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1977

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**ACTS**

OF THE

**Second Annual Session**

OF THE

**One Hundred and Ninety-seventh Legislature**

OF THE

**STATE OF NEW JERSEY**

AND

**Twenty-sixth Under the New Constitution**



1977



The following laws, enacted by the Second 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.

DONALD P. LAN,  
*Secretary of State.*



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

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**SENATORS**

<b>FIRST DISTRICT</b> (Cape May, Cumberland) JAMES S. CAFIERO	<b>ELEVENTH DISTRICT</b> (Part of Monmouth) ALFRED N. BEADLESTON
<b>SECOND DISTRICT</b> (Atlantic, part of Burlington, part of Ocean) JOSEPH L. MCGAHN	<b>TWELFTH DISTRICT</b> (Part of Monmouth, part of Middlesex) EUGENE J. BEDELL
<b>THIRD DISTRICT</b> (Salem, part of Gloucester) RAYMOND J. ZANE	<b>THIRTEENTH DISTRICT</b> (Part of Mercer) JOSEPH P. MERLINO
<b>FOURTH DISTRICT</b> (Part of Gloucester, part of Camden, part of Burlington) JOSEPH A. MARESSA	<b>FOURTEENTH DISTRICT</b> (Part of Mercer, part of Hunterdon, part of Morris, part of Middlesex) ANNE C. MARTINDELL <sup>1</sup>
<b>FIFTH DISTRICT</b> (Part of Camden) ANGELO J. ERRICHETTI	<b>FIFTEENTH DISTRICT</b> (Sussex, Warren, part of Passaic) WAYNE DUMONT, JR.
<b>SIXTH DISTRICT</b> (Part of Camden, part of Burlington) ALENE S. AMMOND	<b>SIXTEENTH DISTRICT</b> (Part of Somerset, part of Hunterdon, part of Morris) RAYMOND H. BATEMAN
<b>SEVENTH DISTRICT</b> (Part of Burlington) EDWARD J. HUGHES, JR.	<b>SEVENTEENTH DISTRICT</b> (Part of Middlesex, part of Somerset) JOHN A. LYNCH
<b>EIGHTH DISTRICT</b> (Part of Burlington, part of Ocean, part of Monmouth, part of Mercer) BARRY T. PARKER	<b>EIGHTEENTH DISTRICT</b> (Part of Middlesex) BERNARD J. DWYER
<b>NINTH DISTRICT</b> (Part of Ocean, part of Burlington, part of Monmouth) JOHN F. RUSSO	<b>NINETEENTH DISTRICT</b> (Part of Middlesex) JOHN J. FAY, JR.
<b>TENTH DISTRICT</b> (Part of Monmouth, part of Ocean) HERBERT J. BUEHLER	<b>TWENTIETH DISTRICT</b> (Part of Union) ALEXANDER J. MENZA

<sup>1</sup> Resigned.

## MEMBERS

- TWENTY-FIRST DISTRICT  
(Part of Union, part of Middlesex)  
THOMAS G. DUNN
- TWENTY-SECOND DISTRICT  
(Part of Union, part of Morris)  
PETER J. McDONOUGH
- TWENTY-THIRD DISTRICT  
(Part of Morris)  
STEPHEN B. WILEY
- TWENTY-FOURTH DISTRICT  
(Part of Morris, part of Union, part of Passaic)  
JAMES P. VREELAND, JR.
- TWENTY-FIFTH DISTRICT  
(Part of Essex, part of Morris, part of Passaic)  
JAMES H. WALLWORK
- TWENTY-SIXTH DISTRICT  
(Part of Essex)  
FRANK J. DODD
- TWENTY-SEVENTH DISTRICT  
(Part of Essex)  
CARMEN ORECHIO
- TWENTY-EIGHTH DISTRICT  
(Part of Essex)  
MARTIN L. GREENBERG
- TWENTY-NINTH DISTRICT  
(Part of Essex)  
WYNONA M. LIPMAN
- THIRTIETH DISTRICT  
(Part of Hudson, part of Essex)  
ANTHONY IMPERIALE
- THIRTY-FIRST DISTRICT  
(Part of Hudson)  
JAMES P. DUGAN
- THIRTY-SECOND DISTRICT  
(Part of Hudson)  
JOSEPH W. TUMULTY
- THIRTY-THIRD DISTRICT  
(Part of Hudson)  
WILLIAM V. MUSTO
- THIRTY-FOURTH DISTRICT  
(Part of Passaic)  
JOSEPH HIRKALA
- THIRTY-FIFTH DISTRICT  
(Part of Passaic)  
FRANK DAVENPORT
- THIRTY-SIXTH DISTRICT  
(Part of Bergen)  
ANTHONY SCARDINO, JR.
- THIRTY-SEVENTH DISTRICT  
(Part of Bergen)  
MATTHEW FELDMAN
- THIRTY-EIGHTH DISTRICT  
(Part of Bergen)  
JOHN M. SKEVIN
- THIRTY-NINTH DISTRICT  
(Part of Bergen)  
RAYMOND GARRAMONE
- FORTIETH DISTRICT  
(Part of Bergen)  
GARRETT W. HAGEDORN

## MEMBERS OF GENERAL ASSEMBLY

- FIRST DISTRICT**  
(Cape May, Cumberland)  
JOSEPH W. CHINNICI  
JAMES R. HURLEY
- SECOND DISTRICT**  
(Atlantic, part of Burlington,  
part of Ocean)  
HOWARD KUPPERMAN  
STEVEN P. PERSKIE
- THIRD DISTRICT**  
(Salem, part of Gloucester)  
MARTIN A. HERMAN  
H. DONALD STEWART
- FOURTH DISTRICT**  
(Part of Gloucester, part of  
Camden, part of Burlington)  
KENNETH A. GEWERTZ  
FRANCIS J. GORMAN
- FIFTH DISTRICT**  
(Part of Camden)  
WALTER RAND  
ERNEST F. SCHUCK
- SIXTH DISTRICT**  
(Part of Camden, part of  
Burlington)  
MARY KEATING CROCE  
JOHN J. GALLAGHER
- SEVENTH DISTRICT**  
(Part of Burlington)  
HERMAN COSTELLO  
CHARLES B. YATES
- EIGHTH DISTRICT**  
(Part of Burlington, part of  
Ocean, part of Monmouth,  
part of Mercer)  
H. JAMES SAXTON  
CLIFFORD W. SNEDEKER
- NINTH DISTRICT**  
(Part of Ocean, part of  
Burlington, part of Monmouth)  
JOHN PAUL DOYLE  
DANIEL F. NEWMAN
- TENTH DISTRICT**  
(Part of Monmouth, part of  
Ocean)  
BRIAN T. KENNEDY  
ANTHONY M. VILLANE, JR.
- ELEVENTH DISTRICT**  
(Part of Monmouth)  
WALTER J. KOZLOSKI  
MARIE A. MUHLER
- TWELFTH DISTRICT**  
(Part of Monmouth, part of  
Middlesex)  
WILLIAM E. FLYNN  
RICHARD VAN WAGNER
- THIRTEENTH DISTRICT**  
(Part of Mercer)  
FRANCIS J. McMANIMON  
HELEN A. SZABO
- FOURTEENTH DISTRICT**  
(Part of Mercer, part of  
Hunterdon, part of Morris,  
part of Middlesex)  
WALTER E. FORAN  
KARL WEIDEL
- FIFTEENTH DISTRICT**  
(Sussex, Warren, part of  
Passaic)  
DONALD J. ALBANESE  
ROBERT E. LITTELL
- SIXTEENTH DISTRICT**  
(Part of Somerset, part of  
Hunterdon, part of Morris)  
JOHN H. EWING  
WALTER J. KAVANAUGH
- SEVENTEENTH DISTRICT**  
(Part of Middlesex, part of  
Somerset)  
WILLIAM J. HAMILTON, JR.  
JOSEPH D. PATERO
- EIGHTEENTH DISTRICT**  
(Part of Middlesex)  
JAMES W. BORNHEIMER  
JOHN H. FROUDE

- NINETEENTH DISTRICT  
(Part of Middlesex)  
ALAN J. KARCHER  
GEORGE J. OTLOWSKI
- TWENTIETH DISTRICT  
(Part of Union)  
C. LOUIS BASSANO  
FRANK X. McDERMOTT
- TWENTY-FIRST DISTRICT  
(Part of Union, part of Middlesex)  
THOMAS J. DEVERIN  
JOHN T. GREGORIO
- TWENTY-SECOND DISTRICT  
(Part of Union, part of Morris)  
DONALD DiFRANCESCO  
WILLIAM J. MAGUIRE
- TWENTY-THIRD DISTRICT  
(Part of Morris)  
JAMES J. BARRY  
JOHN H. DORSEY
- TWENTY-FOURTH DISTRICT  
(Part of Morris, part of Union, part of Passaic)  
BARBARA A. CURRAN  
DEAN A. GALLO
- TWENTY-FIFTH DISTRICT  
(Part of Essex, part of Morris, part of Passaic)  
JANE BURGIO  
THOMAS H. KEAN
- TWENTY-SIXTH DISTRICT  
(Part of Essex)  
RICHARD CODEY  
ELDRIDGE HAWKINS
- TWENTY-SEVENTH DISTRICT  
(Part of Essex)  
JOHN N. DENNIS  
CARL A. ORECHIO
- TWENTY-EIGHTH DISTRICT  
(Part of Essex)  
PATRICK J. SCANLON<sup>1</sup>  
PETER SHAPIRO
- TWENTY-NINTH DISTRICT  
(Part of Essex)  
WILLIE B. BROWN  
RONALD OWENS
- THIRTIETH DISTRICT  
(Part of Hudson, part of Essex)  
MICHAEL F. ADUBATO  
JOHN F. CALI
- THIRTY-FIRST DISTRICT  
(Part of Hudson)  
STEPHEN R. KOPYCINSKI  
WILLIAM O. PERKINS, JR.
- THIRTY-SECOND DISTRICT  
(Part of Hudson)  
MICHAEL P. ESPOSITO  
ALINA MISZKIEWICZ
- THIRTY-THIRD DISTRICT  
(Part of Hudson)  
THOMAS A. GALLO  
CHRISTOPHER J. JACKMAN
- THIRTY-FOURTH DISTRICT  
(Part of Passaic)  
WILLIAM J. BATE  
EMIL OLSZOWY
- THIRTY-FIFTH DISTRICT  
(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

<sup>1</sup> Deceased.

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# L A W S

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# ACTS

ENACTED BY THE

## Second Annual Session

OF THE

## One Hundred and Ninety-seventh Legislature

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### CHAPTER 1

AN ACT to prohibit discrimination in mortgage lending, and to require depository institutions to report certain information regarding mortgage loans to the Commissioner of Banking and to the public, and supplementing Title 17 of the Revised Statutes.

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

**C. 17:16F-1 Legislature's findings and declaration; purposes of act.**

1. The Legislature hereby finds and declares that depository institutions have sometimes failed to provide adequate home financing on a nondiscriminatory basis for all neighborhoods within the communities from which these institutions receive deposits. The Legislature further finds that neighborhood discrimination on the part of depository institutions results in the arbitrary denial of loans to creditworthy persons; substantially reduces the availability of funds from the private sector for urban housing investments; accelerates the physical decline of the affected neighborhoods; and undercuts publicly supported programs for the preservation and revival of urban neighborhoods. The purposes of this act are to prohibit the arbitrary denial of mortgage loans on the basis of the location of the property to be mortgaged; to encourage an increase in the availability of mortgage capital to neighborhoods to which such investment capital has generally been denied; and to provide the citizens and public officials of the State of New Jersey with sufficient information to enable them to determine

which depository institutions are fulfilling their obligations to serve the housing needs of the communities and neighborhoods in which they are located.

**C. 17:16F-2 Definitions.**

2. As used in this act:

a. "Depository institution" means any banking institutions as defined in section 1 of the Banking Act of 1948, P. L. 1948, c. 67 (C. 17:9A-1), any association as defined in the Savings and Loan Act (1963), P. L. 1963, c. 144 (C. 17:12B-1 et seq.) ,and any State or Federal credit union but the provisions of section 4 of this act shall not apply to any depository institution which had total assets of \$10,000,000.00 or less as of the last day of its last full fiscal year.

b. "Mortgage loan" means a loan which is secured by residential real property or a home improvement loan.

c. "Applicant" means any person who files with a depository institution a written request containing such information as required by the depository institution for a mortgage loan as defined in this act.

**C. 17:16F-3 Discrimination by depository institutions in giving mortgage loans on real properties located in certain neighborhoods or geographical area; prohibition.**

3. No depository institution shall discriminate, on a basis that is arbitrary or unsupported by a reasonable analysis of the lending risks associated with the applicant for a given loan or the condition of the property to secure it, in the granting, withholding, extending, modifying or renewing, or in the fixing of the rates, terms, conditions, or provisions of any mortgage loan on real property located in the municipality in which a depository institution has a home or branch office, or in any municipality contiguous to such municipality, merely because such property is located in a specific neighborhood or geographical area; provided, however, that it shall not be a violation of this section if the mortgage loan is made pursuant to a specific public or private program, the purpose of which is to increase the availability of mortgage loans within a specific neighborhood or geographical area.

**C. 17:16F-4 Compilation of certain information by depository institutions; availability to public.**

4. Each depository institution which has a home office or branch office located within a standard metropolitan statistical area, as defined by the Commissioner of Banking consistent with the definition used by the Federal Office of Management and Budget, shall compile and make available to the public for inspection and

copying at the home office, and at least one branch office within each standard metropolitan statistical area in which the depository institution has an office, in accordance with regulations promulgated by the Commissioner of Banking:

a. The number and total dollar amount of mortgage loans which were (1) originated, or (2) purchased, by that institution during each fiscal year, beginning with the last full fiscal year of that institution which immediately preceded the effective date of this act;

b. The number and dollar amount of each such loan by census tract, where readily available at a reasonable cost, as determined by the Commissioner of Banking, otherwise by ZIP code, for mortgage loans secured by property located within that standard metropolitan statistical area;

c. The number and dollar amount of all such mortgage loans secured by property located outside such standard metropolitan statistical area;

d. The number and dollar amount of loans which are insured under Title II of the National Housing Act or under Title V of the Housing Act of 1949 or which are guaranteed under Chapter 37 of Title 38, United States Code;

e. The number and dollar amount of mortgage loans made pursuant to the "New Jersey Mortgage Finance Agency Law," P. L. 1970, c. 38 (C. 17:1B-4 et seq.);

f. The number and dollar amount of loans made to mortgagors who did not, at the time of execution of the mortgage, intend to reside in the property securing the mortgage loan;

g. The number and dollar amount of home improvement loans;

h. The number and dollar amount of all applications for mortgage loans, by census tract or ZIP code as required by subsection b. of this section.

The regulations promulgated by the Commissioner of Banking shall be consistent with the terms and provisions of, and regulations promulgated pursuant to the "Home Mortgage Disclosure Act of 1975," Pub. L. 94-200, and compliance with the provisions of section 304 thereof shall constitute compliance with this section, except to the extent that additional data is required by subsections e. and h. of this section.

**C. 17:16F-5 Availability of information.**

5. A depository institution which maintains offices in more than one standard metropolitan statistical area shall make the informa-

tion required by section 4 of this act available at any such office only to the extent that such information relates to mortgage loans which were originated or purchased by an office of that depository institution located in the standard metropolitan statistical area in which the office making such information available is located.

**C. 17:16F-6 Maintenance of information; annual filing.**

6. Any information required to be compiled and made available under this act shall be maintained and made available for a period of 5 years after the close of the first year during which such information is required to be maintained and made available. A copy shall be filed annually with the Commissioner of Banking and the Director of the Division on Civil Rights of the Department of Law and Public Safety.

**C. 17:16F-7 Court action.**

7. Any person or applicant who has been discriminated against as a result of a violation of section 3 of this act may bring an action in New Jersey in a court of competent jurisdiction. Upon finding that a depository institution is in violation of this act, the court may award actual damages, reasonable attorneys' fees and court costs.

**C. 17:16F-8 Powers of commissioner; failure to comply with subpoena.**

8. The Commissioner of Banking shall have the power to make such investigations into any matter pertaining to this act as he shall deem necessary, including the power to hold hearings, issue subpoenas to compel the attendance of witnesses and the production of documents, papers, books, records, and other evidence before him. In case of a failure of any person to comply with any subpoena issued by the commissioner or to testify to any matter concerning which he may be lawfully interrogated, the Superior Court, on application of the commissioner, may issue an order requiring the attendance of such person and the giving of testimony or production of evidence. Any person failing to obey the court's order may be punished for contempt.

**C. 17:16F-9 Order to cease unlawful practices; review, hearing and relief in court.**

9. If the commissioner finds that a depository institution is violating the provisions of this act, he shall order the institution to cease its unlawful practices. Such order shall be subject to review, hearing and relief in the Superior Court by a proceeding in lieu of prerogative writ.

**C. 17:16F-10 Penalty.**

10. A depository institution which continues to violate the provisions of this act after having been ordered by the commissioner to cease such practices shall be liable to a penalty of \$5,000.00 for each offense to be recovered with costs by the State in any court of competent jurisdiction in a civil action prosecuted by the Attorney General. The penalty provided by this section shall be in addition to and not in lieu of any other provision of law applicable upon a depository institution's failure to comply with an order of the commissioner.

**C. 17:16F-11 Rules and regulations.**

11. The Commissioner of Banking is authorized and empowered to promulgate such regulations as he may deem necessary, consistent with sound banking practice, for the proper operation and enforcement of this act.

12. This act shall take effect 90 days after enactment.

Approved January 12, 1977.

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**CHAPTER 2**

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 an appropriation to cover the cost of additional law enforcement personnel and public health related expenses necessary to insure the public health and safety of spectators congregating along New Jersey's Hudson river waterfront communities to view "Operation Sail 1976" and other activities during the Bicentennial celebration.

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

1. a. There is hereby appropriated from the General State Fund, subject to the limitations of subsections b., c. and d. of this section, the sum of \$600,000.00 to the Department of Community Affairs to cover the cost of supplemental law enforcement personnel and public health related expenses necessary to insure the public

health and safety during Operation Sail and other Bicentennial activities during the period July 3 through July 7, 1976.\*

b. The money appropriated to those counties and municipalities bordering on or near the Hudson river shall not exceed \$150,000.00.

c. The money appropriated to those municipalities bordering on or near the Raritan bay shall not exceed \$100,000.00 in the aggregate.

d. The money appropriated to other municipalities in the State bordering on or near Batsto State Park, Trenton, Liberty Park, Washington Crossing, Monmouth Battlefield, Jockey Hollow, Port Mercer and Princeton Battlefield, shall not exceed \$350,000.00 in the aggregate.

2. The moneys so appropriated to the Department of Community Affairs shall be disbursed to those municipalities and counties submitting, on forms prepared and distributed by the department, requests for reimbursement of expenses necessarily incurred in the providing of additional police and other law enforcement personnel and public health related expenses for the purposes of maintaining public order and the public health and safety.

3. Moneys not expended by the department pursuant to this act shall be returned to the General State Fund prior to July 1, 1977.

4. No municipality or county receiving aid for expenses incurred as a result of "Operation Sail 1976" may receive aid for the same purpose under section 1, subsection d. of this act.

5. This act shall take effect immediately.

Approved January 13, 1977.

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STATEMENT ON ASSEMBLY BILL No. 2028

[SECOND OFFICIAL COPY REPRINT]

Pursuant to Article V, Section I, paragraph 15 of the Constitution, I am appending to Assembly Bill No. 2028 (Second Official Copy Reprint) at the time of signing it, this statement of the terms, or parts thereof, to which I object so that each item, or part thereof, so objected to shall not take effect.

Page 1, section 1, line 13: Omit "\$600,000" insert "\$310,000".

This bill as passed by the Legislature appropriates \$600,000 to the Department of Community Affairs to cover the cost to

counties and municipalities of supplemental law enforcement personnel and public health related expenses required for Operation Sail and other Bicentennial activities during the period July 3 through July 7, 1976.

I have previously announced my intention to reduce the amount of this appropriation to the level reflected in claims submitted to the Department of Community Affairs through November 15, 1976. Although claims from counties and municipalities bordering on or near the Hudson River have substantially exceeded the \$150,000 allocated to this area by the bill, claims from the other two geographic areas designated as eligible for appropriations are below the allotments provided in the legislation. Consequently, total eligible claims in the amount of approximately \$310,000 have been filed with the department. Since the manner of division of this appropriation has been the subject of considerable discussion in the Legislature, I do not believe it appropriate for me to attempt any modification of the geographic allocation fixed by the Legislature other than to reduce the total amount appropriated to the level of claims submitted.

My action should not be construed as a final determination that these claims are valid for full reimbursement. The department must review each claim to ensure eligibility under the statutory formula and verification of the manner and amount of expenditures. In accordance with the legislation, any moneys not expended shall be returned to the General State Fund.

Respectfully,

[SEAL]  
Attest:

/s/ BRENDAN BYRNE,  
*Governor.*

/s/ JOHN J. DEGNAN,  
*Executive Secretary to the Governor.*

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### CHAPTER 3

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) and repealing sections 2, 3 and 4 thereof.

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 Appropriation to municipalities; allocation.**

1. The Legislature shall appropriate annually not less than the amount certified by the Director of the Division of Taxation on October 15, 1976, for payment to the municipalities of this State in replacement of the revenues derived by such municipalities from the local taxation of personal property used in business, pursuant to the act to which this act is amendatory. Such amount shall be allocated among the municipalities in accordance with the certification of October 15, 1976.

2. Section 5 of P. L. 1966, c. 135 (C. 54:11D-5) is amended to read as follows:

**C. 54:11D-5 Payment and distribution.**

5. The State Treasurer annually, on or before the date set forth in section 6 of this act, upon the warrant of the State Comptroller, shall pay and distribute to each municipality its entitlement determined in accordance with the provisions of section 1 of this act.

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

**C. 54:11D-6 Method of distribution.**

6. The distribution required to be made by the State Treasurer under this act shall be made annually in four installments as follows: The first installment shall be payable annually on March 1 and shall consist of one-fifth of the amount appropriated; the second installment shall be payable on May 1 of each year and shall consist of two-fifths of the amount appropriated; the third and fourth installments shall be payable on the succeeding August 1 and November 1 of each year and shall each consist of one-fifth of the amount appropriated.

**Repealer.**

4. Sections 2, 3 and 4 of P. L. 1966, c. 135 (C. 54:11D-2 to C. 54:11D-4) are hereby repealed.

5. This act shall take effect January 1, 1977.

Approved January 17, 1977.

## CHAPTER 4

A SUPPLEMENT to "An act imposing a tax on personal property used in business; prescribing the method of collecting the tax imposed; providing penalties for violations; and supplementing Title 54 of the Revised Statutes," approved June 17, 1966 (P. L. 1966, c. 136, C. 54:11A-1 et seq.).

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

**C. 54:11A-3.1 Machinery or equipment not subject to assessment and taxation.**

Any machinery or equipment acquired on or after the effective date of this act shall not be subject to assessment and taxation.

2. This act shall take effect January 1, 1977.

Approved January 17, 1977.

## CHAPTER 5

AN ACT permitting the use of school buses for the transportation of senior citizens' groups 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:39-22 Use of school buses for transportation of senior citizens' groups; payment of costs.**

1. The board of education of any district may, pursuant to rules adopted by it, permit the use of school buses owned or leased by the school district for the purpose of transporting senior citizens' groups [intrastate] to and from such events within its district or in any contiguous district, as may be approved by the board; provided that such use of school buses shall not interfere with the transportation of school pupils; and provided that school buses so used shall be operated only by persons licensed as bus drivers. The board shall require groups seeking such use of school buses to pay all or part of any costs incurred by the district in permitting

such use, including but not limited to the costs of fuel, driver salaries, insurance and depreciation.

**C. 18A:39-23 Use not construed as use for hire; "no fee" registration of vehicles continued.**

2. The use of school buses for the transportation of senior citizens as herein provided shall not be construed as use for hire and shall in no way affect the no fee registration of such vehicles as provided in R. S. 39:3-27.

**C. 18A:39-24 Rules and regulations.**

3. The State Board of Education shall develop rules and regulations governing the use of school buses pursuant to section 1 of this act.

**C. 18A:39-25 Exemption from regulation.**

4. Notwithstanding the provisions of any law, rule or regulation of this State to the contrary, the use of school buses or the recovery of costs as herein authorized, shall not subject such school buses to regulation by or the jurisdiction of the Board of Public Utilities Commissioners.

5. This act shall take effect September 1, 1976.

Approved January 18, 1977.

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CHAPTER 6

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 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, 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, for the respective public officers and for the several purposes herein specified:

GENERAL STATE OPERATIONS  
LEGISLATIVE BRANCH

LEGISLATIVE AFFAIRS

72200. Legislative Services

72210. Legislative Services Agency ..... \*

Salaries ..... ( \$127,935)

72300. Office of Fiscal Affairs

72330. Division of Budget Review ..... \*

72340. Division of Program Analysis ..... \*

Total Appropriation ..... \*

Salaries ..... ( \$84,798)

72400. Legislative Commissions

72410-010. Intergovernmental Relations  
Commission ..... \*

Extraordinary:

Atlantic State Marine Fisheries  
Commission ..... ( \$5,300)

Education Commission of the  
States ..... ( 24,750)

Total Appropriation, Legislative Affairs... \*

EXECUTIVE BRANCH

DEPARTMENT OF THE TREASURY

78100. Central Support Services

There is hereby appropriated a sum not to exceed \$175,000 from the proceeds derived from the sale of State-owned surplus real property, for administrative expenses connected with such sale or disposition.

DEPARTMENT OF INSURANCE

14200. Regulation of the Insurance and Real Estate Industries  
14290. Management and General Support..... \*

**Extraordinary:**

Administration of the Title Insurance Act (c. 106, P. L. 1975) . . . . .	\$50,000)	
Administration of the Unfair Insurance Claims Settlement Practices (c. 100, P. L. 1975) . . . . .	25,000)	
Administration of the Unfair Life and Health Claims Settlement Practices Act (c. 101, P. L. 1975)(	25,000)	
Total Appropriation, Department of Insurance . . . . .		*

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DEPARTMENT OF AGRICULTURE

41100. Disease Control and Agricultural Development Services		*
41130. Resource Development Services . . . . .		*
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<b>Salaries:</b>		
New position . . . . .	\$10,000)	
Total Appropriation, Department of Agriculture . . . . .		*

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DEPARTMENT OF HEALTH

22100. Prevention, Treatment and Rehabilitation		*
22110. Community Health Services . . . . .		*
<hr/>		
<b>Extraordinary:</b>		
Childhood lead poison control . . . . .	\$50,000)	
Youth camp safety program . . . . .	60,000)	
Total Appropriation, Department of Health . . . . .		*

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DEPARTMENT OF LABOR AND INDUSTRY

54300. Labor Relations

Of the sum provided for Public Sector, an amount of 40,000 shall be provided for the annual salary of the Chairman of the Public Employee Relations Commission.

## DEPARTMENT OF EDUCATION

32200. Controversies and Disputes		
32220. Resolution of Controversies and Disputes . . .		*
<hr/>		
Salaries:		
New Positions . . . . . ( \$30,000)		
32300. School Programs		
32320. Special Education . . . . .		*
<hr/>		
Extraordinary:		
For support of day training for eligible mentally retarded students . . . . . ( \$900,000)		
34100. Services for the Handicapped		
34130. Pingry Regional Day School . . . . .		*
<hr/>		
Extraordinary:		
For start-up costs of the Pingry Regional Day School subject to the acquisition and renovation of the school . . . . . ( \$100,000)		
39100. Department Planning and Management		
39130. Planning, Research and Evaluation . . . . .		*
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Extraordinary:		
For the implementation of the minimum standards act (c. 97, P. L. 1976) . . . . . ( \$92,568)		
Total Appropriation, Department of Education . . . . .		*
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## DEPARTMENT OF HIGHER EDUCATION

39100. Department Management and General Support		
39110. Administration . . . . .		\$1,927,000
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Extraordinary:		
Fuel and utility costs at State Colleges . . . . . ( \$1,927,000)		

573. College of Medicine and Dentistry of New Jersey  
 33120. College-wide Organized Research ..... \$350,000\*

Extraordinary:

Research under contract with the  
 Institute of Medical Research,  
 Camden ..... ( \$435,903)  
 Total Appropriation, Department of Higher  
 Education ..... \$2,277,000\*

DEPARTMENT OF INSTITUTIONS AND AGENCIES

53100. Medical Assistance and Health Services

53120. General Medical Services ..... \*

53190. Administration and General Support ..... \*

Total Appropriation ..... \*

Extraordinary:\*

Payments on behalf of medical  
 assistance recipients for State  
 share of increased provider costs( \$5,000,000)  
 Medical fraud investigation (State  
 share) ..... ( 720,000)

79100. Department Management and General Support

79130. Education Program—Garden State School  
 District ..... \*

Extraordinary:

Educational programs within cor-  
 rectional institutions ..... ( \$300,000)  
 Total Appropriation, Department of Institu-  
 tions and Agencies ..... \*

DEPARTMENT OF COMMUNITY AFFAIRS

42100. Community Development Management

42110. Housing Code Enforcement ..... \*

42130. Local Government Services ..... 100,000

Total Appropriation ..... \$100,000\*

Extraordinary:	
Code enforcement activities . . . . .	( \$100,000)
For monitoring local government expenditures . . . . .	( 100,000)
52300. Human Resource Development	
52310. Human Resources . . . . .	*

Extraordinary:	
For operation of an Office of Hispanic Affairs . . . . .	( \$30,000)
Total Appropriation, Department of Community Affairs . . . . .	\$100,000*

DEPARTMENT OF CORRECTIONS

12900. Department Management and General Support	
12930. Department Management . . . . .	\$300,000

Extraordinary:	
To implement the Department of Corrections Act (c. 98, P. L. 1976) . . . . .	( \$300,000)
Total Appropriation, Department of Corrections . . . . .	\$300,000

Funds appropriated to implement the Department of Corrections Act may not be expended until a plan for such expenditure is approved by the Director of the Division of Budget and Accounting and the Subcommittee on Transfers of the Joint Appropriations Committee.

THE JUDICIARY  
JUDICIAL AFFAIRS

73100. Court Operations	
73110. Supreme Court . . . . .	\$30,000*
73120. Superior Court . . . . .	215,000*
Total Appropriation . . . . .	\$245,000*

Salaries . . . . .	( \$660,850)
Materials and Supplies . . . . .	( 26,780)
Services other than personal . . . . .	( 184,300)

## 73200. Court Support Services

73210. Official Court Reporters .....	\$20,000*
73290. General Support .....	485,000*
	<hr/>
Total Appropriation .....	\$505,000*
	<hr/>
Salaries .....	( \$359,205)
Materials and Supplies .....	( 50,000)
Services Other Than Personal .....	( 206,000)
Extraordinary:	
Improve Judicial Services .....	( 475,265)
Total Appropriation, Judicial Affairs .....	\$750,000*
	<hr/>
Total Appropriation, General	
State Operations .....	\$3,427,000*
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## STATE AID

## DEPARTMENT OF HEALTH

## 22100. Local Health Services—State Aid

22110. Community Health Services .....	\$3,000,000*
	<hr/>
Salaries .....	( \$50,000)
Materials and Supplies .....	( 1,000)
Services Other Than Personal .....	( 9,000)
Extraordinary:	
Basic Health Services .....	( 252,500)
Special projects .....	( 100,000)
Equalization aid .....	( 1,919,513)
For contribution to the Jersey City	
Medical Center for its operating	
deficit, subject to the enactment of	
enabling legislation .....	( 3,000,000)
Total Appropriation, Department	
of Health .....	\$3,000,000*
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The capitation is set at no more than \$2.00 for the calendar year 1977 as required by C. 26:2F-1 et seq.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

41300. Resource Management—State Aid

41330. Marine Lands Management ..... \*

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Extraordinary:

Shore protection projects, contingent upon no less than 50% participation by local governments (State share) ..... ( \$450,000)

For the State share (50%) of the cost to operate and maintain hurricane and beach erosion control structures in Keansburg and vicinity ..... ( 60,000)

Total Appropriation, Department of Environmental Protection ..... \*

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DEPARTMENT OF HIGHER EDUCATION

39200. General Support—State Aid

39220. Aid to County Colleges ..... \$2,000,000\*

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Grants-in-aid:

Operational costs ..... ( \$4,790,952)

Total Appropriation, Department of Higher Education ..... \$2,000,000\*

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DEPARTMENT OF INSTITUTIONS AND AGENCIES

52500. Provision of Income Maintenance to Public Indigents

The amount provided for Payments for supplementary security income (State share) shall be available for payments to county welfare boards to reimburse the boards for emergency loans to recipients of supplementary security income which are not repaid by such recipients.

## DEPARTMENT OF COMMUNITY AFFAIRS

## 42100. Community Development Management—State Aid

42120. Housing .....	*
42130. Local Government Services .....	\$6,500,000*
	<hr/>
Total Appropriation .....	\$6,500,000*
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## Extraordinary:

Revolving Housing Development and Demonstration Grant Fund .....	( \$450,000)
Safe and Clean Neighborhoods .....	( 6,500,000)
Municipalities' franchise tax re- placement .....	( 1,050,000)
For aid to depressed rural areas subject to the enactment of en- abling legislation .....	( 400,000)
Total Appropriation, Department of Community Affairs .....	\$6,500,000*
	<hr/>

The amounts appropriated for municipalities in the Capital district for municipal services and in lieu-of-taxes, to the extent that they were not anticipated in the municipal budgets, shall be applied exclusively to reduce the municipal tax levy.

