect immediately.

Approved August 18, 1976.

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**CHAPTER 68**

**AN ACT** to place limits on expenditures by counties and municipalities and supplementing Title 40A of the New Jersey Statutes.

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

**C. 40A:4-45.1 Declaration of policy; recommendation.**

1. It is hereby declared to be the policy of the Legislature that the spiraling cost of local government must be controlled to protect the homeowners of the State and enable them to maintain their homesteads.

At the same time the Legislature recognizes that local government cannot be constrained to the point that it is impossible to provide necessary services to its residents.

In recognition that the two concepts may be at cross purposes, the Legislature recommends that the program proposed hereunder be instituted on an experimental basis with a review at the end of the period to adjust the program based upon experience.

**C. 40A:4-45.2 Limitation on increase of appropriations.**

2. Beginning with the tax year 1977 municipalities, other than those having a municipal purposes tax levy of \$0.10 or less per \$100.00 and counties shall be prohibited from increasing their final appropriations by more than 5% over the previous year except within the provisions set forth hereunder.

**C. 40A:4-45.3 Limitation on increase in budget to 5% over previous year; modifications.**

3. In the preparation of its budget a municipality shall limit any increase in said budget to 5% over the previous year's final appropriations subject to the following modifications:

a. The amount of revenue generated by the increase in its valuations based solely on applying the preceding year's general tax rate of the municipality to the assessed value of new construction or improvements;

b. Capital expenditures funded by any source other than the local property tax, and programs funded wholly or in part by Federal or State funds in which the financial share of the municipality is not required to increase the final appropriations by more than 5%;

c. An increase based upon an ordinance declaring an emergency situation according to the definition provided in N. J. S. 40A:4-46 approved by at least two-thirds of the governing body and approved by the Local Finance Board; provided, however, any such emergency authorization shall not exceed 3% of current and utility operating appropriations made in the budget adopted for that year; or

d. All debt service, including that of a Type I school district;

e. Amounts required for funding a preceding year's deficit;

f. Amounts reserved for uncollected taxes;

g. Expenditures mandated after the effective date of this act pursuant to State or Federal law;

h. Expenditure of amounts derived from new or increased service fees imposed by ordinance, or derived from the sale of municipal assets.

i. When approved by referendum.

**C. 40A:4-45.4 Limitation on increase in tax levies to 5% over previous year; modifications.**

4. In the preparation of its budget, a county may not increase the county tax levies to be apportioned among its constituent municipalities in excess of 5% of the previous year's tax levy, subject to the following modifications:

a. The amount of revenue generated by the increase in valuations within the county based solely on applying the preceding year's county tax rate to the apportionment valuation of new construction or improvements within the county and such increase shall be levied in direct proportion to said valuation;

b. Capital expenditures funded by any source other than the county tax levy;

c. An increase based upon an ordinance declaring an emergency according to the definition provided in N. J. S. 40A:4-46 approved by at least two-thirds of the board of chosen freeholders of the county and, where pertinent, approved by the county executive;

d. All debt service;

e. Expenditures mandated after the effective date of this act pursuant to State or Federal law.

**C. 40A:4-45.5 Emergency increase in tax levy; exception to limitation.**

5. In any county wherein the freeholder board has approved an emergency increase in the county tax levy, the amount of such increase apportioned to each municipality shall not be considered in the limitation set forth in sections 2 and 3 herein, limiting the increase in municipal budgets.

**C. 40A:4-45.6 Inconsistent acts repealed.**

6. All acts, and parts of acts inconsistent with the provisions set forth herein are hereby repealed.

7. This act shall take effect immediately and be applicable to the tax years beginning in 1977 and shall expire December 31, 1979.

Approved August 18, 1976.

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CHAPTER 69

AN ACT concerning elections and amending R. S. 19:32-2.

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

1. R. S. 19:32-2 is amended to read as follows:

**Deputy; clerk; secretary and other assistants; civil service; salaries; expenses.**

19:32-2. Each superintendent may appoint a chief deputy, a chief clerk, a secretary, such personnel as is authorized under

section 19:48-6 of this Title, and any other assistants he considers necessary to carry out the provisions of this Title, and, except as hereinafter provided, may remove the same whenever he deems it necessary and all persons so appointed, by superintendents of elections in counties of the first class having more than 900,000 inhabitants, according to the 1970 Federal census, to serve for terms of more than 6 months in any 1 year, shall be in the classified service of the civil service and shall be appointed in accordance with and shall be subject to the provisions of Title 11, Civil Service, but all other persons so appointed shall not be subject to any of the provisions of Title 11, Civil Service, but shall be in the unclassified service. All persons appointed by the commissioner of registration in counties of the first class having more than 800,000 but less than 900,000 inhabitants according to the 1970 Federal census to serve for terms of more than 6 months in any 1 year, other than the chief deputy and chief clerk and confidential secretary and chief custodian, shall be in the classified service of the civil service and shall be appointed, and hold their positions, in accordance with the provisions of Title 11, Civil Service, but all other persons so appointed shall not be subject to any of the provisions of Title 11, Civil Service, but shall be in the unclassified service. Each superintendent shall fix the salaries of the persons so appointed and such salaries certified to and approved under his hand shall be paid semimonthly by the county treasurer of the county in which such persons are so engaged. All other necessary expenses incurred in carrying out the provisions of this Title when certified to and approved by the superintendent shall be paid by the county treasurer of the county in which the superintendent shall maintain his office provided, however, that all necessary expenses incurred by the commissioner of registration, the superintendent of elections, and the custodian of voting machines in the counties of the first class for the proper performance of all of his duties of all his offices as set forth in Title 19, shall not exceed, in the aggregate, the sum of \$1,050,000.00 per annum.

2. This act shall take effect immediately.

Approved August 18, 1976.

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## CHAPTER 70

AN ACT authorizing the appointment of additional judges of the juvenile and domestic relations court in certain counties and supplementing article 2 of chapter 4 of Title 2A of the New Jersey Statutes.

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

**C. 2A:4-4.10 Counties of 580,000 to 600,000 population; additional judges of juvenile and domestic relations court.**

1. In each county having a population of more than 580,000 and less than 600,000 under the 1970 census the Governor, with the advice and consent of the Senate, shall, in addition to the judges of the juvenile and domestic relations court appointed in each such county pursuant to N. S. J. 2A:4-4, appoint two attorneys at law to be judges of the juvenile and domestic relations court, making four in all in each such county.

2. This act shall take effect immediately.

Approved August 18, 1976.

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CHAPTER 71

AN ACT concerning the admissibility of evidence in prosecutions for rape and related offenses and supplementing Title 2A of the New Jersey Statutes.

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

**C. 2A:84A-32.1 Admissibility of evidence; application for court order; hearing.**

1. In prosecutions for the crime of rape, assault with intent to commit rape, and breaking and entering with intent to commit rape, evidence of the complaining witness' previous sexual conduct shall not be admitted nor reference made to it in the presence of the jury except as provided in this act. When the defendant seeks to admit the evidence for any purpose, he may apply for an order of the court at any time before or during the trial or preliminary

hearing. After the application is made, the court shall conduct a hearing in camera to determine the admissibility of the evidence. If the court finds that evidence offered by the defendant regarding the sexual conduct of the complaining witness is relevant, and that the probative value of the evidence offered is not outweighed by the probability that its admission will create undue prejudice, confusion of the issues, or unwarranted invasion of the privacy of the complaining witness, the court shall make an order stating what evidence may be introduced and the nature of the questions which shall be permitted. The defendant may then offer evidence under the order of the court.

**C. 2A:84A-32.2 Inadmissible evidence.**

2. In the absence of clear and convincing proof to the contrary, evidence of the complaining witness' sexual conduct occurring more than 1 year before the date of the offense charged is presumed to be inadmissible under this act.

**C. 2A:84A-32.3 "Complaining witness" defined.**

3. As used in this act "complaining witness" means the alleged victim of the crime charged, the prosecution of which is subject to this act.

4. This act shall take effect immediately.

Approved August 26, 1976.

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CHAPTER 72

AN ACT concerning exemptions from taxation, providing for homestead exemptions for citizens and residents of this State, and supplementing chapter 4 of Title 54 of the Revised Statutes.

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

**C. 54:4-3.80 Homestead exemption; additional exemptions to citizens of age 65 or more years or disabled; "dwelling house" defined.**

1. a. Every citizen and resident of this State shall be entitled, annually, to a homestead exemption on a dwelling house and the land upon which such dwelling house is situated, which constitutes the place of his domicile and which is owned and used by him as his principal residence. If such citizen and resident of this

State is of the age of 65 or more years, or is less than 65 years of age yet permanently and totally disabled, as "disabled" is defined in the "New Jersey Gross Income Tax Act" (54A:1-2f), or is the surviving spouse of a deceased citizen and resident of this State who during his lifetime received a real property tax deduction pursuant to this act or P. L. 1963, c. 172 (C. 54:4-8.40 et seq.), upon the same conditions, with respect to real property, notwithstanding that said surviving spouse is under the age of 65 and is not permanently and totally disabled, provided that said surviving spouse was 55 years of age or older at the time of death of said citizen and resident and remains unmarried, said taxpayer shall annually, upon proper claim being made therefor, be entitled to an additional exemption as set forth in section 2 of this act. The said requirement of ownership shall be satisfied by the holding of the beneficial interest where the legal title thereto is held by another for the benefit of the said citizen and resident.

b. As used in this act "dwelling house" includes any residential property consisting of not more than four units of which not more than one may be used for business or commercial purposes.

**C. 54:4-3.81 Calculation of exemption; limitation; "effective rate" defined; exemption on residential property consisting of more than one unit.**

2. a. The exemption to be granted such citizen and resident of this State shall be calculated at \$1.50 per \$100.00 to \$10,000.00 of equalized value, or two-thirds of equalized value, whichever is less, plus 12.5% of the effective tax rate in the municipality wherein the exemption is claimed, multiplied by \$10,000.00 of equalized value or two-thirds of equalized value whichever is less. If the claimant qualifies as a senior citizen, a totally disabled citizen under 65 or a surviving spouse, as set forth in section 1, such claimant shall be granted an additional \$50.00 exemption for the tax year 1977 and thereafter.

b. In no instance shall the amount of the homestead exemption be greater than 50% of the property tax otherwise due for the pretax year. For the purpose of this section, "effective rate" means the total tax levy for the pretax year on which the tax rate is computed divided by the apportionment valuation for the pretax year, as shown in the Table of Aggregates, prepared pursuant to R. S. 54:4-52.

c. Where the dwelling house as to which a homestead exemption is claimed is a residential property consisting of more than one unit, the claimant shall not be allowed an exemption in an amount

in excess of the proportionate share that the equalized value of the residential unit occupied by the claimant bears to the total equalized value of the property, as determined by the assessor.

**C. 54:4-3.82 Written application; form; inquiry into right of continuance.**

3. No homestead exemption, as provided herein, shall be allowed except upon written application therefor, which application shall be on a form prescribed by the Director of the Division of Taxation, and provided for the use of claimants hereunder by the tax assessor of the municipality constituting the taxing district in which such claim is to be filed, and the application has been approved as provided in this act. Each assessor may at any time inquire into the right of a claimant to the continuance of a homestead exemption hereunder and for that purpose he may require the filing of a new application or the submission of such proof as he shall deem necessary to determine the right of the claimant to continuance of such exemption.

**C. 54:4-3.83 Filing application; date; approval and assessment.**

4. a. An application for a homestead exemption hereunder shall be filed with the assessor of the taxing district on or before November 1, 1976 and shall reflect the prerequisites for exemption as of October 1, 1975, and on or before September 1 annually thereafter and shall reflect the prerequisites for exemption on October 1 of the respective pretax year; provided, however, that the director may, by rule, waive the requirement for filing an annual application for any year or years subject to any limitations and conditions he may deem appropriate. If an application is approved by the assessor, he shall allow a homestead exemption on the real property assessed to the claimant as described therein and shall indicate upon the assessment list and duplicates or as the director may otherwise prescribe the approval thereof in such manner as shall be prescribed by rules of the Director of the Division of Taxation together with the proportionate share of such property deemed to be owned by the claimant for the purposes of this act if he is not the sole owner thereof. In addition, the director may require such approval to be indicated and further tax duplicate to be filed with him on or before January 10 of the tax year.

b. An application for exemption may be filed on or before December 31 of the pretax year setting forth the prerequisites for exemption as of October 1 of said pretax year by any property owner subject to tax for the ensuing tax year who has not previously filed a claim for exemption or has previously filed a claim for

exemption and there has taken place subsequent thereto with respect to said property an added or omitted assessment or a change in the status of the property owner.

**C. 54:4-3.84 Establishment of facts to support claim for homestead exemption.**

5. Every fact essential to support a claim for a homestead exemption hereunder shall exist on October 1 of the pretax year, except as in this section otherwise provided. Every application by a senior citizen, totally disabled person, or surviving spouse shall establish that he is or will be on or before December 31 of the pretax year 65 or more years of age or is permanently and totally disabled or is a surviving spouse and that he was, on October 1 of the pretax year, (a) a citizen and resident of this State, (b) the owner of a dwelling house which is a constituent part of the real property for which the homestead exemption is claimed, (c) residing in said dwelling house as his principal residence. It shall be the duty of every claimant to inform the assessor of any change in his status or property which may affect his right to continuance of such exemption.

**C. 54:4-3.85 Certification of certain information to director on or before February 15.**

6. On or before February 15, 1977 and on or before February 15 of each year thereafter, each county board of taxation shall, on a form prescribed by the director certify to the director from the tax lists certified with it for each taxing district for the current year such information as the director may prescribe including the following: (a) number of homestead exemptions allowed for the current year; (b) number of additional exemptions allowed for surviving spouse; (c) number of additional exemptions allowed for senior citizens; (d) number of additional exemptions allowed for totally disabled citizens under 65 years of age; (e) total dollar amount separately of exemptions in (a), (b), (c) and (d); (f) the totals for (a), (b), (c), (d) and (e) above by district and for the county as a whole.

**C. 54:4-3.86 Claim of exemption by claimant and others; apportionment; property held by husband and wife; extension of right to claim to partnership, guardian, trustee or other fiduciary.**

7. Where title to property as to which a homestead exemption is claimed is held by claimant and another or others, either as tenants in common or as joint tenants, claimant shall not be allowed a homestead exemption in an amount in excess of his proportionate share of the taxes assessed against said property, which proportionate share, for the purposes of this act, shall be deemed to be equal to

that of each of the other tenants, unless it is shown that the interests in question are not equal, in which event claimant's proportionate share shall be as shown. Nothing herein shall preclude more than one tenant, whether title be held in common or joint tenancy, from claiming a homestead exemption from the taxes assessed against the property so held, but no more than the equivalent of one full homestead exemption in regard to such property shall be allowed in any year, and in any case in which the claimants cannot agree as to the apportionment thereof, such exemption shall be apportioned between or among them in proportion to their interest. Property held by husband and wife, as tenants by the entirety, shall be deemed wholly owned by each tenant, but no more than one homestead exemption in regard to such property shall be allowed in any year. Right to claim a homestead exemption hereunder shall extend to property the title to which is held by a partnership, to the extent of the claimant's interest as a partner therein, and by a guardian, trustee, committee, conservator or other fiduciary for any person who would otherwise be entitled to claim such exemption hereunder, but not to property the title to which is held by a corporation.

**C. 54:4-3.87 Rules and regulations; powers of director.**

8. The director may promulgate such rules and regulations and prescribe such forms as he shall deem necessary to implement this act. He may require verification of eligibility or noneligibility for a homestead exemption where doubt exists. The director shall, for good cause shown extend the time of any applicant to file a claim for a homestead exemption for a reasonable period. In such case, the application shall be processed and payments and credits made in accordance with the procedures established in the case of applications timely filed. He may, in his discretion, eliminate the necessity for sworn application, in which event all declarations by the claimant shall be considered as if made under oath and the claimant, as to false declarations, shall be subject to the penalties as provided by law for perjury.

**C. 54:4-3.88 Authorization to take and administer oath.**

9. Each assessor and collector and his duly designated assistants are hereby authorized to take and administer the oath, where required, on any claim for or statement in connection with a homestead exemption hereunder and no charge shall be made for the taking of any affidavit or the preparation of any form required by this act.

**C. 54:4-3.89 Appeal or review; when taken.**

10. No appeal or review may be taken by any person or any municipality with respect to the determination or calculation of the effective rate or ratios except in the case of an arithmetical or typographical error. An exemption under this act shall not be affected by any change in the assessment of any property.

**C. 54:4-3.90 Applicability of act.**

11. This act shall apply to property taxes due and payable on and after January 1, 1977 and to property taxes due and payable and thereafter, and shall not affect the obligation, lien, or duty to pay any taxes, interest or penalties which have accrued or may accrue by virtue of any assessment made or which may be made with respect to taxes for any period prior to January 1, 1977.

**C. 54:4-3.91 Determination of equalized value of property.**

12. The assessor shall determine the equalized value of a property by using the equalization ratio appearing in the tables of equalized valuation promulgated by the director on October 1 of the pretax year pursuant to P. L. 1954, c. 86, and applying such ratio to the assessed valuation of the property claimed for homestead exemption. In the case of a revaluation or complete reassessment of the real property of a municipality, the ratio shall be determined to be the percentage level of the taxable value of real property established by the county board of taxation for that year pursuant to section 3 of P. L. 1960, c. 51 (C. 54:4-2.27).

**C. 54:4-3.92 Certification of amount due to State Treasurer; inspection of records; furnishing list of delinquent property owners to assessor; payment of homestead exemption.**

13. a. After review, the director shall certify the amount due each taxing district for homestead exemptions and shall certify these amounts to the State Treasurer on or before March 15, 1977, and on or before March 15, of each year thereafter. The director may inspect all records in the office of the collector and the assessor with respect to claims and allowances for homestead exemptions.

b. Each tax collector shall, on or before January 1 of each year furnish the tax assessor of his taxing district with a list of delinquent property tax owners and the assessor shall indicate by symbol on the tax list and duplicates prior to submitting the same to the director the fact of such delinquency. No homestead payment under this act shall be made to any property owner while such delinquency remains.

The State Treasurer semiannually on or before April 1 and on or before October 1 commencing in the year 1977, upon the cer-

tification of the Director of the Division of Taxation and upon the warrant of the State Comptroller, shall pay and distribute, in equal quarterly installments, the amount of the homestead exemption to each qualified property owner as certified by the director.

**C. 54:4-3.93 Inclusion of identifying number in application, statement or other document.**

14. Any person required under the authority of this act to make an application, statement or other document shall include in such application, statement or other document such identifying number as may be prescribed for securing proper identification of such person. For purposes of this section, the director is authorized to require such information as may be necessary to assign an identifying number to any person.

**C. 54:4-3.94 Appropriation.**

15. There is hereby appropriated to the Division of Taxation in the Department of the Treasury from the revenues of the New Jersey Gross Income Tax Act such sums as may be necessary to carry out the provisions of this act through the period ending June 30, 1977.

16. This act shall take effect immediately but shall remain inoperative unless and until a New Jersey Gross Income Tax has been enacted. In that event, prior to the effective date of this act, the director is hereby empowered and directed to promulgate such regulations and take such other steps as may be necessary for the full implementation of this act.

Approved August 30, 1976.

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CHAPTER 73

AN ACT providing for the sharing of revenues by the State with municipalities and the method of distribution thereof and amending P. L. 1971, c. 20.

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

**C. 54A:10-1 Short title.**

1. This act shall be known and may be cited as the "State Revenue Sharing Act of 1976".

**C. 54A:10-2 Declaration of policy.**

2. It is hereby declared that because municipalities are limited in their means for raising revenues, that it is the obligation of the State to provide assistance which will benefit all local taxpayers, as a supplement to all other forms of aid.

**C. 54A:10-3 Definitions.**

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

a. "Director" means the Director of the Division of Taxation in the Department of the Treasury.

b. "Fund" means the Revenue Sharing Fund created herein.

c. "Senior citizen deductions" means the amounts shown in the county abstract of ratables in the column headed "Full estimated amount of senior citizen deductions allowed."

d. "Veterans deductions" means the amounts shown in the county abstract of ratables in the column headed "Veterans".

e. "Effective tax rate", with respect to each municipality, means the total tax levy for the current year for 1976 and the pretax year thereafter on which the tax rate is computed divided by the apportionment valuation for the current year for 1976 and the pretax year thereafter as shown in the Table of Aggregates, prepared pursuant to R. S. 54:4-52.

**C. 54A:10-4 Revenue sharing fund; creation; distribution.**

4. There is hereby created within the General Treasury a Revenue Sharing Fund of \$50 million of the net revenues from the New Jersey Gross Income Tax Act.

Distribution of the revenue from the fund shall be made annually to all municipalities with an effective tax rate in excess of \$1.00 per \$100.00 of true valuation in the proportion which the population of the qualifying municipality bears to the total population of all qualifying municipalities of the State according to the most recent State population estimates published by the New Jersey Department of Labor and Industry, except that in the year of promulgation of a Federal decennial census, the census figures shall be used.

**C. 54A:10-5 Additional distributions.**

5. In addition to the amount determined in section 4 above, there shall be added to the amount to be distributed to each municipality the following:

a. An amount equivalent to the senior citizen deductions in each municipality, and;

b. An amount equivalent to the veterans' deductions in each municipality.

**C. 54A:10-6 Computation of revenue sharing funds; notification to municipal officials.**

6. Prior to November 1, 1976 and prior to November 1 in each year thereafter the director shall compute the amount of revenue sharing funds due each municipality for the succeeding year, and shall thereupon notify the governing body and the tax collector or other chief fiscal officer of each municipality of the amounts so determined. If a taxpayer has prepaid his tax, he shall be given a credit upon his subsequent tax payment.

**C. 54A:10-7 Anticipation of revenues in municipal budget; application to property tax reduction.**

7. Upon notification by the director of the amount of revenue sharing funds due, the governing body of each municipality shall anticipate such revenues in its budget for the succeeding year and shall apply all such revenues to the reduction of the property tax levy.

**C. 54A:10-8 Certification of amount of funds to State Treasurer; payment.**

8. On or before December 1 annually, the director shall certify to the State Treasurer the amount of revenue sharing funds due each municipality under the provisions of this act. The State Treasurer upon the certification of the director and upon the warrant of the State Comptroller shall pay to each municipality the amount due as follows:

Revenue sharing funds, except for funds to be distributed under section 5 shall be paid annually in quarterly installments on February 1, May 1, August 1 and November 1. Revenue sharing funds to be distributed under section 5 shall be paid on November 1, 1977 and annually thereafter. Each installment shall consist of 25% of the total amount due.

**C. 54A:10-9 Rules and regulations.**

9. The director is hereby authorized to make such rules and regulations as may be necessary to carry out the provisions of this act. The Director of the Division of Local Government Services is hereby authorized to make such rules and regulations as may be necessary to carry out the provisions of this act with respect to tax bills and revisions thereof.

**C. 54A:10-10 Program of aid or assistance continued.**

10. Nothing herein contained shall affect any program of aid or assistance now in effect.

**Repealer.**

11. Chapter 302, P. L. 1968, (C. 54:32B-30 to 54:32B-36) is hereby repealed.

12. Section 5 of P. L. 1971, c. 20 (C. 54:4-8.53) is amended to read as follows:

**C. 54:4-8.53 Inspection of collector's and assessor's records.**

5. The director may inspect all records in the office of the collector and the assessor with respect to claims and allowances for senior citizens tax deductions.

13. Section 6 of P. L. 1971, c. 20 (C. 54:4-8.54) is amended to read as follows:

**C. 54:4-8.54 Inclusion of deductions in table of aggregates for county.**

6. For the tax year 1971 and each year thereafter, each county board of taxation shall include in the abstract of ratables prepared pursuant to R. S. 54:4-52 the full estimated amount of the senior citizens tax deductions as provided for in this act.

14. This act shall take effect immediately, except the amendments in sections 11 and 12 which shall take effect January 1, 1977, and the entire act shall remain inoperative unless and until a State personal income tax shall be enacted.

Approved August 30, 1976.

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CHAPTER 74

AN ACT concerning insurance relating to investments and amending  
N. J. S. 17B:20-1, 17B:20-2, 17B:20-4 and 17B:20-7.

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

1. N. J. S. 17B:20-1 is amended to read as follows:

**Investments of domestic insurers.**

17B:20-1. Any domestic insurer may invest its capital, surplus and other funds, or any part thereof, in:

a. Bonds, notes, or other evidences of indebtedness or public stock issued, created, insured or guaranteed by the United States, any territory or possession thereof, this or any other State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Canada, or any of the provinces thereof, or any in-

strumentality, agency or political subdivision of one or more of the foregoing.

b. Real estate which may be improved or which is unimproved but acquired in accordance with a definite plan for development within not more than 5 years, and in the improvement, development, operation or leasing thereof; provided, that if the commissioner shall determine that the interest of such insurer's policyholders requires that any specific real estate so acquired be disposed of, then such insurer shall dispose of such real estate within such reasonable time as the commissioner shall direct; and provided further, that the sum of (1) the aggregate amount invested in such real estate (including real estate held pursuant to section 17B:18-45 of this Title) and (2) the aggregate amount invested in capital stock of any subsidiary of the insurer pursuant to section 17B:20-4 engaged in a business primarily involving the owning, improving, developing, operating or leasing of real estate shall not exceed 10% of the total admitted assets of such insurer as of December 31 next preceding. Real estate used primarily for agricultural, horticultural, ranching, mining, forestry or recreational purposes shall be deemed improved within the meaning of this subsection b. The term "real estate" as used in this chapter shall include any real property and any interest therein including, without limitation, any interest on, above or below the surface of the land, any leasehold estate therein, and any such interest held or to be held by the insurer in cotenancy with one or more other persons and any partnership interest held by the insurer in any general or limited partnership engaged in a business primarily involving the owning, improving, developing, operating or leasing of real estate. Income produced by investment in any such leasehold shall be applied in a manner calculated to amortize the amount invested in such leasehold within a period not exceeding eight-tenths of the unexpired term of the leasehold, inclusive of enforceable options, or within 40 years, whichever is the lesser, or where the peculiar nature of the leasehold involved so dictates, within such period and subject to such other reasonable limitations as the commissioner shall by regulation impose. For the purposes of this subsection b., a mortgage loan shall not be deemed to be an investment in real estate notwithstanding the mortgagor is an institution in which such insurer has an ownership interest as shareholder, partner, or otherwise. The commissioner may promulgate a regulation in connection with investments under this subsection b. which shall, as far as practicable, be consistent with those regulations of the de-

partment which treat with securities supported by such interests in real estate.

c. Mortgage loans on unencumbered real estate, located within the United States, any territory or possession thereof, the Commonwealth of Puerto Rico or Canada. The amount of any such loan shall not exceed 80% of the value of the real estate mortgaged unless (1) the loan is also secured by the mortgagor's interest in a lease or leases whose aggregate rentals shall be sufficient, after payment of operating expenses and fixed charges, to repay 90% of the loan with interest thereon during the initial term or terms of such lease or leases and shall be payable directly or indirectly by any governmental units, instrumentalities, agencies or political subdivisions or an institution or institutions which meet the credit standards of the insurer for an unsecured loan to such institution or institutions or (2) the loan is secured by a purchase money mortgage or like security received by the insurer upon the sale or exchange of real estate acquired pursuant to any provision of this Title or (3) the excess over such 80% is insured or guaranteed or to be insured or guaranteed by the United States, any territory or possession thereof, this or any other State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Canada or any of the provinces thereof, or any instrumentality, agency or political subdivision of one or more of the foregoing. Any mortgage loan so insured or guaranteed or to be insured or guaranteed shall not be subject to the provisions of any law of this State prescribing or limiting the interest which may be charged or taken upon any such loan.

Any such insurer may hold a participation in any such mortgage loan if (1) such participation is senior and gives the holder substantially the rights of a first mortgagee or (2) the interest of such insurer in the evidence or evidences of indebtedness is of equal priority, to the extent of such interest, with other interests therein.

Any such mortgage loan which exceeds two-thirds of the value of the real estate mortgaged shall provide for such payments of principal, whatever the period of the loan, that at no time during the period of the loan shall the aggregate payments of principal theretofore required to be made under the terms of the loan be less than would have been necessary to reduce the loan to two-thirds of such value by the end of 35 years through payments of interest only for 5 years and equal payments applicable first to interest and then to principal at the end of each year thereafter. The commissioner may promulgate such supplemental regulations as

he deems necessary with regard to particular classes of such investments, taking into consideration the type of security and the ratio of the loan to the value of the real estate mortgaged. No loan may be made on leasehold real estate unless the terms of such loan provide for payments to be made by the borrower on the principal thereof in amounts sufficient to completely repay the loan within a period not exceeding nine-tenths of the term of the leasehold, inclusive of the term or terms which may be provided by any enforceable option or options of extension or of renewal, which is unexpired at the time the loan is made.

Real estate shall not be deemed to be encumbered within the meaning of this subsection c. by reason of the existence of taxes or assessments that are not delinquent, or encumbrances that do not adversely affect the salability of the property to a material extent or as to which the insurer is insured against loss by title insurance, or any prior mortgage or mortgages held by such insurer if the aggregate of the mortgages held shall not exceed the amount hereinbefore set forth, nor when such real estate is subject to lease in whole or in part; provided, that the security created by the mortgage on such real estate is a first lien thereon. Real estate shall not be deemed to be encumbered and the security of the mortgage thereon shall be deemed a first lien within the meaning of this subsection c. notwithstanding the mortgagor is an institution in which such insurer has an ownership interest as shareholder, partner or otherwise.

No such insurer shall, pursuant to this subsection c. invest more than 2% of its total admitted assets as of December 31 next preceding in any mortgage loan secured by any one property, nor shall its total mortgage investments pursuant to this subsection c., exclusive of any mortgage loans secured by a purchase money mortgage or like security received by the insurer upon the sale or exchange of real estate acquired pursuant to any provision of this Title or insured or guaranteed or to be insured or guaranteed as hereinbefore provided, exceed 50% of such admitted assets.

d. Tangible personal property, equipment trust obligations or other instruments evidencing an ownership interest or other interest in tangible personal property where there is a right to receive determined portions of rental, purchase or other fixed obligatory payments for the use or purchase of such personal property, provided, that the aggregate of such payments together with the estimated salvage value of such property at the end of its minimum useful life and the estimated tax benefits to the insurer result-

ing from ownership of such property, is adequate to return the cost of the investment in such property, and provided further, that the aggregate net investments therein shall not exceed 10% of the total admitted assets of such insurer as of December 31 next preceding; or certificates of receivers of any institution where such purchase is necessary to protect an investment in the securities of such institution theretofore made under authority of this chapter; or the capital stock, beneficial shares or other instruments evidencing an ownership interest, bonds, securities or evidences of indebtedness issued, assumed or guaranteed by any institution created or existing under the laws of the United States, any territory or possession thereof, this or any other State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Canada or any of the provinces thereof; provided, that no purchase of any evidence of indebtedness which is in default as to interest shall be made by such insurer unless such purchase is necessary to protect an investment theretofore made under statutory authority.

The term "institution" as used in this chapter shall include any corporation, joint stock association, business trust, business joint venture, business partnership, savings and loan association, credit union or other mutual savings institution. No purchase shall be made of the stock of any class of any corporation except a subsidiary of the insurer pursuant to section 17B:20-4 unless (1) such corporation has paid cash dividends on such class of stock during each of the past 5 years preceding the time of purchase or (2) such corporation shall have earned during the period of such 5 years an aggregate sum available for dividends upon such stock which would have been sufficient, after all fixed charges and obligations, to pay dividends upon all shares of such class of stock outstanding during such period averaging 4% per annum computed upon the par value (or in the case of stock having no par value, upon the stated capital in respect thereof) of such stock. In the case of the stock of a corporation resulting from or formed by merger, consolidation, acquisition or otherwise less than 5 years prior to such purchase, each consecutive year next preceding the effective date of such merger, consolidation or acquisition during which dividends or other distributions of profits shall have been paid by any one or more of its constituent or predecessor institutions shall be deemed a year during which dividends have been paid on such class of stock and the earnings of such constituent or predecessor institutions available for dividends during each of such years may be included as

earnings of the existing corporation whose stock is to be purchased for each of such years; provided, however, that nothing herein contained shall prohibit the purchase of stock of any class which is preferred, as to dividends, over any class the purchase of which is not prohibited by this section; and provided further, that no purchase of its own stock shall be made by any insurer except for the purpose of the retirement of such stock or except as specifically permitted by any law of this State applicable by its terms only to insurers.

e. Securities, properties and other investments in foreign countries in addition to those specified in section 17B:20-5 which are substantially of the same character as prescribed for authorized investments for funds of the insurer under the preceding subsections of this section, to an amount valued at cost not exceeding in the aggregate at any one time 2% of the total admitted assets of such insurer as of December 31 next preceding; provided, however, that the amount invested in authorized investments in any one foreign country pursuant to this subsection e. shall not exceed in the aggregate, at any one time, 1% of such admitted assets. For the purposes of this subsection e., Canada shall not be deemed to be a foreign country.

f. Bonds, notes, or other evidences of indebtedness, issued, insured or guaranteed or to be insured or guaranteed by the International Bank for Reconstruction and Development, or by the Inter-American Development Bank, or by the Asian Development Bank.

g. Collateral loans secured by a pledge of capital stock, beneficial shares or other instruments evidencing an ownership interest, bonds, securities or evidences of indebtedness qualified or permitted for investment under any of the preceding subsections of this section. The amount of any such loan shall not exceed 80% of the market value of the security pledged at the date of the loan.

h. Loans or investments which are not qualified or permitted under any of the preceding subsections of this section or which are not otherwise expressly authorized by law; provided, that the aggregate amount of such loans and investments, valued at cost, shall not exceed at any one time 5% of the total admitted assets of such insurer as of December 31 next preceding.

For the purposes of subsection c. and this subsection h., the portion of a mortgage loan on unencumbered real estate which does not exceed 80% of the value of the real estate mortgaged shall be deemed to be a permitted investment under subsection c.

and the remainder of said loan may be deemed to be made under this subsection h. Any investment originally made under this subsection h. which would subsequently, if it were being made, qualify as a permitted investment under another subsection of this section shall thenceforth be deemed to be a permitted investment under such other subsection.

2. N. J. S. 17B:20-2 is amended to read as follows :

**Limitation of investments.**

17B:20-2. No domestic insurer shall purchase more than 8% of the voting stock of any one corporation, unless it be: a municipal corporation; a subsidiary of such insurer pursuant to section 17B:20-4; or an investment company within the meaning of the Investment Company Act of 1940 for which such insurer or its subsidiary is the investment manager or investment adviser, provided, that such investment company shall not own, control or hold in its portfolio any investment which, if added to the other investments of such insurer, would result in such insurer holding more than 8% of the voting stock of any one corporation. The term "voting stock" of any corporation shall mean any shares of capital stock of such corporation having general voting power under ordinary circumstances, when voting (together with one or more other classes, if any) as a class, to elect a majority of the board of directors of such corporation irrespective of whether or not at the time stock of any other class or classes shall have, or might have voting power by reason of the happening of any contingency. No such insurer shall hold more than 8% of any such class of stock of any investment company pursuant to this section at any time when such insurer could not purchase such stock pursuant to the foregoing provisions of this section. The amount (excluding amounts invested in the common stock of any corporation pursuant to sections 17B:20-3 and 17B:20-4) invested by any such insurer (a) in the common stock of any one corporation shall not exceed 2% of the total admitted assets of such insurer as of December 31 next preceding, or (b) in the common stock of all corporations valued at cost shall not exceed 15% of such assets except that to the extent that such aggregate investment in common stock exceeds 10% of such assets, further investments shall be subject to regulation by the commissioner under a formula which shall take into consideration the actual mandatory securities valuation reserve, as defined by the Subcommittee on Valuation of Securities of the National Association of Insurance Commissioners, held by a company which is applicable to such common stocks in the correspond-

ing annual statement filed with the department. The term "common stock" shall mean any voting stock of any class of a corporation which shall not be limited to a fixed sum or percentage of par value in respect of the rights of the holders thereof to participate in dividends or in the distribution of assets upon the voluntary or involuntary liquidation, dissolution or winding up of the corporation. Neither shall the amount invested in the beneficial shares or other ownership interests (other than common stock), evidences of indebtedness (excluding amounts invested in mortgage loans pursuant to subsection c. of section 17B:20-1), preferred stock and certificates of receivers of any one institution exceed 5% of such assets of the insurer. Nothing herein contained shall prevent any such insurer from purchasing, or in any other way acquiring the voting stock of, or otherwise investing in certain corporations as hereinafter provided in section 17B:20-3 and 17B:20-4.

All investments made by any such insurer shall be authorized or approved by the board of directors, or by a committee thereof charged with the duty of supervising such investment, or shall be made in conformity with standards approved by such board of directors or such committee.

No such insurer shall enter into any agreement to withhold from sale any of its property or jointly or severally enter into any agreement to purchase the unsold amount of securities which are the subject of an offering for sale to the public or otherwise to guarantee the sale of such securities.

Nothing contained in this section shall prevent any such insurer from distributing shares of an investment company within the meaning of the Investment Company Act of 1940 for which such insurer or its subsidiary is the investment manager or investment adviser.

The term "Investment Company Act of 1940" as used in this section shall mean an act of Congress approved August 22, 1940 entitled "Investment Company Act of 1940" as amended from time to time, or any similar statute enacted in substitution therefor.

3. N. J. S. 17B:20-4 is amended to read as follows:

**Stock of subsidiary corporations.**

17B:20-4. In addition to the authority expressly contained in this chapter and notwithstanding any limitation contained in this Title, any domestic insurer may invest in the voting stock of one or more subsidiaries, as provided in this section.

a. As used in this section the following terms shall have the following meanings: (1) "voting stock" as used with reference to any corporation means any shares of capital stock of such corporation having general voting power under ordinary circumstances, when voting (together with one or more other classes, if any) as a class, to elect a majority of the board of directors of such corporation irrespective of whether or not at the time stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency, and shall also include voting trust certificates, certificates of deposit, interim receipts and other similar instruments representing such stock and (2) "subsidiary" means a corporation of which a majority of the voting stock is owned or controlled by a domestic insurer, or by one or more subsidiaries of such insurer or by such insurer and one or more subsidiaries of such insurer, except that "subsidiary" shall not include a corporation of which a majority of the voting stock is acquired by the insurer or its subsidiaries pursuant to any other section of this chapter.

b. The business of a subsidiary, whether or not it is organized under the laws of this State, shall be limited to that authorized for a corporation organized under any law of this State, except that "subsidiary" shall not include any bank organized pursuant to the laws of this State and shall not include any national bank maintaining its principal office in this State.

c. No investment in the voting stock of any subsidiary shall be retained by a domestic insurer or by any of its subsidiaries unless a majority of the voting stock of such subsidiary is owned or controlled by such insurer or by one or more subsidiaries of such insurer or by such insurer and one or more subsidiaries of such insurer.

d. The investments of any such subsidiary of the kinds permitted by subsections b, c, d or e of section 17B:20-1, except a subsidiary engaged primarily in any kind of insurance business, when added, on a basis proportional to the insurer's interest in such subsidiary, to the investments of such insurer (referred to herein as the "controlling insurer") shall not cause the investments of the controlling insurer to exceed any of the limitations applicable to domestic insurers contained therein or in section 17B:20-2 of this chapter except as may be permitted by section 17B:20-1h or section 17B:20-3; provided that investments by any subsidiary which if made by the controlling insurer would be subject to the limitations of section 17B:20-1b shall not be included to the extent the

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controlling insurer's investment in the capital stock of such subsidiary is subject to the limitations of section 17B:20-1b; and provided further that the limitation upon the percentage of voting stock of any one corporation that may be purchased or acquired by a domestic insurer set forth in section 17B:20-2 shall apply with respect to the aggregate of the voting stock of any one corporation held by the controlling insurer and all of its subsidiaries, including any insurance subsidiaries. Notwithstanding the foregoing limitations of this subsection d., any such subsidiary shall be permitted to invest in the voting stock of one or more other corporations if:

(1) after such investment, such subsidiary, the controlling insurer and all other subsidiaries of the controlling insurer shall own a majority of the voting stock of such other corporation and such other corporation would, within the meaning of this section, constitute a permitted subsidiary of the controlling insurer, or

(2) the proportion of such investment attributable to the controlling insurer pursuant to this subsection d. could then have been made in the same manner by the controlling insurer under any other provision of this chapter.

e. The investment in such subsidiary shall not tend substantially to lessen competition or tend to create a monopoly.

f. Such subsidiary shall not be used directly or indirectly to promote the private interests of any officer or director of such insurer except that compensation may be paid by any subsidiary to officers and directors of such insurer for services rendered when such compensation is authorized by the board of directors of such subsidiary and approved by the board of directors of such insurer.

g. The aggregate amount invested by the controlling insurer in the voting stock of all subsidiaries pursuant to this section together with the aggregate amount of all other investments of the controlling insurer in such subsidiaries, valued at cost, (less any amount invested by the controlling insurer and such subsidiaries in any subsidiary engaged in a business primarily involving the owning, improving, developing, operating or leasing of real estate) shall not exceed 5%, or with the approval of the commissioner 10%, of the total admitted assets of such insurer as of December 31 next preceding.

h. No investment in voting stock of any subsidiary shall be made by such insurer or any subsidiary thereof pursuant to this section unless a notice of intention to make such proposed investment is filed with the commissioner not less than 30 days, or such

shorter period as may be permitted by the commissioner, in advance of such proposed investment, nor shall any such investment be made if the commissioner at any time prior thereto finds that the proposed investment does not meet the requirements of this section or determines, in his sole discretion, that such proposed investment would be contrary to the best interests of policyholders or the public; provided, that after an investment in voting stock has been made pursuant to this section, no notice of intention to make further investments in the voting stock or other securities of the same subsidiary shall be required, and such further investments may be made subject to the limitations contained in subsection d. and subsection g. of this section. The commissioner shall have the power to conduct periodic examinations and require reports in connection with the operation of subsidiaries and, if he shall determine either that the interests of policyholders or the public so requires or that the investments of any subsidiary do not comply with the requirements of this section, to order that a domestic insurer or any subsidiary thereof dispose of its investment in any subsidiary or that any subsidiary dispose of any non-complying investments, in each case within a reasonable period of time.

4. N. J. S. 17B:20-7 is amended to read as follows:

**Safekeeping of securities.**

17B:20-7. All securities of domestic insurers, except:

a. mortgages and evidences of indebtedness secured thereby which are held for safekeeping in one or more offices operated by and under the direct control of an officer of such a company;

b. stock and other securities representing stock or convertible into stock, and options, warrants or rights to acquire stock;

c. debt securities with a maturity of less than 1 year; and

d. securities issued or guaranteed by the United States or any department or agency or instrumentality thereof;

shall be held for safekeeping within the geographical limits of this State; provided, that any such company may make and maintain such deposits of securities with public officials of other states, the District of Columbia, the United States, any territory or possession thereof, the Commonwealth of Puerto Rico, and foreign countries to such extent as may be required by the laws of such jurisdictions as a condition for authority to transact business therein. This section shall not prohibit the deposit of such securities under transactions as provided in section 17B:20-3 or the transmission of

such securities outside the State for the purpose of securing or recording title to such securities or to property, or for the purpose of the sale, exchange or alteration of the provisions of such securities, or for the collection of any payment due thereon, nor shall this section prohibit the deposit of such securities as collateral for loans or as security for the performance of contracts or the holding of such securities in the names of nominees designated by the board of directors of such insurer, or the lending of such securities to any institution upon adequate collateral security.

5. This act shall take effect immediately.

Approved August 31, 1976.

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## CHAPTER 75

A SUPPLEMENT to "An act relating to public buildings and making appropriations for construction, reconstruction, development, extension, improvement and equipment of public buildings, all for higher education purposes," approved April 11, 1972 (P. L. 1972, c. 10).

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

1. There is hereby appropriated to the Department of Higher Education from the Higher Education Buildings Construction Fund, established pursuant to the New Jersey Higher Education Buildings Construction Bond Act of 1971, P. L. 1971, c. 164, the sum of \$669,000.00 for land acquisition and the planning, construction, rehabilitation and equipping of facilities, services, and buildings at the various public institutions of higher education. The appropriation will fund the foregoing types of projects approved by the Board of Higher Education in the amounts and at the institutions as follows:

Institution	Amount
Rutgers-Cook-Douglass Campus .....	\$669,000
Classroom—Administration Building .....	669,000

2. There is hereby appropriated to the Department of Higher Education from the Higher Education Buildings Construction Fund, established pursuant to the Higher Education Buildings

Construction Bond Act of 1971, P. L. 1971, c. 164, the sum of \$3,031,000.00 as the State's 50% share for land acquisition and the planning, construction, rehabilitation and equipping of facilities, services and buildings at the various county colleges as approved by the Board of Higher Education.

3. In order to provide flexibility in administering this act and all prior acts appropriating moneys from the New Jersey Higher Education Building Construction Bond Act of 1971, the Chancellor of Higher Education may apply to the Director of the Division of Budget and Accounting for permission to transfer a part of an item to any other item in such appropriations. Upon approval of such application by said director and by the Executive Director of the Office of Fiscal Affairs in writing, after approval of his decision by both the Senate Revenue, Finance and Appropriations Committee and Assembly Committee on Appropriations, said director shall make such transfer.

4. This act shall take effect immediately.

Approved August 31, 1976.

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#### CHAPTER 76

AN ACT to amend "An act concerning mentally-ill, mentally-deficient and mentally-retarded adults and supplementing chapter 4 of Title 30 of the Revised Statutes," approved December 14, 1970 (P. L. 1970, c. 289).

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

1. Section 1 of P. L. 1970, c. 289 (C. 30:4-165.7) is amended to read as follows:

**C. 30:4-165.7 Adjudication of parent as legal guardian of mentally ill, mentally deficient or mentally retarded individual over 18.**

1. Any parent of a mentally-ill, mentally-deficient or mentally-retarded individual, as the case may be, who is receiving State or county functional services and is over 18 years of age may at any time move in Superior Court or in the County Court in the county furnishing the services or in which such parent resides for a judgment designating him as the legal guardian of the person of such

an individual. The county adjuster of the county furnishing the services shall be served with a copy of the moving papers and made a party to the action; provided, however, that the county adjuster may waive service of the moving papers if he has no reason to oppose the action.

2. Section 2 of P. L. 1970, c. 289 (C. 30:4-165.8) is amended to read as follows:

**C. 30:4-165.8 Moving papers; contents.**

2. The moving papers shall include a verified complaint, a medical affidavit from the attending physician stating the nature of the mental illness, mental deficiency or mental retardation, as the case may be, of the individual, and an affidavit from the chief executive officer, medical director or other officer having the general supervisory or administrative control of the institution at which the individual is receiving functional services stating the length of the individual's commitment or period of treatment and the necessity of continuing the functional services.

3. Section 3 of P. L. 1970, c. 289 (C. 30:4-165.9) is amended to read as follows:

**C. 30:4-165.9 Opposition to guardianship by county adjuster; order for judgment of legal guardianship.**

3. If the county adjuster elects to oppose the motion, he shall do so within 30 days after its submission to the court either at a hearing before that court or before a jury, in which latter case the action will proceed under the provisions of Title 3A of the Revised Statutes. The court may, after hearing arguments on the motion, enter an order granting a judgment of legal guardianship of the person of the individual to the petitioning parent.

4. Section 5 of P. L. 1970, c. 289 (C. 30:4-165.11) is amended to read as follows:

**C. 30:4-165.11 Definitions.**

5. The term "parent" as used in this act shall mean the natural parent or parents, prior guardian, or other person standing in loco parentis of the individual. All other terms used in this act shall have the same meaning as defined in chapter 4 of Title 30 of the Revised Statutes to which this act is supplementary.

5. This act shall take effect immediately.

Approved August 31, 1976.

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## CHAPTER 77

AN ACT concerning the Task Force on Business Efficiency of the Public Schools and amending section 50 of P. L. 1975, c. 212.

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

1. Sections 50 of P. L. 1975, c. 212 (C. ) is amended to read as follows:

50. The task force shall report to the Legislature and the Governor its recommendations for improving the business efficiency of local school districts on or before December 31, 1976. The task force shall be discharged upon submission of its report.

2. This act shall take effect immediately.

Approved August 31, 1976.

## CHAPTER 78

AN ACT concerning education and supplementing chapter 35 of Title 18A of the New Jersey Statutes.

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

1. The commissioner may waive the course requirements for high school graduation established pursuant to chapter 35 of Title 18A of the New Jersey Statutes for those students otherwise qualified for graduation in June 1976 but unable to complete such courses due to cancellation of summer school programs.

2. This act shall take effect immediately.

Approved August 31, 1976.

## CHAPTER 79

AN ACT to amend "An act providing for the establishment, development, improvement and expansion of community mental health services and providing for payment by the State of financial grants-in-aid for community mental health projects," approved July 15, 1957 (P. L. 1957, c. 146).

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

1. Section 9 of P. L. 1957, c. 146 (C. 30:9A-9) is amended to read as follows:

**C. 30:9A-9 Grants and expenditures.**

9. a. Reimbursement *or* advancement grants shall be paid to an eligible sponsoring agency from State funds in an amount not exceeding 60% of the allowable expenditures for each project and based upon the priority services to target groups approved by the commissioner. Allowable expenditures shall include expenditures other than capital expenditures for such purposes as the commissioner shall, by regulation, determine to be necessary or required to carry out the mental health project, except that expenditures for rental or improvements to premises used for the project shall not be included. The total of the annual reimbursement or advancement grants from State funds for all community mental health projects, exclusive of capital expenditures, in any one county shall not exceed an amount equal to \$1.00 multiplied by the population of that county.

To permit initiation, expansion, improvement or continuation of services, the commissioner may make payments in advance to any sponsoring agency of amounts not to exceed 25% in any one quarter of the fiscal year of the amount of an approved annual grant to the agency.

b. Claims for State reimbursement or advancement to the sponsoring agency shall be made in accordance with the regulations of the department.

2. This act shall take effect immediately.

Approved August 31, 1976.

## CHAPTER 80

AN ACT to repeal "An act imposing an excise tax upon the gross receipts of unincorporated businesses; defining certain words for the purposes of this act; prescribing the method of collecting the tax imposed; providing penalties for violations; and making an appropriation therefor," approved June 17, 1966 (P. L. 1966, c. 137).

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

**C. 54:11B-1 et seq. repealed.**

1. P. L. 1966, c. 137 (C. 54:11B-1 et seq.) is hereby repealed and such repeal shall be applicable to all gross receipts from and after January 1, 1977.

Such repeal shall not affect the obligation, lien or duty to pay any unincorporated business taxes, interest or penalties which have accrued or may accrue by virtue of any assessment made or which may be made with respect to unincorporated business taxes levied for any period prior to January 1, 1977, nor shall this act affect the legal authority to assess and collect taxes which may be or have been due and payable under said P. L. 1966, c. 137, as amended, together with such interest and penalties as would have accrued thereon under any provision of law amended or repealed; hereby nor shall this act invalidate any assessments or affect any proceeding for the enforcement thereof.

2. This act shall take effect January 1, 1977.

Approved September 1, 1976.

## CHAPTER 81

AN ACT to repeal "An act imposing a gross receipts tax on retail store sales, providing for the registering of persons engaged in retail store sales, prescribing the methods of collecting the tax imposed, providing penalties for violations, and making an appropriation therefor," approved June 17, 1966 (P. L. 1966, c. 133).

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

**C. 54:11C-1 to C. 54:11C-14 repealed.**

1. Chapter 133 of the laws of 1966 is hereby repealed and such repeal shall be applicable to all gross receipts from and after January 1, 1977.

Such repeal shall not affect the obligation, lien or duty to pay any unincorporated business taxes, interest or penalties which have accrued or may accrue by virtue of any assessment made or which may be made with respect to unincorporated business taxes levied for any period prior to January 1, 1977, nor shall this act affect the legal authority to assess and collect taxes which may be or have been due and payable under said P. L. 1966, c. 133, as amended, together with such interest and penalties as would have accrued thereon under any provision of law amended or repealed hereby; nor shall this act invalidate any assessments or affect any proceeding for the enforcement thereof.

2. This act shall take effect January 1, 1977.

Approved September 1, 1976.

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**CHAPTER 82**

AN ACT to amend "An act concerning the distribution of certain tax revenues to the municipalities of this State and supplementing Title 54 of the Revised Statutes," approved June 17, 1966 (P. L. 1966, c. 135).

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

1. Section 1 of P. L. 1966, c. 135 (C. 54:11D-1) is amended to read as follows:

**C. 54:11D-1 Source of taxes.**

1. The taxes received from the following:

(a) An act imposing a State assessed tax on business personal property; and

(b) An act amending the Corporation Business Tax Act (c. 162, L. 1945) with respect to the difference between that portion of the tax on allocated net income at the rate of 1.75% and on allocated net income at the rate of 3%, and such addi-

tional amounts as are necessary to replace those revenues heretofore provided by the Unincorporated Business Tax and the Retail Gross Receipts Tax at the revenue level anticipated from such taxes for the year 1976, shall be for the benefit of the municipalities of this State in replacement of the revenues derived by such municipalities from the local taxation of personal property used in business.

2. This act shall take effect January 1, 1977.

Approved September 1, 1976.

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### CHAPTER 83

AN ACT concerning elections and repealing R. S. 19:4-5, 19:4-6, 19:4-7, 19:4-8, 19:4-9 and 19:51-1.

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

**C. 19:4-10 Composition of election districts.**

1. As nearly as practicable, each election district shall be composed of contiguous and compact areas having clearly definable boundaries and shall be contained wholly within only one ward, only one municipality, only one county freeholder district, only one State legislative district, only one United States Congressional district, and only one other district from which any public official is elected. The election districts within each municipality shall be numbered consecutively.

**C. 19:4-11 Election district using one voting machine or four electronic system voting devices; number of voters; exception.**

2. Subject to the provisions of law as to redistricting, each election district in which only one voting machine or four electronic system voting devices are used shall contain no more than 750 voters, except an election district in which there is located a public or private institution where persons entitled to vote may reside, and in such district the number of voters shall be as near to 750 as is practicable.

**C. 19:4-12 Election districts using two or three voting machines or five or eight electronic system voting devices; number of voters; additional district board members.**

3. Each district in which two voting machines or five electronic system voting devices are to be used shall contain, as nearly as

is practicable, 1,000 voters, and each district in which three voting machines or eight electronic system voting devices are to be used shall contain, as nearly as is practicable, 1,500 voters.

Nothing herein shall prevent any election district from containing a less number of voters than above, if necessary for the convenience of the voters.

In a district where more than two voting machines or five electronic system voting devices are to be used, two additional members of the district board, who shall be of opposite political parties, shall be appointed for each additional voting machine or system.

**C. 19:4-13 Readjustment of boundaries of election districts on account of number of voters.**

4. When in any two consecutive general elections in an election district more than 750 or less than 250 votes shall have been cast, the county board shall readjust the boundary lines of such election district and other election districts necessary to effect changes so that none of the election districts affected shall have more than 750 registered voters, and for this purpose shall have power to consolidate any number of districts and subdivide the same.

**C. 19:4-14 Readjustment of boundaries of election districts without regard to number of voters.**

5. Where it appears that serious inconveniences has been caused the voters by the size or shape of an election district, or that certain districts contain an unreasonably large or small number of voters in comparison with other districts, or that a change is necessary because of a change in ward lines, the county board may revise or readjust the election districts in the municipality, without regard to whether a readjustment is authorized by section 2 or 3 of this act.

**C. 19:4-15 Division, creation, abolishment or consolidation of election districts; when not allowed; exception.**

6. a. No county board shall make division of an election district in any year in the period commencing 75 days before the primary election and the day of the general election.

b. To facilitate the use of Federal decennial census populations for apportionment and redistricting purposes and notwithstanding the provisions of this or any other law, no election districts shall, except with the prior approval of the Secretary of State, be created, abolished, divided or consolidated between January 1 of any year whose last digit is 7 and December 1 of any year whose last digit is 0.

**C. 19:4-16 Preparation and maintenance of election district maps showing geographical boundaries; filing of copies; revisions; fee; rules and regulations.**

7. The county board shall cause to have prepared and shall maintain an up-to-date suitable map of the county and of each constituent municipality clearly delineating the geographical boundaries of each election district contained therein and of the ward, legislative, freeholder, Congressional or other district or part thereof, in which each election district is contained. A word description of such geographical boundaries shall be attached to each such map.

The county board shall file copies of such maps and descriptions in the following manner: three copies to the Secretary of State, one copy to the county clerk, and one copy to the clerk of each affected municipality. Within 30 days of any changes in the boundaries of any of the aforementioned districts, the county board shall file revised maps and accompanying revised descriptions in the same manner.

Said maps and descriptions shall be public records and shall be available for inspection by the public in the offices of the Secretary of State, county clerks and municipal clerks during normal office hours. Copies shall be made available to the public for a fee necessary to cover the cost of reproduction.

In order to effectuate the purposes of this act, the Secretary of State shall establish such rules and regulations governing the preparation, maintenance, distribution and filing of said maps and descriptions as he deems necessary or desirable.

**C. 19:4-17 Secretary of State; liaison duties with federal census bureau.**

8. The Secretary of State shall serve as the State liaison with the Bureau of the Census, United States Department of Commerce, on matters relating to the preparation of maps and the tabulation of the population for election purposes.

**Repealer.**

9. R. S. 19:4-5, 19:4-6, 19:4-7, 19:4-8, 19:4-9 and 19:51-1 are hereby repealed.

10. This act shall take effect January 1, 1977.

Approved September 1, 1976.

## CHAPTER 84

A SUPPLEMENT to the "New Jersey Gross Income Tax Act" now pending before the Legislature as an Assembly Committee Substitute for Assembly Bill No. 1513.

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

**C. 54A:3-1.1 Additional exemption and deduction.**

1. In addition to the exemptions allowed under N. J. S. 54A:3-1, each taxpayer shall be allowed an additional exemption which may be taken as a deduction from his New Jersey gross income in amount of \$1,000.00 for each dependent under the age of 22 years who is attending an accredited post-secondary institution of higher education on a full time basis and for whom the taxpayer paid one-half or more of the costs of tuition and maintenance of the dependent's attendance at such institution.

2. This act shall take effect immediately.

Approved September 2, 1976.

## CHAPTER 85

AN ACT permitting appointment of a chief warrant officer in certain counties of the first class and giving such officer full police officer status without having to take a civil service examination.

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

**C. 40A:9-117.5 Appointment of chief warrant officer in certain counties.**

1. In counties of the first class with a population in excess of 600,000 but less than 700,000, according to the 1970 Federal Census, the sheriff may appoint a chief warrant officer to serve for a term of 1 year without having to take a civil service examination. The chief warrant officer shall have such full police officer status as is granted to other sheriff's officers, and shall attain tenure upon completion of the second consecutive appointment.

2. This act shall take effect immediately.

Approved September 7, 1976.

## CHAPTER 86

A SUPPLEMENT to the "New Jersey Gross Income Tax Act" now pending before the Legislature as an Assembly Committee Substitute for Assembly Bill No. 1513.

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

**C. 54A:9-28 Expiration of act.**

1. The act to which this act is a supplement shall expire on June 30, 1978. Such expiration shall not affect the obligation, lien or duty to pay any taxes, interests or penalties which shall have accrued or may accrue by virtue of any assessment made or which may be made with respect to taxes levied for any taxable year or part of a taxable year prior to July 1, 1978.

2. This act shall take effect immediately.

Approved September 8, 1976.

## CHAPTER 87

AN ACT concerning loans to certain graduate and professional students and amending N. J. S. 18A:72-10.

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

1. N. J. S. 18A:72-10 is amended to read as follows:

**Authority's powers.**

18A:72-10. The authority shall have the following powers:

(1) (a) To make loans to persons or to assist in the placing of loans to persons, who are residents of this State, and who are attending and are in good standing in, or who plan to attend, any qualified institution of collegiate grade, located in this State or elsewhere, which is approved by any regional accrediting association recognized by the national commission on accrediting, or approved by the Board of Higher Education, any qualified post-secondary nondegree institution of higher education, located in this State or elsewhere, or any other eligible institution, in order

to assist them in meeting their expenses of higher education, and to guarantee such loans upon such terms and conditions as the authority may prescribe, in an amount for any academic year or in total as may be authorized by the New Jersey Higher Education Assistance Authority and approved by the Board of Higher Education; provided, however, that such amounts may not exceed in any given year or in total amount that which is guaranteed by the Federal Government.

For the purposes of this section, a qualified institution of collegiate grade shall be deemed to include a school of professional nursing accredited or approved by the New Jersey Board of Nursing, and a qualified post-secondary nondegree institution of higher education located outside the State shall mean and include any such institution offering courses in one or more of the fields enumerated, and meet the admission standards set forth in N. J. S. 18A:72-2.

(b) When the authority determines that higher annual or cumulative student loan limits than those established in section (1) (a) are warranted in order to carry out the purposes of the statute with regard to students engaged in high cost graduate or professional education, the authority may make or guarantee loans to eligible students in amounts to correspond to those higher limits, provided that such maximum limits are recommended by the authority and proved by the Board of Higher Education.

(2) To adopt rules not inconsistent with law governing the application for and the guarantee of loans made by the authority and governing any other matters related to its activities.

(3) To buy and sell approved notes evidencing loans made under this chapter, and to buy and sell participations in approved notes made pursuant to this chapter.

(4) From time to time to issue its negotiable bonds and bond anticipation notes for the purpose of providing funds (a) to make loans in accordance with the provisions of subsection (1) of this section; (b) to purchase from lenders approved notes or participations in approved notes as provided by law; and (c) for the refunding of outstanding bonds.

(5) To perform any other acts which may be deemed necessary or appropriate to carry out the objects and purposes of this chapter.

2. This act shall take effect immediately.

Approved September 13, 1976.

## CHAPTER 88

AN ACT to amend and supplement the "New Jersey State Wage and Hour Law," approved June 17, 1966 (P. L. 1966, c. 113).

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

1. Section 5 of P. L. 1966, c. 113 (C. 34:11-56a4) is amended to read as follows:

**C. 34:11-56a4 Minimum rate; overtime rate; exceptions.**

5. Every employer shall pay to each of his employees wages at a rate of not less than \$2.40 per hour as of the effective date of this 1977 amendatory and supplementary act, and \$2.50 per hour as of January 1, for 40 hours of working time in any week and one and one-half times such employee's regular hourly wage for each hour of working time in excess of 40 hours in any week, except this overtime rate shall not include any individual employed in a bona fide executive, administrative, or professional capacity or, if an applicable wage order has been issued by the commissioner under section 17 (C. 34:11-56a16) of this act, not less than the wages prescribed in said order. The wage rates fixed in this section shall not be applicable to part-time employees primarily engaged in the care and tending of children in the home of the employer, to persons under the age of 18 not possessing a special vocational school graduate permit issued pursuant to section 15 of P. L. 1940, c. 153 (C. 34:2-21.15) or to persons employed as salesmen of motor vehicles; or to persons employed as outside salesmen as such terms shall be defined and delimited in regulations adopted by the commissioner.

The provisions of this section for the payment to an employee of not less than one and one-half times such employee's regular hourly rate for each hour of working time in excess of 40 hours in any week shall not apply to employees engaged to labor on a farm, or employed in a hotel or to an employee of a common carrier of passengers by motor bus or employees engaged in labor relative to the raising or care of livestock.

Employees engaged on a piece-rate basis to labor on a farm shall be paid for each day worked not less than the minimum hourly wage rate multiplied by the total number of hours worked.

**C. 34:11-56a4.4 Applicability of act.**

2. The provisions of this act shall be applicable to wages covered by wage orders issued pursuant to section 17 of P. L. 1966, c. 113 (C. 34:11-56a16).

3. This act shall take effect 60 days after its enactment.

Approved September 15, 1976.

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**CHAPTER 89**

AN ACT to amend the "New Jersey Medical Assistance and Health Services Act," approved January 15, 1969 (P. L. 1968, c. 413).

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

1. Section 7 of P. L. 1968, c. 413 (C. 30:4D-7) is amended to read as follows:

**C. 30:4D-7 Duties of commissioner.**

7. Duties of commissioner. The commissioner is authorized and empowered to issue, or to cause to be issued through the Division of Medical Assistance and Health Services all necessary rules and regulations and administrative orders, and to do or cause to be done all other acts and things necessary to secure for the State of New Jersey the maximum Federal participation that is available with respect to a program of medical assistance, consistent with fiscal responsibility and within the limits of funds available for any fiscal year, and to the extent authorized by the medical assistance program plan; to adopt fee schedules with regard to medical assistance benefits and otherwise to accomplish the purposes of this act, including specifically the following:

a. Subject to the limits imposed by this act, to submit a plan for medical assistance, as required by Title XIX of the Federal Social Security Act, to the Federal Department of Health, Education and Welfare for approval pursuant to the provisions of such laws; to act for the State in making negotiations relative to the submission and approval of such plan, to make such arrangements, not inconsistent with the law, as may be required by or pursuant to Federal law to obtain and retain such approval and to secure for the State the benefits of the provisions of such law;

b. Subject to the limits imposed by this act, to determine the amount and scope of services to be covered, that the amounts to be paid are reasonable, and the duration of medical assistance to be furnished; provided, however, that the department shall provide medical assistance on behalf of all recipients of categorical assistance and such other related groups as are mandatory under Federal laws and rules and regulations, as they now are or as they may be hereafter amended, in order to obtain Federal matching funds for such purposes and, in addition, provide medical assistance for the foster children specified in section 3. f. (5) of this act. The medical assistance provided for these groups shall not be less in scope, duration, or amount than is currently furnished such groups, and in addition, shall include at least the minimum services required under Federal laws and rules and regulations to obtain Federal matching funds for such purposes.

The commissioner is authorized and empowered, at such times as he may determine feasible, within the limits of appropriated funds for any fiscal year, to extend the scope, duration, and amount of medical assistance on behalf of these groups of categorical assistance recipients, related groups as are mandatory, and foster children authorized pursuant to section 3. f. (5) of this act, so as to include, in whole or in part, the optional medical services authorized under Federal laws and rules and regulations, and the commissioner shall have the authority to establish and maintain the priorities given such optional medical services; provided, however, that medical assistance shall be provided to at least such groups and in such scope, duration, and amount as are required to obtain Federal matching funds;

The commissioner is further authorized and empowered, at such times as he may determine feasible, within the limits of appropriated funds for any fiscal year, to issue, or cause to be issued through the Division of Medical Assistance and Health Services all necessary rules, regulations and administrative orders, and to do or cause to be done all other acts and things necessary to implement and administer demonstration projects pursuant to Title XI, Section 1115 of the Federal Social Security Act, including, but not limited to waiving compliance with specific provisions of this act, to the extent and for the period of time the commissioner deems necessary, as well as contracting with any legal entity, including but not limited to corporations organized pursuant to Title 14A, New Jersey Statutes (N. J. S. 14A:1-1 et seq.) and Title 15, Revised Statutes (R. S. 15:1-1 et seq.) as well as boards, groups, agencies, persons and other public or private entities.

- c. To administer the provisions of this act;
- d. To make reports to the Federal Department of Health, Education and Welfare as from time to time may be required by such Federal department and to the New Jersey Legislature as hereinafter provided;
- e. To assure that any applicant for medical assistance shall be afforded the opportunity for a fair hearing by the department should his claim for medical assistance be denied or not acted upon with reasonable promptness;
- f. To provide that either the recipient or the provider shall be afforded the opportunity for a fair hearing within a reasonable time on any valid complaint;
- g. To provide safeguards to restrict the use or disclosure of information concerning applicants and recipients to purposes directly connected with administration of this act;
- h. To recover any and all payments incorrectly or illegally made to a recipient or provided from such provider, the recipient or his estate and to assess and collect such penalties as are provided for herein;
- i. To recover any and all benefits incorrectly paid to a provider on behalf of a recipient from such recipient or from his estate *and* to assess and collect such penalties as are provided for herein, except that no lien may be imposed against property of the recipient prior to his death except pursuant to the judgement of a court;
- j. To take all reasonable measures to ascertain the legal liability of third parties to pay for care and services (available under the plan) arising out of injury, disease, or disability; where it is known that a third party has a legal liability, to treat such legal liability as a resource of the individual on whose behalf the care and services are made available for purposes of determining eligibility; and in any case where such a legal liability is found to exist after medical assistance has been made available on behalf of the individual, to seek reimbursement for such assistance to the extent of such legal liability. In any case where such a legal liability is found the department shall be subrogated to the rights of the individual for whom medical assistance was made available;
- k. To solicit, receive and review bids pursuant to the provisions of P. L. 1954, c. 48 (C. 52:34-6 et seq.) and all amendments and supplements thereto, by authorized insurance companies and non-profit hospital service corporations or medical service corporations, incorporated in New Jersey, and authorized to do business pursuant to P. L. 1938, c. 366 (C. 17:48-1 et seq.) or P. L. 1940, c. 74

(C. 17:48A-1 et seq.), and to make recommendations in connection therewith to the State Medicaid Commission;

l. To contract, or otherwise provide as in this act provided, for the payment of claims in the manner approved by the State Medicaid Commission;

m. Where necessary, to advance funds to the underwriter or fiscal agent to enable such underwriter or fiscal agent, in accordance with terms of its contract, to make payments to providers;

n. To contract with and to pay for appropriate agencies that investigate and determine whether applicants for benefits under this act are eligible therefor under the standards prescribed by the department;

o. To assure that the nature and quality of the medical assistance provided for under this act shall be uniform and equitable to all recipients.

2. Section 17 of P. L. 1968, c. 413 (C. 30:4D-17) is amended to read as follows:

**C. 30:4D-17 Penalty.**

17. Penalty. (a) It shall be unlawful for any person, firm, corporation, partnership or other entity to willfully, by means of a false statement or representation, or by deliberate concealment of any material fact, or other fraudulent scheme or device on behalf of himself or others, obtain or attempt to obtain medical assistance or other benefits or payments under this act to which he is not entitled, or in a greater amount than to which he is entitled, and, further, it shall be unlawful for any provider to willfully receive medical assistance payments to which he is not entitled, or in a greater amount than to which he is entitled, or to falsify any report or document required under this act.

(b) Any person, firm, corporation, partnership or other legal entity who violates the provisions of subsection (a) of this section shall be guilty of a misdemeanor and shall be liable to a penalty of not more than \$10,000.00 for the first and each subsequent offense, or to imprisonment for not more than 3 years, or both.

(c) Any person, firm, corporation, partnership, or other legal entity who violates the provisions of subsection (a) of this section shall, in addition to any other penalties provided by law, be liable to civil penalties of (1) payment of interest on the amount of the excess benefits or payments at the maximum legal rate in effect on the date the payment was made to said person, firm, corporation, partnership or other legal entity for the period from the date

upon which payment was made to the date upon which repayment is made to the State, (2) payment of an amount not to exceed three-fold the amount of such excess benefits or payments, and (3) payment in the sum of \$2,000.00 for each excessive claim for assistance, benefits or payments.

(d) Any person, firm, corporation, partnership or other legal entity, other than an individual recipient of medical services reimbursable by the Division of Medical Assistance and Health Services, who, without intent to violate this act, obtains medical assistance or other benefits or payments under this act in excess of the amount to which he is entitled, shall be liable to a civil penalty of payment of interest on the amount of the excess benefits or payments at the maximum legal rate in effect on the date the benefit or payment was made to said person, firm, corporation, partnership, or other legal entity for the period from the date upon which payment was made to the date upon which repayment is made to the State, provided, however, that no such person, firm, corporation, partnership or other legal entity shall be liable to such civil penalty when excess medical assistance or other benefits or payments under this act are obtained by such person, firm, corporation, partnership or other legal entity as a result of error made by the Division of Medical Assistance and Health Services, as determined by said division.

(e) All interest and penalties provided for in this act and all medical assistance and other benefits to which a person, firm, corporation, partnership, or other legal entity was not entitled shall be recovered in an administrative procedure held pursuant to the "Administrative Procedure Act," P. L. 1968, c. 410 (C. 52:14B-1, et seq.).

(f) Upon the failure of any person, firm, corporation, partnership or other legal entity to comply within 10 days after service of any order of the Attorney General or his designee directing payment of any amount found to be due pursuant to subsection (e) of this section, the Attorney General may issue a certificate to the Clerk of the Superior Court that such person, firm, corporation, partnership or other legal entity is indebted to the State for the payment of such amount. A copy of such certificate shall be served upon the person, firm, corporation, partnership or other legal entity against whom the order was entered. Thereupon the clerk shall immediately enter upon his record of docketed judgments the name of the person, firm, corporation, partnership or other legal entity so indebted, and of the State, a designation of

the statute under which such amount is found to be due, the amount due, and the date of the certification. Such entry shall have the same force and effect as the entry of a docketed judgment in the Superior Court. Such entry, however, shall be without prejudice to the right of appeal to the Appellate Division of the Superior Court from the final order of the Attorney General or his designee.

3. This act shall take effect immediately and the provisions of subsections (c), (d), (e) and (f) of Section 17 of P. L. 1968, c. 413 shall apply to all pending and subsequent judicial and administrative proceedings.

Approved September 15, 1976.

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## CHAPTER 90

A SUPPLEMENT to "An act concerning counties, and authorizing the board of chosen freeholders of any county to acquire by gift, grant, contribution, devise, bequest or condemnation, lands and interests therein within the county, and to hold, develop, control, maintain and regulate the same for public park, public recreation, public welfare and hospital purposes," approved April 13, 1940 (P. L. 1940, c. 33, C. 40:32-2.1 et seq.), as said title was amended by P. L. 1963, c. 48.

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

**C. 40:32-2.6 Park police system; establishment; members; exception; rules and regulations; training.**

1. Any county maintaining any public park or public recreation area as authorized by the act hereby supplemented, except for counties with county park commissions, may appoint and establish a constabulary to preserve order in the parks, parkways and recreation areas under its control, and to secure the enforcement of the rules and regulations adopted by it and may organize the constabulary into a police system to be known as the "park police of the county of ....."

The police system shall consist of a chief and such subordinate officers as may be deemed necessary and proper for the enforce-

ment of the rules and regulations of the county within the parks, parkways and recreation areas and the proper protection of public property therein.

The county may establish proper rules and regulations for the appointment, control and management of the members of the constabulary, and from the securing of proper discipline and efficiency among the members thereof. The county shall require as a condition for permanent appointment as a member of the constabulary, the successful completion of a police training course at a school approved and authorized by Police Training Commission pursuant to P. L. 1966, c. 56 (C. 52:17B-66 et seq.).

**C. 40:32-2.7 Powers of park police.**

2. The members and officers of the park police may arrest on view and without warrant, and conduct before the municipal court of the municipality in which the arrest is made, or the municipal court of a neighboring municipality, any persons found violating the rules and regulations adopted by the board of chosen freeholders for the protection, preservation, regulation and control of the parks, parkways and recreation areas, and all property and other things therein.

3. This act shall take effect immediately.

Approved September 16, 1976.

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CHAPTER 91

A SUPPLEMENT to "An act making appropriations for the support of the State Government and the several public purposes for the fiscal year ending June 30, 1977 and regulating the disbursement thereof," approved July 1, 1976 (P. L. 1976, c. 42).

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

1. The following sums are hereby appropriated out of the General State Fund:

DEPARTMENT OF COMMUNITY AFFAIRS  
DEVELOPMENT OF COMMUNITY PROGRAMS

42100. Community Development Management		
State Aid .....		\$165,000 00
Extraordinary:		
For municipal services and in lieu of taxes		
New Brunswick .....	(\$165,000 00)	_____
Total Appropriation .....		\$165,000 00

2. This act shall take effect immediately.

Approved September 17, 1976.

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CHAPTER 92

AN ACT to authorize the creation of a debt of the State of New Jersey by the issuance of bonds of the State in the aggregate principal amount of \$120,000,000.00 for the purposes of researching, planning, acquiring, developing, constructing, and maintaining water supply and waste water treatment facilities; providing the ways and means to pay the interest of such debt and also to pay and discharge the principal thereof; and providing for the submission of this act to the people at a general election; and providing an appropriation therefor.

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

1. This act shall be known and may be cited as the "Clean Waters Bond Act of 1976":

2. The Legislature finds and determines that—

a. The conservation and development of our water resources to provide adequate supplies of wholesome water are essential to the health, welfare, commerce and prosperity of the people of the State.

b. The State's growing population and expanding industrial development and the inadequacy of sewerage systems and facilities contributes to a major extent to the pollution of the waters of this State.

c. The future construction of sewerage systems must be consistent with solving existing water quality problems and proper land-use planning procedures, and priority should be given to investment in developed areas with existing problems.

d. The adverse effects of inadequate sanitary public sewerage facilities upon every citizen of New Jersey require a comprehensive approach in order to achieve a healthful environment for all.

3. As used in this act unless the context indicates another different meaning or intent:

a. "Bonds" means the bonds authorized to be issued, or issued, under this act;

b. "Commissioner" means the Commissioner of Environmental Protection;

c. "Construct" and "construction" mean, in addition to the usual meaning thereof, acts of construction, reconstruction, replacement, extension, improvement and betterment;

d. "Cost" shall mean, in addition to the usual connotations thereof, the cost of acquisition or construction of all or any part of a project and of all or any real or personal property, agreements and franchises deemed by the department to be necessary or useful and convenient therefor or in connection therewith, including interest or discount on bonds, cost of issuance of bonds, cost of geological and hydrological services, engineering and inspection costs and legal expenses, cost of financial, professional and other estimates and advice, organization, administrative, operating and other expenses prior to and during such acquisition or construction, and all such other expenses as may be necessary or incident to the financing, acquisition, construction and completion of such project or part thereof and the placing of the same in operation, and also such provision for reserves for working capital, operating, maintenance or replacement expenses and for payment or security of principal of or interest on bonds during or after such acquisition or construction as the State Comptroller may determine, and also reimbursements to the State General Fund, or to any other fund from which moneys may have been transferred to the State General Fund, of any moneys theretofore expended for or in connection with such project;

e. "Department" means the Department of Environmental Protection;

f. "Net revenues" means any or all revenues received by the department from the operation of a project or any part thereof, in

excess of the operating expenses thereof and provision for such reasonable reserves therefor as the State Comptroller may require or approve;

g. "Operating expenses" means, in addition to the usual meanings thereof, all costs and expenses of operating, maintaining, managing, repairing and reconstructing a project and each and every part thereof including, without limiting the generality of the foregoing, administrative expenses, premiums on insurance, including use and occupancy insurance and casualty insurance, costs of collection of any revenues, legal and engineering expenses, financing expenses, payments to employee retirement, insurance, health and hospitalization funds, expenses, liabilities and compensation of fiduciaries, and any other expenses required to be paid for or with respect to proper operation or maintenance of such project;

h. "Project" means any work relating to water supply or waste water treatment;

i. "Real property" means lands, within or without the State, and improvements thereof or thereon, any and all rights-of-way, water, riparian and other rights, any and all easements, and privileges in real property, and any right or interest of any kind or description in, relating to or connected with real property;

j. "Water supply facilities" means and refers to the real property and the plants, structures, machinery and equipment and other property, real, personal and mixed, acquired, constructed or operated, or to be acquired, constructed or operated in whole or in part by or on behalf of the State, or a political subdivision or subdivisions of the State or any agency of the State or of a political subdivision or subdivisions thereof, for the purpose of augmenting the natural water resources of the State and making available an increased supply of water for all uses, and any and all appurtenances necessary, useful or convenient for the collecting, impounding, storing, improving, treating, filtering or transmitting of water, and for the preserving and protecting of these resources and facilities and providing for the conservation and development of future water supply resources, and facilitating incidental recreational uses thereof;

k. "Waste water treatment facilities" means the plants, structures and personal property acquired, constructed or operated or to be acquired, constructed or operated in whole or in part by or on behalf of the State or a political subdivision or subdivisions of the State or any agency of the State or of a political subdivision or subdivisions thereof, including pumping and ventilating stations,

sewage treatment systems, plants and works, connections, outfalls, interceptors, trunk lines, and other personal property, and appurtenances necessary or useful and convenient for the treatment, purification or disposal in a sanitary manner of any sewage, liquid or solid wastes, night soil, or industrial wastes to preserve and protect natural water resources and facilities;

1. "Commission" means the New Jersey Commission on Capital Budgeting and Planning.

4. Bonds of the State of New Jersey are hereby authorized to be issued in the aggregate principal amount of \$120,000,000.00 for the purposes of researching, planning, acquiring, developing, constructing and maintaining water supply, waste water treatment and water quality plans, facilities and programs.

5. The commissioner shall issue and promulgate such rules and regulations as are necessary and appropriate to carry out the provisions of this act. The commissioner shall review and consider the findings and recommendations of the commission in the administration of the provisions of this act.

6. Said bonds shall be serial bonds and known as "Clean Waters Bonds" and as to each series, the last annual installment thereof (subject to redemption prior to maturity) shall mature and be paid not later than 35 years from the date of its issuance but may be issued in whole or in part for a shorter term.

Said bonds shall be issued from time to time as the issuing officials herein named shall determine.

7. The Governor, State Treasurer and Comptroller of the Treasury or any two of such officials (hereinafter referred to as "the issuing officials") are hereby authorized to carry out the provisions of this act relating to the issuance of said bonds, and shall determine all matters in connection therewith subject to provisions hereof. In case any of said officials shall be absent from the State or incapable of acting for any reason, his powers and duties shall be exercised and performed by such person as shall be authorized by law to act in his place as a State official.

8. Bonds issued in accordance with the provisions of this act shall be a direct obligation of the State of New Jersey and the faith and credit of the State are pledged for the payment of the interest thereon as same shall become due and the payment of the principal at maturity. The principal and interest of such bonds shall be exempt from taxation by the State or by any county, municipality or other taxing district of the State.

9. Said bonds shall be signed in the name of the State by the Governor or by his facsimile signature, under the Great Seal of the State, and attested by the Secretary of State, or an assistant Secretary of State, and shall be countersigned by the facsimile-signature of the Comptroller of the Treasury. Interest coupons attached to said bonds shall be signed by the facsimile signature of the Comptroller of the Treasury. Such bonds may be issued notwithstanding that any of the officials signing them or whose facsimile signatures appear on the bonds or coupons shall cease to hold office at the time of such issue or at the time of the delivery of such bonds to the purchaser.

10. a. Such bonds shall recite that they are issued for the purposes set forth in section 4 of this act and that they are issued in pursuance of this act and that this act was submitted to the people of the State at the general election held in the month of November, 1976, and that it received the approval of the majority of votes cast for and against it at such election. Such recital in said bonds shall be conclusive evidence of the authority of the State to issue said bonds and of their validity. Any bonds containing such recital shall in any suit, action or proceeding involving their validity be conclusively deemed to be fully authorized by this act and to have been issued, sold, executed and delivered in conformity herewith and with all other provisions of statutes applicable thereto, and shall be incontestable for any cause.

b. Such bonds shall be issued in such denominations and in such form or forms, whether coupon or registered as to both principal and interest, and with or without such provisions for interchangeability thereof, as may be determined by the issuing officials.

11. When the bonds are issued from time to time the bonds of each issue shall constitute a separate series to be designated by the issuing officials. Each series of bonds shall bear such rate or rates of interest as may be determined by the issuing officials, which interest shall be payable semiannually; provided, that the first and last interest periods may be longer or shorter, in order that intervening semiannual payments may be at convenient dates.

12. Said bonds shall be issued and sold at such price not less than the par value thereof and accrued interest thereon, and under such terms, conditions and regulations, as the issuing officials may prescribe, after notice of said sale, published at least once in at least three newspapers published in the State of New Jersey, and at least once in a publication carrying municipal bond notices and devoted primarily to financial news, published in the city of New

York or in New Jersey, the first notice to be at least 5 days prior to the day of bidding. The said notice of sale may contain a provision to the effect that any or all bids in pursuance thereof may be rejected. In the event of such rejection or of failure to receive any acceptable bid, the issuing officials, at any time within 60 days from the date of such advertised sale, may sell such bonds at private sale at such price not less than the par value thereof and accrued interest thereon and under such terms and conditions as the issuing officials may prescribe. The issuing officials may sell all or part of the bonds of any series as issued to any State fund or to the Federal Government or any agency thereof, at private sale, without advertisement.

13. Until permanent bonds can be prepared, the issuing officials may, in their discretion, issue in lieu of such permanent bonds temporary bonds in such form and with such privileges as to registration and exchange for permanent bonds as may be determined by the issuing officials.

14. The proceeds from the sale of the bonds shall be paid to the State Treasurer and be held by him in a separate fund, and be deposited in such depositories as may be selected by him to the credit of the fund, which fund shall be known as the "Clean Waters Fund."

15. a. The moneys in said "Clean Waters Fund" are hereby specifically dedicated and shall be applied to the cost of the purposes set forth in section 4 of this act, and all such moneys are hereby appropriated for such purposes, and no such moneys shall be expended for such purpose (except as otherwise hereinbelow authorized) without the specific appropriation thereof by the Legislature, but bonds may be issued as herein provided notwithstanding that the Legislature shall not have then adopted an act making specific appropriation of any of said moneys.

b. At any time prior to the issuance and sale of bonds under this act, the State Treasurer is hereby authorized to transfer from any available money in the treasury of the State to the credit of the "Clean Waters Fund" such sum as he may deem necessary. Said sum so transferred shall be returned to the treasury of this State by the treasurer thereof from the proceeds of the sale of the first issue of bonds.

c. Pending their application to the purpose provided in this act, moneys in the "Clean Waters Fund" may be invested and reinvested as other trust funds in the custody of the State Treasurer in the manner provided by law. Net earnings received from

the investment or deposit of such fund shall be paid into the General State Fund.

16. In case any coupon bonds or coupons thereunto appertaining or any registered bond shall become lost, mutilated or destroyed, a new bond shall be executed and delivered of like tenor, in substitution for the lost, mutilated or destroyed bonds or coupons, upon the owner furnishing to the issuing officials evidence satisfactory to them of such loss, mutilation or destruction, proof of ownership and such security and indemnity and reimbursement for expenses as the issuing officials may require.

17. Accrued interest received upon the sale of said bonds shall be applied to the discharge of a like amount of interest upon said bonds when due. Any expense incurred by the issuing officials for advertising, engraving, printing, clerical, legal or other services necessary to carry out the duties imposed upon them by the provisions of this act shall be paid from the proceeds of the sale of said bonds, by the State Treasurer upon warrant of the Comptroller of the Treasury, in the same manner as other obligations of the State are paid.

18. Bonds of each series issued hereunder shall mature in annual installments commencing not later than the tenth year and ending not later than the thirty-fifth year from the date of issue of such series, and in such amounts as shall be determined by the issuing officials, and the issuing officials may reserve to the State by appropriate provision in the bonds of any series the power to redeem all or any of such bonds prior to maturity at such price or prices and upon such terms and conditions as may be provided in such bonds.

19. The issuing officials may at any time and from time to time issue refunding bonds for the purpose of refunding in whole or in part an equal principal amount of the bonds of any series issued and outstanding hereunder, which by their terms are subject to redemption prior to maturity, provided such refunding bonds shall mature at any time or times not later than the latest maturity date of such series, and the aggregate amount of interest to be paid on the refunding bonds, plus the premium, if any, to be paid on the bonds refunded, shall not exceed the aggregate amount of interest which would be paid on the bonds refunded if such bonds were not so refunded. Refunding bonds shall constitute direct obligations of the State of New Jersey, and the faith and credit of the State are pledged for the payment of the principal thereof and the interest thereon. The proceeds received from the sale of refunding bonds shall be held in trust and applied to the payment of the bonds re-

funded thereby. Refunding bonds shall be entitled to all the benefits of this act and subject to all its limitations except as to the maturities thereof and to the extent herein otherwise expressly provided.

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

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

b. If in any year or at any time funds, as hereinabove appropriated, necessary to meet interest and principal payments upon outstanding bonds issued under this act, be insufficient or not available then and in that case there shall be assessed, levied and collected annually in each of the municipalities of the counties of this State a tax on real and personal property upon which municipal taxes are or shall be assessed, levied and collected, sufficient to meet the interest on all outstanding bonds issued hereunder and on such bonds as it is proposed to issue under this act in the calendar year in which such tax is to be raised and for the payment of bonds falling due in the year following the year for which the tax is levied. The tax thus imposed shall be assessed, levied and collected in the same manner and at the same time as other taxes upon real and personal property are assessed, levied and collected. The governing body of each municipality shall cause to be paid to the county treasurer of the county in which such municipality is located, on or before December 15 in each year, the amount of tax herein directed to be assessed and levied, and the county treasurer shall pay the amount of said tax to the State Treasurer on or before December 20 in each year.

If on or before December 31 in any year the issuing officials shall determine that there are moneys in the General State Fund beyond the needs of the State, sufficient to meet the principal of bonds falling due and all interest payable in the ensuing calendar year, then and in the event such issuing officials shall by resolution so find and shall file the same in the office of the State Treasurer, whereupon the State Treasurer shall transfer such moneys to a separate fund to be designated by him, and shall pay the principal and interest out of said fund as the same shall become due and payable, and the other sources of payment of said principal and interest provided for in this section shall not then be available, and the receipts for said year from the tax specified in subsection a.

of this section shall thereon be considered and treated as part of the General State Fund, available for general purposes.

21. Should the State Treasurer, by December 31 of any year, deem it necessary, because of insufficiency of funds to be collected from the sources of revenues as hereinabove provided, to meet the interest and principal payments for the year after the ensuing year, then the treasurer shall certify to the Comptroller of the Treasury the amount necessary to be raised by taxation for such purposes, the same to be assessed, levied and collected for and in the ensuing calendar year. In such case the Comptroller of the Treasury shall, on or before March 1 following, calculate the amount in dollars to be assessed, levied and collected as herein set forth in each county. Such calculation shall be based upon the corrected assessed valuation of such county for the year preceding the year in which such tax is to be assessed, but such tax shall be assessed, levied and collected upon the assessed valuation of the year in which the tax is assessed and levied. The Comptroller of the Treasury shall certify said amount to the county board of taxation and the county treasurer of each county. The said county board of taxation shall include the proper amount in the current tax levy of the several taxing districts of the county in proportion to the ratables as ascertained for the current year.

22. For the purpose of complying with the provisions of the State Constitution this act shall, at the general election to be held in the month of November, 1976 be submitted to the people. In order to inform the people of the contents of this act it shall be the duty of the Secretary of State, after this section shall take effect, and at least 15 days prior to the said election, to cause this act to be published in at least 10 newspapers published in the State and to notify the clerk of each county of this State of the passage of this act, and the said clerks respectively, in accordance with the instructions of the Secretary of State, shall cause to be printed on each of the said ballots, the following:

If you approve the act entitled below, make a cross (×), plus (+), or check (√) mark in the square opposite the word "Yes."

If you disapprove the act entitled below, make a cross (×), plus (+), or check (√) mark in the square opposite the word "No."

If voting machines are used, a vote of "Yes" or "No" shall be equivalent to such markings respectively.

	Yes.	<p style="text-align: center;">CLEAN WATERS BOND ISSUE</p> <p>Should the "New Jersey Clean Waters Bond Act of 1976" which authorizes the State to issue bonds in the amount of \$120,000,000.00 for the purposes of researching, planning, acquiring, developing, constructing, and maintaining water supply, water pollution and sewerage treatment facilities, providing the ways and means to pay the interest of such debt and also to pay and discharge the principal thereof, be approved?</p>
	No.	<p style="text-align: center;">INTERPRETIVE STATEMENT</p> <p>Approval of this act would authorize the sale of \$120,000,000.00 in bonds to be used for the development, construction, and maintenance of water supply, water pollution and sewerage treatment facilities.</p>

The fact and date of the approval or passage of this act, as the case may be, may be inserted in the appropriate place after the title in said ballot. No other requirements of law of any kind or character as to notice or procedure except as herein provided need be adhered to.

The said votes so cast for and against the approval of this act, by ballot or voting machine, shall be counted and the result thereof returned by the election officer, and a canvass of such election had in the same manner as is provided for by law in the case of the election of a Governor, and the approval or disapproval of this act so determined shall be declared in the same manner as the result of an election for a Governor, and if there shall be a majority of all the votes cast for and against it at such election in favor of the approval of this act, then all the provisions of this act not made effective theretofore shall take effect forthwith.

23. There is hereby appropriated the sum of \$5,000.00 to the Department of State for expenses in connection with the publication of notice pursuant to section 22.

24. The commissioner shall submit to the State Treasurer and the commission with the department's annual budget request a plan for

the expenditure of funds from the "Clean Waters Fund" for the upcoming fiscal year. This plan shall include the following information: a performance evaluation of the expenditures made from the fund to date; a description of programs planned during the upcoming fiscal year; a copy of the regulations in force governing the operation of programs that are financed, in part or in whole, by funds from the "Clean Waters Fund"; and an estimate of expenditures for the upcoming fiscal year.

25. Immediately following the submission to the Legislature of the Governor's Annual Budget Message the commissioner shall submit to the Assembly Agriculture and Environment Committee, the Senate Energy and Environment Committee and the special joint legislative committee created pursuant to Assembly Concurrent Resolution No. 66 of the 1968 Legislature, as reconstituted and continued by the Legislature from time to time, a copy of the plan called for under section 24 of this act, together with such changes therein as may have been required by the Governor's budget message.

26. Not less than 30 days prior to the commissioner entering into any contract, lease, obligation, or agreement to effectuate the purposes of this act the commissioner shall report to and consult with the special joint legislative committee created pursuant to Assembly Concurrent Resolution No. 66 of the 1968 Legislature as reconstituted and continued from time to time by the Legislature.

27. This section and sections 22 and 23 of this act shall take effect immediately and the remainder of the act shall take effect as and when provided in section 22.

Approved September 21, 1976.

## CHAPTER 93

AN ACT authorizing the creation of a debt of the State of New Jersey by issuance of bonds of the State in the sum of \$80,000,000.00 for institutions, their construction, reconstruction, development, extension, improvement, rehabilitation, and equipment; providing the ways and means to pay the interest of said debt, and also to pay and discharge the principal thereof; and providing for the submission of this act to the people at a general election; and providing an appropriation therefor.

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

1. This act shall be cited as the "New Jersey Institutions Construction Bond Act of 1976."

2. The Legislature hereby finds that:

a. It is the public policy of the State of New Jersey to provide safe and humane facilities for persons who require institutionalization.

b. The State of New Jersey requires an immediate and integrated program for the improvement, rehabilitation, and construction of institutions for the mentally ill, the mentally retarded and the incarcerated.

c. Implementation of such a program will be a substantial step toward meeting the immediate and critical needs of the people of the State and will substantially further the public interest and can be most economically financed through a bond issue.

3. Except as the context may otherwise require:

a. "Institutions" shall mean (1) buildings, structures and facilities under the supervision and control of the department for mental, charitable, hospital, training and correctional purposes; and (2) buildings, structures, and facilities necessary for the operation of county, municipal, or private nonprofit programs for the mentally retarded, the mentally ill, the developmentally disabled, the aged, and for persons in correctional institutions.

b. "Construction of institutions" means the planning, erection, acquisition, improvement, rehabilitation, reconstruction, development and extension of institutions, including all equipment and

facilities necessary to the operation thereof and includes the acquisition of land necessary for said purposes.

c. "Commission" means the New Jersey Commission on Capital Budgeting and Planning.

d. "Commissioner" means the Commissioner of the Department of Institutions and Agencies or any other commissioner who succeeds to the duties, functions, powers and responsibilities of the Commissioner of Institutions and Agencies with respect to institutions as herein defined.

e. "Department" means the Department of Institutions and Agencies, or any other department of the Executive Branch which succeeds to the duties, functions, powers and responsibilities of the Department of Institutions and Agencies with respect to institutions as herein defined.

4. The commissioner shall issue and promulgate such rules and regulations as are necessary and appropriate to carry out the provisions of this act. The commissioner shall review and consider the findings and recommendations of the commission in the administration of the provisions of this act.

5. Bonds of the State of New Jersey in the sum of \$80,000,000.00 are hereby authorized for the construction of institutions as defined herein.

6. Said bonds shall be serial bonds and known as "Institutions Construction Bonds" and, as to each series, the last annual installment thereof (subject to redemption prior to maturity) shall mature and be paid not later than 35 years from the date of its issuance, but may be issued in whole or in part for a shorter term.

7. The Governor, State Treasurer and Comptroller of the Treasury or any two of such officials (hereinafter referred to as "the issuing officials") are hereby authorized to carry out the provisions of this act relating to the issuance of said bonds, and shall determine all matters in connection therewith subject to provisions hereof. In case any of said officials shall be absent from the State or incapable of acting for any reason, his powers and duties shall be exercised and performed by such person as shall be authorized by law to act in his place as a State official.

8. Said bonds shall be issued from time to time as the issuing officials herein named shall determine.

9. Bonds issued in accordance with the provisions of this act shall be a direct obligation of the State of New Jersey and the faith and credit of the State are pledged for the payment of the interest

thereon as same shall become due and the payment of the principal at maturity. The principal and interest of such bonds shall be exempt from taxation by the State or by any county, municipality or other taxing district of the State.

10. Said bonds shall be signed in the name of the State by the Governor or by his facsimile signature, under the Great Seal of the State, and attested by the Secretary of State, or an assistant Secretary of State, and shall be countersigned by the facsimile signature of the Comptroller of the Treasury. Interest coupons attached to said bonds shall be signed by the facsimile signature of the Comptroller of the Treasury. Such bonds may be issued notwithstanding that any of the officials signing them or whose facsimile signatures appear on the bonds or coupons shall cease to hold office at the time of such issue or at the time of the delivery of such bonds to the purchaser.

11. a. Such bonds shall recite that they are issued for the purposes set forth in section 5 of this act and that they are issued in pursuance of this act and that the act was submitted to the people of the State at the general election held in the month of November, 1976, and that it received the approval of the majority of votes cast for and against it at such election. Such recital in said bonds shall be conclusive evidence of the authority of the State to issue said bonds and of their validity. Any bonds containing such recital shall in any suit, action or proceeding involving their validity be conclusively deemed to be fully authorized by this act and to have been issued, sold, executed and delivered in conformity herewith and with all other provisions of statutes applicable thereto, and shall be incontestable for any cause.

b. Such bonds shall be issued in such denominations and in such form or forms, whether coupon or registered as to both principal and interest, and with or without such provisions for interchangeability thereof, as may be determined by the issuing officials.

12. When the bonds are issued from time to time the bonds of each issue shall constitute a separate series to be designated by the issuing officials. Each series of bonds shall bear such rate or rates of interest as may be determined by the issuing officials, which interest shall be payable semiannually; provided, that the first and last interest periods may be longer or shorter, in order that intervening semiannual payments may be at convenient dates.

13. Said bonds shall be issued and sold at such price not less than the par value thereof and accrued interest thereon, and under such terms, conditions and regulations, as the issuing officials may pre-

scribe, after notice of said sale, published at least once in at least three newspapers published in the State of New Jersey, and at least once in a publication carrying municipal bond notices and devoted primarily to financial news, published in the city of New York or in New Jersey, the first notice to be at least 5 days prior to the day of bidding. The said notice of sale may contain a provision to the effect that any or all bids in pursuance thereof may be rejected. In the event of such rejection or of failure to receive any acceptable bid, the issuing officials, at any time within 60 days from the date of such advertised sale, may sell such bonds at private sale at such price not less than the par value thereof and accrued interest thereon and under such terms and conditions as the issuing officials may prescribe. The issuing officials may sell all or part of the bonds of any series as issued to any State fund or to the Federal Government or any agency thereof, at private sale, without advertisement.

14. Until permanent bonds can be prepared, the issuing officials may, in their discretion, issue in lieu of such permanent bonds temporary bonds in such form and with such privileges as to registration and exchange for permanent bonds as may be determined by the issuing officials.

15. The proceeds from the sale of the bonds shall be paid to the State Treasurer and be held by him in a separate fund, and be deposited in such depositories as may be selected by him to the credit of the fund, which fund shall be known as the "Institutions Construction Fund."

16. a. The moneys in said "Institutions Construction Fund" are hereby specifically dedicated and shall be applied to the cost of the purposes set forth in section 5 of this act, and all such moneys are hereby appropriated for such purposes, and no such moneys shall be expended for such purpose (except as otherwise hereinbelow authorized) without the specific appropriation thereof by the Legislature, but bonds may be issued as herein provided notwithstanding that the Legislature shall not have then adopted an act making specific appropriation of any of said moneys.

b. At any time prior to the issuance and sale of bonds under this act, the State Treasurer is hereby authorized to transfer from any available money in the treasury of the State to the credit of the "Institutions Construction Fund" such sum as he may deem necessary. Said sum so transferred shall be returned to the treasury of this State by the treasurer thereof from the proceeds of the sale of the first issue of bonds.

c. Pending their application to the purpose provided in this act, moneys in the "Institutions Construction Fund" may be invested and reinvested as other trust funds in the custody of the State Treasurer in the manner provided by law. Net earnings received from the investment or deposit of such fund shall be paid into the General Fund.

17. In case any coupon bonds or coupons thereunto appertaining or any registered bond shall become lost, mutilated or destroyed, a new bond shall be executed and delivered of like tenor, in substitution for the lost, mutilated or destroyed bonds or coupons, upon the owner furnishing to the issuing officials evidence satisfactory to them of such loss, mutilation or destruction, proof of ownership and such security and indemnity and reimbursement for expenses as the issuing officials may require.

18. Accrued interest received upon the sale of said bonds shall be applied to the discharge of a like amount of interest upon said bonds when due. Any expense incurred by the issuing officials for advertising, engraving, printing, clerical, legal or other services necessary to carry out the duties imposed upon them by the provisions of this act shall be paid from the proceeds of the sale of said bonds, by the State Treasurer upon warrant of the Comptroller of the Treasury, in the same manner as other obligations of the State are paid.

19. Bonds of each series issued hereunder shall mature in annual installments commencing not later than the tenth year and ending not later than the thirty-fifth year from the date of issue of such series, and in such amounts as shall be determined by the issuing officials, and the issuing officials may reserve to the State by appropriate provision in the bonds of any series the power to redeem all or any of such bonds prior to maturity at such price or prices and upon such terms and conditions as may be provided in such bonds.

20. The issuing officials may at any time and from time to time issue refunding bonds for the purpose of refunding in whole or in part an equal principal amount of the bonds of any series issued and outstanding hereunder, which by their terms are subject to redemption prior to maturity, provided such refunding bonds shall mature at any time or times not later than the latest maturity date of such series, and the aggregate amount of interest to be paid on the refunding bonds, plus the premium, if any, to be paid on the bonds refunded, shall not exceed the aggregate amount of interest which would be paid on the bonds refunded if such bonds were not so refunded. Refunding bonds shall constitute direct obligations of

the State of New Jersey, and the faith and credit of the State are pledged for the payment of the principal thereof and the interest thereon. The proceeds received from the sale of refunding bonds shall be held in trust and applied to the payment of the bonds refunded thereby. Refunding bonds shall be entitled to all the benefits of this act and subject to all its limitations except as to the maturities thereof and to the extent herein otherwise expressly provided.

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

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

b. If in any year or at any time funds, as hereinabove appropriated, necessary to meet interest and principal payments upon outstanding bonds issued under this act, be insufficient or not available, then and in that case there shall be assessed, levied and collected annually in each of the municipalities of the counties of this State a tax on real and personal property upon which municipal taxes are or shall be assessed, levied and collected, sufficient to meet the interest on all outstanding bonds issued hereunder and on such bonds as it is proposed to issue under this act in the calendar year in which such tax is to be raised and for the payment of bonds falling due in the year following the year for which the tax is levied. The tax thus imposed shall be assessed, levied and collected in the same manner and at the same time as other taxes upon real and personal property are assessed, levied and collected. The governing body of each municipality shall cause to be paid to the county treasurer of the county in which such municipality is located, on or before December 15 in each year, the amount of tax herein directed to be assessed and levied, and the county treasurer shall pay the amount of said tax to the State Treasurer on or before December 20 in each year.

If on or before December 31 in any year the issuing officials shall determine that there are moneys in the General State Fund beyond the needs of the State, sufficient to meet the principal of bonds falling due and all interest payable in the ensuing calendar year, then and in the event such issuing officials shall by resolution so find and shall file the same in the office of the State Treasurer, whereupon the State Treasurer shall transfer such moneys to a separate fund to be designated by him, and shall pay the principal

and interest out of said fund as the same shall become due and payable, and the other sources of payment of said principal and interest provided for in this section shall not then be available, and the receipts for said year from the tax specified in subsection b. of this section shall thereon be considered and treated as part of the General State Fund, available for general purposes.

22. Should the State Treasurer, by December 31 of any year, deem it necessary, because of insufficiency of funds to be collected from the sources of revenues as hereinabove provided, to meet the interest and principal payments for the year after the ensuing year, then the treasurer shall certify to the Comptroller of the Treasury the amount necessary to be raised by taxation for such purposes, the same to be assessed, levied and collected for and in the ensuing calendar year. In such case the Comptroller of the Treasury shall, on or before March 1 following, calculate the amount in dollars to be assessed, levied and collected as herein set forth in each county. Such calculation shall be based upon the corrected assessed valuation of such county for the year preceding the year in which such tax is to be assessed, but such tax shall be assessed, levied and collected upon the assessed valuation of the year in which the tax is assessed and levied. The Comptroller of the Treasury shall certify said amount to the county board of taxation and the county treasurer of each county. The said county board of taxation shall include the proper amount in the current tax levy of the several taxing districts of the county in proportion to the ratables as ascertained for the current year.

23. For the purpose of complying with the provisions of the State Constitution this act shall, at the general election to be held in the month of November, 1976 be submitted to the people. In order to inform the people of the contents of this act it shall be the duty of the Secretary of State, after this section shall take effect, and at least 15 days prior to the said election, to cause this act to be published in at least 10 newspapers published in the State and to notify the clerk of each county of this State of the passage of this act, and the said clerks respectively, in accordance with the instructions of the Secretary of State, shall cause to be printed on each of the said ballots, the following:

If you approve the act entitled below, make a cross (×), plus (+), or check (√) mark in the square opposite the word "Yes."

If you disapprove the act entitled below, make a cross (×), plus (+), or check (√) mark in the square opposite the word "No."

If voting machines are used, a vote of "Yes" or "No" shall be equivalent to such markings respectively.

	Yes.	<p>INSTITUTIONS CONSTRUCTION BOND ISSUE</p> <p>Should the "New Jersey Institutions Construction Bond Act of 1976" which authorizes the State to issue bonds in the amount of \$80,000,000.00 for the renovation and improvement of State schools for the mentally retarded and hospitals for the mentally ill; the construction of new correctional facilities to accommodate the increase in the inmate population occurring as a result of more strict sentencing and speedier trials; to provide for the expansion of community mental health facilities; and to provide the means to pay the principal and interest on these bonds, be approved?</p>
	No.	<p>INTERPRETIVE STATEMENT</p> <p>Approval of this act would authorize the sale of \$80,000,000.00 in bonds to be used for the renovation and improvement of schools for the mentally retarded and hospitals for the mentally ill; construction of new correctional facilities to accommodate the increase in the inmate population occurring as a result of more strict sentencing and speedier trials; and the expansion of community health facilities.</p>

The fact and date of the approval or passage of this act, as the case may be, may be inserted in the appropriate place after the title in said ballot. No other requirements of law of any kind or character as to notice or procedure except as herein provided need be adhered to.

The said votes so cast for and against the approval of this act, by ballot or voting machine, shall be counted and the result thereof returned by the election officer, and a canvass of such election had in the same manner as is provided for by law in the case of the

election of a Governor, and the approval or disapproval of this act so determined shall be declared in the same manner as the result of an election for a Governor, and if there shall be a majority of all the votes cast for and against it at such election in favor of the approval of this act, then all the provisions of this act not made effective theretofore shall take effect forthwith.

24. The commissioner shall submit to the State Treasurer and the commission with the department's annual budget request a plan for the expenditure of funds from the "Institutions Construction Fund" for the upcoming fiscal year. This plan shall include the following information: a performance evaluation of the expenditures made from the fund to date; a description of programs planned during the upcoming fiscal year; a copy of the regulations in force governing the operation of programs that are financed, in part or in whole, by funds from the "Institutions Construction Fund"; and an estimate of expenditures for the upcoming fiscal year.

25. Immediately following the submission to the Legislature of the Governor's Annual Budget Message the commissioner shall submit to the Institutions, Health and Welfare Committees of the Senate and General Assembly and the special joint legislative committee created pursuant to Assembly Concurrent Resolution No. 66 of the 1968 Legislature, as reconstituted and continued by the Legislature from time to time, a copy of the plan called for under section 24 of this act, together with such changes therein as may have been required by the Governor's budget message.

26. Not less than 30 days prior to the commissioner entering into any contract, lease, obligation, or agreement to effectuate the purposes of this act the commissioner shall report to and consult with the special joint legislative committee created pursuant to Assembly Concurrent Resolution No. 66 of the 1968 Legislature as reconstituted and continued from time to time by the Legislature.

27. There is hereby appropriated the sum of \$5,000.00 to the Secretary of State for expenses in connection with the publication of notice pursuant to section 23 of this act.

28. This section, and sections 23 and 27 of this act, shall take effect immediately and the remainder of the act shall take effect as and when provided in section 23 of this act.

Approved September 21, 1976.

## CHAPTER 94

AN ACT authorizing the creation of debt of the State of New Jersey by the issuance of bonds of the State in the sum of \$25 million to provide money for mortgage assistance and to spur construction, rehabilitation, and maintenance of housing; to enable such housing to be occupied by senior citizens and families of low and moderate income; to provide the ways and means to pay the interest of said debt and also to pay and discharge the principal thereof; and to provide for the submission of this act to the people at a general election and making an appropriation therefor.

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

1. This act may be cited as the "New Jersey Mortgage Assistance Bond Act of 1976."

2. The Legislature hereby finds that:

a. Despite the existence of numerous Federal programs designed to provide housing for senior citizens and families of low and moderate income, construction and rehabilitation of such housing units has not proceeded at a pace sufficient to provide for the housing needs of the State.

b. The need for such new and rehabilitated housing is great and continues to increase, with growing numbers of New Jersey citizens unable to obtain safe and sound dwelling places.

c. A significant portion of the State's existing housing stock is threatened with decay and eventual loss because insufficient private capital is made available for the maintenance and rehabilitation of housing.

d. The State, through the investment of a relatively modest sum of money, can cause the production of such new and rehabilitated housing to be increased and can assist in preventing existing housing from falling into disrepair and eventual abandonment; in conjunction with Federal, other State and local programs acting in concert, such State money can encourage the increased investment of private funds in housing on a multiplier basis far exceeding the initial expenditure of these State funds.

e. The actual cost of providing new and rehabilitated housing units of decent quality and size and maintaining same generally places such units beyond the means of senior citizens and families of low and moderate income. In order to enable such senior citizens and families to occupy such units, some additional form of assistance is necessary. This assistance can take many forms, because of the large number of housing programs presently available. By providing conditions that will accelerate housing production under various housing programs, the maximum potential for a rapid increase in housing production is achieved.

f. At this time of serious unemployment in New Jersey, particularly in the housing and construction industries, there is an urgent need for the public sector to stimulate increased economic activity to create expanded employment opportunities for New Jersey's workers.

g. The Legislature also finds and declares that the expenditure of public funds toward these ends is for a public purpose and in the public interest.

3. Except as the context may otherwise require:

a. "Department" means the Department of Community Affairs.

b. "Commissioner" means the Commissioner of the Department of Community Affairs.

c. "Commission" means the New Jersey Commission on Capital Budgeting and Planning.

d. "Act" means this act, and any amendments and supplements thereto, and any rules and regulations promulgated thereunder.

e. "Mortgage assistance fund" or "fund" shall mean the fund created by section 4b. of this act.

f. "Low income," and "moderate income" shall be determined by the commissioner pursuant to regulations promulgated under this act, provided however, that the commissioner, in his determination, shall consider the Federal standards for low and moderate income for the various communities within the State of New Jersey.

g. "Qualified mortgagor" means any nonprofit or limited dividend housing sponsor, owner entity or individual, or any municipality, county or public authority, constructing, rehabilitating, maintaining or operating housing in New Jersey under a Federal low or moderate income housing program, the New Jersey Housing Finance Agency program, or other programs for low or moderate income occupancy.

h. "Qualified housing development" means any housing project built or rehabilitated or to be built or rehabilitated and operated by a qualified mortgagor.

i. "Senior citizen" means a person of low or moderate income, 62 years of age or older, or families of low or moderate income which consist of two or more persons and the head of which, or his spouse, is 62 years of age or older.

4. a. Bonds of the State of New Jersey in the sum of \$25 million are hereby authorized to obtain funds to meet the cost of providing housing assistance as set forth herein.

b. There is hereby created and established in the department a "mortgage assistance fund" which shall consist of:

(1) All moneys derived from the proceeds of any bonds which may be authorized by this act;

(2) Any moneys which the department shall receive in repayment of loans or advances from the fund, notwithstanding the provisions of any other act or part thereof;

(3) Any other moneys made available to the department from any source or sources which the commissioner shall allocate to the fund for the purposes authorized by this act.

5. The commissioner is authorized to utilize moneys from the mortgage assistance fund for the purpose of granting financial assistance, including interest subsidy assistance, for senior citizens and low or moderate income families and for qualified housing developments, including but not limited to those constructed, financed, or rehabilitated under Federal, other State, or locally aided low and moderate income programs, where such assistance is necessary to provide financial feasibility and stability. Without limiting the generality of the foregoing, such assistance may include: a direct loan to qualified mortgagor, subordinated to the Federal or other State mortgage loan, with repayment of principal, and interest, if any, deferred until such time as such Federal or other State loan is paid or otherwise discharged or released, a direct loan for maintenance and operating subsidy to a qualified mortgagor subordinated to the Federal or other State mortgage loan, with repayment of principal, and interest, if any, deferred to such time as the commissioner may deem appropriate, a reserve fund to assist the New Jersey Housing Finance Agency to provide construction or permanent financing for developments financed by it; grants or loans to municipalities for urban homesteading, code enforcement, neighborhood preservation activities, or rehabilita-

tion and direct sale of properties acquired through tax foreclosure or from the United States Department of Housing and Urban Development; and grants or loans to residential property owners in viable urban neighborhoods threatened by the lack of private capital for mortgage loans and loans for rehabilitation.

6. The commissioner shall issue and promulgate such rules and regulations as are necessary and appropriate to carry out the provisions of this act. The commissioner shall review and consider the findings and recommendations of the commission in the administration of the provisions of this act.

7. The bonds provided for herein shall be serial bonds and known as "State Mortgage Assistance Bonds" and, as to each series, the last installment thereof (subject to redemption prior to maturity) shall mature and be paid not later than 35 years from the date of its issuance, but may be issued in whole or in part for a shorter term.

8. Said bonds shall be issued from time to time as the issuing officials herein named shall determine.

9. The Governor, State Treasurer and Comptroller of the Treasury, or any two such officials (hereinafter referred to as the "issuing officials") are hereby authorized to carry out the provisions of this act relating to the issuance of said bonds, and shall determine all matters in connection therewith subject to provisions hereof. In case any of said officials shall be absent from the State or incapable of acting for any reason, his powers and duties shall be exercised and performed by such person as shall be authorized by law to act in his place as a State official.

10. Bonds, issued in accordance with the provisions of this act shall be a direct obligation of the State of New Jersey and the faith and credit of the State are pledged for the payment of the interest thereon as same shall become due and the payment of the principal at maturity. The principal and interest of such bonds shall be exempt from taxation by the State or by any county, municipality or other taxing district of the State.

11. Said bonds shall be signed in the name of the State by the Governor or by his facsimile signature, under the Great Seal of the State, and attested by the Secretary of State, or an assistant Secretary of State, and shall be countersigned by the facsimile signature of the Comptroller of the Treasury. Interest coupons attached to said bonds shall be signed by the facsimile signature of the Comptroller of the Treasury. Such bonds may be issued notwith-

standing that any of the officials signing them or whose facsimile signatures appear on the bonds or coupons shall cease to hold office at the time of such issue or at the time of delivery of such bonds to the purchaser.

12. a. Such bonds shall recite that they are issued for the purpose set forth in section 5 of this act and that they are issued in pursuance of this act and that this act was submitted to the people of the State at the general election held in the month of November, 1976, and that it was approved by a majority of the legally qualified voters of the State voting thereon at such election. Such recitals in said bonds shall be conclusive evidence of the authority of the State to issue said bonds and of their validity. Any bonds containing such recital shall in any suit, action or proceeding involving their validity be conclusively deemed to be fully authorized by this act and to have been issued, sold, executed and delivered in conformity herewith and with all other provisions of statutes applicable thereto, and shall be incontestable for any cause.

b. Such bonds shall be issued in such denominations and in such form or forms, whether coupon or registered as to both principal and interest, and with or without such provisions for interchangeability thereof, as may be determined by the issuing officials.

13. When the bonds are issued from time to time, the bonds of each issue shall constitute a separate series to be designated by the issuing officials. Each series of bonds shall bear such rate or rates of interest as may be determined by the issuing officials, which interest shall be payable semiannually; provided, that the first and last interest periods may be longer or shorter, in order that intervening semiannual payments may be at convenient dates.

14. Said bonds shall be issued and sold at such price not less than the par value thereof and accrued interest thereon, and under such terms, conditions and regulations, as the issuing officials may prescribe, after notice of said sale, published at least once in at least three newspapers published in the State of New Jersey, and at least once in a publication carrying municipal bond notices and devoted primarily to financial news, published in the city of New York or in New Jersey, the first notice to be at least 5 days prior to the day of bidding. The said notice of sale may contain a provision to the effect that any or all bids made in pursuance thereof may be rejected. In the event of such rejection or of failure to receive any acceptable bid, the issuing officials, at any time within 60 days from the date of such advertised sale, may sell such bonds

at private sale at such price not less than the par value thereof and accrued interest thereon and in such terms and conditions as the issuing officials may prescribe. The issuing officials may sell all or part of the bonds of any series as issued to any State fund or to the Federal Government or any agency thereof, at private sale, without advertisement.

15. Until permanent bonds can be prepared, the issuing officials may, in their discretion, issue in lieu of such permanent bonds, temporary bonds in such form and with such privileges as to registration and exchange for permanent bonds as may be determined by the issuing officials.

16. The proceeds from the sale of bonds shall be paid to the State Treasurer and be held by him for the mortgage assistance fund in a separate account, to be deposited in such depositories as may be selected by him to the credit of the fund, which fund shall be known as the mortgage assistance fund.

17. a. The moneys in said fund are hereby specifically dedicated and shall be applied to the cost of the purposes set forth in section 5 of this act, and all of such moneys are hereby appropriated for such purpose, and no such moneys shall be expended for such purpose (except as otherwise hereinbelow authorized) without the specific appropriation thereof by the Legislature, but bonds may be issued as herein provided notwithstanding that the Legislature shall not have then adopted an act making specific appropriation of any of said moneys.

b. At any time prior to the issuance and sale of bonds under this act, the State Treasurer is hereby authorized to transfer from any available money in the treasury of the State to the credit of such fund, such sums as he may deem necessary for the purposes of this act.

Said sum so transferred shall be returned to the treasury of this State by the treasurer thereof from the proceeds of the sale of the first issue of bonds.

c. Pending their application to the purposes provided in this act, moneys in the mortgage assistance fund may be invested and re-invested as other trust funds in the custody of the State Treasurer in the manner provided by law. Net earnings received from the investment or deposit of such funds shall be paid into the General Fund.

18. In case any coupon bonds and coupons thereunto appertaining or any registered bond shall become lost, mutilated or destroyed,

a new bond shall be executed and delivered of like tenor, in substitution for the lost, mutilated or destroyed bonds or coupons, upon the owner furnishing to the issuing officials evidence satisfactory to them of such loss, mutilation or destruction and also such security and indemnity and reimbursement for expenses as the issuing officials may require.

19. Accrued interest received upon the sale of said bonds shall be applied to the discharge of a like amount of interest upon said bonds when due. Any expense incurred by the issuing officials for advertising, engraving, printing, clerical, legal or other services necessary to carry out the duties imposed upon them by the provisions of this act shall be paid from the proceeds of the sale of said bonds, by the State Treasurer upon warrant of the Comptroller of the Treasury, in the same manner as other obligations of the State are paid.

20. Bonds of each series issued hereunder shall mature in annual installments commencing not later than the tenth year and ending not later than the thirty-fifth year from the date of issue of such series, and in such amounts as shall be determined by the issuing officials, but the issuing officials may reserve to the State by appropriate provision in the bonds of any series the power to redeem all or any of such bonds prior to maturity at such price or prices and upon such terms and conditions as may be provided in such bonds.

21. The issuing officials may at any time and from time to time issue refunding bonds for the purpose of refunding in whole or in part an equal principal amount of the bonds of any series issued and outstanding hereunder, which by their terms are subject to redemption prior to maturity, providing such refunding bonds shall mature at any time or times not later than the latest maturity date of such series, and the aggregate amount of interest to be paid on the refunding bonds, plus the premium, if any, to be paid on the bonds refunded, shall not exceed the aggregate amount of interest that would be paid on the bonds to be refunded if such bonds were not so refunded. Refunding bonds shall constitute direct obligations of the State of New Jersey, and the faith and credit of the State are pledged for the payment of the principal thereof and the interest thereon. The proceeds received from the sale of refunding bonds shall be held in trust and applied to the payment of the bonds refunded thereby. Refunding bonds shall be entitled to all the benefits of this act and subject to all its limita-

tions except as to the maturities thereof and to the extent herein otherwise expressly provided.