Total Appropriation, State Aid .....	\$11,500,000*
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## CAPITAL CONSTRUCTION

## DEPARTMENT OF TRANSPORTATION

## 61100. Construction of Transportation Facilities

61195. State Highway Construction .....	\$4,500,000
	<hr/>

## Capital Construction:

Public Transportation and High- way Construction projects .....	( \$4,500,000)
Total Appropriation, Department of Transportation .....	\$4,500,000
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Total Appropriation, Capital Construction ..	\$4,500,000
	<hr/>

Grand Total, Supplemental Appropriation ..	\$19,427,000*
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2. The following items in P. L. 1976, c. 42 are amended to read as follows:

DEPARTMENT OF THE TREASURY

71260. Management of State Investments

There are hereby appropriated, out of receipts derived from the investment of State funds, such sums as may be necessary for bank service charges, custodial costs, mortgage servicing fees and advertising bank balances (C. 52:18-16.1).

DEPARTMENT OF HIGHER EDUCATION

573. College of Medicine and Dentistry of New Jersey

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, all such income in excess of the additional costs resulting from the increased services required to be provided under the terms of the college's provider contract with the New Jersey Health Services Corporation shall be deposited in the General State Fund as unappropriated revenue.

INTER-DEPARTMENTAL ACCOUNTS

78240. Salary and Other Benefits

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, of the President of Rutgers, The State University, and of the President of the New Jersey Institute of Technology 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.

3. This act shall take effect immediately and be retroactive to July 1, 1976.

Approved January 19, 1977.

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STATEMENT ON SENATE BILL No. 1708

Pursuant to Article V, Section I, paragraph 15 of the Constitution, I am appending to Senate Bill No. 1708 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 1:

Line 4 “72210. Legislative Services Agency . . . \$127,935”  
This item is eliminated in its entirety.

*“Office of Fiscal Affairs”*

On Page 1:

Line 6 “72330. Division of Budget Review . . . . 41,353”  
This item is eliminated in its entirety.

On Page 1:

Line 7 “72340. Division of Program Analysis. 43,445”  
This item is eliminated in its entirety.

On Page 1:

Line 8 “Total Appropriation . . . . . \$84,798”  
This item is eliminated in its entirety.

*“Legislative Commissions”*

On Page 1:

Lines 10-11 “72410-010. Intergovernmental Re-  
lations Commission ..... \$30,050”

This item is eliminated in its entirety.

On Page 2:

Line 17 “Total Appropriation, Legislative  
Affairs ..... \$242,783”

This item is eliminated in its entirety.

*“Executive Branch”**“Department of Insurance”*

On Page 2:

Line 1 “14290. Management and General  
Support ..... \$100,000”

This item is eliminated in its entirety.

On Page 2:

Lines 11-12 “Total Appropriation, Department  
of Insurance ..... \$100,000”

This item is eliminated in its entirety.

*“Department of Agriculture”*

On Page 2:

Line 1 “41130. Resource Development Services  
This item is eliminated in its entirety. \$10,000”

On Page 2:

Lines 4-5 “Total Appropriation, Department of  
Agriculture ..... \$10,000”

This item is eliminated in its entirety.

*“Department of Health”*

On Page 3:

Line 1 “22110. Community Health Service ... \$110,000”  
This item is eliminated in its entirety.

On Page 3:

Lines 5-6 “Total Appropriation, Department of  
Health ..... \$110,000”

This item is eliminated in its entirety.

*“Department of Education”*

On Page 3:

Line 1 “32220. Resolution of Controversies and  
Disputes ..... \$30,000”  
This item is eliminated in its entirety.

On Page 3:

Line 4 “32320. Special Education ..... \$900,000”  
This item is eliminated in its entirety.

On Page 3:

Line 9 “34130. Pingry Regional Day School .. \$100,000”  
This item is eliminated in its entirety.

On Page 3:

Line 15 “39130. Planning, Research and  
Evaluation ..... \$92,568”  
This item is eliminated in its entirety.

On Page 4:

Lines 20-21 “Total Appropriation, Department  
of Education ..... \$1,122,568”  
This item is eliminated in its entirety.

*“Department of Higher Education”*

On Page 4:

Line 5 “33120. College-wide Organized  
Research ..... \$435,903”  
This item is reduced to \$350,000.

On Page 4:

Lines 10-11 “Total Appropriation, Department  
of Higher Education ..... \$2,362,903”  
This item is reduced to \$2,277,000.

*“Department of Institutions and Agencies”*

(Department of Human Services)

On Page 4:

Line 1 “53120. General Medical Services ..... \$5,000,000”  
This item is eliminated in its entirety.

On Page 4:

Line 2 “53190. Administration and General  
Support ..... \$720,000”  
This item is eliminated in its entirety.

On Page 4:

Line 3 "Total Appropriation ..... \$5,720,000"

This item is eliminated in its entirety.

On Page 4:

Lines 10-15 "In addition to the sum provided hereinabove for payments on behalf of medical assistance recipients for State share of increased provider costs, an amount of \$1,000,000 shall be transferred from the account Patient Employees in the Division of Mental Retardation."

The item of language quoted above is deleted in its entirety.

On Page 5:

Line 16 "79130. Education Program, Garden State School District ..... \$300,000"

This item is eliminated in its entirety.

On Page 5:

Lines 21-22 "Total Appropriation, Department of Institutions and Agencies (Department of Human Services) ..... \$6,020,000"

This item is eliminated in its entirety.

*"Department of Community Affairs"*

On Page 5:

Line 1 "42110. Housing Code Enforcement ... \$100,000"

This item is eliminated in its entirety.

On Page 5:

Line 3 "Total Appropriation ..... \$200,000"

This item is reduced to \$100,000.

On Page 5:

Line 8 "52310. Human Resources ..... \$30,000"

This item is eliminated in its entirety.

On Page 5:

Lines 12-13 "Total Appropriation, Department of Community Affairs ..... \$230,000"

This item is reduced to \$100,000.

*“The Judiciary”*

On Page 6:		
Line 1 “73110. Supreme Court .....		\$78,745”
This item is reduced to \$30,000.		
On Page 6:		
Line 2 “73120. Superior Court .....		793,185”
This item is reduced to \$215,000.		
On Page 6:		
Line 3 “Total Appropriation .....		\$871,930”
This item is reduced to \$245,000.		
On Page 6:		
Line 7 “73210. Official Court Reporters .....		\$50,000”
This item is reduced to \$20,000.		
On Page 6:		
Line 8 “73290. General Support .....		1,040,470”
This item is reduced to \$485,000.		
On Page 6:		
Line 9 “Total Appropriation .....		\$1,090,470”
This item is reduced to \$505,000.		
On Page 6:		
Line 14A “Total Appropriation, Judicial Affairs .....		\$1,962,400”
This item is reduced to \$750,000.		
On Page 6:		
Lines 15-16 “Total Appropriation, General State Operations .....		\$12,460,654”
This item is reduced to \$3,427,000.		

## STATE AID

*“Department of Health”*

On Page 7:		
Line 1 “22110. Community Health Services ...		\$5,332,013”
This item is reduced to \$3,000,000.		
On Page 7:		
Lines 13-14 “Total Appropriation, Department of Health .....		\$5,332,013”
This item is reduced to \$3,000,000.		

*“Department of Environmental Protection”*

On Page 7:

Line 1 “41330. Marine Lands Management . . . \$510,000”  
 This item is eliminated in its entirety.

On Page 7:

Lines 12-13 “Total Appropriation, Department  
 of Environmental Protection . . . . . \$510,000”  
 This item is eliminated in its entirety.

*“Department of Higher Education”*

On Page 7:

Line 1 “39220. Aid to County Colleges . . . . . \$4,790,952”  
 This item is reduced to \$2,000,000.

On Page 8:

Lines 4-5 “Total Appropriation, Department of  
 Higher Education . . . . . \$4,790,952”  
 This item is reduced to \$2,000,000.

*“Department of Community Affairs”*

On Page 8:

Line 1 “42120. Housing . . . . . \$450,000”  
 This item is eliminated in its entirety.

On Page 8:

Line 2 “Local Government Services . . . . . \$7,950,000”  
 This item is reduced to \$6,500,000.

On Page 8:

Line 3 “Total Appropriation . . . . . \$8,400,000”  
 This item is reduced to \$6,500,000.

On Page 8:

Lines 13-14 “Total Appropriation, Department  
 of Community Affairs . . . . . \$8,400,000”  
 This item is reduced to \$6,500,000.

On Page 8:

Line 20 “Total Appropriation, State Aid . . . . . \$19,032,965”  
 This item is reduced to \$11,500,000.

*“Grand Total”*

On Page 9:

Line 8 “Grand Total, Supplemental Appropria-  
 tion . . . . . \$35,993,619”  
 This item is reduced to \$19,427,000.

This bill as passed by the Legislature would appropriate nearly \$36 million for various governmental programs. This money has been made available by revisions in expected revenues during the current fiscal year. Although this surplus revenue could be spent without imposing additional taxes, I cannot support spending money simply because it is available. The taxpayer has a right to demand that each dollar spent is absolutely needed; since I cannot agree that the \$36 million which would have been spent by this bill is essential, I am forced to cut this appropriation by \$16 million.

Over the past 3 years, the State government and the Legislature have made hard decisions which have placed New Jersey on a path toward fiscal responsibility and prudence. We have cut costs, ending a decade of average annual State budget increases of 16.8% so that costs in the last two fiscal years to support State government have been held to only a 2.4% increase. We have taken steps toward an equitable tax structure, one which lowers the burden on the homeowner, the poor and elderly and which makes New Jersey attractive once more to the development of new business and employment opportunities. This Legislature has taken the unprecedented step of restricting by law increases in spending by government at all levels.

In securing the passage of the various items in this bill, individual legislators have worked to convince their colleagues of the need for particular programs. In some cases, these programs would benefit a particular area of the State; in others a certain group or interest would gain. The legislators who successfully pressed the interests of their constituents should be congratulated. They did their jobs well.

I also recognize that some of these requests originated from the State agencies, which have understandably sought more support for the programs which they consider important. In some cases, the length of time which has passed since this bill was originally proposed has enabled us to find other moneys to substitute for items which the Legislature justifiably thought vital. Again, the Legislature deserves no criticism for the changed situation caused by the passage of time.

Yet it is my job to make sure that the progress we have made is not lost simply because we are in the unusual situation of having some surplus. It is my job to force the State departments to make

do with what they have, to seek improved productivity from their workers or to defer or abandon new purchases. The task of cutting programs which would aid worthy projects, groups or individuals is not one which is likely to win friends or political favor, either within or outside State government; it is however, the job which I can and must do if we have any hope of convincing New Jersey taxpayers that their money is spent only for the essential services of government.

\* \* \*

We have made significant progress in recent years in strengthening the Legislative Services Agency and the Office of Fiscal Affairs. Nevertheless, the restoration of the sum provided in this bill would permit the agency and office to escape the spending reductions which have been previously imposed on all executive branch agencies. The agency and office can accept the restraints of the limited revenues, and utilize presently available funds.

The bill would restore funds to the Intergovernmental Relations Commission to enable the State to continue its membership in the Education Commission of the states and the Atlantic State Marine Fisheries Commission. There have been questions raised concerning the value to the State from membership in the first organization, and participation in the second may be no longer needed as a result of recent Federal legislation creating new regional fisheries councils. In both cases, it seems best to reevaluate the merits of participation in these groups at the beginning of the next fiscal years.

During the 1975 fiscal year, the Legislature passed three new laws requiring administration by the Department of Insurance. Although some funds were previously provided which enabled the department to complete some planning, full implementation of the new laws will require additional support. In the current year, the department may be able to shift funds from unfilled positions to continue its phased assumption of these new responsibilities. In the budget for the new fiscal year, we will reevaluate the scope of the programs in an attempt to fund the administration of these laws at an adequate level. Since full implementation will not take place in the current year, the department should not need the funds appropriated by this bill.

The bill provides funds for the creation of a new position in the Department of Agriculture to administer the assistance program for soil conservation districts. This program has been previously

administered by existing staff, and it seems unlikely that a significant improvement in the program will result from the addition of this position.

The bill provides funding for programs in the Department of Health for lead poison controls and youth camp safety. Presently, with the aid of Federal funds and the part-time use of inspectors employed in other programs, the State performs basic services in each area. Even with the funds provided in this bill, I am advised that the State's program would only be a cosmetic effort to treat problems of wide scope and magnitude. It would not be responsible to approve this bill when much more substantial programs are needed at levels of support beyond the State's ability to pay.

Funds would have been appropriated to the Department of Education for additional hearing examiners. If necessary, the department may be able to reallocate existing resources for this purpose during the balance of the current year until the extent of the backlog can be reevaluated in the process of preparing the budget for the next fiscal year.

The Public School Education Act of 1975 requires that the State provide for the educational services of children eligible for day training for the mentally retarded. The assumption of the State's responsibilities for such education raises difficult and complicated questions concerning the nature and extent of the required programs and funding. Before we begin to spend money in this area, the State needs a comprehensive plan to ensure that our expenditures produce the best possible results for the affected children. I have directed that such a plan promptly be developed to identify the needed standards and level of funding for this important program.

Since the introduction of this bill, it has become clear that start-up costs for the Pingry Regional Day School will not be required in the current fiscal year. This item has accordingly been deleted.

The Public School Education Act provided that minimum standards of education would be set so that we could better assess the quality of education offered children throughout the State. I strongly support this concept. As with the other fiscal reforms enacted during the past year, this law is important to convince the taxpayer that he is getting full value for each dollar spent on education. Since the department has existing funds from unfilled

positions, I do not believe that there is a need for additional funds for the months remaining in the present fiscal year in order to commence this program. I have accordingly eliminated the \$92,560 allocated by this bill. I intend to monitor the implementation of this program closely, and believe that the department will be in a better position at the end of the fiscal year to assess its progress and determine the need for any additional funds.

The battle against cancer must be a high priority of government. I have created a Cabinet Committee on Cancer Control to coordinate and focus State cancer programs. This committee has recently filed an application for \$6.8 million in Federal funds to support a wide variety of cancer research and control activities. The Legislature has also demonstrated justifiable concern in creating a commission which presently is reviewing legislative proposals to establish and fund cancer programs. The \$435,903 appropriation which this bill would provide to support long-term basic research activities at the Institute of Medical Research at Camden is only a small proportion of the support needed by this excellent facility. In view of the State's budgetary situation, it is clear that the institute needs more stable funding to support its projects. I have reduced the current appropriation to the \$350,000 which was provided to the institute in past years, and have directed my Cabinet Committee to work with the institute toward obtaining a more secure source of money than general State revenues. This appropriation allows for the continuance of the program in Camden.

We can be proud of the fiscal controls which New Jersey has imposed on the costs of the Medicaid program. As a result of controls on hospital rate increases, vigorous investigation and prosecution of fraud, and other factors, I have been advised that a substantial surplus in the Medicaid account can be anticipated during the current year. Because of this surplus, funds appropriated by this bill for two Medicaid-related programs are no longer needed.

One of the cutbacks in the Medicaid program made during the 1976 fiscal year was a reduction of the fee allowed to providers of medical care services. This appropriation would permit the cost of these services to be increased to the 1975 amount. The Legislature has approved this long-deferred increase, and I concur that the increase is warranted. Since there are now surplus funds available, I am directing the department to reallocate these funds

to implement this fee adjustment, and the present appropriation is unnecessary.

As with the increase in provider fees, the Legislature has also acted prudently in increasing the amount for investigation of Medicaid fraud. In comparison with other states, New Jersey's efforts in curtailing fraud have been highly successful. Again, however, the current surplus in the Medicaid account can be re-allocated for this purpose, thus eliminating the need for the appropriation.

The Garden State School District receives funds for distribution to the various correctional institutions for inmate training programs. Funds were added in anticipation of cutbacks in Federal support of such programs. However, there is currently a balance of unexpended funds for this program which can be reallocated to eliminate the necessity for this appropriation.

The Department of Community Affairs would have received an additional \$100,000 for housing code enforcement. Because of unfilled positions, there is currently a surplus in this account. If additional activities are warranted, they can be financed by this surplus.

The Office of Hispanic Affairs has been measurably strengthened in the last year so that it can serve the needs of the State's Hispanic community. The appropriation for Spanish Speaking Projects increased from \$250,000 in 1976 to \$400,000 in 1977, and I intend to provide additional support in the budget for the new fiscal year. These past and proposed appropriations are sufficient to eliminate any need for this supplemental funding.

The Chief Justice has requested substantial additional funding for the improvement of court operations and support. I have reduced the appropriation to \$750,000 which will permit a start of these projects. Meanwhile, I hope that new efforts can be made to obtain alternative sources of funding from Federal agencies for some of the projects covered by this money.

The former program of State aid to local health programs was terminated at the end of the 1975 calendar year. This appropriation of \$2,332,013 would reinstitute the program at a point when continued State funding is unlikely because of limited revenues for existing programs. Furthermore, under the current State aid formula for distribution, these funds would not be distributed in a most

effective manner. This State aid formula should be reviewed in the coming months. It seems unwise to expend this substantial sum at the present time under the current formula.

The appropriation of \$3 million to the Jersey City Medical Center is intended to subsidize its operating deficit. I am concerned about the existing controls over the financial management of the center. The Legislature has passed a companion bill currently before me which indicates that some voluntary improvements in operations have been made. I have been assured that other actions will be taken to impose tighter fiscal controls on the center's operations. While I am, with some reluctance, approving this appropriation in the interests of the center's patients, I am doing so only on the basis of assurances of the center's cooperation in reorganizing its operations. My approval should not be viewed as a precedent for future funding of deficits of the center or other hospitals. To ensure adequate monitoring of State funds and an ongoing oversight role, I shall submit legislation providing for appointment by the Governor of two members on the center's governing board. The center should take steps now to avoid the necessity for this appropriation next year.

The \$450,000 appropriated for shore protection projects would be in addition to \$1 million provided in the past year. While there is a backlog of current projects, it is my understanding that the time required for approvals of pending applications for the already authorized funds will eliminate any need for this money in the current year. The sum in the original budget is more than adequate for construction-ready projects. It may also be possible to secure Federal funding of certain projects if additional public works moneys are approved by the Congress and the President. Under such circumstances, I do not believe this appropriation is justified at the present time.

The special appropriation for a beach maintenance project to the borough of Keansburg would set a bad precedent. If funds were available, there should be standards for a comprehensive program in this area. One municipality should not be favored when there are insufficient funds to establish the program on a more comprehensive basis.

The \$4,790,952 appropriation to the county colleges may represent, in my view, an unfortunate reward to certain institutions

which have not made adequate efforts to live within budget restrictions imposed on other governmentally supported agencies. This money is purportedly needed because of problems related to enrollment increases in the 1974-75 fiscal year. By approving this full sum, we would pay funds to certain colleges which have failed to adjust their programs and spending to the level of funding identified in the budget. Other institutions may have a demonstrated need for these sums because of factors outside their control. After consultation with the Chancellor of Higher Education, I have determined that this appropriation can be reduced to \$2 million, which should be a sufficient level of funding for those institutions which can justify their requests. I have further directed that these funds should only be expended upon the recommendation of the Chancellor that a county college has demonstrated the existence of fiscal problems related to enrollment overruns during the 1974-75 fiscal year. It would be unfair to the other institutions which have learned to cut back in view of current fiscal restraints if I approved this entire appropriation.

The current appropriation for the Revolving Housing Development and Demonstration Grant Fund was increased by \$1.2 million over the \$3 million provided in 1976, even though other activities of the Department of Community Affairs were substantially reduced. There also may be alternative funds from bond accounts or other sources for the program which would avoid the need for this additional expenditure.

Appropriation of \$400,000 has again been approved to create a new aid program for depressed rural areas. The Legislature has before it a companion bill to authorize this program. I question whether the formula provided in the pending bill before the Legislature fairly treats those areas in greatest need, and will work with the Legislature to revise the formula. Meanwhile, I do not think it proper to appropriate this money until the Legislature completes action on the manner in which the money should be spent, and will reconsider this expenditure when the authorization bill, and a separate appropriation measure, reaches my desk.

The bill would have appropriated \$1,050,000 to restore a program dropped in the 1976 budget to reimburse municipalities for revenues lost from the earlier repeal of municipal franchise taxes on motor buses. The municipalities have received additional sup-

port from Federal and State governments through revenue sharing, and have learned to adjust to the loss of this revenue.

\* \* \*

There is nothing wrong with a constant monitoring of State expenditures. The Legislature has done it well. I believe that my record of limiting expenditures in the past 3 years indicates they can be controlled. I recognize the need for constant vigilance and communication with the Legislature to achieve this purpose. I will try my best.

Respectfully,

/s/ BRENDAN BYRNE,

*Governor.*

[SEAL]

Attest:

/s/ JOHN J. DEGNAN,

*Executive Secretary to the Governor.*

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## CHAPTER 7

AN ACT authorizing an appropriation for the support of the Jersey City Medical Center.

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 "Jersey City Medical Center Appropriations Act."

2. The Legislature hereby finds that:

a. The county of Hudson has been designated as a Health Service Area pursuant to Federal law by the Secretary of the United States' Department of Health, Education and Welfare in accordance with the recommendations of the State of New Jersey.

b. The Jersey City Medical Center is the largest and the most complex public general hospital in the State of New Jersey and is a referral center for specialized and costly types of medical/surgical treatment not otherwise available in other communities in the Hudson County Health Service Area.

c. The medical center has a Community Mental Health Center Program that provides partial hospitalization and outpatient psychiatric treatment for adults and children, as well as inpatient

psychiatric care and inpatient drug and alcoholic detoxification services for the Hudson County Health Service Area.

d. The medical center acts as a family doctor to a large segment of the community through approximately 120,000 visits per year to its emergency service and outpatient clinics.

e. The medical center is the major source and on most occasions the only source of emergency care for serious accidents occurring within Hudson county.

f. The medical center maintains the only public ambulance service in Hudson county with highly skilled paramedics answering 18,000 calls per year.

g. There are more babies born at the Jersey City Medical Center than at any other hospital in New Jersey. The hospital also provides full intensive care service for premature and high risk infants.

h. The Jersey City Medical Center is an academic medical center fully affiliated with the New Jersey College of Medicine and Dentistry, providing an environment for clinical training for third- and fourth-year medical students and extensive graduate medical education programs, and more importantly, providing essential patient care services to a community that could not receive these vital services any other way. Its medical education program, which includes the training of 117 residents in 11 medical/surgical specialties during the current 1975-76 academic year at the cost of \$3.9 million, is approved by the American Medical Association; and

i. In 1975, it is estimated that 21,879 people will have received inpatient hospitalization at the medical center, and 34,560 will have been served by the emergency room and outpatient clinics of the medical center. More than 20% of those treated at the Jersey City Medical Center are medically indigent; being both incapable of paying for the services they receive as well as ineligible for health care payments by third party payors. The increase of unemployment and underemployment in New Jersey's labor force has resulted in an increase in the number of medically indigent patients treated.

j. Health care services to the indigent, who did not have sufficient funds to pay for these needed services and no place else to go, in 1975 comprised over 20% of the medical center's costs. Because of the medical center's inability to collect from the indigent, it has been unable to pay vendors in the amount of \$6.4 million.

k. The taxpayers of the city of Jersey City, already victimized by confiscatory property taxes, can no longer bear the full burden

of financially supporting the provision of comprehensive health care services to the medically indigent and indigent population or the medical education programs which provide essential service to patients at the Jersey City Medical Center, and the Jersey City Medical Center, at a time when serious community health needs require the introduction of new services, must seriously consider discontinuing essential services and programs.

1. The Jersey City Medical Center has taken the following steps to develop internal fiscal cost containment programs to improve fiscal responsibility.

(1) A major upgrading of the Department of Financial Management includes developing new systems for improved financial control, and combined with outside services, it is devoting its full attention to improving the cash flow within the institution by an all out effort to decrease the amount of outstanding accounts receivable.

(2) The establishment of a hospital management engineering program directed by a newly hired industrial management engineer. The program is principally designed to review and evaluate personnel costs, develop major cost reduction and cost avoidance programs and upgrade the institution's information services capability to ensure that the most accurate information is available for hospital decision making purposes.

(3) The hiring of a full-time institutional long range planner to develop and submit an institutional long range plan by January 7, 1977 consistent with the directive of the New Jersey Department of Health.

The long range planner is undertaking efforts in the Jersey City Medical Center's long range plan to establish a hospital consortium for the 12 existing Hudson county health institutions to coordinate their long range planning efforts and work toward shared programs and cost effective methods applicable to the 12 Hudson county hospitals including primarily the maximizing of existing resources by the modernization and renovation of existing facilities with minimal outlays for capital expenditure programs and the upgrading of ambulatory services. The planned consortium is intended to serve as a link for the Hudson county hospitals in dealing with the evolving Hudson County Health Service Area and a complete regionalization of health services in the area.

m. It is the public policy of the State of New Jersey to insure the continuing operation of the Jersey City Medical Center as a comprehensive regional health care facility providing essential

patient care and medical education programs beneficial to the citizens of the State, as it is the public policy of the State to support the Martland Medical Center of Newark through appropriations of approximately \$16 million for the fiscal year ending June 30, 1976 and Fairleigh Dickinson University School of Dentistry an appropriation of up to \$2 million for the fiscal year 1977.

3. There shall be appropriated to the Department of Health the sum of \$3,000,000.00 for the purpose of paying such sum to the city of Jersey City for the support of the Jersey City Medical Center. Such sums shall be paid in two equal amounts; \$1.5 million on or before December 31, 1976 and \$1.5 million on or before March 31, 1977.

4. This act shall take effect immediately.

Approved January 27, 1977.

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## CHAPTER 8

AN ACT concerning corporate names and supplementing chapter 2 of Title 14A of the New Jersey Statutes.

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

**C. 14A:2-2.2 Use of words blind or handicapped or terms suggesting such impairments as part of corporate name; approval by attorney general.**

1. No corporation organized under the laws of the State of New Jersey nor any foreign corporation authorized to do business in New Jersey shall use the words "blind," or "handicapped," or term, terms, imprint, stamp, label or symbol suggesting such impairments, as part of its name unless the approval of the Attorney General, or his designee, is attached to the certificate of incorporation or application for amendment thereof. Such approval shall indicate that the words "blind" or "handicapped," or term, terms, imprint, stamp, label or symbol suggesting such impairments, as used in the corporate name will not tend to mislead or confuse the public into believing that the corporation is organized for charitable or nonprofit purposes for the blind or handicapped. Any corporation presently organized under the laws of this State or any foreign corporation presently authorized

to do business in this State that employs the words "blind," or "handicapped," or term, terms, imprint, stamp, label or symbol suggesting such impairment, in its corporate name shall seek the approval of the Attorney General, or his designee, within 90 days after the effective date of this act if it wishes to continue the use of such words, terms, imprint, stamp, label or symbol in its corporate name.

2. This act shall take effect immediately.

Approved February 3, 1977.

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## CHAPTER 9

AN ACT relating to certain fees of the New Jersey Cemetery Board and amending N. J. S. 8A:4-12.

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

1. N. J. S. 8A:4-12 is amended to read as follows:

**Annual report; supplemental report and investigation; examination; fees.**

8A:4-12. a. Every cemetery company shall file with the New Jersey Cemetery Board on a form established by the board, an annual report showing the extent of and sources of augmentation of the maintenance and preservation fund and the manner of employment by said cemetery company of the income of the maintenance and preservation fund during the preceding year, which report shall also contain a list of the securities in which said trust funds are invested. If the report so filed is deemed inadequate to properly apprise the New Jersey Cemetery Board of the information it requires to effectively administer the provisions of this act, it shall request a supplemental report and in its discretion conduct an investigation of the operations of the cemetery company.

Officials, managers and trustees or employees of every cemetery company shall exhibit its books, papers and securities to the board when required and otherwise facilitate any examination of said company. Any cemetery official or employee may be required to testify under oath as to the conditions and affairs of the cemetery company.

b. To defray the expenses of examination and administration, each cemetery company, except any religious corporation, shall, at the time of filing its accounting and report as to its maintenance and preservation fund, but not later than 120 days after the close of the cemetery company's fiscal year, pay to the cemetery board the sum of \$2.00 per interment in excess of 25 interments for the preceding fiscal year.

c. The annual report required by this section shall be filed by the cemetery company no later than 120 days after the close of the cemetery company's fiscal year.

2. This act shall take effect immediately.

Approved February 3, 1977.

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## CHAPTER 10

AN ACT to amend "An act to place limits on expenditures by counties and municipalities and supplementing Title 40A of the New Jersey Statutes," approved August 18, 1976 (P. L. 1976, c. 68) and to repeal section 6 of said act.

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

1. Section 3 of P. L. 1976, c. 68 (C. 40A:4-45.3) is amended to read as follows:

**C. 40A:4-45.3 Municipalities; exceptions to limitation.**

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 exceptions:

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, that all such emergency authorizations shall not exceed, in the aggregate, 3% of current and utility operating appropriations made in the budget adopted for that year, and provided further that nothing herein provided shall be applicable to any emergency appropriation resolution adopted pursuant to N. J. S. 40A:4-46 for a purpose referred to in d. or j. below;

- 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; or
- j. Amounts required to be paid pursuant to any contract with respect to use, services or provision of any project, facility or public improvement for water, sewer, solid waste, parking, senior citizen housing or any similar purpose, or payments on account of debt service therefor, between a municipality and any other municipality, county, school or other district, agency, authority, commission, instrumentality, public corporation, body corporate and politic or political subdivision of this State. With respect to the amounts required to be paid for senior citizen housing in the above cited political subdivisions or bodies, the exceptions shall be subject to the review and approval of the Local Finance Board.

2. Section 4 of P. L. 1976, c. 68 (C. 40A:4-45.4) is amended to read as follows:

**C. 40A:4-45.4 Counties; exceptions to limitation.**

4. In the preparation of its budget, a county may not increase the county tax levy to be apportioned among its constituent municipalities in excess of 5% of the previous year's county tax levy, subject to the following exceptions:

- 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 a resolution making an emergency appropriation 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, except as to an emergency appropriation for a purpose referred to in d. or f. below, 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;

f. Amounts required to be paid pursuant to any contract with respect to use, services or provisions of any project, facility or public improvement for water, sewer, solid waste, parking, senior citizen housing or any similar purpose, or payments on account of debt service therefor, between a county, and any other county, municipality, school or other district, agency, authority, commission, instrumentality, public corporation, body corporate and politic or political subdivision of this State. With respect to the amounts required to be paid for senior citizen housing in the above cited political subdivisions or bodies, the exceptions shall be subject to the review and approval of the Local Finance Board.

**C. 40A:4-45.6 Repealed.**

3. Section 6 of P. L. 1976, c. 68 is repealed.

4. This act shall take effect immediately and be applicable to the tax years beginning in 1977 and shall expire December 31, 1979.

Approved February 3, 1977.

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CHAPTER 11

AN ACT concerning lobsters and amending R. S. 23:5-9.

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

1. R. S. 23:5-9 is amended to read as follows:

**Minimum size of lobsters; penalty; exception.**

23:5-9. No person shall take from the salt waters of this State by any means, import, export, have in his possession, buy, sell or

offer to buy or sell, any lobster, which in length shall be less than three and one-eighth inches measured from the rear end of the eye socket along a line parallel to the center line of the body shell to the rear end of the body shell, or any spawning lobster, under a penalty of \$20.00 for each lobster so taken, imported, exported, offered for sale or had in possession. This section shall not apply to the taking or possession of lobsters bearing a tag that has been issued or affixed by the Department of Environmental Protection or by any other state or Federal agency with which the department cooperates in a research project.

2. This act shall take effect immediately.

Approved February 3, 1977.

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## CHAPTER 12

AN ACT to provide for exemptions and abatements on commercial and industrial structures in areas in need of rehabilitation in certain cases, 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. 54:4-3.95 Legislature's findings.**

1. The Legislature finds that:
  - a. The downward transition of many New Jersey communities from sound and stable neighborhoods to blighted areas directly reflects the changing economic base of those communities.
  - b. Deterioration of residential neighborhoods is inseparably related to the decline in the commercial and industrial life of those communities.
  - c. Property taxation in such communities is commonly at rates so high that it becomes more feasible for investors, small business and industry to abandon an urban facility, rather than improve it and be faced with paying what is effectively a substantial tax penalty for such improvements.
  - d. The impact of the migration of economic enterprise from urban centers results not only in the health and safety hazards that are common with abandoned structures, but also in increased

unemployment, diminished incomes, consequent family and social problems, and residential decay and abandonment.

e. The construction and rehabilitation of commercial and industrial buildings and structures in this State to increase opportunities for employment, and ultimately to broaden State and local tax bases, is in the public interest.

f. The availability of property tax exemptions and abatements can help induce the construction and rehabilitation of industrial and commercial facilities in areas threatened with economic and social decline.