22. To provide funds to meet the interest and principal payments required for the bonds issued in this act and outstanding, there is hereby appropriated in the order following:

a. Revenue derived from the tax collected under and by virtue of the Sales and Use Tax Act (P. L. 1966, c. 30, C. 54:32B-1 et seq.), or so much thereof as may be required; and

b. If in any year or at any time funds as hereinabove appropriated, necessary to meet interest and principal payments upon outstanding bonds issued under this act, be insufficient or not available, then and in that case there shall be assessed, levied and collected annually in each of the municipalities of the counties of this State a tax on real and personal property upon which municipal taxes are or shall be assessed, levied and collected, sufficient to meet the interest on all outstanding bonds issued hereunder and on such bonds as it is proposed to issue under this act in the calendar year in which such tax is to be raised and for the payment of bonds falling due in the year following the year for which the tax is levied. The tax thus imposed shall be assessed, levied and collected in the same manner and at the same time as other taxes upon real and personal property are assessed, levied and collected. The governing body of each municipality shall cause to be paid to the county treasurer of the county in which such municipality is located, on or before December 15 in each year, the amount of tax herein directed to be assessed and levied, and the county treasurer shall pay the amount of said tax to the State Treasurer on or before December 20 in each year.

If on or before December 31 in any year the issuing officials shall determine that there are moneys in the General State Fund beyond the needs of the State, sufficient to meet the principal of bonds falling due and all interest payable in the ensuing calendar year, then and in that event such issuing officials shall by resolution so find and shall file the same in the office of the State Treasurer, whereupon the State Treasurer shall transfer such moneys to a separate fund to be designated by him, and shall pay the principal and interest out of said fund as the same shall become due and payable, and the other sources of payment of said principal and interest provided for in this section shall not then be available, and the receipts for said year from the fees, charges and taxes specified in subsection a. of this section shall thereon be considered and

treated as part of the General State Fund, available for general purposes.

23. Should the State Treasurer by December 31 of any year deem it necessary, because of insufficiency of funds to be collected from the sources of revenues as hereinabove provided, to meet the interest and principal payments for the year after the ensuing year, then the treasurer shall certify to the Comptroller of the Treasury the amount necessary to be raised by taxation for such purposes, the same to be assessed, levied and collected for and in the ensuing calendar year. In such case, the Comptroller of the Treasury shall, on or before March 1 following, calculate the amount in dollars to be assessed, levied and collected as herein set forth in each county. Such calculation shall be based upon the corrected assessed valuation of such county for the year in which such tax is to be assessed, but such tax shall be assessed, levied and collected upon the assessed valuation of the year in which the tax is assessed and levied. The Comptroller of the Treasury shall certify said amount to the county board of taxation and the county treasurer of each county. The said county board of taxation shall include the proper amount in the current tax levy of the several taxing districts of the county in proportion to the ratables as ascertained for the current year.

24. For the purpose of complying with the provisions of the State Constitution this act shall, at the general election to be held in the month of November, 1976, be submitted to the people. In order to inform the people of the contents of this act it shall be the duty of the Secretary of State after this section shall take effect, and at least 15 days prior to the said election, to cause this act to be published in at least 10 newspapers published in the State and to notify the clerk of each county of this State of the passage of this act, and the said clerks respectively, in accordance with the instructions of the Secretary of State, shall cause to be printed on each of the said ballots, the following:

If you approve the act entitled below, make a cross (X), plus (+) or check (✓) mark in the square opposite the word "Yes."

If you disapprove the act entitled below, make a cross (X), plus (+), or check (✓) mark in the square opposite the word "No." If voting machines are used, a vote of "Yes" or "No" shall be equivalent to such markings respectively.

	Yes.	<p style="text-align: center;">MORTGAGE ASSISTANCE BOND ISSUE</p> <p>Should the "New Jersey Mortgage Assistance Bond Act of 1976," which authorizes the State to issue bonds in the amount of \$25 million for mortgage assistance and to spur construction, rehabilitation, and maintenance of housing; to enable such housing to be occupied by senior citizens and families of low and moderate income; to provide the ways and means to pay the interest of said debt and also to pay and discharge the principal thereof, be approved?</p>
	No.	<p style="text-align: center;">INTERPRETIVE STATEMENT</p> <p>Approval of this act would authorize the sale of \$25 million in bonds to be used for mortgage and other assistance, the construction, or rehabilitation and maintenance of housing for senior citizens and for families of modest incomes, to loosen a tight housing market, to stimulate increased economic activity, to create useful job opportunities in a time of high unemployment and to maximize the use of federal or other funds for these purposes.</p>

The fact and date of the approval or passage of this act, as the case may be, may be inserted in the appropriate place after the title in said ballot. No other requirements of law of any kind or character as to notice or procedure except as herein provided need be adhered to.

The said votes so cast for and against the approval of this act, by ballot or voting machine, shall be counted and the result thereof returned by the election officer, and a canvass of such election had in the same manner as is provided for by law in the case of the election of a Governor, and the approval or disapproval of this act so determined shall be declared in the same manner as the result of an election for a Governor, and if there shall be a majority of all the votes cast for and against it at such election in favor

of the approval of this act, then all the provisions of this act not made effective theretofore shall take effect forthwith.

25. The commissioner shall submit to the State Treasurer and the Commission with the department's annual budget request a plan for the expenditure of mortgage assistance funds for the upcoming fiscal year. This plan shall include the following information: a performance evaluation of the expenditures made from the fund to date; a description of the subsidy programs planned for utilization during the upcoming fiscal year; a copy of the regulations in force governing the operation of programs that are financed, in part or in whole, by mortgage assistance funds; and an estimate of expenditures for the upcoming fiscal year.

26. Immediately following the submission to the Legislature of the Governor's Annual Budget Message the commissioner shall submit to the Institutions, Health and Welfare Committees of the Senate and General Assembly and the special joint legislative committee created pursuant to Assembly Concurrent Resolution No. 66 of the 1968 Legislature, as reconstituted and continued by the Legislature from time to time copies of the plan called for under section 25 of this act together with such changes therein as may be required by the Governor's Budget Message.

27. Not less than 30 days prior to the commissioner entering into any contract, lease, obligation, or agreement to effectuate the purposes of this act the commissioner shall report to and consult with the special joint legislative committee created pursuant to Assembly Concurrent Resolution No. 66 of the 1968 Legislature as reconstituted and continued from time to time by the Legislature.

28. There is hereby appropriated the sum of \$5,000.00 to the Department of State for expenses in connection with the publication of notices pursuant to section 24 of this act.

29. This section and sections 24 and 28 shall take effect immediately and the remainder of the act shall take effect as and when provided in section 24.

Approved September 21, 1976.

## CHAPTER 95

AN ACT concerning the procedure to fix and determine the salaries, wages or compensation of certain municipal officers and employees and supplementing chapter 9 of Title 40A of the New Jersey Statutes.

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

1. The provisions of N. J. S. 40A:9-165, as amended by P. L. 1975, c. 215, shall be retroactive to September 1, 1974.
2. This act shall take effect immediately.

Approved September 21, 1976.

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CHAPTER 96

AN ACT concerning the procedure to fix and determine the salaries of certain municipal officers and employees and amending certain sections of Title 40A of the New Jersey Statutes and Title 40 of the Revised Statutes.

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

1. N. J. S. 40A:9-165 is amended to read as follows:

**Salaries, wages or compensation of mayor or other chief executive; officers and employees; exceptions; referendum.**

40A:9-165. The governing body of a municipality, by ordinance, shall fix and determine the salaries, wages or compensation to be paid to the officers and employees of the municipality, including the members of the governing body and the mayor or other chief executive, who by law are entitled to salaries, wages, or compensation. Such salaries, wages or compensation from time to time, by ordinance, may be increased, decreased or altered but no such ordinance shall reduce the salary of any appointed or elected tax assessor or tax collector during the term for which he shall have been appointed or elected and, except with respect to an ordinance

or a portion thereof fixing salaries, wages or compensation of elective officials or any managerial executive or confidential employee as defined in section 3 of the New Jersey Employer-Employee Relations Act, P. L. 1941, c. 100 (C. 34:13A-3) as amended, the ordinance shall take effect as provided therein. In municipalities wherein the provisions of Title 11 (Civil Service) of the Revised Statutes are in operation, this section shall be subject thereto.

Where any such ordinance shall provide for increases in salaries, wages or compensation of elective officials or any managerial executive or confidential employee, the ordinance or that portion thereof which provides an increase for such elective or appointive officials, shall become operative in 20 days after the publication thereof, after final passage, unless within said 20 days, a petition, signed by voters of such municipality, equal in number to at least 5% of the registered voters of the municipality, protesting against the passage of such ordinance, be presented to the governing body, in which case such ordinance shall remain inoperative unless and until a proposition for the ratification thereof shall be adopted at an election by a majority of the voters voting on said proposition. The question shall be submitted at the next general election, occurring not less than 40 days from the date of the certification of the petition. The submission of the question to the voters shall be governed by the provisions of Title 19 (Elections) of the Revised Statutes, as in the case of public questions to be voted upon in a single municipality.

2. N. J. S. 40A :9-167 is amended to read as follows :

**Referendum on ordinance fixing salaries, wages or compensation.**

40A :9-167. When the governing body of any municipality shall be required by petition to submit to the voters proposed increases in salaries, wages or compensation or if the governing body shall deem it advisable to have a referendum in respect to the salaries of its members, or any other elective official, or any managerial executive or confidential employee, the governing body shall adopt an ordinance definitely fixing such salaries and the operative date. Where any such ordinance provides for salary increases, they may be made to take effect on a specified date or apportioned to be effective on different specified dates during a period not to exceed 3 years. Any such ordinance may be adopted notwithstanding a prior referendum in respect to salaries, wages or compensation.

The clerk of the municipality shall forthwith forward a certified copy of the ordinance to the officer whose duty it is to prepare the ballots for the election, notifying such officer that there is to be a vote on the question.

Such officer, in the manner and form provided by law, shall place the question upon the ballot, to be used at the election in such municipality, in substantially the following form: "Shall the salaries of the ..... (members of the governing body, other elective officials, managerial executives, confidential employees, as designated) of ..... (name of municipality) be fixed as follows, ..... (amount or amounts) per annum?"

If it is proposed to reduce or increase salaries, the following form shall be used: "Shall the salaries of the ..... (members of the governing body, other elective officials, managerial executives, confidential employees, as designated) of ..... (name of municipality) be reduced (or increased) as follows: ..... (members of the governing body, other elective officials, managerial executives, confidential employees, as designated) \$..... from \$..... (amount of present salary) to \$..... (amount of proposed or adopted salary) per annum?"

If a majority of the legal voters of the municipality voting upon such question at the election shall vote "Yes," the salaries so adopted shall be payable to the members of the governing body or other elective officials or managerial executives or confidential employees, as the case may be, on and after the date specified in the ordinance and until again changed in the manner provided by law. The referendum vote shall be binding during the period of 2 years following such vote.

3. N. J. S. 40A:9-168 is amended to read as follows:

**Petition for referendum on salaries, wages or compensation.**

40A:9-168. If there shall be submitted to the governing body of any municipality a petition signed by not less than 10% of the registered voters of the municipality, requesting the submission to the legal voters of the municipality the question of fixing the salaries, wages or compensation of the members of the governing body or other elective officials, or any managerial executive or confidential employee of said municipality in the amounts stated in the petition, the governing body shall cause the question to be

submitted to the legal voters of the municipality at the next general election occurring more than 40 days after the submission of the petition to the governing body.

The result of the vote shall be binding upon the municipality for the following 2 years.

Nothing contained in this section shall be deemed to preclude a referendum vote upon an ordinance increasing salaries, wages or compensation provided by law.

4. R. S. 40:74-5 is amended to read as follows:

**Remonstrance against ordinance; petition; reconsideration; referendum; vote required for adoption.**

40:74-5. If within 10 days after the final passage of an ordinance, except ordinances, or any portion thereof, fixing the salaries, wages or compensation of the employees of the municipality, as defined in section 3 of the New Jersey Employer-Employee Relations Act, P. L. 1941, c. 100 (C. 34:13A-3), or ordinances authorizing an improvement or the incurring of an indebtedness, other than for current expenses, where other requirements are made by law, a petition signed by electors of the municipality equal in number to at least 15% of the entire vote cast at the last preceding general municipal election protesting against the passage of such ordinance, be presented to the board, it shall thereupon be suspended from going into operation and the board of commissioners shall reconsider the ordinance. If the ordinance is not entirely repealed, the board shall submit it, in the manner provided in paragraph b. of section 40:74-14 and sections 40:74-15 to 40:74-18 of this Title, to the vote of the electors of the municipality, either at the general election or at a special municipal election to be called for that purpose, and such ordinance shall not become operative unless a majority of the qualified electors voting on the ordinance shall vote in favor thereof.

5. R. S. 40:74-7 is amended to read as follows:

**Submission of ordinances by board's own motion; submission of several questions.**

40:74-7. Any ordinance or measure, except an ordinance, or portion thereof, fixing the salaries, wages or compensation of the employees of the municipality, that the board of commissioners or the qualified electors of the municipality shall have authority to enact, the board may of its own motion submit to the electors for adoption or rejection at a general or special municipal election, in the same manner and with the same effect as is herein provided

for ordinances or measures submitted on petition. At any special election called under the provisions of chapters 70 to 76 of this Title (§ 40:70-1 et seq.), there shall be no bar to the submission of other questions to a vote of the electors in addition to the ordinances or measures provided for in this section and section 40:74-5 of this Title, if the other questions are such as may legally be submitted at such election. If the provisions of two or more measures approved or adopted at the same election conflict, then the measure receiving the highest affirmative vote shall control.

6. R. S. 40:74-9 is amended to read as follows:

**Ordinances proposed by petition; exception; procedure.**

40:74-9. Any proposed ordinance, except a proposed ordinance fixing the salaries, wages or compensation of the employees of the municipality, may be submitted to the board of commissioners by petition of the electors, in the manner hereinafter in this article provided.

7. Section 2 of P. L. 1958, c. 18 (C. 40:87-60.1) is amended to read as follows:

**C. 40:87-60.1 Effective date of ordinance fixing salaries; protests; applicability of provisions.**

2. Any ordinance adopted pursuant to section 40:87-60 of the Revised Statutes shall become operative in 10 days after the publication thereof after its final passage, unless within said 10 days a petition, signed by the electors of such borough equal in number to at least 10% of the entire vote in the last preceding general election, protesting against the passage or such ordinance be presented to the governing body, in which case such ordinance shall remain inoperative unless and until a proposition for the ratification thereof shall be adopted at the next general election by a majority of the qualified voters voting on said proposition; provided, however, the provisions of this section shall not apply to any ordinance, or portion thereof, fixing the salaries, wages or compensation of the employees of the borough, as employees are defined in section 3 of the New Jersey Employer-Employee Relations Act, P. L. 1941, c. 100 (C. 34:13A-3), as amended.

8. This act shall take effect immediately.

Approved September 21, 1976.

## CHAPTER 97

AN ACT to amend the "Public School Education Act of 1975," approved September 30, 1975 (P. L. 1975, c. 212).

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

1. Section 2 of P. L. 1975, c. 212 (C. 18A:7A-2) is amended to read as follows:

**C. 18A:7A-2 Legislative findings and declaration.**

2. a. The Legislature finds and declares that:

(1) The New Jersey Constitution provides that the maintenance and support of a thorough and efficient system of free public schools for the instruction of all the children in the State between the ages of 5 and 18 years is a legislative responsibility;

(2) It has been determined by the Supreme Court of New Jersey that the constitutional requirement has not been met and that action must be taken to correct any deficiencies;

(3) Extensive efforts have been made by the Executive and Legislative branches of State Government and others since the Supreme Court's decision to determine the content of a thorough and efficient system of education and how it may be assured;

(4) Because the sufficiency of education is a growing and evolving concept, the definition of a thorough and efficient system of education and the delineation of all the factors necessary to be included therein, depend upon the economic, historical, social and cultural context in which that education is delivered. The Legislature must, nevertheless, make explicit provision for the design of State and local systems by which such education is delivered, and should, therefore, explicitly provide after 4 years from the effective date of this act for a major and comprehensive evaluation of both the State and local systems, and the sufficiency of education provided thereby;

(5) In order to encourage citizen involvement in educational matters, New Jersey should provide for free public schools in a manner which guarantees and encourages local participation consistent with the goal of a thorough and efficient system serving all of the children of the State;

(6) A thorough and efficient system of education includes local school districts in which decisions pertaining to the hiring and

dismissal of personnel, the curriculum of the schools, the establishment of district budgets, and other essentially local questions are made democratically with a maximum of citizen involvement and self-determination and are consistent with Statewide goals, guidelines and standards; and

(7) Such a system should be in part locally funded to encourage involvement of and assure the financial supervision by the residents of the local unit, and in part State funded, to equalize Statewide the tax effort required for a thorough and efficient system of free public schools.

b. The Legislature, therefore, hereby accepts the responsibility:

(1) To define the overall goal of a thorough and efficient system of free public schools in New Jersey;

(2) To establish guidelines within which such a system shall operate;

(3) To delegate to appropriate State and local agencies the authority:

(a) To establish goals and objectives consistent with legislative guidelines, and

(b) To define standards of performance, including uniform Statewide standards of pupil proficiency in basic communications and computational skills, necessary to indicate achievement of the goals and objectives;

(4) To establish a funding structure which will ensure that adequate financial resources shall be available to enable a system of free public schools to operate throughout the State; and

(5) To monitor the system of free public schools and provide for corrective action when necessary to ensure adequate progress toward the achievement of goals and objectives.

2. Section 6 of P. L. 1975, c. 212 (C. 18A:7A-6) is amended to read as follows:

**C. 18A:7A-6 State board; establishment of goals and standards; rules.**

6. The State board, after consultation with the commissioner and review by the Joint Committee on the Public Schools shall (a) establish goals and standards which shall be applicable to all public schools in the State, including uniform Statewide standards of pupil proficiency in basic communications and computational skills at appropriate points in the educational careers of the pupils of the State, which standards of proficiency shall be reasonably related to those levels of proficiency ultimately necessary as part of the preparations of individuals to function politically, economically and

socially in a democratic society, and which shall be consistent with the goals and guidelines established pursuant to sections 4 and 5 of this act, and (b) make rules concerning procedures for the establishment of particular educational goals, objectives and standards by local boards of education.

3. Section 7 of P. L. 1975, c. 212 (C. 18A:7A-7) is amended to read as follows:

**C. 18A:7A-7 Local boards of education; determination of goals, objectives and standards for achievement of proficiency; basic skills improvement plan.**

7. Each local board of education shall establish particular educational goals, objectives and standards pursuant to rules prescribed by the State board. In each district in which there are pupils whose proficiency in basic communications and computational skills is below the Statewide standard, the local board annually shall establish an interim goal designed to assure reasonable progress toward the goal of achievement by each such pupil of at least the Statewide standard of proficiency. Each such district as part of its annual educational plan, shall develop a basic skills improvement plan for progress toward such interim goal. Any such improvement plan shall be approved by the commissioner, and may include (a) curricular changes; (b) in-service training programs for teachers; (c) diagnostic, remedial, or skill-maintenance programs for pupils; (d) consultations with parents or guardians; (e) any other measure designed to promote progress toward such interim goal. Each year each district shall evaluate pupil proficiency in basic communications and computational skills, and determine its relation to, and progress toward Statewide and any interim goals concerning pupil proficiency in such skills. Such evaluation may be based in part on annual testing and in part on such other means as the board deems proper to determine pupil status and needs, ensure pupil progress, and assess the degree to which the goals have been achieved.

4. Section 11 of P. L. 1975, c. 212 (C. 18A:7A-11) is amended to read as follows:

**C. 18A:7A-11 Annual progress report by local school district; contents; annual report of commissioner to Governor and legislature.**

11. Each school district shall make an annual report of its progress in conforming to the goals, objectives and standards developed pursuant to this act. Each district's annual report shall include but not be limited to:

- a. Demographic data related to each school;
- b. Results of assessment programs, including Statewide and district testing conducted at each school, and the result of the district evaluation of pupil proficiency in basic communication and computational skills;
- c. Information on each school's fiscal operation, including the budget of each school;
- d. Results of each school's effectiveness in achieving State, district and school goals and objectives applicable to the pupils, including the effectiveness of any "basic skills improvement plan";
- e. Plans and programs for professional improvement;
- f. Plans to carry out innovative or experimental educational programs designed to improve the quality of education; and
- g. Recommendations for school improvements during the ensuing year.

h. Additionally, the State Board of Education may from time to time require each district to submit a facilities survey, including current use practices and projected capital project needs, but not more frequently than once every 2 years.

The district reports shall be submitted to the commissioner by July 1 of each year and he shall make them the basis for an annual report to the Governor and the Legislature, describing the condition of education in New Jersey, the efforts of New Jersey schools in meeting the standards of a thorough and efficient education, the steps underway to correct deficiencies in school performance, and the progress of New Jersey schools in comparison to other state education systems in the United States.

In addition to such annual report the commissioner shall, 4 years from the effective date of this amendatory act, report to the Governor and the Joint Committee on the Public Schools assessing the effectiveness of this amendatory act in improving the proficiency of the pupils of this State in basic communications and computational skills. Within 6 months of receiving such report the Joint Committee on the Public Schools shall recommend to the Legislature any necessary or desirable changes or modifications in this amendatory act.

5. Section 14 of P. L. 1975, c. 212 (C. 18A:7A-14) is amended to read as follows:

**C. 18A:7A-14 Failure to show progress; remedial plan.**

14. The commissioner shall review the results of the evaluations conducted and reports submitted pursuant to sections 10 and 11 of

this act. If the commissioner shall find that a school or a school district has failed to show sufficient progress toward the goals, guidelines, objectives and standards, including the State goal and any local interim goal concerning pupil proficiency in basic communications and computational skills, established in and pursuant to this act, he shall advise the local board of education of such determination, and shall direct that a remedial plan be prepared and submitted to him for approval. If the commissioner approves the plan, he shall assure its implementation in a timely and effective manner. If the commissioner finds that the remedial plan prepared by the local board of education is insufficient, he shall order the local board to show cause why the corrective actions provided in section 15 of this act should not be utilized. The hearing upon said order to show cause shall be conducted in the manner prescribed by subdivision B of article 2 of chapter 6 of Title 18A of the New Jersey Statutes.

6. This act shall take effect immediately.

Approved September 22, 1976.

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## CHAPTER 98

AN ACT concerning the organization and reorganization of the State Government, establishing a Department of Corrections as a principal department in the Executive Branch, changing the name of the Department of Institutions and Agencies to the Department of Human Services and continuing it as a principal department in the Executive Branch, transferring the State School District for Institutions to the Department of Education.

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

**C. 30:1B-1 Short title.**

1. This act shall be known and may be cited as the "Department of Corrections Act of 1976."

**C. 30:1B-2 Department of Corrections; establishment.**

2. There is hereby established in the Executive Branch of the State Government a principal department which shall be known as the Department of Corrections.

As used in this act, unless the context clearly indicates otherwise, "department" means the Department of Corrections.

**C. 30:1B-3 Legislature's findings and declaration.**

3. The Legislature hereby finds and declares that the purpose of the department shall be to protect the public and to provide for the custody, care, discipline, training and treatment of persons committed to State correctional institutions or on parole; to supervise and assist in the treatment and training of persons in local correctional and detention facilities, so that such persons may be prepared for release and reintegration into the community; and to cooperate with the other law enforcement agencies of this State to encourage a more unified system of criminal justice.

The Legislature further finds and declares that:

a. There is a need to:

(1) Provide maximum-security confinement of those offenders whose demonstrated propensity to acts of violence requires their separation from the community.

(2) Develop alternatives to conventional incarceration for those offenders who can be dealt with more effectively in less restrictive, community-based facilities and programs; and

(3) Separate juvenile offenders from the adult offender population and develop programs and services for juvenile offenders which recognize their special needs;

b. The environment for incarcerated persons should encourage the possibilities of rehabilitation and reintegration into the community; and,

c. The incarcerated offender should be protected from victimization within the Institution.

**C. 30:1B-4 Commissioner of corrections; appointment; salary.**

4. The head and chief executive officer of the department shall be a commissioner, who shall be known as the Commissioner of Corrections. The commissioner shall be appointed by the Governor, with the advice and consent of the Senate, and shall serve at the pleasure of the Governor during the Governor's term of office and until the appointment and qualification of his successor. The commissioner shall receive such salary as shall be provided by law. He shall devote his entire time to the performance of his duties.

**C. 30:1B-5 Deputy and assistants; appointment; powers and duties; authority to organize administrative divisions.**

5. a. The commissioner may appoint one deputy and such assistant commissioners as he shall deem necessary to serve at the pleasure of the commissioner. Each deputy or assistant commissioner shall exercise such powers and perform such duties as the commissioner shall prescribe. The commissioner shall designate one department official to exercise the powers and perform the duties of the commissioner during his disability or absence.

b. The commissioner shall have the authority to establish, organize and maintain in the department such administrative divisions to perform all necessary personnel, planning, budget and finance, facilities and equipment services for the department and to assign such personnel thereto as he shall deem necessary.

**C. 30:1B-6 Commissioner's powers and duties.**

6. The commissioner, as administrator and chief executive officer of the department, shall:

a. Administer the work of the department;

b. Appoint and remove officers and other personnel employed within the department, subject to the provisions of Title 11 of the Revised Statutes, Civil Service, and other applicable statutes, except as herein otherwise specifically provided;

c. Perform, exercise and discharge the functions, powers and duties of the department through such divisions as may be established by this act or otherwise by law;

d. Organize the work of the department in such divisions, not inconsistent with the provision of this act, and in such bureaus and other organizational units as he may determine to be necessary for efficient and effective operation;

e. Formulate, adopt, issue and promulgate, in the name of the department such rules and regulations for the efficient conduct of the work and general administration of the department, the institutions or noninstitutional agencies within its jurisdiction, its officers and employees as may be authorized by law;

f. Determine all matters relating to the unified and continuous development of the institutions and noninstitutional agencies within his jurisdiction;

g. Determine all matters of policy and regulate the administration of the institutions or noninstitutional agencies within his jurisdiction, correct and adjust the same so that each shall function as an integral part of a general system. The rules, regulations, orders and directions promulgated by the commissioner for this

purpose shall be accepted and enforced by the executive having charge of any institution or group of institutions or noninstitutional agencies or any phase of the work within the jurisdiction of the department;

h. Institute or cause to be instituted such legal proceedings or processes as may be necessary to enforce properly and give effect to any of his powers or duties; for the purpose of any such investigation, he may cause to be examined under oath any and all persons whatsoever and compel by subpoena the attendance of witnesses and the production of such books, records, accounts, papers and other documents as are appropriate. If a witness fails without good cause to attend, testify or produce such records or documents as are directed in the subpoena, he shall be punished in the manner provided for the punishment of any witness who disobeys a summons or subpoena issued from a court of record in this State;

i. Make a report in each year to the Governor and to the Legislature of the department's operations for the preceding fiscal year, and render such other reports as the Governor shall from time to time request or as may be required by law;

j. Appoint such advisory committees as may be desirable to advise and assist the department or a division in carrying out its functions and duties;

k. Maintain suitable headquarters for the department and such other quarters as he shall deem necessary to the proper functioning of the department;

l. Develop and from time to time revise and maintain a comprehensive master plan for the State's correctional system which shall indicate, among other things, the department's goals, objectives, resources and needs;

m. Promote the development of alternatives to conventional incarceration for those offenders who can be dealt with more effectively in less restrictive, community-based facilities;

n. Provide for the separation of juvenile offenders from the adult offender population and the development of programs and services for juveniles which promote their rehabilitation and recognize their special needs;

o. Promote a unified criminal justice system, including the integration of State and local correctional programs and probation and parole services;

p. Provide for the timely and efficient collection and analysis of data regarding the correctional system to insure the continuing

review and evaluation of correctional services, policies and procedures; and

q. Perform such other functions as may be prescribed in this act or by any other law.

**C. 30:1B-7 Commissioner's additional duties.**

7. The commissioner shall arrange for personal contact with each of the institutions and the work of the noninstitutional agencies by visitations and by such other means as he may determine to be necessary and proper, so that he may be as nearly as is practicable continually in touch with and informed concerning the general conditions and progress of the several institutions and noninstitutional agencies and the general results of the management thereof and the condition and welfare of the inmates and other persons committed or admitted. The commissioner shall visit and inspect each institution at least semiannually, at periods which shall not be fixed in advance.

**C. 30:1B-8 Transfer of correctional institutions to department of corrections.**

8. The following correctional institutions of this State are hereby transferred from the Department of Institutions and Agencies to the Department of Corrections established hereunder:

State Prison, Trenton  
 State Prison, Rahway  
 State Prison, Leesburg  
 Youth Reception and Correction Center, Yardville  
 Youth Correctional Institution, Bordentown  
 Correctional Institution for Women, Clinton  
 Youth Correctional Institution, Annandale  
 Training School for Boys, Jamesburg  
 Training School for Girls, Trenton  
 Training School for Boys, Skillman  
 Adult Diagnostic and Treatment Center, Avenel

Any State institution and satellite facilities heretofore or hereafter established for any purpose similar to the above institutions and agencies shall be assigned to and maintained and operated by the Department of Corrections.

**C. 30:1B-9 Transfer of division of correction and parole to department of corrections.**

9. All functions, powers and duties of the existing Division of Correction and Parole, the Department of Institutions and Agencies, and the Commissioner of Institutions and Agencies with respect to all matters affecting State correctional institutions as

defined herein, are hereby transferred to the Department of Corrections and Commissioner of Corrections established hereunder.

**C. 30:1B-10 Transfer of powers and duties with respect to county and city jails, detention centers and workhouses to department of corrections.**

10. All functions, powers and duties of the Commissioner of Institutions and Agencies and the Department of Institutions and Agencies with respect to all county and city jails or places of detention, county or city workhouses, county penitentiaries, county and municipal schools of detention, privately maintained institutions and noninstitutional agencies and juvenile detention facilities for the care, treatment, government and discipline of inmates are hereby transferred to the Department of Corrections established hereunder. The commissioner may, in accordance with the Administrative Procedure Act, P. L. 1968, c. 410 (C. 52:14B-1 et seq.), promulgate such rules and regulations as he shall deem necessary to establish minimum standards for such care, treatment, government and discipline.

**C. 30:1B-11 Transfer of powers and duties with respect to county work release and vocational training release programs to department of corrections.**

11. All functions, powers and duties of the Department of Institutions and Agencies with respect to county work release and vocational training release programs are hereby transferred to the Department of Corrections established hereunder.

**C. 30:1B-12 Transfer of appropriations and other moneys.**

12. All appropriations and other moneys available and to become available to any department, division, bureau, board or other agency, the functions, powers and duties of which have been assigned or transferred herein, are hereby transferred to the Department of Corrections established hereunder, and shall be available for the objects and purposes for which appropriated, subject to any terms, restrictions, limitations or other requirements imposed by State or Federal law.

**C. 30:1B-13 Assignment or transfer of employees.**

13. Such employees of any department, division, bureau, board or other agency, the functions, powers and duties of which have been herein assigned or transferred to the Department of Corrections or to any agency designated continued or constituted hereunder as the Commissioner of Corrections may determine are needed for the proper performance of the functions and duties imposed upon the Department of Corrections, or agency therein, are hereby transferred to the department or agency to which such

functions, powers and duties have been herein assigned or transferred.

**C. 30:1B-14 Continuation of civil service rights.**

14. Nothing in this act shall be construed to deprive any person of any tenure rights or of any right or protection provided him by Title 11 of the Revised Statutes, Civil Service, or under any pension law or retirement system.

**C. 30:1B-15 Exercise of special reemployment rights by certain employees.**

15. Any employee not appointed or transferred pursuant to this act may exercise any special reemployment rights and may also exercise within all departments of the Executive Branch all other layoff rights which would have been available to said employee in the Department of Institutions and Agencies if the Department of Corrections had not been established.

**C. 30:1B-16 Assignment or transfer of files, books, records, equipment and other property.**

16. All files, books, papers, records, equipment and other property of any department, division, bureau, board or other agency, the functions, powers and duties of which have been herein assigned or transferred to the Department of Corrections or to any agency designated, continued or constituted hereunder, shall upon the effective date of this act be transferred to the department or agency to which such assignment or transfer has been made hereunder.

**C. 30:1B-17 Continuation of rules and regulations promulgated by transferred agencies.**

17. This act shall not affect the orders, rules and regulations heretofore made or promulgated by any department, division, bureau, board or other agency, the functions, powers and duties of which have been herein assigned or transferred to the Department of Corrections or to any agency designated, continued or constituted hereunder; but such orders, rules and regulations shall continue with full force and effect until amended or repealed pursuant to law.

**C. 30:1B-18 Continuation of actions and proceedings.**

18. This act shall not affect actions or proceedings, civil or criminal, brought by or against any department, division, bureau, board or other agency, the functions, powers and duties of which have been herein assigned or transferred to the Department of Corrections or to any agency designated, continued or constituted hereunder, and pending on the effective date of this act, but

such actions or proceedings may be prosecuted or defended in the same manner and to the same effect by the department or agency to which such assignment or transfer has been made hereunder, as if the foregoing provisions had not taken effect, nor shall any of the foregoing provisions affect any order or recommendation made by, or other matters or proceedings before, any department, division, bureau, board or other agency, the functions, powers and duties of which have been herein assigned or transferred to the Department of Corrections or to any agency designated, continued or constituted hereunder, and all such matters or proceedings pending before such department, division, bureau, board or other agency on the effective date of this act shall be continued by the department or agency to which such assignment or transfer has been made hereunder, as if the foregoing provisions had not taken effect.

**C. 30:1B-19 Reports, certifications, applications or requests; applications to be made to transferred agency.**

19. Unless specifically otherwise provided in this act or by any operative law, whenever, pursuant to existing law, reports, certifications, applications or requests are required or permitted to be made to the department, division, bureau, board or other agency, whose powers and duties are herein assigned or transferred, such reports and certifications shall hereafter be required to be filed with, and such applications or requests shall hereafter be made to, the department or agency to which such assignment or transfer has been made hereunder.

**C. 30:1B-20 References with respect to transferred agencies.**

20. With respect to the functions, powers and duties hereby transferred to the Department of Corrections, whenever in any law, rule, regulation, judicial or administrative proceeding or otherwise, reference is made to the Division of Correction and Parole within the Department of Institutions and Agencies or to the Department of Institutions and Agencies with respect to correctional institutions as defined herein, or to the Commissioner of Institutions and Agencies with respect to correctional institutions as defined herein, the same shall mean and refer to the Department of Corrections and the Commissioner of Corrections, respectively.

**C. 30:1B-21 Transfer of State board of institutional trustees.**

21. All the powers, functions and duties heretofore exercised by the State Board of Institutional Trustees pursuant to Title 30 of the New Jersey Statutes with respect to correctional institutions as defined herein are hereby transferred to and vested in the Commissioner of Corrections.

**C. 30:1B-22 Transfer of State parole board.**

22. The State Parole Board in the Department of Institutions and Agencies, together with all of its functions, powers and duties, is continued but such board is hereby transferred to the Department of Corrections established hereunder. All personnel, appropriations, books, papers, records and property necessary to the operation of the existing State Parole Board are likewise transferred. All rules, regulations, acts, determinations and decisions in force at the time of such transfer proceedings or other such matters undertaken or commenced by the State Parole Board shall continue in force.

**C. 18A:61B-1 Transfer of State school district for institutions to department of education.**

23. The State School District for Institutions within the Department of Institutions and Agencies, together with all of its functions, powers and duties, is continued but such State School District is hereby transferred to the Department of Education. All personnel, appropriations, books, papers and property necessary to the operation of the existing State School District are likewise transferred. All rules, regulations, acts, determinations and decisions in force at the time of such transfer proceedings or other such matters undertaken or commenced by the State School District shall continue in force.

**C. 30:1B-23 Advisory council on corrections; creation; membership; appointment; term; vacancies; compensation; chairperson; powers and duties.**

24. a. There is hereby created within the Department of Corrections an Advisory Council on Corrections to consult with and advise the commissioner. The Advisory Council shall consist of seven citizen members who shall be residents of this State to be appointed by the Governor with the advice and consent of the Senate. The Governor or his designee; the Commissioner of Human Services, the Commissioner of Labor and Industry, the Commissioner of Education, the Attorney General, the Director of the Administrative Office of the Courts and the Commissioner of Corrections, or their designees, shall serve as ex-officio members during their terms of office.

The members appointed by the Governor pursuant to this act shall be appointed for terms of 4 years; provided, however, of the members first appointed, two shall be appointed for a term of 4 years; two for a term of 3 years; two for a term of 2 years; and one for a term of 1 year. All appointed members shall continue to serve after the expiration of their terms until their successors

are appointed and shall qualify. In the case of a vacancy, a new member shall be appointed for the remainder of the unexpired term. Members of the advisory council shall receive no compensation for services but shall be reimbursed for actual necessary and reasonable expenditures incurred in the performance of their duties. The members shall annually elect a chairperson from among their membership.

The department shall provide the advisory council with reasonable administrative and clerical support services, subject to the availability of funds.

b. The advisory council shall:

- (1) Conduct research on institutional needs;
- (2) Review and make recommendations to the commissioner with respect to budget requests from the institutions;
- (3) Encourage cooperation between public and private institutions;
- (4) Periodically review existing programs of care, training, rehabilitation, research, and public service in the public institutions of this and other states and new developments in the various fields of the department's responsibility and advise the commissioner on desirable change;
- (5) Consult with and make recommendations to the commissioner as it deems necessary with regard to services, lands, buildings and equipment to be furnished by the department and its institutions;
- (6) Visit the institutions under the supervision or control of the department to examine into their manner of operation and to advise the commissioner on their observations;
- (7) Review and make recommendations to the commissioner with respect to budget requests to be submitted by the commissioner; and
- (8) Make an annual report to the commissioner and the Governor and such other reports as it may deem proper from time to time or as may be requested by the commissioner.
- (9) Make recommendations for the consideration of the commissioner with regard to the appointment of members of the boards of trustees of the various correctional institutions.

**C. 30:1A-1 Functions, powers and duties of department of institutions and agencies not transferred to department of corrections; continuation under department of human services.**

25. All the functions, powers and duties of the existing Department of Institutions and Agencies and the commissioner thereof not herein transferred to the Department of Corrections are

continued; provided, however, that the Department of Institutions and Agencies continued hereunder shall hereinafter be known and referred to as the Department of Human Services. With respect to the functions, powers and duties of the Department of Institutions and Agencies not herein transferred to the Department of Corrections, whenever in any law, rule, regulation, judicial or administrative proceeding or otherwise, reference is made to the Department of Institutions and Agencies, or to the Commissioner of Institutions and Agencies, the same shall mean and refer to the Department of Human Services and the Commissioner of Human Services, respectively.

26. The transfers directed by this act shall be effected pursuant to the "State Agency Transfer Act," P. L. 1971, c. 375 (C. 52:14D-1 et seq.).

**C. 30:1B-24 Rules and regulations.**

27. The commissioner may, in accordance with the Administrative Procedure Act, P. L. 1968, c. 410 (C. 52:14B-1 et seq.), promulgate such rules and regulations as are necessary to effectuate the purposes of this act.

**C. 30:1B-25 Salary of commissioner.**

28. The salary of the commissioner which by the provisions of this act is to be fixed by law, shall be at the annual rate of \$43,000.00.

29. All acts and parts of acts inconsistent with any of the provisions of this act are, to the extent of such inconsistency, superseded and repealed.

30. If any clause, sentence, paragraph, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section or part thereof directly involved in the controversy in which such judgment shall have been rendered.

31. The provisions of this act shall become effective November 1, 1976. Anticipatory actions appropriate and necessary to effect the establishment of the department are authorized to be accomplished as promptly as possible in advance thereof including the making of authorized appointments and confirmation or approval thereof, and, within the limits of appropriations to the department, the expenditure of funds for payment of salaries and expenses incident thereto.

Approved October 5, 1976.

## CHAPTER 99

A SUPPLEMENT to the "Solid Waste Management Act (1970)" approved May 6, 1970 (P. L. 1970, c. 39; C. 13:1E-1 et seq.).

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

**C. 13:1E-38 Definitions.**

1. As used in this act, the following words and phrases shall have the following meanings, unless the context clearly requires another meaning:

a. "Bulk liquids" means liquid or semiliquid waste, including petroleum products, which is contained within, or is discharged from, any one vessel, tank or other container which has a capacity of 20 or more gallons;

b. "Chemical waste" means a material normally generated by or used in chemical, petrochemical, plastic, pharmaceutical, biochemical or microbiological manufacturing processes or petroleum refining processes, which has been selected for waste disposal and which is known to hydrolize, ionize or decompose, which is soluble, burns or oxidizes, or which may react with any of the waste materials which are introduced into the landfill, or which is buoyant on water, or which has a viscosity less than that of water or which produces a foul odor. Chemical waste may be either hazardous or nonhazardous.

c. "Hazardous waste" means any waste or combination of waste which poses a present or potential threat to human health, living organisms or the environment. "Hazardous waste" shall include, but not be limited to, waste material that is toxic, corrosive, irritating, sensitizing, radioactive, biologically infectious, explosive, or flammable;

d. "Leachate" is a liquid that has been in contact with solid waste and contains dissolved or suspended materials from that solid waste.

e. "Pesticide" means and includes any substance or mixture of substances labeled, designed, intended for or capable of use in preventing, destroying, repelling, sterilizing or mitigating any insects, rodents, nematodes, predatory animals, fungi, weeds and other forms of plant or animal life or viruses, except viruses on or in living man or other animals. "Pesticide" shall also include any

substance or mixture of substances labeled, designed or intended for use as a defoliant, desiccant or plant regulator.

f. "Commercial solid waste facility" means any solid waste facility operated for profit which accepts any solid waste generated from any other source and is subject to the jurisdiction of the Public Utilities Commission pursuant to the provisions of P. L. 1970, c. 40 (C. 48:13A-1 et seq.).

**C. 13:1E-39 Acceptance for disposal of hazardous waste, chemical waste, bulk liquids or pesticides discontinued after January 1, 1977.**

2. After January 1, 1977, no commercial solid waste facility located within: 1,000 yards of a river flood hazard area delineated prior to the effective date of this act pursuant to P. L. 1962, c. 19 (C. 58:16A-50 et seq.), shall accept for disposal on or in the ground any hazardous waste, chemical waste, bulk liquids or pesticides.

**C. 13:1E-40 Maintenance of list of hazardous wastes; contents of list.**

3. The registered operator of each solid waste facility shall maintain a list of all hazardous wastes received for disposal, treatment or storage during the past calendar year. The list shall be forwarded to the department and to the municipality by February 15 of each year. The list shall identify the material; source; quantity; type of container in which disposed or stored, if any, and how marked; the carrier delivering the material; shipping document reference number; date received; type of treatment, if any; and the location where disposed or stored.

**C. 13:1E-41 Monitoring wells; construction and location; analyses of samples; results furnished to department; real or potential threat to State waters; corrective measures.**

4. Any solid waste facility accepting hazardous waste, chemical waste, bulk liquids or pesticides for disposal or storage on or in the ground, shall install monitoring wells which are constructed and located in accordance with rules and regulations promulgated by the department. Samples shall be taken from each well and analyzed by a laboratory acceptable to the department at least once every three months. Analyses shall be made for the factors or determinations specified by the department. Results of the analyses shall be furnished to the department within 30 days of sampling. Should monitoring well analyses or any other means of detection indicate to the department a real or potential threat to the quality of the waters of this State by the solid waste facility, the acceptance of hazardous waste, chemical waste, bulk liquids or pesticides by the operator shall be immediately discontinued upon

the receipt of an order from the department requiring same. An acceptable system of interception, collection, and treatment shall be implemented at once and such treatment shall continue until the threat to the waters of the State by the solid waste facility is determined by the department to no longer exist. Prior to reacceptance of the discontinued material, an engineering design acceptable to the department which describes corrective measures to prevent recurrence of the threat shall be submitted and the design implemented.

**C. 13:1E-42 Acceptance or reception of hazardous or chemical wastes, bulk liquid or pesticide after March 15, 1980; proper system for interception, collection and treatment; departmental approval.**

5. After March 15, 1980, no solid waste facility shall accept or receive for disposal, any hazardous waste, chemical waste, bulk liquid or pesticide unless such facility has installed a system for the interception, collection and treatment of any and all leachate generated at the facility, and has obtained approval from the department for the entire system. Requests for department approval may be in the form of an addendum to the registration statement submitted in accordance with section 5 (C. 13:1E-5) of the act to which this act is a supplement, shall be prepared by a New Jersey licensed professional engineer, and shall include detailed engineering drawings and specifications of the proposed system. In addition, requests for department approval shall specify the exact nature and quantity of the waste to be accepted at the facility, the method of handling and treating those wastes, and shall include proof that all necessary permits and licenses have been obtained for any discharge into the waters of the State.

6. This act shall take effect immediately.

Approved October 7, 1976.

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CHAPTER 100

AN ACT concerning the payment of rent by certain persons.

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

**C. 2A:42-6.1 Grace period.**

1. A person to whom rent is due and payable on the first of the month upon a lease or other agreement shall allow a period of 5

days grace in which the rent due shall be paid. No delinquency or other late charge shall be made which includes the 5-day grace period.

**C. 2A:42-6.2 Violation of act.**

2. Any person violating the provisions of this act shall be a disorderly person.

**C. 2A:42-6.3 Applicability of provisions.**

3. The provisions of this act shall only be applicable to premises rented or leased by senior citizens receiving Social Security Old Age Pensions, Railroad Retirement Pensions or other governmental pensions in lieu of Social Security Old Age Pensions.

4. This act shall take effect immediately.

Approved October 7, 1976.

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CHAPTER 101

AN ACT concerning insurance relating to dependent coverages under group health and blanket insurance and amending N. J. S. 17B:27-30, P. L. 1964, c. 104 (C. 17:48-6.1), and P. L. 1964, c. 105 (C. 17:48A-7.1).

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

1. N. J. S. 17B:27-30 is amended to read as follows:

**Dependents.**

17B:27-30. Benefits of group health insurance, except benefits for loss of time on account of disability, may be provided for one or more members of the families or one or more dependents of persons who may be insured under a group policy referred to in sections 17B:27-27, 17B:27-28 or 17B:27-29. Any group health insurance policy which contains provisions for the payment by the insurer of benefits for expenses incurred on account of hospital, nursing, medical, or surgical services for members of the family or dependents of a person in the insured group must, subject to payment of the appropriate premium, permit such family members or dependents to have coverage continued for at least 180 days after the death of the person in the insured group, subject to the policy

provision as to termination of coverage with respect to family members or dependents for reasons other than the death of the person in the insured group.

All group health insurance policies which provide coverage for a family member or dependent of an insured on an expense incurred basis shall also provide that the benefits applicable for children shall be payable with respect to a newly-born child of that insured from the moment of birth. The coverage for newly-born children shall consist of coverage of injury or sickness including the necessary care and treatment of medically diagnosed congenital defects and birth abnormalities. If payment of a specific premium is required to provide coverage for a child, the policy may require that notification of birth of a newly-born child and payment of the required premium must be furnished to the insurer within 31 days after the date of birth in order to have the coverage continue beyond such 31-day period.

All group health insurance policies which provide coverage on an expense incurred basis for the insured but do not provide coverage for a family member or dependent of the insured on an expense incurred basis, except such group policies as provide no dependent coverage whatsoever for the insured's class, shall nevertheless provide for coverage of newborn children of the insured which shall commence with the moment of birth of each child and shall consist of coverage of injury or sickness including the necessary care and treatment of medically diagnosed congenital defects and birth abnormalities, provided application and payment of the required premium are made to the insurer to include in said policy coverage for a newly-born child as described in the previous paragraph of this section within 31 days from the date of birth of a newborn child.

A policy under which coverage of a dependent of an employee or other member of the insured group terminates at a specified age shall, with respect to an unmarried child covered by the policy prior to the attainment of age 19, who is incapable of self-sustaining employment by reason of mental retardation or physical handicap and who became so incapable prior to attainment of age 19 and who is chiefly dependent upon such employee or member for support and maintenance, not so terminate while the insurance of the employee or member remains in force and the dependent remains in such condition, if the insured employee or member has within 31 days of such dependent's attainment of the termination age submitted proof of such dependent's incapacity as described

herein. The foregoing provision of this paragraph shall not require an insurer to insure a dependent who is a mentally retarded or physically handicapped child of an employee or other member of the insured group where such dependent does not satisfy the conditions of the group policy as to any requirements for evidence of insurability or other provisions as may be stated in the group policy required for coverage thereunder to take effect. In any such case the terms of the policy shall apply with regard to the coverage or exclusion from coverage of such dependent.

2. Section 2 of P. L. 1964, c. 104 (C. 17:48-6.1) is amended to read as follows:

**C. 17:48-6.1 Group contracts; issuance; description; benefits; "employees" defined.**

2. A hospital service corporation may issue to a policyholder a group contract, covering at least 10 employees or members at the date of issue, if it conforms to the following description:

(a) A contract issued to an employer or to the trustees of a fund established by one or more employers, or issued to a labor union, or issued to an association formed for purposes other than obtaining such contract, or issued to the trustees of a fund established by one or more labor unions, or by one or more employers and one or more labor unions, covering employees and members of associations or labor unions.

(b) A contract issued to cover any other group which the Commissioner of Insurance determines may be covered in accordance with sound underwriting principles.

Benefits may be provided for one or more members of the families or one or more dependents of persons who may be covered under a group contract referred to in (a) or (b) above.

Family type contracts shall provide that the services applicable for children shall be payable with respect to a newly-born child of the subscriber, or his or her spouse from the moment of birth. The services for newly-born children shall consist of coverage of injury or sickness including the necessary care and treatment of medically diagnosed congenital defects and abnormalities. If a subscription payment is required to provide services for a child, the contract may require that notification of birth of a newly-born child and the required payment must be furnished to the service corporation within 31 days after the date of birth in order to have the coverage continue beyond such 31-day period. Group contracts which provide for services to the subscriber but not to family

members or dependents of that subscriber, other than contracts which provide no dependent coverage whatsoever for the subscriber's class, shall also provide services to newly-born children of the subscriber which shall commence with the moment of birth of each child and shall consist of coverage of injury or sickness including the necessary care and treatment of medically diagnosed congenital defects and abnormalities, provided that application therefor and payment of the required subscription amount are made to include in said contract the coverage described in the preceding paragraph of this section within 31 days from the date of birth of a newborn child.

A contract under which coverage of such a dependent terminates at a specified age shall, with respect to an unmarried child, covered by the contract prior to attainment of age 19, who is incapable of self-sustaining employment by reason of mental retardation or physical handicap and who became so incapable prior to attainment of age 19 and who is chiefly dependent upon the covered employee or member for support and maintenance, not so terminate while the coverage of the employee or member remains in force and the dependent remains in such conditions, if the employee or member has within 31 days of such dependent's attainment of the termination age submitted proof of such dependent's incapacity as described herein. The foregoing provisions of this paragraph shall not apply retrospectively or prospectively to require a hospital service corporation to insure as a covered dependent any mentally retarded or physically handicapped child of the applicant where the contract is underwritten on evidence of insurability based on health factors required to be set forth in the application. In such cases any contract heretofore or hereafter issued may specifically exclude such mentally retarded or physically handicapped child from coverage.

Any group contract which contains provisions for the payment by the insurer of benefits for members of the family or dependents of a person in the insured group shall provide that, subject to payment of the appropriate premium, such family members or dependents be permitted to have coverage continued for at least 180 days after the death of the person in the insured group.

The contract may provide that the term "employees" shall include as employees of a single employer the employees of one or more subsidiary corporations and the employees, individual proprietors and partners of affiliated corporations, proprietorships and partnerships if the business of the employer and such corpora-

tions, proprietorships or partnerships is under common control through stock ownership, contract or otherwise. The contract may provide that the term "employees" shall include the individual proprietor or partners of an individual proprietorship or a partnership. The contract may provide that the term "employees" shall include retired employees. A contract issued to trustees may provide that the term "employees" shall include the trustees or their employees, or both, if their duties are principally connected with such trusteeship. A contract issued to the trustees of a fund established by the members of an association of employers may provide that the term "employees" shall include the employees of the association.

3. Section 1 of P. L. 1964, c. 105 (C. 17:48A-7.1) is amended to read as follows:

**C. 17:48A-7.1 Group contracts; issuance; description; benefits; "employees" defined.**

1. A medical service corporation may issue to a policyholder a group contract, covering at least 10 employees or members at the date of issue, if it conforms to the following description:

(a) A contract issued to an employer or to the trustees of a fund established by one or more employers, or issued to a labor union, or issued to an association formed for purposes other than obtaining such contract, or issued to the trustees of a fund established by one or more labor unions or by one or more employers and one or more labor unions, covering employees and members of associations or labor unions.

(b) A contract issued to cover any other group which the Commissioner of Insurance (hereinafter called the commissioner) determines may be covered in accordance with sound underwriting principles.

Benefits may be provided for one or more members of the families or one or more dependents of persons who may be covered under a group contract referred to in (a) or (b) above.

Family type contracts shall provide that the services applicable for children shall be payable with respect to a newly-born child of the subscriber, or his or her spouse from the moment of birth. The services for newly-born children shall consist of coverage of injury or sickness including the necessary care and treatment of medically diagnosed congenital defects and abnormalities. If a subscription payment is required to provide services for a child, the contract may require that notification of birth of a newly-born child and the

required payment must be furnished to the service corporation within 31 days after the date of birth in order to have the coverage continue beyond such 31-day period.

Group contracts which provide for services to the subscriber but not to family members or dependents of that subscriber, other than contracts which provide no dependent coverage whatsoever for the subscriber's class, shall also provide services to newly-born children of the subscriber which shall commence with the moment of birth of each child and shall consist of coverage of injury or sickness including the necessary care and treatment of medically diagnosed congenital defects and abnormalities, provided that application therefor and payment of the required subscription amount are made to include in said contract the coverage described in the preceding paragraph of this section within 31 days from the date of birth of a newborn child.

A contract under which coverage of such a dependent terminates at a specified age shall, with respect to an unmarried child, covered by the contract prior to attainment of age 19, who is incapable of self-sustaining employment by reason of mental retardation or physical handicap and who became so incapable prior to attainment of age 19 and who is chiefly dependent upon the covered employee or member for support and maintenance, not so terminate while the coverage of the employee or member remains in force and the dependent remains in such condition, if the employee or member has within 31 days of such dependent's attainment of the termination age submitted proof of such dependent's incapacity as described herein. The foregoing provisions of this paragraph shall apply retrospectively or prospectively to require a medical service corporation to insure as a covered dependent any mentally retarded or physically handicapped child of the applicant where the contract is underwritten on evidence of insurability based on health factors required to be set forth in the application. In such cases any contract heretofore or hereafter issued may specifically exclude such mentally retarded or physically handicapped child from coverage.

Any group contract which contains provisions for the payment by the insurer of benefits for members of the family or dependents of a person in the insured group shall, subject to payment of the appropriate premium, provide that such family members or dependents be permitted to have coverage continued for at least 180 days after the death of the person in the insured group.

The contract may provide that the term "employees" shall include as employees of a single employer the employees of one or

more subsidiary corporations and the employees, individual proprietors and partners of affiliated corporations, proprietorships and partnerships if the business of the employer and such corporations, proprietorships or partnerships is under common control through stock ownership, contract or otherwise. The contract may provide that the term "employees" shall include the individual proprietor or partners of an individual proprietorship or a partnership. The contract may provide that the term "employees" shall include retired employees. A contract issued to trustees may provide that the term "employees" shall include the trustees or their employees, or both, if their duties are principally connected with such trusteeship. A contract issued to the trustees of a fund established by the members of an association of employers may provide that the term "employees" shall include the employees of the association.

4. This act shall take effect immediately.

Approved October 7, 1976.

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## CHAPTER 102

AN ACT to amend and supplement the "Waterfront and Airport Commission Act," approved June 30, 1953 (P. L. 1953, c. 202, C. 32:23-1 et seq.), as said short title was amended by P. L. 1970, c. 58, s. 15.

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

1. The act of which this act is amendatory is amended and supplemented by adding to said act a new section, to be section 5 q., to read as follows:

**C. 32:23-118 Temporary suspension of license or registration.**

5. q. (1) The commission may temporarily suspend a license or registration pursuant to the provisions of section 4 of Article XI of this act only where the licensee or registrant has been indicted for, or otherwise charged with, a crime which is equivalent to a felony in the State of New York or to a high misdemeanor in the State of New Jersey or only where the licensee or registrant is a

port watchman who is charged by the commission pursuant to Article XI of this act with misappropriating any other person's property at or on a pier or other waterfront terminal. The provisions of this paragraph shall not be applicable to the temporary suspension of a temporary permit or temporary registration issued by the commission.

(2) In the case of a licensee or registrant who has been indicted for, or otherwise charged with, a crime, the temporary suspension shall terminate immediately upon acquittal or upon dismissal of the criminal charge. A person whose license or registration has been temporarily suspended may, at any time, demand that the commission conduct a hearing as provided for in Article XI of this act. Within 60 days of such demand, the commission shall commence the hearing and, within 30 days of the conclusion of testimony and other evidence in such hearing, the commission shall render a final determination thereon; provided, however, that these time requirements, shall not apply for any period of delay caused or requested by the licensee or applicant. Upon failure of the commission to commence a hearing or render a determination within the time limits prescribed herein, the temporary suspension of the licensee or registrant shall immediately terminate.

**C. 32:23-119 Partial invalidity.**

2. If any part or provision of this act or the application thereof to any person or circumstances be adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision or application directly involved in the controversy in which such judgment shall have been rendered and shall not affect or impair the validity of the remainder of this act or the application thereof to other persons or circumstances and the two states hereby declare that they would have entered into this act or the remainder thereof had the invalidity of such provision or application thereof been apparent.

**C. 32:23-120 Construction.**

3. This act constitutes an agreement between the States of New York and New Jersey, supplementary to the waterfront commission compact and amendatory thereof, and shall be liberally construed to effectuate the purposes of said compact and the powers vested in the waterfront commission hereby shall be construed to be in aid of and supplemental to and not in limitation of or in derogation of any of the powers heretofore conferred upon or delegated to the waterfront commission.

**C. 32:23-121 Effective date.**

4. This act shall take effect upon the enactment into law by the state of New York of legislation having an identical effect with this act, but if the state of New York shall have already enacted such legislation, then it shall take effect immediately.

Approved October 7, 1976.

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**CHAPTER 103**

AN ACT to provide a special charter for the city of Ocean City in the county of Cape May.

WHEREAS, A charter commission was duly elected by the legal voters of the city of Ocean City at the general election in November, 1975, pursuant to the Optional Municipal Charter Law; and

WHEREAS, The Ocean City Charter Commission made its report on July 20, 1976, recommending a special charter for the city, and, in that event, the enabling statute provides that "it shall be the duty of the governing body of the municipality to forthwith petition the Legislature for a special law or laws, pursuant to the Constitution of 1947 and in the manner provided by general enabling legislation thereunder, to carry out the recommendations of the Charter Commission" (P. L. 1950, c. 210, s. 1-16; C. 40:69A-16); and

WHEREAS, The commission of the city of Ocean City has duly petitioned the Legislature for the passage of a special law to provide such a new charter for the city, pursuant to Article IV, Section VII, paragraph 10 of the Constitution of 1947, in accordance with the procedure prescribed by P. L. 1948, c. 199 (c. 1:6-10 et seq.); and

WHEREAS, Notice of intention to apply for the passage of such special law has been duly published, and the original of the petition, together with a duly certified copy of the resolution authorizing the filing of the same, have been duly presented and filed; now therefore,

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

## 1. THE CHARTER

## ARTICLE I. INCORPORATION AND POWERS

1-1. This act shall be known and may be cited as the "Ocean City Charter (1976)."

1-2. Municipality governed by plan adopted. Upon the adoption by the qualified voters of Ocean City of this charter, the city shall be governed by this charter, and by all applicable provisions of general law, subject to the transitional provisions of Article 7 of this charter, unless and until the municipality should adopt another form of government as provided by law.

1-3. Body corporate. The inhabitants within the corporate limits of Ocean City as now or hereby established shall be and remain a body corporate and politic with perpetual succession, and with such corporate name as it has heretofore adopted or may hereafter adopt.

1-4. General law defined. For the purposes of this charter, a "general law" shall be deemed to be any law or provision of law, not inconsistent with this charter, heretofore or hereafter enacted which is by its terms applicable or available to all municipalities, and the following additional laws whether or not such additional laws are so applicable or available to all municipalities: legislation relating to taxation, local courts, education, health, public authorities serving more than one municipality, and municipalities in unsound financial condition.

1-5. Municipal powers. The municipality of Ocean City shall, subject to the provisions of this charter or other general laws, have full power to:

a. Organize and regulate its internal affairs, and to establish, alter, and abolish offices, positions and employments and to define the functions, powers and duties thereof and fix their term, tenure and compensation;

b. Adopt and enforce local police ordinances of all kinds and impose penalties of fine not exceeding \$500.00 or imprisonment for any term not exceeding 90 days or both for the violation thereof; to construct, acquire, operate or maintain any and all public improvements, projects or enterprises for any public purpose, subject to referendum requirements otherwise imposed by law, and to exercise all powers of local government in such manner as its governing body may determine;

c. Sue and be sued, to have a corporate seal, to contract and be contracted with, to buy, sell, lease, hold and dispose of real and personal property, to appropriate and expend moneys, and to

adopt, amend and repeal such ordinances and resolutions as may be required for the good government thereof;

d. Exercise powers of condemnation, borrowing and taxation in the manner provided by general law.