**C. 54:4-3.96 Definitions.**

2. As used in this act:

a. "Area in need of rehabilitation" means an area which, in the determination of the Commissioner of the Department of Community Affairs, upon application of the governing body of the affected municipality, is zoned for industrial, commercial or residential uses, or any mix thereof, and is certified by the commissioner to be endangered by blight and in need of rehabilitation as measured by: the physical deterioration of building maintenance in the area, age of building stock and other structures, and arrearage in real property taxes due on buildings, structures or lands in the area. Any area which conforms to the conditions of a blighted area, as defined in P. L. 1949, c. 187, s. 1 (C. 40:55-21.1), shall also be deemed an area in need of rehabilitation if included by the governing body in its application to the commissioner. Where these indices show widespread deterioration, the commissioner may if so requested by the governing body of the affected municipality designate the entire municipality an "area in need of rehabilitation" for purposes of this act.

b. "Assessor" means the assessor, board of assessors or any other official or body of a taxing district charged with the duty of assessing real property for the purpose of general taxation.

c. "Commercial or industrial structure" means any structure or part thereof used for manufacturing, processing, assembling, research, office, industrial, commercial, retail, recreational, hotel or warehousing purposes.

d. "Improvement" means the modernization, rehabilitation, renovation, alteration or repair of a commercial or industrial structure that does not increase the volume of the structure by more than 30%.

e. "Project" means the construction of a new facility or facilities to be used or occupied by any person for the manufacturing,

processing, or assembly of material or manufactured products or for research, office, industrial, commercial, retail, recreational, or hotel or motel facilities or warehousing, or for any combination thereof, and which the governing body determines will tend to maintain or provide gainful employment within the municipality, assist in the economic development of the municipality, maintain or increase the tax base of the municipality and maintain or diversify and expand commerce within the municipality. "Project" shall also mean an enlargement of the volume of an existing structure by more than 30%.

f. "Qualified municipality" means any municipality which has qualified for State aid under P. L. 1971, c. 64, as supplemented, or a municipality certified by the Commissioner of Community Affairs to qualify under such law in every respect except population.

**C. 54:4-3.97 Utilization of tax abatement and exemption provisions of constitution; contents of ordinance.**

3. A qualified municipality, by passage of a general ordinance, may indicate its intention to utilize the tax abatement and exemption provisions authorized by Article VIII, Section I, paragraph 6 of the State Constitution for improvements and projects, as such are defined in section 2 above, in areas in need of rehabilitation. Such ordinance shall provide for the exemption from real property taxation of improvements for a period of 5 years, and shall set forth procedures for entering into agreements for the abatement of real property taxes for projects, in accordance with the provisions of this act.

**C. 54:4-3.98 Ordinance providing tax exemptions for improvements in areas in need of rehabilitation; value of property; filing and approval of exemption by assessor.**

4. a. In providing for tax exemptions for improvements in areas in need of rehabilitation, the ordinance may (1) grant exemptions for all such improvements, to be approved by the assessor upon proper application; or (2) define categories of improvements which shall be approved by the assessor upon proper application, and other categories of improvements which may only be exempted after review, evaluation and approval by the governing body of each individual application; or (3) authorize exemption for improvements on an individual basis after review, evaluation and approval of each application by the governing body. For applications requiring review and approval by the governing body, the municipality may in its ordinance require the applicant to submit such information as it deems appropriate, but in no event shall the

ordinance require the submission of information more detailed than that required for a tax abatement pursuant to section 6 of this act.

b. In municipalities adopting the provisions of this act, the assessor's full and true value of improvements in areas in need of rehabilitation, after approval for exemption, shall not be regarded as increasing the value of such property for a period of 5 years after their completion, notwithstanding that the value of the commercial or industrial structure is increased thereby. In no event shall the tax obligations for said property be less than the property taxes payable during the 12-month period immediately preceding the commencement of said improvements, provided that the validity of the prior assessment may be contested utilizing such remedies as may be provided by law.

c. No exemption authorized pursuant to the provisions of this section shall be granted or allowed except upon written application therefor filed with and approved by the assessor of the taxing district wherein the improvement is made. Every such application shall be on a form prescribed by the Director of the Division of Local Government Services and provided for the use of claimants by the governing body of the municipality constituting the taxing district, and shall be filed with the assessor not later than 60 days, including Saturdays and Sundays, following the completion of the improvement. Every properly completed application for exemption of one or more improvements which is filed within the time specified shall be approved and allowed by the assessor, or reviewed and decided by the governing body, as required by ordinance, not later than within 60 days of its filing. The granting of any such exemption shall be recorded and made a permanent part of the official tax records of the taxing district which record shall contain a notice of the termination date of the exemption and the consequences of transfer of title.

**C. 54:4-3.99 Entering into agreements.**

5. The municipal governing body, after adoption of a general ordinance pursuant to section 3 of this act, may enter into agreements for tax abatement for projects which are or will be located in areas designated in need of rehabilitation.

**C. 54:4-3.100 Application for tax abatement.**

6. Applicants for tax abatement as provided herein shall provide the governing body with an application setting forth:

a. A general description of a project for which abatement is sought;

- b. A legal description of all real estate necessary for the project;
- c. Plans, drawings and other documents as may be required by the governing body to demonstrate the structure and design of the project;
- d. A description of the number, classes and type of employees to be employed at the project site within 2 years of completion of the project;
- e. A statement of the reasons for seeking tax abatement on the project, and a description of the benefits to be realized by the applicant if tax abatement is granted;
- f. Estimates of the cost of completing such project;
- g. A statement showing (1) the real property taxes currently being assessed at the project site; (2) estimated tax payments that would be made annually by the applicant on the project during the period of tax abatement, and (3) estimated tax payments that would be made by the applicant on the project during the first full year following the termination of the tax abatement agreement;
- h. A description of any lease agreements between the applicant and proposed users of the project, and a history and description of the users' businesses; and
- i. Such other pertinent information as the governing body may require.

**C. 54:4-3.101 Agreement; computation of payments based on several formulas.**

7. Upon approval of an ordinance authorizing an agreement for tax abatement for a particular project, the governing body may enter into a written agreement with the applicant for the abatement of local real property taxes. The agreement shall provide for the applicant to pay to the municipality in lieu of full property tax payments an amount annually to be computed by one, but in no case a combination, of the following formulas:

- a. Cost basis: the agreement may provide for the applicant to pay to the municipality in lieu of full property tax payments an amount annually equal to 2% of the cost of the project. For the purposes of the agreement, "the cost of the project" means only the cost or fair market value of direct labor and all materials used in the construction, expansion, or rehabilitation of all buildings, structure, and facilities at the project site, including the costs (if any) of land acquisition and land preparation, provision of access roads, utilities, drainage facilities, and parking facilities, together with architectural, engineering, legal, surveying, testing, and contractors' fees associated with the project; provided that the applicant shall cause such costs to be certified and verified to

the governing body by an independent and qualified architect, following the completion of the project.

b. Gross revenue basis: the agreement may provide for the applicant to pay to the municipality in lieu of full property tax payments an amount annually equal to 15% of the annual gross revenues from the project. For the purposes of the agreement, "annual gross revenues" means the total annual gross rental and other income payable to the owner of the project from the project. If in any leasing, any real estate taxes or assessments on property included in the project, any premiums for fire or other insurance on or concerning property included in the project, or any operating or maintenance expenses ordinarily paid by landlord, are to be paid by the tenant, then such payments shall be computed and deemed to be part of the rent and shall be included in the annual gross revenue. The tax abatement agreement shall establish the method of computing such revenues and may establish a method of arbitration by which either the landlord or tenant may dispute the amount of such payments so included in the annual gross revenue.

c. Tax phase-in: the agreement may provide for the applicant to pay to the municipality in lieu of full property tax payments an amount equal to a percentage of taxes otherwise due, according to the following schedule:

- (1) In the first full calendar year after completion, no payment in lieu of taxes otherwise due;
- (2) In the second calendar year, an amount not less than 20% of taxes otherwise due;
- (3) In the third calendar year, an amount not less than 40% of taxes otherwise due;
- (4) In the fourth calendar year, an amount not less than 60% of taxes otherwise due;
- (5) In the fifth calendar year, an amount not less than 80% of taxes otherwise due.

**C. 54:4-3.102 Duration of agreements.**

8. All tax abatement agreements entered into by municipalities pursuant to the terms of this law shall be in effect for a period of not more than 5 years starting with the date of completion of the project.

**C. 54:4-3.103 Applicability of certain federal, State and local laws and regulations.**

9. All projects subject to agreements for tax abatement as provided herein shall be subject to all applicable Federal, State and local laws and regulations on pollution control, worker safety,

discrimination in employment, zoning, planning and building code requirements.

**C. 54:4-3.104 Reduced valuation procedure.**

10. That percentage which the payment in lieu of taxes for a tax-abated property bears to the property tax which would have been paid had an abatement not been granted for said property under this act shall be applied to the valuation of the property to determine the reduced valuation of the property to be included in the valuation of the municipality for determining equalization for county tax apportionment and school aid during the term of the tax abatement agreements covering such properties, and at the termination of such an agreement for a property the reduced valuation procedure required under this section shall no longer apply.

**C. 54:4-3.105 Application to property taxes levied for certain other purposes.**

11. The abatement of real property taxes provided by municipalities pursuant to this act shall apply to property taxes levied for municipal purposes, school purposes, county government purposes and for the purposes of funding any other property tax exemptions or abatements.

**C. 54:4-3.106 Forwarding of copy of agreement to director and commissioner.**

12. Within 30 days after the execution of a property tax abatement agreement as provided hereunder, a municipality shall forward a copy of such agreement to the Director of the Division of Local Government Services and to the Commissioner of the Department of Labor and Industry.

**C. 54:4-3.107 Failure to meet conditions of qualification by owner; tax due; disposition of property.**

13. If during any year prior to the termination of the abatement agreement, the property owner ceases to operate or disposes of the property, or fails to meet the conditions for qualifying for abatement, then the tax which would have otherwise been payable for each year shall become due and payable from such property owner as if no abatement had been granted. The governing body of the municipality shall notify the property owner and tax collector forthwith and the tax collector shall within 15 days thereof notify the owner of the property of the amount of taxes due.

However, with respect to the disposal of the property, where it is determined that the new owner of the property will continue to use the property pursuant to the conditions which qualified the property for abatement, no tax shall be due, the abatement shall continue, and the agreement shall remain in effect.

**C. 54:4-3.108 Termination of agreement.**

14. At the termination of an agreement for tax abatement authorized pursuant to this act, a project shall be subject to all applicable real property taxes as provided by State laws and regulations and local ordinances; provided that nothing herein shall be deemed to prohibit a project, at the termination of an agreement for tax abatement, from qualifying for and receiving the full benefits of any other tax preferences provided by law, including, but not limited to, the benefits provided by chapter 40, P. L. of 1961 (C. 40:55C-40 et seq.) as amended and supplemented.

**C. 54:4-3.109 Accomplishment of act's purposes.**

15. The foregoing sections of this act shall be deemed to provide a complete method for the accomplishment of the purposes therein specified and authorized thereby and shall be regarded as not in conflict with, or as restrictive of, powers conferred by any other laws.

**C. 54:4-3.110 Exemption or abatement not allowed for licensed gambling casino.**

16. Notwithstanding any other provision of this act, no exemption or abatement shall be allowed with respect to any facility containing a licensed gambling casino. The issuance of a casino license shall operate to invalidate any existing exemption or abatement agreement, and all unpaid taxes otherwise due, were such exemption or abatement not granted, on the full and true value of the property shall become immediately due and payable.

**C. 54:4-3.111 Partial invalidity.**

17. If any section, part, phrase, or provision of this act or the application thereof to any person, project or circumstances, be adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the section, part, phrase, 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, projects or circumstances.

**C. 54:4-3.112 Forms.**

18. The Director of the Division of Local Government Services shall promulgate and prescribe such forms as may be necessary to carry out the provisions of this act.

19. This act shall take effect immediately.

Approved February 10, 1977.

## CHAPTER 13

AN ACT concerning county and municipal budgets and authorizing contributions to the National Burn Victim Foundation.

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

**C. 40:23-8.22 Contribution to national burn victim foundation.**

1. Any county or municipal governing body may enter a line item in its annual budget for the purpose of making a contribution to the National Burn Victim Foundation which shall be for a public purpose and which will be used to provide the following services to the State of New Jersey:

- a. Specialized burn treatment facilities and services;
- b. Burn treatment educational programs for first aid, E. M. S. and other emergency level personnel;
- c. Burn victim rehabilitation programs, psychological;
- d. Burn medical research;
- e. Burn prevention programs for the general public and civic organizations.

2. This act shall take effect immediately.

Approved February 10, 1977.

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CHAPTER 14

AN ACT to allow counties and municipalities of this State to raise and appropriate funds to be contributed to private, nonprofit organizations which provide certain services relating to burn treatment, rehabilitation, research and prevention, and supplementing Title 40 of the Revised Statutes.

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

**C. 40:23-8.23 Legislature's findings and declaration of policy.**

1. The Legislature finds and declares that private, nonprofit organizations which provide certain services relating to burn treatment, rehabilitation, research and prevention contribute

significant and necessary medical, rehabilitative, research and educational services to the residents of the State of New Jersey, that these services benefit the general safety, health and welfare of residents of communities of this State, and that it is in the public interest of this State that local governments of this State be permitted to contribute to such organizations as a means of assuring that these services and benefits are available to their residents.

**C. 40:23-8.24 Contribution to private, nonprofit organizations providing services related to burn.**

2. The board of chosen freeholders of any county, or the governing body of any municipality, of this State may annually raise and appropriate an amount not to exceed \$1,500.00, for the purpose of making a contribution to any private, nonprofit organization which provides the following services to residents of this State:

- a. Specialized burn treatment facilities and services;
- b. Burn treatment educational programs for first aid, emergency medical services and other emergency level personnel;
- c. Burn victim rehabilitation programs;
- d. Burn medical research; and,
- e. Burn prevention programs for the general public and civic organizations.

3. This act shall take effect immediately.

Approved February 10, 1977.

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CHAPTER 15

AN ACT to amend "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.)," approved November 9, 1976 (P. L. 1976, c. 113).

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

1. Section 4 of P. L. 1976, c. 113 is amended to read as follows:

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 a 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 refunded to the property-owners of the school district."

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 15 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 approved 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 as adjusted pursuant to section 3 of this act which is not approved by the commissioner shall be retained by the local board of education as a special free appropriation balance and shall be used by the board as a tax levy replacement as directed by the commissioner.

2. Section 6 of P. L. 1976, c. 113 is amended to read as follows:

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 February 15, 1977, he shall notify the governing body and the tax collector of each municipality of such amount to be apportioned to the municipality. Such amount shall be deducted from the amount to be paid to the school district by the municipality for the 1976-77 school year. The total amount of the apportionment shall then be prorated among the properties in each municipality according to their assessed valuation and the prorated amounts shall be refunded by May 1, 1977, pursuant to rules and regulations promulgated by the Division of Local Government Services. Any unbudgeted aid applicable to a county vocational school and any such apportionment which, when divided by the aggregate assessed valuation of property in a municipality, is less than .0004, shall not be prorated among the properties but shall be a deduction from taxes to be raised for school district purposes in 1977.

3. This act shall take effect immediately.

Approved February 10, 1977.

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## CHAPTER 16

AN ACT permitting municipalities to enact ordinances providing for a limited regulation of autobuses operating wholly within the municipality, and supplementing chapter 4 of Title 48 of the Revised Statutes.

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

**C. 48:4-2.18 Enactment of ordinances in regulating autobuses.**

1. A municipality may, pursuant to standards established by the public utilities commission, enact ordinances regulating the scheduling, safety and fitness for passenger use of autobuses operating wholly and exclusively within the limits of the municipality.

**C. 48:4-2.19 Violation of ordinance; fines; appeal.**

2. Ordinances enacted pursuant to section 1 of this act may provide for fines of up to \$100.00 for each violation of their provisions, but may not prohibit the operation of any autobus within the municipality unless the continued operating of said autobus would constitute a danger to the health, safety and well-being of the general public.

The owner of any autobus, the operation of which has been prohibited by a municipality pursuant to this act, may appeal the decision of the municipality to the Board of Public Utility Commissioners.

3. This act shall take effect 60 days after its enactment.

Approved February 10, 1977.

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 CHAPTER 17

AN ACT to amend the title of "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," approved August 30, 1976 (P. L. 1976, c. 72), so that the same shall read "An act concerning rebates from taxation, providing homestead rebates for citizens and residents of this State, and supplementing chapter 4 of Title 54 of the Revised Statutes," and amending and supplementing the body of said act.

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

**Title amended.**

1. The title of P. L. 1976, c. 72 is amended to read as follows: "An act concerning rebates from taxation, providing for homestead rebates for citizens and residents of this State, and supplementing chapter 4 of Title 54 of the Revised Statutes."

**C. 54:4-3.80 Homestead rebate; additional rebate for citizen over 65, disabled persons or their widow over 55; ownership for certain persons; "dwelling house" defined.**

2. Section 1 of P. L. 1976, c. 72 (C. 54:4-3.80) is amended to read as follows:

1. a. Every citizen and resident of this State shall be entitled, annually, to a homestead rebate on a dwelling house and the land upon which such dwelling house is situated, or on a dwelling house assessed as real estate situated on land owned by another or others 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 rebate 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.

A person who is a tenant for life or a tenant under a lease for 99 years or more or a person who is entitled to and actually takes possession of the land and dwelling house under an executory contract for the sale thereof or under an agreement with a lending institution which holds title as security for a loan, shall be deemed to be an owner for the purpose of this act.

b. As used in this act "dwelling house" includes any residential property assessed as real property consisting of not more than four units of which not more than one may be used for business or commercial purposes.

3. Section 2 of P. L. 1976, c. 72 (C. 54:4-3.81) is amended to read as follows:

**C. 54:4-3.81 Calculation of amount; limit.**

2. a. The rebate 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 rebate 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 rebate for the tax year 1977 and thereafter.

b. In no instance shall the amount of the homestead rebate be greater than 50% of the net 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 rebate is claimed is a residential property consisting of more than one unit, the claimant shall be allowed a rebate calculated on the basis of his proportionate share of equalized value of the residential unit occupied by him, as determined by the assessor, provided, that not more than one rebate or one additional rebate under subsection a. of this section shall be allowed with respect to any one dwelling house subject to the property tax limitation of subsection b. of this section.

4. Section 3 of P. L. 1976, c. 72 (C. 54:4-3.82) is amended to read as follows:

**C. 54:4-3.82 Application for rebate; form.**

3. No homestead rebate, 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 rebate 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 rebate.

5. Section 4 of P. L. 1976, c. 72 (C. 54:4-3.83) is amended to read as follows:

**C. 54:4-3.83 Application; time for filing; waiver of annual filing requirement; approval by assessor.**

4. a. An application for homestead rebate hereunder shall be filed with the assessor of the taxing district on or before December 1 annually and shall reflect the prerequisites for rebate 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 rebate 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 rebate 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 rebate or has previously filed a claim for rebate 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.

6. Section 5 of P. L. 1976, c. 72 (C. 54:4-3.84) is amended to read as follows:

**C. 54:4-3.84 Time of existence of fact essential to support claim; informing assessor of changes.**

5. Every fact essential to support a claim for a homestead rebate 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 a homestead rebate 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 rebate.

7. Section 7 of P. L. 1976, c. 72 (C. 54:4-3.86) is amended to read as follows:

**C. 54:4-3.86 Joint tenants, tenants in common, tenants by entirety, partners or fiduciaries.**

7. Where title to property as to which a homestead rebate 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 rebate 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 interest 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 rebate but no more than the equivalent of one full homestead rebate shall be allowed in any year, and in any case in which the claimants cannot agree as to the apportionment thereof, such rebate 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 rebate in regard to such property shall be allowed in any year. Right to claim a homestead rebate 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 rebate hereunder, but not to property the title to which is held by a corporation.

8. Section 8 of P. L. 1976, c. 72 (C. 54:4-3.87) is amended to read as follows:

**C. 54:4-3.87 Powers and duties 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 rebate where doubt exists. He may require an applicant to attach to his homestead rebate application a copy of the appropriate tax bill. The director shall, for good cause shown extend the time of any applicant to file a claim for a homestead rebate 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.

9. Section 9 of P. L. 1976, c. 72 (C. 54:4-3.88) is amended to read as follows:

**C. 54:4-3.88 Oaths; administration by assessors and collectors; furnishing copy of tax bill to property owner.**

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 rebate hereunder and no charge shall be made for the taking of any affidavit or the preparation of any form required by this act. Each municipal tax collector shall, upon the request of a property owner, a person having an interest in the property or the director, furnish to such persons without cost a duplicate copy of a property tax bill for use under this act or P. L. 1976, c. 47. Each municipal tax assessor and municipal tax collector shall, at the request of the director, cooperate in supplying whatever information the director may require in the administration of this act.

10. Section 10 of P. L. 1976, c. 72 (C. 54:4-3.89) is amended to read as follows:

**C. 54:4-3.89 Review of determination or calculation of effective rate of ratios.**

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. A rebate under this act shall not be affected by any change in the assessment of any property.

11. Section 12 of P. L. 1976, c. 72 (C. 54:4-3.91) is amended to read as follows:

**C. 54:4-3.91 Equalized value of property; determination.**

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 rebate.

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).

12. Section 13 of P. L. 1976, c. 72 (C. 54:4-3.92) is amended to read as follows:

**C. 54:4-3.92 List of persons entitled to rebate; forwarding to appropriate officials; delinquencies; payments of amount of rebates to qualified property owners.**

13. a. After review, the director may prepare a list of persons entitled to the rebate, together with the respective amounts due. Such lists may be forwarded to the State Treasurer, the Director of the Division of Budget and Accounting and to such other officials as he may deem appropriate. The director may inspect all records in the office of the collector and the assessor with respect to claims and allowances for homestead rebates.

b. Each tax collector shall, on or before February 1 and June 30, of each year furnish the director with a list of delinquent property tax owners in his district for taxes due and payable for the year immediately preceding and the amounts of such delinquencies. No homestead payment under this act shall be made to any property owner while such delinquency remains, provided, however that for the purposes of this act, property which is on appeal and for which the statutory percentage of the tax has been paid shall not be regarded as delinquent.

c. Where delinquencies remain on February 1 or June 30, as the case may be, the director shall ascertain the amounts of homestead rebates withheld because of such delinquencies in each municipality in the State, and shall certify such amounts to the State Treasurer as soon thereafter as may be practicable.

On or before June 1 and on or before November 1, the director shall notify each taxpayer whose homestead rebate has been withheld because of delinquency that the amount of such rebate to which he otherwise would have been entitled will be sent to the tax collector in his municipality to be credited against his delinquency.

d. The State Treasurer semi-annually on or before April 1 and on or before October 1 commencing in the year 1977, upon the certification of the Director of the Division of Taxation and upon the warrant of the State Comptroller, shall pay and distribute in equal installments the amount of the homestead rebate to each qualified property owner as certified by the director.

e. Upon certification by the director as to the amount of rebates withheld because of delinquency in the several municipalities, the State Treasurer upon the warrant of the State Comptroller, shall

pay such amount on or before June 1 and on or before November 1 commencing in the tax year 1977 to the tax collector in each municipality.

f. The tax collector in each municipality shall credit the tax delinquency of each property owner who appears on the delinquency list set forth in subsection b. above in the amount that otherwise would have been returned to him as a rebate. In the event that the amount so credited exceeds the amount of delinquency, the tax collector may return the difference to the taxpayer or credit such amount to the subsequent tax bill.

**C. 54:4-3.89a Appeal; filing of petition; judgment.**

13. (New section) An aggrieved taxpayer may appeal from the disapproval of a claim for a homestead tax rebate by filing a petition of appeal with the county board of taxation within 60 days from the date that such claim has been disapproved. If the property owner's claim for homestead tax rebate is disapproved by the county board of taxation, he may appeal therefrom to the State Division of Tax Appeals within 60 days from the date of such disapproval. The Division of Tax Appeals shall render its judgment within 90 days from the date the appeal was filed with it. In the event that the Director of the Division of Taxation refuses to certify the property owner's homestead tax rebate claim, the director shall indicate the reasons why such claim has not been certified and the claimant shall be permitted to file a petition of appeal with respect to such refusal with the State Division of Tax Appeals within 60 days of the date that a notice of refusal has been mailed to the claimant by the director.

**C. 54:4-3.92a Rebate not subject to garnishment, attachment, execution or other legal process.**

14. (New section) The homestead tax rebate authorized under this act shall not be subject to any garnishment, attachment, execution or other legal process under any circumstances whatsoever, nor shall the payment thereof be anticipated.

15. This act shall take effect immediately and shall be applicable to homestead rebates allowed, paid or credited in the year 1977 and in each year thereafter, except that a property owner who is first entitled to a rebate under this act by reason of the amendment to section 1 of P. L. 1976, c. 72 (C. 54:4-3.80) shall within 45 days from the date of the enactment of this act file a rebate application. Payment of the full amount of the rebate for such claimants shall be made on or before October 1, 1977.

Approved February 15, 1977.

## CHAPTER 18

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

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

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

**C. 54:32B-8 Exempt sales.**

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

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

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

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

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

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

(e) Sales of newspapers, magazines and periodicals;

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

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

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

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

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

(k) The transportation of persons or property;

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

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

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

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

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

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

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

(n) Sales of tangible personal property purchased for use or consumption directly and exclusively in research and development in the experimental or laboratory sense. Such research and development shall not be deemed to include the ordinary testing or inspection of materials or products for quality control, efficiency surveys, management studies, consumer surveys, advertising, promotions or research in connection with literary, historical or similar projects;

(o) Sales or use of wrapping paper, wrapping twine, bags, cartons, tape, rope, labels, nonreturnable containers, reusable milk containers and all other wrapping supplies when such use is incidental to the delivery of any personal property;

(p) Sales of tangible personal property (except automobiles, trucks, trailers, and truck-trailer combinations, and except property incorporated in a building or structure) for use and consumption directly and exclusively in the production for sale of tangible personal property on farms, including stock, dairy, poultry, fruit, fur-bearing animals, and truck farms, ranches, nurseries, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards;

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

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

(s) Sales of tangible personal property and services taxable under any municipal ordinance heretofore adopted pursuant to

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P. L. 1947, c. 71, which is in effect on April 27, 1966, but only to the extent such sales are taxable under said ordinance;

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

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

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

(w) Sales made to contractors, subcontractors or repairmen of materials, supplies or services for exclusive use in erecting structures, or building on, or otherwise improving, altering or repairing real property of organizations described in subsections (a) and (b) of section 9 of this act, provided any person seeking to qualify for this exemption shall do so pursuant to such rules and regulations and upon such forms as shall be prescribed by the director;

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

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

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

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

(bb) Sales of locomotives, railroad cars and other railroad rolling stock, including repair and replacement parts therefor, track materials, and communication, signal and power transmission equipment, to a railroad whose rates are regulated by the Inter-

state Commerce Commission or by the Board of Public Utility Commissioners of New Jersey;

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

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

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

2. This act shall take effect January 1, 1978.

Approved February 16, 1977.

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## CHAPTER 19

AN ACT concerning testing for hearing impairments in newborns and supplementing chapter 2 of Title 26 of the Revised Statutes.

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

**C. 26:2-101 Declaration of policy.**

1. It is hereby declared to be the public policy of this State that newborn infants shall be evaluated by procedures approved by the State Department of Health for the detection of hearing impair-

ments, in order to prevent many of the consequences of these disorders. No such test shall be made as to any newborn infant if the parents of said child object thereto on the grounds that such a test would conflict with their religious tenets or practices.

**C. 26:2-102 Hearing evaluation council; appointment; membership; term; vacancies; compensation; annual report.**

2. The Commissioner of the Department of Health shall appoint a Hearing Evaluation Council, hereafter referred to as the council, to advise the Department of Health on implementation of this act. The council shall be composed of seven persons: a board certified pediatrician, a board certified otolaryngologist, an audiologist with certified clinical competence, a person who is profoundly deaf, a person who is hearing impaired, a hearing person of parents who are deaf, and a citizen of the State who is interested in the concerns and welfare of the deaf. Each member shall hold office for a term of 3 years and until his successor is appointed and qualified, except that the terms of the members first taking office shall expire, as designated at the time of appointment, two at the end of the first year, two at the end of the second year, and three at the end of the third year after the date of appointment. Any person appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. The council shall meet as frequently as the secretary deems necessary, but not less than once each year. Council members shall receive no compensation but shall be reimbursed for actual expenses incurred in carrying out their duties as members of this council. The council shall, 3 months after the effective date of this act and annually thereafter, prepare and submit a report to the President of the Senate, Speaker of the General Assembly, and the Senate and Assembly Committees on Institutions, Health and Welfare regarding the implementation of this act.

**C. 26:2-103 Guidelines; rules and regulations.**

3. The Department of Health shall:

a. With the advice of the council, develop guidelines for evaluation and follow-up procedures for the detection of hearing impairments in infants; and,

b. Promulgate such rules and regulations as necessary to effectuate the purposes of this act.

4. This act shall take effect 6 months after enactment.

Approved February 17, 1977.

## CHAPTER 20

A SUPPLEMENT to "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).

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

1. 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 full-time policeman or fireman eligible for membership except for being overage, provided that such person was of eligible age at the announced closing date of the civil service examination he passed for such position and was appointed during the existence of the civil service list promulgated as a result of such examination, and provided further that there is paid into the retirement system an amount equal to the contributions such person would have been required to make had he been accepted as a member in the retirement system upon his appointment as a full-time police or fireman.

2. The employer of any person who becomes a member of the police and firemen's retirement system, and purchases prior service credit therein pursuant to this act, shall pay to the retirement system the employer's accrued contributions liability on behalf of such employee.

3. This act shall take effect immediately and shall expire 6 months from its effective date.

Approved February 17, 1977.

CHAPTER 21

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 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).

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

72400. *Legislative Commissions*

72410-013. Joint Committee on the Public Schools	\$2,000
Total Appropriation .....	\$2,000

Extraordinary:

Expenses of the Committee ..... ( \$2,000)

CLAIMS

100. DEPARTMENT OF LAW AND PUBLIC SAFETY

11420-160. *Consumer Affairs—Professional Boards\**

14820-155. *New Jersey Racing Commission*

Atlantic City Racing Association, c/o Seiber, Schlesinger and Satz, Attorneys at Law, 11 Commerce Street, Newark, New Jersey 07102, to correct an error in the amount set forth for financial losses resulting from the conduct of the special meet

<p>in addition to the appropriation authorized in the Supplemental Appropriations Bill for the year ending June 30, 1975, payable from the General State Fund .....</p>	<p><u>\$98,201</u></p>
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## 200. DEPARTMENT OF THE TREASURY

### 78150-210. *Central Motor Pool*

#### Hildner-Montague-Kehoe-Scheulen-White:

Dennis Hildner, 1592 Union Avenue, Union, New Jersey 07083, for loss of personal property, \$1,022.45, payable from funds in the Central Motor Pool Account.

Edward R. Montague, 45 Belmont Avenue, Clifton, New Jersey 07012, for loss of personal property, \$3,451.30, payable from funds in the Central Motor Pool Account.

Richard H. Kehoe, 133 Linden Avenue, Middletown, New York, for loss of personal property, \$612.77, payable from funds in the Central Motor Pool Account.

Harry Scheulen, 44 Lockwood Place, Clifton, N. J. 07012, for loss of personal property, \$436.50, payable from funds in the Central Motor Pool Account.

Roland J. White, 295 North Park St., East Orange, N. J. 07017, for loss of personal property, \$281.10, payable from funds in the Central Motor Pool Account.

## 400. DEPARTMENT OF ENVIRONMENTAL PROTECTION

### 41370. *Wildlife and Fisheries Management*

Sandyston Township, Layton, New Jersey 07851, c/o Hixon Spangenberg, Township Clerk, Layton, New Jersey 07851, for payment in lieu of taxes for certain fish and game properties, payable from the Public Shooting and Fishing Grounds Fund, \$6,450.

## 600. DEPARTMENT OF TRANSPORTATION\*

## DEPARTMENT OF INSTITUTIONS AND AGENCIES

26100-783. *Ancora Psychiatric Hospital*

Jean and Curtis Matthews, Carol Manor, Cape May, New Jersey, c/o Shapiro, Brotman, Eisenstat & Capizola, Counsellors at Law, 1179 East Landis Avenue, Vineland, New Jersey 08360, for the pain and suffering and consequences thereof as resulting from the amputation of the left leg while a patient at the Ancora Psychiatric Hospital, settlement to be negotiated by the Attorney General but not to exceed \$100,000, payable from funds appropriated to the Tort claims fund.

## 850. DEPARTMENT OF THE PUBLIC ADVOCATE

James Lee Andrews, c/o Furman L. Templeton, Jr., Attorney at Law, 134 Evergreen Place, East Orange, New Jersey 07018, for pain and suffering incurred while incarcerated without a full investigation by the Office of the Public Defender, payable in an amount of \$25,000 from funds appropriated to the Department of the Public Advocate.

## MISCELLANEOUS EXECUTIVE COMMISSIONS

911. *Palisades Interstate Park Commission*

Borough of Alpine, c/o Schneider, Schneider and Behr, Counsellors at Law, 1029 Teaneck Road, Teaneck, New Jersey 07666, and Borough Officials for the Boroughs of Englewood Cliffs and Fort Lee, for payment of municipal taxes for land situated within their respective boroughs:

Borough of Alpine .....	\$18,300
Borough of Englewood Cliffs .....	25,200
Borough of Fort Lee .....	19,500

Payable from the net share of revenues derived from operations of gasoline stations on the New Jersey section of the Palisades Interstate Parkway, \$63,000.

970. THE JUDICIARY

73100. *Court Operations*

County of Morris, Court House, Morristown, New Jersey 07960, c/o Robert T. Natoli, County Treasurer, for overtime expended by the Sheriff's Office for security in the jury selection for the Squires and Chesimard Jury .....

\*

Total Appropriation, Claims ..... \$98,201\*

The appropriations hereinabove made for claims shall fully settle and extinguish all claims, demands and liens of every character. The acceptance of said sums shall constitute a full and complete release and acquittance to the State of New Jersey, its agencies, instrumentalities and employees.

Total Supplemental Appropriation ..... \$100,201\*

2. Section 1 of PL 1975, c. 128 is amended to read as follows:

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, 1976. 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, 1976 with the Director of the Division of Budget and Accounting or held by encumbrance requests covering requisitions on file as of June 30, 1976 with the Director of the Division of Budget and Accounting, provided that contracts covering such requisitions are filed with the Director by August 31, 1976. Unanticipated Federal funds (Federal aid—not budgeted) are exempt from the provisions of this section relating to the conversion of requisitions to contracts by August 31, 1976. 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.