1-6. Construing. The general grant of municipal power contained in this charter is intended to confer the greatest power of local self-government consistent with the Constitution of this State. Any specific enumeration of municipal powers contained in this act or in any other general law shall not be construed in any way to limit the general description of power contained in this article, and any such specifically enumerated municipal powers shall be construed as in addition and supplementary to the powers conferred in general terms by this article. All grants of municipal power, whether in the form of specific enumeration or general terms, shall be liberally construed, as required by the Constitution of this State, in favor of the municipality.

#### ARTICLE II. THE COUNCIL

2-1. Elected officials. Ocean City shall be governed by an elected council, and an elected mayor and by such other officers and employees as may be duly appointed pursuant to this charter, general law, or ordinance.

2-2. Mayor, term. The mayor shall be elected by the voters of Ocean City at a regular municipal election, and shall serve for a term of 4 years beginning on July 1 next following his election.

2-3. Council, term. The council shall consist of five members who shall be elected at large by the voters of Ocean City at a regular municipal election and shall serve for a term of 4 years, except as hereinafter provided for those first elected, beginning on July 1 next following their election.

2-4. Terms of first councilmen. At the first election as provided for in Article 7 of this act, following the adoption of this charter by Ocean City, two councilmen shall serve for 4 years and three councilmen shall serve for 2 years. The length of the term of the respective members of the first council shall be determined by lot immediately upon the organization of the council next following the election.

2-5. Vacancies. Vacancies in any election office shall be filled by election for the remainder of the unexpired term at the next general election occurring not less than 60 days after the occurrence of the vacancy. Such election to fill a vacancy shall be upon direct nomination by petition in the manner provided by law for

the filling of vacancies in municipal offices where candidates are nominated by direct petition for a general election. Council shall fill such vacancies temporarily by appointment to serve until the qualification of a person so elected.

2-6. Legislative powers. The legislative power of Ocean City shall be exercised by the municipal council, except as may be otherwise provided by general law.

2-7. Additional powers. The council, in addition to such other powers and duties as may be conferred upon it by this charter or otherwise by general law, may:

a. Require any municipal officer, in its discretion, to prepare and submit sworn statements regarding his official duties in the performance thereof, and otherwise to investigate the conduct of any department, office or agency of the municipal government;

b. Remove any municipal officer, other than the mayor or a member of council, for cause, upon notice and an opportunity to be heard.

2-8. Municipal clerk, duties, qualifications. The council shall appoint a municipal clerk, who shall serve as clerk of the council, keep its minutes and records of its proceedings, maintain and compile its ordinances and resolutions as this act requires, and perform such functions as may be required by law. The municipal clerk shall, prior to his appointment, have been qualified by training or experience to perform the duties of the office.

2-9. Meetings of council, open to public, minutes. The council shall by ordinance or resolution designate the time of holding regular meetings, which shall be at least monthly. The mayor may, and upon written request of a majority of the members of the council, shall, call a special meeting of the council. In the call he shall designate the purpose of the special meeting and no other business shall be considered. All meetings of the council shall be open to the public. The municipal clerk shall keep a journal of its proceedings and record the minutes of every meeting.

2-10. Rules of procedure. a. Council shall determine its own rules of procedure, not inconsistent with ordinance or statute. A majority of the whole number of members of the council shall constitute a quorum, but no ordinance shall be adopted by the council without the affirmative vote of a majority of all the members of the council.

b. Each ordinance or resolution shall be introduced in written or typewritten form and shall be read and considered as provided by general law. The vote upon every motion, resolution or ordinance

shall be taken by roll call and the yeas and nays shall be entered on the minutes. The minutes of each meeting shall be signed by the officer presiding at such meeting and by the municipal clerk.

c. The council at its organization meeting shall elect a president of the council from among the members thereof and he shall preside at its meetings and perform such other duties as the council may prescribe. In the absence of the president, the council shall elect a temporary presiding officer. The compensation of the mayor, councilmen and department heads shall be fixed by the council immediately after its organization.

2-11. Adoption and publication of ordinances; proviso. a. Except as may otherwise be provided in this act, all ordinances shall be adopted and published in the manner required by general law; provided, however, that any ordinance may incorporate by reference any standard technical regulations or code, official or unofficial, which need not be so published whenever ten copies of said regulations or code have been placed on file in the office of the municipal clerk and in the office of the body or department charged with the enforcement of said ordinance for the examination of the public so long as said ordinance is in effect.

2-12. Ordinances, compiling, codifying, indexing, binding. The municipal clerk shall record all ordinances and resolutions adopted by council and at the close of each year, with the advice and assistance of the municipal attorney, shall bind, compile or codify all the ordinances and resolutions, or true copies thereof, of the municipality which then remain in force and effect. He shall also properly index the record books, compilation or codification of ordinances and resolutions.

2-13. Rules and regulations, filing, publishing. No rule or regulation made by any department, officer, agency or authority of the municipality, except such as relates to the organization or internal management of the municipal government or a part thereof, shall take effect until it is filed either with the municipal clerk or in such other manner as may be provided by ordinance. The council shall provide for the prompt publication of such rules and regulations.

### ARTICLE 3. MAYOR AND ADMINISTRATION

3-1. Executive powers. The executive power of Ocean City shall be exercised by the mayor.

3-2. Mayor's duties. The mayor shall enforce the charter and ordinances of the municipality and all general laws applicable thereto. He shall annually report to the council and the public on

the work of the previous year and on the condition and requirements of the municipal government and shall from time to time make such recommendations for action by the council as he may deem in the public interest. He shall supervise all of the departments of the municipal government and shall require each department to make an annual and such other reports of its work as he may deem desirable.

3-3. Adoption of ordinances; voting by mayor. a. Ordinances adopted by the council shall be submitted to the mayor, and he shall within 10 days after receiving any ordinance, either approve the ordinance by affixing his signature thereto or return it to the council by delivering it to the municipal clerk together with a statement setting forth his objections thereto or to any item or part thereof. No ordinance or any item or part thereof shall take effect without the mayor's approval, unless the mayor fails to return an ordinance to the council within 10 days after it has been presented to him, or unless council upon reconsideration thereof on or after the third day following its return by the mayor shall by a vote of two-thirds of the members resolve to override the mayor's veto.

b. The mayor may attend meetings of council and may take part in discussions of council but shall have no vote except in the case of a tie on the question of filling a vacancy in the council, in which case he may cast the deciding vote.

3-4. Acting mayor. The mayor shall designate the business administrator, any other department head, or the municipal clerk to act as mayor whenever the mayor shall be prevented by absence from the municipality, disability or other cause from attending to the duties of his office. During such time the person so designated by the mayor shall possess all the rights, powers, and duties of mayor. Whenever the mayor shall have been unable to attend to the duties of his office for a period of 60 consecutive days for any of the above stated reasons, an acting mayor shall be appointed by the council, who shall succeed to all the rights, powers and duties of the mayor or the then acting mayor.

3-5. Departments, limitation, directors, appointment and removal of subordinates. a. Ocean City shall have a department of administration and such other departments, not exceeding nine in number, as council may establish by ordinance. All of the administrative functions, powers and duties of the municipality, other than those vested in the office of the municipal clerk, shall be allocated and assigned among and within such departments.

b. Each department shall be headed by a director, who shall be appointed by the mayor with the advice and consent of the council. Each department head shall serve during the term of office of the mayor appointing him, and until the appointment and qualification of his successor.

c. The mayor may in his discretion remove any department head after notice and an opportunity to be heard. Prior to removing a department head the mayor shall first file written notice of his intention with the council, and such removal shall become effective on the twentieth day after the filing of such notice unless the council shall prior thereto have adopted a resolution by a  $\frac{2}{3}$  vote of the whole number of the council, disapproving the removal.

d. Department heads shall appoint subordinate officers and employees within their respective departments and may, with approval of the mayor, remove such officers and employees subject to the provisions of the Revised Statutes, Title 11, Civil Service, where that title is effective in the municipality, or other general law; provided, however, that council may provide by ordinance for the appointment and removal of specific boards or commissions by the mayor.

e. Nothing in this charter shall be construed to limit the general power of the Ocean City council to establish, alter and abolish offices, boards and commissions.

3-6. Business administrator, qualifications, duties. The department of administration shall be headed by a director who shall be known and designated as business administrator. He shall be chosen solely on the basis of his executive and administrative qualifications with special reference to his actual experience in, or his knowledge of, accepted practice in respect to the duties of his office as hereinafter set forth. At the time of his appointment, he need not be a resident of the municipality or State, but during his tenure of office he may reside outside the municipality only with the approval of council. He shall have, exercise and discharge the functions, powers and duties of the department. The department, under the direction and supervision of the mayor shall:

- a. Assist in the preparation of the budget;
- b. Administer a centralized purchasing system;
- c. Be responsible for the development and administration of a sound personnel system; and
- d. Perform such other duties as council may prescribe.

e. The business administrator also shall, subject to the direction of the mayor, supervise the administration of each of the departments established by ordinance. For this purpose, he shall have power to investigate the organization and operation of any and all departments, to prescribe standards and rules of administrative practice and procedure, and to consult with the heads of the departments under his jurisdiction; provided that with respect to any department of law or department of audit, accounts or control, the authority of the business administrator under this subsection shall extend only to matters of budgeting, personnel and purchasing.

#### BUDGET AND CONTROL

3-7. Budget. The municipal budget shall be prepared by the mayor with the assistance of the business administrator. During the month of November, the mayor shall require all department heads to submit requests for appropriations for the ensuing budget year, and to appear before the mayor or the business administrator at public hearings, which shall be held during that month, on the various requests.

3-8. Budget submitted to council. On or before January 15 the mayor shall submit to council his recommended budget together with such explanatory comment or statement as he may deem desirable. The budget shall be in such form as is required by law for municipal budgets, and shall in addition have appended thereto a detailed analysis of the various items of expenditure and revenue. Council may reduce any item or items in the mayor's budget by a vote of a majority of the council, but an increase in any item or items therein shall become effective only upon an affirmative vote of two-thirds of the members of council.

3-9. Work programs; quarterly allotments. The council shall where practicable provide for the maintenance of a system of work programs and quarterly allotments, for operation of the budget. It shall be the duty of the officer or department administering any such program to develop and report appropriate unit costs of budgeted expenditures.

3-10. Financial control. The council shall provide by ordinance for the exercise of a control function, in the management of the finances of the municipality, by some officer other than the business administrator. The control function shall include provision for an encumbrance system of budget operation, for expenditure only upon written requisition, for the preaudit of all claims and

demands against the municipality prior to payment, and for the control of all payments out of any public funds by individual warrants for each payment to the official having custody thereof.

#### ARTICLE 4. ELECTIONS IN GENERAL

4-1. Regular municipal election day. Regular municipal elections shall be held on the second Tuesday in May in the years in which municipal officers are to be elected.

4-2. Election place, hours, officers. The municipal election shall be held at the same place or places and conducted in the same manner, so far as possible, as the general election, and the polls shall be open from 7 a.m. until 8 p.m. at the prevailing time. The election officers conducting such elections shall be those provided for conducting the general election.

4-3. Term specified. Every municipal officer elected by provision of this charter shall serve for the term of office specified in the plan and until his successor is elected and qualified, provided that no municipal officer elected by provision of this charter shall serve more than two consecutive terms in office. Any official serving more than 2 years of a term shall be considered to have served a full term for purpose of this section. This section shall not apply to any elected officials serving in office upon the adoption of this charter.

4-4. Filing candidates' names; nominating petition. At least 47 days prior to a regular municipal election, the names of candidates for all offices shall be filed with the municipal clerk, before 4 p.m. on such days in the manner and form and under the conditions hereinafter set forth:

a. The petition of nomination shall consist of individual certificates, equal in number to at least 1%, but in no event less than 10, of the registered voters of the municipality and shall read substantially as follows:

"I, the undersigned, a registered voter of the municipality of ..... residing at ..... certify that I do hereby join in a petition of the nomination of ..... whose residence is at ..... for the office of mayor (or councilman-at-large) to be voted for at the election to be held in such municipality on the ..... 19...., and I further certify that I know this candidate to be a registered voter, for the period required by law, of said municipality and a man of good moral character, and qualified, in my judgment, to perform the duties of said office and I further certify that I have not signed more peti-

tions or certificates of nominations than there are places to be filled for the above office.

Signed .....

b. Each petition signature shall be on a separate sheet of paper and shall bear the name and address of the petitioner. The candidate for office and his campaign manager shall make an oath before an officer competent to administer oaths that the statements made therein are true and that each signature to the papers appended thereto is the genuine signature of the person whose name it purports to be to their best knowledge and belief. Such oath, signed by the candidate, shall constitute his acceptance of such nomination and shall be annexed to the petition, together with the oath of his campaign manager, at the time the petition is submitted.

4-5. Contents of forms; petition examination. a. The municipal clerk shall furnish, upon application, a reasonable number of forms of individual certificate of the above character.

b. Each certificate shall contain the name of one candidate, and no more. Each signer must not, at the time of signing the certificate, have signed more certificates for candidates for that office than there are places to be filled for such office. All certificates of an elector whose certificate or certificates have not complied substantially with the foregoing provisions shall be rejected.

c. When such a petition of nomination is presented for filing to the municipal clerk, he shall forthwith examine the same and ascertain whether it conforms to the provisions of this article and the applicable sections of the general election laws, and if not found in conformity thereto, he shall retain the petition, designate the defect and notify the person nominated thereof, by written notice delivered to him personally or by certified mail to his place of residence stated in the petition.

d. Where the nominating petition, or any affidavit or affidavits thereto may be found defective, the candidate named therein may file such amendment or amendments thereto as may be necessary to eliminate the defect, whether in matters of substance or form, and when so amended the effect shall be as if the petition had been originally filed in the amended form; provided, however, that after the last day for the filing of the original petition, no amendment may be made for the purpose of adding the name of any person who did not sign the original petition, nor shall any amendment be made at any time for the purpose of changing the name of the candidate or the office for which he was to be nominated; and

every amendment to a nominating petition shall be made and filed in any case not less than 34 days before the election.

4-6. Designation opposite candidate's name; grouping. Any candidate whose name is to be printed on the ballot may petition the municipal clerk to print opposite his name on the ballot, a designation, in not more than six words, as named by him in such petition, for the purpose of indicating either an official act or policy to which he is pledged or committed, but the designation shall not indicate political party affiliations. On the filing of such petition the clerk shall cause the designation to be printed opposite the name of such candidate upon the ballot. If several candidates for the same office shall petition that their names be grouped together and that the one designation named by them shall be printed opposite their names, the clerk shall group their names in a bracket, and opposite the bracket shall print the same designation as aforesaid. Petitions requesting a designation or grouping of candidates shall be filed with the clerk on or before the last day fixed for filing the petition for nomination. If two candidates or groups select the same designation the clerk shall notify the candidate or group whose petition was last filed, and such candidate or group shall select a new designation.

4-7. Position on ballot. The municipal clerk shall draw lots to determine the order in which the names of the candidates or groups of candidates shall appear upon the ballots. The name of the person or group of candidates first drawn shall occupy first place on the ballot, or voting machine, and the name of the person or group of candidates next drawn shall occupy second place, and so forth. The manner of drawing by lot shall be as follows: Paper cards with the name of each candidate or group of candidates written thereon shall be placed in a covered box with an aperture in the top large enough to allow the cards to be drawn therefrom. The municipal clerk in the presence of any candidate shall draw from the box each card without knowledge on his part as to which card he is drawing. The municipal clerk shall at least 2 days prior to the drawing notify each candidate by registered mail of the time and place of the drawing. The candidate or his representative shall have the right to examine the cards prior to their being placed in the covered box.

4-8. Publishing names. Within 10 days after the expiration of the time for filing certificates, statements and petitions for candidates, and the drawing for position, the municipal clerk shall

cause the names of the candidates as they are to appear upon the ballots to be published in proper form once in each of two newspapers having the largest circulation in such municipality, and published in this State, provided, however, if there is a newspaper of general circulation published in the municipality, one of the two notices should be published in such newspaper although it is not of the two in greatest circulation.

4-9. Candidates bearing same name. When persons bearing the same name are nominated for the same office, any or either of them can file with the municipal clerk a statement in writing containing not more than six words as a means of identification of such candidate. The statement or designation so filed shall be printed upon the official ballot to be used at the election.

4-10. Ballots, specifications, instructions, delivery. The municipal clerk shall cause the ballots to be printed and authenticated by his signature. Upon the ballots shall be printed the title of each office to be filled. Under each of the titles of office shall be printed the names of the candidates for each office with a square to the left of each name. Below the names of such candidates for each such office the words "vote for one (two, three, four, five or six as the case may be)." The ballot shall be printed upon plain, substantial white paper, and shall be substantially in the following form:

"Municipal election of (here insert corporate name of municipality), county of (here insert name of county), held (here insert the date of the election). To vote for any person make a cross (×) or plus (+) or a check (√) mark in the square preceding the name voted for. Vote only for as many persons as there are officers to be elected. If you wrongly mark the ballot, tear or deface same and return it to election officer and obtain new ballot."

Blank spaces equal to the number of offices to be filled shall be left below the printed names of the candidates for each office to be voted for, wherein the voter may write the name or names of any person or persons for whom he may wish to vote.

The municipal clerk shall deliver ballots to the election officials at each polling place equal in number to one and one-tenth times the number of registered voters in each election district, except that where voting machines are used ballots shall be furnished as otherwise provided by law.

4-11. Canvass of election. The district boards of registry and election shall, immediately upon the closing of the polls, count

the ballots and ascertain the number of votes cast in such election district for each of the candidates in the manner provided by law at the general election, and make return thereof to the municipal clerk immediately upon the completion of the count of such ballots, upon proper blanks to be furnished by the said clerk. In counties having a superintendent of elections one of said returns shall be made available immediately to the superintendent of elections. The superintendent may arrange to accept such statement of returns in each municipality within the county at the office of the clerk of such municipality or some other convenient place. On the day following the municipal election, the municipal clerk shall canvass said returns so received from all the election districts, and the soldier and civilian absentee ballots and immediately make and file in his office the result thereof. Said canvass by the municipal clerk shall be publicly made.

4-12. Elected candidates. At the regular municipal election the candidates receiving the greatest number of votes cast shall be elected to the respective offices.

#### ARTICLE 5. OFFICERS AND EMPLOYEES

5-1. Officer and employee restrictions. No officer or employee elected or appointed in Ocean City shall be interested directly or indirectly in any contract or job for work or materials, or the profits thereof, to be furnished or performed for the municipality, and no such officer or employee shall be interested directly or indirectly in any contract or job for work or materials or the profits thereof, to be furnished or performed, for any person operating any interurban railway, street railway, gas works, waterworks, electric light or power plant, heating plant, telegraph line, telephone exchange, or other public utility within the territorial limits of Ocean City.

5-2. Special privileges prohibited. No officer or employee shall accept or receive, directly or indirectly, from any person operating within the territorial limits of Ocean City, any interurban railway, street railway, gas works, waterworks, electric light or power plant, heating plant, telegraph line, telephone exchange or other business using or operating under a public franchise, any frank, free pass, free ticket or free service, or accept or receive, directly or indirectly, from any person, any other service upon terms more favorable than is granted to the public generally, except that such prohibition of free transportation shall not apply to policemen or firemen in uniform. Nor shall any free service to the municipal

officials heretofore provided by any franchise or ordinance be affected by this section.

5-3. Promise of rewards prohibited. No candidate for office, appointment or employment, and no officer, appointee, or employee in Ocean City shall directly or indirectly give or promise any person any office, position, employment, benefit or anything of value for the purpose of influencing or obtaining the political support, aid or vote of any person, under the penalty of being disqualified to hold the office or employment to which he may be or may have been elected or appointed.

5-4. Persons convicted of offenses; penalty. Any person convicted of a crime or offense involving moral turpitude shall be ineligible to assume any municipal office, position or employment in a municipality governed pursuant to this act, and upon conviction thereof while in office shall forfeit his office; provided, however, any person convicted of such an offense who has achieved a degree of rehabilitation which in the opinion of the appointing authority and the Civil Service Commission, as to employment subject to the Civil Service law, indicates his employment would not be compatible with the welfare of society and the aims and objectives of the governmental agency, may be considered eligible to apply for employment or be continued in employment. Any person who shall violate any of the provisions of sections 5-1, 5-2 or 5-3 of this article shall upon conviction thereof in a court of competent jurisdiction forfeit his office.

5-5. Failure to appear and testify grounds for removal; penalty. If any person hereafter elected or appointed to any office or position in Ocean City shall, after lawful notice or process, willfully refuse or fail to appear before any court, any legislative committee, or the Governor, or having appeared shall refuse to testify or to answer any question regarding the property, government or affairs of the municipality, or regarding his nomination, election, appointment or official conduct on the ground that his answer would tend to incriminate him, or shall refuse to waive immunity from prosecution on account of any such matter in relation to which he may be asked to testify, may be removed from office by the governing body of the municipality in its discretion. Any person removed from office pursuant to this section shall not thereafter be eligible for election or appointment to any office or employment in such municipality.

## ARTICLE 6. RECALL, INITIATIVE AND REFERENDUM

## A. Recall

6-1. Recall election. Any elective officer shall be subject to removal from office for cause connected with his office, after he has served at least 1 year, upon the filing of a recall petition and the affirmative vote of a majority of those voting on the question of removal at any general, regular municipal or special election.

6-2. Petition contents. A recall petition shall demand the removal of a designated incumbent, shall be signed by qualified voters equal in number to at least 25% of the registered voters of Ocean City, and shall be filed with the municipal clerk. It shall set forth a statement of the cause upon which the removal is sought.

6-3. Petition signatures, examination, certification, amendment. The signatures to a recall petition need not all be appended to one paper but each signer shall add to his signature his place of residence giving the street and number or other sufficient designation if there shall be no street and number. One of the signers to each such paper shall take an oath before an officer competent to administer oaths that the statement therein made is true as he believes and that each signature to the paper appended is the genuine signature of the person whose name it purports to be. Within 10 days from the date of filing the petition the municipal clerk shall complete its examination and ascertain whether or not such petition is signed by the requisite number of qualified voters, and shall attach to the petition his certificate showing the result of his examination. If by that certificate the petition is shown to be insufficient it may be amended within 10 days from the date of said certificate. The municipal clerk shall, within 5 days after such amendment, make a similar examination and determination of the amended petition, and if the certificate shall show the same to be insufficient, it shall be returned to the person filing it without prejudice to the filing of a new petition to the same effect.

6-4. Service of notice. If the petition shall be sufficient the municipal clerk shall within 2 days notify the mayor, councilman or councilmen whose recall is sought thereby. If such notice cannot be served personally upon the mayor, councilman or councilmen affected, service may be made by registered mail addressed to the officer's last known address. If within 5 days after the service of the notice by the municipal clerk the mayor, councilman or councilmen sought to be recalled by such petition do not resign, or having tendered their resignation it shall not have been ac-

cepted by the municipal council, the municipal clerk shall order and fix a date for holding a recall election not less than 60 nor more than 90 days from the filing of the petition. Notice of the filing of the petition and of the date of the election shall be posted for public view in the office of the municipal clerk and he shall also insert the notice forthwith in a newspaper published in Ocean City, or if there be no such newspaper, then in a newspaper having general circulation in Ocean City.

6-5. Ballot specifications; question; directions. The ballots at the recall election shall conform to the requirements respecting the election of municipal officers in Ocean City, as provided in this article or in Title 19 of the Revised Statutes (Elections), whichever shall apply in Ocean City, in accordance with the provisions of this act, except that the words "recall election" shall appear at the top thereof and shall be separated from the portion of the ballot for the election of officers by a heavy black line. The proposal for recall shall be placed on the ballot in the following manner:

"Shall ..... (here insert name of incumbent) be removed from office by recall?" This matter shall occupy two lines in boldface type. Immediately below the above wording shall appear the phrase "for recall," and immediately underneath such phrase the words "against recall." Immediately at the left of each of these two phrases shall be printed a square, in which the voter may make a cross (X) or plus (+) or a check (V) mark. Immediately below the foregoing shall appear the following:

"Indicate your vote by placing a cross (X) or plus (+) or check (V) mark in one of the squares above."

6-6. Repetition of question and direction. If the removal of more than one officer is sought the same provisions for submitting to the electors the question and direction hereinbefore described shall be repeated in the case of each officer concerned and their position on the ballot for their recall shall be in the order of the filing of the petition with the municipal clerk.

6-7. Voting for successor to recalled officer. The same ballot used for the election of a successor to the incumbent sought to be removed and immediately under the black line following the recall question shall appear the phrase "Nominees for successors of ..... (here insert name of incumbent) in the event he is recalled." The names of all persons nominated as successors shall be placed upon the ballot in the same manner provided for other elections of municipal officers in Ocean City.

6-8. Provisions applicable to elections. The provisions of this article or of Title 19 of the Revised Statutes (Elections), whichever shall apply in Ocean City in accordance with the provisions of this act, concerning the nomination of municipal officers, preparation of the ballot, election of municipal officers, counting and canvassing of the results of the election of such officers, shall apply to the election for the recall of officers and the election of their successors.

6-9. Publishing election notices. The municipal clerk shall cause to be made due publication of notices of arrangements for holding all recall elections and they shall be conducted as are other elections for municipal officers in Ocean City.

6-10. Recall election results. a. If a majority of votes in connection with the recall of any officer be in favor of the recall, the term of office of such officer shall terminate upon the certification of the results of election by the municipal clerk.

b. If the results of such recall election shall, by the certificate of the municipal clerk, be shown to be against the recall of the officer he shall continue in office as if no recall election had been held, and the vote for the election for the successor of such officer taken at the time of such attempted recall shall be void.

6-11. Elected successor, term. If the office of the incumbent shall become vacant either by his resignation or by the result of the recall election, his successor shall be the nominee receiving the greatest number of votes at the recall election. The person so elected shall serve for the remainder of the unexpired term.

#### B. INITIATIVE AND REFERENDUM

6-12. Initiating ordinances. The voters of Ocean City may propose any ordinance and may adopt or reject the same at the polls, such power being known as the initiative. Any initiated ordinance may be submitted to the municipal council by a petition signed in the case of municipalities of 70,000 or less inhabitants, by 25% of the registered voters of the municipality.

6-13. Voters given referendum power. The voters shall also have the power of referendum which is the power to approve or reject at the polls any ordinance submitted by the council to the voters or any ordinance passed by the council, against which a referendum petition has been filed as herein provided. No ordinance passed by the municipal council, except when otherwise required by general law or permitted by the provisions of section 2-11 (b) of this charter, shall take effect before 20 days from the time of its final

passage and its approval by the mayor where such approval is required. If within 20 days after such final passage and approval of such ordinance a petition protesting against the passage of such ordinance shall be filed with the municipal clerk and if the petition shall be signed in the case of municipalities of 70,000 or less inhabitants by 25% of the registered voters of the municipality, the ordinance shall be suspended from taking effect until proceedings are had as herein provided.

6-14. Petition specifications. All petition papers circulated for the purposes of an initiative or referendum shall be uniform in size and style. Initiative petition papers shall contain the full text of the proposed ordinance. The signatures to initiative or referendum petitions need not all be appended to one paper, but to each separate petition there shall be attached a statement of the circulator thereof as provided by this section. Each signer of any such petition paper shall sign his name in ink or indelible pencil and shall indicate after his name his place of residence by street and number, or other description sufficient to identify the place. There shall appear on each petition paper the names and addresses of five voters, designated as the Committee of the Petitioners, who shall be regarded as responsible for the circulation and filing of the petition and for its possible withdrawal as hereinafter provided. Attached to each separate petition paper there shall be an affidavit of the circulator thereof that he, and he only, personally circulated the foregoing paper, that all the signatures appended thereto were made in his presence, and that he believes them to be the genuine signatures of the persons whose names they purport to be.

6-15. Filing, examination, certification. All petition papers comprising an initiative or referendum petition shall be assembled and filed with the municipal clerk as one instrument. Within 20 days after a petition is filed, the municipal clerk shall determine whether each paper of the petition has a proper statement of the circulator and whether the petition is signed by a sufficient number of qualified voters. After completing his examination of the petition, the municipal clerk shall certify the result thereof to the council at its next regular meeting. If he shall certify that the petition is insufficient he shall set forth in his certificate the particulars in which it is defective and shall at once notify at least two members of the Committee of the Petitioners of his findings.

6-16. Petition amendment. An initiative or referendum petition may be amended at any time within 10 days after the notification of insufficiency has been served by the municipal clerk, by filing a

supplementary petition upon additional papers signed and filed as provided in case of an original petition. The municipal clerk shall, within 5 days after such an amendment is filed, examine the amended petition and, if the petition be still insufficient, he shall file his certificate to that effect in his office and notify the Committee of the Petitioners of his findings and no further action shall be had on such insufficient petition. The finding of the insufficiency of a petition shall not prejudice the filing of a new petition for the same purpose.

6-17. Effect of filing referendum petition. Upon the filing of a referendum petition with the municipal clerk, the ordinance shall be suspended until 10 days following a finding by the municipal clerk that the petition is insufficient or, if an amended petition be filed, until 5 days thereafter; or, if the petition or amended petition be found to be sufficient, until it be withdrawn by the Committee of the Petitioners or until repeal of the ordinance by vote of the council or approval or disapproval of the ordinance by the voters.

6-18. Initiative ordinance submitted to council. Upon a finding by the municipal clerk that any petition or amended petition filed with him in accordance with this act is sufficient, the clerk shall submit the same to the municipal council without delay. An initiative ordinance so submitted shall be deemed to have had first reading and provision shall be made for a public hearing.

6-19. Petition withdrawal request. If within 60 days of the submission of a certified petition by the municipal clerk the council shall fail to pass an ordinance requested by an initiative petition in substantially the form requested or to repeal an ordinance as requested by a referendum petition, the municipal clerk shall submit the ordinance to the voters unless, within 10 days after final adverse action by the council or after the expiration of the time allowed for such action, as the case may be, a paper signed by at least four of the five members of the Committee of the Petitioners shall be filed with the municipal clerk requesting that the petition be withdrawn. Upon the filing of such a request, the original petition shall cease to have any force or effect.

6-20. Ordinance submitted to voters. Any ordinance to be voted on by the voters in accordance with section 6-13 or section 6-19 of this article shall be submitted at the next general or regular municipal election occurring not less than 60 days after the date of final action by council or the expiration of the time allowed for action by council in section 6-19 of this article, as the case may be,

provided that if no such election is to be held with 90 days the council may in its discretion provide for a special election.

6-21. Limits number of special elections. Any number of proposed ordinances may be voted upon at the same election in accordance with the provisions of this article, but there shall not be more than one special election in any period of 6 months for such purpose.

6-22. Publishing ordinance; time. Whenever an ordinance is to be submitted to the voters of the municipality at any election in accordance with this article, the clerk shall cause the ordinance to be published in at least two of the newspaper published or circulated in the municipality. The publication shall be not more than 20 nor less than 5 days before the submission of the ordinance or proposition to be voted on.

6-23. Ballot form. The ballots to be used at such election shall be in substantially the following form:

“To vote upon the public question printed below, if in favor thereof mark a cross (×) or plus (+) or check (√) in the square at the left of the word Yes, and if opposed thereto mark a cross (×) or plus (+) or a check (√) in the square to the left of the word No.”

	Yes.	“Shall the ordinance (indicate whether submitted by council or initiative or referendum petition) providing for (here state nature of proposed ordinance or proposition) be adopted?
	No.	

6-24. Ordinance validity. If a majority of the qualified electors voting on the proposed ordinance shall vote in favor thereof, such ordinance shall thereupon become a valid and binding ordinance of the municipality and be published as in the case of other ordinances. If the provision of two or more measures approved or adopted at the same election conflict, then the measure receiving the greatest affirmative vote shall control.

ARTICLE 7. SUCCESSION IN GOVERNMENT

7-1. Schedule of installation of charter. The schedule of installation of this charter shall, as provided herein, take the following course:

a. An election to submit the question of adoption of this charter will be held at the first general election occurring not less than 25 days following its passage.

b. In the event of a favorable vote of the voters at the above election, the first election of officers under the adopted plan shall take place on the second Tuesday in May, 1979.

c. If at such election a majority of all the valid votes cast for and against the adoption of this act shall be cast in favor of the adoption thereof, the charter shall take effect and become operative in accordance with its terms.

7-2. Prior charter superseded; ordinances effective. The charter will take effect and the installation of officers shall occur July 1, 1979. Upon this date any other charter and its amendments and supplements theretofore applicable to the municipality shall be superceded with respect to such municipality. All ordinances and resolutions of the municipality to the extent that they are not inconsistent with the provisions of this act shall remain in full force and effect until modified or repealed as provided by law.

7-3. Existing offices abolished on effective date of charter; exceptions. At 12 o'clock noon on the effective date of this charter, all offices then existing in Ocean City shall be abolished and the terms of all elected and appointed officers shall immediately cease and determine; provided, that nothing in this section shall be construed to abolish the office or terminate the term of office of any other member of the board of education, board of fire commissioners of a township fire district, trustees of the free public library, commissioners of a local housing authority, board of managers of a municipal hospital, municipal magistrates or of any official or employee now protected by any tenure of office law, or of any policeman, fireman, teacher, principal or school superintendent whether or not protected by a tenure of office law. If Ocean City is operating under the provisions of Title 11 of the Revised Statutes (Civil Service) at the time of the adoption of an optional plan under this act, nothing herein contained shall affect the tenure of office of any person holding any position or office coming within the provisions of said Title 11 as it applies to said officers and employees. If the municipal clerk has, prior to the effective date of the charter, acquired a protected tenure of office pursuant to law, he shall become the first municipal clerk under the charter.

Provision for officers and for the organization and administration of the municipal government under the charter may be made by resolution pending the adoption of ordinances, but any such resolution shall expire not later than 30 days after the effective date of the charter.

7-4. Appointment limitation; substitution of officers. a. No subordinate board, department, body, office, position or employment shall be created and no appointments shall be made to any subordinate board, department or body, or to any office, employment or position, including without limitation patrolmen and firemen, between the date of election of officers and the date newly elected officers take office under the charter.

b. All actions and proceedings of a legislative, executive or judicial character which are pending upon the effective date of this charter may continue and the appropriate officer or employee under the charter shall be substituted for the officer or employee theretofore exercising or discharging the function, power or duty involved in such action or proceeding.

ARTICLE 8. GENERAL PROVISIONS

8-1. Act severable. If any clause, sentence, paragraph, section or part of this charter shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section or part thereof directly involved in the controversy in which such judgment shall have rendered.

2. There shall be printed on each official ballot to be used at the general election, the following:

If you favor the proposition printed below make a cross (X), plus (+) or check (√) in the square opposite the word "Yes." If you are opposed thereto make a cross (X), plus (+) or check (√) in the square opposite the word "No."

	Yes.	"Shall 'An act to provide a special charter for the city of Ocean City in the county of Cape May' be adopted?"
	No.	

In any municipality or county in which voting machines are used, the question shall be placed upon the official ballots to be used upon the voting machines without the foregoing instruction to the voters and shall be voted upon by the use of such machines without marking as aforesaid.

3. Validation. All proceedings of the city commission of the city of Ocean City, county of Cape May, including the elections and qualifications of its members, and all actions of the said city

commission, relating to this act, and to the petition of the Legislature for the passage of a special act, and the time and manner of publication of notice of intention to apply therefor, are hereby ratified, confirmed and validated.

4. Effective date. This act shall take effect immediately, subject to the results of the referendum herein provided. Following such referendum the municipal clerk shall forthwith file his certificate of the results of the referendum on the public question with the Secretary of State, and the charter shall become operative as provided in article 7 of the charter as set forth in section 1 of this act.

Approved October 7, 1976.

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#### CHAPTER 104

AN ACT to delay the operative date of P. L. 1975, c. 353 relating to the "Local Public Contracts Law," and amending section 1 of P. L. 1976, c. 25.

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

1. Section 1 of P. L. 1976, c. 25 is amended to read as follows:
  1. Notwithstanding the provisions of section 15 of P. L. 1975, c. 353, the amendatory and supplementary provisions of the aforesaid act shall remain inoperative for a period of 330 days after the effective date of this act.
  2. This act shall take effect immediately.

Approved October 8, 1976.

## CHAPTER 105

AN ACT concerning minimum milk prices to be charged the consumer and supplementing P. L. 1941, c. 274 (C. 4:12A-1 et seq.).

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

**C. 4:12A-22.1 Additional powers and duties of director.**

1. The provisions of section 21 and 22 of the act to which this act is a supplement notwithstanding, the director's power to fix or refix minimum prices to be charged the consumer for milk shall be subject to the following:

a. In fixing or refixing the minimum price to be charged the consumer, the director shall utilize a single minimum marketing margin which will yield no more than a reasonable return for the lowest cost, most efficient milk dealers and store outlets. This minimum marketing margin shall represent the difference between the minimum price for producer milk established under the applicable Federal-State milk marketing orders (adjusted to 3.25% butterfat content) and the minimum price established for milk sold by stores to consumers. To provide assurance that low cost milk will continue to be available to consumers throughout the State, the director shall not increase the minimum marketing margin in effect under Order 69-1 of the Division of Dairy Industry (measured from the midpoint of the applicable Class I bracket) unless the director shall find, after such notice and hearing as are required by section 23 of the act to which this act is a supplement, that the costs of processing, distributing and selling milk through stores has increased above the average of such costs during the base year of 1974. In making such determination of subsequent cost increases, the director may utilize such economic formulas embodying indices of cost and productivity as may be appropriate to effectuate the provisions of this act and the act to which this act is a supplement.

b. Pursuant to the provisions of section 23 of the act to which this act is a supplement, public hearings shall be held before the adoption or amendment of any such economic formula. Such hearings, however, shall not be required in order to implement changes in the minimum marketing margin pursuant to said economic formulas; provided, however, that any interested party who con-

tends that the application of a specific economic formula will result in minimum milk prices charged the consumer in excess of that price level required to yield no more than a reasonable return for the lowest cost, most efficient milk dealers and store outlets shall be given a reasonable opportunity to demonstrate such contention at a public hearing.

**C. 4:12A-22.2 Size or type of container; establishment of cost-justified lower minimum margins or differentials.**

2. Nothing contained herein shall preclude the director from establishing cost-justified lower minimum margins or differentials with respect to any particular size or type of container.

3. This act shall take effect immediately.

Approved October 18, 1976.

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CHAPTER 106

AN ACT concerning pension funds of employees of counties of the first class having a population of less than 800,000, amending sections 43:10-1, 43:10-2, 43:10-7 of the Revised Statutes and P. L. 1973, c. 345, and supplementing chapter 10 of Title 43 of the Revised Statutes.

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

1. R. S. 43:10-1 is amended to read as follows:

**Definitions.**

43:10-1. As used in this article:

“Be retired on half pay” means retired on a pension equal to one-half of the average annual salary during any 3 fiscal years, of the employee’s membership, for which contributions were made, which years shall be selected in such manner as to provide for the largest possible benefit to the retirant, or surviving spouse or children, as the case may be; provided, however, that nothing in this amendatory act shall serve to reduce any employee’s pension below the amount to which he would have been entitled had he been eligible to apply for his pension prior to the effective date of this amendatory act.

“Salary” or “average annual compensation,” when used for the purpose of computing benefits under this act, means the average annual salary for which contributions are made during any 3 fiscal years of the employee’s membership providing the largest possible benefit to the member or surviving spouse or children. If the total service is less than 3 years, the salary shall be that paid for the entire period of membership. “Salary” means the base compensation for services as an employee, including normal and longevity increments earned in accordance with the established salary policies of the employer for all employees in the same position, but shall not include individual salary adjustments which are granted primarily in anticipation of the member’s retirement or additional remuneration for performing temporary or extra curricular duties beyond the regular work day or the regular work year. In cases where salary includes maintenance, the retirement system shall fix the value of that part of the salary not paid in money which shall be considered under this act.

“County employee” or “employee” means and includes all employees and officers in service in any county of the first class, and of any county board, body or commission maintained out of county funds in a county of the first class, including laborers recognized as permanent laborers, whether paid on an hourly, daily, monthly or annual basis (if being the intent to exclude transient labor from the operation of this article), but does not include any member of the police or fire department. The pension commission may determine whether or not the employment of an employee is permanent within the meaning of this article. Notwithstanding the provisions of section 43:1-1 of this Title, any person heretofore or hereafter accepting any employment in the county under the age of 45 years shall be eligible to join as a “county employee” or “employee” as herein above defined.

“Widow” means the woman to whom a member was married at least 5 years before the date of his death and to whom he continued to be married until the date of his death and who was receiving at least one-half of her support from the member in the 12-month period immediately preceding the member’s death or the accident which was the direct cause of the member’s death. The dependency of such a widow will be considered terminated by the marriage of the widow subsequent to the member’s death. In the event of the payment of an accidental death benefit, the 5-year qualification shall be waived.

“Widower” means the man to whom a member was married at least 5 years before the date of her death and to whom she con-

tinued to be married until the date of her death and who was receiving at least one-half of his support from the member in the 12-month period immediately preceding the member's death or the accident which was the direct cause of the member's death. The dependency of such a widower will be considered terminated by marriage of the widower subsequent to the death of the member. In the event of the payment of an accidental death benefit, the 5-year qualification shall be waived.

2. R. S. 43:10-2 is amended to read as follows:

**Retirement for service and age.**

43:10-2. An employee of a county of the first class who shall have served in the county's employ for a period of 20 years and reached 60 years of age, shall, upon his own application, but not later than, except as provided in this section, his attainment of age 65, be retired on half pay.

Any present employee who shall have served in the employ of the county for a period of 20 years, shall be retired in the following manner:

All members 70 years of age, or older, shall file their applications for retirement by July 1, 1977.

All members attaining 69 years of age by July 1, 1976, shall file their applications for retirement by July 1, 1977.

All members attaining 68 years of age by July 1, 1977, shall file their applications for retirement by July 1, 1978.

All members attaining 67 years of age by July 1, 1978, shall file their applications for retirement by July 1, 1979.

All members attaining 66 years of age by July 1, 1979, shall file their applications for retirement by July 1, 1980.

All members attaining 65 years of age by July 1, 1980, shall file their applications for retirement by July 1, 1981.

After July 1, 1981, all members shall file their applications for retirement immediately upon attaining 65 years of age.

Any member required to retire under this section may be continued in service on an annual basis after the required date of retirement at the request of the head of the employee's department, and with the approval of the head of the executive branch of government in a county organized under chapter 41A of Title 40 of the Revised Statutes, or, in all other counties, the board of chosen freeholders, given in written notice to the pension commission; provided, however, that in no event shall any employee be continued beyond age 70.

Any member who upon his attainment of age 65 shall have served in the employ of the county for a total of less than 20 years shall be retired on a pension equal to  $2\frac{1}{2}\%$  of his average annual salary or compensation as defined in R. S. 43:10-1, multiplied by the number of years of his service.

No elected official shall be required to retire pursuant to this section. Any employee appointed to an office for a fixed term of years may continue his membership beyond the mandatory date of retirement specified herein, but shall be retired immediately thereafter.

Should any member, after having completed 15 years of service for which credit has been established in the pension fund, be separated voluntarily or involuntarily from the service, before reaching age 60, and not by removal for cause or charges of misconduct or delinquency, he may elect to withdraw his contribution from the fund as provided in R. S. 43:10-8 or to receive a deferred pension beginning at age 60 in the amount based on his years of service credited in the fund bear to the total number of years of service that he could have achieved had he continued to age 60 and qualified for the pension of one-half of the annual salary he was receiving at the time he elected the deferred pension.

Subject to the other provisions of this amendatory and supplementary act and of article 1 of chapter 10 of Title 43 of the Revised Statutes, upon and after the death of such pensioner, said pension, which the pensioner was receiving prior to his death, shall be paid to the surviving spouse, so long as he or she remains unmarried, or minor children up to 18 years of age as the case may be.

3. Section 9 of P. L. 1973, c. 345 (C. 43:10-5.1) is amended to read as follows:

**C. 43:10-5.1 Pension to permanently and totally disabled employee with 10 years of service.**

9. Subject to the other provisions of this amendatory and supplementary act and of article 1 of chapter 10 of Title 43 of the Revised Statutes, any county employee who shall have served or who shall hereafter have served in the employ of such county continuously or in the aggregate for a period of 10 years and shall become permanently and totally disabled as the result of injury or illness not arising out of and in the course of his employment shall, upon his application, or upon the application of the head of the department in which he shall have been employed, be retired on pension equal to  $2\frac{1}{2}\%$  of his salary for each year of service, and for each additional year of service more than 10 years the

amount of said pension shall be increased to the extent of 2½% of said salary, not exceeding in any event 50% of said salary. Upon and after the death of such employee while on such pension the said pension shall be paid to the surviving widow, so long as she remains unmarried, surviving widower, so long as he remains unmarried, or minor children up to 18 years of age, as the case may be.

The pension commission shall determine as provided in section 10 of this amendatory and supplementary act whether or not such employee has become permanently and totally disabled.

4. Section 10 of P. L. 1973, c. 345 (C. 43:10-5.2) is amended to read as follows:

**C. 43:10-5.2 Retirement of employee permanently and totally disabled in course of employment; determination of disability.**

10. Subject to the other provisions of this amendatory and supplementary act and article 1 of chapter 10 of Title 43 of the Revised Statutes, any county employee who shall become permanently and totally disabled as a result of injury, accident or sickness arising out of and in the course of his employment shall, upon his application, or upon the application of the head of the department in which he shall have been employed, and approval thereof by the pension commission be retired on half pay. Upon and after the death of such employee or upon and after the death of any employee who dies as a result of any disability injury or disease arising out of and in the course of his employment, a pension of one-half the salary of such employee shall be paid to the surviving widow, so long as she remains unmarried, surviving widower, so long as he remains unmarried, or minor children up to 18 years of age, as the case may be.

The pension commission shall have power to determine whether or not any employee is permanently and totally disabled and whether or not a disability, or death of an employee is the result of an injury, accident or sickness arising out of and in the course of the employee's employment. Before approval of an application the physician or physicians designated by the commission shall make a medical examination of the member at his residence or at any other place mutually agreed upon and shall certify to the board that he is physically or mentally incapacitated for the performance of duty, and should be retired. The claimant shall have the right to present physicians, witnesses or other testimony in his behalf before the commission. The president or any other member of the pension commission may administer oaths to any physicians or

other persons called before the commission regarding the employee's disability or death. The commission shall decide, by resolution, whether the applicant is entitled to the benefits of this act and of article 1 of chapter 10 of Title 43 of the Revised Statutes.

5. Section 11 of P. L. 1973, c. 345 (C. 43:10-5.3) is amended to read as follows:

**C. 43:10-5.3 Employee with one year of service; death benefits; deferred pension; payment.**

11. If any member of the pension fund who shall have paid into the fund the full amount of his or her assessments or contributions and been in the county services for a period of at least 1 year, dies,  $2\frac{1}{2}\%$  of the salary received by such person shall be paid each year to the surviving spouse or minor children, as the case may be, and for each additional year of service more than 1 year, the amount of the pension shall be increased to the extent of  $2\frac{1}{2}\%$  of the salary, but not to exceed in any event 50% thereof.

If any member of the pension fund who shall have deferred his pension under the provisions of R. S. 43:10-2, dies before receiving any benefits, the pension shall be payable to the surviving spouse or children, as the case may be, and shall be based on the amount of salary earned and years of service which the member had at the time of deferral.

6. R. S. 43:10-7 is amended to read as follows:

**Pension fund.**

43:10-7. A fund to pay pensions under this article shall be created as follows:

a. The county treasurer shall deduct from every payment of salary to any county employee who is benefited by this article and pay to the fund, 3% of the amount of the salary.

b. The board of chosen freeholders shall annually raise in the county budget and contribute annually to the fund for a period of 30 years from the date this amendatory act becomes effective an amount as certified by the commission, with the advice of the actuary, to meet the liabilities of the fund.

c. All moneys donated for the purpose of the fund and all rewards paid to any county employee while acting as county employee shall be paid over to the board of chosen freeholders of the county to be deposited in the fund.

If, at any time, there is not sufficient money in the pension fund to pay the pension, the board of chosen freeholders shall, from

time to time, include in any tax levy a sum sufficient to meet the requirements of the pension fund.

**C. 43:10-7.2 Actuary; designation; powers and duties.**

7. a. (New section) The actuary of the system shall be designated by the county executive after consultation with the president of the pension commission and subject to the veto of the commission for valid reason. He shall be the technical adviser of the commission on matters regarding the operation of the funds created by the provisions of this act and shall perform such other duties as are required in connection therewith. The actuary shall recommend, and the retirement system shall keep in convenient form, such data as shall be necessary for actuarial valuation of the funds. At least once in every 3-year period, the actuary shall make an actuarial investigation into the mortality, service, and compensation or salary experience of the members and survivors as defined in this act and shall make a valuation of the assets and liabilities of the funds. Upon the basis of such investigation and valuation, with the advice of the actuary, the commission shall:

(1) Adopt for the retirement system such mortality, service and other tables as shall be deemed necessary; and,

(2) Certify the employer's contribution to the system, which shall be raised annually by the board of chosen freeholders.

b. Upon the basis of tables recommended by the actuary as the commission shall adopt and regular interest, the actuary of the retirement system shall make an annual valuation of the assets and liabilities of the system. On the basis of such valuation the employer contribution shall be computed so that paid annually for a period of 30 years, beginning with the year following the year in which this amendatory act becomes effective, the amount certified by the actuary of the system shall meet the liabilities of the system.

8. This act shall take effect immediately.

Approved October 18, 1976.

## CHAPTER 107

AN ACT concerning pension funds of employees of counties of the first class having a population of less than 800,000, and supplementing article 1 of chapter 10 of Title 43 of the Revised Statutes.

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

**C. 43:10-1.6 Credit for other governmental service.**

1. Any employee, who at the time of his entry into a county pension fund established pursuant to article 1 of chapter 10 of Title 43 of the Revised Statutes, was given credit for and paid contributions to the fund for a period of service as an employee of the State of New Jersey or of any municipality or agency, commission or board thereof in a county adopting the provisions of article 1 of chapter 10 of Title 43 of the Revised Statutes, shall be entitled to credit for the period of other governmental service just as if that period had been spent in the employment of the county, and the actions of the county pension commission in granting credit for such periods of other governmental service are hereby ratified, validated and confirmed.

**C. 43:10-8.1 Reentry to fund.**

2. Any employee, who has heretofore withdrawn his contributions, pursuant to R. S. 43:10-8, from a county pension fund established pursuant to article 1 of chapter 10 of Title 43 of the Revised Statutes, and has thereafter reentered the fund and paid contributions to the fund, shall be entitled to pension credit for the entire period for which contributions have been paid into the fund, and the actions of the county pension commission in granting such pension credit to any employee so reentering the fund are hereby ratified, validated and confirmed.

3. This act shall take effect immediately.

Approved October 18, 1976.

## CHAPTER 108

AN ACT to amend and supplement "An act providing for the expunging from the records of certain courts of the records of commitments to mental institutions in certain cases," approved July 25, 1953 (P. L. 1953, c. 268).

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

1. Section 1 of P. L. 1953, c. 268 (C. 30:4-80.8) is amended to read as follows:

**C. 30:4-80.8 Petition to have commitment expunged from records.**

1. Any person who has been, or shall be, committed, by order of any court or by voluntary commitment, to any institution or facility providing mental health services and who was, or shall be, discharged from such institution or facility as recovered may apply to the court by which such commitment was made by verified petition setting forth the facts and praying for the relief provided for in this act.

2. Section 2 of P. L. 1953, c. 268 (C. 30:4-80.9) is amended to read as follows:

**C. 30:4-80.9 Hearing; order.**

2. Upon reading and filing such petition, the court shall by order fix a time, not less than 10 nor more than 30 days thereafter, for the hearing of such matter, a copy of which order shall be served upon the county adjuster of the county and upon the medical director of the institution or facility to which such person was committed and at the time so appointed, or to which it may be adjourned, the court shall hear the matter and if no reason appears to the contrary, an order shall be made directing the clerk of the court to expunge such commitment from the records of the court.

3. Section 3 of P. L. 1953, c. 268 (C. 30:4-80.10) is amended to read as follows:

**C. 30:4-80.10 Applicability of act.**

3. This act shall not apply to any case in which the commitment resulted from a determination that the defendant was not guilty of a crime, because of insanity or from a determination that he was incompetent to stand trial.

**C. 30:4-80.11 Commitment deemed not occurred if order granted.**

4. (New section) If an order expunging such commitment is granted, the commitment shall be deemed not to have occurred and the petitioner may answer accordingly any question relating to its occurrence.

5. This act shall take effect immediately.

Approved October 29, 1976.

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**CHAPTER 109**

AN ACT concerning striped bass and amending P. L. 1938, c. 318.

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

1. Section 7 of P. L. 1938, c. 318 (C. 23:5-5.7) is amended to read as follows:

**C. 23:5-5.7 Sale of striped bass; exception.**

7. No person shall sell, possess for sale, or offer for sale, any striped bass measuring less than 18 inches in length, whether caught within the jurisdictional limits of this State or otherwise, provided, however, that this act shall not apply to striped bass, packed and in transportation in unbroken packages and coming from any other state or country, but such packages shall be clearly marked by stencil, tag or otherwise showing the true origin of the shipment and its destination beyond the limits of the State of New Jersey. The possession of any striped bass or parts of a striped bass from which the head or tail has been removed, other than while in preparation or being served as food, which are less than 18 inches in length shall be presumed to be possession for sale in violation of this section.

2. This act shall take effect immediately.

Approved October 29, 1976.

## CHAPTER 110

AN ACT relating to inheritance taxes and amending R. S. 54:35-3.

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

1. R. S. 54:35-3 is amended to read as follows:

**Delay in payment; penalty; exception; reduction of penalty; interest; postponement as to estate of member of armed forces.**

54:35-3. If such tax is not paid within 8 months after the death of the decedent, the tax shall bear interest at the rate of 10% per annum from the expiration of 8 months after the death of the decedent to the date when the tax is paid, unless, payment was tendered by the taxpayer within the 8 months period and is evidenced by the postmark on the letter conveying the payment, or by other acceptable proof, but was not credited through no fault of the taxpayer, in which case no interest shall be charged, or unless, by reason of claims made upon the estate, necessary litigation or other unavoidable cause of delay, the decedent's estate, or a part thereof, cannot be settled before the expiration of 8 months from the death of the decedent, in which case only 6% per annum shall be charged from the expiration of such 8 months until the cause of delay is removed; provided, however, that if the decedent shall have heretofore died or shall hereafter die while a member of the Armed Forces of the United States, no such tax shall commence to bear such interest until the expiration of 8 months after receipt of official notification of the death of the decedent by the wife, husband, father, mother, or next of kin of such decedent.

2. This act shall take effect immediately.

Approved October 29, 1976.

## CHAPTER 111

AN ACT to amend the title of "An act for the establishment of a police and firemen's retirement system for the police and firemen of a municipality, county or political subdivision thereof," approved May 23, 1944 (P. L. 1944, c. 255), so that the same shall read "An act for the establishment of a police and firemen's retirement system for police, firemen and certain other law enforcement officers," to amend the body of said act and supplementing P. L. 1973, c. 156.

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

**Title amended.**

1. The title of P. L. 1944, c. 255 is amended to read as follows: An act for the establishment of a police and firemen's retirement system for police, firemen and certain other law enforcement officers.

2. Section 1 of the P. L. 1944, c. 255 (C. 43:16A-1) is amended to read as follows:

**C. 43:16A-1 Definitions.**

1. As used in this act:

(1) "Retirement system" shall mean the Police and Firemen's Retirement System of New Jersey as defined in section 2 of this act.

(2) "Policeman or firemen" shall mean any permanent and full-time active uniformed employee, and any active permanent and full-time employee who is a detective, lineman, fire alarm operator or inspector of combustibles of any police or fire department. It shall also mean any permanent, active, and full-time officer employee of the State of New Jersey with police powers and holding one of the following titles: motor vehicles officer, motor vehicles sergeant, motor vehicles lieutenant, motor vehicles captain, assistant chief, bureau of enforcement, and chief, bureau of enforcement in the Division of Motor Vehicles, alcoholic beverage control investigators, alcoholic beverage control inspectors, assistant deputy director, bureau of enforcement, and deputy director, bureau of enforcement in the Division of Alcoholic Beverage Control, conservation officer, assistant district conservation officer, district conservation officer, and chief conservation officer, in the

Division of Fish, Game, and Shell Fisheries, rangers, and chief ranger in the Bureau of Parks, marine patrolman, senior marine patrolman, principal marine patrolman, and chief, bureau of marine law enforcement, correction officer, senior correction officer, correction officer sergeant, correction officer lieutenant, correction officer captain, and deputy keepers in the Division of Correction and Parole, medical security officer, assistant supervising medical security officer, and supervising medical security officer in the Department of Institutions and Agencies, county detective, lieutenant of county detectives, captain of county detectives, chief of county detectives, and county investigator in the office of the county prosecutors, sheriff's officer, sergeant sheriff's officer, lieutenant sheriff's officer, captain sheriff's officer, chief sheriff's officer, and sheriff's investigator in the office of the county sheriffs, county correction officer, county correction sergeant, county correction lieutenant, county correction captain, and county deputy warden in the several county jails, cottage officer, head cottage officer, interstate escort officer, juvenile officer, head juvenile officer, assistant supervising juvenile officer, supervising juvenile officer, patrolman capitol police, patrolman institutions, sergeant patrolman institutions, and supervising patrolman institutions, and patrolman or other police officer of the Board of Commissioners of the Palisades Interstate Park appointed pursuant to R. S. 32:14-21.

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

(4) "Board of trustees" or "board" shall mean the board provided for in section 13 of this act.

(5) "Medical board" shall mean the board of physicians provided for in section 13 of this act.

(6) "Employer" shall mean the State of New Jersey, the county, municipality or political subdivision thereof which pays the particular policeman or fireman.

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

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

(9) "Regular interest" shall mean interest as determined annually by the State Treasurer after consultation with the Directors of the Divisions of Investment and Pensions and the actuary of the system. It shall bear a reasonable relationship to

the percentage rate of earnings on investments but shall not exceed 105% of such percentage rate.

(10) "Aggregate contributions" shall mean the sum of all the amounts, deducted from the compensation of a member or contributed by him or on his behalf, standing to the credit of his individual account in the annuity savings fund.

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

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

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

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

(15) "Average final compensation" shall mean the average annual salary upon which contributions are made for the 3 years of creditable service immediately preceding his retirement or death, or it shall mean the average annual salary for which contributions are made during any 3 fiscal years of his or her membership providing the largest possible benefit to the member or his beneficiary.

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

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

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

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

(20) "Beneficiary" shall mean any person receiving a retirement allowance or other benefit as provided by this act.

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

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

(23) "Widower" shall mean the man to whom a member or retirant was married at least 5 years before the date of her death and to whom she continued to be married until the date of her death and who was receiving at least one-half of his support from the member or retirant in the 12-month period immediately preceding the member's or retirant's death or the accident which was the direct cause of the member's death. The dependency of such a widower will be considered terminated by marriage of the widower subsequent to the death of the member or retirant. In the event of the payment of an accidental death benefit, the 5-year qualification shall be waived.

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

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

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

(27) "Department" shall mean any police or fire department of a municipality or a fire department of a fire district located in a

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township or a county police or park police department or the appropriate department of the State or instrumentality thereof.

3. (New section) An eligible officer heretofore ineligible, by virtue of inadvertent exclusion under section 1 of P. L. 1973, c. 156, who is a member of the Public Employees' Retirement System shall be permitted to transfer his membership in said fund to the Police and Firemen's Retirement System of New Jersey by waiving all rights and benefits which would otherwise be provided by the Public Employees' Retirement System. Any such officer will likewise be permitted to continue his membership in the Public Employees' Retirement System by waiving all rights and benefits which would otherwise be provided by the Police and Firemen's Retirement System. Such waivers shall be accomplished by filing forms satisfactory for the New Jersey Division of Pensions, which is responsible for the administration of the Police and Firemen's Retirement System, within 90 days of the effective date of this amendatory and supplemental act. In the absence of the filing of a timely waiver by any eligible officer his pension status shall remain unchanged and his membership shall not be transferred to the Police and Firemen's Retirement System. This section shall not be applicable to any person heretofore eligible, who failed to file within the time period prescribed in section 4 of P. L. 1973, c. 156.

4. (New section) Within 120 days following the effective date of this act the Public Employees' Retirement System shall remit to the Police and Firemen's Retirement System of New Jersey all accumulated deductions standing to the credit of each transferred employee as members of such fund, and within 180 days following the effective date of this act remit the pro rata part of the reserve fund constituting the employer's obligations under the former system applicable to such employee's account, and the Police and Firemen's Retirement System shall then enter the respective sums so remitted to it to the credit of such employee in the Annuity Savings Fund and to the credit of the employer in the Pension Accumulation Fund of the Police and Firemen's Retirement System of New Jersey.

5. This act shall take effect immediately.

Approved November 1, 1976.

## CHAPTER 112

AN ACT providing for the establishment and maintenance of a real estate guaranty fund, providing for payments thereto by real estate brokers and salesmen and for making claims against said fund.