3. This act shall take effect immediately.

Approved February 17, 1977.

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STATEMENT ON SENATE BILL No. 1501  
(Corrected Copy)

To the Senate:

Pursuant to Article V, Section 1, Paragraph 15 of the Constitution, I am appending to Senate Bill No. 1501 (Corrected Copy) 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 either not take effect or shall be modified.

1. On page 1-2:

“11420-160. *Consumer Affairs—Professional Boards*

Thomas W. Birdsall, 635 17th Avenue, Belmar, New Jersey 07719, for loss and resultant consequences of erroneous charge of gross negligency, incompetency, etc., by the New Jersey State Board of Professional Engineers and Land Surveyors in June of 1974, payable from funds appropriated to the State Board of Professional Engineers and Land Surveyors, \$4,400.”

This item is deleted in its entirety.

2. On page 3:

“600. *Department of Transportation*

Borough of Netcong, c/o Borough Officials and Meyerson and Kron, Esquires, 46 Main Street, Netcong 07857, for drainage expenses resulting from flooding due to construction of Route 80, payable from funds appropriated to the Department, \$35,000.”

This item is deleted in its entirety.

3. On page 4:

“73100. *Court Operations*

County of Morris, Court House, Morristown, New Jersey 07960, c/o Robert T. Natoli, County Treasurer, for overtime expended by the Sheriff's Office for security in the jury selection for the Squires and Chesimard Jury, \$7,491.”

This item is deleted in its entirety.

4. On page 4, line 7:

“Total Appropriation, Claims ..... \$105,692”

This item is reduced to \$98,201.

5. On page 4, line 14:

“Total Supplemental Appropriation ..... \$107,692”

This item is reduced to \$100,201.

Senate Bill No. 1501 (Corrected Copy) is a supplemental appropriations bill to authorize payment of certain claims filed against the State of New Jersey. I have decided, for the reasons below, to deny payment of the following claims.

The Birdsall claim for \$4,400 involves a complaint filed by the Attorney General before the State Board of Professional Engineers and Land Surveyors against Mr. Birdsall, a licensed professional engineer. The complaint alleged gross negligence in the review and approval of a subdivision plan while acting as a township engineer. The State retained an expert witness prior to the filing of the Complaint, and this expert offered the opinion that Mr. Birdsall had been grossly negligent. During the course of the hearing, this expert changed his opinion and the proceedings were then voluntarily dismissed against the claimant. Birdsall claims that he spent \$8,800 defending against the charges. The New Jersey Tort Claims Act bars this type of claim.

The claim should be rejected. On the basis of the expert's original opinion, there was probable cause to bring the complaint and there has been no showing of malice. Many administrative agencies hold such disciplinary hearings. Imposition of the costs of an unsuccessful prosecution upon the agency could increase the pressure to find against the defendant or decrease the bringing of such actions in close cases. Where there has been no abuse of discretion in the bringing of the action, the administrative agency should not be penalized.

The Borough of Netcong claim is based on proposed costs which would be incurred by the Borough for the upgrading of storm drains along Route 46. The municipality contends that the Department of Transportation caused flooding in a certain area when constructing Interstate 80. The Department of Transportation concedes that there is flooding at the area in question and that present drainage is inadequate. The Department maintains, however, that construction of Route 80 was an insignificant contribu-

tory factor to the present situation. The Department maintains that the problem can be properly corrected only on a larger scale, through the initiation of a more expensive project involving the State, the Borough of Netcong, Morris County, a railroad and the acquisition of certain private property rights. This claim will not resolve the problem, and is an inappropriate response to the flooding situation.

The County of Morris claim of \$7,491 is for overtime expenses incurred by the Sheriff's Office of Morris County for security in the jury selection for a trial. The trial was transferred from Middlesex to Morris County to assure the defendants the opportunity to obtain a fair and impartial trial. This is a normal procedure followed when a question exists in the county where venue is regularly set of the fairness of that proceeding. It remains my view, as I have stated in vetoing this claim in prior years, that the expense of providing security through the Sheriff's Office in a particular county is not an appropriate expense for the Judiciary.

Respectfully,

[SEAL]  
Attest:

BRENDAN BYRNE,  
*Governor.*

JOHN J. DEGNAN,  
*Executive Secretary to the Governor.*

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## CHAPTER 22

AN ACT to amend and supplement "An act limiting maximum permissible expenditures by the State in certain instances, and supplementing Title 52 of the Revised Statutes," approved August 18, 1976 (P. L. 1976, c. 67).

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

1. Section 2 of P. L. 1976, c. 67 (C. 52:9H-6) is amended to read as follows:

**C. 52:9H-6 Definitions.**

2. As used in this act:

a. "Base year" means the fiscal year prior to the fiscal year for which an appropriation or expenditure is to be made;

b. "Expenditures" or "appropriations" 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.

2. Section 3 of P. L. 1976, c. 67 (C. 52:9H-7) is amended to read as follows:

**C. 52:9H-7 Limit on State expenditures; formula.**

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:

$$\frac{PCI_i}{PCI_{i-1}} \times b. \text{exp} = \text{Maximum expenditures}$$

where:

a.  $PCI_i$  means State per capita personal income in the year prior to the base year, which shall be calculated by taking the personal income data published by the United States Department of Commerce for the calendar year quarter preceding the commencement of the base year, and dividing it by the State's population in the year in which that calendar quarter falls, as certified by said department;

b.  $PCI_{i-1}$  means State per capita personal income in the year 2 years prior to the base year, which shall be calculated by taking the personal income data published by the United States Department of Commerce for the fifth calendar year quarter preceding the commencement of the base year and dividing it by the State's population in the year in which that calendar quarter falls, as certified by said department; and

c. "b.exp" means the appropriations of the State in the base year.

**C. 52:9H-12 Governor's budget message; excess appropriation not to be requested.**

3. (New section) In presenting his annual budget message the Governor shall not request or recommend for appropriation any

amount in excess of the maximum expenditures permitted pursuant to this act for the fiscal year for which said budget message is presented.

**C. 52:9H-13 Effective date and expiration of act.**

4. This act and the act to which this is a supplement shall take effect immediately and shall expire on June 30, 1980.

Approved February 18, 1977.

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CHAPTER 23

AN ACT relating to motor vehicle drivers' licenses in certain cases, and supplementing chapter 3 of Title 39 of the Revised Statutes.

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

**C. 39:3-10b Probationary license.**

1. All successful applicants for a basic driver's license or motorcycle license who previously have never been licensed to drive a motor vehicle in this, or any other state, shall be licensed on a probationary basis for the 2-year period following the issuance of their initial licenses. No such license shall physically differ by way of appearance from a nonprobationary license.

2. This act shall take effect immediately but shall remain inoperative for 180 days and until the first day of the month next occurring thereafter.

Approved February 24, 1977.

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CHAPTER 24

ACT concerning motor vehicles and traffic regulations, and amending R. S. 39:3-41.

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

1. R. S. 39:3-41 is amended to read as follows:

**Driver's manual made available; contents.**

39:3-41. a. At the time of the issuance of an examination permit or a special learner's permit to operate a motor vehicle, the director shall make available to each applicant for the examination permit or special learner's permit a driver's manual containing information required to be known and followed by licensed drivers relating to licensing requirements.

b. At the time of any required examination for renewal of a driver's license, the director shall upon request make available to each applicant for renewal a copy of the manual and any supplements thereto.

c. The driver's manual and any supplements thereto or any other booklet or writing prepared in connection with examinations for drivers' licenses or for renewals of drivers' licenses shall contain all information necessary to answer any question on an examination for a driver's license or for a renewal of a driver's license.

2. This act shall take effect immediately but shall remain inoperative for a period of 1 year and until the first day of the month next occurring thereafter, except that the director in his discretion may comply with any of the provisions of this act prior to the termination of the inoperative period.

Approved February 24, 1977.

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CHAPTER 25

AN ACT concerning the classification of motor vehicles and the licensing of drivers thereof, amending R. S. 39:3-10, R. S. 39:3-10.1, R. S. 39:3-13 and P. L. 1950, c. 127, and supplementing chapter 3 of Title 39 of the Revised Statutes.

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

1. R. S. 39:3-10 is amended to read as follows:

**Drivers' licenses; examination; classifications; basic driver's license; issuance; fees; renewals; denial of license; violations.**

39:3-10. No person shall drive a motor vehicle on a public highway in this State unless licensed to do so in accordance with this article. No person under 17 years of age shall be licensed to drive

motor vehicles, nor shall a person be licensed until he has passed a satisfactory examination as to his ability as an operator. The examination shall include a test of the applicant's vision, his ability to understand traffic control devices, his knowledge of safe driving practices, his knowledge of such portions of the mechanism of motor vehicles as is necessary to insure the safe operation of a vehicle of the kind or kinds indicated by the applicant and of the laws and ordinary usages of the road and a demonstration of his ability to operate a vehicle of the class designated.

The director shall create classified licensing of drivers covering the following classifications:

- a. Motorcycles;
- b. Omnibuses as classified by R. S. 39:3-10.1 and school buses classified under N. J. S. 18A:39-1 et seq.;
- c. Articulated vehicles means a combination of a commercial motor vehicle registered at a gross weight in excess of 18,000 pounds and one or more motor-drawn vehicles joined together by means of a coupling device.
- d. All motor vehicles not included in classifications a., b. and c. A license issued pursuant to this classification d. shall be referred to as the "basic driver's license."

Every applicant for a license under classification b. or c. must be a holder of a basic driver's license. Any issuance of a license under classification b. or c. shall be by endorsement on the basic driver's license.

A driver's license for motorcycles may be issued separately, but if issued to the holder of a basic driver's license, it shall be by endorsement on the basic driver's license.

The director, upon payment of the lawful fee and after he or an inspector of his has examined the applicant and is satisfied of the applicant's ability as an operator, may, in his discretion, license the applicant to drive a motor vehicle. The license shall authorize him to drive any registered vehicle, of the kind or kinds indicated, and shall expire on the last day of the twenty-fourth calendar month following the calendar month in which such license was issued. The director may, at his discretion and for good cause shown, issue licenses which shall expire on a date fixed by him. The fee for such licenses shall be fixed by the director in amounts proportionately less or greater than the fee herein established.

The required fee for a license for the 24-month period shall be as follows:

Motorcycle license or endorsement .....	\$4.00
Omnibus or school bus endorsement .....	\$8.00
Articulated vehicle endorsement .....	\$4.00
Basic driver's license .....	\$8.00

The driver's license shall have the legal name of the licensee endorsed thereon in his own handwriting. For purposes of this section, legal name shall mean the name recorded on a birth certificate unless otherwise changed by marriage, divorce or order of court. The director may require that only the legal name be recorded on the driver's license. A licensee whose name is changed due to marriage, divorce, or by judgment of court, shall notify the director of the change in name within 2 weeks after the change is made. A person who violates this provision shall be subject to a penalty of not more than \$10.00.

The director shall issue licenses for the following license period on and after the first day of the calendar month immediately preceding the commencement of such period, such licenses to be effective immediately.

All applications for renewals of licenses shall be made on forms prescribed by the director, which forms shall be mailed by the director from the central office of the division to the last addresses of the licensed drivers as they appear on the records of the division. Upon the return by mail of such forms, accompanied by the requisite fees, the director shall issue renewals of such licenses by mail from the central office of the division.

The director in his discretion may refuse to grant a license to drive motor vehicles to a person who is, in his estimation, not a proper person to be granted such a license, but no defect of the applicant shall debar him from receiving a license unless it can be shown by tests approved by the Director of the Division of Motor Vehicles that the defect incapacitates him from safely operating a motor vehicle.

A person violating this section shall be subject to a fine not exceeding \$500.00 or imprisonment in the county jail for not more than 60 days.

Nothing in this section shall be construed to alter or extend the expiration of any license issued prior to the date this amendatory and supplementary act becomes operative.

2. R. S. 39:3-10.1 is amended to read as follows:

**Transportation of passengers for hire; special license.**

39:3-10.1. No person shall drive any motor vehicle or trackless trolley with a capacity of more than 6 passengers and used for the

transportation of passengers for hire or any bus as defined by the director used for the intrastate transportation of passengers, except taxicabs, hotel buses, and omnibuses used for the transportation of passengers in interstate or foreign commerce, or any bus used to transport children to and from school pursuant to sections N. J. S. 18A:39-1 et seq. or when being used by a private school to transport children to and from school, unless specially licensed so to do by the director. Such license shall not be granted until the applicant therefor is at least 18 years of age and has passed a satisfactory examination in ascertainment of his driving ability and familiarity with the mechanism of said vehicle and has presented evidence, satisfactory to the director of his previous experience (including proof that he has had at least 3 years of driving experience), good character and physical fitness. Said license shall be effective until suspended or revoked by the director; provided, the special licensee is also the holder of a license as provided for in section 39:3-10 of this Title.

Every holder of a special license issued pursuant to this section shall furnish to the director satisfactory evidence of continuing physical fitness, good character and experience once in every 24 months after the issuance of the special license.

The director may suspend or revoke a license granted under authority of this section for a violation of any of the provisions of this subtitle, or on other reasonable grounds, or where, in his opinion, the licensee is either physically or morally unfit to retain the same.

The director may make such rules and regulations as he may deem necessary to carry out the provisions of this section.

3. R. S. 39:3-13 is amended to read as follows :

**Examination permit; scope and effect; fee.**

39:3-13. The director may, in his discretion, issue to a person over 17 years of age an examination permit, under the hand and seal of the director, allowing such person, for the purpose of fitting himself to become a licensed driver, to operate a designated class of motor vehicles for a specified period of not more than 90 days, while in the company and under the supervision of a driver licensed to operate such designated class of motor vehicles. The permit shall be sufficient license for the person to operate such designated class of motor vehicles in this State during the period specified, while in the company of and under the control of a driver licensed by this State to operate such designated class of motor vehicles. Such person, as well as the licensed driver, shall be held

accountable for all violations of this subtitle committed by such person while in the presence of the licensed driver.

No examination for a driver's license shall be given unless the applicant has first secured a special learner's permit or examination permit and no road test shall be scheduled for an applicant who has secured an examination permit until at least 20 days shall have elapsed following the validation of the examination permit for practice driving.

Every applicant for an examination permit to qualify for an omnibus endorsement or an articulated vehicle endorsement must be a holder of a valid basic driver's license.

The required fees for special learners permits and examination permits shall be as follows:

Basic driver's license .....	\$5.00
Motorecycle license or endorsement .....	5.00
Omnibus or school bus endorsement .....	25.00
Articulated vehicle endorsement .....	15.00

The specified period for which a permit is issued may be extended for not more than an additional 60 days, without payment of added fee upon application made by the holder thereof where the holder has applied to take the examination for a driver's license prior to the expiration of the original period for which the permit was issued and the director was unable to schedule an examination during said period.

4. Section 1 of P. L. 1950, c. 127 (C. 39:3-13.1) is amended to read as follows:

**C. 39:3-13.1 Special learner's permit; place of keeping.**

1. The Director of the Division of Motor Vehicles may issue to a person over 16 years of age a special learner's permit, under the hand and seal of the director, allowing such person, for the purpose of fitting himself to become a motor vehicle driver, to operate a dual pedal controlled motor vehicle while enrolled in a course of behind-the-wheel automobile driving education approved by the State Department of Education and conducted in a public, parochial or private school of this State or while taking a course of behind-the-wheel automobile driving instruction conducted by a drivers' school duly licensed pursuant to the provisions of P. L. 1951, c. 216 (C. 39:12-1 et seq.), which special learner's permit shall be issued in lieu of the examination permit provided for in R. S. 39:3-13.

The special learner's permit described above when issued to a person enrolled in a course of driving education conducted in a public, parochial or private school shall be retained in the office of the school principal at all times except during such time as the person to whom the permit is issued is undergoing behind-the-wheel automobile driving instruction.

The director may make such rules and regulations as he may deem necessary to carry out the provisions of this section.

5. Section 2 of P. L. 1950, c. 127 (C. 39:3-13.2) is amended to read as follows:

**C. 39:3-13.2 Scope and effect of special permit.**

2. The special permit shall be sufficient license for the person to operate a dual pedal controlled motor vehicle in this State during the period specified, while in the company of and under the control of a teacher, certified by the State Department of Education as authorized to instruct in an approved behind-the-wheel automobile driving education course or a duly licensed instructor of a drivers' school, or while in the company of a representative of the Division of Motor Vehicles for the purpose of submitting to examination for a driver's license. Such person, as well as the said teacher or instructor, shall be held accountable for all violations of subtitle 1 of Title 39 of the Revised Statutes and any supplements thereto committed by such person while in the presence of the teacher or instructor.

**C. 39:3-13.2a Retention of special learner's permit; validity.**

6. (New section) Any person to whom a special learner's permit has been issued pursuant to section 1 of P. L. 1950, c. 127 (C. 39:3-13.1), upon attaining 16 years and 6 months of age, shall be entitled to retain the special learner's permit in his own possession. Such person may operate a motor vehicle of the class for which a basic driver's license is required during the hours between sunrise and sunset while in the company and under the control of a licensed motor vehicle driver of this State who has had at least 3 years' experience as a licensed motor vehicle driver. Such special permit shall be valid for 90 days after such person's seventeenth birthday or until the completion of the road test portion of his license examination, whichever period is shorter.

7. Section 3 of P. L. 1950, c. 127 (C. 39:3-13.3) is amended to read as follows:

**C. 39:3-13.3 Application for special permit.**

3. No special permit shall be issued unless the person applying therefor shall present a written application for the same, bearing a certification by the principal of the school indicating that the person is enrolled in an approved behind-the-wheel driving education course in the school of which he is principal or by the person operating a duly licensed drivers' school indicating that the person has contracted to take a course of behind-the-wheel automobile driving instruction offered by the school and shall pay the sum of \$5.00 to an agent of the Division of Motor Vehicles, which sum shall be turned over by the agent to the director, and by him remitted with the other funds collected in his division to the State Treasurer, in accordance with law.

8. Section 4 of P. L. 1950, c. 127 (C. 39:3-13.4) is amended to read as follows:

**C. 39:3-13.4 Examination for driver's license.**

4. The holder of a special learner's permit shall be entitled to examination for a driver's license upon attaining the age of 17 years and upon the satisfactory completion of an approved behind-the-wheel automobile driving education course as indicated upon the face of the special permit over the signature of the principal of the school or the person operating the drivers' school in which the course was conducted.

9. (New section) On or after the effective date of this act and within 90 days after this act becomes operative, any holder of a valid New Jersey driver's license who has had at least 90 days or 200 hours experience in driving articulated vehicles as said vehicles are defined in R. S. 39:3-10, upon application and proof of such experience satisfactory to the director, shall be eligible to receive the articulated vehicle endorsement without examination.

10. This act shall take effect immediately but shall remain inoperative for 180 days and until the first day of the month next occurring thereafter.

Approved February 24, 1977.

## CHAPTER 26

AN ACT creating the Medical-Vision Advisory Panel in the Division of Motor Vehicles and prescribing its functions, powers and duties.

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

**C. 39:2-13 Medical vision advisory panel; membership.**

1. There is hereby created in the Division of Motor Vehicles a special study and advisory panel to be known as the Medical-Vision Advisory Panel consisting of physicians licensed to practice medicine and surgery (including physicians specialty-board certified in internal medicine, psychiatry, neurology, physical medicine, and ophthalmology), licensed optometrists, and officials of the division supervising motor vehicle driver licensing.

**C. 39:2-14 Appointment; term; compensation.**

2. The members of the panel shall be appointed by the Governor upon recommendations by the director and shall be in such number as the Governor and director shall deem appropriate. In recommending the physician and optometrist members, the director shall seek the advice and recommendations of the Medical Society of New Jersey with respect to the physician members, and the New Jersey Optometric Association with respect to the optometrist member or members. The panel and the members thereof shall serve at the pleasure of the Governor. They shall receive no compensation for their services but shall be reimbursed for the reasonable expenses actually incurred in the performance of their duties as approved by the director.

**C. 39:2-15 Powers and duties.**

3. The Medical-Vision Advisory Panel shall study and review all medical criteria and vision standards applicable to the licensing of motor vehicle drivers by the division and recommend such additions and revisions thereof as it shall deem necessary and appropriate. Any such recommended additions and revisions may be adopted by the division on a trial basis to determine the necessity and validity thereof.

The director may from time to time require panel members to give testimony at administrative hearings concerning applicants

and licensees who may suffer from medical, vision, psychiatric, psychological or characterological disorders relating to a person's ability to safely operate a motor vehicle.

4. This act shall take effect immediately.

Approved February 24, 1977.

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## CHAPTER 27

AN ACT concerning motor vehicles and traffic regulation, amending P. L. 1969, c. 261 and P. L. 1972, c. 38 and supplementing Title 39 of the Revised Statutes.

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

1. Section 1 of P. L. 1969, c. 261 (C. 39:5-30.2) is amended to read as follows:

**C. 39:5-30.2 Review by director; attendance to program in lieu of suspension.**

1. Any moving violation of the motor vehicle law which carries with it a penalty of suspension or revocation of a driver's license may, after the effective date of this act, be subject to review by the director. The director, in his discretion, may permit a driver subject to suspension or revocation to elect to attend a Division of Motor Vehicles Driver Improvement Program in lieu of all or part of a period of suspension. This discretionary authority shall not apply to those sections of the motor vehicle law which require the imposition of a mandatory suspension term.

2. Section 2 of P. L. 1969, c. 261 (C. 39:5-30.3) is amended to read as follows:

**C. 39:5-30.3 Accumulation of 12 points; hearing.**

2. An accumulation of 12 points may cause a driver to be subject to a hearing before the Director of the Division of Motor Vehicles or a hearing officer designated by the director on a rule to show cause why his driver's license should not be suspended, or the driver may elect to attend a Division of Motor Vehicles Driver Improvement Program. The director, in his discretion, may permit a driver subject to suspension under this section to elect to attend a Division of Motor Vehicles Driver Improvement Program in lieu

of all or part of a period of suspension. The record of points assessed against any driver shall be reduced by 3 points for each 12 months subsequent to the assessment of points of driving without conviction of a moving violation.

3. Section 1 of P. L. 1972, c. 38 (C. 39:5-30.4) is amended to read as follows:

**C. 39:5-30.4 Driver improvement program; fees.**

1. Persons attending a Division of Motor Vehicles Driver Improvement Program shall pay such fee therefor not to exceed \$30.00, as prescribed in regulations promulgated by the director. The driver's license of any person failing to pay the prescribed fee shall be subject to suspension or revocation.

4. The record of points assessed against every driver for violations occurring prior to the effective date of this act, shall be reduced by 6 points, provided his record shall not have been assessed any points during the year immediately preceding the effective date of this act. If said driver has been assessed less than 6 points, his record of points shall be expunged.

5. This act shall take effect immediately.

Approved February 24, 1977.

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CHAPTER 28

AN ACT providing for the periodic reexamination of licensed drivers of motor vehicles and supplementing chapter 3 of Title 39 of the Revised Statutes.

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

**C. 39:3-10c Examination of vision; certification; corrective action.**

1. The division shall require every licensed driver to take and successfully pass an examination of his vision at least once every 10 years as a condition for the renewal of his driver's license and of any endorsement thereon.

The vision examination may be certified by the division or by any licensed optometrist or ophthalmologist. If the examination shows a need for corrective eyeglasses or any other

corrective action, the renewal of the applicant's license shall be conditioned upon his compliance with such need. The division may require a road test of any applicant to determine the adequacy of, or the applicant's adaptation to the required corrective action.

**C. 39:3-10d Implementation of reexamination program; procedure.**

2. To implement the reexamination program provided for by this act and to establish it on a current basis, the division shall reexamine approximately 10% of all of the State's licensed drivers in each year during the first 10 years following the date this act becomes operative. Once reexamined during said 10-year period, no licensed driver shall be again reexamined pursuant to the provisions of this act sooner than 10 years thereafter.

3. This act shall take effect immediately but shall remain inoperative for 180 days and until the first day of the month next occurring thereafter.

Approved February 24, 1977.

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CHAPTER 29

AN ACT concerning motor vehicles and traffic regulation with respect to operation of a motor vehicle while under the influence of intoxicating liquor or certain drugs and revising parts of the statutory law.

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

1. R. S. 39:4-50 is amended to read as follows:

**Operating under influence of liquor or drugs; penalty; forfeiture of right to operate; additional requirements; rules and regulations.**

39:4-50. (a) A person who operates a motor vehicle while under the influence of intoxicating liquor, narcotic, hallucinogenic or habit-producing drug, or permits another person who is under the influence of intoxicating liquor, narcotic, hallucinogenic or habit-producing drug to operate a motor vehicle owned by him or in his custody or control, shall be subject, for the first offense, to a fine of not less than \$200.00 nor more than \$400.00 or imprisonment for a term of not more than 30 days or both, in the discretion of the court, and shall forthwith forfeit his right to operate a motor

vehicle over the highways of this State for a period of not less than 60 days nor more than 180 days. Except as hereinafter provided, for a second violation, he shall be subject to a fine of not less than \$500.00 nor more than \$1,000.00, or imprisonment for a term of no more than 90 days, or both, and shall forfeit his right to operate a motor vehicle over the highways of this State for a period of not less than 1 year nor more than 3 years upon conviction, and, after the expiration of said period, he may make application to the Director of the Division of Motor Vehicles for a license to operate a motor vehicle, which application may be granted at the discretion of the director, consistent with subsection b. of this section. Except as hereinafter provided, for a third or subsequent violation, he shall be subject to a fine of \$1,000.00, or imprisonment for a term of not less than 30 days nor more than 180 days, or both, in the discretion of the court, and shall forfeit his right to operate a motor vehicle over the highways of this State for a period of 5 years upon conviction, and, after the expiration of said period, he may make application to the Director of the Division of Motor Vehicles for a license to operate a motor vehicle, which application may be granted at the discretion of the director, consistent with subsection (b) of this section. If the driving privilege of any person is under revocation or suspension for a violation of any provision of this Title at the time of any conviction for a violation of this section, the revocation or suspension period imposed shall commence as of the date of termination of the existing revocation or suspension period. A court that imposes a term of imprisonment under this section may sentence the person so convicted to the county jail, to the workhouse of the county wherein the offense was committed, or to an in-patient rehabilitation program approved by the Director of the Division of Motor Vehicles.

A person who has been convicted of a previous violation of this section need not be charged as a second or subsequent offender in the complaint made against him in order to render him liable to the punishment imposed by this section on a second or subsequent offender, but if the second offense occurs 15 or more years after the first conviction the court shall treat the conviction as a first offense, and if a third or subsequent offense occurs 10 or more years after the first conviction, the court shall treat the conviction as a second offense.

(b) In addition to any other requirements provided by law, a person convicted under this section must satisfy the requirements of a program of alcohol education or rehabilitation approved by

the Director of the Division of Motor Vehicles. Failure to satisfy such requirements shall result in a driver license revocation or suspension or continuation of revocation or suspension until such requirements are satisfied, unless stayed by court order in accordance with Rule 7:8-2 of the N. J. Court Rules, 1969, or R. S. 39:5-22. A fee, not to exceed \$30.00, shall be payable to the director from every person required to satisfy the requirements of a program of alcohol education or rehabilitation under the provisions of this section.

(c) Upon conviction of a violation of this section, the court shall collect forthwith the New Jersey drivers' license or licenses of the person so convicted and forward such license or licenses to the Director of the Division of Motor Vehicles. In the event that a person convicted under this section is the holder of any out-of-state driver's license, the court shall not collect the license but shall notify forthwith the director who shall, in turn, notify appropriate officials in the licensing jurisdiction. The court shall, however, revoke the nonresident's driving privilege to operate a motor vehicle in this State in accordance with this section.

(d) The Director of the Division of Motor Vehicles shall promulgate administrative rules and regulations in order to effectuate the purposes of this act.

2. Section 30 of P. L. 1951, c. 23 (C. 39:4-50.1) is amended to read as follows:

**C. 39:4-50.1 Chemical analysis to determine percentage of alcohol in blood; presumptions.**

30. In any prosecution for a violation of R. S. 39:4-50 relating to driving a vehicle while under the influence of intoxicating liquor, the amount of alcohol in the defendant's blood at the time alleged as shown by chemical analysis of the defendant's blood, urine, breath, or other bodily substance shall give rise to the following presumptions:

(1) If there was at that time 0.05% or less by weight of alcohol in the defendant's blood, it shall be presumed that the defendant was not under the influence of intoxicating liquor;

(2) If there was at that time in excess of 0.05% but less than 0.10% by weight of alcohol in the defendant's blood, such fact shall not give rise to any presumption that the defendant was or was not under the influence of intoxicating liquor, but such fact may be considered with other competent evidence in determining the guilt or innocence of the defendant;

(3) If there was at that time 0.10% or more by weight of alcohol in the defendant's blood, it shall be presumed that the defendant was under the influence of intoxicating liquor.

The foregoing provisions of this section shall not be construed as requiring that evidence of the amount of alcohol in the defendant's blood must be presented, nor shall they be construed as limiting the introduction of any other competent evidence bearing upon the question whether or not the defendant was under the influence of intoxicating liquor.

3. Section 2 of P. L. 1966, c. 142 (C. 39:4-50.2) is amended to read as follows:

**C. 39:4-50.2 Consent to taking samples of breath; record of test; independent test; use of force prohibited.**

2. (a) Any person who operates a motor vehicle on any public road, street or highway or quasi-public area in this State shall be deemed to have given his consent to the taking of samples of his breath for the purpose of making chemical tests to determine the content of alcohol in his blood; provided, however, that the taking of samples is made in accordance with the provisions of this act and at the request of a police officer who has reasonable grounds to believe that such person has been operating a motor vehicle in violation of the provisions of R. S. 39:4-50.

(b) A record of the taking of any such sample, disclosing the date and time thereof, as well as the result of any chemical test, shall be made and a copy thereof, upon his request, shall be furnished or made available to the person so tested.

(c) In addition to the samples taken and tests made at the direction of a police officer hereunder, the person tested shall be permitted to have such samples taken and chemical tests of his breath, urine or blood made by a person or physician of his own selection.

(d) The police officer shall inform the person tested of his rights under subsections (b) and (c) of this section.

(e) No chemical test, as provided in this section, or specimen necessary thereto, may be made or taken forcibly and against physical resistance thereto by the defendant, the police officer shall, however, inform the person arrested of the consequences of refusing to submit to such test under section 4 of P. L. 1966, c. 142 (C. 39:4-50.4). A standard statement, prepared by the director, shall be read by the police officer to the person under arrest.

4. Section 4 of P. L. 1966, c. 142 (C. 39:4-50.4) is amended to read as follows:

**C. 39:4-50.4 Refusal to submit to test; suspension of license or permit; notice; hearing; requirements of alcohol education program.**

4. (a) If an operator of a motor vehicle, after being arrested for a violation of R. S. 39:4-50, shall refuse to submit to the chemical test provided for in section 2 of this act when requested to do so, the arresting officer shall cause to be delivered to the Director of Motor Vehicles his sworn report of such refusal in which report he shall specify the circumstances surrounding the arrest and the grounds upon which his belief was based that the person was driving or operating a motor vehicle in violation of the provisions of R. S. 39:4-50. Upon receipt of such a report, if the director shall find that the arresting officer acted in accordance with the provisions of this act, he shall, upon written notice, suspend the person's license or permit to drive or operate a motor vehicle, or if such person is a nonresident, the privilege to drive or operate a motor vehicle within this State, unless such person, within 10 days of the date of such notice, shall have requested, in writing, a hearing before the director. Upon such request, the director shall hold a hearing on the issues of whether the arresting officer had reasonable grounds to believe the person had been driving or was in actual physical control of a motor vehicle on the public highways or quasi-public areas of this State while under the influence of intoxicating liquor, whether the person was placed under arrest, and whether he refused to submit to the test upon request of the officer. If no such hearing is requested within the time allowed, or if after a hearing the director shall find against the person on such issues, he shall revoke such person's license or permit to drive or operate a motor vehicle, or the privilege to drive or operate a motor vehicle within this State if such person is a nonresident for a period as prescribed in paragraph (b) to be calculated from the date of the director's determination, or if such person is a resident without a license or permit to drive or operate a motor vehicle in this State, the director shall deny to such person the issuance of any such license or permit during the period prescribed from the date of the director's determination. Such revocation shall be independent of any revocation imposed by virtue of a conviction under the provisions of R. S. 39:4-50.

(b) Any revocation of the right to operate a motor vehicle over the highways of this State for refusing to submit to a chemical test shall be for 90 days unless the refusal was in connection with a subsequent offense of this section, in which case, the revocation period shall be for 1 year. In addition to any other requirements provided by law, a person whose operator's license is revoked for

refusing to submit to a chemical test must satisfy the requirements of a program of alcohol education or rehabilitation pursuant to the provisions of R. S. 39:4-50.

5. R. S. 39:4-51 is amended to read as follows:

**Sentence for violation of section 39:4-50; work release program; outpatient rehabilitation program; writ of habeas corpus, proceeding in lieu of prerogative writs or appeal unaffected.**

39:4-51. A person who has been convicted of violating section 39:4-50 of this Title, and in pursuance thereof has been imprisoned in a county jail or workhouse in the county in which the offense was committed, shall not, after commitment, be released therefrom until the term of imprisonment imposed has been served. A person imprisoned in the county jail or workhouse may in the discretion of the court, be released on a work release program.

No warden or other officer having custody of the county jail or workhouse shall release therefrom a person so committed, unless the person has been released by the court on a work release program, until the sentence has been served. A person sentenced to an inpatient rehabilitation program may upon petition by the treating agency be released, by the court, to an outpatient rehabilitation program for the duration of the original sentence.