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

**C. 45:15-34 Real estate guaranty fund; establishment; administration; purpose; amount of recovery.**

1. A real estate guaranty fund is established as a special trust fund to be maintained by the State Treasurer and administered by the New Jersey Real Estate Commission in accordance with the provisions of this act to provide a fund from which recovery may be obtained by any person aggrieved by the embezzlement, conversion or unlawful obtaining of money or property by a licensed real estate broker or real estate salesman or an unlicensed employee of a real estate broker; provided, however, that the amount of such recovery to be obtained by any person shall not exceed \$10,000.00 for each claim filed.

**C. 45:15-35 Amount payable to fund by broker and salesman.**

2. Upon the initial issuance or first renewal on and after the effective date of this act of an annual license as a real estate broker or real estate salesman the licensee shall pay to the commission, in addition to the license fee fixed by R. S. 45:15-15, an additional amount to be forwarded by the commission to the State Treasurer and accounted for and credited by him to the real estate guaranty fund. The additional amount payable by a broker shall be \$10.00 and by a salesman, \$5.00.

**C. 45:15-36 Investment or reinvestment of fund.**

3. The State Treasurer shall hold, manage and through the Division of Investment, invest and reinvest funds of the real estate guaranty fund and credit all interest and other income earned thereon to the real estate guaranty fund in the same manner as provided by law with respect to investment of pension and retirement funds administered by the State. The Real Estate Commission shall keep the State Treasurer advised of the anticipated cash demands for payment of claims against the fund.

**C. 45:15-37 Claim; payment by State treasurer.**

4. No claim shall be made for payment from the real estate guaranty fund except upon the reduction to final judgment, which shall include reasonable attorney fees and costs, of a civil action against the broker or salesman, the issuance of a writ of execution thereon and its return unsatisfied in whole or in part and a court order directing the Real Estate Commission to make payment from the fund. No such order shall authorize a payment to the spouse or personal representative of the spouse of the judgment debtor.

Upon delivery by the Real Estate Commission to the State Treasurer of a certified copy of the court order together with an assignment to the Real Estate Commission of the judgment creditor's right, title and interest in the judgment to the extent of the amount of the court order, the State Treasurer shall make payment to the claimant from the real estate guaranty fund.

**C. 45:15-38 Instituting civil action; commission as necessary party; rights or remedies of aggrieved person.**

5. Any civil action which may result in a court order for payment from the real estate guaranty fund shall be instituted within 2 years of the accrual of the cause of action and the New Jersey Real Estate Commission shall be joined as a necessary party to any such civil action. Nothing in this section shall affect the right of any aggrieved person to pursue other rights or remedies authorized by law.

**C. 45:15-39 Commissioner of insurance constituted as agent.**

6. Any person to whom is issued a license to be a real estate broker or salesman shall, by the securing of said license, make and constitute the Commissioner of Insurance as agent for the acceptance of process in any civil proceeding hereunder.

**C. 45:15-40 Insufficiency of funds; replenishment; excess amounts.**

7. a. If at any time the funds available in the real estate guaranty fund are insufficient to satisfy in full court orders for payment therefrom, payment shall be made in the order in which such court orders were issued; and the Real Estate Commission shall by regulation impose further additional amounts to be paid by brokers and salesmen to replenish the guaranty fund. No such additional amount assessed at any one time shall exceed the amounts specified in section 2 of this act.

b. If at any time the funds available in the real estate guaranty fund are, in the opinion of the Real Estate Commission, in excess of amounts anticipated to be necessary to meet claims for a period of at least 2 years, the commission may, with the approval of the

Commissioner of Insurance, allocate and receive from the guaranty fund a specified amount thereof for research and educational projects to increase the proficiency and competency of real estate brokers and salesmen.

**C. 45:15-41 Revocation of license of broker or salesman.**

8. Upon the issuance of a court order for payment from the real estate guaranty fund the license of the broker or salesman, whose acts gave rise to the claim, shall be revoked and no such broker or salesman shall be eligible for reinstatement of his license until he shall have satisfied the judgment in full including reimbursement of the real estate guaranty fund together with interest.

**C. 45:15-42 Rules and regulations.**

9. The Real Estate Commission is authorized to issue rules and regulations to implement the provisions of this act.

10. This act shall take effect on the first day of the calendar month occurring not less than 60 days after enactment.

Approved November 8, 1976.

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CHAPTER 113

A SUPPLEMENT to the "Public School Education Act of 1975" approved September 29, 1975 (P. L. 1975, c. 212, C. 18A:7A-1, et seq.).

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

1. The Legislature finds and declares:

a. That in this year of transition in the funding of education, special procedures must be established for the distribution of State aid to school districts;

b. That these special procedures must include a method for assuring substantial property tax relief for the citizens of this State, as well as a guarantee that additional aid to school districts will be spent for educational programs and special educational services necessary for a thorough and efficient education;

c. That such special procedures must include the restoration of funds, after sufficient justification and adequate public notice, to

those districts in which the budget was reduced by action of municipal governing bodies and to those districts which, upon recommendation, reduced their budget at the expense of educational programs and special educational services necessary for a thorough and efficient education; and

d. That in providing such funds it is the intent of the Legislature that they be used to implement such educational programs and special educational services and to provide local property tax relief.

2. For the purpose of this act:

a. "Unbudgeted State aid" means the difference between the amount of State aid budgeted by the school district, as adjusted pursuant to this act, and the amount of State aid to which the school district is entitled pursuant to the Public School Education Act of 1975, P. L. 1975, c. 212 (C. 18A:7A-1, et seq.).

b. "Cap leeway" means the difference between the current expense budget adopted by the school district, as adjusted pursuant to this act, and the maximum current expense budget allowable pursuant to section 25 of P. L. 1975, c. 212 (C. 18A:7A-25).

3. The following adjustments shall be made to the 1976-77 budget adopted by school districts:

a. The current expense budget shall be decreased by any amount budgeted for a 25% local share of the employer's contribution to the Teachers' Pension and Annuity Fund. Unbudgeted State aid and cap leeway for current expenses shall be increased by such amount.

b. The current expense budget shall be increased by the difference between the full amount of categorical aid to which the school district is entitled for compensatory and bilingual education programs pursuant to section 20 of P. L. 1975, c. 212 (C. 18A:7A-20) and the amount of appropriations already included in the budget for such programs; provided, however, to the extent such increase exceeds the smaller of cap leeway or unbudgeted State aid, it shall be funded by deduction from other current expense items. Unbudgeted State aid and cap leeway for current expenses shall be decreased by the amount of the current expense budget increase.

c. The current expense budget shall be decreased by an amount equal to the tax levy reduction made pursuant to chapter 22 of Title 18A of the New Jersey Statutes.

4. Upon application by the local district and approval by the commissioner, the 1976-77 current expense budget may be increased in the amounts and as provided below to the extent of the smaller of unbudgeted State aid or cap leeway as adjusted pursuant to

section 3 of this act to a. restore that amount of any tax levy reduction which is necessary for a thorough and efficient education in any district in which the board of education had previously filed an appeal of such reduction pursuant to chapter 22 of Title 18A of the New Jersey Statutes; b. to restore programs reduced or eliminated because of tax levy reduction and necessary for a thorough and efficient education in any district in which the budget was reduced by the municipal governing body or board of school estimate and in which the board of education had not filed an appeal pursuant to chapter 22 of Title 18A of the New Jersey Statutes; and c. make additional appropriations to maintain any school program existing during the 1975-76 school year and necessary to a thorough and efficient system of education but for which no provision is made in the current expense budget as adjusted by sections 2 and 3 of this act, and for any other program necessary to a thorough and efficient system of education but for which no provision is made in the current expense budget as adjusted by sections 3 and 4 of this act.

Filing an appeal pursuant to chapter 22 of Title 18A of the New Jersey Statutes shall constitute an application for funds pursuant to a. Such appeals shall proceed according to the procedures for appeals filed pursuant to chapter 22 of Title 18A of the New Jersey Statutes, except that the commissioner, after determining the amount necessary to be appropriated in any district, shall first direct the district to use the smaller of unbudgeted State aid or cap leeway as adjusted pursuant to this act for such purpose, and, if such State aid is insufficient for such purpose, he shall direct that the necessary measures be taken according to the procedures for such appeals to raise the additional amount necessary for such purposes.

With respect to funds available pursuant to c., local boards of education may apply for and the commissioner may approve, as provided below, appropriations to the limit of the smaller of the district's unbudgeted State aid or cap leeway which would remain if full restoration were made pursuant to a. and b.; provided, however, that the total amount of State aid paid to school districts pursuant to c. shall not exceed \$30 million, and if the total amount approved by the commissioner is in excess of such amount, the amount paid to each district shall be prorated. In considering applications for such appropriations, the commissioner shall give first consideration to applications from districts which eliminated

programs existing during the 1975-76 school year and which are necessary for a thorough and efficient system of education.

Prior to any application made pursuant to b. or c., the board of education shall resolve in writing that without such restoration or additional appropriation the board's capacity to provide a thorough and efficient education for the children of the district shall be substantially impaired. This conclusion shall be supported by specific findings in writing confirmed in the resolution, which shall also specify the proposed use of such funds and their relation to a thorough and efficient education.

In addition to the notice required under the "Open Public Meeting Act" (P. L. 1975, c. 231, C. 10:4-6, et seq.), the board shall cause notice of the public meeting at which such application is to be considered to be published not less than 7 days prior to such meeting in at least one newspaper published in the district, and if no newspaper is published therein, then in at least one newspaper circulated in the district. Such notice shall state the time, date and place of the meeting and shall contain the following language:

"The purpose of this meeting is to decide what portion of the available unbudgeted State aid shall be requested for programs needed for a thorough and efficient education and what portion shall be used for school tax levy replacement in the 1977-78 school year".

If adopted, such resolution shall be forwarded to the commissioner and to the municipal governing body or board of school estimate not later than 30 days after the effective date of this act. The municipal governing body or board of school estimate shall, at a public meeting held not later than 15 days after receipt of such resolution, evaluate the contents of such resolution and determine by resolution the amount of money, if any, which the district may expend pursuant to b. and c. Such resolution shall be forwarded immediately to the commissioner. The commissioner shall evaluate the contents of the resolution by the board and determine within 45 days of receipt of the resolution from the municipal governing body or board of school estimate the amount of money, if any, within the amount approved by the municipal governing body or board of school estimate, which the district may use for programs requested pursuant to b. and c.

All increases in State aid approved for expenditure pursuant to this section shall be included in the net current expense budget for the purpose of State aid calculation and maximum budget determination for the 1977-78 school year. Any State aid not ap-

proved for expenditure shall not be included in such budget for the purpose of State aid calculation and maximum budget determination for the 1977-78 school year. Unbudgeted State aid remaining after adjustments pursuant to section 3 shall then be decreased by the amount of such increases in State aid. Any unbudgeted State aid up to cap leeway as adjusted pursuant to section 3 of this act which is not applied for or is not approved by the municipal governing body or board of school estimate and the commissioner shall be retained by the local board of education as a special free appropriation balance during the 1976-77 school year and shall be used by the board as a tax levy replacement in the 1977-78 school year.

5. Unbudgeted State aid for capital outlay and debt service shall be used for the replacement of tax levy reductions in the capital outlay account made pursuant to chapter 22 of Title 18A of the New Jersey Statutes.

6. The commissioner shall compute the net amount of unbudgeted State aid for each school district after adjustments to each budget are made pursuant to sections 3, 4 and 5. By December 31, 1976, he shall notify the governing body and the tax collector of each municipality of such amount to be apportioned to the municipality. The tax collector shall reduce the school tax levy by such amount and the total amount of the reduction shall then be prorated among the properties in each municipality according to their assessed valuation pursuant to rules and regulations promulgated by the Division of Taxation. If a taxpayer has prepaid his tax or if the reduction is larger than the tax bill, he shall be given a credit upon his next succeeding tax payment. Any tax levy reduction applicable to a county vocational school and in any municipality in which the amount of the tax levy reduction divided by the aggregate assessed valuation of property is less than .0004, the reduction shall not be prorated among the properties but shall be a deduction from taxes to be raised for school district purposes in 1977.

7. State aid for bilingual and compensatory education programs shall be distributed to each school district only when such programs have been approved and implemented. Any district not having implemented approved programs by the beginning of the 1976-77 school year shall receive that share of such aid which is proportional to the remainder of the school year during which the programs will be implemented.

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8. Except as modified by section 7 of this act, the State Treasurer shall pay each school district the full amount of State aid to which it is entitled pursuant to P. L. 1975, c. 212.

9. This act shall take effect immediately upon appropriation of funds necessary for full implementation of P. L. 1975, c. 212.

Approved November 9, 1976.

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CHAPTER 114

AN ACT concerning tax appeals before county boards of taxation and supplementing Article 4 of Chapter 3 of Title 54 of the Revised Statutes.

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

**C. 54:3-26.1 Application to superior court for extension of time.**

1. In the event a county board of taxation cannot hear and determine any one or more appeals within the time prescribed in R. S. 54:3-26 it may apply to the Superior Court for an order to extend the time within which the appeal or appeals may be heard and determined. The application shall be granted upon a showing by the board that the number of appeals before it is disproportionate to the number of members hearing said appeals, or the number of appeals has increased sufficiently to warrant an extension of time. The court shall include in its order the amount of tax, if any, a taxpayer shall pay during the period of such extension.

**C. 54:3-26.2 Equal period of time for appeal by property owner.**

2. Notwithstanding the provisions of R. S. 54:3-39, a property owner shall have an equivalent period of time in which to file an appeal with the State Division of Tax Appeals, as that granted to the county board of taxation by the Superior Court.

3. This act shall take effect immediately.

Approved November 15, 1976.

## CHAPTER 115

A SUPPLEMENT to the "Municipal Land Use Law", approved January 14, 1976, P. L. 1975, c. 291 (C. 40:55D-1 et seq.).

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

1. Any municipality may, in any ordinance enacted pursuant to the Municipal Land Use Law (P. L. 1975, c. 291; C. 40:55D-1 et seq.), readopt any ordinance or section thereof, adopted pursuant to any act repealed by the Municipal Land Use Law, which was in effect in the municipality on the effective date of said law, or any amendments or supplements to such ordinance adopted prior to February 1, 1977; provided, however, that a. the publication and notice required after the introduction and first reading of any ordinance effectuating such readoption may be satisfied by reference to such ordinance or ordinances proposed for readoption without inclusion of the text, or map thereof; and b. the public notice: (1) cites by title, date of adoption and ordinance number of the ordinance or ordinances, or by title, article, chapter or section number of that portion of any ordinance or ordinances proposed for readoption; (2) sets forth the time and place for the further consideration of the ordinance effectuating the readoption; and, (3) states that three copies of the text or maps of the ordinance effectuating the readoption are on file in the office of the municipal clerk and are available for public inspection until final action is taken on the ordinance effectuating the readoption, or if the proposed ordinance effectuating the readoption is substantially altered prior to adoption, three copies of the amended ordinance effectuating the readoption shall be kept on file for public inspection until final action is taken thereon in the manner prescribed in subsection c. of R. S. 40:49-2. The ordinance effectuating the readoption shall set out in full the text and maps of the ordinance or ordinances, or portions thereof, proposed for readoption.

2. This act shall take effect immediately.

Approved November 16, 1976.

## CHAPTER 116

AN ACT to amend and supplement "An act prohibiting the use of lead paint under certain circumstances, providing remedies and penalties for violations thereof, and supplementing Title 24 of the Revised Statutes," approved December 28, 1971 (P. L. 1971, c. 366).

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

1. Section 1 of P. L. 1971, c. 366 (C. 24:14A-1) is amended to read as follows:

**C. 24:14A-1 Use on toys, furniture, exposed interior surfaces or exterior surfaces; prohibition.**

1. No person shall apply lead paint to toys, furniture or the exposed interior surfaces of any dwelling as defined in this act, or to any exterior surface that is readily accessible to children.

2. Section 2 of P. L. 1971, c. 366 (C. 24:14A-2) is amended to read as follows:

**C. 24:14A-2 Sale, transfer or exchange of toys or furniture with lead paint; prohibition.**

2. No person shall sell or transfer for profit or offer to sell or transfer for profit toys or furniture to which lead paint has been applied, and no person shall knowingly transfer or exchange or offer to transfer or exchange toys or furniture to which lead paint has been applied and which will be readily accessible to children.

3. Section 4 of P. L. 1971, c. 366 (C. 24:14A-4) is amended to read as follows:

**C. 24:14A-4 Definitions.**

4. For purposes of this act:

a. "Approved" means satisfactory compliance as determined and recorded by the Department of Health.

b. "Department" means the State Department of Health.

c. "Lead paint" means any pigmented, liquid substance applied to surfaces by brush, roller, spray or other means in which the total nonvolatile ingredients contain more than 1% of lead, by weight, calculated as metallic lead.

d. "Dwelling" means any building or structure or portion thereof which is occupied in whole or in part as the home, residence,

or sleeping quarters of one or more persons and includes any dwelling unit, rooming house or rooming unit, and any facility occupied or used by children.

e. "Board" means local board of health, regional health commission or other locally constituted health agency having primary jurisdiction to enforce this act.

f. "Interior surfaces" and "exterior surfaces" shall include but shall not be limited to window sills, window frames, doors, door frames, walls, ceilings, stair rails and spindles or other appurtenances, including equipment on the premises of dwellings as defined herein.

4. Section 5 of P. L. 1971, c. 366 (C. 24:14A-5) is amended to read as follows:

**C. 24:14A-5 Lead paint upon interior of dwelling or exterior surface accessible to children; public nuisance.**

5. The presence of lead paint upon the interior of any dwelling or upon any exterior surface that is readily accessible to children causing a hazard to the occupants or anyone coming in contact with such surfaces is hereby declared to be a public nuisance.

5. Section 7 of P. L. 1971, c. 366 (C. 24:14A-7) is amended to read as follows:

**C. 24:14A-7 Order of removal and appropriate disposition.**

7. When the board of health having primary jurisdiction under this act finds that there is lead paint on the interior walls, ceilings, doors, floors, baseboards or window sills and frames of any dwelling, or any exterior surface that is readily accessible to children it may order the removal and appropriate disposition of such lead paint, under such safety conditions as it may specify, and as shall be approved by the department.

6. Section 8 of P. L. 1971, c. 366 (C. 24:14A-8) is amended to read as follows:

**C. 24:14A-8 Occupant of dwelling with lead poisoning; notification to owner; order to abate; methods of covering.**

8. When the board of health having primary jurisdiction hereunder finds that there is lead paint on the interior walls, ceilings, doors, floors, baseboards or window sills and frames of any dwelling or any exterior surface that is readily accessible to children and further finds a person occupying or using such dwelling is an unequivocal case of lead poisoning or at high risk of lead intoxication as defined by department regulation it shall at once notify the

owner that he is maintaining a public nuisance and order him to abate the nuisance and refinish such interior surface of the dwelling or exterior surface that is readily available to children within 10 days in accordance with regulations specified by the commissioner, and dispose of any lead paint residues in an approved area. In lieu of removal of the lead paint the accessible surface may be covered by such a durable material and in a manner approved by the department. Repainting a surface with a nonleaded paint without complete removal of the existing lead paint shall not be deemed to be satisfactory compliance with this act.

A duplicate of the notice shall be left with one or more of the tenants or occupants of the dwelling. If the owner resides out of the State or cannot be so notified speedily, a notice left at the house or premises shall suffice.

**C. 24:14A-8.1 Eviction for avoiding corrective maintenance not allowed.**

7. (New section) No person found to be in violation of the law shall evict, or cause to be evicted, occupants for the purpose of avoiding corrective maintenance ordered by the local board of health to eliminate hazardous lead exposure.

8. Section 11 of P. L. 1971, c. 366 (C. 24:14A-11) is amended to read as follows:

**C. 24:14A-11 Rules and regulations.**

11. The commissioner of the department shall have the power to prescribe rules and regulations establishing criteria for the identification of areas and conditions involving high risk of lead poisoning or intoxication, specifying methods of detection of lead in dwellings, and standards for the repair of premises containing lead paint, and other rules and regulations necessary to effectuate the purposes of this act.

9. This act shall take effect immediately.

Approved November 16, 1976.

## CHAPTER 117

AN ACT to amend the "State Uniform Construction Code Act", approved October 7, 1975 (P. L. 1975, c. 217).

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

1. Section 7 of P. L. 1975, c. 217 (C. 52:27D-125) is amended to read as follows:

**C. 52:27D-125 Code advisory board.**

7. Code advisory board.

a. To assist and advise the commissioner in the administration of this act there is hereby created in the Department of Community Affairs a code advisory board to consist of 15 citizens to be appointed by the commissioner for a term of 4 years. The board shall consist of: one architect registered in the State of New Jersey; two professional engineers licensed by the State of New Jersey, one of whom shall be a mechanical engineer and one of whom shall be a structural engineer; one municipal building official; one member of the building industry in the State of New Jersey; one public health official in the State of New Jersey; one licensed plumbing inspector in the State of New Jersey; one licensed electrical inspector in the State of New Jersey; one fire prevention inspector in the State of New Jersey and six members of the public, two of whom shall be experienced in representing consumers. Of the 13 members first appointed the commissioner shall designate the appointees' terms so that three shall be appointed for terms of 1 year, three for terms of 2 years, three for terms of 3 years and four for terms of 4 years, and that the two additional members first appointed by the commissioner pursuant to this amendatory act shall be appointed for 2 years and 3 years respectively with such terms to be computed from February 4, 1976. Thereafter, members of the code advisory board shall be appointed for terms of 4 years.

b. Code advisory board members shall serve without compensation but shall be entitled to reimbursement for expenses incurred in performance of their duties. Vacancies on the advisory board shall be filled for the unexpired term. Members may be removed by the commissioner for cause.

c. The code advisory board shall appoint a committee for each subcode and, should a subcode therefor not be adopted, for supplements to or revisions of the barrier free design provisions of any model code adopted pursuant to section 5 of this act. Each such committee shall consist of one member of the code advisory board, who shall be chairman, and at least four citizens who are experienced and knowledgeable in matters related to the particular subcode. Each committee shall advise and assist the code advisory board in the performance of its responsibilities under this act for the subcode in question. Committee members shall serve without compensation and at the pleasure of the code advisory board.

2. This act shall take effect immediately.

Approved November 16, 1976.

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## CHAPTER 118

AN ACT concerning county prosecutors and assistant county prosecutors of certain counties and amending P. L. 1970, c. 6 and P. L. 1976, c. 15.

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

1. Section 1 of P. L. 1970, c. 6 (C. 2A:158-1.1) is amended to read as follows:

**C. 2A:158-1.1 Practice of law by prosecutor prohibited in certain counties.**

1. Any person appointed on or after January 20, 1970 to the office of county prosecutor of any of the following counties shall devote his entire time to the duties of his office and shall not engage in the practice of law or other gainful employment:

- a. Counties of the first class;
- b. Counties of the second class;
- c. Counties of the third class having a population between 61,000 and 72,000 under the 1970 Federal census;
- d. Counties of the third class having a population in excess of 175,000 under the 1970 Federal census;
- e. Counties of the fifth class; and
- f. Counties of the sixth class.

Any county prosecutor of any of the aforementioned counties in office on the effective date of this amendatory act who shall elect to devote his entire time to the duties of such office for the remainder of his term may elect so to do by filing a written election with the Governor, the Attorney General, the Secretary of State and the clerk of the board of chosen freeholders.

2. Section 2 of P. L. 1976, c. 15 (C. 2A:158-15.1a) is amended to read as follows:

**C. 2A:158-15.1a Assistant prosecutors in fifth and sixth class counties; certain provisions of act not applicable.**

2. The provisions of P. L. 1970, c. 6, s. 3 (C. 2A:158-15.1) shall not apply to any assistant prosecutor in a county of the fifth class having a population of less than 150,000 under the 1960 Federal census or to any assistant prosecutor in a county of the sixth class; provided, however, that the county prosecutor of any such county, where there appears to be a reasonable necessity therefor and where approved by order of the assignment judge, may direct that any assistant prosecutor devote his entire time to the duties of such office and not engage in the practice of law or other gainful employment.

3. This act shall take effect immediately.

Approved November 16, 1976.

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CHAPTER 119

AN ACT concerning public support for railroad and bus services and supplementing Title 27 of the Revised Statutes.

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

**C. 27:1A-28.7 Authorization to contract with bus carrier or rail transit service to insure essential services.**

1. The Department of Transportation is hereby authorized to contract with any motor bus carrier operating bus or rail transit service in the State which is in imminent danger of terminating all bus services or all rail transit services provided by said motor bus companies to insure the continuance of that portion of the bus and rail transit services which is essential. Payment by the depart-

ment under such a contract shall not exceed the actual cost to the motor bus carrier for providing such services and shall not include any return on investment.

**C. 27:1A-28.8 Quarterly report to commissioner; contents; annual summary.**

2. Any agreement entered into by the commissioner for operating subsidies with bus companies pursuant to P. L. 1969, c. 134 and this act shall, in addition to other provisions determined necessary by him, include a requirement for a quarterly report to the commissioner as a condition of the agreement. The reports shall provide information sufficient to determine ridership by month, senior citizen ridership by month, operating cost and revenue per mile of scheduled operation and the average subsidy per rider. A 12-month summary of these reports shall annually be made available to the Legislature, through the Office of Fiscal Affairs, with the first such summary being transmitted not later than March 15, 1976. Such a summary shall include an estimate for these items for the next annual period following the period reported.

**C. 27:1A-28.9 Termination of services; contract with other motor bus carrier; quality and frequency of services; contract not subject to regulation.**

3. If any motor bus carrier shall terminate all bus or all transit services and shall be unable or unwilling to enter into a contract with the Department of Transportation, as provided in section 1 hereof, the department may contract, by negotiated agreement, with any other motor bus carrier in the State to render minimum essential motor bus or transit services in the area affected by the termination of services. Such services need not be of the same quality or frequency or along the same routes as the service terminate. Any contract entered into pursuant to the provisions of this section and any services rendered thereunder shall not be subject to regulation by the Board of Public Utility Commissioners or subject to the provisions of articles 2 and 4 of chapter 4 of Title 48 of the Revised Statutes.

**C. 27:1A-28.10 Decreasing or abandonment of service; proceeding before board; contract payments considered as revenues.**

4. In any proceeding before the Board of Public Utility Commissioners for decreasing or abandonment of service, any contract payments offered to a motor bus carrier for continuing service under the provisions of section 1 hereof shall be considered by the board as revenues available to the carrier in making any determination on the application.

**C. 27:1A-28.11 Entering into contract with public agency or authority.**

5. If any public agency or authority shall assume responsibility for operation of motor bus services in order to avoid the loss of such services, the department may enter into a contract with said public agency or authority in the same manner and to the same extent as provided in section 1 hereof.

**C. 27:1A-28.12 Commuter operating agency; approval and entering into contracts; agreement to reimburse department by counties.**

6. Any contract authorized by the provisions of this act shall be approved by and entered into by the commuter operating agency of the department. As a condition for entering into an agreement authorized by the provisions of this act the department may require the county or counties or public agency thereof in which such essential services are to be provided to enter into an agreement to reimburse the department for not less than 25% of the cost of providing such passenger service. Counties are hereby authorized to enter into such agreements and to appropriate funds to cover the cost of agreements with the department for the purpose of preserving essential bus or transit services.

**C. 27:1A-28.13 Joint legislative committee; membership; report by commissioner; contents; appropriations.**

7. A 12-member legislative committee is constituted a joint committee to confer with and receive reports from the Commissioner of Transportation with respect to the implementation of this act by the commuter operating agency. The joint committee membership shall include the following:

- a. The Chairman of the Senate Revenue, Finance and Appropriations Committee;
- b. The Chairman of the General Assembly Appropriations Committee;
- c. The chairmen of the Senate and General Assembly committees on Transportation and Communications;
- d. Two members of the Senate Committees on Revenue, Finance and Appropriations and Transportation and Communications to be designated by the President of the Senate; and
- e. Two members of the General Assembly Committees on Appropriations and Transportation and Communications to be designated by the Speaker of the General Assembly.

Of the members designated pursuant to d. and e. above no more than one from each named committee shall be a member of the same political party.

Such report shall be submitted no later than November 15, 1976 and annually thereafter, and shall include, in addition to information as may be specifically requested by the joint committee, or which the commissioner desires to be included in the report, the following:

a. Proposals recommended by the Department of Transportation to improve the operation of each subsidized carrier including but not limited to such problems as duplicate routes, incentives in contracts to improve carrier efficiency, and the extent to which such proposals affect the subsidy payment to each such carrier.

b. Alternatives for solution of current policy questions such as fares and fare structure, and department program objectives and the alternatives for accomplishing those objectives.

c. Department problems in developing a comprehensive master plan, including the role of the State regional planning proposals. A department proposal for solving the problem should be included compared to proposals made by other planning agencies.

d. Current status of plans implemented in prior years.

No expenditure of any appropriation for the purposes of this act shall be made, nor agreements signed requiring any such expenditure unless and until the foregoing report is made and accepted by the joint committee; except, that appropriations made available for the balance of the fiscal year 1976 and one-half of the appropriation for fiscal year 1977 shall be exempt from the provisions of this section.

**Validating act.**

8. Any agreements having the same purpose as agreements authorized by this act, heretofore made subsequent to June 30, 1976, between the agency and any motor bus carrier, are hereby validated and confirmed and shall be good and effectual as if they had been made under the provisions of this act.

9. This act shall take effect immediately but shall terminate on July 1, 1977.

Approved November 18, 1976.

## CHAPTER 120

AN ACT concerning the responsibilities of nursing homes and the rights of nursing home residents.

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

**C. 30:13-1 Legislature's findings.**

1. The Legislature hereby finds and declares that the well-being of nursing home residents in the State of New Jersey requires a delineation of the responsibilities of nursing homes and a declaration of a bill of rights for such residents.

**C. 30:13-2 Definitions.**

2. For the purposes of this act:

a. "Administrator" means any individual who is charged with the general administration or supervision of a nursing home whether or not such individual has an ownership interest in such home and whether or not his function and duties are shared with one or more other individuals.

b. "Guardian" means a person, appointed by a court of competent jurisdiction, who shall have the right to manage the financial affairs and protect the rights of any nursing home resident who has been declared a mental incompetent. In no case shall the guardian of a nursing home resident be affiliated with a nursing home, its operations, its staff personnel or a nursing home administrator in any manner whatsoever.

c. "Nursing home" means any institution, whether operated for profit or not, which maintains and operates facilities for extended medical and nursing treatment or care for two or more nonrelated individuals who are suffering from acute or chronic illness or injury, or are crippled, convalescent or infirm and are in need of such treatment or care on a continuing basis. Infirm is construed to mean that an individual is in need of assistance in bathing, dressing or some type of supervision.

d. "Reasonable hour" means any time between the hours of 8 a.m. and 8 p.m. daily.

e. "Resident" means any individual receiving extended medical or nursing treatment or care at a nursing home.

**C. 30:13-3 Nursing home's responsibilities.**

3. Every nursing home shall have the responsibility for:

a. Maintaining a complete record of all funds, personal property and possessions of a nursing home resident from any source whatsoever, which have been deposited for safekeeping with the nursing home for use by the resident. This record shall contain a listing of all deposits and withdrawals transacted, and these shall be substantiated by receipts given to the resident or his guardian. A nursing home shall provide to each resident or his guardian a quarterly statement which shall account for all of such resident's property on deposit at the beginning of the accounting period, all deposits and withdrawals transacted during the period, and the property on deposit at the end of the period. The resident or his guardian shall be allowed daily access to his property on deposit during specific periods established by the nursing home for such transactions at a reasonable hour. A nursing home may, at its own discretion, place a limitation as to dollar value and size of any personal property accepted for safekeeping.

b. Providing for the spiritual needs and wants of residents by notifying, at a resident's request, a clergyman of the resident's choice and allowing unlimited visits by such clergyman. Arrangements shall be made, at the resident's expense, for attendance at religious services of his choice when requested. No religious beliefs or practices, or any attendance at religious services, shall be imposed upon any resident.

c. Admitting only that number of residents for which it reasonably believes it can safely and adequately provide nursing care. Any applicant for admission to a nursing home who is denied such admission shall be given the reason for such denial in writing.

d. Ensuring that discrimination based upon age, race, religion, sex or nationality with respect to participation in recreational activities, meals or other social functions is prohibited. However, the participation of a resident in recreational activities, meals or other social functions may be restricted or prohibited if recommended by a resident's attending physician in writing and consented to by the resident.

e. Ensuring that no resident shall be subjected to physical restraints except upon written orders of an attending physician for a specific period of time when necessary to protect such resident from injury to himself or others. Restraints shall not be employed for purposes of punishment or the convenience of any nursing

home staff personnel. The confinement of a resident in a locked room shall be prohibited.

f. Ensuring that drugs and other medications shall not be employed for purposes of punishment, for convenience of any nursing home staff personnel or in such quantities so as to interfere with a resident's rehabilitation or his normal living activities.

g. Permitting citizens, with the consent of the resident being visited, legal services programs, employees of the Department of Public Advocate, and employees and volunteers of the Office of the Nursing Home Ombudsman Program in the Department of Community Affairs, whose purposes include rendering assistance without charge to nursing home residents, full and free access to the nursing home in order to visit with and make personal, social and legal services available to all residents and to assist and advise residents in the assertion of their rights with respect to the nursing home, involved governmental agencies and the judicial system.

(1) Such access shall be permitted by the nursing home at a reasonable hour.

(2) Such access shall not substantially disrupt the provision of nursing and other care to residents in the nursing home.

(3) All persons entering a nursing home pursuant to this section shall promptly notify the person in charge of their presence. They shall, upon request, produce identification to substantiate their identity. No such person shall enter the immediate living area of any resident without first identifying himself and then receiving permission from the resident to enter. The rights of other residents present in the room shall be respected. A resident shall have the right to terminate a visit by a person having access to his living area pursuant to this section at any time. Any communication whatsoever between a resident and such person shall be confidential in nature, unless the resident authorizes the release of such communication in writing.

h. Ensuring compliance with all applicable State and Federal statutes and rules and regulations.

i. Ensuring that every resident, prior to or at the time of admission and during his stay, shall receive a written statement of the services provided by the nursing home, including those required to be offered by the nursing home on an as-needed basis, and of related charges, including any charges for services not covered under Title XVIII and Title XIX of the Social Security Act, as amended, or not covered by the nursing home's basic per diem

rate. This statement shall further include the payment, fee, deposit and refund policy of the nursing home.

**C. 30:13-4 Nursing home's responsibilities not limited to those enumerated in act.**

4. The responsibilities of nursing homes shall include, but shall not be limited to, those enumerated in this act.

**C. 30:13-5 Rights of nursing home residents.**

5. Every resident of a nursing home shall:

a. Have the right to manage his own financial affairs unless he or his guardian authorizes the administrator of the nursing home to manage such resident's financial affairs. Such authorization shall be in writing and shall be attested by a witness that is unconnected with the nursing home, its operations, its staff personnel and the administrator thereof, in any manner whatsoever.

b. Have the right to wear his own clothing. If clothing is provided to the resident by the nursing home, it shall be of a proper fit.

c. Have the right to retain and use his personal property in his immediate living quarters, unless the nursing home can demonstrate that it is unsafe or impractical to do so.

d. Have the right to receive and send unopened correspondence and, upon request, to obtain assistance in the reading and writing of such correspondence.

e. Have the right to unaccompanied access to a telephone at a reasonable hour, including the right to a private phone at the resident's expense.

f. Have the right to privacy.

g. Have the right to retain the services of his own personal physician at his own expense or under a health care plan. Every resident shall have the right to obtain from his own physician or the physician attached to the nursing home complete and current information concerning his medical diagnosis, treatment and prognosis in terms and language the resident can reasonably be expected to understand, except when the physician deems it medically inadvisable to give such information to the resident and records the reason for such decision in the resident's medical record. In such a case, the physician shall inform the resident's next-of-kin or guardian. The resident shall be afforded the opportunity to participate in the planning of his total care and medical treatment to the extent that his condition permits. A resident shall have the right to refuse treatment. A resident shall have the right to refuse to participate in experimental research, but if he chooses

to participate, his informed written consent must be obtained. Every resident shall have the right to confidentiality and privacy concerning his medical condition and treatment, except that records concerning said medical condition and treatment may be disclosed to another nursing home or health care facility on transfer, or as required by law or third-party payment contracts.

h. Have the right to unrestricted communication, including personal visitation with any persons of his choice, at any reasonable hour.

i. Have the right to present grievances on behalf of himself or others to the nursing home administrator, State governmental agencies or other persons without threat of discharge or reprisal in any form or manner whatsoever. The administrator shall provide all residents or their guardians with the name, address, and telephone number of the appropriate State governmental office where complaints may be lodged. Such telephone number shall be posted in a conspicuous place near every public telephone in the nursing home.

j. Have the right to a safe and decent living environment and considerate and respectful care that recognizes the dignity and individuality of the resident.

k. Have the right to refuse to perform services for the nursing home that are not included for therapeutic purposes in his plan of care as recorded in his medical record by his physician.

l. Have the right to reasonable opportunity for interaction with members of the opposite sex. If married, the resident shall enjoy reasonable privacy in visits by his spouse and, if both are residents of the nursing home, they shall be afforded the opportunity, where feasible, to share a room, unless medically inadvisable.

m. Not be deprived of any constitutional, civil or legal right solely by reason of admission to a nursing home.

**C. 30:13-6 Transfer or discharge of resident.**

6. Any nursing home resident may discharge himself from a nursing home upon presentation of a written release and if the resident is an adjudicated mental incompetent, upon the written consent of his guardian. In such case, the nursing home is free from any responsibility for the resident upon his release. When a nursing home wishes to transfer or discharge a competent or an adjudicated mental incompetent resident on a nonemergency basis, it may do so for medical reasons or for his welfare or that of other residents upon receiving a written order from the attending

physician, or for nonpayment of his stay, except as prohibited by Title XVIII or Title XIX of the Social Security Act, as amended, and such action shall be recorded in the resident's medical record. When a transfer or discharge on a nonemergency basis of a resident is requested by a nursing home, the resident or, in the case of an adjudicated mental incompetent resident, the guardian, shall be given at least 30 days advance notice of such transfer or discharge.

**C. 30:13-7 Written notice of rights, obligations and prohibitions; distribution and posting.**

7. The administrator of a nursing home shall ensure that a written notice of the rights, obligations and prohibitions set forth in this act be given to every resident or his guardian upon admittance to the nursing home and to each individual already in residence or to his guardian. The administrator shall also post this notice in a conspicuous, public place in the nursing home.

**C. 30:13-8 Violation of rights; court action; recovery of attorney's fees and court costs.**

8. Any person or resident whose rights as defined herein are violated shall have a cause of action against any person committing such violation. The Department of Health may maintain an action in the name of the State to enforce the provisions of this act and any rules or regulations promulgated pursuant to this act. The action may be brought in any court of competent jurisdiction to enforce such rights and to recover actual and punitive damages for their violation. Any plaintiff who prevails in any such action shall be entitled to recover reasonable attorney's fees and costs of the action.

**C. 30:13-9 Nursing homes operated by certain religious denominations; construction of certain provisions in relation to.**

9. Nothing in this act shall be construed to require the provision of any medical care or treatment by any nursing home operated by and for the members or adherents of any well recognized church or religious denomination which relies upon spiritual means through prayer alone for healing, where such care or treatment is contrary to the tenets of such church or religious denomination.

**C. 30:13-10 Rules and regulations.**

10. The Commissioner of Health is hereby authorized to adopt reasonable rules and regulations, in accordance with the provisions of the Administrative Procedure Act, P. L. 1968, c. 410 (C. 52:14B-1 et seq.) to carry out its functions and duties under this act and to effectuate its purposes.

**C. 30:13-11 Partial invalidity.**

11. If any section, subsection, paragraph, sentence or other part of this act is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this act, but shall be confined in its effect to the section, subsection, paragraph, sentence or other part of this act directly involved in the controversy in which said judgment shall have been rendered.

12. This act shall take effect immediately.

Approved November 30, 1976.

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CHAPTER 121

AN ACT to amend "An act authorizing municipalities to acquire and retire alcoholic beverage retail consumption licenses in certain cases and to borrow money and increase annual license fees for retail consumption licenses to assist in financing acquisition of such licenses," approved September 4, 1968 (P. L. 1968, c. 277).

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

1. Section 5 of P. L. 1968, c. 277 (C. 40:48-2.44) is amended to read as follows:

**C. 40:48-2.44 Time limitation on contract for acquisition of license.**

5. No contract for acquisition of a license, authorized by an ordinance adopted pursuant to this act, may be entered into after January 1, 1982.

2. This act shall take effect immediately.

Approved November 30, 1976.

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CHAPTER 122

AN ACT to amend "An act relating to excavation or blasting near pipes distributing or transmitting manufactured, mixed or natural gas," approved May 12, 1964 (P. L. 1964, c. 53) and repealing section 3 of P. L. 1974, c. 116.

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

1. Section 1 of P. L. 1964, c. 53 (C. 2A:170-69.4) is amended to read as follows:

**C. 2A:170-69.4 Excavating or blasting near pipes transmitting manufactured, mixed or natural, or synthetic natural, liquefied natural or propane gas.**

1. (a) No person shall discharge explosives in the ground nor shall any person excavate in a street, highway, public place, or private property, without having first ascertained in the applicable manner prescribed herein whether any pipe distributing or transmitting manufactured, mixed or natural gas, or synthetic natural gas, liquefied natural gas or propane gas is located within 200 feet of the place of discharge or within the area to be excavated. The terms "excavate," "excavating" or "excavation," as used in this act, shall not include the opening of the surface and the disturbance of the subsoil thereunder of any street, highway, public place or private property for the purpose of installing or replacing poles and their appurtenances used or to be used in connection with the supplying to the public of electricity for light, heat or power or of communication services. This act shall not apply to any work performed by or on behalf of the New Jersey Department of Transportation, New Jersey Highway Authority or New Jersey Turnpike Authority or by any person excavating with nonpowered hand tools on private property to a depth not to exceed 18 inches.

(b) Except as provided in subsections (c), (d) and (e) hereof, the person responsible for the discharge of explosives or the excavation shall serve a written notice of intention either personally or by registered or certified mail, return receipt requested, or shall serve a telephone notice of intention on a One Number to Call System to which the person engaged in the distribution or transmission of the aforesaid gases may subscribe, not more than 10 and not less than 3 full working days (excluding Saturdays, Sundays and holidays) prior to the discharge of explosives or commencement of any excavation on the person engaged in the distribution or transmission of manufactured, mixed or natural gas, or synthetic natural gas, liquefied natural gas or propane gas in the area. The said notice of intention shall contain the name of the person responsible, the date, place and type of discharge or excavation to be conducted. Service of a single notice of intention shall constitute compliance with this section when the discharge of explosives or the excavations take place on more than 1 day pro-

vided either or both are part of a single continuing project. In such cases, the said single notice of intention shall include a time schedule of work to be done on each of the days involved. Within 3 days after receipt of the notice of intention, the person engaged in the distribution or transmission of the aforesaid gases shall advise, in writing or otherwise, the person named in the said notice of the location of all such pipes within 200 feet of the place of discharge or within the area to be excavated.

(c) In the event of an emergency involving danger to life, health or property it shall be lawful to excavate without using explosives if such notice and advice, in writing or otherwise, are given as soon as reasonably possible.

(d) In the event of an emergency involving an immediate and substantial danger of death or serious personal injury it shall be lawful to discharge explosives in the ground if such notice and advice, in writing or otherwise, are given at any time before any such discharge is undertaken.

(e) In the event that a public utility, as defined in R. S. 48:2-13; proposes to excavate in any public or private place, the notice provisions of subsection (b) hereof shall be inapplicable where said public utility has entered into a written agreement with a person engaged in the distribution or transmission of manufactured, mixed or natural gas, or synthetic natural gas, liquefied natural gas or propane gas with respect to the securing of information as to the location of its transmission or distribution pipes within such place.

**C. 2A:170-69.4a Repealed.**

2. Section 3 of P. L. 1974, c. 116 (C. 2A:170-69.4a) is repealed.

3. This act shall take effect immediately.

Approved December 6, 1976.

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CHAPTER 123

AN ACT to validate certain proceedings for the issuance of bonds of municipalities and any bonds or other obligations issued or to be issued in pursuance of such proceedings.

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

**Validating act.**

1. All proceedings heretofore had or taken by any municipality or by any officials thereof for or in connection with the authorization or issuance of bonds or notes of the municipality pursuant to the Local Bond Law (N. J. S. 40A:2-1 to 40A:2-64, inclusive) and any ordinance with respect to such bonds or notes heretofore adopted and any bonds or notes of the municipality issued or to be issued in pursuance of such proceedings or ordinance, are hereby ratified, validated and confirmed notwithstanding that a supplemental debt statement was not prepared and filed as required by the provisions of N. J. S. 40A:2-10; provided, however, that no action, suit or other proceeding of any nature to contest the validity of such proceedings has heretofore been instituted prior to the date on which this act takes effect and within the time fixed therefor by or pursuant to law or rule of court, or when such time has not heretofore expired, is instituted within 30 days after the effective date of this act.

2. This act shall take effect immediately.

Approved December 13, 1976.

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**CHAPTER 124**

AN ACT concerning the authority of certain municipalities to impose certain taxes and amending the "Local Tax Authorization Act of 1970," approved December 23, 1970 (P. L. 1970, c. 326).

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

1. Section 5 of P. L. 1970, c. 326 (C. 40:48C-5) is amended to read as follows:

**C. 40:48C-5 Duration of tax.**

5. No tax shall be imposed under any ordinance adopted pursuant to this article with respect to alcoholic beverages delivered to a taxpayer on or after January 1, 1978.

2. Section 8 of P. L. 1970, c. 326 (C. 40:48C-8) is amended to read as follows:

**C. 40:48C-8 Duration of tax.**

8. No tax shall be imposed under any ordinance adopted pursuant to this article with respect to parking services provided on or after January 1, 1978.

3. Section 12 of P. L. 1970, c. 326 (C. 40:48C-12) is amended to read as follows:

**C. 40:48C-12 Duration of tax.**

12. No tax shall be imposed under any ordinance adopted pursuant to this article with respect to sales of motor fuels on or after January 1, 1978.

4. Section 19 of P. L. 1970, c. 326 (C. 40:48C-19) is amended to read as follows:

**C. 40:48C-19 Period of imposition of tax.**

19. No tax shall be imposed under any ordinance adopted pursuant to this article with respect to services performed prior to January 1, 1971, in a calendar quarter prior to that in which the ordinance is adopted on or after January 1, 1978, but any such ordinance shall remain in effect with respect to the right of the municipality to receive reports and enforce and collect taxes due thereunder for any period prior to January 1, 1978.

5. Section 26 of P. L. 1970, c. 326 (C. 40:48C-26) is amended to read as follows:

**C. 40:48C-26 Duration of tax.**

26. No tax shall be imposed under any ordinance adopted pursuant to this article with respect to rental for use or occupancy of commercial premises on or after January 1, 1978.

6. Section 32 of P. L. 1970, c. 326 (C. 40:48C-32) is amended to read as follows:

**C. 40:48C-32 Duration of tax.**

32. No tax shall be imposed under any ordinance adopted pursuant to this article with respect to transactions taking place on or after January 1, 1978.

7. This act shall take effect immediately.

Approved December 13, 1976.

## CHAPTER 125

AN ACT concerning the Passaic Valley Sewerage District and supplementing chapter 14 of Title 58 of the Revised Statutes.

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

**C. 58:14-35 Rules and regulations.**

1. The commissioners shall have the power to adopt rules and regulations in conformity with requirements imposed by the Federal Government as a condition of Federal assistance, which shall be binding upon all contracting municipalities and lessees delivering or discharging sewage into the system of the commissioners. Such rules and regulations may include pretreatment requirements, requirements for the adoption of sewer use ordinances and of user charge and industrial cost recovery systems in accordance with applicable Federal Statutes and the implementing regulations promulgated by the U.S. Environmental Protection Agency, and requirements concerning infiltration-inflow, as well as such other rules and regulations as the commissioners may deem to be necessary or proper for the operation of the system or to apply for and receive financial assistance from the Federal Government or any agency thereof for the construction, acquisition or rehabilitation of waste treatment works as part of the system, and to enter any agreement with the Federal Government for the purpose of obtaining such financial assistance.

2. This act shall take effect immediately.

Approved December 16, 1976.

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CHAPTER 126

A SUPPLEMENT to “An act concerning tax liability under the New Jersey Gross Income Tax Act and the Emergency Transportation Tax Act or the Transportation Benefits Tax Act and for the disposition of taxes collected thereunder”, approved August 17, 1976 (P. L. 1976, c. 66).

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

**C. 54:8A-122 Agreement with critical area state; individuals not subject to provisions of act.**

1. Notwithstanding any provision to the contrary, in the event that the State enters into an agreement pursuant to N. J. S. 54A:9-17(e), with a "critical area state" as defined in P. L. 1961, c. 32 (C. 54:8A-1 et seq.) or P. L. 1971, c. 222 (C. 54:8A-58 et seq.), an individual who would otherwise be subject to the provisions of the act to which this act is a supplement shall not be subject to the provisions of P. L. 1961, c. 32 (C. 54:8A-1 et seq.) or P. L. 1971, c. 222 (C. 54:8A-58 et seq.).

**C. 54:8A-123 Effective date; applicability.**

2. This act shall take effect immediately and shall be applicable to income received or accrued subject to taxation by virtue of P. L. 1976, c. 66.

Approved December 20, 1976.

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CHAPTER 127

A SUPPLEMENT to "An act making appropriations for the support of the State Government and the several public purposes for the fiscal year ending June 30, 1977 and regulating the disbursement thereof," approved July 1, 1976 (P. L. 1976, c. 42).

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

1. The following sum is hereby appropriated out of the General State Fund for the purpose hereinafter specified:

DEPARTMENT OF COMMUNITY AFFAIRS

52310-800. Human Resources

52310-800-500. Extraordinary:

Special Olympics and Tournament of Champions . . . . .	\$50,000.00
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2. This act shall take effect immediately.

Approved December 20, 1976.

## CHAPTER 128

AN ACT to amend "An act concerning banking and banking institutions (Revision of 1948)," approved April 29, 1948 (P. L. 1948, c. 67).

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

1. Section 53 of P. L. 1948, c. 67 (C. 17:9A-53) is amended to read as follows:

**C. 17:9A-53 Scope of article; definitions; interest.**

53. Scope of article; definitions; interest.

A. In addition to such other loans which banks are authorized to make, a bank may make secured and unsecured installment loans upon the terms and conditions prescribed by this article, but this article shall not be construed as prescribing an exclusive method for the making of loans which are payable in installments.

**B. As used in this article:**

(1) "bank" means a banking institution as defined in section 1 (C. 17:9A-1) of this act;

(2) "installment loan" means a loan (1) which is required by its terms to be repaid in two or more installments; (2) upon which interest is contracted for at a rate in excess of that authorized pursuant to R. S. 31:1-1; (3) the amount of which does not exceed \$10,000.00; and (4) the final installment of which is payable not more than 7 years and 3 months subsequent to the date upon which such loan is made. The terms "installment loan" and "installment loans" as used in this article include both precomputed and non-precomputed installment loans unless otherwise expressly stated;

(3) (Deleted by amendment.)

(4) (Deleted by amendment.)

(5) "person" means an individual, a partnership and an association;

(6) (Deleted by amendment.)

(7) (Deleted by amendment.)

(8) (Deleted by amendment.)

(9) "actuarial method" means the method of applying payments made on a loan between principal and interest pursuant to which

a payment is applied first to accumulated interest on the principal amount of the loan and the remainder is applied to the unpaid principal balance of the loan in reduction thereof;

(10) "precomputed interest" means an amount equal to the whole amount of interest payable on an installment loan for the period from the making of the loan to the date scheduled by the terms of the loan for the payment of the final installment;

(11) "precomputed loan" means an installment loan which is evidenced by a note the face amount of which consists of the aggregate of the principal amount of the loan so evidenced, and the precomputed interest thereon;

(12) "nonprecomputed loan" means an installment loan which is evidenced by a note the face amount of which consists solely of the principal amount of the loan so evidenced;

(13) "unpaid balance" of an installment loan means the aggregate of the following:

(i) the face amount of the note evidencing such loan;

(ii) all amounts paid by the bank and added to such loan as provided in paragraph (2) of subsection A of section 55;

(iii) all interest accrued and unpaid;

(iv) such further charges as the bank may make pursuant to law in protecting or enforcing a security interest in any property securing the payment of such loan or otherwise;

(v) in the case of precomputed loans, the amount of all late charges imposed pursuant to section 55;

less the aggregate of the following:

(vi) all installment payments made in the case of a precomputed loan, or all payments made in reduction of principal in the case of a nonprecomputed loan;

(vii) all payments made on account of or in payment in full of any charges or amounts referred to in subparagraphs (ii), (iii), (iv) and (v) of this paragraph (13); and

(viii) in the case of a precomputed loan, the amount of the credit to which the borrower is entitled pursuant to section 56;

(14) "Class I installment loan" means an installment loan which is unsecured, and also means an installment loan which is secured by an interest in tangible personal property;

(15) "Class II installment loan" means an installment loan which is secured by an interest in real property.

C. A bank may contract for and receive interest on installment loans calculated according to the actuarial method, at a rate not exceeding 12% per annum on the unpaid balances of the principal,

except that the commissioner may, with the advice of the special advisory board created pursuant to P. L. 1970, c. 205, section 11 (C. 17:11A-44) by regulation adopted, amended and rescinded from time to time, provide that the rate of interest which may be contracted for and received on Class II installment loans may be more than 12% per annum but not more than 15% per annum as shall be established by such regulation. For the purpose of establishing rates as provided by this subsection, the commissioner may, with the advice of the special advisory board referred to above, classify installment loans into two categories, one of which shall consist of Class I installment loans and the other of which shall consist of Class II installment loans. In adopting, amending, and rescinding regulations pursuant to this subsection, the commissioner and the special advisory board shall consider the general state of the economy, the discount rates prescribed by the Federal Reserve Bank of New York and the Federal Reserve Bank of Philadelphia, the advance rate as prescribed by the Federal Home Loan Bank of New York, the availability of funds for loans, studies and statistics published by the Federal Home Loan Bank Board and other agencies of the United States and of this State, and such other factors and bases for determination as the commissioner and the board may deem pertinent. The rate established by any such regulation shall reasonably reflect prevailing market conditions, regionally and nationally, based upon the studies, statistics and factors considered, and shall remain in force until such time as such regulation is rescinded or such rate is increased or decreased by a subsequent regulation. Any such regulation shall have prospective effect only. This subsection shall not limit or restrict the manner of contracting for the interest charge, whether by way of add-on, discount or otherwise, so long as the interest rate does not exceed that permitted by this subsection. In the case of a precomputed loan, the interest may be computed on the assumption that all scheduled payments will be made when due, and all scheduled installment payments made on a precomputed loan may be applied as if they were received on their scheduled due dates. In the case of nonprecomputed loans, all installment payments shall be applied no later than the next day, other than a public holiday, after the date of receipt, and a day shall be counted as one-three-hundred-sixty-fifth of a year.

- D. (Deleted by amendment.)
- E. (Deleted by amendment.)
- F. (Deleted by amendment.)

G. The commissioner may prepare and distribute to such banks as shall make a request therefor, a schedule or schedules to be used in ascertaining precomputed interest, or he may approve a subsisting schedule or schedules, and interest taken pursuant to such schedule or schedules shall constitute a complete compliance with this section. A copy of such schedule or schedules, certified by the commissioner, shall be evidence in all courts and places.

2. Section 54 of P. L. 1948, c. 67 (C. 17:9A-54) is amended to read as follows:

**C. 17:9A-54 Limitations and conditions.**

54. Limitations and conditions.

A. Every installment loan shall be evidenced by a note the face value of which shall be in an amount determined pursuant to paragraph (11) or (12) of subsection B. of section 53, as the case may require, and which shall provide for payments to be made at monthly intervals on the corresponding date in each month. Scheduled installment payments shall be in substantially equal amounts, except that the final installment scheduled may be in an amount twice the amount of a preceding installment, plus \$1.00. Such note may further provide that up to 3 months may elapse between the date of the loan and the date scheduled for the payment of the first installment, or between the dates scheduled for the payment of subsequent installments, provided that in any 12-month period there shall be not more than 3 months during which no installment is scheduled to be paid.

B. No installment loan shall be made the final installment of which is scheduled to be paid more than 7 years and 3 months subsequent to the date upon which such loan is made.

C. No bank shall make any further interest or other charge or demand in connection with such loan, other than those expressly authorized by this article.

D. No bank shall make a Class I installment loan for the payment of which any person shall be liable to the bank in any capacity, if the amount of such Class I installment loan, and the amounts of the unpaid balances owing to the bank on all other Class I installment loans for the payment of which such person is liable to the bank, will in the aggregate exceed \$10,000.00, nor shall any bank make a Class II installment loan for the payment of which any person shall be liable to the bank in any capacity, if the amount of such Class II installment loan, and the amounts of the unpaid balances owing to the bank on all other Class II install-

ment loans for the payment of which such person is liable to the bank, will in the aggregate exceed \$10,000.00.

E. No bank which holds a mortgage which is a first lien on real property shall make a Class II installment loan secured by a mortgage on such real property within 3 years from the time when such first mortgage was recorded, but this prohibition shall not apply to any Class II installment loan the purpose of which, as represented to the bank by the borrower, is to enable the borrower to pay the cost, in whole or in part, of modernizing, altering, repairing, improving or rehabilitating such real property.

F. Nothing in this section or elsewhere in this article contained shall prevent a bank from making an installment loan, the proceeds of which will be applied in whole or in part to the repayment at or before final maturity of a loan theretofore made under the provisions of this article or otherwise.

3. Section 55 of P. L. 1948, c. 67 (C. 17:9A-55) is amended to read as follows:

**C. 17:9A-55 Permissible provisions and actions.**

55. Permissible provisions and actions.

A. A bank which makes an installment loan may

(1) require one or more comakers or endorsers of the note evidencing the loan, or one or more guarantors of payment of the loan, and, prior to default, take as security for any such loan an interest in either tangible personal property or real property. After default, an interest in personal property, tangible and intangible, and in real property may be taken as security for a Class I installment and a Class II loan. An interest in real property taken as security for an installment loan shall not be deemed a mortgage loan within the meaning of section 181 or article 14;

(2) when the payment of such loan is secured, require that any property constituting such security be insured for the benefit of the bank, against such loss or damage as the bank may require, and may retain out of the proceeds of such loan the premium for such insurance. The bank may further require that all taxes, assessments, water rents and other governmental charges against such property be paid when due and that the security be maintained free of all executions, levies, encumbrances and other charges which adversely affect the value of the bank's interest in such security. If such insurance expires, lapses, or is canceled, and other insurance by insurers and in amounts satisfactory to the bank is not furnished to the bank without lapse of coverage, or if

such taxes, assessments, water rents or other governmental charges are not paid when due, or if any execution, levy, encumbrance or other charge which adversely affects the value of the bank's interest in such security is not paid or otherwise removed, the bank may, but shall be under no duty to, obtain such insurance upon such property, or pay the amount of any such tax, assessment, water rent or other governmental charge or pay the amount of such execution, levy, encumbrance or other charge. The amount paid by the bank for such insurance, less the amount of the return premium, if any, received by the bank on cancellation of prior insurance paid for by the borrower or the cost of which was retained out of the proceeds of the loan, together with the amount, if any, paid by the bank for such tax, assessment, water rent or other governmental charge, shall be added to and become part of such loan, payable upon demand with interest at the rate charged on the loan so secured; and, in default of such payment within 30 days after such demand, the entire unpaid balance of the loan shall, at the election of the bank, become immediately due and payable;

(3) upon institution of a suit for the collection of an installment loan in default, charge a collection fee, in addition to court costs allowable by law, equal to 10% of the unpaid balance of the loan, but not more than \$100.00;

(4) when the payment of such loan is secured, and provision is made by law for the filing or recording of the instrument of security or notice or abstract thereof, require compliance with such provision and retain the cost of such recording or filing out of the proceeds of the loan;

(5) In connection with a precomputed installment loan, defer the scheduled due date or dates of any installment payment or payments, and, as a consideration therefor make an additional charge at a rate not exceeding 1% per month computed on the amount of the scheduled installment payment or payments deferred for the period or periods for which each such installment payment or part thereof is so deferred.

B. A note evidencing an installment loan, or an instrument providing for the securing of an installment loan, may provide that

(1) upon default in the payment of an installment on its due date, or upon default in any other term or provision contained in any note evidencing an installment loan, or in any security agreement given in connection with any installment loan, the entire unpaid balance of such loan shall, at the election of the bank, become immediately due and payable;

(2) when the maturity of the unpaid balance of an installment loan is accelerated as provided by this section, the bank may charge interest upon such unpaid balance from the date such acceleration takes place at a rate not exceeding the rate charged on the loan;

(3) on any installment of a precomputed installment loan in arrears for more than 15 days, the bank may make a late charge which shall not exceed 5% of such installment, or \$5.00, whichever is the lesser; provided, that only one such late charge shall be made on any one installment, and that no such late charge shall be made upon any installment scheduled, by the terms of such note or instrument, to fall due upon a date subsequent to the date upon which the maturity of the unpaid balance of the loan is accelerated as provided by this section;

(4) no person who is a party to the note evidencing the loan or to any instrument securing such loan shall be released or discharged from liability to the bank by reason of the bank's extending the time for the payment of an installment or installments owing or due upon such loan, or by reason of the bank's waiver of any term or condition of such note or of the instrument securing the payment thereof;

(5) all parties to the note evidencing the loan shall waive presentation for payment, demand for payment, protest and notice of protest, nonpayment, dishonor, and the bank's election to accelerate the maturity of the unpaid balance of the loan.