Nothing in this section shall be construed to interfere in any way with the operation of a writ of habeas corpus, a proceeding in lieu of the prerogative writs, or an appeal.

The director shall adopt such rules and regulations to effectuate the provisions of this section as he shall deem necessary.

6. (New section) (a) Any person who, prior to the effective date of this amendatory and supplementary act, had been convicted of an alcohol-related offense, may after service of at least 6 months of a driver license suspension imposed by reason of such conviction apply to the Director of the Division of Motor Vehicles for restoration of his license to operate a motor vehicle which application may be granted upon the condition that the person agrees to pursue and satisfy the requirements of a program of alcohol education or rehabilitation approved by the director.

(b) Any person who, prior to the effective date of this amendatory and supplementary act, had been convicted of an alcohol-related offense, may, after service of, at least 30 days of a sentence of imprisonment imposed therefor apply to the court for release and cancellation of any further period of imprisonment, which application may be granted upon the condition that the person

agrees to pursue and satisfy the requirements of a program of alcohol education or rehabilitation approved by the director.

(c) Any person who agrees to satisfy the requirements of an approved alcohol education or rehabilitation program and who fails to satisfactorily complete said program shall be suspended forthwith until said program is completed.

(d) A fee, not to exceed \$30.00, shall be payable to the division from every person required to satisfy the requirements of a program of alcohol education or rehabilitation under the provisions of this section.

7. In any case pending on or initiated after the effective date of this act involving an offense committed prior to such date, the court, with the consent of the defendant, shall impose sentence under the provisions of this act. If the defendant does not consent to the imposition of sentence under the provisions of the act, the court shall impose sentence under the law which was in effect at the time of the commission of the offense.

**Repealer.**

8. Sections 2 and 3 of P. L. 1966, c. 141 (C. 39:4-50.6 and 39:4-50.7) are repealed.

9. Section 6 of this act shall take effect immediately; the remainder of this act shall take effect 90 days after enactment.

Approved February 24, 1977.

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CHAPTER 30

AN ACT concerning school elections, school budgets and the issuance of school bonds by county vocational school districts in certain counties, 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:54-16.1 Board of education of county vocational schools in third class counties; membership; term.**

1. Notwithstanding the provisions of chapter 54 of Title 18A of the New Jersey Statutes, the board of education of county vocational schools in all counties of the third class with a population

greater than 70,000 but less than 120,000 shall consist of nine members to be elected at large by the legal voters of the county. Such members shall serve for a term of 3 years; provided, however, that in the first election three members shall be elected to serve for 1 year, three for 2 years and three for 3 years. Such elections shall be conducted in the manner prescribed for school elections pursuant to chapter 14 of Title 18A of the New Jersey Statutes.

**C. 18A:54-16.2 Election of board of education; preparation; procedures.**

2. The county vocational school board in such counties shall undertake, pursuant to chapter 14 of Title 18A of the New Jersey Statutes and according to procedures set forth by the commissioner, all preparation necessary for the election of the board of education by the legal voters of the county, which election shall be held on the second Tuesday in February. Such procedures shall ensure the maintenance of an efficient election process and shall prevent any unnecessary duplication from occurring between the local school district election and the county vocational school district election.

**C. 18A:54-16.3 Use of separate ballots.**

3. In such counties separate ballots shall be used for the local school election and the county vocational school board election.

**C. 18A:54-16.4 Continuation in office.**

4. The members of the boards of education of county vocational schools in office at the time of the effective date of this act shall continue in office in such counties until the results of the election are certified, and every year thereafter shall continue in office until the first Monday following the first annual school election.

**C. 18A:54-16.5 Approval of budget, school bonds, capital projects, amount of taxes to be raised; manner of conduct.**

5. The budget approval process, the authorization of school bonds, the approval of capital projects, the certification of the amount to be raised by taxes for county vocational school purposes, and the raising of additional sums by taxes in such counties shall be conducted in the manner prescribed for Type II districts without a board of school estimate as set forth in chapters 22 and 24 of Title 18A of the New Jersey Statutes. Any statutory and regulatory references to a municipality or municipalities shall apply to the governing body of the county unless the context clearly requires a different meaning. Any statutory and regulatory references to a Type II school district without a board of school estimate shall apply to the county vocational school district.

**C. 18A:54-16.6 Proceedings for authorization of bonds; time of initiation; validity.**

6. Any proceedings for the authorization of bonds by any county vocational school in such counties initiated prior to the effective date of this act, shall in each instance proceed to the completion of the authorization of such bonds, and any such bonds, or any promissory notes or temporary loan bonds issued in anticipation of such bonds so authorized shall, if otherwise valid, be valid and in full effect as if this statute had not been enacted.

**C. 18A:54-16.7 Annual school elections.**

7. Notwithstanding the provisions of N. J. S. 18A:13-10, all school districts in such counties, except those districts classified as limited-purpose regional school districts, shall hold their annual school elections on the second Tuesday in February.

8. This act shall take effect on December 1, 1976.

Approved March 2, 1977.

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 CHAPTER 31

AN ACT to amend "An act to authorize any municipality to waive, release, modify or subordinate any terms, covenants, conditions, limitations or reverters imposed in sales and conveyances of lands as to the erection, alteration or demolition of buildings or any other use to be made of land imposed by said municipality, and supplementing article 2 of chapter 60 of Title 40 of the Revised Statutes," approved March 27, 1943 (P. L. 1943, c. 33), as said Title was amended by P. L. 1946, c. 140 and P. L. 1970, c. 43.

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

1. Section 1 of P. L. 1943, c. 33 (C. 40:60-51.2) is amended to read as follows:

**C. 40:60-51.2 Power to waive, release, modify or subordinate building restrictions in conveyances by municipalities.**

1. Any municipality is authorized and empowered, by resolution of the governing body thereof, to waive, release, modify or subordinate any terms, covenants, conditions, limitations or reverters

imposed in sales and conveyances of lands as to the erection, alteration or demolition of buildings or any other use to be made of land heretofore imposed by said municipality to accomplish the purposes for which such lands were sold and conveyed either at public or private sale made prior to January 1, 1976, but only after public hearing held before such governing body, of the holding of which notice describing the lands in question, and the terms, covenants, conditions, limitations or reverters to be waived, released, modified or subordinated, and, if to be modified or subordinated, describing the manner in which the same shall be modified or subordinated, shall first have been given by advertisement published once each week for 2 weeks in a newspaper published in said municipality or, if no newspaper be published therein, then in a newspaper circulating in such municipality, provided, however, that the power herein granted shall not be exercised to impair any vested or contractual rights of third parties.

2. This act shall take effect immediately.

Approved March 2, 1977.

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CHAPTER 32

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 additional sum is hereby appropriated out of the General State Fund for the purpose herein provided:

DEPARTMENT OF STATE	
DIRECT PUBLIC SERVICES	
34610-300. DEVELOPMENT SUPPORT.	
Extraordinary: Cultural Projects—New Jersey	
State Council on the Arts .....	\$300,000.00

Three hundred thousand dollars to be employed by the New Jersey State Council on the Arts to present a Performing Arts Festival during the summer of 1977 to enhance the attraction of the various parts of the State of New Jersey as centers for tourism and to provide for the educational and recreational benefit and cultural enrichment of all the citizens of New Jersey. The sum appropriated shall be employed to contract with the New Jersey Symphony Orchestra, the New Jersey State Opera, the New Jersey State Ballet or other New Jersey performing arts organizations selected by the council to perform services which conform to the general purpose of this act. Such sum shall be in addition to any other sums otherwise appropriated to the New Jersey State Council on the Arts.

Total Appropriation .....	\$300,000.00
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2. This act shall take effect immediately.

Approved March 7, 1977.

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CHAPTER 33

AN ACT requiring corporate and partnership bidders for State, county, municipal or school district contracts to submit a list of the names and addresses of all stockholders owning 10% or more of their stock or 10% or more of the stock of their corporate stockholders or in the case of a partnership, the names and addresses of those partners owning a 10% or greater interest therein.

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

**C. 52:25-24.2 Statement containing names and addresses of stockholders or partners.**

1. No corporation or partnership shall be awarded any contract nor shall any agreement be entered into for the performance of any work or the furnishing of any materials or supplies, the cost of

which is to be paid with or out of any public funds, by the State, or any county, municipality or school district, or any subsidiary or agency of the State, or of any county, municipality or school district, or by any authority, board, or commission which exercises governmental functions, unless prior to the receipt of the bid or accompanying the bid, of said corporation or said partnership, there is submitted a statement setting forth the names and addresses of all stockholders in the corporation or partnership who own 10% or more of its stock, of any class or of all individual partners in the partnership who own a 10% or greater interest therein, as the case may be. If one or more such stockholder or partner is itself a corporation or partnership, the stockholders holding 10% or more of that corporation's stock, or the individual partners owning 10% or greater interest in that partnership, as the case may be, shall also be listed. The disclosure shall be continued until names and addresses of every noncorporate stockholder, and individual partner, exceeding the 10% ownership criteria established in this act, has been listed.

2. This act shall take effect immediately.

Approved March 8, 1977.

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#### CHAPTER 34

AN ACT concerning change of registered office under the New Jersey Business Corporation Act and amending N. J. S. 14A:4-3 and N. J. S. 14A:15-2.

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

1. N. J. S. 14A:4-3 is amended to read as follows:

**Change of registered office or registered agent.**

14A:4-3. Change of registered office or registered agent.

(1) A domestic corporation or a foreign corporation authorized to transact business in this State may change its registered office or its registered agent, or both. When the registered office is changed, or when the registered agent is changed, or dies, resigns or becomes disqualified, the corporation shall, by resolution of the board,

forthwith fix the address of the new registered office or designate the successor registered agent or both, as the case may be.

(2) Such corporation shall forthwith file in the office of the Secretary of State a certificate executed on behalf of the corporation setting forth

- (a) the name of the corporation;
- (b) if the registered agent is not being changed, the name of the registered agent;
- (c) if the registered agent is being changed, the names of the registered agent being succeeded and of the successor registered agent;
- (d) if the registered office is not being changed, the address of the then registered office;
- (e) if the registered office is being changed, the address of the registered office immediately prior to the change, and the address of the new registered office;
- (f) that the address of its registered office and the address of its registered agent will be identical after the change; and
- (g) that the change in registered office, or registered agent, or both, is made pursuant to resolution of the board.

(3) The registered agent of one or more domestic or foreign corporations may change the registered office of such corporation or corporations to another address in this State by filing in the office of the Secretary of State a certificate executed by such agent and setting forth.

- (a) the names of all the corporations whose registered offices are being changed and for which he or it is the registered agent, listed in alphabetical order;
- (b) the address of the registered office of each such corporation immediately prior to the change, and the address of the new registered office;
- (c) that the address of the registered office of each such corporation and the address of its registered agent will be identical after the change; and
- (d) a statement that at least 20 days' prior notice of the change has been given to each such corporation in writing.

The change of the registered office of each of the corporations named in the certificate shall become effective upon the date of such filing or at such later time, not to exceed 30 days after the date of filing, as may be set forth in the certificate.

(4) If any certificate of change required by this section is not filed, the corporation shall, after written demand therefor by the

Secretary of State by certified mail addressed to the corporation at the last address appearing of record in his office, forfeit to the State a penalty of \$200.00 to be recovered with costs in a civil action prosecuted by the Attorney General. No corporation shall be subject to penalty if it shall, within 30 days after written demand, file the certificate of change required by law and pay to the Secretary of State the fee provided by law for the filing of each such certificate of change. In lieu of such civil action, the Secretary of State, after expiration of such 30-day period, may issue a certificate to the Clerk of the Superior Court that the corporation is indebted for the payment of such penalty, and thereupon the clerk shall immediately enter upon his record of docketed judgments the name of such corporation as the judgment debtor and of the State as the judgment creditor, a statement that the penalty is imposed under this section, the amount of the penalty, and the date of such certificate. Such entry shall have the same force as a judgment docketed in the Superior Court. The Secretary of State within 5 days after such entry shall give notice thereof to the corporation by certified mail addressed to the corporation at the last address appearing of record in his office.

2. N. J. S. 14A :15-2 is amended to read as follows :

**Filing fees of the Secretary of State.**

14A :15-2. Filing fees of the Secretary of State.

On filing any certificate or other papers relative to corporations in the office of the Secretary of State, there shall be paid to the Secretary of State for the use of the State, filing fees as follows, in addition to any applicable license fee :

(1) Certificate of incorporation and amendments thereto :	
(a) for filing the original certificate of incorporation	\$35.00
(b) for filing a certificate of amendment of the certificate of incorporation, including any number of amendments	\$35.00
(c) for filing a certificate of abandonment of one or more amendments of the certificate of incorporation	\$20.00
(d) for filing a certificate of merger or a certificate of consolidation	\$35.00
(e) for filing a certificate of abandonment of a merger or consolidation	\$20.00

(2) Restated certificate of incorporation: For filing a restated certificate of incorporation, including any amendments of the certificate of incorporation concurrently adopted .....	\$35.00
(3) Dissolution of corporation:	
(a) for filing a certificate of dissolution .....	\$25.00
(b) for filing an affidavit of the publication and of the mailing of a notice to creditors .....	\$10.00
(c) for filing a certificate of revocation of dissolution proceedings .....	\$25.00
(4) Admission and withdrawal of foreign corporation:	
(a) for filing an application for a certificate of authority to transact business in this State and issuing a certificate of authority .....	\$165.00
(b) for filing an application for an amended certifi- cate of authority to transact business in this State and issuing an amended certificate of authority ..	\$30.00
(c) for filing an application for withdrawal from this State and issuing a certificate of withdrawal ....	\$30.00
(d) for filing a certificate of change of post-office address to which process may be mailed by the Secretary of State .....	\$10.00
(e) for filing a certificate, order or decree with respect to the dissolution of a foreign corpora- tion, the termination of its existence, or the cancellation of its authority, and issuing a certificate of withdrawal .....	\$30.00
(5) Registered office and registered agent:	
(a) for filing a certificate of change of address of registered office, or change of registered agent ...	\$5.00
if both are changed .....	\$10.00
(b) for filing a certificate of change of address of registered agent, where such certificate effects a change in the address of the registered office of one or more corporations, for each corporation named in the certificate .....	\$5.00
(c) for filing an affidavit of resignation of a regis- tered agent .....	\$5.00
(6) Annual report:	
For each such report required to be filed .....	\$15.00

- (7) Tax clearance certificate from the Director of the Division of Taxation:  
 For each such certificate required to be filed . . . . . \$10.00

3. This act shall take effect immediately.

Approved March 8, 1977.

CHAPTER 35

AN ACT requiring certain employees of public utilities to wear identification badges and supplementing Title 48 of the Revised Statutes.

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

**C. 48:3-42 Identification badges; display.**

1. No employee of a public utility, as defined in R. S. 48:2-13, shall have the right of reasonable access to a customer's premises and to all property furnished by the utility, at all reasonable times for the purpose of collection of coin-boxes or reading meters, unless said employee is wearing a plainly visible identification badge on the upper left corner of his torso.

**C. 48:3-43 Size and form of badge.**

2. The identification badge shall not be larger than 2" x 4" and shall be made in such a way and of such material that any attempt to alter said badge will result in it being immediately, permanently and obviously ruined. The card shall be in the following form:

Color Photograph of Employee's Face in a size adequate to permit recognition	Employee's Name
Validation	Employee's Soc. Sec. No.
	Date of Issuance
	Employee's Signature
	Public Utility's Name

**C. 48:3-44 Issuance of badge; renewals and changes resulting from facial alterations.**

3. A new identification badge shall be made and issued by the public utility from time to time to reflect any substantial changes in the employee's appearance, but in any case, a new badge shall

be issued at least once every 6 years. Each new identification badge shall contain a new color photograph of the employee's face and said photograph shall be taken not more than 2 weeks before the date upon which the new identification badge is issued.

A new identification badge shall also be issued to an employee whenever the facial appearance of said employee undergoes a noticeable alteration. For the purposes of this act, "noticeable alteration" means a change in the facial appearance such as, but not limited to, a change in hair color, style, shape or length, the growth, alteration or removal of beards, goatees, mustaches or sideburns, the wearing of spectacles or contact lenses in lieu of spectacles previously worn, or a major change caused by an accident or surgery.

**C. 48:3-45 Improper use or loss of badge; violations; penalty.**

4. No employee of a public utility who is in possession of any identification badge, as provided for by this act, shall loan, allow or permit any other person to use or display such identification badge; in case of the loss of any such identification badge, the employee shall forthwith notify the public utility of such loss and the circumstances surrounding the same. Any person violating the provisions of this section or any person who shall display or use the identification badge of another, for the purpose of deceiving any person as to his identity shall be guilty of a misdemeanor.

**C. 48:3-46 Failure to issue badge; penalty.**

5. Any public utility that fails to issue an identification badge to each employee whose job requires that he inspect customer's premises, shall, in addition to having said employee denied the right of reasonable access as set forth in section 1 of this act, be subject to a civil penalty of \$15.00 for each instance in which said utility failed to issue an identification badge.

**C. 48:3-47 Failure to wear badge; penalty.**

6. Any employee of a public utility who has been issued an identification badge by said public utility and who fails to wear said identification badge while attempting to exercise the right of reasonable access as set forth in section 1 of this act, shall be subject to a civil penalty of \$15.00 for each offense. The penalties set forth in this section and section 5 of this act shall be collected in accordance with the Penalty Enforcement Law (N. J. S. 2A:58-1 et seq.) and all money collected shall be remitted to the State of New Jersey.

**C. 48:3-48 Notification to customer.**

7. On or before January 31 of each year, each public utility requiring the right of reasonable access to a customer's premises shall notify said customer by mail or other public means that no employee of said public utility shall have the right of reasonable access as set forth in section 1 of this act, unless he is wearing an identification badge. Each such public utility shall accompany said notice with a reproduction of an identification badge. The word "void" shall be stamped in large letters across the reproduction.

8. This act shall take effect on the ninetieth day next following enactment.

Approved March 8, 1977.

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CHAPTER 36

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. There is hereby appropriated out of the General Treasury, the following:

DEPARTMENT OF ENVIRONMENTAL PROTECTION  
MANAGEMENT AND GENERAL SUPPORT  
49200. SOUTH JERSEY PORT CORPORATION

**Extraordinary:**

Supplemental requirement for fiscal year 1976-77 for the South Jersey Port Corporation Debt Service Reserve Fund, pursuant to C. 12:11A-14 . . . . .	\$322,305
Supplemental requirement for fiscal year 1976-77 for the South Jersey Port Corporation Property Tax Reserve Fund Requirement, pursuant to C. 12:11A-20 . . . . .	\$17,000
Total Appropriation . . . . .	\$339,305

2. This act shall take effect immediately.

Approved March 9, 1977.

**New Jersey State Library**

## CHAPTER 37

AN ACT concerning insurance relating to variable contracts and amending and supplementing chapter 28 of Title 17B of the New Jersey Statutes.

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

1. N. J. S. 17B:28-1 is amended to read as follows:

**Definitions.**

17B:28-1. Definitions. When used in this chapter, the following terms shall have the following respective meanings: a. "Separate account contract" means any contract issued by an insurer under which amount (including without limitation proceeds applied under optional modes of settlement or under dividend options) are allocated by the insurer to one or more separate accounts; b. "Separate account" means any segregated portfolio of investments or designated account of an insurer established pursuant to this chapter; c. "Contract on a variable basis" means any separate account contract providing for the dollar amount of life insurance or annuity benefits or other contractual payments or values thereunder to vary so as to reflect investment results of one or more separate accounts in which amounts with respect to any such contracts shall have been placed; and d. "Variable contract account" means any such separate account.

2. N. J. S. 17B:28-3 is amended to read as follows:

**Certificate to sell.**

17B:28-3. Certificate to sell. a. No agent heretofore or hereafter licensed shall be authorized to sell or act or aid in any manner in the negotiation of a contract on a variable basis until he has received a certificate to sell contracts on a variable basis from the commissioner, which certificate shall not be issued by the commissioner until such agent has qualified by personal examination, to the satisfaction of the commissioner, as to his trustworthiness and competence to act as such agent.

b. Before a first-time applicant for an agent's license to solicit and negotiate contracts on a variable basis shall be admitted to the examination, the applicant shall be required to concurrently hold an agent's license granting authority to solicit and negotiate

contracts of life insurance in this State. Application for a license must be made on such forms as the commissioner may prescribe.

c. The examination fee shall be \$10.00 for each examination scheduled and such examination fee shall not be returned for any reason. The annual license fee shall be \$5.00. A renewal license shall be issued from year to year subject to the payment of the renewal license fee as required by this section and upon request of the insurer. Licenses issued in accordance with this section shall expire on April 30 of each year.

d. No written examination shall be required of:

(1) An applicant who is the holder of a valid agent's license issued pursuant to this section by the commissioner or an applicant for a renewal of such license, except in a case where the commissioner has good and sufficient cause to believe that the applicant for renewal has demonstrated incompetence in the conduct of his business as such agent to the detriment of the public;

(2) An applicant whose license to do business as an agent issued pursuant to this section has expired less than 3 years prior to the date of application. If the applicant has permitted his license to lapse for a period of more than 3 years he must submit to and pass an examination in the same manner as a new applicant, except where the applicant is a veteran who meets the requirements of subsection (4) hereunder, when no reexamination shall be required;

(3) An applicant whose previous license issued pursuant to this section has been revoked or suspended; provided this examination exemption is only at the discretion of the commissioner;

(4) An applicant who is a citizen of New Jersey and has served in the Armed Forces of the United States and has been honorably discharged or released under conditions other than dishonorable and was the holder at any time of a license in New Jersey which authorized the applicant to solicit or negotiate contracts on a variable basis.

e. The commissioner may issue a nonresident agent's license upon the application of a nonresident who is duly licensed under the law of the state of his residence or domicile to act as an agent for contracts on a variable basis if said state does not prohibit residents of this State from acting as nonresident agents therein, when:

(1) The applicant has shown by a statement from the proper official of the state in which he has his resident license that he is authorized to do business as an agent in such state with authority

for which the applicant is to be licensed under the New Jersey nonresident license.

(2) The applicant has paid the annual license fee as provided for in this section.

(3) The applicant has no place of business in this State.

(4) The commissioner may enter into reciprocal agreements with the appropriate supervisory insurance official of any other state waiving the written examination of any applicant resident in such other state, provided:

(a) A written examination is required of applicants for an agent's license in such other state.

(b) The appropriate supervisory insurance official of such other State certifies that the applicant holds a currently valid license as an agent in such other state, and either,

(i) passed a written examination,

(ii) was the holder of an agent's license prior to the time a written examination was required, or,

(iii) was not required to take such examination by reason of provisions of the applicable agents' licensing law.

(c) That in such other state, a resident of this State is privileged to procure such an agent's license upon the foregoing conditions and without discrimination as to fees or otherwise in favor of residents of such other state. If the laws of another state require the sharing of commissions with resident agents of that state on application for contracts on a variable basis written by nonresident agents, then the same provision shall apply when resident agents of that state, licensed as nonresident agents of New Jersey write applications for contracts on a variable basis in this State.

3. N. J. S. 17B:28-5 is amended to read as follows:

**Form of contract.**

17B:28-5. Form of contract. a. No contract on a variable basis shall be delivered or issued for delivery in this State by any insurer until a copy of the form thereof (and, in the case of a contract on a group basis, the form of any certificate evidencing variable benefits issued pursuant thereto) and any form of application for such contract shall have been filed with the commissioner. No such form shall be issued or used until the commissioner shall give his prior written acknowledgment of the filing of such form. The commissioner shall disapprove or withdraw approval of any such contract form, application or certificate if:

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(i) Such form contains provisions which are unjust, unfair, inequitable, ambiguous, misleading, likely to result in misrepresentation or contrary to law, or

(ii) Sales of contracts in such form are being solicited by any means of advertising, communication or dissemination of information which involves misleading or inadequate description of the provisions of the contract.

He shall notify the insurer, specifying particulars, of his disapproval. It shall be unlawful for such insurer thereafter to issue any contract or certificate thereunder or use any application in the form so disapproved. Such disapproval of the commissioner shall be subject to review by the Superior Court in a proceeding in lieu of prerogative writ.

b. Illustrations of benefits payable under any contract on a variable basis shall not involve projections of past investment experience into the future and shall conform with reasonable regulations promulgated by the commissioner.

c. No individual annuity contract on a variable basis shall be delivered or issued for delivery in this State unless it contains in substance the following provisions:

(i) That, in the event of default in the payment of any consideration beyond the period of grace allowed by the contract for the payment thereof, the insurer will make payment of the value of the contract, in accordance with a plan provided by the contract, commencing not later than the date contractual payments by the insurer were otherwise to have commenced in accordance with the contract;

(ii) That, upon request of the contract holder received by the insurer at least 4 months prior to the date contractual payments by the insurer were otherwise to have commenced, the insurer will make payment of the value of the contract in accordance with a plan provided by the contract and selected by the contract holder, commencing as of the first day of the first month which is at least 4 months after the date of receipt of such request, unless another date of commencement is requested by the contract holder and agreed to by the insurer;

(iii) That the insurer will mail to the contract holder at least once in each contract year after the first, at his last address known to the insurer, a report in a form approved by the commissioner, which shall include a statement of the number of units credited to such contract and the dollar value of a unit as of a date not more than 2 months previous to the date of mailing and a statement in a

form and of a date approved by the commissioner of the investments held in the variable contract account designated in such contract.

d. Any individual contract on a variable basis delivered or issued for delivery in this State shall stipulate the investment increment factors to be used in computing the dollar amount of variable benefits or other contractual payments or values thereunder, and shall guarantee that expense and mortality results shall not adversely affect such dollar amounts, except that such guarantee need not apply to any investment management fee which is subject to change with the approval by vote of the persons having beneficial interests in the variable contract account in which such contract participates. The mortality and investment increment factors used in computing the dollar amount of variable benefits or other contractual payments or values under an individual annuity contract on a variable basis shall not produce a larger initial payment than would be produced by the use of the mortality table or tables specified in N. J. S. 17B:19-8 (the Standard Valuation Law), as amended, and as such provision may be amended from time to time, as acceptable minimum mortality standards for the valuation of the reserve liabilities of individual annuity and pure endowment contracts, and an annual investment increment assumption of 5%.

Any group contract on a variable basis delivered or issued for delivery in the State shall stipulate the expense, mortality and investment increment factors to be used in computing the dollar amount payable with respect to a unit of variable benefits purchased thereunder and shall guarantee that expense and mortality results shall not adversely affect such dollar amounts, except that such guarantee need not apply to any investment management fee which is subject to change with the approval by vote of the persons having beneficial interests in the variable contract account in which such contract participates.

“Expense,” as used in this subsection (d), may exclude some or all taxes, as stipulated in the contract.

e. (Deleted by amendment.)

4. N. J. S. 17B:28-6 is amended to read as follows:

**Administration.**

17B:28-6. Administration. Any insurer maintaining one or more separate accounts shall submit annually to the commissioner a report of the business of its separate accounts. Such report shall be made either by a separate annual statement for such business or

by suitable additions to such insurer's regular annual statement, in either case on a form prescribed by the commissioner, and shall include details as to all of the income, disbursements, assets and liability items associated with the separate accounts.

The commissioner shall make a separate valuation of the assets of the separate accounts and a copy of such valuation shall be filed in the commissioner's office as a public document. Such valuation shall be in accordance with section 17B:28-10.

The commissioner shall further prescribe by regulation the steps to be taken by the insurer in disposing of those holdings which at any time subsequent to purchase fail to meet the standards and regulations for new investments.

5. N. J. S. 17B:28-7 is amended to read as follows:

**Separate accounts; approval by commissioner.**

17B:28-7. Separate accounts; approval by commissioner. Any present or future domestic insurer shall have authority to establish and operate one or more separate accounts, and to issue separate account contracts, whether or not contracts on a variable basis, with the approval of the commissioner, and the issuance or delivery of such contracts in this State by any foreign or alien insurer shall be subject to like approval. The commissioner, in granting or withholding any such approval, shall consider in addition to the matters referred to in N. J. S. 17B:28-2, 17B:28-5, and 17B:28-15, if applicable, the following:

- a. The type or types of contracts the funds from which will be placed in the separate accounts;
- b. The extent to which, if any, the dollar amount of benefits or other contractual payments or values under such contracts will be guaranteed;
- c. The investment limitations that will be applicable to the separate account;
- d. The manner of valuing the assets of the account and the method or methods to be used to compute the liabilities arising from the contracts described in (a);
- e. If such contracts are annuity contracts, whether or not they will be participating; and
- f. Such other matters as the commissioner shall deem relevant.

Any such approval by the commissioner may be subject to such conditions as he may impose as being necessary for the protection of the public or of such insurer's policyholders. Any approval by the commissioner pursuant to this section may be granted with

respect to a single separate account or a class of separate accounts having common characteristics.

6. N. J. S. 17B:28-8 is amended to read as follows:

**Amounts placed in accounts; liabilities.**

17B:28-8. Amounts placed in accounts; liabilities. Except as may be otherwise specifically provided by the contract, all amounts with respect to any contract on a variable basis shall be placed in the variable contract account designated in such contract, and all liabilities on any such contract shall be set up in said account.

7. N. J. S. 17B:28-9 is amended to read as follows:

**Investment of assets; eligibility; definition.**

17B:28-9. Investment of assets; eligibility; definition.

a. The assets held in a separate account, or any part thereof, may be invested in

(i) Common stock or shares of any investment company specified in the contract or contracts participating in such separate account, and registered under the Investment Company Act of 1940, whether or not such stock or shares satisfy the dividend or earnings history requirements now or hereafter contained in the provisions of this Title that regulate investments by domestic insurers; provided that at the time of the first purchase of such stock or shares of any such investment company, the insurer which maintains such account, or a subsidiary or affiliate of such insurer, shall be the investment manager or investment adviser of such investment company and, as long as such insurer which maintains such account, or any subsidiary or affiliate of such insurer, shall continue as such investment manager or investment adviser, the investments acquired by such investment company shall be such as would be eligible for investment of separate account assets by domestic insurers under the provisions of this section excluding this clause (i);

(ii) Other investments made eligible for investment by domestic insurers by the provisions of this Title that regulate investments by domestic insurers, except for investments made eligible by the provision of chapter 20 of this Title which permits a domestic insurer to make loans or investments not otherwise expressly qualified or permitted up to 5% of total admitted assets, as such provision may be amended from time to time, or any similar or superseding provision corresponding in substance thereto;

(iii) Investments authorized, specifically or by classes or otherwise, by the commissioner as appropriate to the nature and purpose of such separate account; and

(iv) Investments not otherwise eligible under the preceding clauses of this subsection, provided that at the time of making any such investment, and immediately after giving effect thereto, the aggregate cost of all investments held in such separate account pursuant to this clause (iv) shall not exceed 5% of the aggregate market value of the assets held in such separate account; provided that (A) any common stock or shares, other than common stock or shares referred to in clause (i) of this subsection issued by an open-end investment company, shall be (1) common stock or shares which are listed or admitted to trading on a securities exchange in the United States of America or Canada, or (2) common stock or shares which are included on the National Association of Securities Dealers' national price listings of "over-the-counter" securities, or (3) other common stock or shares which the commissioner shall have determined are publicly held and traded and as to which market quotations shall be available; (B) the quantitative investment limitations now or hereafter contained in this Title regulating investments by domestic insurers shall not be applicable to investments for separate accounts, subject to the qualification that the provision contained in this Title limiting the percentage of voting stock of any one corporation that may be purchased or acquired by a domestic insurer, as such provision may be amended from time to time, or any similar or superseding provision corresponding in substance thereto, shall apply (subject to the provisions of section 17B:20-3 as such provisions may be amended from time to time, or any similar or superseding provisions corresponding in substance thereto), with respect to the aggregate of the voting stock of any one corporation held in all accounts of such insurer, except for all such stock that may be voted at the direction of a person or persons, other than such insurer or any subsidiary or affiliate of such insurer; and provided further that, subject to the next succeeding paragraph of this subsection, no domestic insurer shall purchase for any separate account any security (other than common stock or shares referred to in clause (i) of this subsection issued by an open-end investment company) of any corporation, if after such purchase more than 10% of the market value of the assets of such separate account would be invested in the securities of such corporation.

Notwithstanding the foregoing provisions of this section or any other provision of law, a domestic insurer may invest the assets, or any part thereof, held in a separate account established and maintained solely for one or more group contracts in any invest-

ment or investments authorized by the contract or contracts participating in such account, subject only to clause (B) of the proviso in the next preceding paragraph of this subsection relating to the percentage of voting stock of any one corporation that may be purchased or acquired. For the purpose of this paragraph, a group contract shall not include, (1) a contract which provides benefits to individuals based upon the investment results of such an account unless such contract implements a plan (a) which covers at least 100 individuals at the time of execution of such contract and (b) under which, if the crediting to such an account of the contributions made by any individual would affect his benefits under the plan, no portion of his contributions in excess of 50% is so credited, unless he is offered an alternative to having such portion so credited or, (2) except with the consent of the commissioner, a contract the holder of which is an association of individuals or the representative thereof.

Except as otherwise provided in this subsection, the investments held in the separate accounts of any domestic insurer shall be disregarded in determining whether the other investments of such insurer comply with the provisions of this Title that regulate investments by domestic insurers as such provisions may be amended from time to time, or any similar or superseding provisions corresponding in substance thereto.

b. Notwithstanding any other provision of law, a domestic insurer may, with respect to any separate account or any portion thereof

(i) Exercise any voting rights of any stock or shares in accordance with instructions from the person or persons specified in, or designated pursuant to, the contract or contracts participating in such account, or

(ii) Establish a committee for such account, the members of which may be directors or officers or other employees of such insurer, or persons having no such relationship to such insurer, or any combination thereof, who may be elected to such membership by the vote of the persons having the beneficial interests in such account ratably according to their respective interests in such account or in such other manner as the insurer shall deem appropriate. Such committee may have the power, which may be exercisable alone or in conjunction with others, or which may be delegated to such insurer or any other person, as investment manager or investment adviser, to authorize purchases and sales of investments for such account and to take such other action with respect

to account investments as it shall deem appropriate, provided that as long as such insurer or any subsidiary or affiliate of such insurer shall be the investment manager or investment adviser of such account, the investments of such account shall be eligible under the provisions of subsection (a) of this section. Such insurer may establish such a committee for only a portion of a separate account, and its members may be similarly elected. Any such committee for only a portion of a separate account may be given the further power to require the subdivision of such account into 2 accounts so that the portion with respect to which such committee shall be acting shall constitute a separate account. If such committee shall so require, the insurer shall segregate from the account being so subdivided a portion of the assets held with respect to the reserve liabilities of such account. Such portion shall be in the same proportion to the total of such asset as the reserve liability for the portion of the account with respect to which such committee is acting bears to the total reserve liability of such account; and notwithstanding any other provision of law, the assets so segregated shall be transferred to a separate account with respect to which such committee shall act.

c. The investments held in a separate account and the liabilities chargeable against it shall at all times be clearly identifiable and distinguishable from the other investments and liabilities of the insurer. To the extent provided in the applicable contract or contracts, assets held in a separate account shall not be chargeable with liabilities arising out of any other business of the corporation.

No sale, transfer or exchange of investments may be made between a separate account and any other investment account of the insurer, except with the prior consent of the commissioner, and no investments held in a separate account, other than an account of the kind described in the penultimate paragraph of subsection (a) of this section, shall be pledged or transferred as collateral for a loan.

d. 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.

8. N. J. S. 17B:28-10 is amended to read as follows:

**Valuation of assets.**

17B:28-10. Valuation of assets. Except as the commissioner may require or permit a different basis of valuation, the valuation

of separate account assets for all purposes, including annual reports of the insurer to the commissioner, shall be determined in accordance with the market value of such assets notwithstanding the application of other valuation methods to assets of the insurer other than the assets of separate accounts. If there shall be no readily available market for any such assets, their market value may be determined by reference to opinions or estimates based upon reasonably current transactions in similar investments with such adjustments, if any, as shall be deemed appropriate to take into account any dissimilarities in the investment being valued, or such other method as shall reflect what a willing buyer, under no pressure to buy, would pay a willing seller, under no pressure to sell, for such investment. The net asset value of common stock or shares of any investment company which is an open-end company shall be deemed to be the market value thereof. Such valuation may be made as of such valuation dates as the insurer shall establish from time to time, except as otherwise required for such annual reports to the commissioner.

9. N. J. S. 17B:28-13 is amended to read as follows:

**Distribution to stockholders.**

17B:28-13. Distribution to stockholders. Any stock insurer which establishes and operates one or more separate accounts may withdraw therefrom for distribution to or for the benefit of stockholders as to any calendar year an amount which, when added to amounts so withdrawn as to the 4 preceding calendar years, does not exceed 3% of the aggregate of gross investment earnings and the net of profits and losses of such account for such 5 calendar years.

10. N. J. S. 17B:28-14 is amended to read as follows:

**Regulation of separate account contracts, insurers issuing the same and sales agents.**

17B:28-14. Regulation of separate account contracts, insurers issuing the same and sales agents. The commissioner shall have the sole and exclusive authority to regulate the issuance and sale of separate account contracts; and such contracts, the insurers which issue them and the agents or other persons who sell them shall not be subject to the Uniform Securities Law (1967) (P. L. 1967, c. 93) as amended or supplemented, in the issuance or sale of such contracts.

**C. 17B:28-15 Application of title 17B to separate accounts and contracts; exceptions; contents of individual or group variable life insurance contracts; rules and regulations.**

11. (New section) Except for N. J. S. 17B:25-3, 17B:25-8, 17B:25-9, 17B:25-13, 17B:25-19 and 17B:27-11, in the case of a variable life insurance policy and except as otherwise provided in this act, all pertinent provisions of Title 17B of the New Jersey Statutes shall apply to separate accounts and contracts relating thereto. Any individual variable life insurance contract, delivered or issued for delivery in this State shall contain loan, grace, reinstatement and nonforfeiture provisions acceptable to the commissioner. Any group variable life insurance contract, delivered or issued for delivery in this State shall contain a grace provision appropriate to such a contract. The commissioner shall have the sole authority to issue such reasonable rules and regulations as may be appropriate to carry out the purposes and provisions of this act.

12. This act shall take effect immediately.

Approved March 10, 1977.

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CHAPTER 38

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 qualified in 1976 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, 1977, or as soon thereafter as practicable, the amount determined and certified, or for municipalities which have qualified bonds outstanding pursuant to P. L. 1976, c. 38 (C. 40A:3-1 et seq.), the Treasurer shall disburse State aid funds determined and certified under this act in accordance with the provisions of P. L. 1976, c. 38.

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, 1977 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, 1977 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 1977.

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, 1977.

6. This act shall take effect immediately.

Approved March 11, 1977.

## CHAPTER 39

AN ACT concerning tenure of office of municipal finance officers in certain cases, 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*:

**C. 40A:9-140.7 "Municipal finance officer" defined.**

1. As used in this act "municipal finance officer" means a municipal comptroller or municipal treasurer who is not a member of the governing body of a municipality.

**C. 40A:9-140.8 Tenure of office.**

2. Notwithstanding the provisions of any other law to the contrary, every person who shall have served as the municipal finance officer of any municipality in this State, except any municipality having adopted any of the plans under articles 7 (Major Council Plan E) and 8 (Major Council Plan F) of the "Optional Municipal Charter Law," P. L. 1950, c. 210 (C. 40:69A-68 through 80), for a period of not less than 5 consecutive years and who is a holder of a municipal finance officer certificate issued in accordance with P. L. 1971, c. 413 (C. 40A:9-140.1 et seq.), shall be granted tenure of office upon filing with the clerk of the municipality and with the Division of Local Government Services in the Department of Community Affairs a notification evidencing his compliance with this section, and shall continue to hold office during good behavior and efficiency, and shall not be removed therefrom except for just cause and then only after a public hearing upon a written complaint setting forth the charge or charges against him pursuant to section 3 of this act or upon revocation of certification by the director of the Division of Local Government Services pursuant to section 5 of P. L. 1971, c. 413 (C. 40A:9-140.5).

**C. 40A:9-140.9 Complaint; filing; hearing; representation; jurisdiction of county court.**

3. The complaint shall be filed with the municipal clerk and a certified copy thereof shall be served upon the person so charged, with notice of a designated hearing date before the members of the governing body, which shall be not less than 10 days from the date of service of the complaint. The hearing date shall be fixed by resolution of the governing body.

The person so charged by the governing body shall have the right to be represented by counsel and the power to subpoena witnesses and documentary evidence.

The County Court of the county in which said municipality is located shall have jurisdiction to review the determination of the governing body which court shall hear the cause de novo and affirm, modify or set aside such determination.

4. This act shall take effect immediately.

Approved March 14, 1977.

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## CHAPTER 40

AN ACT concerning certain exclusions from gross income under the New Jersey Gross Income Tax Act, amending sections 54A:5-1 and 54A:6-10 and repealing 54A:6-12 of the New Jersey Statutes.

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

1. N. J. S. 54A:5-1 is amended to read as follows:

**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.

For the tax year 1976, any taxpayer with a tax liability under this subsection, or under the "Tax on Capital Gains and Other

Unearned Income Act" (P. L. 1975, c. 172), shall not be subject to payment of an amount greater than the amount he would have paid if either return had covered all capital transactions during the full tax year 1976; provided, however, that the rate which shall apply to any capital gain shall be that in effect on the date of the transaction. To the extent that any loss is used to offset any gain under (P. L. 1975, c. 172) it shall not be used to offset any gain under the "New Jersey Gross Income Tax Act" (P. L. 1976, c. 47).

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 nonrecognition 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 except to the extent of exclusions in section 54A:6-10 and hereunder, notwithstanding the provisions of N. J. S. 18A:66-51, P. L. 1973, c. 140, s. 41 (C. 43:6A-41), P. L. 1954, c. 84, s. 53 (C. 43:15A-53), P. L. 1944, c. 255, s. 17 (C. 43:16A-17), and P. L. 1965, c. 89, s. 45 (C. 53:5A-45).

(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.

2. N. J. S. 54A:6-10 is amended to read as follows:

**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.

In addition to that part of any amount received as an annuity which is excludable from gross income as herein provided, gross income shall not include payments of up to \$10,000.00 for a married couple filing jointly, \$5,000.00 for a married person filing separately or \$7,500.00 for a single taxpayer, which are received as an annuity, endowment or life insurance contract, or payments of any such amounts which are received as pension, disability, or retirement benefits, under any public or private plan, whether the consideration therefor is contributed by the employee or employer or both, by any person who, either by virtue of age or disability, is or would be eligible to receive payments under the Federal Social Security Act.

Gross income shall not include any amount received under any public or private plan by reason of a permanent and total disability.

**Repealer.**

3. N. J. S. 54A :6-12 is hereby repealed.

4. This act shall take effect immediately and shall be retroactive to July 1, 1976 except that with respect to payments heretofore declared exempt from the act to which this act is amendatory by virtue of the provisions of N. J. S. 18A :66-51, P. L. 1973, c. 140, section 41 (C. 43 :6A-41), P. L. 1954, c. 84, section 53 (C. 43 :15A-53), P. L. 1944, c. 255, section 17 (C. 43 :16A-17) and P. L. 1965, c. 89, section 45 (C. 53 :5A-45), this act shall be effective retroactive to January 1, 1977.

Approved March 16, 1977.

CHAPTER 41

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. Each school district shall receive an additional amount of State aid payable during the 1976-1977 school year for each handicapped pupil placed in a resource room program, which aid shall be computed by multiplying the number of said pupils by the additional cost factor of 0.212 when determining the number of units of additional cost for computing categorical program support pursuant to section 20 of P. L. 1975, c. 212 (C. 18A:7A-20).

2. This act shall take effect immediately.

Approved March 16, 1977.

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CHAPTER 42

AN ACT making appropriations from the Institutions Construction Fund for the construction of institutions.

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

1. There is hereby appropriated to the Department of Human Services, from the Institutions Construction Fund, the sum of \$9,600,000.00 for the following construction projects:

DIVISION OF MENTAL HEALTH	
Improvement, renovations, and modernization of the psychiatric hospitals .....	\$3,000,000
Planning and design of facilities for the mentally ill .....	200,000
Construction assistance for community mental health facilities—State Aid .....	2,500,000
Sub-total, Division of Mental Health .....	\$5,700,000

## DIVISION OF MENTAL RETARDATION

Renovation of patient cottages, support facilities and a new sewage disposal plant at the Neuropsychiatric Institute .....	\$1,000,000
Improvement and renovations to the State schools at Woodbine and New Lisbon .....	1,000,000
Repairs and replacement of boilers at State schools for the mentally retarded .....	1,500,000
Replacement of residential facilities at State schools for the mentally retarded .....	400,000
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Sub-total, Division of Mental Retardation ..	\$3,900,000
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Total, Department of Human Services .....	\$9,600,000
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2. There is hereby appropriated to the Department of Corrections, from the Institutions Construction Fund, the sum of \$22,000,000.00 for the following construction projects:

Planning, design and construction of new correctional facilities .....	\$12,800,000
Improvements, renovations and repairs to correctional institutions .....	6,700,000
Repairs and replacement of boilers at correctional institutions .....	2,500,000
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Total, Department of Corrections .....	\$22,000,000
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3. There is also appropriated from the proceeds of the sale of the bonds hereinafter 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.

4. It is the declared purpose of this act that the funds from which said appropriations shall be met shall be those funds which shall be derived from the sale of the Institutions Construction Bonds, the issuance of which is provided for in P. L. 1976, c. 93, which said act was submitted to the people and approved by the people at the general election held on November 2, 1976.

5. The State Treasurer is hereby authorized, empowered, and directed and it shall be his duty to set up and maintain the afore-

mentioned appropriations in the Institutions Construction Fund established heretofore pursuant to the act hereinabove mentioned. The funds herein appropriated may be requisitioned by the Department of Human Services and the Department of Corrections for the uses and purposes specifically enumerated 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.

6. The State Treasurer, the State Department of Human Services and the State Department of Corrections are 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 Institutions Construction Fund in separate accounts. Any such funds so established and maintained may be requisitioned for the uses and purposes specifically enumerated 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.

7. The Director of the Division of Budget and Accounting in the Department of the Treasury is hereby authorized, empowered and directed and it shall be his duty to make such correction of the title or text, or both, of any item in this act contained necessary to make such appropriation available for the purpose or purposes of its intention. Such correction shall be by written ruling reciting any appropriate details, the facts thereof and the reasons therefor, attested by the signature of the director and filed by him in his office as an official record, and any action thereunder, including disbursements, and the audit thereof, shall be legally binding and of full force and effect.

8. In order to provide flexibility in administering the provisions of this act, the Commissioner of Human Services or the Commissioner of Corrections may apply to the Director of the Division of Budget and Accounting for permission to transfer a part of any item to any other item within the respective department accounts in the Institutions Construction Fund. Upon the approval of such application by said director and by the Executive Director of the Office of Fiscal Affairs, in writing, said director shall make such transfer as provided by law.

9. Except as the context may otherwise require:

a. "Institutions" shall mean (1) buildings, structures and facilities under the supervision and control of the departments 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 and the aged.

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.

10. This act shall take effect immediately.

Approved March 16, 1977.

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### CHAPTER 43

AN ACT to amend "The New Jersey Economic Development Authority Act," approved August 7, 1974 (P. L. 1974, c. 80).

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

1. Section 3 of P. L. 1974, c. 80 (C. 34:1B-3) is amended to read as follows:

**C. 34:1B-3 Definitions.**

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

a. "Authority" means the New Jersey Economic Development Authority, created by section 4 of this act.

b. "Bonds" means bonds or other obligations issued by the authority pursuant to this act.

c. "Cost" means

The cost of the acquisition, construction, reconstruction, repair, alteration, improvement and extension of any building, structure, facility including water transmission facilities, or other improvement; the cost of machinery and equipment, the cost of acquisition, construction, reconstruction, repair, alteration, improvement and extension of pollution control devices, equipment or facilities; the

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cost of lands, rights-in-lands, easements, privileges, agreements, franchises, utility extensions, disposal facilities, access roads and site development deemed by the authority to be necessary or useful and convenient for any project or in connection therewith, discount on bonds, costs of issuance of bonds, engineering and inspection costs, cost of financial, legal, professional and other estimates and advice, organization, administrative, insurance, operating and other expenses of the authority or any person prior to and during any acquisition or construction, and all such expenses as may be necessary or incident to the financing, acquisition, construction or completion of any project or part thereof, and also such provision for reserves for payment or security of principal of or interest on bonds during or after such acquisition or construction as the authority may determine.

d. "County" means any county of any class.

e. "Person" means any person, including individuals, firms, partnerships, associations, societies, trusts, public or private corporations, or other legal entities, including public or governmental bodies as well as natural persons. "Person" shall include the plural as well as the singular.

f. "Pollution control project" means any device, equipment, improvement, structure or facility or any land and any building, structure, facility or other improvement thereon, or any combination thereof, whether or not in existence or under construction, or the refinancing thereof in order to facilitate improvements or additions thereto or upgrading thereof, and all real and personal property deemed necessary thereto, having to do with or the end purpose of which is the control, abatement or prevention of land, sewer, water, air, noise or general environmental pollution, including, but not limited to, any air pollution control facility, noise abatement facility, water management facility, thermal pollution control facility, radiation contamination control facility, waste water collection system, waste water treatment works, sewage treatment works system, sewage treatment system or solid waste disposal facility or site; provided that the authority shall have received from the Commissioner of the State Department of Environmental Protection or his duly authorized representative, a certificate stating the opinion that, based upon information, facts and circumstances available to the State Department of Environmental Protection and any other pertinent data, (1) said pollution control facilities do not conflict with, overlap or duplicate any other planned or existing pollution control facilities undertaken or

planned by another public agency or authority within any political subdivision, and (2) that such facilities, as designed, will be a pollution control project as defined in this act and are in furtherance of the purpose of abating or controlling pollution.

g. "Project" means (1) (a) acquisition, construction, reconstruction, repair, alteration, improvement and extension of any building, structure, facility including water transmission facilities or other improvement, whether or not in existence or under construction, (b) purchase and installation of equipment and machinery, and (c) improvement of real estate and the extension or provision of utilities, access roads and other appurtenant facilities, all of which are to be used or occupied by any person in any enterprise promoting employment, either for the manufacturing, processing or assembly of materials or products, or for research or office purposes, including, but not limited to, medical and other professional facilities, or for industrial, recreational, hotel or motel facilities, public utility and warehousing, or for commercial and service purposes, including, but not limited to, retail outlets, retail shopping centers, restaurant and retail food outlets, and any and all other employment promoting enterprises including, but not limited to motion picture and television studios and facilities; or any combination of the above, which the authority determines will (i) tend to maintain or provide gainful employment opportunities within and for the people of the State, or (ii) aid, assist and encourage the economic development or redevelopment of any political subdivision of the State, or (iii) maintain or increase the tax base of the State or of any political subdivision of the State, or (iv) maintain or diversify and expand employment promoting enterprises within the State; and (2) the cost of acquisition, construction, reconstruction, repair, alteration, improvement and extension of a pollution control project which the authority determines will tend to reduce, abate or prevent environmental pollution within the State. Project may also include reimbursement to any person for costs in connection with any project, or the refinancing of any project or portion thereof, if determined by the authority as necessary and in the public interest to maintain employment and the tax base of any political subdivision and will facilitate improvements thereto or the completion thereof; but shall not include raw materials, work in progress or stock in trade.

h. "Revenues" means receipts, fees, rentals or other payments to be received on account of lease, mortgage, conditional sale, or sale and payments and any other income derived from the lease,

sale or other disposition of a project, moneys in such reserve and insurance funds or accounts or other funds and accounts and income from the investment thereof, established in connection with the issuance of bonds or notes for a project or projects, and fees, charges or other moneys to be received by the authority in respect of projects and contracts with persons.

i. "Resolution" means any resolution adopted or trust agreement executed by the authority pursuant to which bonds of the authority are authorized to be issued.

2. This act shall take effect immediately.

Approved March 22, 1977.

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#### CHAPTER 44

AN ACT providing for the creation of a Motion Picture and Television Development Commission and defining the powers thereof and making an appropriation.

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

**C. 34:1B-22 Short title.**

1. This act shall be known as the "Motion Picture and Television Development Act".

**C. 34:1B-23 Legislature's findings.**

2. The Legislature finds and determines that the economy of the State of New Jersey has suffered considerably in recent years because of the inflation and employment problems confronting this Nation; that the development of a strong motion picture and television industry would contribute substantially to the improvement of the State's economy; that the development of a strong motion picture and television industry would contribute to the social well-being of the State and its people; that New Jersey offers outstanding and unique human and natural resources for the development of a strong motion picture and television industry; that New Jersey's efforts and programs in the production of motion picture and television enjoy great public support and encouragement; and that the State requires an agency to promote the development of a viable State motion picture.

**C. 34:1B-24 Motion picture and television development commission; establishment; membership; terms; compensation.**

3. a. There is hereby established in but not of the Department of Labor and Industry a Motion Picture and Television Development Commission.

b. The commission shall consist of eight public members no more than four of whom shall be members of the same political party who shall be appointed by the Governor with the advice and consent of the Senate, and the Chairman of the New Jersey State Council on the Arts, the Chairman of the Public Broadcasting Authority, and the Commissioner of Labor and Industry or their designees serving in an ex-officio capacity. The Governor shall appoint from the 11 members a chairman who shall serve in said office at the pleasure of the Governor.

c. The public members of the commission shall be appointed initially for the following terms: three members for a term of 2 years; three members for a term of 3 years; and two members for a term of 4 years. The initial members shall serve from the date of the original appointment for the aforementioned specified terms and until their respective successors shall be duly appointed and qualified. The term of each such appointed member shall be designated by the Governor at the time of his appointment. The successors to the initially appointed members shall each be appointed for a term of 4 years, except that any person appointed to fill a vacancy shall serve only for the unexpired term.

d. The members of the commission shall serve without compensation, but the commission may reimburse its members for necessary expenses incurred in the discharge of their duties.

**C. 34:1B-25 Organization of commission; employees.**

4. The Motion Picture and Television Development Commission shall organize itself in such manner as it deems desirable and necessary, but no action shall be taken or motion or resolution adopted by the commission except by an affirmative vote of a majority of the authorized members of said body. The commission may appoint and employ an executive director and such other professional, technical, and clerical assistants as it may require, without regard to the provisions of Title 11, Civil Service, of the Revised Statutes.

**C. 34:1B-26 Annual report.**

5. On or before December 31 of each year, the Motion Picture and Television Development Commission shall make an annual report of its activities for the Governor and the Legislature.

**C. 34:1B-27 Powers of commission.**

6. The Motion Picture and Television Development Commission shall have the following powers:

a. To adopt such rules and regulations as it deems advisable with respect to the conduct of its own affairs.

b. To hold hearings, and to do or perform any acts which may be necessary, desirable or proper to carry out the purposes of this act.

c. To request and obtain from any department, division, board, bureau, commission, or other agency of the State or of any county, municipality, authority or other political subdivision within the State such assistance and data as will enable it properly to carry out its powers and duties hereunder.

d. To accept any Federal funds granted, by act of Congress or by Executive Order, for all or any of the purposes of this act.

e. To accept any gifts, donations, bequests, or grants of funds from private and public agencies for all or any of the purposes of this act.

f. To coordinate the activities of similar councils or boards appointed by any city or county within the State for all or any of the purposes of this act.

g. To create advisory councils necessary for the performance of responsibilities pursuant to this act and to appoint members thereto.

h. To directly secure any and all location permits from any department, division, board, bureau, commission, or other agency of the State or from any county, municipality, authority, or other political subdivision within the State for applicants interested in motion picture and television production within the State.

**C. 34:1B-28 Programs to promote motion picture and television industry.**

7. The Motion Picture and Television Development Commission shall prepare and implement programs to promote a motion picture and television industry within the State. Such a program shall include but not be limited to:

a. The preparation and distribution of appropriate promotional and informational materials pointing out desirable locations within the State, explaining the benefits and advantages of producing within the State, and detailing the services available at the State and local level and within industry;

b. Facilitate cooperation from local government, State and Federal government agencies and private sector groups in regard to applications, locations, production, and ancillary facilities;

c. Cooperate with all sections of management and labor engaged in the motion picture and television industry.

**C. 34:1B-29 Partial invalidity.**

8. If any section, part, phrase, or provision of this act or the application thereof to any person, project or circumstances, be adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the section, part, phrase, 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, projects or circumstances.

9. There is hereby appropriated to the Motion Picture and Television Development Commission from the General State Fund the sum of \$125,000.00 or so much thereof as may be necessary, for the purposes of carrying out its functions and duties pursuant to this act.

10. This act shall take effect immediately.

Approved March 22, 1977.

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CHAPTER 45

AN ACT to permit investment by savings banks, savings and loan associations, and credit unions in certain obligations of foreign governments and international development banks, and supplementing chapter 2 of Title 17 of the Revised Statutes.

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

**C. 17:2-10 Investments in development bonds issued by foreign governments or obligations of international development banks; approval; limitation.**

1. In addition to investments in obligations of foreign governments permitted by Title 17 of the Revised Statutes or by regulation of the Commissioner of Banking, any savings bank, savings and loan association or credit union organized under the laws of this State may invest in such development bonds issued by foreign governments or in such obligations of international development banks as are approved by the Comptroller of the Currency for investment by national banks; provided, however, that the princi-

pal and interest payable thereon shall be payable in United States dollars; and provided further that such investments are approved by the Commissioner of Banking. Such investments may not exceed in the aggregate 5% of the institution's capital deposits, surplus, and reserves.

2. This act shall take effect immediately.

Approved March 23, 1977.

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## CHAPTER 46

AN ACT to amend "An act relating to chiropody and podiatry, amending sections 45:5-1, 45:5-2, 45:5-7, 45:5-8, 45:5-9, 45:5-10, 45:5-11 and 45:5-15 and supplementing chapter 5 of Title 45 of the Revised Statutes and amending chapter 95, laws of 1943, approved April 7, 1943 (P. L. 1943, c. 95)," approved July 13, 1965 (P. L. 1965, c. 141).

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

1. Section 10 of P. L. 1965, c. 141 (C. 45:5-5.2) is amended to read as follows:

**C. 45:5-5.2 Applications by graduates of college of podiatry after May 1, 1964; contents of application.**

10. Any person desiring to commence the practice of podiatry in this State who has graduated from a college of podiatry approved by the board after May 1, 1964 shall apply to the board for a license so to do. Every such applicant for examination shall present to the secretary of said board, at least 20 days before the commencement of the examination at which he is to be examined, a written application on a form provided by the board, together with satisfactory proof that he is a citizen of the United States, more than 21 years of age, is of good moral character, and

(1) He has obtained an academic education consisting of a 4-year course of study in an approved public or private high school or the equivalent thereof, and

(2) He has completed a satisfactory course of 2 full school years in a legally incorporated and recognized college or university, approved by the board, and

(3) He has studied podiatry for not less than 4 full school years, including the satisfactory completion of 4 courses of at least 8 months each, in 4 different calendar years, or has graduated from an equivalent accelerated course, in a legally incorporated American school or college of podiatry, requiring personal attendance, in good standing in the opinion of said board, wherein the curriculum of study included instruction in the following branches:

Practical podiatry, podiatric orthopedics, dermatology, diagnosis, anatomy, physiology, therapeutics in all its branches, pathology, histology, bacteriology, pharmacy and materia medica, chemistry, minor surgery and bandaging pertaining to the ailments of the feet, and

(4) He has received a doctorate degree in podiatry, and

(5) Thereafter he has served an internship in a duly licensed clinic, hospital, or institution, approved by the board, for 1 full year devoted to the practice of podiatry in all its branches.

2. This act shall take effect immediately.

Approved March 23, 1977.

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#### CHAPTER 47

AN ACT concerning absentee voting, amending and supplementing the "Absentee Voting Law (1953)," approved July 1, 1953 (P. L. 1953, c. 211) and repealing N. J. S. 18A:14-26.

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

1. Section 2 of P. L. 1953, c. 211 (C. 19:57-2) is amended to read as follows:

**C. 19:57-2 Definitions.**

2. Whenever used in this act, the following terms shall, unless the context indicates otherwise, be construed to have the following meaning:

"Absentee ballot" means any military service ballot or civilian absentee ballot as herein defined.

"Absentee voter" means any person qualified to vote a military service ballot or a civilian absentee ballot under the provisions of this act.

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“Armed Forces of the United States” means any branch or department of the United States Army, Navy, Air Force, Coast Guard or Marine Corps.

“Civilian absentee ballot” means a ballot for use by a civilian absentee voter as prescribed by this act.

“Civilian absentee voter” means any qualified and registered voter of the State who expects to be absent from the State on the day of any election and any qualified and registered voter who will be within the State on the day of any election but because of illness or physical disability, including blindness or pregnancy, or because of the observance of a religious holiday pursuant to the tenets of his religion, or because of resident attendance at a school, college or university, or because of the nature and hours of his employment, will be unable to cast his ballot at the polling place in his election district on the day of the election.

“Election,” “general election,” “primary election for the general election,” “municipal election,” and “special election” shall mean, respectively, such elections as defined in the Title to which this is a supplement (R. S. 19:1-1 et seq.).

“Military service” means active service by any person, as a member of any branch or department of the United States Army, Navy, Air Force, Coast Guard or Marine Corps, or as a reservist absent from his place of residence and undergoing training under Army, Navy, Air Force, Coast Guard or Marine Corps direction, at a place other than that of such person’s residence.

“Military service voter” means a qualified elector under the Constitution and the laws of this State who comes within one of the following categories:

(a) Persons in the military service and their spouses and dependents.

(b) Patients in a veterans’ hospital located in any place other than the place of their residences who have been in the military service in any war in which the United States has been engaged and have been discharged or released from such service.

(c) Civilians attached to or serving with the Armed Forces of the United States without this State and their spouses and dependents when residing with or accompanying them.

“Military service ballot” means a ballot for use by a military service voter as prescribed by this act.

2. Section 3 of P. L. 1953, c. 211 (C. 19:57-3) is amended to read as follows:

**C. 19:57-3 Persons entitled to vote by absentee ballot; manner; construction of act.**

3. The following persons shall be entitled to vote by absentee ballot in any election to be held in this State, in the manner hereinafter provided:

A military service voter who may be absent on the day on which such election is held from the election district in which he resides, whether such person is within or without this State in the case of a military service voter as defined in paragraph (a) or (b) of section 2, or without this State and within or without the United States in the case of any military service voter as defined in section 2, provided he has resided in this State at least 30 days and in the county in which he claims the right to vote at least 30 days counting the time he has been absent from the election district in which he resides because of the service, work, status or relationship entitling him to a military service ballot;

A military service voter who is stationed and resident in any garrison, barrack or military or naval place or station within this State, or who resides therein as spouse or dependent of a person in the military, naval or marine service so stationed, and who claims his vote in the municipality wherein such residence is located, shall be entitled to vote by military absentee ballot in any election for which he is duly registered to cast his vote in the election district of his residence in said municipality, but not otherwise;

A civilian absentee voter who expects to be or may be absent outside the State or the United States on the day on which an election is held or who may be within the State on the day of any election but because of permanent and total disability, or because of illness or temporary physical disability, or because of the observance of a religious holiday pursuant to the tenets of his religion, or because of resident attendance at a school, college or university, or because of the nature and hours of his employment, will be unable to cast his ballot at the polling place in his election district on the day of the election, provided he is a registered voter, and is not otherwise disqualified by law from voting in such election.

This act shall be liberally construed to effectuate these purposes.

3. Section 4 of P. L. 1953, c. 211 (C. 19:57-4) is amended to read as follows:

**C. 19:57-4 Civilian absentee or military service ballot; application; absentee ballot to permanently and totally disabled.**

4. At any time not less than 7 days prior to an election in which he desires to vote by mail, a civilian absentee voter may apply to

the person designated in section 6 of this act, for a civilian absentee ballot. Such application or request shall be made in writing, shall be signed by the applicant and shall state his or her place of voting residence and the address to which said ballot shall be sent, and the reason for which the ballot is requested.

Any military service voter desiring to vote in any election or any relative or friend of a military service voter who believes that such voter will desire to vote in any election, may apply to the person designated in section 6 of this act for a military service ballot to be sent to such voter.

Any civilian absentee voter who fails to apply within the 7-day time prescribed above may apply in person to the county clerk for an absentee ballot on any day up to 3 p.m. of the day before the election.

In the event of sickness or confinement, the qualified voter may apply in writing for and obtain an absentee ballot by authorized messenger so designated over the signature of the voter. The county clerk is authorized to deliver to such authorized messenger a ballot to be delivered to the qualified voter.

A voter who is permanently and totally disabled, and who states the reason for such disability in a request for an absentee ballot, shall be furnished an application for an absentee ballot by the county clerk for all future elections in which the voter shall be eligible to vote, without further request on the part of the voter.

4. Section 5 of P. L. 1953, c. 211 (C. 19:57-5) is amended to read as follows :

**C. 19:57-5 Application by relative or friend of military service voter; form.**

5. The form of application to be used by a relative or friend of a military service voter shall be substantially as follows :

APPLICATION BY RELATIVE OR FRIEND FOR A MILITARY SERVICE BALLOT  
 The undersigned, residing at ..... in  
 (street and number or R.D. route)  
 ..... in the county of .....  
 (name of city or other municipality)  
 in the State of ..... does hereby make application  
 for a military service ballot to be voted at the election to be held  
 on ..... for .....  
 (date of election) (name of military service voter and serial  
 ..... whose home  
 number if in the military service)  
 address is at ..... in .....  
 (street and number or R. D. route) (name of city

..... in the county of ..... in the  
or other municipality)  
State of New Jersey and who is stationed or can be found at  
.....

He is of the age of 18 years, has resided in the State of New Jersey at least 30 days and in said county at least 30 days counting the time that he has been absent from the election district in which he resides because of the service, work, status or relationship in the category indicated below and I verily believe that he is qualified to vote as a military service voter in said election.

(NOTE: MILITARY SERVICE VOTER CLAIMING MILITARY STATION AS HOME ADDRESS FOR VOTING PURPOSES MAY NOT USE MILITARY ABSENTEE BALLOT UNLESS REGISTERED TO VOTE IN THE MUNICIPALITY WHERE SUCH STATION IS LOCATED.)

Place an (X) in the box preceding the applicable category below.

- (a)  A person in military service.
- (b)  A spouse or dependent of a person in category (a).
- (c)  A patient in a veterans' hospital.
- (d)  A civilian attached to or serving with the Armed Forces of the United States.
- (e)  A spouse or dependent of and accompanying or residing with a person in category (d).

State of ..... }  
County of ..... } ss.

The undersigned, being duly sworn on his oath according to law, says that the contents of the foregoing application are true.

Sworn and subscribed to before me this ..... day  
of ..... A. D. ....  
.....  
(name and title of officer taking affidavit)

Such affidavit shall be subscribed and sworn to before a person authorized to administer oaths.

5. Section 6 of P. L. 1953, c. 211 (C. 19:57-6) is amended to read as follows:

**C. 19:57-6 To whom application must be made.**

6. In the case of any election, the application or request shall be made to the county clerk of the county.

In the case of applications for civilian absentee ballots, the county clerk shall stamp thereon the date on which said application was received in his office.