C. (Deleted by amendment.)

4. Section 56 of P. L. 1948, c. 67 (C. 17:9A-56) is amended to read as follows:

**C. 17:9A-56 Rebates on prepayment**

**56. Rebates on prepayment.**

A. When the unpaid balance owing upon a precomputed loan is repaid in full or the maturity of the unpaid balance of such loan is accelerated before the date scheduled for the payment of the final installment, the bank shall allow a credit on account of the precomputed interest, the amount of which shall not be less than the amount determined by the application of the formula  $C = AN \div D$  ("the rule of 78's") in which "C" represents the amount of the credit to be given; "A" represents the amount of the precomputed interest; "D" is determined by ascribing to each month included in the period for which interest was precomputed reckoning from the day upon which the loan was made, the cardinal number descriptive of the number of months scheduled, by the terms of the

loan, to elapse from the beginning of each such month to the date to which interest was precomputed, and the total of all the cardinal numbers so ascribed constitutes the quantity "D"; and "N" represents the difference between the quantity "D" and the total of all the cardinal numbers ascribed to months which have elapsed, in whole or in part, from the date of the loan, to the day upon which such repayment is made, or to the day upon which the maturity of the unpaid balance of such loan is accelerated as the case may be.

B. The commissioner may prepare and distribute to such banks as shall make a request therefor, a schedule or schedules based upon the formula specified in subsection A. of this section, for use in determining the credit to be allowed pursuant to such subsection, and allowances of interest made as provided in such schedule shall constitute a complete compliance with such subsection. A copy of such schedule, duly certified by the commissioner, shall be evidence in all courts and places.

C. This section shall not apply where the amount of the credit to be allowed is less than \$1.00.

D. The unpaid balance of a nonprecomputed loan may be paid in full at any time without penalty.

5. Section 57 of P. L. 1948, c. 67 (C. 17:9A-57) is amended to read as follows:

**C. 17:9A-57 Statement on instrument.**

57. Statement on instrument.

Every note evidencing an installment loan shall contain a statement that such loan was made pursuant to this article. If this article or any section hereof shall be amended, no reference to such amendment need be made in such statement.

6. Section 58 of P. L. 1948, c. 67 (C. 17:9A-58) is amended to read as follows:

**C. 17:9A-58 Exempt transactions.**

58. Exempt transactions.

Nothing in this article applies to

(1) any loan or extension of credit which a bank may make pursuant to any other law of this State or any regulation promulgated pursuant to such law, nor does this article apply to any loan or other extension of credit otherwise authorized or not prohibited by law, or otherwise enforceable at law;

(2) any loan which bears interest at a rate not in excess of a rate authorized pursuant to R. S. 31:1-1 computed upon its unpaid balances; or

(3) any instrument or obligation, lawful upon its face, which is purchased or discounted by a bank pursuant to paragraph (1) of section 25, and which represents, evidences, or secures an existing indebtedness having its inception in a transaction to which the bank is not a party; regardless whether such instrument or obligation is acquired by the bank with or without rights of recourse against the person from whom the bank obtains such instrument through such purchase or discount. A bank shall not be deemed to be a party to a transaction within the meaning of this paragraph, because prior to the inception of rights in any instrument, obligation or indebtedness purchased or discount by it, the bank approves the credit of any person liable for the payment of such instrument, obligation or indebtedness at the request of the person who supplies the consideration which supports the liability of any person to pay such instrument, obligation or indebtedness.

7. Section 59 of P. L. 1948, c. 67 (C. 17:9A-59) is amended to read as follows:

**C. 17:9A-59 Penalty for violations.**

59. Penalty for violations.

If a bank knowingly violates any provision of this article in the making or collection of an installment loan, the bank shall forfeit the entire interest which the note or other evidence of debt carries with it, or which has been agreed to be paid thereon, and the borrower, or his legal representatives, may recover back, in an action against the bank, twice the amount of interest received by the bank on such loan; provided, such action is commenced within 2 years from the date such violation occurred. The amount of any interest credit allowed pursuant to section 56 shall not be deemed to be interest received by the bank for the purposes of this section.

8. This act shall take effect on the sixtieth day following its enactment.

Approved December 21, 1976.

## CHAPTER 129

**AN ACT** to amend the title of “An act concerning deductions from the taxes assessed against certain real property of citizens and residents of this State of the age of 65 or more years, having an income not in excess of \$5,000.00 per year, supplementing chapter 4 of Title 54 of the Revised Statutes and repealing chapter 9 of the laws of 1961,” approved December 16, 1963 (P. L. 1963, c. 172), so that the same shall read “An act concerning deductions from the taxes assessed against certain real property of citizens and residents of this State of the age of 65 or more years, or less than 65 years of age who are permanently and totally disabled, and their surviving spouses in certain cases, having incomes not in excess of \$5,000.00 per year, providing for reimbursement by the State to taxing districts in connection therewith, supplementing chapter 4 of Title 54 of the Revised Statutes and repealing chapter 9 of the laws of 1961,” to amend and supplement the body of said act, to amend the title of “An act concerning senior citizen tax deductions, amending and supplementing P. L. 1963, c. 172, and providing for reimbursement by the State to taxing districts in connection therewith,” approved February 3, 1971 (P. L. 1971, c. 20), so that the same shall read “An act to amend and supplement ‘An act concerning deductions from the taxes assessed against certain real property of citizens and residents of this State of the age of 65 or more years, or less than 65 years of age who are permanently and totally disabled, and their surviving spouses in certain cases, having incomes not in excess of \$5,000.00 per year, providing for reimbursement by the State to taxing districts in connection therewith, supplementing chapter 4 of Title 54 of the Revised Statutes and repealing chapter 9 of the laws of 1961,’ ” to amend the body of said act, and to amend P. L. 1964, c. 255, s. 5.

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

**Title amended.**

1. The title of P. L. 1963, c. 172 is amended to read as follows:

An act concerning deductions from the taxes assessed against certain real property of citizens and residents of this State of the age of 65 or more years, or less than 65 years of age who are permanently and totally disabled, and their surviving spouses in certain cases, having incomes not in excess of \$5,000.00 per year, providing for reimbursement by the State to taxing districts in connection therewith, supplementing chapter 4 of Title 54 of the Revised Statutes and repealing P. L. 1961, c. 9.

2. Section 1 of P. L. 1963, c. 172 (C. 54:4-8.40) is amended to read as follows:

**C. 54:4-8.40 Definitions.**

1. As used in this act:

(a) "Income" means all income from whatever source derived including, but not limited to, realized capital gains except for a capital gain resulting from the sale or exchange of real property owned and used by the taxpayer as his principal residence, and on which he received a deduction allowed by this act, and, in their entirety, pension, annuity and retirement benefits. For the purpose of claiming a deduction from taxes for any tax year, pursuant to this act, "income" shall be deemed to be equal in amount to the income which the taxpayer reasonably anticipates he will receive during the tax year for which such deduction is claimed and shall be exclusive of benefits under any one of the following:

(1) The Federal Social Security Act and all amendments and supplements thereto;

(2) Any other program of the Federal Government or pursuant to any other Federal law which provides benefits in whole or in part in lieu of benefits referred to in, or for persons excluded from coverage under, (1) hereof including but not limited to the Federal Railroad Retirement Act and Federal pension, disability and retirement programs; or

(3) Pension, disability or retirement programs of any state or its political subdivisions, or agencies thereof, for persons not covered under (1) hereof;

provided, however, that the total amount of benefits to be allowed exclusion by any owner under (2) or (3) hereof shall not be in excess of the maximum amount of benefits payable to, and allowable for exclusion by, an owner in similar circumstances under (1) hereof.

(b) "Permanently and totally disabled" means total and permanent inability to engage in any substantial gainful activity by

reason of any medically determinable physical or mental impairment, including blindness. For purposes of this subsection, "blindness" means central visual acuity of 20/200 or less in the better eye with the use of a correcting lens. An eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be considered as having a central visual acuity of 20/200 or less.

(c) "Pretax year" means the calendar year immediately preceding the "tax year."

(d) "Post-tax year" means the calendar year immediately following the "tax year."

(e) "Resident" means one legally domiciled within the State of New Jersey for a period of 1 year immediately preceding October 1 of the pretax year. Mere seasonal or temporary residence within the State, of whatever duration, shall not constitute domicile within the State for the purposes of this act. Absence from this State for a period of 12 months shall be prima facie evidence of abandonment of domicile in this State. The burden of establishing legal domicile within the State shall be upon the claimant.

(f) "Deduction" means the senior citizen's deduction or the deduction for the permanently and totally disabled against the taxes payable by any person, allowable pursuant to this act.

(g) "Tax year" means the calendar year in which the general property tax is due and payable.

3. Section 2 of P. L. 1963, c. 172 (C. 54:4-8.41) is amended to read as follows:

**C. 54:4-8.41 Deduction against tax assessed against real property of resident citizen 65 years of age or permanently and totally disabled having less than \$5,000.00 yearly income.**

2. Every person, a citizen and resident of this State of the age of 65 or more years, or less than 65 years of age who is permanently and totally disabled, having an income not in excess of \$5,000.00 per year and residing in a dwelling house owned by him which is a constituent part of his real property, shall be entitled, annually, on proper claim being made therefor, to a deduction against the tax or taxes assessed against such real property to an amount not exceeding the amount of said tax, or the sum of \$160.00, whichever is the lesser, but no such deduction from taxes shall be in addition to any other deduction or exemption from taxes to which said person may be entitled, except said citizen and resident may receive in addition any homestead rebate or credit provided by law.

For the purposes of this act the income of a married person shall be deemed to include an amount equal to the income of the spouse during the applicable income year, except for such portion of that year as the two were living apart in a state of separation, whether under judicial decree or otherwise.

**C. 54:4-8.41a Surviving spouse of deceased citizen; deduction against tax; conditions.**

4. (New section) The surviving spouse of a deceased citizen and resident of this State who during his or her life received a real property tax deduction pursuant to this act shall be entitled, so long as he or she shall remain unmarried and a resident in the same dwelling house with respect to which said deduction was granted, to the same deduction, upon the same conditions, with respect to the same real property, notwithstanding that said surviving spouse is under the age of 65 and is not permanently and totally disabled, provided that said surviving spouse is 55 years of age or older at the time of the death of said citizen and resident.

5. Section 3 of P. L. 1963, c. 172 (C. 54:4-8.42) is amended to read as follows:

**C. 54:4-8.42 Written application for deduction; inquiry into right.**

3. No deduction, as provided herein, shall be allowed except upon written application therefor, which application shall be on a form prescribed by the Director, Division of Taxation, in the Department of the Treasury, and provided for the use of claimants hereunder by the governing body of the municipality constituting the taxing district in which such claim is to be filed and the application has been approved as provided in this act. As to claims for exemption from taxation filed with an assessor on or before November 1, 1963 on forms prescribed by the director, the assessor shall not require of any person who has filed such a claim the filing of an application for a tax deduction but shall approve such person for a tax deduction if it appears from the claim for exemption from taxation that such person meets all the other prerequisites required by this act for the approval of the tax deduction. Each assessor may at any time inquire into the right of a claimant to the continuance of a deduction hereunder and for that purpose he may require the filing of a new application or the submission of such proof as he shall deem necessary to determine the right of the claimant to continuance of such deduction.

6. Section 4 of P. L. 1963, c. 172 (C. 54:4-8.43) is amended to read as follows:

**C. 54:4-8.43 Time for filing application for deduction; allowance; contingent liability for taxes; delayed filing; refund.**

4. An application for a deduction hereunder may be filed with the assessor of the taxing district on or before December 31 of the pretax year. If an application is approved by the assessor, he shall allow a deduction from the taxes assessed against the real property assessed to the claimant as described therein and shall indicate upon the assessment list and duplicates the approval thereof in such manner as shall be prescribed by rules of the Director of the Division of Taxation together with the proportionate share of such property deemed to be owned by the claimant for the purposes of this act if he is not the sole owner thereof.

Upon approval of the application for a tax deduction the tax collector shall note in his records the existence of a contingent liability for taxes in the amount of the deduction in the event the deduction is subsequently disallowed on the basis of the taxpayer's income, the transfer of title to the property to a person not entitled to such deduction, or on the basis of the failure to meet any other prerequisites required by this act for a tax deduction, which contingent liability shall be reported on any tax search made on the property for which the deduction was approved.

The application, if not filed with the assessor within the time aforementioned, may be filed with the collector during the tax year and upon approval by the collector of such application he shall determine the amount of the reduction in tax to which the claimant is entitled and shall allow said amount as an offset against the tax then remaining unpaid. If the amount allowable as an offset shall exceed the amount of the tax then unpaid for that tax year, or if the application for a tax deduction is not filed with the collector until after all taxes for the tax year have been fully paid, the claimant may make application to the governing body of the municipality constituting the taxing district for the refund of any tax overpaid, but without interest, and the governing body may, in its discretion, direct the return of any tax deemed by it to have been overpaid by reason of claimant's failure to make timely application for a tax deduction; provided, however, that no application for a tax deduction for any previous tax year shall be allowed by any assessor, collector or governing body. Where an application for a tax deduction is filed with and allowed by a collector he shall promptly transmit such application and all exhibits attached thereto, or a photostatic copy thereof, to the assessor of the taxing district. Upon receipt thereof the assessor shall re-

view the application and if approved by him it shall have the same force as if originally filed with him.

7. Section 5 of P. L. 1963, c. 172 (C. 54:4-8.44) is amended to read as follows:

**C. 54:4-8.44 Facts essential to support claims for deduction.**

5. Every fact essential to support a claim for a deduction hereunder shall exist on October 1 of the pretax year, except as in this section otherwise provided. Every application by a claimant therefor shall establish that he is or will be on or before December 31 of the pretax year 65 or more years of age or on that date was permanently and totally disabled, and that he was, on October 1 of the pretax year, (a) a citizen and resident of this State for the period required, (b) the owner of a dwelling house which is a constituent part of the real property for which the deduction is claimed, (c) residing in said dwelling house. Said application shall also establish that his anticipated income, including the income of his or her spouse, for the tax year will not exceed \$5,000.00. In the case of a claim for a deduction by a person who is permanently and totally disabled, said application shall include a physician's certificate verifying the claimant's permanent and total disability. The Director of the Division of Taxation may promulgate rules and regulations prescribing the form and content of the certificate.

In the case of claims for a deduction authorized by section 4 of this amendatory and supplementary act every application by a claimant therefor shall establish that he is or will be on or before December 31 of the pretax year 55 or more years of age and was 55 or more years of age at the time of the death of the decedent and unmarried and that he was, on October 1 of the pretax year, (a) a citizen and resident of this State for the period required, (b) the owner of a dwelling house which is a constituent part of the real property for which the deduction is claimed, (c) residing in said dwelling house. Said application shall also establish that his anticipated income for the tax year will not exceed \$5,000.00. The collector or the assessor of the taxing district as the case may be shall establish whether the deceased spouse of the claimant received a deduction.

8. Section 5 of P. L. 1964, c. 255 (C. 54:4-8.44a) is amended to read as follows:

**C. 54:4-8.44a Post-tax year statement; extension; lien and tax liability proration.**

5. Every person who is allowed a deduction shall, except as hereinafter provided, be required to file with the collector of the taxing district on or before February 1 of the post-tax year a statement under oath of his income for the tax year and his anticipated income for the ensuing tax year as well as any other information deemed necessary to establish his right to a tax deduction for such ensuing tax year. The collector may grant a reasonable extension of time for filing the statement required by this section, which extension shall terminate no later than March 1 of the post-tax year, in any event where it shall appear to the satisfaction of the collector, verified by a physician's certificate, that the failure to file by February 1 was due to illness. In any case where such an extension is granted by the collector, the required statement shall be filed on or before March 1 of the post-tax year.

Such statement shall be on a form prescribed by the Director, Division of Taxation, in the Department of the Treasury and provided for the use of persons required to make such statement by the governing body of the municipality constituting the taxing district in which such statement is required to be filed. Each collector may require the submission of such proof as he shall deem necessary to verify any such statement. Upon the failure of any such person to file the statement within time herein provided or to submit such proof as the collector deems necessary to verify a statement that has been filed, or if it is determined that the income of any such person exceeded \$5,000.00 for said tax year, his tax deduction for said tax year shall be disallowed and his taxes to the extent represented by the amount of said deduction shall be payable on or before March 1 of the post-tax year or, where an extension of time for filing has been granted no later than 30 calendar days after the expiration of said extension, after which date if unpaid, said taxes shall be delinquent, constitute a lien on the property, and, in addition, the amount of said taxes shall be a personal debt of said person.

The amount of any lien and tax liability shall be prorated by the tax collector upon the transfer of title based on the number of days during the tax year that entitlement to the tax deduction is established. The lien shall be considered satisfied by the tax collector upon payment of the prorated amount for that portion of the tax year for which entitlement to the tax deduction is not established.

9. Section 6 of P. L. 1963, c. 172 (C. 54:4-8.45) is amended to read as follows:

**C. 54:4-8.45 Continuance of deduction right; change in status.**

6. A claim having been filed with and allowed by the assessor on and after the effective date of this act shall continue in force from year to year thereafter without the necessity for further claim so long as the claimant shall be entitled to a deduction hereunder, but the claimant shall be required yearly to establish by post-tax year statement, as provided for in this act, his income for the tax year, his anticipated income for the ensuing tax year and his compliance with all other prerequisites for eligibility for the tax deduction for such ensuing tax year and the assessor may at any time require the filing of a new application or such proof as he may deem necessary to establish the right of the claimant to continuance of such deduction. It shall be the duty of every claimant to inform the assessor of any change in his status or property which may affect his right to continuance of such deduction.

10. Section 7 of P. L. 1963, c. 172 (C. 54:4-8.46) is amended to read as follows:

**C. 54:4-8.46 Tenants in common; joint tenants; tenants by the entirety; deduction rights.**

7. Where title to property as to which a deduction is claimed is held by claimant and another or others, either as tenants in common or as joint tenants, claimant shall not be allowed a deduction in an amount in excess of his proportionate share of the taxes assessed against said property, which proportionate share, for the purposes of this act, shall be deemed to be equal to that of each of the other tenants, unless it is shown that the interests in question are not equal, in which event claimant's proportionate share shall be as shown. Nothing herein shall preclude more than one tenant, whether title be held in common or joint tenancy, from claiming a deduction from the taxes assessed against the property so held, but no more than the equivalent of one full deduction in regard to such property shall be allowed in any year, and in any case in which the claimants cannot agree as to the apportionment thereof, such deduction shall be apportioned between or among them in proportion to their interest. Property held by husband and wife, as tenants by the entirety, shall be deemed wholly owned by each tenant, but no more than one deduction in regard to such property shall be allowed in any year. Right to claim a deduction hereunder shall extend to property the title to which is held by a partnership, to the extent of the claimant's interest as a partner therein, and by a guardian, trustee, committee, conservator or other fiduciary for any person who

would otherwise be entitled to claim such deduction hereunder, but not to property the title to which is held by a corporation.

11. Section 8 of P. L. 1963, c. 172 (C. 54:4-8.47) is amended to read as follows:

**C. 54:4-8.47 Rules and regulations; forms.**

8. The director may promulgate such rules and regulations and prescribe such forms as he shall deem necessary to implement this act. He may, in his discretion, eliminate the necessity for sworn application, in which event all declarations by the claimant shall be considered as if made under oath and the claimant, as to false declarations, shall be subject to the penalties as provided by law for perjury.

12. Section 9 of P. L. 1963, c. 172 (C. 54:4-8.48) is amended to read as follows:

**C. 54:4-8.48 Authorization to administer oaths.**

9. Each assessor and collector and his duly designated assistants are hereby authorized to take and administer the oath, where required, on any claim for or statement in connection with a deduction hereunder and no charge shall be made for the taking of any affidavit or the preparation of any form required by this act.

13. Section 10 of P. L. 1963, c. 172 (C. 54:4-8.49) is amended to read as follows:

**C. 54:4-8.49 Appeals.**

10. An aggrieved taxpayer may appeal from the disposition of a claim for a deduction under this act in the same manner as is provided for appeals from assessments generally.

**Title amended.**

14. The title of P. L. 1971, c. 20 is amended to read as follows: An act to amend and supplement "An act concerning deductions from the taxes assessed against certain real property of citizens and residents of this State of the age of 65 or more years, or less than 65 years of age who are permanently and totally disabled, and their surviving spouses in certain cases, having incomes not in excess of \$5,000.00 per year, providing for reimbursement by the State to taxing districts in connection therewith, supplementing chapter 4 of Title 54 of the Revised Statutes and repealing P. L. 1961, c. 9.

15. Section 4 of P. L. 1971, c. 20 (C. 54:4-8.52) is amended to read as follows:

**C. 54:4-8.52 Certification of tax deductions to director.**

4. On or before June 15 of each year, each county board of taxation shall, on a form prescribed by the director, certify to the director from the tax lists certified with it for each taxing district for the current tax year the following:

- a. Number of tax deductions allowed for the current tax year;
- b. Total dollar amount of tax deductions allowed for the current tax year;
- c. Separately, the number and dollar amount of tax deductions allowed or disallowed, as certified by the collector, from the time of certification made the previous year and prior to certification for the current year;
- d. The totals for a., b., and c. above, by district and for the county as a whole.

16. Section 5 of P. L. 1971, c. 20 (C. 54:4-8.53) is amended to read as follows:

**C. 54:4-8.53 Inspection of records.**

5. The director may inspect all records in the office of the collector and the assessor with respect to claims and allowances for tax deduction.

17. Section 6 of P. L. 1971, c. 20 (C. 54:4-8.54) is amended to read as follows:

**C. 54:4-8.54 Inclusion of deductions in abstract of ratables for county.**

6. For each year, each county board of taxation shall include in the abstract of ratables prepared pursuant to R. S. 54:4-52 the full estimated amount of the tax deductions as provided for in this act, but said amount shall not be included in the total on which the tax rate is to be computed.

18. This act shall take effect immediately and shall be applicable with respect to tax deductions for the tax year 1977 and thereafter.

Approved December 21, 1976.

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**CHAPTER 130**

AN ACT to transfer the functions, powers and duties of the South Jersey Port Corporation from the Department of Environmental Protection to the Department of Labor and Industry.

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

**C. 12:11A-5.1 South Jersey Port Corporation; transfer of powers, duties and functions.**

1. The South Jersey Port Corporation, a body corporate and politic, established pursuant to P. L. 1968, c. 60 (C. 12:11A-1 et seq.), together with all of its functions, powers and duties, is hereby transferred from the Department of Environmental Protection to the Department of Labor and Industry.

2. This act shall not affect the terms of office of the present members of the South Jersey Port Corporation or any rights or protection afforded persons under any employment contracts or under any pension or retirement plan.

3. This act shall take effect immediately.

Approved December 21, 1976.

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**CHAPTER 131**

AN ACT concerning school elections and school budgets, and supplementing Title 18A of the New Jersey Statutes and the "Public School Education Act of 1975," approved September 29, 1975 (P. L. 1975, c. 212).

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

1. Notwithstanding any prior existing laws, the annual school election for the year 1977 for each Type II local district shall be held on March 29, 1977, and the annual school election for the year 1977 for regional districts shall be held on

(1) March 29, 1977 in any all purpose regional district consisting of a consolidated school district, or of a school district comprising two or more municipalities, which is itself a constituent district of a larger regional district; or

(2) March 22, 1977 in all other regional districts.

Present board of education members whose terms expire in 1977 and whose successors shall be elected at the annual school elections to be held in March, 1977 shall continue in office until their successors are elected and qualified.

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2. The board of education of every school district having a board of school estimate shall prepare and deliver to each member of the board of school estimate, on or before March 15, 1977, and the board of education of every other school district shall prepare a budget for the school district for the school year beginning July 1, 1977, in districts other than regional districts, on or before March 1, 1977, and in regional districts on or before February 22, 1977.

3. Upon the preparation of its budget, each board of education shall fix a date, place and time for the holding of a public hearing upon said budget and the amounts of money necessary to be appropriated for the use of the public schools for the school year beginning July 1, 1977 and the various items and purposes for which the same are to be appropriated, which hearing in districts having a board of school estimate, shall be held before said board of school estimate between March 16 and March 31, 1977 and in districts having no board of school estimate shall be held before the board of education between March 1, 1977 and March 17, 1977, except in regional districts in which such hearing shall be held between February 22 and March 10, 1977.

4. At or after said public hearing but no later than on March 31, 1977, the board of school estimate of a Type I district shall fix and determine by official action taken at a public meeting of the board the amount of money necessary to be appropriated for the use of the public schools in the district for the ensuing school year, exclusive of the amount which shall have been apportioned to it by the commissioner, and shall make two certificates of such amount signed by at least three members of the board, one of which shall be delivered to the board of education of the district and the other to the governing body of the district.

Within 20 days after receiving such certificate the board of education shall notify the board of school estimate and governing body of the district if it intends to appeal to the commissioner the board of school estimate's determination as to the amount of money necessary to be appropriated for the use of the public schools of the district for the ensuing school year.

5. At or after said public hearing but not later than on March 31, 1977, the board of school estimate of a Type II district having a board of school estimate shall fix and determine by a recorded roll call majority vote of its full membership the amount of money necessary to be appropriated for the use of the public schools in such district for the ensuing school year, exclusive of the amount

which shall be apportioned to it by the commissioner for said year and shall make a certificate of such amount signed by at least a majority of all the members of such board, which shall be delivered to the board of education and a copy thereof, certified under oath to be correct and true by the secretary of the board of school estimate, shall be delivered to the county board of taxation on or before April 15, 1977 and a duplicate of such certificate shall be delivered to the board or governing body of each of the municipalities within the territorial limits of the district having the power to make appropriations of money raised by taxation in the municipalities or political subdivisions and to the county superintendent of schools and such amount shall be assessed, levied and raised under the procedure and in the manner provided by law for the levying and raising of special school taxes voted to be raised at an annual or special election of the legal voters in Type II districts and shall be paid to the custodian of school moneys of the district for such purposes.

Within 20 days after receiving such certificate the board of education shall notify the board of school estimate and governing body of each municipality within the territorial limits of the school district if it intends to appeal to the commissioner the board of school estimate's determination as to the amount of money necessary to be appropriated for the use of the public schools of the district for the ensuing school year.

6. At or after the public hearing on the budget but not later than on March 18, 1977, the board of education of each Type II district having no board of school estimate shall fix and determine the amount of money to be voted upon by the legal voters of the district at the annual elections, except in regional districts where such amounts shall be fixed and determined by March 11, 1977, which sum or sums shall be designated in the notice calling such election as required by law.

Each such Type II district shall submit to the voters of the district the amounts of money fixed and determined in its budget, excluding therefrom the sum or sums stated therein to be used for interest and debt redemption charges, in the manner provided by law, to be voted upon for the use of the public schools of the district for the ensuing school year, which amounts shall be stated in the notice of the election, and the legal voters of the district shall determine at such election, by a majority vote of those voting upon the proposition, the sum or sums, not exceeding those stated in the notice of the election, to be raised by special district tax for

said purposes, in the district during the ensuing school year and the secretary of the board of education shall certify the amounts so determined upon, if any, and the sums so stated for interest and debt redemption charges, to the county board of taxation of the county on or before April 15 next succeeding and the amount or amounts so certified shall be included in the taxes assessed, levied and collected in the municipality or municipalities comprising the district for such purposes.

7. If the voters reject any of the items submitted at the 1977 annual school election, the board of education of each Type II district, not having a board of school estimate, shall deliver the proposed school budget to the governing body of the municipality, or of each of the municipalities included in the district within 2 days thereafter. The governing body of the municipality or of each municipality included in the district shall, after consultation with the board, and within 15 days after receipt of the proposed school budget from the board, determine the amount which, in the judgment of said body or bodies, is necessary to be appropriated, for each item appearing in such budget, to provide a thorough and efficient system of schools in the district, and certify to the county board of taxation the totals of the amount so determined to be necessary for each of the following:

- a. Current expenses of schools;
  - b. Vocational evening schools or classes;
  - c. Evening schools or classes for foreign-born residents;
  - d. Appropriations to capital reserve fund; or
  - e. Any capital project, the cost whereof is to be paid directly from such taxes;
- which amounts shall be included in the taxes to be assessed, levied and collected in such municipality or municipalities for such purposes.

Within 20 days after the governing body of the municipality or of each of the municipalities included in the district shall make such certification to the county board of taxation, the board of education shall notify such governing body or bodies if it intends to appeal to the commissioner the amounts which said body or bodies determined to be necessary to be appropriated for each item appearing in the proposed school budget.

8. For the year 1976, the date set forth in section 25, P. L. 1975, c. 212 (C. 18A:7A-25) requiring the commissioner to certify to each local board of education the amount by which the school

district may increase its budget for the 1977-78 school year without exceeding the permissible rate of increase shall be January 24, 1977.

9. For the year 1976, the date set forth in section 27, P. L. 1975, c. 212 (C. 18A:7A-27) requiring the commissioner to determine the amount necessary to be appropriated by the State to carry out the provisions of P. L. 1975, c. 212 (C. 18A:7A-1, et seq.) for the 1977-78 school year and determine for local budget purposes the amounts payable to each of the counties and districts for such year shall be January 24, 1977.

10. For the year 1976, the date set forth in section 28, P. L. 1975, c. 212 (C. 18A:7A-28) requiring local boards of education to submit to the commissioner a copy of their proposed budgets for the 1977-78 school year shall be February 7, 1977.

11. This act shall take effect immediately.

Approved December 21, 1976.

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#### CHAPTER 132

AN ACT concerning municipal police and fire departments, supplementing chapter 14 of Title 40A of the New Jersey Statutes, and repealing sections 3, 5, 13 and 15 of P. L. 1972, c. 3.

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

**C. 40A:14-10.1a Classification of applicants; appointment.**

1. a. In any municipality of this State, before any person shall be appointed as a member of the paid fire department or paid member of a part-paid fire department, the appointing authority may classify all the duly qualified applicants for the position or positions to be filled in the following classes:

- I. Residents of the municipality.
- II. Other residents of the county in which the municipality is situate.
- III. Other residents of the State.
- IV. All other qualified applicants.

Within each such classification duly qualified applicants who are veterans shall be accorded all such veterans' preferences as are

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provided by law. Persons discharged from the service within 6 months prior to making application to such municipality, who fulfill the requirements of N. J. S. 40A:14-10.1, and who, thereby, are entitled to appointment notwithstanding their failure to meet the New Jersey residency requirement at the time of their initial application, shall be placed in Class III.

b. In any municipality which classifies qualified applicants pursuant to subsection a. of this section, the appointing authority shall first appoint all those in Class I and then those in each succeeding class in the order above listed, and shall appoint a person or persons in any such class only to a vacancy or vacancies remaining after all qualified applicants in the preceding class or classes have been appointed or have declined an offer of appointment.

c. In any such municipality operating under the provisions of Title 11 of the Revised Statutes, the classes of qualified applicants defined in subsection a. of this section shall be considered as separate and successive lists of eligibles, and the Civil Service Commission shall, when requested to certify eligibles for positions specified in this section, make such certifications from said classes separately and successively, and shall certify no persons from any such class until all persons in the preceding class or classes have been appointed or have declined offers of appointment.

d. This section shall apply only to initial appointments and not to promotional appointments of persons already members of the fire department.

e. In making temporary appointments such appointing authority shall utilize the classifications set forth in subsection a. of this section, and shall classify accordingly all duly qualified applicants for the position or positions to be temporarily filled.

**C. 40A:14-123.1a Classification of applicants; appointment.**

2. a. In any municipality of this State, before any person shall be appointed as a member of the police department and force, the appointing authority may classify all the duly qualified applicants for the position or positions to be filled in the following classes:

- I. Residents of the municipality.
- II. Other residents of the county in which the municipality is situate.
- III. Other residents of the State.
- IV. All other qualified applicants.

Within each such classification duly qualified applicants who are veterans shall be accorded all such veterans' preferences as are provided by law. Persons discharged from the service within 6 months prior to making application to such municipality who fulfill the requirements of N. J. S. 40A:14-123.1, and who, thereby, are entitled to appointment notwithstanding their failure to meet the New Jersey residency requirement at the time of their initial application, shall be placed in Class III.

b. In any municipality which classifies qualified applicants pursuant to subsection a. of this section, the appointing authority shall first appoint all those in Class I and then those in each succeeding class in the order above listed, and shall appoint a person or persons in any such class only to a vacancy or vacancies remaining after all qualified applicants in the preceding class or classes have been appointed or have declined an offer of appointment.

c. In any such municipality operating under the provisions of Title 11 of the Revised Statutes, the classes of qualified applicants defined in subsection a. of this section shall be considered defined in subsection a. of this section shall be considered as separate and successive lists of eligibles, and the Civil Service Commission shall, when requested to certify eligibles for positions specified in this section, make such certifications from said classes separately and successively, and shall certify no persons from any such class until all persons in the preceding class or classes have been appointed or have declined offers of appointment.

d. This section shall apply only to initial appointments and not to promotional appointments of persons already members of the police department.

e. In making temporary appointments the appointing authority may utilize the classifications set forth in subsection a. of this section, and shall classify accordingly all duly qualified applicants for the positions to be temporarily filled.

**Repealer.**

3. Sections 3, 5, 13 and 15 of P. L. 1972, c. 3 are repealed.

4. This act shall take effect immediately.

Approved December 21, 1976.

## CHAPTER 133

AN ACT relating to housing to assist in the construction, rehabilitation, and maintenance of housing for senior citizens and families of low and moderate income; supplementing the "New Jersey Housing Finance Agency Law of 1967," (P. L. 1967, c. 81), and making an appropriation therefor.

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

**C. 55:14J-41 Definitions.**

1. Except as the context may otherwise require:

a. "Department" means the Department of Community Affairs.

b. "Commissioner" means the Commissioner of the Department of Community Affairs.

c. "Commission" means the New Jersey Commission on Capital Budgeting and Planning.

d. "Act" means this act, and any amendments and supplements thereto, and any rules and regulations promulgated thereunder.

e. "Low income," and "moderate income" shall be determined by the commissioner pursuant to regulations promulgated under this act, provided however, that the commissioner, in his determination, shall consider the Federal standards for low and moderate income for the various communities within the State of New Jersey.

f. "Qualified mortgagor" means any nonprofit or limited dividend housing sponsor, owner entity or individual, or any municipality, county or public authority, constructing, rehabilitating, maintaining or operating housing in New Jersey under a Federal low or moderate income housing program, the New Jersey Housing Finance Agency program, or other programs for low or moderate income occupancy.

g. "Qualified housing development" means any housing project built or rehabilitated or to be built or rehabilitated and operated by a qualified mortgagor.

h. "Senior citizen" means a person of low or moderate income, 62 years of age or older, or families of low or moderate income which consist of two or more persons and the head of which, or his spouse, is 62 years of age or older.

**C. 55:14J-42 Mortgage assistance account.**

2. There is hereby created and established in the department a "Mortgage Assistance Account" which shall consist of:

a. All moneys derived from the sale of the "State Mortgage Assistance Bonds" and appropriated from the proceeds of such bond sales.

b. Any moneys which the department shall receive in repayment of loans or advances from the Mortgage Assistance Fund established pursuant to P. L. 1976, c. 94, notwithstanding the provisions of any act or part thereof.

c. Any other moneys made available to the department from any source or sources which the commissioner shall allocate to the fund for the purposes authorized by this act.

**C. 55:14J-43 Payment to New Jersey Housing Finance Agency.**

3. The Commissioner of the Department of Community Affairs is authorized to pay from the mortgage assistance account to the New Jersey Housing Finance Agency \$6,000,000.00 for deposit in one or more reserve funds to assist the New Jersey Housing Finance Agency to provide permanent financing for developments financed or to be financed by it.

**C. 55:14J-44 Moneys returned to agency from reserve funds; return to State treasurer.**

4. To the extent that moneys paid to the New Jersey Housing Finance Agency pursuant to section 3 of this act have been paid into any reserve fund or funds created by the New Jersey Housing Finance Agency, all moneys which are returned to or received by the agency from such reserve funds free of any pledge or lien in favor of any of the notes, bonds or other obligations of the agency and remain free of such obligations of the agency for 90 days shall be returned to the State Treasurer to be held by him in the Mortgage Assistance Fund. Any net earnings received from the investment or deposit of said reserve funds under the control of the New Jersey Housing Finance Agency shall be paid into the administrative fund of said agency.

**C. 55:14J-45 Authorization to make additional loans.**

5. In addition to loans authorized under section 9 of the act to which this act is a supplement (P. L. 1967, c. 81, s. 9) (C. 55:14J-9) and notwithstanding the provisions of subsections (a) and (b) of said section, the agency is authorized and empowered to make additional loans to a qualified housing sponsor to which a loan by the agency for the cost of a project is outstanding if and to

the extent that the agency finds that such additional loan is required to avoid a default by the sponsor on the original loan for the cost of the project and is in the best interest of the agency and the holders of its bonds, notes or other obligations issued to finance the original loan for the cost of the project.

**C. 55:14J-46 Assistance to senior citizens, low income families and qualified housing developments.**

6. The commissioner is authorized to utilize \$2,000,000.00 from the Mortgage Assistance Account for the purpose of granting financial assistance, including interest subsidy assistance, for senior citizens and low or moderate income families and for qualified housing developments, including but not limited to those constructed, financed, or rehabilitated under Federal, other State, or locally aided low and moderate income programs, where such assistance is necessary to provide financial feasibility and stability. Without limiting the generality of the foregoing, such assistance may include: a direct loan to qualified mortgagor, subordinated to the Federal or other State mortgage loan with repayment of principal, and interest, if any, deferred until such time as such Federal or other State loan is paid or otherwise discharged or released, a direct loan for maintenance and operating subsidy to a qualified mortgagor subordinated to the Federal or other State mortgage loan, with repayment of principal, and interest, if any, deferred to such time as the commissioner may deem appropriate, a reserve fund to assist the New Jersey Housing Finance Agency to provide construction or permanent financing for developments financed by it; grants or loans to municipalities for urban homesteading, code enforcement, neighborhood preservation activities, or rehabilitation and direct sale of properties acquired through tax foreclosure or from the United States Department of Housing and Urban Development; and grants or loans to residential property owners in viable urban neighborhoods threatened by the lack of private capital for mortgage loans and loans for rehabilitation.

**C. 55:14J-47 Rules and regulations.**

7. The commissioner shall issue and promulgate such rules and regulations as are necessary and appropriate to carry out the provisions of this act. The commissioner shall review and consider the findings and recommendations of the commission in the administration of the provisions of this act.

**C. 55:14J-48 Appropriations.**

8. There is also appropriated from the proceeds of the sale of the bonds hereinbefore mentioned such sums as may be necessary

to meet any expense incurred by the issuing officials under the act hereinafter mentioned for advertising, engraving, printing, clerical, legal or other services necessary to carry out the duties imposed upon them by the provisions of said act.

**C. 55:14J-49 Powers and duties of State treasurer in connection with fund; requisition by department.**

9. The State Treasurer is hereby authorized, empowered, and directed and it shall be his duty to set up and maintain the aforementioned appropriations in the Mortgage Assistance Fund, established heretofore pursuant to the act to which this act is a supplement. The funds herein appropriated may be requisitioned by the Department of Community Affairs for the uses and purposes specified herein, subject to the same restrictions and control as are exercised over all other appropriated State funds, but not inconsistent with the provisions of said act.

**C. 55:14J-50 Powers of commissioner.**

10. The commissioner is hereby empowered to enter into negotiations with the Federal Government for the purpose of securing any available financial grants and to receive any such grants and thereafter the State Treasurer may cause them to be established and maintained in the aforementioned Mortgage Assistance Fund. Any such funds so established and maintained may be requisitioned by the Department of Community Affairs for the uses and purposes specified herein, subject to the same restrictions and control as are exercised over all other appropriated State funds, but not inconsistent with the provisions of the act hereinabove mentioned.

**C. 55:14J-51 Report and consultation with joint legislative committee.**

11. Not less than 30 days prior to the commissioner entering into any contract, lease, obligation, or agreement to effectuate the purposes of this act the commissioner shall report to and consult with the special joint legislative committee created pursuant to Assembly Concurrent Resolution No. 66 of the 1968 Legislature as reconstituted and continued from time to time by the Legislature.

12. There is hereby appropriated from the Mortgage Assistance Fund to the department the sum of \$8,000,000.00 in accordance with the provisions of this act. Said appropriations shall be derived from the sale of State Mortgage Assistance Bonds issued pursuant to P. L. 1976, c. 94.

13. This act shall take effect immediately.

Approved December 27, 1976.

## CHAPTER 134

AN ACT concerning the Police and Firemen's Retirement System  
and supplementing P. L. 1944, c. 255.

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

1. Any member of the Police and Firemen's Retirement System of New Jersey who has been or shall be elected to the position of sheriff or who has accepted or shall accept appointment to the office or position of undersheriff may, by written notification to the Director of the Division of Pensions and the county treasurer, elect to continue to be a member of the retirement system while serving as sheriff or undersheriff and shall be deemed to have waived any and all benefits to which he would otherwise be entitled by eligibility for membership in the Public Employees' Retirement System. The county treasurer shall make deductions from the salary of the sheriff or undersheriff and contributions on his behalf to the Police and Firemen's Retirement System as is required by law for members of that system.

2. The Director of the Division of Pensions in the Department of the Treasury is authorized and directed to make appropriate debits and credits between the respective retirement systems which are necessary to reflect the retroactive application of this bill by any sheriff or undersheriff electing to continue as a member of the Police and Firemen's Retirement System.

3. This act shall take effect immediately and be retroactive to January 1, 1975.

Approved December 28, 1976.

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CHAPTER 135

AN ACT to amend the "Public School Education Act of 1975,"  
approved September 29, 1975, P. L. 1975, c. 212.

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

1. Section 25 of P. L. 1975, c. 212 (C. 18A:7A-25) is amended to read as follows:

**C. 18A:7A-25 Net current expense budget per pupil; increase by local district; certification.**

25. A district which has a net current expense budget per pupil in the prebudget year of less than the State average net current expense budget per pupil may increase its net current expense budget per pupil in the following year by no more than an amount found by multiplying three-fourths of the latest annual percentage increase in the total State equalized valuation by the State average net current expense budget per pupil for the prebudget year, and multiplying the product by the quotient resulting from dividing the State average net current expense budget per pupil by the school district net current expense budget per pupil for the prebudget year. Any other district may increase its net current expense budget per pupil by no more than an amount found by multiplying three-fourths of the latest annual percentage increase in the total State equalized valuation by the school district's net current expense budget per pupil for the prebudget year, and multiplying the product by the quotient resulting from dividing the State average net current expense budget per pupil by the school district net current expense budget per pupil for the prebudget year. For the purpose of these calculations, the enrollment of a district shall be assumed to remain constant between the prebudget year and the year during which the budget will be implemented and the figure used for the latest annual percentage increase in the total State equalized valuation shall not be less than the average of such percentage increases for the latest 3 years.

Annually, on or before November 15, the commissioner shall certify to each local board of education the amount by which the school district may increase its budget for the next year without exceeding the permissible rate of increase.

The commissioner may approve the request of a local board of education for a greater increase, having adjudged that (1) a reallocation of resources or any other action taken within the permissible level of spending would be insufficient to meet the goals, objectives and standards established pursuant to this act, or (2) an increased enrollment may reasonably be anticipated in the district.

2. This act shall take effect immediately.

Approved December 28, 1976.

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## CHAPTER 136

AN ACT concerning aeronautics and aircraft, and amending P. L. 1971, c. 118 and P. L. 1964, c. 128.

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

1. Section 7 of P. L. 1971, c. 118 (C. 6:1-59.1) is amended to read as follows:

**C. 6:1-59.1 Violations or failure to have license; penalties and costs.**

7. Any person violating any provisions of this act, or any rule, regulation or order authorized hereby and any person who operates, conducts, uses or permits others to operate, conduct, use or employ any aeronautical facility, operation or activity which is required to be licensed without said license being previously issued or renewed as required shall be liable to a penalty of \$50.00 which may be collected and enforced in an action by the Division of Aeronautics in the name of the State in any municipal court or in any other court of competent jurisdiction in a summary manner, without a jury, in accordance with the procedure prescribed in "The Penalty Enforcement Law" (2A:58-1 et seq.). All penalties and costs collected in such actions shall be accounted for by the judge and forwarded to the Division of Aeronautics which shall transmit the same to the State Treasurer.

2. Section 15 of P. L. 1964, c. 128 (C. 6:1-77) is amended to read as follows:

**C. 6:1-77 Violations; penalties; action for collection; disposition of fines.**

15. Any person violating any provision of this act or any rule or regulation authorized hereby and any person who owns or is entitled to the exclusive use of an aircraft and any person who operates an aircraft, required to be registered under this act, which is not currently registered and the proper fees paid therefor shall be subject to a penalty of not less than \$25.00 or more than \$1,000.00 for each year or period not so registered which penalty may be collected and enforced in an action by the Division of Aeronautics in the name of the State in any municipal court or in any other court of competent jurisdiction in a summary manner, without a jury, in accordance with the procedures prescribed in "The Penalty Enforcement Law" (P. L. 1948, c. 253).

All penalties levied for violations of this act shall be accounted for by the judge or other judicial officer and forwarded to the Director of Aeronautics, Department of Transportation, who shall deposit the same with the State Treasurer. The State Treasurer shall account for and dispose of said moneys in the same manner as provided for the disposition of registration fees by section 11, chapter 128, laws of 1964.

3. This act shall take effect immediately.

Approved December 28, 1976.

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#### CHAPTER 137

AN ACT to amend the "Local Lands and Buildings Law," approved June 9, 1971 (P. L. 1971, c. 199).

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

1. Section 13 of P. L. 1971, c. 199 (C. 40A:12-13) is amended to read as follows:

**C. 40A:12-13 Sales of real property, capital improvements or personal property; exceptions; procedure.**

13. Sales of real property, capital improvements or personal property; exceptions; procedure. Any county or municipality may sell any real property, capital improvements or personal property, or interests therein, not needed for public use, as set forth in the resolution or ordinance authorizing the sale, other than county or municipal lands, real property otherwise dedicated or restricted pursuant to law, and, except as otherwise provided by law, all such sales shall be made by one of the following methods:

(a) By public sale to the highest bidder after advertisement thereof in a newspaper circulating in the municipality or municipalities in which the lands are situated by two insertions at least once a week during 2 consecutive weeks, the last publication to be not earlier than 7 days prior to such sale. In the case of public sales, the governing body may by resolution fix a minimum price, or prices, with or without the reservation of the right, to reject all bids where the highest bid is not accepted. Notice of such reservation shall be included in the advertisement of the sale

and public notice thereof shall be given at the time of sale. Such resolution may provide, without fixing a minimum price, that upon the completion of the bidding, the highest bid may be accepted or all the bids may be rejected. The invitation to bid may also impose restrictions on the use to be made of such real property, capital improvement or personal property and any conditions of sale as to buildings or structures, or as to the type, size, or other specifications of buildings or structures to be constructed thereon, or as to demolition, repair, or reconstruction of buildings or structures, and the time within which such conditions shall be operative, or any other conditions of sale in like manner and to the same extent as by any other vendor. Such conditions shall be included in the advertisement, as well as the nature of the interest retained by the county or municipality. Such restrictions or conditions shall be related to a lawful public purpose and encourage and promote fair and competitive bidding of the county or municipality and shall not, in the case of a municipality, be inconsistent with or impose a special or higher standard than any zoning ordinance or building, plumbing, electrical, or similar code or ordinance then in effect in the municipality.

In any case in which a county or municipality intends to retain an estate or interest in any real property, capital improvement or personal property, in the nature of an easement, contingent or reversionary, the invitation to bid and the advertisement required herein shall require each bidder to submit one bid under each Option A and Option B below.

(1) Option A shall be for the real property, capital improvement or personal property subject to the conditions or restrictions imposed, or interest or estate retained, which the county or municipality proposes to retain or impose.

(2) Option B shall be for the real property, capital improvement or personal property to be sold free of all such restrictions, conditions, interests or estates on the part of the county or municipality.

The county or the municipality may elect or reject either or both options and the highest bid for each. Such acceptance or rejection shall be made not later than at the second regular meeting of the governing body following the sale, and, if the governing body shall not so accept such highest bid, or reject all bids, said bids shall be deemed to have been rejected. Any such sale may be adjourned at the time advertised for not more than 1 week without readvertising.

(b) At private sale when authorized by resolution, in the case of a county, or by ordinance, in the case of a municipality, in the following cases:

(1) A sale to any political subdivision, agency, department, commission, board or body corporate and politic of the State of New Jersey or to an interstate agency or body of which the State of New Jersey is a member or to the United States of America or any department or agency thereof.

(2) A sale to a person submitting a bid pursuant to subsection (a) of this section where all bids have been rejected, provided that the terms and price agreed to shall in no event be less than the highest bid rejected and provided further that the terms and conditions of sale shall remain identical.

(3) A sale by any county or municipality when it has or shall have conveyed its right, title and interest in any real property, capital improvement or personal property not needed for public use, and it was assumed and intended that there should be conveyed a good and sufficient title in fee simple to said real property, capital improvement or personal property, free of all encumbrances and the full consideration has been paid therefor, and it shall thereafter appear that the title conveyed was insufficient or that said county or municipality at the time of said conveyance was not the owner of some estate or interest in said real property, capital improvement or personal property or of some encumbrances thereon and the county or municipality shall thereafter acquire a good and sufficient title in fee simple, free of all encumbrances of said real property, capital improvement or personal property or shall acquire such outstanding estate or interest thereon or outstanding encumbrance thereon and said county or municipality, by resolution of the governing body and without the payment of any additional consideration, has deemed to convey or otherwise transfer to said purchaser, his heirs or assigns, such after-acquired title, or estate or interest in, or encumbrance upon, such real property, capital improvement or personal property to perfect the title or interest previously conveyed.

(4) A sale of an easement upon any real property previously conveyed by any county or municipality may be made when the governing body of any county by resolution, or any municipality, by ordinance, has elected to release the public rights in the nature of easements, in, on, over or under any real property within the county or the municipality, as the case may be, upon

such terms as shall be agreed upon with the owner of such lands, if the use of such rights is no longer desirable, necessary or required for public purposes.

(5) A sale to the owner of the real property contiguous to the real property being sold provided that the property being sold is less than the minimum size required for development under the municipal zoning ordinance and is without any capital improvement thereon; except that when there is more than one owner with real property contiguous thereto, said property shall be sold to the highest bidder from among all such owners. Any such sale shall be for not less than the fair market value of said real property.

In the case of any sale of real property hereafter made pursuant to subsection (b) of this section, in no event shall the price agreed upon with the owner be less than the difference between the highest bid accepted for the real property subject to easements (Option A) and the highest bid rejected for the real property not subject to easements (Option B). After the adoption of the resolution or ordinance, and compliance by the owner of said real property with the terms thereof, said real property shall be free, and entirely discharged of and from such rights of the public and of the county or municipality, as the case may be, but no such release shall affect the right of lawful occupancy or use of any such real property by any municipal or private utility to occupy or use any such real property lawfully occupied or used by it.

A list of the property so authorized to be sold, pursuant to subsection (b) of this section, together with the minimum prices respectively, as determined by the governing body, shall be included in the resolution or ordinance authorizing the sale, and said list shall be posted on the bulletin board or other conspicuous space in the building which the governing body usually holds its regular meetings, and advertisement thereof made in a newspaper circulating in the municipality or municipalities in which the real property, capital improvement or personal property is situated within 5 days following enactment of said resolution or ordinance. Offers for any or all properties so listed may thereafter be made to the governing body or its designee for a period of 20 days following the advertisement herein required, at not less than said minimum prices, by any prospective purchaser, real estate broker, or other authorized representative. In any such case, the governing body may reconsider its resolution or ordinance, not later than 30 days after its enactment, and advertise the real property, capital im-

provement, or personal property in question for public sale pursuant to subsection (a) of this section.

Any county or municipality selling any real property, capital improvement or personal property pursuant to subsection (b) of this section shall file with the Director of the Division of Local Government Services in the Department of Community Affairs, sworn affidavits verifying the publication of advertisements as required by this subsection.

All sales either public or private may be made for cash or upon credit. A deposit not exceeding 10% of the minimum price or value of the property to be sold may be required of all bidders. When made upon credit, the county or municipality may accept a purchase-money mortgage, upon terms and conditions which shall be fixed by the resolution of the governing body; provided, however, that when such mortgage shall be fully payable within 5 years from the date of the sale and shall bear interest at a rate equal to that authorized under Title 31 of the Revised Statutes, as amended and supplemented, and the regulations issued pursuant thereto, or the rate last paid by the county or municipality upon any issue of notes pursuant to the Local Bond Law (chapter 2 of Title 40A of the New Jersey Statutes), whichever is highest. The governing body may, by resolution, fix the time for closing of title and payment of the consideration.

In all sales made pursuant to this section, the governing body of any county or municipality may provide for the payment of a commission to any real estate broker, or authorized representative other than the purchaser actually consummating such sale; provided, however, that no commission shall be paid unless notice of the governing body's intention to pay such a commission shall have been included in the advertisement of sale and the recipient thereof shall have filed an affidavit with the governing body stating that said recipient is not the purchaser. Said commissions shall not exceed, in the aggregate, 5% of the sale price, and be paid, where there has been a public sale, only in the event that the sum of the commission and the highest bid price does not exceed the next highest bid price (exclusive of any realtor's commission). As used in this section, "purchaser" shall mean and include any person, corporation, company, association, society, firm, partnership, or other business entity owning or controlling, directly or indirectly, more than 10% of the purchasing entity.

2. This act shall take effect immediately.

Approved December 28, 1976.

## CHAPTER 138

AN ACT concerning education, supplementing Title 18A of the New Jersey Statutes and repealing section 3 of P. L. 1968, c. 240.

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

**C. 18A:13-23.2 Apportionment of appropriations.**

1. Notwithstanding the provisions of P. L. 1976, c. 21 (C. 18A:13-23.1), in any regional school district in a county of the first class which became a regional school district pursuant to P. L. 1968, c. 240, s. 3 (C. 18A:13-34.1), in which the annual or special appropriations for regional purposes, exclusive of the amounts to be raised for interest upon, and the redemption of, bonds payable by the district, have heretofore been apportioned among the municipalities included within the district pursuant to such section, such apportionment shall be made as follows:

a. For the school year 1976-77, 64% on a per pupil basis with respect to current operating costs and interest upon and redemption of bonds and 36% pursuant to N. J. S. 18A:13-23;

b. For the school year 1977-78, 48% on a per pupil basis with respect to current operating costs and interest upon and redemption of bonds and 52% pursuant to N. J. S. 18A:13-23;

c. For the school year 1978-79, 32% on a per pupil basis with respect to current operating costs and interest upon and redemption of bonds and 68% pursuant to N. J. S. 18A:13-23;

d. For the school year 1979-80, 16% on a per pupil basis with respect to current operating costs and interest upon and redemption of bonds and 84% pursuant to N. J. S. 18A:13-23;

e. For all school years thereafter, the apportionment shall be made pursuant to N. J. S. 18A:13-23.

**C. 18A:13-34.1 Repealed.**

2. Section 3 of P. L. 1968, c. 240 (C. 18A:13-34.1) is repealed.

3. For the 1976-77 school year the apportionment of appropriations for any such regional district shall be as provided in section one of this act and in the manner provided below:

a. The Commissioner of Education shall determine the amount of the adjustment in the apportionment required by this act and

shall notify the governing bodies of the constituent municipalities of such adjustments.

b. The governing bodies of the constituent municipalities shall provide for such adjustments in their municipal budgets for the 1977 calendar year.

4. This act shall take effect immediately.

Approved December 28, 1976.

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#### CHAPTER 139

AN ACT amending the title of "An act for the establishment of a police and firemen's retirement system for the police and firemen of a municipality, county or political subdivision thereof," approved May 23, 1944 (P. L. 1944, c. 255), so that the same shall read "An act for the establishment of a police and firemen's retirement system for police, firemen and certain other law enforcement officers," amending the body of said act, and supplementing P. L. 1973, c. 156.

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

**Title amended.**

1. The title of P. L. 1944, c. 255 is amended to read as follows: An act for the establishment of a police and firemen's retirement system for police, firemen and certain other law enforcement officers.

2. Section 1 of P. L. 1944, c. 255 (C. 43:16A-1) is amended to read as follows:

**C. 43:16A-1 Definitions.**

1. As used in this act:

(1) "Retirement system" shall mean the Police and Firemen's Retirement System of New Jersey as defined in section 2 of this act.

(2) "Policeman or fireman" shall mean any permanent and full-time active uniformed employee, and any active permanent and full-time employee who is a detective, lineman, fire alarm operator or inspector of combustibles of any police or fire department. It shall also mean any permanent, active, and full-time officer em-

ployee of the State of New Jersey, or any political subdivision thereof, with police powers and holding one of the following titles: motor vehicles officer, motor vehicles sergeant, motor vehicles lieutenant, motor vehicles captain, assistant chief, bureau of enforcement, and chief, bureau of enforcement in the Division of Motor Vehicles, inspectors, and investigators, in the Division of Alcoholic Beverage Control, conservation officer, assistant district conservation officer, district conservation officer, and chief conservation officer, in the Division of Fish, Game, and Shell Fisheries, rangers, and chief ranger in the Bureau of Parks, marine patrolman, senior marine patrolman, principal marine patrolman, and chief, bureau of marine law enforcement, correction officer, senior correction officer, correction officer sergeant, correction officer lieutenant, correction officer captain, and deputy keepers in the Division of Correction and Parole, medical security officer, assistant supervising medical security officer, in the Department of Institutions and Agencies, county detective, lieutenant of county detectives, captain of county detectives, deputy chief of county detectives, chief of county detectives, and county investigator in the office of the county prosecutors, sheriff's officer, sergeant sheriff's officer, lieutenant sheriff's officer, captain sheriff's officer, chief sheriff's officer, and sheriff's investigator in the office of county sheriffs, county correction officer, county correction sergeant, county correction lieutenant, county correction captain, and county deputy warden in the several county jails, cottage officer, head cottage officer, interstate escort officer, juvenile officer, head juvenile officer, assistant supervising juvenile officer, supervising juvenile officer, patrolman capitol police, patrolman institutions, sergeant patrolman institutions, and supervising patrolman institutions and patrolman or other police officer of the Board of Commissioners of the Palisades Interstate Park appointed pursuant to R. S. 32:14-21.

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

(4) "Board of trustees" or "board" shall mean the board provided for in section 13 of this act.

(5) "Medical board" shall mean the board of physicians provided for in section 13 of this act.

(6) "Employer" shall mean the State of New Jersey, the county, municipality or political subdivision thereof which pays the particular policeman or fireman.

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

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

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

(10) "Aggregate contributions" shall mean the sum of all the amounts, deducted from the compensation of a member or contributed by him or on his behalf, standing to the credit of his individual account in the annuity savings fund.

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

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

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

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

(15) "Average final compensation" shall mean the average annual salary upon which contributions are made for the 3 years of creditable service immediately preceding his retirement or death, or it shall mean the average annual salary for which contributions are made during any 3 fiscal years of his or her membership providing the largest possible benefit to the member or his beneficiary.

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

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

(18) "Pension reserve" shall mean the present value of all payments to be made on account of any pension or benefit in lieu of

any pension computed upon the basis of such mortality tables recommended by the actuary as shall be adopted by the board of trustees, and regular interest.

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

(20) "Beneficiary" shall mean any person receiving a retirement allowance or other benefit as provided by this act.

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

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

(23) "Widower" shall mean the man to whom a member or retirant was married at least 5 years before the date of her death and to whom she continued to be married until the date of her death and who was receiving at least one-half of his support from the member or retirant in the 12-month period immediately preceding the member's or retirant's death or the accident which was the direct cause of the member's death. The dependency of such a widower will be considered terminated by marriage of the widower subsequent to the death of the member or retirant. In the event of the payment of an accidental death benefit, the 5-year qualification shall be waived.

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

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

(26) "Compensation" shall mean the base salary, for services as a member as defined in this act, which is in accordance with

established salary policies of the member's employer for all employees in the same position but shall not include individual salary adjustments which are granted primarily in anticipation of the member's retirement or additional remuneration for performing temporary duties beyond the regular work day.