6. Section 7 of P. L. 1953, c. 211 (C. 19:57-7) is amended to read as follows:

**C. 19:57-7 Notices to be published.**

7. The county clerk of the county, in the case of any Statewide or countywide election; the clerk of the municipality, in the case of any municipal election; the secretary of the board of education, in the case of any school election; and the commissioners or other governing or administrative body of the district, in the case of any election to be held in any fire district, road district, sewerage district, street lighting district, water supply district or other special district, other than a municipality, created for specified public purposes within one or more municipalities, shall publish or cause to be published the following notices in substantially the following forms:

**NOTICE TO MILITARY SERVICE VOTERS AND TO THEIR RELATIVES AND FRIENDS**

If you are in the military service or the spouse or dependent of a person in military service or are a patient in a veterans' hospital or a civilian attached to or serving with the Armed Forces of the United States without the State of New Jersey, or the spouse or dependent of and accompanying or residing with a civilian attached to or serving with the Armed Forces of the United States, and desire to vote, or if you are a relative or friend of any such person who, you believe, will desire to vote in the .....

(municipal, primary, gen-

..... election to be held on ..... kindly write  
eral or other) (date of election)

to the undersigned at once making application for a military service ballot to be voted in said election to be forwarded to you, stating your name, age, serial number if you are in military service, home address and the address at which you are stationed or can be found, or if you desire the military service ballot for a relative or friend then make an application under oath for a military service ballot to be forwarded to him, stating in your application that he is over the age of 18 years and stating his name, serial number if he is in military service, home address and the address at which he is stationed or can be found.

(NOTE: MILITARY SERVICE VOTER CLAIMING MILITARY STATION AS HOME ADDRESS FOR VOTING PURPOSES MAY NOT USE MILITARY ABSENTEE BALLOT UNLESS REGISTERED TO VOTE IN THE MUNICIPALITY WHERE SUCH STATION IS LOCATED.)

Forms of application can be obtained from the undersigned.

Dated .....  
.....  
(signature and title of county clerk)  
.....  
(address of county clerk)

NOTICE TO PERSONS DESIRING CIVILIAN ABSENTEE BALLOTS

If you are a qualified and registered voter of the State who expects to be absent outside the State on .....,  
(date of election)

or a qualified and registered voter who will be within the State on ..... but because of permanent and total disability,  
(date of election)

or because of illness or temporary physical disability, or because of the observance of a religious holiday pursuant to the tenets of your religion, or because of resident attendance at a school, college, or university, or because of the nature and hours of employment, will be unable to cast your ballot at the polling place in your district on said date, and you desire to vote in the .....

(municipal, primary, general,  
..... election to be held on .....  
or other) (date of election)

kindly complete the application form below and send to the undersigned, or write or apply in person to the undersigned at once requesting that a civilian absentee ballot be forwarded to you. Such request must state your home address, and the address to which said ballot should be sent, and must be signed with your signature, and state the reason why you will not be able to vote at your usual polling place. No civilian absentee ballot will be furnished or forwarded to any applicant unless request therefor is received not less than 7 days prior to the election, and contains the foregoing information.

Voters who are permanently and totally disabled shall, after their initial request and without further action on their part, be forwarded an absentee ballot application by the county clerk for all future elections in which they are eligible to vote. Application forms may be obtained by applying to the undersigned either in

writing or by telephone, or the application form provided below may be completed and forwarded to the undersigned.

Dated .....

.....  
(signature and title of county clerk)

.....  
(address of county clerk)

.....  
(Telephone No. of county clerk)

**APPLICATION FORM FOR CIVILIAN ABSENTEE BALLOT**

(Form to be prepared by the Secretary of State pursuant to section 17 of this amendatory and supplementary act)

Such notices shall be separately published prior to the fortieth day immediately preceding the holding of any election.

Notices relating to any Statewide or countywide election shall be published by the county clerk in at least two newspapers published in the county. All other officials charged with the duty of publishing such notices shall publish the same in at least one newspaper published in each municipality or district in which the election is to be held or if no newspaper be published in said municipality, then in a newspaper published in the county and circulating in such municipality, municipalities or district. All such notices shall be display advertisements.

7. Section 10 of P. L. 1953, c. 211 (C. 19:57-10) is amended to read as follows:

**C. 19:57-10 Comparison of signatures; investigation of application.**

10. Upon receipt of any request for a civilian absentee ballot or any application for a military absentee ballot from a military service voter who is required under section 3 of this act to be registered in the municipality where he intends to cast such military absentee ballot, the county clerk shall, with the cooperation of the Commissioner of Registration, cause the signature of the applicant on the request to be compared with the signature of said person appearing on the permanent registration form in order to determine from such examination and any other available information if the applicant is a voter qualified to cast a ballot in the election in which he desires to vote, and determine in case of a primary election in which political party primary the voter is entitled to vote. The Commissioner of Registration or the superintendent of elections in counties having a superintendent of elections may investigate any application or request for an absentee ballot.

If after such examination, the county clerk is satisfied that the applicant is entitled to a ballot, he shall mark on the application "Approved." If after such examination the county clerk determines that the applicant is not entitled to a ballot, he shall mark on the application "Disapproved" and shall so notify the applicant, stating the reason therefor.

8. Section 11 of P. L. 1953, c. 211 (C. 19:57-11) is amended to read as follows:

**C. 19:57-11 Forwarding of ballots by mail to voters.**

11. Each county clerk shall forward a military service ballot or a civilian absentee ballot, as the case may be, for use under this act by first-class mail or hand delivered to each military service voter who applies therefor or on whose behalf application is made therefor, and whose application is approved in any case where approval is required under section 10 of this act, and to each civilian absentee voter whose request therefor has been approved. Ballots that have not been hand delivered to the voter shall be addressed to the voter at the forwarding address given in the application. All ballots to be forwarded to persons at an address located within the limits of the states of Alaska and Hawaii or anywhere else without the limits of the other 48 states and the District of Columbia shall be forwarded by air mail.

Such ballots shall be so forwarded as soon as practicable after the twenty-fifth day preceding the day upon which any election is to be held.

9. Section 12 of P. L. 1953, c. 211 (C. 19:57-12) is amended to read as follows:

**C. 19:57-12 Disposition of requests for absentee ballots; list.**

12. Each county clerk, after processing the requests for civilian absentee ballots and the applications for military absentee ballots requiring approval under section 10 of this act and furnishing the applicant with a civilian or military absentee ballot in the manner prescribed by this act, shall forward such requests, including those disapproved, to the county board of elections. Each county clerk shall also keep a list of such requests received by him showing the disposition of each request, which list shall be made available to the public and all election officials charged with the duty of administering this act.

10. Section 15 of P. L. 1953, c. 211 (C. 19:57-15) is amended to read as follows:

**C. 19:57-15 Form of absentee ballots; primary elections.**

15. Each absentee ballot to be used at any primary election for the general election to be held while this act is in effect shall, except as otherwise provided, conform to the ballot to be used at said election in the absentee voter's election district and to the form herein prescribed for absentee ballots to be used in such general elections except that it shall be so prepared that the absentee voter may indicate thereon his choice of the candidates of one political party for each of the officers to be voted upon at said election by the voters of said election district and shall be separated into party ballots, which shall all be printed upon one sheet where the voting system so allows.

Each such absentee ballot shall be plainly marked to indicate that but one party ballot is to be voted by each absentee voter and that the party ballot voted by him must conform to the name of the political party indicated by the county clerk as hereinafter provided.

If the county clerk has ascertained through investigating an absentee voter's registration record that, under the laws of this State, such voter is qualified to vote only in a certain party primary, he shall so indicate upon the primary ballot the primary party in which such voter is entitled to vote.

In the case where the county clerk has ascertained through investigating the absentee voter's registration record that such applicant is requesting a ballot to vote in the first primary for which he is eligible after registration, the county clerk shall indicate upon the primary ballot that the voter can vote in any one of the party primaries.

11. Section 16 of P. L. 1953, c. 211 (C. 19:57-16) is amended to read as follows:

**C. 19:57-16 Directions to be sent with ballots; envelopes.**

16. Each county clerk shall send, with each absentee ballot, printed directions for the preparation and transmitting of absentee ballots as required by this act (which may be printed upon the inner envelope) together with two envelopes of such sizes that one will contain the other.

The outer envelope shall be addressed to the county board of elections of the county in which is located the home address of the person to whom the absentee ballot is sent, as certified by the county clerk.

The inner envelope shall be so designed that it can be sealed after the absentee ballot has been placed therein and the flap thereof shall be of such length and size as to leave sufficient margin, after sealing, for the printing thereon of the certificate hereinafter described. The flap shall be so arranged, that after the inner envelope has been sealed, the certificate can be contained, with the said inner envelope, in the outer envelope, and that the margin containing the certificate can be detached without unsealing the inner envelope.

On the outside of each envelope in which an absentee ballot is sent to an absentee voter and of each inner and outer envelope for the return of such ballot, there shall be printed or stamped the words "Official Military Service Ballot" or "Official Civilian Absentee Ballot" as the case may be.

The reverse side of each inner envelope shall contain the following statement:

**PENALTY FOR FRAUDULENT VOTING**

Any person who knowingly violates any of the provisions of this act, 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 a misdemeanor, 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. (P. L. 1953, c. 211, s. 37 (C. 19:57-37); P. L. 1964, c. 134, s. 33 (C. 19:58-33)).

12. Section 17 of P. L. 1953, c. 211 (C. 19:57-17) is amended to read as follows:

**C. 19:57-17 Certificate to be printed on margin of flap on envelopes.**

17. Upon the said margin of said flap on the envelopes to be sent to military service voters there shall be printed a certificate in the following form:

**CERTIFICATE OF MILITARY ABSENTEE VOTER**

I, ....., whose  
 (print your name clearly)  
 home address is .....  
 (street address or R.D. number)  
 ....., DO HEREBY CERTIFY,  
 (municipality)

subject to the penalties for fraudulent voting, that I am a citizen of the United States, am over 18 years of age, and have been a resident of New Jersey for at least 30 days and the county of ..... for at least 30 days prior to the election. I AM VOTING THIS BALLOT PURSUANT TO APPLICATION PREVIOUSLY FILED. I marked the enclosed ballot in secret. I certify the foregoing to be true to the best of my knowledge and belief.

.....  
(signature of voter)

(NOTE: MILITARY SERVICE VOTER CLAIMING MILITARY STATION AS HOME ADDRESS FOR VOTING PURPOSES MAY NOT USE MILITARY ABSENTEE BALLOT UNLESS REGISTERED TO VOTE IN THE MUNICIPALITY WHERE SUCH STATION IS LOCATED.)

Upon said margin of said flap on the inner envelopes to be sent to civilian absentee voters there shall be printed a certificate in the following form:

**CERTIFICATE OF CIVILIAN ABSENTEE VOTER**

I, ....., whose

(print your name clearly)

home address is .....

(street address or R.D. number)

....., DO HEREBY CERTIFY,

municipality)

subject to the penalties for fraudulent voting, that I am a citizen of the United States, am over 18 years of age, and have been a resident of New Jersey for at least 30 days and the county of ..... for at least 30 days prior to the election. I AM VOTING THIS BALLOT PURSUANT TO APPLICATION PREVIOUSLY FILED. I marked the enclosed ballot in secret. I certify the foregoing to be true to the best of my knowledge and belief.

.....  
(signature of voter)

13. Section 19 of P. L. 1953, c. 211 (C. 19:57-19) is amended to read as follows:

**C. 19:57-19 Primary election; certificate on envelope for absentee ballot.**

19. In addition to the foregoing, the certificate to be used on the margin of the flap of the inner envelope forwarded with any

absentee ballot intended to be voted in any primary election for the general election shall contain the following statement similarly signed:

THE ABSENTEE BALLOT CONTAINED HEREIN IS MARKED FOR THE CANDIDATES OF THE ..... (name of party) POLITICAL PARTY ..... (signature of absentee voter)

14. Section 25 of P. L. 1953, c. 211 (C. 19:57-25) is amended to read as follows:

C. 19:57-25 Qualifications of military service voters; district in which military service ballot is to be counted.

25. Except as provided in section 3 of this act, it shall not be necessary to qualify any military service voter to vote by a military service ballot in any county, that he shall be or shall have been registered to vote in any election district of this State at the time of any election or at any other time, if his name has been certified by the county clerk of the county to the commissioner of registration of the county as hereinbefore provided. Any military service ballot returned to any county board of elections in the envelopes required by this act shall be counted in determining the result of any election in which it is to be voted in the election district indicated by the military service voter's home address appearing on the certificate or certificates attached to or accompanying the inner envelope, containing such military service ballot, if such certificate or certificates contain information which would qualify the military service voter to vote in said election district if he were registered to vote therein, and if said certificate or certificates have been filled in and purport to have been executed and sworn to in the manner required by this act and if such military service ballot has been so marked as to comply with the requirements of the election laws of this State and in computing the length of residence, in the county and State, of any military service voter the time which shall have elapsed during his absence from the election district in which he resides because of the service, work, status or relationship entitling him to vote a military service ballot shall be counted.\*\*

15. Section 31 of P. L. 1953, c. 211 (C. 19:57-31) is amended to read as follows:

**C. 19:57-31 Canvass of absentee ballots.**

31. On the day of each election each county board of elections shall open in the presence of the commissioner of registration or his assistant or assistants the inner envelopes in which the absentee ballots, returned to it, to be voted in such election, are contained, except those containing the ballots which the board or the County Court of the county has rejected, and shall remove from said inner envelopes the absentee ballots and shall then proceed to count and canvass the votes cast on such absentee ballots, but no absentee ballot shall be counted in any primary election for the general election if the ballot of the political party marked for voting thereon differs from the designation of the political party in the primary election of which such ballot is intended to be voted as marked on said envelope by the county board of elections. Immediately after the canvass is completed, the respective county boards of election shall certify the result of such canvass to the county clerk or the municipal or district clerk or other appropriate officer as the case may be showing the result of the canvass by municipality and ward, and the votes so counted and canvassed shall be counted in determining the result of said election.

The county board of elections shall, immediately after the canvass is completed for a primary election, certify the results of the votes cast for members of the county committees to the respective municipal clerks, which votes shall be counted in determining the result of said election.

16. Section 32 of P. L. 1953, c. 211 (C. 19:57-32) is amended to read as follows:

**C. 19:57-32 Duplicate voting records, marking of.**

32. As soon as practicable after such election, the commissioner of registration shall cause to be marked all duplicate voting records which have not been marked with a red "A" in accordance with this act, to show that a civilian absentee ballot was delivered or forwarded to the respective registered voters. For each civilian absentee ballot, and for each military absentee ballot cast by a military service voter who is required under section 3 of this act to be registered in the municipality where he intends to cast such absentee ballot, that has been voted, received and counted, the commissioner of registration shall also, by reference to the certificates removed from the inner envelopes of such ballots, cause to be written or stamped the word "Voted" in the space provided in the duplicate voting record for recording the ballot number of the voter's ballot in such election, and in the case of a primary

election for the general election he shall also cause to be written or stamped in the proper space of the record of voting form the first three letters of the name of the political party primary in which such ballot was voted. The record of voting forms in the original permanent registration binders shall be conformed to the foregoing entries in the duplicate forms.

**C. 19:57-4.1 Standard absentee ballot application forms; rules and regulations.**

17. (New section) a. The Secretary of State shall cause to be prepared a standard military service absentee ballot application form and a standard civilian absentee ballot application form. Said civilian absentee ballot application form shall be printed in the NOTICE TO PERSONS DESIRING CIVILIAN ABSENTEE BALLOTS required to be published pursuant to section 7 of P. L. 1953, c. 211 (C. 19:57-7).

b. The Secretary of State shall have the authority to promulgate any rules and regulations to carry out this act.

**Repealer.**

18. N. J. S. 18A:14-26 is repealed.

19. This act shall take effect immediately but shall not apply to any election held within 60 days from the date of enactment.

Approved March 24, 1977.

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CHAPTER 48

AN ACT to amend "An act concerning the transfer of cases between counties, supplementing chapter 11 of Title 2A of the New Jersey Statutes, and making an appropriation," approved November 29, 1973 (P. L. 1973, c. 271; C. 2A:11-5.1 et seq.).

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

1. Section 4 of P. L. 1973, c. 271 is amended to read as follows:

4. This act shall take effect immediately and shall apply to cases transferred on or after December 1, 1971.

2. This act shall take effect immediately.

Approved March 29, 1977.

## CHAPTER 49

AN ACT to amend the "Municipal Land Use Law," approved January 14, 1976 (P. L. 1975, c. 291).

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

1. Section 18 of P. L. 1975, c. 291 (C. 40:55D-27) is amended to read as follows:

**C. 40:55D-27 Citizens advisory committee; environmental commission.**

18. Citizens advisory committee; environmental commission.  
a. After the appointment of a planning board, the mayor may appoint one or more persons as a citizens' advisory committee to assist or collaborate with the planning board in its duties, but such person or persons shall have no power to vote or take other action required of the board. Such person or persons shall serve at the pleasure of the mayor.

b. Whenever the environmental commission has prepared and submitted to the planning board and the board of adjustment an index of the natural resources of the municipality, the planning board or the board of adjustment shall make available to the environmental commission an informational copy of every application for development submitted to either board. Failure of the planning board or board of adjustment to make such informational copy available to the environmental commission shall not invalidate any hearing or proceeding.

2. This act shall take effect immediately.

Approved March 29, 1977.

## CHAPTER 50

AN ACT making an appropriation from the Unemployment Compensation Auxiliary Fund to the Economic Development Fund of the New Jersey Economic Development Authority, to defer the costs of studies necessary to develop urban industrial parks.

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

1. There is hereby appropriated the sum of \$1,000,000.00 from the unemployment compensation auxiliary fund established pursuant to R. S. 43:21-14(g) to the economic development fund of the New Jersey Economic Development Authority, for the purpose of paying the costs of studies undertaken by or on behalf of the authority to determine the feasibility of developing projects, as defined by the New Jersey Economic Development Act, P. L. 1974, c. 80 (C. 34:1B-1 et seq.). The costs of such studies may include appraisals for real estate, engineering studies on cost estimates and design standards for site acquisition and preparation, including engineering studies on soil conditions, drainage, sewerage, topography, utilities, streets, highways, port and rail facilities, and other elements of site preparation for projects; architectural studies on site planning and land use considerations, traffic and circulation problems, environmental impact of projects and estimated costs of proposed improvements, including buildings at a project site; studies aimed at determining the potential market for projects, taking into account the cost of acquiring and developing project sites and the market for industrial space in the area of a proposed project; economic feasibility studies, including financial projections and proposals for financing the development of projects; and legal costs associated with such studies, including the legal costs associated with drafting model leases and contracts of sale, and the drafting of financing agreements related to such studies and to potential projects.

2. The cost of feasibility studies undertaken by the authority pursuant to this act shall be considered a part of the total development cost of a project, and shall be recouped from the proceeds of revenue generated by projects which have received assistance pursuant to this act.

3. This act shall take effect immediately.

Approved March 31, 1977.

## CHAPTER 51

AN ACT concerning motor vehicle registrations in certain cases and amending R. S. 39:3-20, R. S. 39:3-84, section 3 of P. L. 1950, c. 142, and section 1 of P. L. 1973, c. 90.

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

1. R. S. 39:3-20 is amended to read as follows:

**Gross weight defined; registration for commercial motor vehicles, tandem three-axle vehicles for waste disposal and commercial motor-drawn vehicles; registration year; fees; weight limitations.**

39:3-20. For the purpose of this act gross weight means the weight of both the vehicle and its load. a. The director is authorized to issue registrations for commercial motor vehicles other than omnibuses or motor-drawn vehicles upon application therefor and payment of a fee based on the gross weight of the vehicle including the gross weight of all vehicles in any combination of vehicles of which the commercial motor vehicle is the drawing vehicle. The gross weight of a disabled commercial vehicle or combination of disabled commercial vehicles being removed from a highway shall not be included in the calculation of the registration fee for the drawing vehicle.

The registration year for a commercial motor vehicle other than an omnibus or motor-drawn vehicle shall be April 1 to the following March 31 and the minimum registration fee shall be \$50.00 plus \$8.50 for each 1,000 pounds or portion thereof in excess of 5,000 pounds.

b. The director is also authorized to issue registrations for commercial motor vehicles having three or more axles and a gross weight over 40,000 pounds but not exceeding 70,000 pounds, upon application therefor and proof to the satisfaction of the director that the applicant is actually engaged in construction work or in the business of supplying material, transporting material, or using such registered vehicle for construction work.

The registration year for such commercial motor vehicles shall be July 1 to the following June 30 and the registration fee shall be \$16.00 for each 1,000 pounds or portion thereof of gross weight including the gross weight of all vehicles in any combination of which such commercial motor vehicle is the drawing vehicle. "Con-

structor" registrations issued prior to the effective date of this act which expire March 31, 1977 shall be renewed at  $1\frac{1}{4}$  times the fee set forth herein and shall expire June 30, 1978.

Such commercial motor vehicle shall be operated in compliance with the speed limitations of Title 39 of the Revised Statutes and shall not be operated at a speed greater than 30 miles per hour when one or more of its axles has a load which exceeds the limitations prescribed in R. S. 39:3-84.

c. The director is also authorized to issue registrations for tandem three-axle commercial motor vehicles having a gross weight not exceeding 60,000 pounds, upon application to the director and proof to his satisfaction that the applicant is actually engaged in the performance of solid waste disposal or collection functions and holds a certificate of convenience and necessity therefor issued by the Board of Public Utility Commissioners.

The registration year for such "solid waste" vehicles shall be July 1 to the following June 30 and the registration fee shall be \$18.00 for each 1,000 pounds or portion thereof of gross weight. "Solid waste" registrations issued prior to the effective date of this act which expire March 31, 1977 shall be renewed at  $1\frac{1}{4}$  times the fee set forth herein and shall expire June 30, 1978.

d. The director is also authorized to issue registrations for commercial motor-drawn vehicles upon application therefor. The registration year for commercial motor-drawn vehicles shall be April 1 to the following March 31 and the fee therefor shall be \$18.00 for each such vehicle.

At the discretion of the director, an applicant for registration for a commercial motor-drawn vehicle may be provided the option of registering such vehicle for a period of 4 years. In the event that the applicant for registration exercises the 4-year option, a fee of \$64.00 for each such vehicle shall be paid to the director in advance.

If any commercial motor-drawn vehicle registered for a 4-year period is sold or withdrawn from use on the highways, the director may, upon surrender of the vehicle registration and plate, refund \$16.00 for each full year of unused prepaid registration.

e. It shall be unlawful for any vehicle or combination of vehicles registered under this act having gross weight in excess of the gross weight provided on the registration certificate to be operated on the highways of this State.

In the event that a commercial motor vehicle registered under this act is found on a highway in combination with a commercial motor-drawn vehicle properly registered in any other State, Fed-

eral district or Canadian province which imposes registration weight fees on such commercial motor-drawn vehicles, the drawing vehicle registered under this act shall have a gross weight registration equal to at least one-half of the gross weight of the combination of vehicles. If it does not, the operation of said vehicles on the highways of this State shall be unlawful.

The 5% allowance provided by section 5 of P. L. 1950, c. 142 (C. 39:3-84.3) shall be applicable as heretofore to all registered weight limitations provided in this section, except that in no event shall the gross weight of any vehicle or combination of vehicles exceed the Federal maximum as such may be amended from time to time established for vehicles operated on the National System of Interstate and Defense Highways. In the case of a commercial motor vehicle registered under this act in combination with a commercial motor-drawn vehicle properly registered in any other state, Federal district or Canadian province which imposes registration weight fees on such commercial motor-drawn vehicles, the 5% allowance shall be applied and added to the registered weight of the drawing vehicle registered under this act. If the resulting sum is equal at least to one-half of the combined gross weight of the mixed combination, then the mixed combination shall be in compliance with the registration requirements of this section.

Moneys realized from the increase of the fees for registrations issued pursuant to the provisions of this act shall be paid into the State Treasury and credited to the General State Fund and available for general State purposes.

This section shall not be construed to supersede or repeal the provisions of sections 39:3-84, 39:4-75, or 39:4-76 of this Title.

2. Section 1 of P. L. 1973, c. 90 (C. 39:3-22a) is amended to read as follows:

**C. 39:3-22a Reduction of fees on or after October 1; exceptions.**

1. If application is made for the registration of a motor vehicle, other than a passenger automobile or motorcycle, or for the registration of a commercial motor or motor-drawn vehicle, or an omnibus, on or after October 1 in a registration year beginning April 1 and ending the following March 31, the applicant shall pay only one-half of the registration fee provided for in the class to which such vehicle belongs.

3. R. S. 39:3-84 is amended to read as follows:

**Dimensional restrictions; outside width; height; over-all length; weight.**

39:3-84. No commercial motor vehicle, tractor, trailer or semi-trailer shall be operated on any highway in this State the outside width of which is more than 96 inches, inclusive of load, or the height of which exceeds 13½ feet, inclusive of load, and no commercial motor vehicle, tractor or trailer shall be operated on any highway in this State, the extreme overall length of which exceeds 35 feet either for a two-axle four-wheeled vehicle, inclusive of load, or 35 feet either for a three-axle six-wheeled vehicle, inclusive of load, except that a vehicle or vehicle inclusive of load 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, or vehicle and load, for the purposes of this section, there shall not be included in the dimensional limitations safety appliances such as mirrors or lights, or chains or similar fasteners used for the securing of cargo, provided such appliances or fasteners do not exceed the overall limitations established by the director by rule or regulation.

In the case of an omnibus the maximum width and length dimensions shall be such as the Board of Public Utility Commissioners prescribe, but no outside width in excess of 96 inches shall be prescribed with respect to one or more highways specified or otherwise described except upon certifications, (1) of the Division of Motor Vehicles in the Department of Law and Public Safety that the proposed width is not unsafe for use on the highways in this State and (2) of the State Department of Transportation that the proposed width, if in excess of 96 inches, is not in conflict with the requirements of any agency of the United States having jurisdiction over the National System of Interstate and Defense Highways authorized by law. No outside width so prescribed shall be valid if the allowance of use of the same would disqualify the State of New Jersey or any department, agency or governmental subdivision thereof for the purpose of receiving Federal highway funds.

In the case of farm tractors and traction equipment and farm machinery and implements, the maximum width and length shall be such as the Director of the Division of Motor Vehicles shall prescribe by uniform rules and regulations but the operation of

such vehicles shall be subject to the provisions of section 39:3-24 of this Title and any such vehicle shall not be operated on any highway which is part of the National System of Interstate and Defense Highways or on any highway which has been designated a freeway or parkway as provided by law.

In the case of commercial motor vehicles, trailers and semi-trailers including farm trucks, while loaded with hay or straw the maximum width of the load shall not exceed 105½ inches.

No commercial motor vehicle drawing or having attached thereto any other such vehicle, nor any combination of vehicles, shall be operated on any highway in this State, in excess of a total overall length, inclusive of load, of 55 feet except a vehicle or a combination of vehicles transporting poles, pilings, structural units or other articles incapable of dismemberment the total overall length of which, inclusive of load, shall not exceed 70 feet, but the provisions of this paragraph shall not apply to a vehicle nor to any combination of vehicles, operated by a public utility as defined in R. S. 48:2-13 which vehicle or combination of vehicles is used by such public utility in the construction, reconstruction, repair or maintenance of its property or facilities.

Notwithstanding the above limitations, a combination of vehicles designed, built and used to transport other motor vehicles may carry a load which exceeds the 55 feet overall length, provided, however, the total load overhang shall be limited to 5 feet and may not exceed 3 feet at either the front or rear and that the overhang shall be above the height of the average passenger car.

The gross weight imposed on the highway by the wheels of any one axle of a vehicle shall not exceed 22,400 pounds.

For the purpose of this Title the gross weight imposed on the highway by the wheels of any one axle of a vehicle shall be deemed to mean the total load transmitted to the road by all wheels whose centers are included between two parallel transverse vertical planes less than 40 inches apart, extending across the full width of the vehicle.

The combined gross weight imposed on the highway by all wheels of all axles whose centers are on or between two parallel transverse vertical planes spaced 40 inches, but less than 96 inches apart, extending across the full width of the vehicle, shall not exceed 34,000 pounds.

In addition to the other requirements of this section and notwithstanding any other provision of this Title, no commercial motor vehicle, tractor, trailer or semitrailer shall be operated on any highway in this State with a combined weight of vehicle and load, an axle weight or a vehicle dimension the allowance of which would disqualify the State of New Jersey or any department, agency or governmental subdivision thereof for the purpose of receiving Federal highway funds.

The dimensional and weight restrictions set forth herein shall not apply to a combination of vehicles which includes a disabled vehicle or a combination of vehicles being removed from a highway in this State, provided that such oversize or overweight vehicle combination may not travel on the public highways more than 5 miles from the point where such disablement occurred. If the disablement occurred on a limited access highway, the distance to the nearest exit of such highway shall be added to the 5-mile limitation.

4. Section 3 of P. L. 1950, c. 142 (C. 39:3-84.1) is amended to read as follows:

**C. 39:3-84.1 Application of weight limitations.**

3. The axle weight limitations of R. S. 39:3-84 shall apply to all vehicles registered in New Jersey subsequent to March 1, 1950, which have not been registered therein or contracted for purchase by New Jersey residents prior to that date. The gross weight and axle load limitations provided in R. S. 39:3-84 shall not apply to vehicles registered as "constructor" vehicles or to a combination of vehicles of which the "constructor" vehicle is the drawing vehicle or to vehicles registered as "solid waste" as provided in R. S. 39:3-20 except that said limitations shall apply to "solid waste" registered vehicles when operated on any highway which is part of the National System of Interstate and Defense Highways. Vehicles registered as "constructor" or "solid waste" shall be limited as to gross weight by the allowable gross weight as shown on the registration certificate.

5. This act shall take effect on July 1, 1976.

Approved April 1, 1977.

## CHAPTER 52

AN ACT establishing Fire District 1 in the township of Dover, county of Ocean, and validating, ratifying and confirming all actions, proceedings and undertakings heretofore had and taken by the district and its board of commissioners pursuant to and as authorized by law.

WHEREAS, A question has arisen as to whether Fire District 1 in the township of Dover, county of Ocean, has legally been established; and

WHEREAS, Fire District 1 in the township of Dover, county of Ocean, has been recognized as a duly established fire district of the township of Dover for a period in excess of 75 years; and

WHEREAS, The board of commissioners and their predecessors are serving and have served as a duly established body corporate under the name "The Commissioners of Fire District 1 in the township of Dover, county of Ocean" for a period in excess of 75 years; now, therefore,

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

1. All that portion of the township of Dover in the county of Ocean within the exterior lines as follows shall be and is hereby established as a fire district and shall be known as "Fire District 1 in the township of Dover and county of Ocean":

BEGINNING at the northeast corner of the Township of Dover, in the County of Ocean, where the north line of said Township intersects with the Atlantic Ocean; thence (1) in the Westerly direction along the north line of the Township of Dover to the main channel of Barnegat Bay; thence (2) South along the main channel of Barnegat Bay to a point opposite where Silver Bay intersects said Barnegat Bay; thence (3) Westerly, along the center line of said Silver Bay to the southerly Lot line of Lot 8, Block 442-B, as shown on the Dover Township Tax Map; thence (4) westerly along the southerly line of Lot 8, Block 442-B, and the extension thereof, 130 feet more or less to the center line of Fischer Boulevard; thence (5) Northwesterly along the center line of Fischer Boulevard to where the same intersects the center line of

Hooper Avenue; thence (6) South along the center line of Hooper Avenue to where the same intersects with the center line of Mapletree Road; thence (7) Westerly along the center line of Mapletree Road to the center line of Lakewood Road; thence (8) Northerly along the center line of Lakewood Road to a point where the easterly extension of Block Limit line dividing Block 405-3 and Block 405-8 intersects said Lakewood Road; thence (9) Westerly along said Block Limit line, across Glenwood Road and continuing in a westerly direction along the Block Limit line dividing Block 405-4 and Block 405-10 and continuing across U. S. Highway #9 (Garden State Parkway) westerly along the line separating Lot 60 from Lot 61 and Lot 20 in Block 409, and continuing westerly along the line extended therefrom to the Toms River; thence (10) Northwest along the Toms River to a point where the Union Branch and North Branch of the Toms River intersect; thence (11) Southwest along the boundary line between Dover and Manchester Townships, to the southwest corner of Dover Township, which point is in the Berkeley Township line; thence (12) Southeast along the southerly line of Dover Township to the Toms River; thence (13) easterly along the main channel of the Toms River to the Borough of Island Heights; thence (14) following the Township of Dover lines around the Borough of Island Heights to the Toms River; thence (15) Easterly along the southerly and southeasterly boundary line of Dover Township to the Atlantic Ocean; thence (16) North along the Atlantic Ocean to the point or place of beginning; excepting thereout and therefrom such portion of land covered by the above description as is in the Borough of Lavallette.

2. All actions and proceedings heretofore undertaken for the establishment of Fire District 1 in the township of Dover, county of Ocean; for the establishment and election of a board of commissioners; and all actions, proceedings and undertakings heretofore had or taken by the board of commissioners and their predecessors as members of the board of commissioners pursuant to and as authorized by law are hereby validated, ratified and confirmed.

3. The office of each of the present members of the board of commissioners is hereby ratified and confirmed, and each member shall continue in office for the duration of the term for which he was elected and until his successor shall be elected and qualify.

4. This act shall take effect immediately.

Approved April 1, 1977.

## CHAPTER 53

AN ACT to amend the "Local Public Contracts Law", approved June 9, 1971 (P. L. 1971, c. 198) and P. L. 1976, c. 25.