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

3. (New section) Any officer eligible pursuant to the amendatory provisions of this act, who is a member of the Public Employees' Retirement System or a county pension fund created under P. L. 1943, c. 160 (C. 43:10-18.1 et seq.), or P. L. 1948, c. 310 (C. 43:10-18.50 et seq.) or article 2 of chapter 10 of Title 43 of the Revised Statutes (R. S. 43:10-19 et seq.), shall be permitted to transfer membership from the aforesaid system or funds to the Police and Firemen's Retirement System of New Jersey in accordance with the provisions of P. L. 1973, c. 156 (C. 43:16A-62 et seq.).

Whenever in P. L. 1973, c. 156 a period of time is set which is to be calculated from the effective date of said act, such time shall be calculated for the purposes of this amendatory and supplementary act from the effective date of this act.

4. This act shall take effect immediately.

Approved December 30, 1976.

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#### CHAPTER 140

AN ACT to amend "The Banking Act of 1948", approved April 29, 1948 (P. L. 1948, c. 67).

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

1. Section 187 of P. L. 1948, c. 67 (C. 17:9A-187) is amended to read as follows:

**C. 17:9A-187 Cash balances.**

187. Cash balances.

A. Every savings bank shall maintain cash balances of not less than 3% of its aggregate deposits other than capital deposits. The

cash balances may consist of (1) lawful currency of the United States, (2) demand deposits made (a) in a reserve depository as defined in section 49, or (b) in a Federal home loan bank of which the savings bank is a member, or (c) subject to the approval of the commissioner, in any bank or trust company incorporated under the laws of any State of the United States or the District of Columbia, whether or not such bank or trust company is a member of the Federal Reserve System or (3) immediately available funds which are transferred or sold by such savings bank to a member or nonmember bank of the Federal Reserve System for a period not to exceed the opening of business on the next succeeding banking day for such savings bank. Said required cash balances, to the extent of not more than 1½% of aggregate deposits other than capital deposits may be made up of obligations of the United States or of instrumentalities of the United States maturing within 1 year.

B. A savings bank shall be deemed to have complied with the requirements of subsection A of this section if its daily available funds, averaged over semimonthly periods beginning with the first and the sixteenth days of each month, shall at least equal the minimum amount prescribed by subsection A of this section.

2. This act shall take effect immediately.

Approved January 5, 1977.

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#### CHAPTER 141

AN ACT prohibiting the discharge of petroleum and other hazardous substances, providing for the cleanup and removal of any such discharge, establishing a spill compensation fund, providing for the raising of revenues therefor, all in order to protect the economy and environment of this State, supplementing Title 58 of the Revised Statutes and repealing sections 1 through 10 of the "New Jersey Water Quality Improvement Act of 1971," approved June 1, 1971 (P. L. 1971, c. 173; C. 58:10-23.1 et seq.).

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

**C. 58:10-23.11 Short title.**

1. This act shall be known and may be cited as the "Spill Compensation and Control Act."

**C. 58:10-23.11a Legislature's findings and declaration.**

2. The Legislature finds and declares: that New Jersey's lands and waters constitute a unique and delicately balanced resource; that the protection and preservation of these lands and waters promotes the health, safety and welfare of the people of this State; that the tourist and recreation industry dependent on clean waters and beaches is vital to the economy of this State; that the State is the trustee, for the benefit of its citizens, of all natural resources within its jurisdiction; and that the storage and transfer of petroleum products and other hazardous substances between vessels, between facilities and vessels, and between facilities, whether onshore or offshore, is a hazardous undertaking and imposes risks of damage to persons and property within this State.

The Legislature finds and declares that the discharge of petroleum products and other hazardous substances within or outside the jurisdiction of this State constitutes a threat to the economy and environment of this State. The Legislature intends by the passage of this act to exercise the powers of this State to control the transfer and storage of hazardous substances and to provide liability for damage sustained within this State as a result of any discharge of said substances, by requiring the prompt containment and removal of such pollution and substances, and to provide a fund for swift and adequate compensation to resort businesses and other persons damaged by such discharge.

**C. 58:10-23.11b Definitions.**

3. Unless the context clearly indicates otherwise, the following terms shall have the following meanings:

a. "Administrator" means the chief executive of the New Jersey Spill Compensation Fund;

b. "Barrel" means 42 United States gallons or 159.09 liters or an appropriate equivalent measure set by the director for hazardous substances which are other than fluid or which are not commonly measured by the barrel;

c. "Board" means a board of arbitration convened by the administrator to settle disputed disbursements from the fund;

d. "Cleanup and removal costs" means all costs associated with a discharge incurred by the State or its political subdivisions or their agents or any person with written approval from the department in the (1) removal or attempted removal of hazardous substances or, (2) taking of reasonable measures to prevent or mitigate damages to the public health, safety, or welfare, including but not limited to, public and private property, shorelines, beaches,

surface waters, water columns and bottom sediments, soils and other affected property, including wildlife and other natural resources;

e. "Commissioner" means the Commissioner of Environmental Protection;

f. "Department" means the Department of Environmental Protection;

g. "Director" means the Director of the Division of Taxation in the Department of the Treasury;

h. "Discharge" means any intentional or unintentional action or omission resulting in the releasing, spilling, leaking, pumping, pouring, emitting, emptying or dumping of hazardous substance into the waters of the State or onto lands from which it might flow or drain into said waters, or into waters outside the jurisdiction of the State when damage may result to the lands, waters or natural resources within the jurisdiction of the State;

i. "Fund" means the New Jersey Spill Compensation Fund;

j. "Hazardous substances" means such elements and compounds, including petroleum products, which are defined as such by the department, after public hearing, and which shall be consistent to the maximum extent possible with the list of hazardous substances adopted by the Federal Environmental Protection Agency pursuant to section 311 of the Federal Water Pollution Control Act Amendments of 1972 (P. L. 92-500, 33 U. S. C. 1251 et seq.); provided, however, that sewage and sewage sludge shall not be considered as hazardous substances for the purposes of this act;

k. "Major facility" includes but is not limited to any refinery, storage or transfer terminal, pipeline, deep water port, drilling platform or any appurtenance related to any of the preceding that is used or is capable of being used to refine, produce, store, handle, transfer, process or transport hazardous substances. A vessel shall be considered a major facility only when hazardous substances are transferred between vessels. Facilities with total combined above-ground or buried storage capacity of less than 400,000 gallons are not major facilities for the purposes of this act.

l. "Natural resources" means all land, fish, shellfish, wildlife, biota, air, waters and other such resources owned, managed, held in trust or otherwise controlled by the State;

m. "Owner" or "operator" means with respect to a vessel, any person owning, operating or chartering by demise such vessel; with respect to any major facility, any person owning such facility, or operating it by lease, contract or other form of agreement; with

respect to abandoned or derelict major facilities, the person who owned or operated such facility immediately prior to such abandonment, or the owner at the time of discharge;

n. "Person" means public or private corporations, companies, associations, societies, firms, partnerships, joint stock companies, individuals, the United States, the State of New Jersey and any of its political subdivisions or agents;

o. "Petroleum" means oil or petroleum of any kind and in any form including, but not limited to, oil, petroleum, fuel oil, oil sludge, oil refuse, oil mixed with other wastes and crude oils;

p. "Taxpayer" means the owner or operator of a major facility subject to the tax provisions of this act;

q. "Tax period" means every calendar month on the basis of which the taxpayer is required to report under this act;

r. "Transfer" means onloading or offloading between major facilities and vessels or vessels and major facilities, and from vessel to vessel or major facility to major facility, except for fueling or refueling operations;

s. "Vessel" means every description of watercraft or other contrivance that is practically capable of being used as a means of commercial transportation of hazardous substances upon the water, whether or not self-propelled;

t. "Waters" means the ocean and its estuaries to the seaward limit of the State's jurisdiction, all springs, streams and bodies of surface or groundwater, whether natural or artificial, within the boundaries of this State;

u. "Act of God" means an act exclusively occasioned by an unanticipated grave natural disaster without the interference of any human agency.

**C. 58:10-23.11c Discharge of hazardous substances prohibited; applicability of section.**

4. The discharge of hazardous substances is prohibited. This section shall not apply to discharges of hazardous substances pursuant to and in compliance with the conditions of a Federal or State permit.

**C. 58:10-23.11d Submission of certain information by owner of major facility.**

5. Each owner or operator of a major facility shall submit to the department the following information:

a. The number of barrels or another measurement of the storage capacity of the facility;

b. Average daily throughput of the facility;

c. A primary and contingency cleanup and removal plan which includes, but is not limited to, an inventory of;

(1) The storage and transfer capacity of the facility;

(2) The containment and removal equipment, including, but not limited to, vehicles, vessels, pumps, skimmers, booms, chemicals, and communication devices, to which the facility has access through direct ownership or by contract or membership in a discharge cleanup organization recognized by the department, as well as the time lapse following a discharge which precedes such access;

(3) The trained personnel which are required and available to operate such containment and removal equipment and the time lapse following a discharge which precedes such availability.

(4) All equipment and trained personnel used or employed in any capacity at the facility to prevent discharges of hazardous substances;

(5) The terms of agreement and operation plan of any discharge cleanup organization to which the owner or operator of the facility belongs;

(6) The type and amount of hazardous substances transferred, refined, processed or stored at the facility;

d. The steps taken to insure prevention of a discharge;

e. The source, nature of, and conditions of financial responsibility, established by any one, or a combination of the following;

(1) Insurance;

(2) Qualification as a self-insurer;

(3) Surety bonds payable to the fund;

f. The department shall promulgate rules and regulations, as provided in section 21 of this act, establishing standards for the availability of preventative, cleanup and removal procedures, personnel and equipment at any major facility as well as requiring the formulation of cleanup and removal plans for each major facility, where such plans are not required by existing Federal statute, rule or regulation. Compliance with such standards and plans shall not be deemed a defense in addition to the defenses enumerated in subsection d. of section 8 of this act.

**C. 58:10-23.11e Notification to department by person causing discharge; penalty for failure.**

6. Any person responsible for causing a discharge shall immediately notify the department. Failure to so notify shall make persons liable to the penalty provisions of section 22 of this act.

**C. 58:10-23.11f Removal of hazardous substances.**

7. Whenever any hazardous substance is discharged, the department shall act to remove or arrange for the removal of such discharge, unless it determines such removal will be done properly and expeditiously by the owner or operator of the major facility or any other source from which the discharge occurs.

Removal of hazardous substances and actions to minimize damage from discharges shall, to the greatest extent possible, be in accordance with the National Contingency Plan for removal of oil and hazardous substances established pursuant to section 311 (c) (2) of the Federal Water Pollution Control Act Amendments of 1972 (P. L. 92-500, 33 U. S. C. 1251 et seq.).

Whenever the department acts to remove a discharge or contracts to secure prospective removal services, it is authorized to draw upon the money available in the fund. Such moneys shall be used to pay promptly for all cleanup costs incurred by the department in removing or in minimizing damage caused by such discharge.

Nothing in this section is intended to preclude removal and cleanup operations by any person threatened by such discharges, provided such persons coordinate and obtain approval for such actions with ongoing State or Federal operations. No action taken by any person to contain or remove a discharge shall be construed as an admission of liability for said discharge. No person who renders assistance in containing or removing a discharge shall be liable for any civil damages to third parties resulting solely from acts or omissions of such person in rendering such assistance except for acts or omissions of gross negligence or willful misconduct. In the course of cleanup operations, no person shall discharge any detergent into the waters of this State without prior authorization of the commissioner.

**C. 58:10-23.11g Liability for cleanup and removal costs.**

8. a. The fund shall be strictly liable, without regard to fault, for all cleanup and removal costs and for all direct and indirect damages no matter by whom sustained, including but not limited to:

(1) The cost of restoring, repairing, or replacing any real or personal property damaged or destroyed by a discharge, any income lost from the time such property is damaged to the time such property is restored, repaired or replaced, and any reduction in value of such property caused by such discharge by comparison with its value prior thereto;

(2) The cost of restoration and replacement, where possible, of any natural resource damaged or destroyed by a discharge;

(3) Loss of income or impairment of earning capacity due to damage to real or personal property, including natural resources destroyed or damaged by a discharge; provided that such loss or impairment exceeds 10% of the amount which claimant derives, based upon income or business records, exclusive of other sources of income, from activities related to the particular real or personal property or natural resources damaged or destroyed by such discharge during the week, month or year for which the claim is filed;

(4) Loss of tax revenue by the State or local governments for a period of 1 year due to damage to real or personal property proximately resulting from a discharge;

(5) Interest on loans obtained or other obligations incurred by a claimant for the purpose of ameliorating the adverse effects of a discharge pending the payment of a claim in full as provided by this act.

b. The damages which may be recovered by the fund, without regard to fault, subject to the defenses enumerated in subsection d. of this section, against the owner or operator of a major facility or vessel, shall not exceed \$50,000,000.00 for each major facility or \$150.00 per gross ton for each vessel, except that such maximum limitation shall not apply and the owner or operator shall be liable for the full amount of such damages if it can be shown that such discharge was the result of (1) gross negligence or willful misconduct, within the knowledge and privity of the owner, operator or person in charge, or (2) a gross or willful violation of applicable safety, construction or operating standards or regulations. Damages which may be recovered from, or by, any other person shall be limited to those authorized by common or statutory law.

c. Any person who has discharged a hazardous substance shall be strictly liable, without regard to fault, for all cleanup and removal costs.

d. An act or omission caused solely by war, sabotage, governmental negligence, God, or a third party or a combination thereof shall be the only defenses which may be raised by any owner or operator of a major facility or vessel responsible for a discharge in any action arising under the provisions of this act. For the purposes of this act, no employee or agent of such owner or operator shall be considered as a third party. Any other person shall have available to him any defense authorized by common or statutory law.

**C. 58:10-23.11h Imposition of tax; measurement; amount; return; filing; failure to file; penalty; presumptive evidence; powers of director.**

9. a. There is hereby levied upon each owner or operator of one or more major facilities a tax to insure compensation for cleanup costs and damages associated with any discharge of hazardous substances to be paid by the transferee. The tax shall be measured by the number of barrels of hazardous substances transferred to the major facility, provided, however, that the same barrel, including any products derived therefrom, subject to multiple transfers from or between major facilities shall be taxed only once at the point of the first transfer.

b. The tax shall be \$0.01 per barrel transferred until the balance in the fund equals or exceeds \$25,000,000.00. In each fiscal year following any year in which the balance of the fund equals or exceeds \$25,000,000.00, no tax shall be levied unless (1) the current balance in the fund is less than \$20,000,000.00 or (2) pending claims against the fund exceed 50% of the existing balance of the fund. The provisions of the foregoing notwithstanding, should claims paid from the fund not exceed \$5,000,000.00 within 3 years after the tax is first levied, the tax shall be \$0.01 per barrel transferred until the balance in the fund equals or exceeds \$18,000,000.00, and thereafter shall not be levied unless: (1) the current balance in the fund is less than \$15,000,000.00 or (2) pending claims against the fund exceed 50% of the existing balance of the fund. In the event of either such occurrence and upon certification thereof by the State Treasurer, the director shall within 10 days of the date of such certification relevel the excise tax, which shall take effect on the first day of the month following such relevel. In the event of a major discharge or series of discharges resulting in claims against the fund exceeding the existing balance of the fund, the tax shall be levied at the rate of \$0.04 per barrel transferred until the balance in the fund equals pending claims against the fund; provided, however, that the rate may be set at less than \$0.04 per barrel transferred if the administrator determines that the revenue produced by such lower rate shall be sufficient to pay outstanding claims against the fund within 1 year of such levy. Should the fund exceed \$18,000,000.00 or \$25,000,000.00, as herein provided, as a result of such interest, the administrator and the commissioner shall report to the Legislature and the Governor concerning the options for the use of such interest.

c. (1) Every taxpayer shall on or before the twentieth day of the month following the close of each tax period render a return under oath to the director on such forms as may be prescribed by the

director indicating the number of barrels of hazardous substances transferred to his major facility during the tax period and at said time shall pay the full amount of the tax due. (2) Every owner or operator of a major facility or vessel which transfers a hazardous substance, as defined in this act, and who is subject to the tax under subsection a. shall within 20 days after the first such transfer in any fiscal year register with the director on such form as shall be prescribed by him.

d. If a return required by this act is not filed, or if a return when filed is incorrect or insufficient in the opinion of the director, the amount of tax due shall be determined by the director from such information as may be available. Notice of such determination shall be given to the taxpayer liable for the payment of the tax. Such determination shall finally and irrevocably fix the tax unless the person against whom it is assessed, within 30 days after receiving notice of such determination, shall apply to the director for a hearing, or unless the director on his own motion shall redetermine the same. After such hearing the director shall give notice of his determination to the person to whom the tax is assessed.

e. Any taxpayer who shall fail to file his return when due or to pay any tax when the same becomes due, as herein provided, shall be subject to such penalties and interest as provided in the "State Tax Uniform Procedure Law," Subtitle 9 of Title 54 of the Revised Statutes. If the Division of Taxation determines that the failure to comply with any provision of this section was excusable under the circumstances, it may remit such part or all of the penalty as shall be appropriate under such circumstances.

f. (1) Any person failing to file a return, failing to pay the tax, or filing or causing to be filed, or making or causing to be made, or giving or causing to be given any return, certificate, affidavit, representation, information, testimony or statement required or authorized by this act, or rules or regulations adopted hereunder which is willfully false, or failing to keep any records required by this act or rules and regulations adopted hereunder, shall, in addition to any other penalties herein or elsewhere prescribed, be guilty of a misdemeanor.

(2) The certificate of the director to the effect that a tax has not been paid, that a return has not been filed, that information has not been supplied or that inaccurate information has been supplied pursuant to the provisions of this act or rules or regulations adopted hereunder shall be presumptive evidence thereof.

g. In addition to the other powers granted to the director in this section, he is hereby authorized and empowered:

(1) To delegate to any officer or employee of his division such of his powers and duties as he may deem necessary to carry out efficiently the provisions of this section, and the person or persons to whom such power has been delegated shall possess and may exercise all of said powers and perform all of the duties delegated by the director;

(2) To prescribe and distribute all necessary forms for the implementation of this section.

h. The tax imposed by this section shall be governed in all respects by the provisions of the "State Tax Uniform Procedure Law," Subtitle 9 of Title 54 of the Revised Statutes, except only to the extent that a specific provision of this section may be in conflict therewith.

**C. 58:10-23.11i New Jersey spill compensation fund established.**

10. The New Jersey Spill Compensation Fund is hereby established as a nonlapsing, revolving fund in the Department of the Treasury to carry out the purposes of this act. The fund shall be credited with all taxes and penalties related to this act. Interest received on moneys in the fund shall be credited to the fund.

**C. 58:10-23.11j Appointment and supervision of administrator of fund; powers and duties of administrator.**

11. a. The State Treasurer shall appoint and supervise an administrator of the fund. The administrator shall be the chief executive of the fund and shall have the following powers and duties:

(1) To represent the State in meetings with the alleged discharger and claimants concerning liability for the discharge and the amount of the claims;

(2) To determine if boards of arbitration are needed to settle particular claims;

(3) To administer boards of arbitration;

(4) To certify the amount of claims and names of claimants to the State Treasurer.

**C. 58:10-23.11k Claims.**

12. Claims shall be filed with the administrator not later than 1 year after the date of discovery of damage nor later than 6 years after the date of the incident which caused the damage. The administrator shall prescribe appropriate forms and procedures for such claims, which shall include a provision requiring the claimant to make a sworn verification of the claim to the best of

his knowledge. Any person who knowingly gives or causes to be given any false information as a part of any such claim shall, in addition to any other penalties herein or elsewhere prescribed, be guilty of a misdemeanor. Upon receipt of any claim, the administrator shall as soon as practicable inform all affected parties of the claim.

**C. 58:10-23.111 Settlement between claimant and person responsible for discharge.**

13. The administrator shall attempt to promote and arrange a settlement between the claimant and the person responsible for the discharge. If the source of the discharge can be determined and liability is conceded, the claimant and the alleged discharger may agree to a settlement which shall be final and binding upon the parties and which will waive all recourse against the fund.

**C. 58:10-23.11m Settlement when source of discharge unknown.**

14. If the source of the discharge is unknown or cannot be determined, the claimant and the administrator shall attempt to arrange a settlement of any claim against the fund. The administrator is authorized to enter and certify payment of such settlement subject to such proof and procedures contained in regulations promulgated by the administrator.

**C. 58:10-23.11n Boards of arbitration; when convened; selection; powers; expenses; decisions and determinations; judicial review; certification of settled claims and awards.**

15. a. Boards of arbitration shall be convened by the administrator when persons alleged to have caused the discharge, the administrator or other persons contest the validity or amount of damage claims or cleanup and removal costs presented to the fund for payment. If the source of discharge is not known, any person may contest such claims presented for payment to the fund.

b. In the discretion of the administrator, a board of arbitration may consist of three persons or a single neutral person. In the case of three-person boards, one person shall be chosen by the person alleged to have caused the discharge, one person shall be chosen by the claimant, and one person shall be chosen by the first two to serve as chairman. If the two arbitrators cannot agree upon, select, and name the neutral arbitrator after their appointment, the administrator shall request the American Arbitration Association to utilize its procedures to select the neutral arbitrator. If the source of the discharge is unknown or liability is not conceded, the administrator shall request the American Arbitration Association to utilize its procedures to select the neutral arbitrator and

an arbitrator normally selected by the absent or unknown person. Representation by any party on the board shall not be considered as any admission of liability for such discharges. In the case of a one-person board, such neutral arbitrator may, in the discretion of the administrator, be selected by the administrator, by agreement of the affected parties or by utilization of the procedures of the American Arbitration Association; provided, however, that the administrator or any regular employee of the administrator or the department shall not act as an arbitrator.

(1) Arbitrators shall be designated by their principals within 30 calendar days after the administrator notifies the principals of claims against the fund arising from a discharge.

(2) Should either party fail to name an arbitrator within the designated time, then the administrator shall request the American Arbitration Association to utilize its procedures to select that arbitrator. The two arbitrators thus chosen shall select the neutral arbitrator required by this section.

c. One board of arbitration may be convened to hear and determine all claims arising from or related to a common discharge.

d. The boards shall have the power to order testimony under oath and may subpoena attendance and testimony of witnesses and the production of such documentary materials pertinent to the issues presented to the board for determination. Each person appearing before the board shall have the right to counsel.

e. All costs and expenses approved by the administrator attributable to the employment of any arbitrator shall be payable from the fund.

f. All decisions of the boards of arbitration shall be in writing with notification to all appropriate parties, and shall be rendered within 60 calendar days of the final appointment of the board unless the parties otherwise agree in writing to an extension.

g. Determinations made by the board shall be final. Any action for judicial review shall be filed in the Appellate Division of the Superior Court within 30 days of the filing of the decision with the administrator.

h. No sooner than 30 days after the determination of the arbitrators, nor more than 60 days thereafter, the arbitrators shall certify all claims settled or arbitrated to the administrator who, in turn, shall certify the amount of the award and the name of the claimant to the treasurer who shall pay the award from the fund. In any case in which the person responsible for the discharge

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seeks judicial review, reasonable attorneys' fees and costs shall be awarded to the claimant if the decision of the board is affirmed.

**C. 58:10-23.11o Disbursement of moneys from fund; purposes.**

16. Moneys in the New Jersey Spill Compensation Fund shall be disbursed by the administrator for the following purposes and no others:

- (1) Costs incurred under section 7 of this act;
- (2) Damages as defined in section 8 of this act;
- (3) Such sums as may be necessary for research on the prevention and the effects of spills of hazardous substances on the marine environment and on the development of improved cleanup and removal operations as may be appropriated by the Legislature; provided, however, that such sums shall not exceed the amount of interest which is credited to the fund;
- (4) Such sums as may be necessary for the boards, general administration of the fund, equipment and personnel costs of the department and any other State agency related to the enforcement of this act as may be appropriated by the Legislature;
- (5) Such sums as may be appropriated by the Legislature for research and demonstration programs concerning the causes and abatement of ocean pollution; provided, however, that such sums shall not exceed the amount of interest which is credited to the fund.

The Treasurer may invest and reinvest any moneys in said fund in legal obligations of the United States, this State or any of its political subdivisions. Any income or interest derived from such investment shall be included in the fund.

**C. 58:10-23.11p Class action by public advocate.**

17. The Department of the Public Advocate may act to assert such claims as are alleged against the fund by persons who in the opinion of the Public Advocate, may be better represented as a class in recovery of damage or cleanup costs provided by this act. All moneys recovered for this class from the fund shall be distributed by the Department of the Treasury after certification by the administrator. Failure by the Department of Public Advocate to act on behalf of such class shall in no way prejudice the claims to be asserted by such class or individuals under the provisions of this act.

**C. 58:10-23.11q Payment of cleanup costs or damages arising from single incident.**

18. Payment of any cleanup costs or damages by the fund arising from a single incident shall be conditioned upon the administrator

acquiring by subrogation all rights of the claimant to recovery of such costs or damages from the discharger or other responsible party. The administrator shall then seek satisfaction from the discharger or other responsible party in the Superior Court if the discharger or other responsible party does not reimburse the fund. In any such suit, except as provided by subsection d. of section 8 of this act, the administrator need prove only that an unlawful discharge occurred which was the responsibility of the discharger or other responsible party. The administrator is hereby authorized and empowered to compromise and settle the amount sought for costs and damages from the discharger or other responsible party and any penalty arising under this act.

**C. 58:10-23.11r Payments on prorated basis; priorities.**

19. In the event that the total awards for a specific occurrence exceed the current balance of the fund, the immediate award shall be paid on a prorated basis, and all claimants paid on a prorated basis shall be paid, as determined by the administrator, a pro rata share of all funds received by the fund until the total amount of the proven damages is paid to the claimant or claimants. The administrator may also provide through regulation to fix the priority for the payment of claims based on extreme hardship.

**C. 58:10-23.11s Claims against bond, insurer or other person with financial responsibility.**

20. Any claims for costs of cleanup, civil penalties or damages by the State, and any claim for damages by any injured person, may be brought directly against the bond, the insurer, or any other person providing evidence of financial responsibility.

**C. 58:10-23.11t Rules and regulations.**

21. The commissioner, the State Treasurer and the director, respectively, are authorized to adopt, amend, repeal, and enforce such rules and regulations pursuant to the Administrative Procedure Act, P. L. 1968, c. 410 (C. 52:14B-1 et seq.) as they may deem necessary to accomplish their respective purposes and responsibilities under this act.

**C. 58:10-23.11u False claims; violation of act; penalty enforcement.**

22. Any person who knowingly gives or causes to be given any false information as a part of, or in response to, any claim made pursuant to this act for cleanup costs, removal costs, direct damages or indirect damages resulting from a discharge, or who otherwise violates any of the provisions of this act or any rule promulgated thereunder shall be liable to a penalty of not more than \$25,000.00

for each offense, to be collected in a summary proceeding under the "Penalty Enforcement Law" (N. J. S. 2A:58-1 et seq.) or in a court of competent jurisdiction wherein injunctive relief has been requested. The Superior Court shall have jurisdiction to enforce said Penalty Enforcement Law. If the violation is of a continuing nature each day during which it continues shall constitute an additional, separate and distinct offense.

**C. 58:10-23.11v Pursuit of other civil or injunctive remedy.**

23. Nothing in this act shall be deemed to preclude the pursuit of any other civil or injunctive remedy by any person. The remedies provided in this act are in addition to those provided by existing statutory or common law, but no person who receives compensation for damages or cleanup costs pursuant to any other State or Federal law shall be permitted to receive compensation for the same damages or cleanup costs under this act.

**C. 58:10-23.11w Partial invalidity.**

24. If any section, subsection, provision, clause or portion of this act is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of this act shall not be affected thereby.

**C. 58:10-23.11x Construction of act.**

25. This act, being necessary for the general health, safety, and welfare of the people of this State, shall be liberally construed to effect its purposes.

**C. 58:10-23.11y Annual report.**

26. The commissioner and administrator shall make an annual report to the Legislature and Governor which shall describe the quality and quantity of spills of hazardous substances, the costs and damages paid by and recovered for the fund, and the economic and environmental impact on the State as a result of the administration of this act.

**C. 58:10-23.11z Federal legislation providing compensation; commissioner's determinations and recommendations.**

27. If the United States Congress enacts legislation providing compensation for the discharge of petroleum and hazardous products, the commissioner shall determine to what degree that legislation provides the needed protection for our citizens, businesses and environment and shall make the appropriate recommendations to the Legislature for amendments to this act.

**Repealer.**

28. Sections 1 through 10 of P. L. 1971, c. 173 (C. 58:10-23.1 to 58:10-23.10) are repealed.

29. This act shall take effect on the first day of the third month after enactment.

Approved January 6, 1977.

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## JOINT RESOLUTIONS

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## Joint Resolutions

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### JOINT RESOLUTION No. 1

A JOINT RESOLUTION designating the week of February 8 to 14, 1976 as Catholic Schools Week.

WHEREAS, The Catholic schools of the State of New Jersey will be celebrating Catholic Schools Week in the State on February 8-14 of this year; and

WHEREAS, The Catholic schools in the State of New Jersey have had over a century of service educating millions of Jerseyans in preparation for their responsibilities as citizens of this State and as members of society; and

WHEREAS, Parents who send their children to nonpublic schools assist the State in reducing the rising costs of public education; and

WHEREAS, The 600 Catholic schools in the State currently provide over 216,000 students with a well-rounded educational program in moral values and community services; and

WHEREAS, The welfare of the State requires that this and future generations of school-age children be assured ample opportunity to develop to the fullest their intellectual capacities; and that in the exercise of their constitutional rights to choose nonpublic education for their children, parents who support such education make a major contribution to the public welfare;

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

1. The week of February 8-14, 1976 is designated as Catholic Schools Week in the State of New Jersey to be recognized as such by State and municipal agencies throughout New Jersey.

2. The Governor and the Legislature of the State of New Jersey hereby call on all of the citizens of the State to recognize the contribution Catholic schools make to education in the State and

commend their faculties, students and parents for their dedication and devotion to the quality education furnished the future citizens of this State.

3. This joint resolution shall take effect immediately.

Approved February 11, 1976.

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JOINT RESOLUTION No. 2

A JOINT RESOLUTION to declare the month of May, 1976, as "Osteopathic Medicine Month" in the State of New Jersey and providing for a proclamation thereof by the Governor.

WHEREAS, In 1901 the osteopathic physicians practicing in the State of New Jersey established the New Jersey Association of Osteopathic Physicians and Surgeons as their official organization to advance health care; and

WHEREAS, Osteopathic medicine in New Jersey during the past 75-years has grown in stature and service, bringing to millions of New Jersey residents professional medical care by general practitioner, specialist and hospital; and

WHEREAS, In the State of New Jersey 950 osteopathic physicians practice in more than 260 communities, providing the full spectrum of medical care for the residents of the aforesaid areas; and

WHEREAS, This high level of care is complemented through the service of seven osteopathic hospitals in the State of New Jersey which admitted more than 40,000 patients during the past year; and

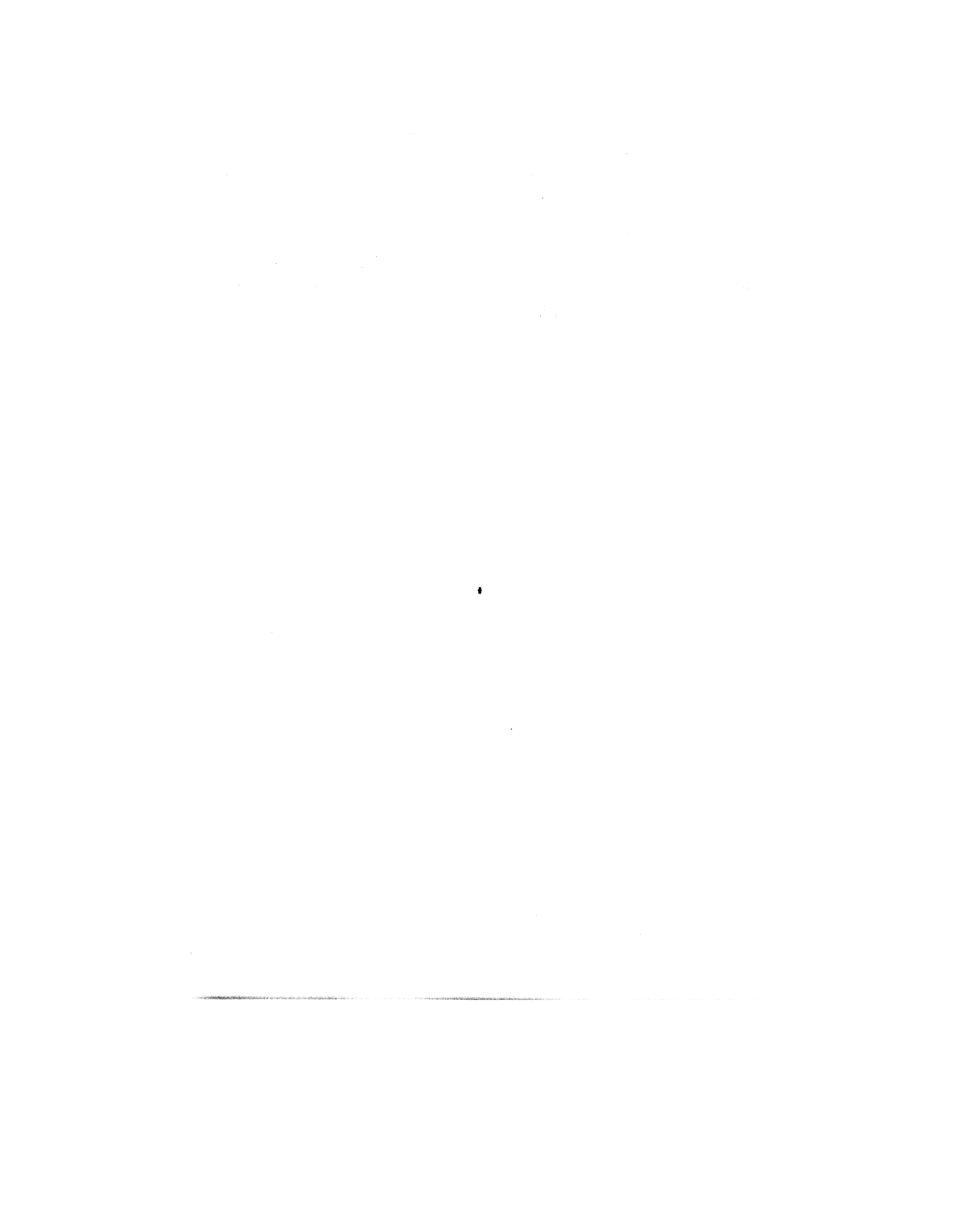
WHEREAS, Osteopathic physicians in the State of New Jersey are an integral and valued component of our medical care resources, serving not only their own roster of patients but also bringing their professional skills to municipal, county, State, school and public health spheres; and

WHEREAS, The New Jersey Association of Osteopathic Physicians and Surgeons in convention assembled at Cherry Hill, New Jersey, from April 29 to May 2, 1976, will mark the Seventy-Fifth Anniversary of their association's establishment; now, therefore

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

1. The month of May, 1976, shall be known in New Jersey as "Osteopathic Medicine Month" as a tribute to the accomplishments and contributions of osteopathic medicine to the health and well being of the residents of this State.
  2. The Governor by appropriate proclamation is requested to designate the said month of May as "Osteopathic Medicine Month."
- Approved May 14, 1976.



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AMENDMENTS TO THE  
1947 CONSTITUTION  
ADOPTED IN 1976

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## Amendments to the 1947 Constitution

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### PROPOSED AMENDMENT ADOPTED

Amend Article IV, Section VII, paragraph 2 by adding thereto a new subparagraph D, as follows:

D. It shall be lawful for the Legislature to authorize by law the establishment and operation, under regulation and control by the State, of gambling houses or casinos within the boundaries, as heretofore established, of the city of Atlantic City, county of Atlantic, and to license and tax such operations and equipment used in connection therewith. Any law authorizing the establishment and operation of such gambling establishments shall provide for the State revenues derived therefrom to be applied solely for the purpose of providing reductions in property taxes, rentals, telephone, gas, electric, and municipal utilities charges of eligible senior citizens and disabled residents of the State, in accordance with such formulae as the Legislature shall by law provide. The type and number of such casinos or gambling houses and of the gambling games which may be conducted in any such establishment shall be determined by or pursuant to the terms of the law authorizing the establishment and operation thereof.

Adopted November 2, 1976.

Effective December 2, 1976.

PROPOSED AMENDMENT ADOPTED

Amend Article VIII, Section I, paragraph 5, to read as follows:

5. The Legislature may adopt a homestead statute which entitles homeowners, residential tenants and net lease residential tenants to a rebate or a credit of a sum of money related to property taxes paid by or allocable to them at such rates and subject to such limits as may be provided by law. Such rebates or credits may include a differential rebate or credit to citizens and residents who are of the age of 65 or more years, or less than 65 years of age who are permanently and totally disabled according to the provisions of the Federal Social Security Act, or are 55 years of age or more and the surviving spouse of a deceased citizen or resident of this State who during his lifetime received, or who, upon the adoption of this amendment and the enactment of implementing legislation, would have been entitled to receive a rebate or credit related to property taxes.

Adopted November 2, 1976.

Effective December 2, 1976.

PROPOSED AMENDMENT ADOPTED

Amend Article VIII, Section I by adding a new paragraph as follows:

7. No tax shall be levied on personal incomes of individuals, estates and trusts of this State unless the entire net receipts therefrom shall be received into the treasury, placed in a perpetual fund and be annually appropriated, pursuant to formulas established from time to time by the Legislature, to the several counties, municipalities and school districts of this State exclusively for the purpose of reducing or offsetting property taxes.

Adopted November 2, 1976.

Effective December 2, 1976.



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## EXECUTIVE ORDERS

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## Executive Orders

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STATE OF NEW JERSEY,  
EXECUTIVE DEPARTMENT.

### EXECUTIVE ORDER No. 30

WHEREAS, There exists separate offices conducting press relations and publicity activities in each department of State government; and

WHEREAS, The functions performed by those separate offices are in many instances duplicative and the said separate offices, each with its own support staff and equipment, increase substantially the cost to the State for such services; and

WHEREAS, Fiscal constraints now require the achievement of economy in government at every level; and

WHEREAS, Consolidation of the press-related, public relations functions of the various departments of State government in a central Office of Public Communications will eliminate duplication and reduce costs substantially;

Now, THEREFORE, I, Brendan T. Byrne, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and the statutes of this State, do hereby ORDER and DIRECT:

1. The functions of all press and public relations services in the various departments of State government are hereby transferred and assigned to the Office of Public Communications in the Governor's Office under the direction of the Director of Public Information.

2. All appropriations and other moneys available and to become available to each department affected by this order for the functions hereby transferred shall be available to the Office of Public Communications.

3. Employees of the said departments engaged in the performance of the functions hereby transferred and necessary to the proper performance of duties assigned to the Office of Public Communications are assigned to the said office.

4. Appropriate action shall be taken to eliminate positions for press and public relations personnel not needed in the Office of Public Communications.

5. The Director of Public Information is authorized to organize the work of his office in such manner as he deems appropriate for the performance of the functions hereby transferred.

6. This order shall take effect February 1, 1976.

Given, under my hand and seal this 14th day of  
[SEAL] January in the year of Our Lord, one thousand nine  
hundred and seventy-six, of the Independence of the  
United States, the two hundredth.

/s/ BRENDAN BYRNE,  
*Governor.*

Attest:

CHARLES C. CARELLA,  
*Executive Secretary to the Governor.*

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STATE OF NEW JERSEY,  
EXECUTIVE DEPARTMENT.

EXECUTIVE ORDER No. 31

WHEREAS, The economy of southern New Jersey is seriously depressed, with unemployment reaching extreme and extraordinary levels;

WHEREAS, This economic emergency may be partially alleviated by a lowering of fuel costs through the authorization of increased maximum sulfur content in fuel;

WHEREAS, An interim study of the ambient air quality in Salem county and portions of Cape May county indicates that such an increase is feasible for certain facilities without threatening the public health, safety or welfare; and

WHEREAS, Such study establishes that existing air quality standards can be met by changing the requirements for sulfur content in fuel;

NOW, THEREFORE, I, Brendan T. Byrne, Governor of the State of New Jersey, hereby order and direct the Commissioner of Environmental Protection to implement less stringent sulfur-in-fuel requirements for sources in Salem county and such other counties where studies demonstrate a similar potential consistent with the public health, safety and welfare. These standards shall be adopted on an interim basis, until the detailed implementation plan analyses for the New Jersey Intrastate Air Quality Control Region and the Metropolitan Philadelphia Air Quality Control Region, which are now underway, can be completed.

Given, under my hand and seal this 12th day of  
[SEAL] March, in the year of our Lord, one thousand nine hundred and seventy-six, of the Independence of the United States, the two hundredth.

/s/ BRENDAN BYRNE,  
*Governor.*

Attest:  
JOHN J. DEGNAN,  
*Executive Secretary to the Governor.*

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STATE OF NEW JERSEY,  
EXECUTIVE DEPARTMENT.

EXECUTIVE ORDER No. 32

WHEREAS, Federal legislation popularly referred to as the Legal Services Corporation Act of 1974, hereinafter referred to as the Federal Act, provides for financial assistance for furnishing legal services to persons financially unable to afford legal services; and

WHEREAS, The Federal Act requires the Board of Directors of the Legal Services Corporation, established pursuant to the Federal Act, to request the Governor of each state to appoint a nine-member advisory council for such state, with said advisory council responsible for notifying the Federal Legal Services Corporation of apparent violations of the Federal Act and

applicable rules, regulations, and guidelines promulgated pursuant to Federal Act, and if a Governor fails to act within 90 days of the board's request, the board is authorized to appoint such a council; and

WHEREAS, It is in the interest of the citizens of the State of New Jersey for the Governor to appoint the members to the council which shall monitor the performance of legal services programs and the provision of legal services pursuant to the Federal Act;

NOW, THEREFORE, I, Brendan T. Byrne, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the statutes of this State, do hereby ORDER and DIRECT:

1. There is hereby created a New Jersey Legal Services Advisory Council, hereinafter referred to as the "State Advisory Council."

2. (a) The State Advisory Council shall consist of nine members, to be appointed by the Governor, for terms of 1 year.

(b) Each member shall be eligible for annual reappointment, except that no member shall be appointed to serve for more than 3 consecutive years.

(c) A majority of the members shall be attorneys admitted to practice in the State; and, to the maximum extent possible, the remainder of the council shall be broadly representative of persons concerned with the delivery of quality legal services to the poor.

(d) Prior to the appointment to the State Advisory Council of members who are attorneys admitted to practice in the State, the Governor shall receive recommendations from the New Jersey State Bar Association.

(e) Sixty days prior to the expiration of a member's term, the Governor shall notify the State Bar Association and groups concerned with the delivery of quality legal services to the poor.

(f) The Governor shall appoint from among those named to the council a chairperson of the council, to serve as said chairperson at the pleasure of the Governor.

3. The State Advisory Council shall do all that is or may be required of it by the Federal Act and applicable rules, regulations, and guidelines promulgated pursuant to the Federal Act for monitoring and overseeing the provision of legal services assistance in the State and also shall perform any related functions

assigned to it by the Federal Legal Services Corporation or the State for assuring the delivery of quality legal services to persons unable to afford legal services.

4. The State Advisory Council shall meet within 30 days after the appointment by the Governor of members to the State Advisory Council, and at said meeting, the State Advisory Council shall establish such fair and reasonable procedures as it may deem necessary to carry out the purposes of the Federal Act and applicable rules, regulations, and guidelines promulgated pursuant to the Federal Act.

5. The State Advisory Council is hereby authorized to obtain the services of such professional, technical, and clerical personnel as may be necessary to enable it to carry out its functions pursuant to the Federal Act with said services obtained with funds or grants received pursuant to the Federal Act and from available State resources.

6. This Order shall take effect immediately.

Given, under my hand and seal this 15th day of  
[SEAL] March, in the year of Our Lord, one thousand nine  
hundred and seventy-six, of the Independence of the  
United States, the two hundredth.

/s/ BRENDAN BYRNE,

*Governor.*

Attest:

JOHN J. DEGNAN,

*Executive Secretary to the Governor.*

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STATE OF NEW JERSEY,  
EXECUTIVE DEPARTMENT.

EXECUTIVE ORDER No. 33

WHEREAS, Section 2576 of Title 10 of the United States Code provides for sale by the U.S. Secretary of Defense to State and local law enforcement and firefighting agencies of certain surplus military equipment, including weapons, ammunition, gas masks and protective body armor; and

## EXECUTIVE ORDERS

WHEREAS, Said section further provides for designation by the Governors of the several states of a state official to certify that requests for such purchases by such agencies within their state are necessary and suitable; and

WHEREAS, The Division of State Police is the agency within the State of New Jersey most familiar with the capabilities of the State and local law enforcement and firefighting agencies and the best qualified to determine their needs and the reasonableness of their requests for such surplus military equipment;

NOW, THEREFORE, I, Brendan T. Byrne, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the statutes of this State, do hereby ORDER and DIRECT:

1. The Superintendent of State Police in the Department of Law and Public Safety shall have the responsibility of reviewing applications for the purchase of surplus military equipment from the U.S. Secretary of Defense, pursuant to the provisions of Public Law 90-500, Section 2576 of Title 10, United States Code.

2. The Superintendent shall examine such applications to determine whether they comply with the form and procedure prescribed by the Secretary of Defense and shall certify to said secretary those applications which the superintendent determines so comply and are necessary and suitable for the operation of the agency making the request therefor.

3. The superintendent shall establish such rules and regulations as he deems appropriate to carry out the purpose of this Executive Order.

4. This Order shall take effect immediately.

Given, under my hand and seal this 26th day of  
[SEAL] March, in the year of Our Lord, one thousand nine hundred and seventy-six, of the Independence of the United States, the two hundredth.

/s/ BRENDAN BYRNE,  
*Governor.*

Attest:

JOHN J. DEGNAN,  
*Executive Secretary to the Governor.*

STATE OF NEW JERSEY,  
EXECUTIVE DEPARTMENT.

## EXECUTIVE ORDER No. 34

WHEREAS, It is essential that all persons supplying goods or services to the State of New Jersey, or performing contracts or otherwise executing public works with the assistance of and subject to the approval of the State, must meet a standard of responsibility which assures the State and its citizens that such persons will both compete and perform honestly in their dealings with the State and avoid secret or illicit dealing; and

WHEREAS, It is essential that such persons be fully informed of policies of the State in this regard, and be afforded procedural safeguards appropriate to circumstances which such policies may occasion; and

WHEREAS, The courts have affirmed the duty and obligation of State officials to develop and effectuate such policies; and

WHEREAS, It is essential that such policies be uniformly applied by the various agencies of the Executive Branch, and that uniform procedures be adopted to implement them;

NOW, THEREFORE, I, Brendan T. Byrne, Governor of the State of New Jersey, do hereby ORDER and DIRECT that:

1. Debarment, suspension and disqualification are measures which shall be invoked by the State to exclude or render ineligible certain persons from participation in contracts and subcontracts with the State, or in projects or contracts performed with the assistance of and subject to the approval of the State, on the basis of a lack of responsibility. These measures shall be used for the purpose of protecting the interests of the State and not for punishment. To assure the State the benefits to be derived from the full and free competition between and among such persons and to maximize the opportunity for honest competition and performance, these measures shall not be invoked for any time longer than deemed necessary to protect the interests of the State.

2. As used in this Order:

- (a) "Debarment" means an exclusion from State contracting, on the basis of a lack of responsibility evidenced by an offense, failure, or indaequacy of performance, for a reason-

able period of time commensurate with the seriousness of the offense, failure, or inadequacy of performance.

- (b) "Suspension" means an exclusion from State contracting for a temporary period of time, pending the completion of an investigation or legal proceedings.
- (c) "Disqualification" means a debarment or a suspension which denies or revokes a qualification to bid or otherwise engage in State contracting which has been granted or applied for pursuant to statute, or rules and regulations.
- (d) "State" means the State of New Jersey, or any of the departments or agencies in the Executive Branch of government with the lawful authority to engage in contracting.
- (e) "Person" means any natural person, company, firm, association, corporation, or other entity.
- (f) "State contracting" means any arrangement giving rise to an obligation to supply any thing to or perform any service for the State, other than by virtue of State employment, or to supply any thing to or perform any service for a private person where the State provides substantial financial assistance and retains the right to approve or disapprove the nature or quality of the goods or service or the persons who may supply or perform the same.
- (g) "Affiliates" means persons having an overt or covert relationship such that any one of them directly or indirectly controls or has the power to control another.

3. The executive head of each department or agency in the Executive Branch, with the lawful authority to engage in State contracting, shall, within 90 days of the date of this Order and in accordance with the provisions of the Administrative Procedures Act (P. L. 1968, c. 410, C. 52:14B-1 *et seq.*), promulgate rules and regulations governing the causes, conditions and procedures applicable to determinations of debarment, suspension and disqualification by that department or agency. Such rules and regulations shall to the extent consistent with existing law conform to the minimum standards hereinafter set forth, but need not be limited to such standards. In addition to any other filing required by law to be made, each executive head shall file with the Attorney General and the Treasurer a copy of such rules and regulations as may be promulgated.

4. Subject to the conditions hereinafter described, the rules and regulations referred to in Section 3 *supra*, shall authorize the

department or agency to debar a person in the public interest for any of the following causes:

- (a) Commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract, or subcontract thereunder, or in the performance of such contract or subcontract.
- (b) Violation of the Federal Organized Crime Control Act of 1970, or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, perjury, false swearing, receiving stolen property, obstruction of justice, or any other offense indicating a lack of business integrity or honesty.
- (c) Violation of the Federal or State Antitrust Statutes, or of the Federal Anti-Kickback Act (18 U. S. C. 874, 40 U. S. C. 276 b, c).
- (d) Violations of any of the laws governing the conduct of elections of the State of New Jersey or of its political subdivisions.
- (e) Violation of the "Law Against Discrimination" (P. L. 1945, c. 169, C. 10:5-1 *et seq.*, as supplemented by P. L. 1975, c. 127), or of the act banning discrimination in public works employment (C. 10:2-1 *et seq.*) or of the Act prohibiting discrimination by industries engaged in defense work in the employment of persons therein (C. 114, L. 1942, C. 10:1-10 *et seq.*).
- (f) Violations of any laws governing hours of labor, minimum wage standards, prevailing wage standards, discrimination in wages, or child labor.
- (g) Violations of any laws governing the conduct of occupations or professions or regulated industries.
- (h) Willful failure to perform in accordance with contract specifications or within contractual time limits.
- (i) A record of failure to perform or of unsatisfactory performance in accordance with the terms of one or more contracts, provided that such failure or unsatisfactory performance has occurred within a reasonable time preceding the determination to debar and was caused by acts within the control of the person debarred.
- (j) Violation of contractual or statutory provisions regulating contingent fees.
- (k) Any other cause affecting responsibility as a State contractor of such serious and compelling nature as may be

determined by the department or agency to warrant debarment, including such conduct as may be prescribed by the laws or contracts enumerated in this paragraph even if such conduct has not been or may not be prosecuted as violations of such laws or contracts.

- (l) Debarment by some other department or agency in the Executive Branch.
5. The rules and regulations concerning debarment required herein shall include in substance the following conditions:
- (a) Debarment shall be made only upon approval of the executive head of the department or agency, except as otherwise provided by law.
  - (b) The existence of any of the causes set forth in paragraph 4 of this Order shall not necessarily require that a person be disbarred. In each instance, the decision to debar shall be made within the discretion of the head of the department or agency unless otherwise required by law, and shall be rendered in the best interests of the State.
  - (c) All mitigating factors shall be considered in determining the seriousness of the offense, failure or inadequacy of performance and in deciding whether debarment is warranted.
  - (d) The existence of a cause set forth in subparagraphs (a), (b), (c), (d), (e), (f), and (g) of paragraph 4 of this Order shall be established upon the rendering of a final judgment or conviction by a court of competent jurisdiction or by an administrative agency empowered to render such judgment. In the event an appeal taken from such judgment or conviction results in reversal thereof, the debarment shall be removed upon the request of the debarred person unless other cause for debarment exists.
  - (e) The existence of a cause set forth in subparagraphs (h), (i), (j), and (k) of paragraph 4 of this Order shall be established by evidence which the department or agency determines to be clear and convincing in nature.
  - (f) Debarment for the cause set forth in subparagraph (l) of paragraph 4 of this Order shall be proper provided that one of the causes set forth in subparagraph 4(a) through 4(k) was the basis for debarment by the original debarring agency. Such debarment may be based entirely on the record of facts obtained by the original debarring agency, or upon a combination of such facts and additional facts.

6. The rules and regulations concerning debarment required by this Order shall include in substance the following provisions regarding procedures, period of debarment and scope of debarment:

- (a) A department or agency seeking to debar a person or his affiliates shall furnish such party with a written notice: (i) stating that debarment is being considered, (ii) setting forth the reasons for the proposed debarment, and (iii) indicating that such party will be accorded an opportunity for a hearing if he so requests within a stated period of time. All such hearings shall be conducted in accordance with the provisions of the Administrative Procedures Act. However, where one department or agency has imposed debarment upon a party, a second department or agency may also impose a similar debarment without according an opportunity for a hearing, provided that the second agency furnishes notice of the proposed similar debarment to that party, and accords that party an opportunity to present information in his behalf to explain why the proposed similar debarment should not be imposed in whole or in part.
- (b) Debarment shall be for a reasonable, definitely stated period of time which as a general rule shall not exceed 5 years. Debarment for an additional period shall be permitted provided that notice thereof is furnished and the party is accorded an opportunity to present information in his behalf to explain why the additional period of debarment should not be imposed.
- (c) Except as otherwise provided by law, a debarment may be removed or the period thereof may be reduced in the discretion of the debarring agency upon the submission of a good faith application under oath, supported by documentary evidence, setting forth substantial and appropriate grounds for the granting of relief, such as newly discovered material evidence, reversal of a conviction or judgment, actual change of ownership, management or control, or the elimination of the causes for which the debarment was imposed.
- (d) A debarment may include all known affiliates of a person, provided that each decision to include an affiliate is made on a case by case basis after giving due regard to all relevant facts and circumstances. The offense, failure or inadequacy of performance of an individual may be imputed

to a person with whom he is affiliated, where such conduct was accomplished within the course of his official duty or was effected by him with the knowledge or approval of such person.

7. Subject to the conditions hereinafter described, the rules and regulations required by this Order shall authorize the department or agency to suspend a person in the public interest for any cause specified in paragraph 4 of this Order, or upon a reasonable suspicion that such cause exists.

8. The rules and regulations concerning suspension required by this Order shall include in substance the following conditions:

- (a) Suspension shall be imposed only upon approval of the executive head of the department or agency and upon approval of the Attorney General, except as otherwise provided by law.
- (b) The existence of any cause for suspension shall not require that a suspension be imposed, and a decision to suspend shall be made at the discretion of the executive head of the department and of the Attorney General, and shall be rendered in the best interests of the State.
- (c) Suspension shall not be based upon unsupported accusation, but upon adequate evidence that cause exists or upon evidence adequate to create a reasonable suspicion that cause exists.
- (d) In assessing whether adequate evidence exists, consideration shall be given to the amount of credible evidence which is available, to the existence or absence of corroboration as to important allegations, and to inferences which may properly be drawn from the existence or absence of affirmative facts.
- (e) Reasonable suspicion of the existence of a cause described in subparagraphs (a), (b), (c), (d), (e), (f), and (g) of paragraph 4 of this Order may be established by the rendering of a final judgment or conviction by a court or administrative agency of competent jurisdiction, by grand jury indictment, or by evidence that such violations of civil or criminal law did in fact occur.
- (f) A suspension invoked by an agency for any of the causes described in subparagraphs (a), (b), (c), (d), (e), (f), (g), (h), (i), (j), (k), and (l) of paragraph 4 of this Order may be the basis for the imposition of a concurrent suspen-

sion by another agency, which may impose such suspension without the approval of the Attorney General.

9. The rules and regulations concerning suspension required by this Order shall include in substance the following provisions regarding procedures, period of suspension and scope of suspension:

- (a) A department or agency may suspend a person or his affiliates, provided that within 10 days after the effective date of the suspension, the agency provides such party with a written notice: (i) stating that a suspension has been imposed and its effective date, (ii) setting forth the reasons for the suspension to the extent that the Attorney General determines that such reasons may be properly disclosed, (iii) stating that the suspension is for a temporary period pending the completion of an investigation and such legal proceedings as may ensue, and (iv) indicating that, if such legal proceedings are not commenced or the suspension removed within 60 days of the date of such notice, the party will be given either a statement of the reasons for the suspension and an opportunity for a hearing if he so requests, or a statement declining to give such reasons and setting forth the agency's position regarding the continuation of the suspension. Where a suspension by one agency has been the basis for suspension by another agency, the latter shall note that fact as a reason for its suspension.
- (b) A suspension shall not continue beyond 18 months from its effective date unless civil or criminal action regarding the alleged violation shall have been initiated within that period, or unless debarment action has been commenced. Whenever prosecution or debarment action has been initiated, the suspension may continue until the legal proceedings are completed.
- (c) A suspension may include all known affiliates of a person, provided that each decision to include an affiliate is made on a case by case basis after giving due regard to all relevant facts and circumstances. The offense, failure or inadequacy of performance of an individual may be imputed to a person with whom he is affiliated, where such conduct was accomplished within the course of his official duty or was effectuated by him with the knowledge or approval of such person.

10. The rules and regulations required by this Order shall contain such provisions as may be necessary to conform existing

practices and procedures under any relevant prequalification statutes to the procedures governing debarment and suspension required herein, to the extent that such existing practices and procedures may concern the disqualification of any person from State contracting.

11. The rules and regulations required by this Order shall provide that the exclusion from State contracting by virtue of debarment, suspension or disqualification shall extend to all State contracting and subcontracting within the control or jurisdiction of the department or agency which imposes the exclusion. However, when it is determined essential to the public interest by the head of the department or agency, and upon filing of a finding thereof with the Attorney General, an exception from total exclusion may be made with respect to a particular State contract.

12. Insofar as practicable, prior notice shall be given to the Attorney General and the Treasurer of any proposed debarment or suspension.

13. The Treasurer shall maintain a current list of the names of all persons suspended or debarred, the effective date and term if any thereof, and the agency or agencies which imposed same. Such list shall be available for public inspection.

14. Departments and agencies required by this Order to promulgate rules and regulations governing debarment and suspension are hereby authorized in connection with any proceeding thereunder to receive such information regarding the criminal conduct or criminal record of any person to the extent that such disclosure is deemed appropriate by the Attorney General, consistent with existing Federal and State law.

15. Nothing required by this Order shall be construed to limit the authority of any department or agency to refrain from contracting within the discretion allowed by law.

Given, under my hand and seal this 29th day of  
[SEAL] March, in the year of Our Lord, one thousand nine  
hundred and seventy-six, of the Independence of the  
United States, the two hundredth.

/s/ BRENDAN BYRNE,  
*Governor.*

Attest:

JOHN J. DEGNAN,  
*Executive Secretary to the Governor.*

STATE OF NEW JERSEY,  
EXECUTIVE DEPARTMENT.

## EXECUTIVE ORDER No. 35

WHEREAS, There exists a serious shortage of adequate, safe and sanitary housing accommodations for many households at rents and prices they can reasonably afford, especially for low and moderate income households, newly formed households, senior citizens, and households with children; and

WHEREAS, It is the policy of the State of New Jersey, as reflected in numerous acts and programs, to alleviate this housing shortage; and it is the law of the State of New Jersey that each municipality, by its land-use regulations provide the opportunity for the development of an appropriate variety and choice of housing for all categories of people, consistent with its fair share of the need for housing in its region; and

WHEREAS, It is the policy of the State that local government should be the primary authority for planning and regulating land-use and housing and housing development; and that the State shall provide appropriate assistance to local governments so that municipalities can meet their obligation to provide an opportunity for the development of an appropriate variety and choice of housing for all categories of people, consistent with the municipality's fair share of the need for housing in its region; and

WHEREAS, The laws of the State of New Jersey (P. L. 1944, c. 85; P. L. 1961, c. 47; P. L. 1966, c. 293; P. L. 1967, c. 42) authorize the Division of State and Regional Planning to conduct comprehensive planning, to plan for housing needs, and to provide planning assistance to local governments; and

WHEREAS, Continuation of financial assistance by the Federal government to the State for comprehensive planning under section 701 of the Housing Act of 1954, as amended by the Housing and Community Development Act of 1974, is contingent upon the Division of State and Regional Planning carrying out an ongoing comprehensive planning process, including, as a minimum, preparation of a housing element and land-use element by August 22, 1977;

NOW, THEREFORE, I, Brendan T. Byrne, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the statutes of this State, do hereby ORDER and DIRECT that:

1. The Director of the Division of State and Regional Planning, in accordance with the provisions of this Order, shall prepare State housing goals to guide municipalities in adjusting their municipal land use regulations in order to provide a reasonable opportunity for the development of an appropriate variety and choice of housing to meet the needs of the residents of New Jersey.

2. The director shall allocate housing goals pursuant to this Order, as expeditiously as feasible, but no later than 10 months from the date of this Order and no later than 2 years after each future decennial census. Periodically the director may reevaluate the adequacy of the current State housing survey and may make appropriate changes in housing goal allocations.

3. The director shall complete a housing needs study which takes into account:

- (a) The existence of physically substandard and overcrowded housing in the State;
- (b) The existence in the State of households paying a disproportionate share of income for housing; and
- (c) Other factors as may be necessary and appropriate.

4. All agencies of State government shall cooperate with the director and furnish such copies of any data, reports or records as may be required by the director to discharge the responsibilities under this Order and as may be available in accordance with applicable law and regulations.

5. The State housing need as determined by the housing needs study shall serve as the basis upon which the director shall formulate a "State Housing Goal" and allocate this goal to each county or group of counties. The formulation of the State housing goal, to the extent the director deems appropriate, shall take into account the capacity of the public and private sector to ameliorate the State housing need within a reasonable time period. The director also may announce the State housing goal in time stages.

6. a. The director, in allocating this goal to each county or group of counties, shall take into account the following:

- (1) The extent to which housing need exists in each county or group of counties.

- (2) The extent to which employment growth or decline has been experienced in each county or group of counties.
- (3) The extent to which the fiscal capacity to absorb the housing goal exists within each county or group of counties.
- (4) The extent to which appropriate sites to provide for the housing goal exist within each county or group of counties.
- (5) Other factors as may be necessary and appropriate.

b. Consistent with these standards, the director may suballocate the housing goal or goals of a county or group of counties to groups of contiguous municipalities comprising major geographic areas of a county or group of counties.

7. The housing goal allocated to each county shall specify a minimum number of housing units economically suitable for different segments of the population for which an adequate range of appropriate sites should be made available within the county. Appropriate sites include any land or residential structure that is suitable or amenable to providing a location for housing development, redevelopment, rehabilitation, or program of assistance for existing housing.

8. The director, except as provided in section 9 of this Order, shall allocate each county housing goal among the municipalities in a county and each housing goal for a group of contiguous municipalities selected pursuant to subsection 6 b. of this Order among the municipalities within such a group. This allocation of a county housing goal among municipalities in a county or a group housing goal among the municipalities in a group of contiguous municipalities selected pursuant to subsection 6 b. of this Order shall take into account the following factors:

- (a) The existence at the municipal level of physically substandard and overcrowded housing.
- (b) The existence at the municipal level of households paying a disproportionate share of income for rent.
- (c) Past, present and anticipated employment growth and relative access to these employment opportunities by low and moderate income workers.
- (d) Relative availability of appropriate sites for housing on a municipal basis.
- (e) Relative capacity of municipalities to absorb additional housing units as measured by fiscal capacity.

- (f) Relative municipal shares of low and moderate income households, and anticipated change in such households.
- (g) Past, present and anticipated residential and nonresidential municipal growth patterns.
- (h) The existence of a county development plan as it relates to fair share housing needs in that county.
- (i) Other factors as may be necessary and appropriate.

9. The director may delegate to a county planning board the authority to allocate the county housing goal among the municipalities in the county and any housing goals for groups of contiguous municipalities selected pursuant to subsection 6 b. of this Order among the municipalities within such groups. Such county planning board allocation shall conform to the standards in section 8 of this Order and appropriate guidelines provided by the director. If a county planning board does not allocate the municipal housing goals in a reasonable period of time, as determined by the director and consistent with the time periods of section 2 of this Order, or if the director determines that the allocations do not conform to the standards in section 8 of this Order and the guidelines provided by the director; then the director, consistent with the standards of section 8, shall perform the housing goal allocation which had been delegated to the county planning board.

10. (a) The director may promulgate the allocations required pursuant to section 8 of this Order and may authorize a county planning board to promulgate allocations pursuant to section 9 of this Order in time stages which give a priority to the promulgation of allocations for developing municipalities.

(b) The director may promulgate the allocations required pursuant to section 8 of this Order and may authorize a county planning board to promulgate the allocations required pursuant to section 9 of this Order by initially promulgating collective allocations to small groups of contiguous municipalities which individually would receive relatively low allocations pursuant to section 8 of this Order.

11. The director shall provide opportunities for the public, other agencies of State government; and regional, county, and municipal planning agencies to comment on the determinations of housing need and the allocation of housing goals pursuant to this Order.

12. State officials administering State and Federal programs providing grant and loan aid and technical assistance to munic-

palties and counties for open space preservation, sewerage improvements, community development, local program management and comprehensive planning, housing development and demonstration projects, housing finance, interlocal services; and the construction, repair, and maintenance of municipal and county roads and bridges; local street lighting projects, and programs supporting public transportation shall, in accordance with existing law and for purposes of providing incentive aid consistent with the objectives of this Executive Order, give priority where appropriate to municipalities which are meeting or are in the process of meeting a fair share of low and moderate income housing needs. State officials participating in regional planning activities and regional clearinghouse review and comment decisions on municipal and county applications for Federal funding shall take into account whether a municipality or group of municipalities is meeting or in the process of meeting a fair share of low and moderate income housing. Any municipality in which a disproportionately large share of low and moderate income households resides and which is making an effort to improve housing conditions shall not be assigned a lower priority under the provisions of this section.

13. The director may establish procedures and guidelines for determining whether a municipality has reasonably accommodated its municipal housing goal, as determined pursuant to this Order, and may report periodically on the progress of municipalities in complying with their respective allocations.

14. The director of the Division of State and Regional Planning shall continue to prepare comprehensive housing and land-use plans for guiding development decisions in this State. This comprehensive planning activity, consistent with the fair share housing objectives of this Order, shall continue to be a part of the housing and land-use programs of this State.

[SEAL] Given, under my hand and seal this 2nd day of April, in the year of Our Lord, one thousand nine hundred and seventy-six, of the Independence of the United States, the two hundredth.

/s/ BRENDAN BYRNE,  
*Governor.*

Attest:  
JOHN J. DEGNAN,  
*Executive Secretary to the Governor.*

STATE OF NEW JERSEY,  
EXECUTIVE DEPARTMENT.

## EXECUTIVE ORDER No. 36

WHEREAS, In Executive Order No. 9, dated October 2, 1974, I determined that centralized energy authority and planning can be best accomplished by the creation of a State Energy Office that reports to the President of the Board of Public Utility Commissioners; and

WHEREAS, In Executive Order No. 9, dated October 2, 1974, I also created a Cabinet Energy Committee to consider and review all energy-related decisions that are to be rendered by any member of the Executive Branch of State Government and designated the President of the Board of Public Utility Commissioners as a member of said committee; and

WHEREAS, The critical relationship between the Cabinet Energy Committee and the State Energy Office can be strengthened by designating the President of the Board of Public Utility Commissioners as the Vice Chairman of the Cabinet Energy Committee; and

WHEREAS, The present energy crisis continues to have a damaging impact on agriculture, one of the leading industries of this State; and

WHEREAS, The ability of the Cabinet Energy Committee to deal with energy-related issues in the agricultural area can be vastly improved by expanding its membership to include the Department of Agriculture; and

WHEREAS, The Departments of Law and Public Safety, Transportation, and Treasury have been lending valuable assistance to the committee and therefore should be now formally added to committee membership;

NOW, THEREFORE, I, Brendan T. Byrne, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and statutes of this State, do hereby ORDER and DIRECT:

1. Executive Order No. 9, dated October 2, 1974, is supplemented to provide that the President of the Board of Public Utility Com-

missioners shall serve as Vice Chairman of the Cabinet Energy Committee;

2. Executive Order No. 9, dated October 2, 1974, is also supplemented to provide that the Attorney General, Commissioner of Transportation, Secretary of Agriculture, and the Treasurer shall serve as members of the Cabinet Energy Committee.

3. This Order shall take effect immediately.

[SEAL] Given, under my and seal this 8th day of April, in the year of Our Lord, one thousand nine hundred and seventy-six, of the Independence of the United States, the two hundredth.

/s/ BRENDAN BYRNE,  
*Governor.*

Attest:

JOHN J. DEGNAN,  
*Executive Secretary to the Governor.*

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STATE OF NEW JERSEY,  
EXECUTIVE DEPARTMENT.

EXECUTIVE ORDER No. 37

WHEREAS, Many of New Jersey's citizens lack adequate opportunities to view, enjoy, study, or participate in theatrical performances, musical concerts, operas, dance and ballet recitals and other of the performing and creative arts; and

WHEREAS, New Jersey's facilities in the performing and creative arts need and deserve greater public support and encouragement in order to carry out more effectively programs of benefit to the people of this State; and

WHEREAS, New Jersey offers outstanding and unique human and natural resources for the development of a motion picture industry; and

WHEREAS, The development of a motion picture industry would contribute substantially to the economic and social wellbeing of the State; and

WHEREAS, The State requires expert guidance during this period of fiscal crisis in order to develop a viable State theater and motion picture industry;

NOW, THEREFORE, I, Brendan T. Byrne, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and statutes of this State, do hereby ORDER and DIRECT:

1. There is hereby created a New Jersey Motion Picture and Theater Commission (hereafter referred to as commission);

2. The commission shall consist of a chairman and 20 additional members, all to be selected by and serve at the pleasure of the Governor;

3. The chairman shall preside over meetings of the commission and shall be empowered to delegate responsibilities among commission members in any manner which he deems essential to the carrying out of the commission's functions and responsibilities under this Order;

4. The commission shall examine areas and locations within the State that could be utilized for film making;

5. The commission shall examine proposals for expediting the granting of all necessary permits to parties interested in producing films in New Jersey;

6. The commission shall develop proposals for providing a skilled and efficient work force that would be readily available for any parties desiring to produce films in New Jersey;

7. The commission shall report concerning the feasibility of creating a New Jersey State Theater;

8. In order to carry out his responsibilities, the chairman is hereby authorized to appoint a full-time executive director and such other staff within the limits of funds set aside in the promotion account of the Department of Labor and Industry as ordered by the Director of the Division of Budget and Accounting;

9. The chairman is hereby authorized to call upon any department, office, commission or other agency of the State government for any necessary information, assistance, resources, or other form of cooperation;

10. The commission is hereby designated as the sole official agency of the State of New Jersey authorized to apply for, receive, disburse, and administer public or private grants of money for

the development of a motion picture industry and a State theater in New Jersey;

11. This Order shall take effect immediately.

Given, under my hand and seal this 9th day of  
[SEAL] April, in the year of Our Lord, one thousand nine  
hundred and seventy-six, of the Independence of the  
United States, the two hundredth.

/s/ BRENDAN BYRNE,

*Governor.*

Attest:

JOHN J. DEGNAN,

*Executive Secretary to the Governor.*

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STATE OF NEW JERSEY,  
EXECUTIVE DEPARTMENT.

EXECUTIVE ORDER No. 38

WHEREAS, Executive Order No. 30, dated January 14, 1976, centralized all press and public relations services of the various departments of State Government in the Office of Public Communications; and

WHEREAS, The responsibilities of the Office of Public Communications requires it to perform services for all State agencies; and

WHEREAS, There is housed within the Department of the Treasury several divisions whose primary function is also to service all other State departments; and

WHEREAS, The Office of the Governor has no fiscal unit to oversee the budget of the Office of Public Communications; and

WHEREAS, The Department of the Treasury presently assists the Office of the Governor in overseeing its budget;

NOW, THEREFORE, I, Brendan T. Byrne, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and the statutes of this State, do hereby ORDER and DIRECT:

## EXECUTIVE ORDERS

1. The Office of Public Communications, referred to in Executive Order No. 30, dated January 14, 1976, is hereby transferred to the Department of the Treasury for budget purposes.

2. This Order shall take effect immediately.

[SEAL] Given, under my hand and seal this 29th day of April, in the year of Our Lord, one thousand nine hundred and seventy-six, of the Independence of the United States, the two hundredth.

/s/ BRENDAN BYRNE,  
*Governor.*

Attest:  
JOHN J. DEGNAN,  
*Executive Secretary to the Governor.*

STATE OF NEW JERSEY,  
EXECUTIVE DEPARTMENT.

## EXECUTIVE ORDER No. 39

WHEREAS, An economically viable Trenton and Newark are imperative for conducting the business of State Government; and

WHEREAS, The continuing location of State Government operations in Trenton and Newark substantially contributes to the economic vitality of these cities;

NOW, THEREFORE, I, Brendan T. Byrne, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and statutes of this State, do hereby ORDER and DIRECT:

1. The Treasurer shall not permit any department of State Government to enter any lease for office space which would require the movement of any operations of said department outside Trenton or Newark.

2. The Governor may grant exceptions to this policy only where strict adherence would prevent a department of State Government from adequately performing its statutory responsibilities.

3. This Order shall take effect immediately.

Given, under my hand and seal this 24th day of  
[SEAL] May, in the year of Our Lord, one thousand nine  
hundred and seventy-six, of the Independence of the  
United States, the two hundredth.

/s/ BRENDAN BYRNE,  
*Governor.*

Attest:

JOHN J. DEGNAN,  
*Executive Secretary to the Governor.*

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STATE OF NEW JERSEY,  
EXECUTIVE DEPARTMENT.

EXECUTIVE ORDER No. 40

WHEREAS, The prevention and cure of cancer is a national goal of  
the highest priority;

WHEREAS, The human suffering and economic loss caused by cancer  
are of continuing concern to all Americans;

WHEREAS, The prevalence of certain types of cancer in areas of  
New Jersey exceeds that in other states of the nation;

WHEREAS, Scientific studies have indicated that environmental fac-  
tors may be a significant contributing cause of certain types of  
cancer;

WHEREAS, Efforts of the State departments should be coordinated  
to develop the most effective and efficient plans and programs  
for the prevention, study and control of cancer;

WHEREAS, I have reviewed reports and recommendations submitted  
pursuant to my direction by the Commissioner of Health and the  
Commissioner of Environmental Protection concerning the im-  
plementation of new and improved plans and programs for the  
prevention, study and control of cancer;

Now, THEREFORE, I, Brendan T. Byrne, Governor of the State  
of New Jersey, by virtue of the authority vested in me by the  
Constitution and statutes of this State, do hereby ORDER and  
DIRECT:

1. A Cabinet Committee on Cancer Control (“the committee”) is created consisting of the Governor, the Secretary of Agriculture, the Commissioner of Environmental Protection, the Commissioner of Health, the Chancellor of Higher Education and the Commissioner of Labor and Industry. The Governor shall serve as chairman of the committee.

2. The committee shall be charged with the following responsibilities relating to the prevention, study and control of cancer:

- (a) Coordination of State agency programs;
- (b) Review and development of new programs and procedures;
- (c) Review and analysis of pending legislative and administrative actions;
- (d) Recommendation of sources of Federal or other financial assistance and coordination of the preparation of applications for such funding; and
- (e) Communication to county and local agencies of the nature and availability of Federal and State programs and funding.

3. In order to meet its responsibilities, the committee shall be authorized to call upon any department, office, commission or other agency of the State for any necessary information, assistance and resources.

#### DEPARTMENT OF AGRICULTURE

4. The Department of Agriculture, in coordination with the committee and consistent with available resources, shall be charged with the following responsibilities:

- (a) Coordinate crop and animal feed sampling and analysis to determine the presence of carcinogens in human and animal food supplies; and
- (b) Cooperate in monitoring of cancer rates in rural communities and in livestock.

#### DEPARTMENT OF ENVIRONMENTAL PROTECTION

5. The Department of Environmental Protection, in coordination with the committee and consistent with available resources, shall be charged with the following responsibilities:

- (a) Determine the presence and concentrations of carcinogenic substances in the environment;

(b) Provide aggregated samples of air, water and waste materials to qualified research institutions for the determination of carcinogenic, mutagenic, or other toxic potential;

(c) Inventory and monitor the production and transport of toxic substances and their waste products known or suspected of being carcinogenic;

(d) Monitor environmental conditions at areas determined to have either known or the potential for high cancer prevalence; and

(e) Establish standards to control the emission of known or potential carcinogenic substances into the environment.

#### DEPARTMENT OF HEALTH

6. The Department of Health, in coordination with the committee and consistent with available resources, shall be charged with the following responsibilities:

(a) Maintain a registry showing the incidence of diagnosed cancer cases;

(b) Study and determine the type of persons, areas and periods subject to high rates of cancer incidence;

(c) Develop methods and educational programs for the prevention of cancer;

(d) Extend surveillance and other monitoring activities of workers and others subject to exposure to carcinogens;

(e) Coordinate and develop cancer treatment and rehabilitation activities and facilities; and

(f) Cooperate with Federal agencies to eliminate dangerous levels of carcinogens from food and drug products.

#### DEPARTMENT OF HIGHER EDUCATION

7. The Department of Higher Education, in coordination with the committee and consistent with available resources, shall be charged with the following responsibilities:

(a) Coordinate training and educational programs concerning the causes and prevention of cancer;

(b) Supervise continuing education and training programs of medical and allied professional manpower for cancer control, treatment and rehabilitation; and

(c) Determine the feasibility of expanded academic and research programs on the causes and prevention of cancer.

## EXECUTIVE ORDERS

## DEPARTMENT OF LABOR AND INDUSTRY

8. The Department of Labor and Industry, in coordination with the committee and consistent with available resources, shall be charged with the following responsibilities:

- (a) Cooperate in the compilation of data concerning suspected carcinogenic substances in the occupational environment;
- (b) Assist in the identification of industries involved in the manufacture, production and transport of known or suspected carcinogenic substances; and
- (c) Recommend new industrial technology and processes to control emission of carcinogenic substances.

9. This Order shall take effect immediately.

Given, under my hand and seal this 26th day of  
[SEAL] May, in the year of Our Lord, one thousand nine  
hundred and seventy-six, of the Independence of the  
United States, the two hundredth.

/s/ BRENDAN BYRNE,  
*Governor.*

Attest:  
JOHN J. DEGNAN,  
*Executive Secretary to the Governor.*

STATE OF NEW JERSEY,  
EXECUTIVE DEPARTMENT.

## EXECUTIVE ORDER No. 41

WHEREAS, The 93rd Congress of the United States has enacted, and on September 7, 1974, the President has signed into law, legislation popularly referred to as the "Juvenile Justice and Delinquency Prevention Act of 1974"; and

WHEREAS, Titles I and II of the "Juvenile Justice and Delinquency Prevention Act of 1974" authorize Congress to provide the necessary resources to make grants to the states to increase their capacity to conduct effective juvenile justice and delinquency prevention and rehabilitation programs and to provide research, evaluation and training services in the field of juvenile delinquency; and

WHEREAS, The public interest of the citizens of New Jersey requires that the State fully implement the provisions of the "Juvenile Justice and Delinquency Prevention Act of 1974" in order to develop a more responsive and effective juvenile justice system; and

WHEREAS, The "Juvenile Justice and Delinquency Prevention Act of 1974" requires that in order to receive grants a State must prepare a plan for carrying out the Act's purposes; and

WHEREAS, The "Juvenile Justice and Delinquency Prevention Act of 1974" requires that the State Law Enforcement Planning Agency, established by the State under section 203 of the Omnibus Crime Control and Safe Streets Act of 1968 and through Executive Order No. 45 on August 13, 1968, be designated the sole agency for supervising the preparation and administration of the plan; and

WHEREAS, The State Law Enforcement Planning Agency must have authority to implement such plan in conformity with the purposes of the "Juvenile Justice and Delinquency Prevention Act of 1974";

NOW, THEREFORE, I, Brendan T. Byrne, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the statutes of this State, do hereby ORDER and DIRECT that:

1. The New Jersey State Law Enforcement Planning Agency is the sole agency for the supervision and implementation of the plan required by the "Juvenile Justice and Delinquency Prevention Act of 1974."

2. (a) The New Jersey State Law Enforcement Planning Agency is authorized to cause coordination among the various offices and agencies within the State which deliver services affecting juvenile justice and delinquency prevention, including but not limited to education, welfare and health services as well as corrections, courts and police.

(b) The New Jersey State Law Enforcement Planning Agency is further authorized to initiate meetings, conferences and other means of communication with the said offices and agencies to identify possible duplications of effort and service gaps within the juvenile justice system, to determine methods for evaluating existing services, and to coordinate efforts to plan for and develop

programs which will make the juvenile justice system more effective.

3. This Order shall take effect immediately.

[SEAL] Given, under my hand and seal this 24th day of June, in the year of Our Lord, one thousand nine hundred and seventy-six, of the Independence of the United States, the two hundredth.

/s/ BRENDAN BYRNE,

*Governor.*

Attest:

JOHN J. DEGNAN,  
*Executive Secretary to the Governor.*

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STATE OF NEW JERSEY,  
EXECUTIVE DEPARTMENT.

EXECUTIVE ORDER No. 42

WHEREAS, Public Law 94-103, the Developmentally Disabled Assistance and Bill of Rights Act of 1975, extends and revises Public Law 91-517, upon which several previous Executive Orders have been based; and

WHEREAS, Portions of Public Law 94-103 require changes in the composition of the Developmental Disabilities Council as organized under Executive Order No. 20 issued by Governor William T. Cahill on June 21, 1971, and revised by him in Executive Order No. 49 on July 18, 1973; and

WHEREAS, Public Law 94-103 authorizes Congress to provide Federal moneys to those states which adhere to the requirements of this act, including the appropriate organization of a State Planning Council; and

WHEREAS, Public Law 94-103 specifies that the membership of such council must include public members and representatives of principal State agencies concerned with services to persons with developmental disabilities; and

WHEREAS, Public Law 94-103 requires that all members of the council, including official State agency representatives, must be appointed by the Governor for terms which will ensure continuity of purpose and effectiveness of operation for the council.

NOW, THEREFORE, I, Brendan T. Byrne, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the statutes of this State, do hereby ORDER and DIRECT that:

1. Executive Order No. 20 issued on June 21, 1971, and amended by Executive Order No. 49 on July 18, 1973, is further amended to designate the New Jersey State Developmental Disabilities Council as the State Planning Council in accordance with the requirements of Public Law 94-103.

2. The council is hereby expanded to consist of 30 members, an increase of five, who shall be appointed by the Governor of the State of New Jersey. Twelve of these members, an increase of two, shall be official representatives of the State agencies named below and shall serve at the pleasure of the Governor: Special Education; Vocational Rehabilitation; Residential Service for Mentally Retarded Persons; Health Services for Crippled Children and for Maternal and Child Health; Comprehensive Health Planning; Medical Assistance; Higher Education; Community Affairs; Youth and Family Services; Public Welfare; Mental Health Services; and the Public Advocate. Eighteen of these members, an increase of three, shall be public members.

3. Each public member shall serve for a term of 3 years and until his successor is appointed and qualified, except that the terms of those members next appointed or reappointed following the issuance of this Order shall be so staggered or otherwise arranged as to ensure that henceforth the terms of no more than six public members expire in any given year.

4. This Order shall take effect immediately.

Given, under my hand and seal this 19th day of  
[SEAL] July, in the year of Our Lord, one thousand nine  
hundred and seventy-six, of the Independence of the  
United States, the two hundred and first.

/s/ BRENDAN BYRNE,

*Governor.*

Attest:

JOHN J. DEGNAN,

*Executive Secretary to the Governor.*

STATE OF NEW JERSEY,  
EXECUTIVE DEPARTMENT.

## EXECUTIVE ORDER No. 43

WHEREAS, Executive Order No. 39, dated May 24, 1976, recognized that an economically viable Trenton and Newark are imperative for conducting the business of State Government; and

WHEREAS, Said Executive Order recognized that the continuing location of State Government operations in Trenton and Newark substantially contributes to the economic vitality of these cities; and

WHEREAS, An economically viable Camden and Paterson are also imperative for conducting the business of State Government; and

WHEREAS, The continuing location of State Government operations in Camden and Paterson substantially contributes to the economic vitality of these cities;

NOW, THEREFORE, I, Brendan T. Byrne, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and statutes of this State, do hereby ORDER and DIRECT:

1. The Treasurer shall not permit any department of State Government to enter any lease for office space which would require the movement of any operations of said department outside Camden, Newark, Paterson, or Trenton.

2. The Governor may grant exceptions to this policy only where strict adherence would prevent a department of State Government from adequately performing its statutory responsibilities.

3. Executive Order No. 39, dated May 24, 1976, is rescinded.

4. This Order shall take effect immediately.

Given, under my hand and seal this 27th day of  
[SEAL] September, in the year of Our Lord, one thousand nine hundred and seventy-six, of the Independence of the United States, the two hundred and first.

/s/ BRENDAN BYRNE,  
*Governor.*

Attest:

JOHN J. DEGNAN,  
*Executive Secretary to the Governor.*

STATE OF NEW JERSEY,  
EXECUTIVE DEPARTMENT.

## EXECUTIVE ORDER No. 44

WHEREAS, Dr. Martin Luther King, Jr. led a historic movement to secure the rights guaranteed every American by the Constitution of the United States of America; and

WHEREAS, The dramatic and courageous leadership of Dr. King in the cause of equality and justice has been an inspiration for Americans of all races, creeds, and nationalities; and

WHEREAS, I have continuously requested the Legislature of this State to recognize the accomplishments of this great American by declaring his birthday as a State holiday; and

WHEREAS, Notwithstanding the failure of the Legislature to do so, the Supreme Court of New Jersey, in *American Federation of State, County and Local Employees No. 73, and New Jersey Civil Service Association and New Jersey Employees Association, et al. v. State*, has recognized this State's collective negotiations commitment to certain State employees for recognizing the birthday of Dr. King as a holiday;

NOW, THEREFORE, I, Brendan T. Byrne, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and because of the mandate of the Supreme Court in *American Federation of State, County and Local Employees No. 73, and New Jersey Civil Service Association and New Jersey Employees Association, et al. v. State*, do hereby ORDER and DIRECT that:

Saturday, January 15, 1977 (the birthday of Martin Luther King, Jr.) be declared an extra holiday for all employees who work in the executive departments of State Government and who are paid from State funds, except where collective negotiations agreements, or collective negotiations history or administrative determinations indicate a contrary intention.

Given, under my hand and seal this 18th day of  
[SEAL] November, in the year of Our Lord, one thousand nine

## EXECUTIVE ORDERS

hundred and seventy-six, of the Independence of the United States, the two hundred and first.

/s/ BRENDAN BYRNE,  
*Governor.*

Attest:

JOHN J. DEGNAN,  
*Executive Secretary to the Governor.*

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STATE OF NEW JERSEY,  
EXECUTIVE DEPARTMENT.

## EXECUTIVE ORDER No. 45

WHEREAS, It is necessary to determine whether November 26, 1976, the day following Thanksgiving will be a work day; and

WHEREAS, Christmas Day 1976, New Year's Day 1977, and Martin Luther King, Jr.'s Birthday 1977, all occur on a Saturday; and

WHEREAS, It is necessary to determine work schedules for the purpose of effective State operations;

Now, THEREFORE, I, Brendan T. Byrne, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and the statutes of this State, do hereby ORDER and DIRECT that:

1. a. November 26, 1976, the day following Thanksgiving, shall be granted as a day off to employees who work in the Executive Department of the State Government and who are paid from State funds, whose functions, in the opinion of their appointing authority, permit such absence.

b. An alternative day off shall be granted to the aforementioned category of employees whose functions, in the opinion of their appointing authority, preclude such absence on November 26, 1976.

2. a. For categories of employees who work in the Executive Branch of State Government and who are paid from State funds and whose regular work schedules may include Saturday, the celebration of Christmas Day 1976, New Year's Day 1977, and Dr. Martin Luther King Jr.'s Birthday 1977, shall be on their respective dates of occurrence.

b. For categories of employees who work in the Executive Branch of State Government and who are paid from State funds and whose regular work schedules do not include Saturdays, the celebration of Christmas Day 1976, New Year's Day 1977, and Dr. Martin Luther King, Jr.'s Birthday 1977 shall be on December 24, 1976, December 31, 1976, and January 14, 1977, the Friday preceding their respective dates of occurrence.

c. Employees shall be treated in accord with applicable regulations regarding requirements to work on holidays and holiday compensation.

d. No additional time off shall be authorized for the celebration of any of these holidays.

Given, under my hand and seal this 18th day of  
 [SEAL] November, in the year of Our Lord, one thousand nine  
 hundred and seventy-six, of the Independence of the  
 United States, the two hundred and first.

/s/ BRENDAN BYRNE,

*Governor.*

Attest:

JOHN J. DEGNAN,

*Executive Secretary to the Governor.*

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STATE OF NEW JERSEY,  
 EXECUTIVE DEPARTMENT.

EXECUTIVE ORDER No. 46

WHEREAS, The Division of State and Regional Planning has prepared preliminary housing allocation goals pursuant to Executive Order No. 35 (1976); and

WHEREAS, Housing allocation goals are related to current and on-going efforts to revitalize the cities of New Jersey, preserve urban neighborhoods, provide for necessary redevelopment activities within more developed municipalities; and related to Statewide planning activities;

NOW, THEREFORE, I, Brendan T. Byrne, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the statutes of this State, do hereby ORDER and DIRECT that:

1. The Director of the Division of State and Regional Planning shall review and if necessary modify as may be appropriate the preliminary housing allocation goals prepared pursuant to Executive Order No. 35 (1976) to assure that they take into account current programs designed to revitalize the cities of New Jersey, including such programs as neighborhood preservation and urban economic development programs; redevelopment possibilities for the more developed municipalities of New Jersey; and Statewide planning objectives as encompassed by the comprehensive planning activities of the Division of State and Regional Planning; as well as the housing goal allocation criteria prescribed by Executive Order No. 35 (1976).

2. To enable the director to perform the review required by this Order, the period for the director to complete the initial final allocation of housing goals pursuant to Executive Order No. 35 (1976) as supplemented by this Order shall be extended to no later than 1 year from the date of this Order.

Given, under my hand and seal this 8th day of  
 [SEAL] December in the year of Our Lord, one thousand nine  
 hundred and seventy-six, of the Independence of the  
 United States, the two hundred and first.

/s/ BRENDAN BYRNE,  
*Governor.*

Attest:  
 JOHN J. DEGNAN,  
*Executive Secretary to the Governor.*

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STATE OF NEW JERSEY,  
 EXECUTIVE DEPARTMENT.

EXECUTIVE ORDER No. 47

WHEREAS, There exists a substantial number of motor vehicles which are controlled and supervised by individual departments of State Government rather than the Central Motor Pool; and

WHEREAS, The services performed and the policies promulgated by the separate departments with respect to these vehicles are in many instances duplicative and contradictory; and

WHEREAS, The duplication of services with respect to these motor vehicles increases the cost to the State for such services; and

WHEREAS, Increased consolidation of the supervision, control and maintenance of State-owned motor vehicles will eliminate duplication, standardize policy, increase efficiency and substantially reduce costs; and

WHEREAS, Fiscal constraints now require the achievement of economy in government at every level; and

WHEREAS, Said Central Motor Pool has proven to be highly efficient in the operation, supervision and control of the State-operated vehicles assigned thereto;

NOW, THEREFORE, I, Brendan T. Byrne, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and the statutes of this State, do hereby ORDER and DIRECT:

1. The Central Motor Pool within the Department of the Treasury shall assume management, control and regulatory supervision over all State motor vehicles. Excepted from this Order are those motor vehicles which are presently under the management and control of the Department of Transportation, the Department of Defense and the State Police.

2. This Order shall take effect immediately.

[SEAL] Given, under my hand and seal this 10th day of December, in the year of Our Lord, one thousand nine hundred and seventy-six, of the Independence of the United States, the two hundred and first.

/s/ BRENDAN BYRNE,

*Governor.*

Attest:

JOHN J. DEGNAN,

*Executive Secretary to the Governor.*



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## REORGANIZATION PLANS

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REORGANIZATION PLAN OF THE DIVISION OF LOCAL  
GOVERNMENT SERVICES

The Bureau of Financial Regulation and Assistance in the Division of Local Government Services in the Department of Community Affairs, together with all its functions, powers and duties, and the Local Finance Board in the Division of Local Government Services in the Department of Community Affairs, together with all its functions, powers and duties, are hereby transferred to the Department of the Treasury.

The Bureau of Financial Regulation and Assistance, as presently organized, reviews and certifies all municipal budgets, is responsible for post-audit review of municipal and county government, and provides financial guidance to local governments. The Local Finance Board approves fiscal transactions of municipalities in, or in danger of falling into, unsound fiscal condition, and has jurisdiction over municipalities which are insolvent.

Placing these local budgeting and financing functions in the Department of the Treasury will assure more effective oversight of municipal and county finance. The problems of local finance have changed to such a degree that a new organization of State oversight and advisory functions is necessary. The transfer proposed by the reorganization plan will enable the State to coordinate better its own financings with the borrowing schedules of local governments. Also a merger of governmental budgeting and financing functions will promote a greater sharing of expertise of the officials of State Government concerned with State and local finance. In addition, this proposed transfer enables the Bureau of Financial Regulation and Assistance and the Local Finance Board to work more effectively with the Division of Investment to improve local investment and debt management practices.

In accordance with the provisions of the Executive Reorganization Act of 1969, P. L. 1969, c. 203 (C. 52:14C-2), I find and declare that this transfer and reorganization is necessary:

- (1) To promote the more effective management of the Executive Branch;
- (2) To reduce expenditures and promote economy to the fullest extent practicable;

- (3) To increase the efficiency of the operations of the Executive Branch to the fullest extent practicable;
- (4) To group, coordinate, and consolidate agencies and functions of the Executive Branch, as nearly as practicable, according to major purposes;
- (5) To eliminate overlapping and duplication of effort.

All acts and parts of acts inconsistent with any of the provisions of this reorganization plan are superseded to the extent of such inconsistencies. All transfers directed by this reorganization plan shall be effective pursuant to the "State Agency Transfer Act," P. L. 1971, c. 375 (C. 52:14D-1 et seq.).

Any provisions of this plan which conflict with Federal law are null and void.

/s/ BRENDAN BYRNE,  
*Governor.*

Filed February 20, 1976.

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#### REORGANIZATION PLAN OF THE OFFICE OF CIVILIAN DEFENSE DIRECTOR

The functions, powers and duties of the Office of Civilian Defense Director are hereby transferred from the Department of Defense to the Department of Law and Public Safety.

The Office of Civilian Defense Director is directed by statute to assist the Governor in protecting the public health, safety and welfare during any emergency. To a large extent, these functions and responsibilities are also within the scope of the public safety and law enforcement responsibilities of the Department of Law and Public Safety. In emergency situations, the State Police in the Department of Law and Public Safety provide communications services and personnel to coordinate and perform rescue services throughout the State, and maintain continuing contacts with local police, fire and rescue units utilized during periods of emergency.

The placement of civil defense responsibilities within the Department of Defense has reflected the traditional concept of civil defense as preparation for possible enemy attacks. In recent years, however, civil defense's activities have been primarily confined to responding to natural disasters and other emergencies. During most emergencies, relief efforts have been undertaken by the State

Police with the assistance of county and local relief units. This proposed reorganization is intended to promote coordination of such activities, and to eliminate duplication of effort in emergency relief situations. The reorganization will also improve disaster planning, which is now conducted by the Governor's Advisory Council on Emergency Services, an officer.

In accordance with the provisions of the Executive Reorganization Act of 1969, P. L. 1969, c. 203 (C. 52:14C-2), I find and declare that this transfer and reorganization is necessary:

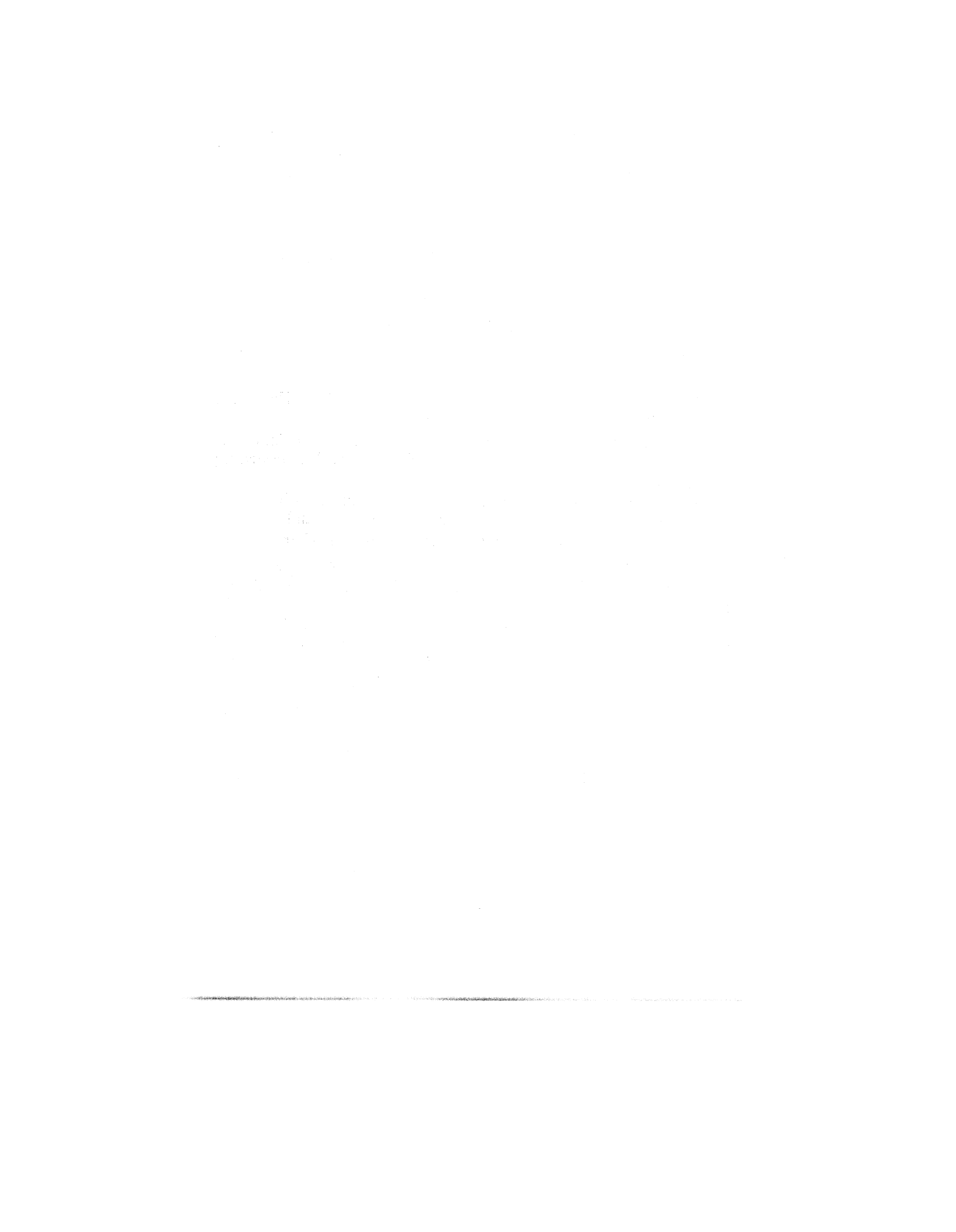
- (1) To promote the more effective management of the Executive Branch;
- (2) To reduce expenditures and promote economy to the fullest extent practicable;
- (3) To increase the efficiency of the operations of the Executive to the fullest extent practicable;
- (4) To group, coordinate, and consolidate agencies and functions of the Executive Branch, as nearly as may be, according to major purposes;
- (5) To reduce the number of agencies by consolidating those having similar functions under a single head; and
- (6) To eliminate overlapping and duplication of effort.

All acts and parts of acts inconsistent with any of the provisions of this reorganization plan are superseded to the extent of such inconsistencies. The civilian defense director shall continue to be appointed by the Governor pursuant to the provisions of N. J. S. A:9-35. All transfers directed by this reorganization plan shall be in accordance with the provisions of the "State Agency Transfer Act," P. L. 1971, c. 375 (C. 52:14D-1 et seq.).

Any provisions of this plan which conflict with Federal law are null and void.

/s/ BRENDAN BYRNE,  
*Governor.*

Filed July 22, 1976.



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Retirement of surplus licenses, certain municipalities, expiration date extended Jan. 1, 1977 to Jan. 1, 1982, amends C. 40:48-2.44, Ch. 121.

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- "Agricultural Preserve Demonstration Program Act," \$5 million, C. 4:1B-1 et seq., Ch. 50.  
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Dept. of Defense, security and traffic and crowd control, bicentennial celebrations, July 4th weekend, \$108,000.00, Ch. 37.  
Dept. of Institutions and Agencies, facilities mentally-retarded, \$3,300,000.00, transferred Dept. of Health, Ch. 59.  
Green Acres Bond funds, acquisition and development of lands, recreation and conservation, \$25 million, Ch. 29.  
Higher Education Buildings Construction Fund, Rutgers—Cook—Douglass Campus, \$669,000.00, county colleges, \$3,031,000.00, Ch. 75.  
Marie H. Katzenbach School for Deaf, additional \$95,000.00, Ch. 1.  
Municipalities, State aid, maintain and upgrade municipal services, \$38,940,169.42, Ch. 12.  
New Brunswick, municipal services and in lieu of taxes, \$165,000.00, Ch. 91.  
Public Buildings bond funds, educational building projects, \$2,850,103.00, Ch. 30.  
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## AVIATION

- Municipal court jurisdiction in actions for violations, amends C. 6:1-59.1 et al, Ch. 136.

**BANKING**

- Commissioner's powers, retention of insolvent bank property for merger or reorganization, amends C. 17:9A-266 et al., Ch. 6.
- Installment loan and interest, statutes, amends C. 17:9A-53 et seq., Ch. 128.
- Interest and usury, mortgage, requirement dwelling be owner-occupied, deleted, amends R. S. 31:1-1, Ch. 56.
- N. J. Mortgage Finance Agency, purchase home loans, amends C. 17:1B-5.1 et al., Ch. 51.
- Savings banks, mutually-owned, cash balance reserves, amends C. 17:9A-187, Ch. 140.

**BONDS**

- "Clean Waters Bond Act of 1976," Ch. 92.
- "Municipal Qualified Bond Act," C. 40A:3-1 et seq., Ch. 38.
- "New Jersey Institutions Construction Bond Act of 1976," Ch. 93.
- "New Jersey Mortgage Assistance Bond Act of 1976," Ch. 94.
- "The School Qualified Bond Act," C. 18A:24-85 et seq., Ch. 39.

**BUSES**

- Commuter Operating Agency, contracts with motor bus carriers, C. 27:1A-28.7 et seq., Ch. 119.

**CIGARETTES**

- "Cigarette Tax Act," definition of "cigarette", non-tobacco, amends C. 54:40A-2, Ch. 31.
- "Unfair Cigarette Sales Act of 1952," definitions of "cigarette", non-tobacco, amends C. 56:7-19, Ch. 32.

**CIVIL RIGHTS**

- Affirmative action, text included in public bid specifications and contracts, amends C. 10:5-33, Ch. 60.

**COMMISSIONS**

- Law Revision and Legislative Services Commission, increases membership, amends C. 52:11-9 and C. 52:11-11, Ch. 2.

**CONSTITUTION, STATE**

- Amendments adopted in 1976, p. 643.

**CORPORATIONS**

- Business tax, definition of "subsidiary," revised, amends C. 54:10A-4 and C. 54:10A-9, Ch. 28.
- South Jersey Port Corp., transferred to Dept. of Labor and Industry, C. 12:11A-5.1, Ch. 130.

**COUNTIES**

- Boards of taxation, tax appeals, extension of time, C. 54:3-26.1 and C. 54:3-26.2, Ch. 114.
- Budgets, time for adoption extended, 1976, Ch. 8.
- Chief warrant officer, appointment certain first class counties, without civil service exam, 1 year, C. 40A:9-117.5, Ch. 85.
- County detectives, deputy chiefs, eligible, police and firemen's retirement system, amends C. 43:16A-1, Ch. 139.
- Hudson, pension fund, manner of computing benefits, new schedule, mandatory retirement, age 65, amends R. S. 43:10-1 et al, C. 43:10-7.2, Ch. 106.

**COUNTIES (Continued)**

- Hudson, pension fund, service credit, for other governmental service and repurchase after reentry into fund, C. 43:10-1.6 and C. 43:10-8.1, Ch. 107.
- Juvenile and domestic relations, two additional judges, Middlesex County, C. 2A:4-4.10, Ch. 70.
- Land sales, private, certain public property, amends C. 40A:12-13, Ch. 137.
- Limits on expenditures, 5% over previous year, exceptions, C. 40A:4-45.1 et seq., Ch. 68.
- "Local Public Contracts Law," revision (P. L. 1975, c. 353), inoperative until October 9, 1976, Ch. 61.
- Park police force, authorized, certain counties, amends C. 40:32-2.6 and C. 40:32-2.7, Ch. 90.
- Prosecutor, Cape May, full-time, amends C. 2A:158-1.1 et al, Ch. 118.
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- Municipal, jurisdiction in actions for violations aviation laws, amends C. 6:1-59.1 et al, Ch. 136.

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- Admissibility of evidence, rape and related offenses, C. 2A:84A-32.1 to C. 2A:84A-32.3, Ch. 71.

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- Excavating and blasting near gas pipes, notice provisions relating thereto simplified, amends C. 2A:170-69.4 et al, Ch. 122.

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- High school graduation, waiver certain course requirements, due to cancellation summer school programs, Ch. 78.
- N. J. Higher Education Assistance Authority, adjust maximum loan limit, above amounts guaranteed by Federal statutes, amends N. J. S. 18A:72-10, Ch. 87.
- "Public School Education Act of 1975," (C. 18A:7A-2 et seq.), amended re Statewide goals and standards of pupil proficiency in basic communications and computational skills, Ch. 97.
- Regional school districts, apportion costs, 1976-1979, C. 18A:13-23.1, Ch. 21.
- Regional school districts, certain, first class counties, excepted, 5-year phase-in costs, C. 18A:13-23.2 et al, Ch. 138.
- School budget increase limits, calculation method, amends C. 18A:7A-25, Ch. 135.
- School elections, budget procedures, 1977 dates extended, Ch. 131.
- Supplements "Public School Education Act of 1975," school aid allocation, Ch. 113.
- Task Force on Business Efficiency of the Public Schools, extends reporting date to December 31, 1976, Ch. 77.
- Teachers' Pension and Annuity Fund, membership extended, certificated unclassified professional staff of State Dept. of Education, amends N. J. S. 18A:66-2, Ch. 53.

**ELECTIONS**

- Delegates, national party conventions, uniform regulations governing selection, amends R. S. 19:24-2, Ch. 9.
- Election districts, composition, modeled after Council of State Governments Suggested Legislation, C. 19:4-10 et al., Ch. 83.

**ELECTIONS (Continued)**

- Expenses, incurred by commissioner, superintendent of elections and custodian of voting machines, 1st class counties, not to exceed \$1,050,000.00 per annum, amends R. S. 19:32-2, Ch. 69.
- "Overseas Residents Federal Election Absentee Voting Law," C. 19:59-1 et seq., Ch. 23.
- "Presidential Ballot Law," conformed to "Overseas Residents Federal Election Absentee Voting Law," amends C. 19:58-2 et seq., Ch. 24.
- Primary election date, Tuesday after first Monday in June, amends R. S. 19:3-3, Ch. 26.
- Primary, political party affiliation declaration forms, procedures provided, amends R. S. 19:23-45, C. 19:23-45.1 et seq., Ch. 16.
- Primary, voter registry lists, repeals requirement for, amends R. S. 19:31-18, Ch. 22.
- Republican National Convention, allocation of delegates and alternates, Ch. 5; amended Ch. 17.
- Voter registration forms, photocopies allowed, original and duplicate sheets, amends C. 19:31-6.5, Ch. 49.

**ENVIRONMENT**

- Green Acres funds, acquisition and development of lands, recreation and conservation, \$25 million, Ch. 29.
- Solid waste management, disposal of hazardous and chemical wastes, bulk liquids and pesticides, regulated, C. 13:1E-38 et seq., Ch. 99.
- "Spill Compensation and Control Act," C. 58:10-23.11 et seq., Ch. 141.

**EXECUTIVE ORDERS**

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**FIREMEN**

- Municipal, appointment certain persons, uniformed firefighting positions, C. 40A:14-12.1 et seq., Ch. 27.

**FIREMEN (Continued)**

Municipal appointments, resident's preference, C. 40A:14-10.1a et seq., Ch. 132.  
Mutual assistance agreements, municipalities, emergency situations,  
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**FISH AND GAME**

Striped bass, removal of head or tail before sale, prohibited, amends C. 23:5-5.7,  
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**HEALTH**

Lead paint, use by nurseries and day care centers, prohibited, amends  
C. 24:14A-1 et al., Ch. 116.  
Medicaid fraud, maximum criminal penalties increased, excessive payments,  
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**HIGHWAYS**

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**HOUSING**

Amends N. J. Housing Financing Agency Law; appropriates \$4,558,000.00,  
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Housing Demonstration Grant Money, purchase obligations of Housing Finance  
Agency, C. 52:27D-64.1 and C. 52:27D-64.2, Ch. 4.  
Mortgage Assistance Bond Act, \$8,000,000.00 appropriated therefrom, new  
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Mutual housing corporations, certain, dwelling units, exempt, inspection as  
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**INSTITUTIONS AND AGENCIES**

Community mental health projects, advancement grants, authorized, amends  
C. 30:9A-9, Ch. 79.  
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amends C. 30:4-91.1 et al., Ch. 35.  
Medical Assistance and Health Services, maximum criminal penalties increased,  
excessive payments, amends C. 30:4D-7 and C. 30:4D-17, Ch. 89.  
Mental institutions and facilities, expungement of record of commitment,  
amends C. 30:4-80.8 et seq., Ch. 108.  
Mentally-retarded, parent may file as legal guardian, amends C. 30:4-165.7 et al.,  
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**INSURANCE**

Domestic life and health companies, investment in certain recreational projects  
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Group health benefits, coverage for dependents of deceased, continued 180 days  
after death of person insured, amends N. J. S. 17B:27-30, C. 17:48-6.1  
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**INTERSTATE RELATIONS**

Reciprocal agreements, certain states, income and commuter taxes, C. 54:8A-122  
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Catholic Schools Week, February 8 to 14, 1976, J. R. 1, p. 639.

Osteopathic Medicine Month, May, 1976, J. R. 2, p. 640.

**JUDGES**

County court, Judicial Retirement System, certain judges, qualify for 75% final salary, widows 25%, C. 43:6A-9.3 et seq., Ch. 62.

Federal district court, solemnize marriages, amends R. S. 37:1-13, Ch. 36.

Juvenile and domestic relations court, two additional, Middlesex County, C. 2A:4-4.10, Ch. 70.

**LABOR**

Wages, minimum increased to \$2.40 as of November 14, 1976, \$2.50 as of January 1, 1977, amends C. 34:11-56a.4, Ch. 88.

**LANDLORD AND TENANT**

Rent, 5-day grace period, certain senior citizens, C. 2A:42-6.1 et seq., Ch. 100.

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**LEGISLATURE**

Law Revision and Legislative Services Commission, increases membership, amends C. 52:11-9 and C. 52:11-11, Ch. 2.

**LIENS**

Maritime lien law, extended, charges for dry-dockage and storage of vessels on land and in water, amends N. J. S. 2A:44-59, Ch. 55.

**MARRIAGES**

Federal district court judge, authorized to solemnize, amends R. S. 37:1-13, Ch. 36.

**MOTOR VEHICLES**

Bicentennial license plates, increases amount retained by Bicentennial Commission, amends P. L. 1975, c. 102, Ch. 7.

Registration fees, inspection fees, amends R. S. 39:3-8 et al., Ch. 43.

Traffic signals, right turn on red light, certain cases, effective January 1, 1977, amends R. S. 39:4-115, Ch. 46.

**MORTGAGES**

N. J. Mortgage Finance Agency, purchase home loans, amends C. 17:1B-5.1 et al., Ch. 51.

**MUNICIPALITIES**

Alcoholic beverages, retirement of surplus licenses, expiration date extended Jan. 1, 1977 to Jan. 1, 1982, amends Ch. 40:48-2.44, Ch. 121.

Appointments, firemen and policemen, residents' preference, C. 40A:14-10.1a et seq., Ch. 132.

Budgets, extends time for adoption, 1976, Ch. 8.

Fire division, appointment certain persons, uniformed firefighting positions, C. 40A:14-12.1 et seq., Ch. 27.

First class cities, population less than 400,000, pension for widows, certain public officials, Ch. 11.

Land sales, private, certain public property, amends C. 40A:12-13, Ch. 137.

Limits on expenditures, 5% over previous year, exceptions, C. 40A:4-45.1 et seq., Ch. 68.

Local public contracts, election expenses restored as exemption from bid advertisement, amends C. 40A:11-5, Ch. 20.

**MUNICIPALITIES (Continued)**

- "Local Public Contracts Law," implementation of amendatory and supplementary provisions of P. L. 1975, c. 353, postponed until August 9, 1976, Ch. 25.
- Local Public Contracts Law, P. L. 1975, c. 353, inoperative until May 7, 1976, Ch. 104.
- "Local Public Contracts Law," revision (P. L. 1975, c. 353), inoperative until October 9, 1976, Ch. 61.
- Local Tax Authorization Act, extended until Jan. 1, 1978, amends C. 40:48C-5 et al, Ch. 124.
- Municipal bond proceedings, validated, Ch. 123.
- "Municipal Qualified Bond Act," C. 40A:3-1 et seq., Ch. 38.
- Mutual assistance agreements, police and fire, emergency situations, C. 40A:14-156.1 et seq., Ch. 45.
- Ocean City, special charter, Ch. 103.
- Revaluation 1st class cities, population in excess 300,000, temporarily prohibited, Ch. 58.
- Salary procedure, certain municipal officers and employees, retroactive September 1, 1974, Ch. 95.
- Salary procedure, salary ordinances, redefinition of officers and employees, amends N. J. S. 40A:9-165 et al., Ch. 96.
- State aid, maintain and upgrade municipal services, \$38,940,169.42, Ch. 12.
- State aid, "Safe and Clean Neighborhoods Act of 1973," (C. 52:27D-108 et seq.), continued, Ch. 48.
- "State Revenue Sharing Act of 1976," C. 54A:10-1 et seq., Ch. 73.
- Supplements "Municipal Land Use Law," development ordinances, readopt, public notice required, Ch. 115.
- Vacancies, filled by election, amends C. 40:45B-4, Ch. 19.

**PENSIONS**

- County detectives, deputy chiefs, eligible, police and firemen's retirement system, amends C. 43:16A-1, Ch. 139.
- Hudson county pension fund, manner of computing benefits, new schedule, mandatory retirement, age 65, amends R. S. 43:10-1 et al, C. 43:10-7.2, Ch. 106.
- Hudson county pension fund, service credit, for other governmental service and repurchase after reentry into fund, C. 43:10-1.6 and C. 43:10-8.1, Ch. 107.
- Judicial Retirement System, certain county court judges, qualify for 75% final salary, widows 25%, C. 43:6A-9.3 et seq., Ch. 62.
- Police and firemen's retirement system, deputy director and assistant deputy director, Div. of Alcoholic Beverage Control's Enforcement Bureau, eligible, amends C. 43:16A-1, Ch. 111.
- Sheriffs and undersheriffs, continue, police and firemen's retirement system, Ch. 134.
- Teachers' Pension and Annuity Fund, membership extended, certificated unclassified professional staff of State Dept. of Education, amends N. J. S. 18A:66-2, Ch. 53.
- Widows, certain public employees, cities of 1st class, population less than 400,000, Ch. 11.

**PLANNING AND ZONING**

- Supplements "Municipal Land Use Law," development ordinances, readopt, public notice required, Ch. 115.

**POLICE**

Municipal appointments, residents' preference, C. 40A:14-10.1a et seq., Ch. 132.  
Mutual assistance agreements, municipalities, emergency situations,  
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**PROFESSIONS AND OCCUPATIONS**

"Osteopathic Medicine Month," May, 1976, J. R. 2.  
Real Estate Guaranty Fund, established, C. 45:15-34 et seq., Ch. 112.

**PUBLIC EMPLOYEES**

Chief warrant officer, appointment certain first class counties, without civil  
service exam, 1 year, C. 40A:9-117.5, Ch. 85.  
Health care benefits, certain, purchase authorized, employees not in collective  
negotiations units, amends C. 52:14-17.29, Ch. 41.

**PUBLIC UTILITIES**

Excavating and blasting near gas pipes, notice provisions relating thereto  
simplified, amends C. 2A:170-69.4 et al, Ch. 122.

**REAL ESTATE**

Real Estate Guaranty Fund, established, C. 45:15-34 et seq., Ch. 112.  
Revaluation, 1st class cities, population in excess 300,000, temporarily prohibited,  
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**REORGANIZATION PLANS**

Division of Local Government Services, p. 691.  
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**SCHOOLS**

Budget increase limits, calculation method, amends C. 18A:7A-25, Ch. 135.  
Catholic Schools Week, February 8 to 14, 1976, J. R. 1.  
Educational building projects, bond funds, \$2,850,103.00, Ch. 30.  
Elections, budget procedures, 1977 dates extended, Ch. 131.  
Regional district, apportion costs, 1976-79, C. 18A:13-23.1, Ch. 21.  
Regional school districts certain, first class counties, excepted, 5-year phase-in  
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Summer program cancellations, waiver certain course requirements, high school  
graduation, Ch. 78.  
Task Force on Business Efficiency of the Public Schools, extends reporting date  
to December 31, 1976, Ch. 77.  
"The School Qualified Bond Act," C. 18A:24-85 et seq., Ch. 39.

**SEWERAGE**

Passaic Valley Sewerage District, rules and regulation, Federal assistance,  
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**SOLID WASTE**

"Solid Waste Management Act," supplemented, disposal of hazardous and  
chemical wastes, bulk liquids and pesticides, regulated, C. 13:1E-38 et seq.,  
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**STATE**

Dept. of Corrections, established, C. 30:1B-1 et seq., Ch. 98.  
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et seq. Ch. 98.  
Health Benefits Commission, authorized, purchase various health care benefits,  
employees not in collective negotiations units, amends C. 52:14-17.29,  
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South Jersey Port Corp., transferred to Dept. of Labor and Industry, C. 12:11A-5.1, Ch. 130.

"State Expenditures Limitation Act," C. 52:9H-5 et seq., Ch. 67.

"State Revenue Sharing Act of 1976," C. 54A:10-1 et seq., Ch. 73.

Uniform Construction Code, advisory board, membership increased from 13 to 15, amends C. 52:27D-125, Ch. 117.

**TAX REFORM ACTS OF 1976 (in order of enactment)**

"N. J. Gross Income Tax Act," Ch. 47.

Tenant tax relief, Ch. 63.

State Aid appropriations to municipalities for homestead and senior citizen tax exemptions and revenue sharing and to school districts, Ch. 64.

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Tax liability of persons subject to Gross Income and Transportation Benefits or Emergency Transportation taxes, Ch. 66.

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Limitations on county and municipal expenditures, Ch. 68.

Homestead tax credit, Ch. 72.

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Repealer of Unincorporated Business Tax Act, Ch. 80.

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Income tax deduction, post secondary education, Ch. 84.

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**TAXATION**

Commuters income tax, liability for State income tax, whichever greater, disposition of taxes collected thereunder, C. 54:8A-119 et seq., Ch. 66.

Corporation Business Tax, definition of "subsidiary", revised, amend C. 54:10A-4 and C. 54:10A-9, Ch. 28.

County boards of taxation, tax appeals, extension of time, C. 54:3-26.1 and C. 54:3-26.2, Ch. 114.

Distribution of funds in replacement of former business personal property tax, amends C. 54:11D-1, Ch. 82.

Emergency Transportation Tax Act and Transportation Benefits Tax Act, revived, repeals N. J. S. 54A:9-22 and 54A:9-23, Ch. 65.

Homestead exemptions, C. 54:4-3.80 et seq., Ch. 72.

Income tax deductions, \$1,000.00, post-secondary education, C. 54A:3-1.1, Ch. 84.

Inheritance taxes, payment tendered on time but not credited, relief from penalty, amends R. S. 54:35-3, Ch. 110.

Local Tax Authorization Act, extended until Jan. 1, 1978, amends C. 40:48C-5 et al, Ch. 124.

"N. J. Gross Income Tax Act," C. 54A:4A-1 et seq., Ch. 47.

Procedure for distribution to municipalities of tax revenue in replacement of personal property tax, amends C. 54:11D-6, Ch. 13.

Reciprocal agreements, certain states, income and commuter taxes, C. 54:8A-122 et seq., Ch. 126.

Repeals "N. J. Gross Income Tax Act," June 30, 1978, Ch. 86.

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**TAXATION (Continued)**

Senior citizen tax deduction, extended, handicapped and certain qualifying spouses, amends C. 54:4-8.40 et seq., Ch. 129.

Tax appeals, applicability of P. L. 1973, c. 123 postponed, 1978 tax year, Ch. 33.

Teachers' Pension and Annuity Fund, membership extended, certificated unclassified professional staff of State Dept. of Education, amends N. J. S. 18A:66-2, Ch. 53.

"Tenants' Property Tax Rebate Act," C. 54:4-6.2 et seq., Ch. 63.

**TRANSPORTATION**

Commuter Operating Agency, contracts with motor bus carriers, C. 27:1A-28.7 et seq., Ch. 119.

**VALIDATING ACTS**

Municipal bond proceedings, Ch. 123.

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**WATER POLLUTION**

"Spill Compensation and Control Act," C. 58:10-23.11 et seq., Ch. 141.