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

1. Section 3 of P. L. 1971, c. 198 (C. 40A:11-3) is amended to read as follows:

**C. 40A:11-3 Purchases, contracts or agreements not required to be advertised.**

3. Purchases, contracts or agreements not required to be advertised. Any purchase, contract or agreement for the performance of any work or the furnishing or hiring of materials or supplies, the cost or price of which, together with any other sums expended or to be expended for the performance of any work or services in connection with the same immediate program, undertaking, activity or project or the furnishing of similar materials or supplies during the same fiscal year paid with or out of public funds, does not exceed the total sum of \$2,500.00 in the fiscal year, may be made, negotiated or awarded by a contracting agent when so authorized by resolution of the governing body of the contracting unit without public advertising for bids. Such authorization may be granted for each purchase, contract or agreement or by a general delegation of the power to make, negotiate or award such purchases, contracts or agreements pursuant to this section.

Any purchase, contract or agreement made pursuant to this section may be awarded for a period of 12 consecutive months, notwithstanding that such 12-month period does not coincide with the fiscal year. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the fiscal year.

2. 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 governing body without public advertising for bids and bidding therefor if

(1) The subject matter thereof consists of

(a) (i) Professional services. The governing body shall in each instance state supporting reasons for its action in the resolution awarding each contract and shall forthwith cause to be printed once, in a newspaper authorized by law to publish its legal advertisements, a brief notice stating the nature, duration, service and amount of the contract, and that the resolution and contract are on file and available for public inspection in the office of the clerk of the county or municipality, or, in the case of a contracting unit created by more than one county or municipality, of the counties or municipalities creating such contracting unit; or, (ii) Extraordinary, unspecifiable services. The application of this exception shall be construed narrowly in favor of open competitive bidding, where possible, and the Division of Local Government Services is authorized to adopt and promulgate 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 forthwith cause to be printed, in the manner set forth in subsection (1)(a)(i) of this section, a brief notice of the award of such contract.

(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 exacted, 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, which exception shall be in accordance with the requirements for extraordinary, unspecifiable services;

(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;

(l) Election expenses; or

(m) Insurance, including the purchase of insurance coverage and consultant services, which exception shall be in accordance with the requirements for extraordinary, unspecifiable services.

(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 agent has advertised for bids pursuant to section 4 on two occasions and (a) has received no bids on both occasions in response to its advertisement, or (b) the governing body has rejected such bids on two occasions because the contracting agent has determined that they are not reasonable as to price, on the basis of cost estimates prepared for or by the contracting agent prior to the advertising therefor, or have not been independently arrived at in open competition, or (c) on one occasion no bids were received pursuant to (a) and on one occasion all bids were rejected pursuant to (b), in whatever sequence; any such contract or agreement may then be negotiated and may be awarded upon adoption of a resolution by a two-thirds affirmative vote of the authorized membership of the governing body authorizing such contract or agreement; provided, however, that:

(i) A reasonable effort is first made by the contracting agent to determine that the same or equivalent materials or supplies, at a cost which is lower than the negotiated price, are not available from an agency or authority of the United States, the State of New Jersey or of the county in which the contracting unit is located, or any municipality in close proximity to the contracting unit;

(ii) The terms, conditions, restrictions and specifications set forth in the negotiated contract or agreement are not substantially different from those which were the subject of competitive bidding pursuant to section 4 (C. 40A:11-4) of this act; and,

(iii) Any minor amendment or modification of any 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 such contract or agreement;

provided, further, however, that if on the second occasion the bids received are rejected as unreasonable as to price, the contracting agent shall notify each responsible bidder, submitting bids on the second occasion of its intention to negotiate, and afford each such bidder a reasonable opportunity to negotiate, but the governing body shall not award such contract or agreement unless the negotiated price is lower than the lowest rejected bid price submitted on the second occasion by a responsible bidder, is the lowest negotiated price offered by any responsible supplier, and is a reasonable price for such work, materials, supplies or services.

Whenever a contracting unit shall determine that a bid was not arrived at independently in open competition pursuant to subsection (3) of this section 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.

3. Section 6 of P. L. 1971, c. 198 (C. 40A:11-6) is amended to read as follows:

**C. 40A:11-6 Emergency purchases and contracts.**

6. Emergency purchases and contracts. Any purchase, contract or agreement may be made, negotiated or awarded for a contracting unit without public advertising for bids and bidding therefor notwithstanding that the cost or contract price will exceed \$2,500.00, when an emergency affecting the public health, safety or welfare requires the immediate delivery of the articles or the performance of the service, provided that the awarding or making of such purchases, contracts or agreements are made in the following manner:

a. A written requisition for the performance of such work or labor, or the furnishing of materials, supplies or services is filed with the contracting agent or his deputy in charge describing the nature of the emergency, the time of its occurrence and the need for invoking this section, certified by the officer or director in charge of the department wherein the emergency occurred, or such other officer or employee as may be authorized to act in place of said officer or director, and the contracting agent or his deputy in charge, being satisfied that the emergency exists, is hereby authorized to

award a contract for said work or labor, materials, supplies or services.

b. Upon the furnishing of such work or labor, materials, supplies or services, in accordance with the terms of the contract or agreement, the contractor furnishing such work or labor, materials, supplies or services, shall be entitled to be paid therefor and the contracting unit shall be obligated for said payment. The governing body of the contracting unit shall take such action as shall be required to provide for the payment of the contract price.

c. The governing body of the contracting unit may prescribe additional rules and procedures to implement the requirements of this section.

4. Section 6 of P. L. 1975, c. 353 (C. 40A:11-6.1) is amended to read as follows:

**C. 40A:11-6.1 Award of purchases, contracts or agreements.**

6. Award of purchases, contracts or agreements. All purchases, contracts or agreements which require public advertisement for bids shall be awarded to the lowest responsible bidder.

Prior to the award of any other purchase, contract or agreement, the contracting agent shall, except in the case of the performance of professional services, solicit quotations, whenever practicable, on any such purchase, contract or agreement the estimated cost or price of which is \$500.00 or more, and the award thereof shall be made, in accordance with sections 3 (C. 40A:11-3) or 4 (C. 40A:11-4), as the case may be, of the Local Public Contracts Law, on the basis of the lowest responsible quotation received, which quotation is most advantageous to the contracting unit, price and other factors considered; provided, however, that if the contracting agent deems it impracticable to solicit competitive quotations in the case of extraordinary, unspecifiable service, or, in the case of such or any other purchase, contract or agreement awarded hereunder, having sought such quotations determines that it should not be awarded on the basis of the lowest quotation received, the contracting agent shall file a statement of explanation of the reason or reasons therefor, which shall be placed on file with said purchase, contract or agreement.

5. Section 9 of P. L. 1971, c. 198 (C. 40A:11-9) is amended to read as follows:

**C. 40A:11-9 Purchasing agent, department or board; establishment; powers.**

9. Purchasing agent, department or board; establishment; powers. The governing body of any local unit may by ordinance,

in the case of a municipality, by ordinance or resolution, as the case may be, in the case of a county, or by resolution in all other cases, establish the office of purchasing agent, or a purchasing department or a purchasing board, with authority, as its contracting agent, to prepare public advertising for bids and to receive bids for the purchase of work, materials and supplies on behalf of the contracting unit and, unless otherwise required by the provisions of this act, to make awards of contracts in the name of the contracting unit.

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

**C. 40A:11-11 Additional matters regarding agreements for the purchases of work, materials and supplies.**

11. Additional matters regarding agreements for the purchases of work, materials and supplies.

(1) The contracting units entering into a joint agreement pursuant to section 10 of this act may designate a joint purchasing agent, department or board pursuant to section 9 of this act. Any such agent, board or department already designated pursuant to section 9 may serve as the joint agent, department or board designated pursuant to this section.

(2) Purchases, contracts or agreements made pursuant to a joint purchasing agreement shall be subject to all of the terms and conditions of this act.

(3) Any county or municipality serving as a purchasing agent, board or department pursuant to this section 11, may make an appropriation to enable it to perform any such contract and may anticipate as revenue payments to be made and received by it from any other party to the agreement. Any items so included in a local budget shall be subject to the approval of the Director, Division of Local Government Services, who shall consider the matter in conjunction with the requirements of chapter 4 of Title 40A of the New Jersey Statutes. The agreement and any subsequent amendment or revisions thereto shall be filed with the Director of the Division of Local Government Services in the Department of Community Affairs.

(4) Any agent, department or board so designated pursuant to a joint purchasing agreement shall have the sole responsibility to comply with the provisions of section 23 of this act.

7. Section 15 of P. L. 1971, c. 198 (C. 40A:11-15) is amended to read as follows:

**C. 40A:11-15 Duration of certain contracts.**

15. Duration of certain contracts. All purchases, contracts or agreements shall be made for a period not to exceed 12 consecutive months, except that contracts or agreements may be entered into for longer periods of time as follows:

- (1) Supplying of
  - (a) Fuel for heating purposes, for any term not exceeding in the aggregate, 2 years;
  - (b) Fuel or oil for use of airplanes, automobiles, motor vehicles or equipment for any term not exceeding in the aggregate, 2 years;
- (2) Deleted by amendment;
- (3) The collection and disposal of garbage and refuse, for any term not exceeding in the aggregate, 5 years;
- (4) The recycling of solid waste, for any term not exceeding 25 years, when such contract is in conformance with a solid waste management plan approved pursuant to P. L. 1970, c. 39 (C. 13:1E-1, et seq.), and with the approval of the Division of Local Government Services and the Department of Environmental Protection;
- (5) Data processing service, for any term of not more than 3 years;
- (6) Insurance, for any term of not more than 3 years;
- (7) Leasing or servicing of automobiles, motor vehicles, electronic communications equipment, machinery and equipment of every nature and kind, for a period not to exceed 3 years; provided, however, such contracts shall be entered into only subject to and in accordance with the rules and regulations promulgated by the Director of the Division of Local Government Services of the Department of Community Affairs;
- (8) The supplying of any product or the rendering of any service by a telephone company which is subject to the jurisdiction of the Board of Public Utility Commissioners for a term not exceeding 5 years;
- (9) Any single project for the construction, reconstruction or rehabilitation of any public building, structure or facility, or any public works projects, including the retention of the services of any architect or engineer in connection therewith, for the length of time authorized and necessary for the completion of the actual construction.

All multi-year leases and contracts entered into pursuant to this section 15, except contracts for the leasing or servicing of equip-

ment supplied by a telephone company which is subject to the jurisdiction of the Board of Public Utility Commissioners or construction contracts authorized pursuant to subsection (9) above, shall contain a clause making them subject to the availability and appropriation annually of sufficient funds as may be required to meet the extended obligation, or contain an annual cancellation clause.

The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the fiscal year.

8. Section 24 of P. L. 1971, c. 198 (C. 40A:11-24) is amended to read as follows:

**C. 40A:11-24 Time for making awards; deposits returned.**

24. Time for making awards; deposits returned. The contracting unit shall award the contract or reject all bids within such time as may be specified in the invitation to bid, but in no case more than 60 days, except that the bids of any bidders who consent thereto may, at the request of the contracting unit, be held for consideration for such longer period as may be agreed. All bid security except the security of the three apparent lowest responsible bidders shall be returned, unless otherwise requested by the bidder, within 10 days after the opening of the bids, Sundays and holidays excepted, and the bids of such bidders shall be considered as withdrawn. Within 3 days, Sundays and holidays excepted, after the awarding and signing of the contract and the approval of the contractor's performance bond, the bid security of the remaining unsuccessful bidders shall be returned to them.

9. 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 become operative on the effective date of this amendatory act.

10. This act shall take effect 45 days after enactment.

Approved April 5, 1977.

## CHAPTER 54

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

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

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

**C. 54:32B-3 Imposition of sales tax.**

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

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

(b) The receipts from every sale, except for resale, of the following services:

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

(2) Installing tangible personal property, or maintaining, servicing, repairing tangible personal property not held for sale in the regular course of business, whether or not the services are performed directly or by means of coin-operated equipment or by any other means, and whether or not any tangible personal property is transferred in conjunction therewith, except (i) such services rendered by an individual who is engaged directly by a private homeowner or lessee in or about his residence and who is not in a regular trade or business offering his services to the public, (ii) such services rendered with respect to personal property exempt from taxation hereunder pursuant to subsection (a) of section 8, (iii) services rendered with respect to trucks, tractors, trailers or semitrailers by a person who is not engaged, directly or indirectly through subsidiaries, parents, affiliates or otherwise, in a regular trade or business offering such services to the public, (iv) any receipts from laundering, dry cleaning, tailoring, weaving, pressing, shoe repairing and shoe shining, and (v) services rendered

in installing property which, when installed, will constitute an addition or capital improvement to real property, property or land.

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

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

(5) Advertising services except advertising services for use directly and primarily for publication in newspapers and magazines.

Wages, salaries and other compensation paid by an employer to an employee for performing as an employee the services described in this subsection are not receipts subject to the taxes imposed under this subsection (b).

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

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

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

(2) In those instances where the vendor or any person whose services are arranged for by the vendor, after the delivery of the food or drink by or on behalf of the vendor for consumption off the premises of the vendor, serves or assists in serving, cooks,

heats or provides other services with respect to the food or drink, except for meals specially prepared for and delivered to homebound elderly, age 60 or older, and to disabled persons as all or part of any food service project funded in whole or in part by government or as part of a private nonprofit food service project available to all homebound elderly persons, age 60 or older, and to all the homebound disabled residing within an area of service designated by the private nonprofit organization; and

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

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

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

(e) (1) Any admission charge where such admission charge is in excess of \$0.75 to or for the use of any place of amusement in the State, including charges for admission to race tracks, baseball, football, basketball or exhibitions, dramatic or musical arts performances, motion picture theatres, except charges to a patron for admission to, or use of, facilities for sporting activities in which such patron is to be a participant, such as bowling alleys and swimming pools. For any person having the permanent use or possession of a box or seat or a lease or a license, other than a season ticket, for the use of a box or seat at place of amusement, the tax shall be upon the amount for which a similar box or seat is sold for each performance or exhibition at which the box or seat is used or reserved by the holder, license or lessee, and shall be paid by the holder, licensee or lessee.

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

2. This act shall take effect immediately.

Approved April 5, 1977.

## CHAPTER 55

AN ACT concerning and providing for participation in the National School Lunch Program by public and nonprofit nonpublic schools and amending P. L. 1968, c. 176 and P. L. 1970, c. 309 supplementary thereto.

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

**C. 18A:58-7.1a "Nonprofit nonpublic school" defined.**

1. (New section) As used in this act "nonprofit nonpublic school" means an elementary or secondary school in this State, other than a public school, organized and operated not for profit, offering education for grades kindergarten through 12, or any combination thereof, wherein a child may legally fulfill compulsory school attendance requirements and which complies with the requirements of Title VI of the Federal Civil Rights Act (P. L. 88-352).

2. Section 1 of P. L. 1968, c. 176 (C. 18A:58-7.1) is amended to read as follows:

**C. 18A:58-7.1 School lunch program.**

1. Each school district or nonprofit nonpublic school participating in the National School Lunch Program shall be reimbursed for each Type A lunch as defined within an approved contract with the Department of Education at a rate not to exceed the maximum amount permissible under Federal regulations for the general-cash-for-food assistance phase of the program. Whenever the Federal funds available to the Department of Education are less than the maximum amount permissible under Federal regulation, the State may provide, within the limitations of available State funds, an amount which, when added to the Federal funds, will equal the maximum amount permissible under Federal regulations for the general-cash-for-food assistance phase of the program.

3. Section 1 of P. L. 1970, c. 309 (C. 18A:58-7.2) is amended to read as follows:

**C. 18A:58-7.2 State aid; school lunch program.**

1. Each school district or nonprofit nonpublic school participating in the special assistance phase of the National School Lunch Program as defined within an approved contract with the Depart-

ment of Education shall be paid an additional State reimbursement for each Type A lunch served free or at a reduced price. Such rate of additional State reimbursement per lunch shall not exceed 50% of the total rate of reimbursement per each such Type A lunch served free or at a reduced price payable from Federal funds.

4. This act shall take effect July 1, next succeeding enactment.

Approved April 5, 1977.

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## CHAPTER 56

AN ACT concerning general improvements undertaken by municipalities and authorizing the granting of tax credits in certain cases.

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

**C. 40:48-7.1 Tax credit for certain improvements.**

1. Whenever any municipality undertakes the construction and installation of sewerage facilities within the municipality as a general improvement to be paid for by general taxation, rather than by special assessments levied against the real property benefited thereby, and there exists within the municipality certain tracts or parcels of real property which are connected to a sanitary sewerage system for which service charges are paid to another municipality and that system will not be serviced by such facilities, the governing body of the municipality constructing and installing such facilities may, by ordinance, provide for the granting of a tax credit to be applied against the real property tax annually assessed against such tracts or parcels of real property. The tax credit shall be expressed as a percentage of that portion of the tax assessed against such tracts or parcels of real property which represent assessments for the construction, operation and maintenance of the sewerage facilities to be constructed and installed by the municipality. Such percentage shall be in such amount as the governing body shall deem to be equitable and just but in no event in excess of 100% of the amount of the taxes so assessed.

2. This act shall take effect immediately.

Approved April 13, 1977.

## CHAPTER 57

AN ACT concerning fees and costs in probate proceedings and amending N. J. S. 22A:2-15 and 22A:2-30.

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

1. N. J. S. 22A:2-15 is amended to read as follows:

**Probate proceedings in Superior Court in Chancery Division; clerk's fees.**

22A:2-15. For performing services in all probate proceedings in the Superior Court, Chancery Division, there shall be paid to the clerk of the court for the use of the State the following fees which, except as hereinafter provided, shall constitute the entire fees to be collected by the clerk for the use of the State, down to the final disposition of the cause:

Each action upon the filing of the first paper in the action, \$60.00.

Application for relief filed subsequent to final judgment, upon the filing of the first paper, \$10.00.

**ACCOUNTING**

Auditing, stating, reporting and recording accounts of executors, administrators, guardians, trustees, assignees, as follows:

In estates up to and including \$2,000.00, \$30.00;

In estates from \$2,000.00 to and including \$10,000.00, \$50.00;

In estates from \$10,000.00 to and including \$30,000.00, \$65.00;

In estates from \$30,000.00 to and including \$65,000.00, \$85.00;

In estates from \$65,001.00 to \$200,000.00— $\frac{3}{20}$  of 1%;

In estates exceeding \$200,000.00— $\frac{1}{10}$  of 1%, but not less than \$300.00.

For each page of accounting, in excess of one, \$2.00.

In computing the amount of an estate for the purpose of fixing the fees of the Clerk of the Superior Court, for auditing and reporting the account, the balance from the prior account shall be excluded.

No fees herein allowed shall be charged against the recipient of any pension, bounty or allowance for services of the Clerk of the Superior Court, the Chancery Division of the Superior Court in respect thereof, pursuant to N. J. S. 3A:29-1 to 3A:29-4.

## COMMISSIONS ON DEPOSITS

On commissions on deposits, including any deposit made pursuant to sections 31 and 32 of chapter 67, of the laws of 1948, if under \$100.00,  $\frac{1}{2}$  of 1% of it; if over \$100.00 and under \$1,000.00,  $\frac{1}{4}$  of 1% on such excess; if over \$1,000.00,  $\frac{1}{8}$  of 1% of such excess.

## MISCELLANEOUS CHARGES

Filing an exemplified copy of a will or administration proceeding from a foreign State, \$5.00;

Filing a caveat not in a pending cause, \$2.00;

Certificates, each \$1.00;

Subpenas, each \$1.00;

Minimum charge for all other papers or services by the clerk, \$1.00.

2. N. J. S. 22A:2-30 is amended to read as follows:

**Fees of surrogate and clerk of Probate Division of County Court.**

22A:2-30. Fees of surrogate and clerk of Probate Division of County Court.

Fees for services of the surrogate and clerk of the Probate Division of the County Court enumerated below shall be as follows:

## PROBATE OF WILLS AND COPIES

Probate of a will of not more than two pages, \$30.00.

The above fee is for all services in preparation and execution of complaint, filing proof of death, deposition of one witness, qualification of executor, filing power of attorney, surrogate's certificate, judgment for probate, letters testamentary, plain copy of will, binding, recording, microfilming, or photostating, comparing, docketing, report to the Division of Taxation in the Department of the Treasury, report and transmission to the Clerk of the Superior Court.

Probate of will without letters, \$20.00. This fee is for the same services as are enumerated in the preceding paragraph, except letters, surrogate's certificate and qualification of executor.

Probate of each codicil, not exceeding one page, \$10.00.

Where codicil requires an additional witness, \$2.00.

To reopen probate proceedings for qualification of executor or taking proof of extra witness, \$12.00.

One witness in the above probate proceedings, no charge.

Each additional witness, \$2.00.

Recording and comparing, microfilming or photostating, each additional page of will or codicil, \$2.00.

Filing, entering, issuing and recording, microfilming or photostating, proceedings in commission for deposition of foreign witness to a will or codicil, \$12.00. Plain extra copy of will, \$2.00 for each page.

Certified extra copy of will, \$2.00 for each page, plus \$2.00 for certificate.

Certified copy of will with proofs for New Jersey county, not exceeding two pages including will and codicil, \$12.00. For pages in excess of two, \$2.00 for each page.

Wills filed but not probated (as, where there are no assets), for each page, \$4.00.

Exemplifying will for another State, not exceeding two pages including will and codicil, plus cost of certificate of Secretary of State when requisite, \$15.00. For pages in excess of two, \$2.00 for each page.

Recording, microfilming or photostating, docketing, indexing, filing and reporting to the Division of Taxation in the Department of the Treasury an exemplified copy of will and probate proceedings from another State, \$2.00 for each page.

Recording, microfilming or photostating, docketing, indexing and filing a certified copy of will with proofs from New Jersey, \$2.00 for each page.

Recording, microfilming or photostating certified transcripts of wills admitted to probate and probate proceedings or letters of administration and administration proceedings granted by the ordinary or the Superior Court, \$2.00 for each page.

#### LETTERS OF TRUSTEESHIP

Acceptance of trustee and letters of trusteeship, including one certificate, \$15.00.

#### LETTERS OF ADMINISTRATION

General administration, including preparation and execution of complaint, bond, surety affidavits, necessary recording, microfilming or photostating, indexing, filing, report to the Division of Taxation, including power of attorney and death certificate, in the Department of the Treasury and the Clerk of the Superior Court and original letters, \$25.00.

Administration ad prosequendum, \$15.00.

Exemplifying administration, \$12.00.

Certified copy of administration, \$8.00.

**Affidavits of surviving spouse or next of kin where the value of the real and personal assets of the estate does not exceed \$5,000.00, when less than \$100.00, \$2.00 and \$2.00 for each \$100.00 or part thereof, in excess of \$100.00; the total cost shall not exceed \$25.00.**

#### LETTERS OF GUARDIANSHIP

Granting letters of guardianship, \$12.00.

Acceptance of guardianship and filing power of attorney, \$2.00.

Affidavits of estates of minors where value of real and personal estate does not exceed \$3,000.00 when less than \$100.00, \$1.00, and \$1.00 for each \$100.00, or part thereof, in excess of \$100.00, plus \$1.00 for each consent when required, but not more than a total of \$20.00.

Miscellaneous petitions and orders, \$2.00 per page.

#### INVENTORIES

For all services in appointment of appraisers, \$4.00.

Filing, entering and recording, microfilming or photostating, inventory and appraisal, not exceeding one page, and affidavits of appraisers and executor, \$8.00.

For each additional page, \$2.00.

#### ACCOUNTING

For filing complaint and one page of accounting, auditing, stating, reporting and recording, microfilming or photostating, accounts of executors, administrators, guardians, trustees and assignees, including drawing judgment, but exclusive of advertising costs:

In estates up to and including \$2,000.00, \$30.00.

In estates from \$2,001.00 to and including \$10,000.00, \$50.00.

In estates from \$10,001.00 to and including \$30,000.00, \$65.00.

In estates from \$30,001.00 to and including \$65,000.00, \$85.00.

In estates from \$65,001.00 to \$200,000.00, 3/20 of 1%.

In estates exceeding \$200,000.00—1/10 of 1%, but not less than \$300.00.

For each page of accounting in excess of one, \$2.00.

In computing the amount of an estate for the purpose of fixing

**New Jersey State Library**

the fees of a surrogate for auditing and reporting the account, the balance from the prior account shall be excluded.

For preparing notice of settlement of accounts and copies of the same, forwarding notice to newspaper, with directions as to publication, obtaining proofs of publication, keeping a record of notices and newspapers to which they are sent and of the moneys received to defray the cost of advertising and transmitting advertising charges to newspaper, \$15.00.

No fees herein allowed shall be charged against the recipient of any pension, bounty or allowance, for services of the surrogate and the Probate Division of the County Court in respect thereof, pursuant to N. J. S. 3A :29-1 to 3A :29-4.

#### MISCELLANEOUS PROCEEDINGS

Proceedings relative to presumption of death, filing, entering and recording, microfilming or photostating (exclusive of letters), with additional fee for advertising, \$50.00.

Sale of land to pay debts (exclusive of advertising), \$50.00.

Sale of land in fulfillment of contract made by decedent, \$20.00.

Sale of lands within 1 year, \$20.00.

Sale of minor's land, \$30.00.

Distribution, filing and entering complaint, recording, microfilming or photostating, and filing judgment, \$25.00.

Adoption of adults, filing and entering proceedings (all papers) including one judgment, \$20.00.

Adoption of minors with one hearing, filing and entering proceedings (all papers) including one judgment, \$25.00.

Adoption of minors with two or more hearings, filing and entering proceedings (all papers) including one judgment, \$30.00.

Extra certificate, \$2.00.

Application and order to limit time to creditors, \$18.00, but exclusive of advertising costs.

Preparing notices to creditors to present their claims and copies of the same, sending notice to newspapers with directions as to publications, obtaining proofs of publication, keeping a record of notices and newspapers to which they are sent for publication, and of the moneys received to defray the cost of advertising and transmitting advertising charges to newspapers, \$10.00.

Advertising order of court or notice, when done by the surrogate, \$5.00, in addition to advertising fees.

Proceeding for the determination of mental incompetency and for the appointment of a guardian for an alleged mental incompetent, without jury trial, \$35.00, with trial by jury, \$45.00.

Proceedings in connection with payment into court of proceeds of a judgment in favor of a minor, in lieu of bond, pursuant to P. L. 1959, c. 132 (in addition to fees payable under Letters of Guardianship), the following fee is payable upon withdrawal of funds on deposit:

Ten dollars for each withdrawal including petitions and orders provided and prepared by the surrogate for withdrawal of funds for court approval.

#### MISCELLANEOUS CHARGES

Short certificates, \$2.00.

Validating short certificate within 1 year of issue of date, \$0.50.

Subpenas, each, \$3.00.

Marking true copies, subpenas, each, \$2.00.

Marking true copies, orders to show cause, each, \$2.00.

Marking true copies of other papers, each, \$1.00.

Authorization of process, \$1.50.

Swearing each witness, \$1.00.

Adjournment or continuance, \$3.00.

Miscellaneous orders of court, first page, \$2.00.

For each additional page, \$2.00.

Recording, microfilming or photostating all papers not herein provided for, \$2.00 for each page.

For making copies not otherwise provided for, \$2.00 for each page.

Filing transcript of death certificate, \$2.00.

Power of attorney, \$2.00.

Proceedings relative to appointment of a guardian ad litem, \$8.00.

Renunciation by one person, filing, entering and recording, or photostating, \$2.00. Each additional person, \$0.50.

Caveat, filing or withdrawing, \$5.00.

Combined refunding bond and release of not more than two pages, filing, entering, microfilming and recording, or photostating, \$4.00. For more than two pages, \$2.00 for each page. Additional charge for county clerk's certificate, \$1.50.

Release of not more than two pages, \$4.00. For more than two pages, \$2.00 for each additional page. Additional charge for county clerk's certificate, \$1.50.

Assignments of legacy or interest, \$4.00, plus \$1.50 where county clerk's certificate is necessary.

Filing all papers not herein provided for, \$2.00, if microfilming process is used, \$2.00 per page.

Plain copy of two-page will, \$4.00.

Each additional page, \$2.00.

3. This act shall take effect on the first day of the calendar month occurring not less than 30 days after enactment.

Approved April 13, 1977.

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## CHAPTER 58

A SUPPLEMENT to "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, C. 43:16A-1 et seq.).

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

1. a. Any former member of the retirement system who has been granted a retirement allowance for any cause other than disability and who is subsequently appointed to an administrative or supervisory position or any combination thereof in a municipal police or fire department, shall be eligible to be a member in the Police and Firemen's Retirement System and his retirement allowance and the right to any death benefit as a result of his former membership shall be canceled until he retires again.

b. Upon reenrollment in the retirement system, any such person shall contribute thereto at a rate based on his age at the time of reenrollment. Any such person shall be treated as an active member for determining disability or death benefits while in service. Upon subsequent retirement of any such person, his former retirement allowance shall be reinstated based on his former membership. In addition, he shall receive an additional retirement allowance based on his subsequent service as a member computed in accord-

ance with applicable provisions of this chapter; provided, however, that his total retirement allowance upon such subsequent retirement shall not be a greater proportion of his average final compensation than the proportion to which he would have been entitled had he remained in service during the period of his prior retirement. Any death benefit to which any such person shall be eligible shall be based on his latest retirement, but shall not be less than the death benefit that was applicable to his former retirement.

2. Any such person who is presently serving in any of said capacities may purchase prior service credit for the period of time he has so served in any of said capacities by paying to the Police and Firemen's Retirement System of New Jersey an amount equal to the contributions he would have been required to have made had such service heretofore been deemed to be service as a member of the police or fire department. Application for such prior service credit shall be made to the retirement system within 6 months of the effective date of this supplementary act and payment therefor may be in a lump sum or in installments as the commission may determine by rule or regulation.

3. The employer of any such person purchasing prior service credit as provided by this supplementary act shall pay to the retirement system the employer's accrued liability obligation on behalf of such person.

4. a. Any former member of the retirement system who has elected to receive a deferred retirement allowance pursuant to section 17 of P. L. 1964, c. 241 (C. 43:16A-11.2) but has not attained the age of 55, shall, upon appointment to an administrative or supervisory position or any combination thereof in a municipal police or fire department, be eligible to be a member of the Police and Firemen's Retirement System.

b. Upon reenrollment in the retirement system, any such person shall be credited with all service as a member standing to his credit at the time of his election to receive a deferred retirement allowance. Upon subsequent retirement, he shall receive a retirement allowance based on his creditable service rendered prior to his reenrollment in the retirement system and for such service which he shall have rendered in any of the said capacities provided herein. Any such person shall have the same contribution obligation and enjoy the same rights and benefits as all other members of the system.

5. a. Any former member of the retirement system who has

elected to receive a deferred retirement allowance pursuant to section 17 of P. L. 1964, c. 241 (C. 43:16A-11.2) but has not attained the age of 55, who is presently serving in an appointive administrative or supervisory position or any combination thereof in a municipal police or fire department, and who, having satisfied the provisions of section 1 of P. L. 1968, c. 23 (C. 43:3C-1), has enrolled in the Public Employees' Retirement System, shall be permitted to transfer his membership in said system to the Police and Firemen's Retirement System by waiving all rights and benefits which would otherwise be provided by the Public Employees' Retirement System. Such waiver shall be accomplished by filing forms satisfactory to the New Jersey Division of Pensions within 90 days of the effective date of this act. In the absence of the filing of a timely waiver by an eligible person his pension status shall remain unchanged and his membership shall not be transferred to the Police and Firemen's Retirement System.

b. The transferred employee thereby affected shall be reenrolled as a member of the Police and Firemen's Retirement System. He shall receive credit for service rendered as a member of the Public Employees' Retirement System and shall be credited with all service as a former member of the retirement system standing to his credit at the time of his election to receive a deferred retirement allowance. Upon subsequent retirement, any such transferred employee shall receive a retirement allowance based on his creditable service rendered prior to his reenrollment in the retirement system and for such service which he shall have rendered in any of the said capacities provided herein. Such transferred employee shall have the same contribution obligation and enjoy the same rights and benefits as all other members of the system.

c. All outstanding obligations such as loans, purchases and other arrearages shall be met by the transferred employees as previously scheduled for payment to the Public Employees' Retirement System.

6. Within 120 days following the effective date of this supplementary 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.

7. The actuary of the Police and Firemen's Retirement System shall calculate the liability of the employer of employees becoming members of the system under this supplementary act in the same manner as is specified in the case of other employers where the Police and Firemen's Retirement System is adopted, taking into account the value of moneys remitted by the pension fund. In the event that the value of such money so remitted is less than the total which is required by the Police and Firemen's Retirement System to provide the transferred member with credit for his public service, the liability of the employer shall include an amount equal to the difference between these two values. Upon certification by the actuary of the Police and Firemen's Retirement System the employer shall make such contributions as are required in order to meet the financial obligations in the same manner and within the same period of time as is specified in the case of other employers where the Police and Firemen's Retirement System of New Jersey is adopted.

8. The chief fiscal officer of the employer shall transmit to the retirement system such information as the system shall require in order for the New Jersey Division of Pensions to comply with the provisions of this supplementary act.

9. This act shall take effect immediately.

Approved April 14, 1977.

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## CHAPTER 59

AN ACT concerning corporations and supplementing chapter 2 of Title 14A of the New Jersey Statutes.

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

**C. 14A:2-2a Corporate name of domestic corporations; requirements.**

1. The corporate name of every domestic corporation hereafter incorporated shall contain as part of its corporate name one of

the following: "a New Jersey corporation," "incorporated," "inc.," or "corp."

**C. 14A:2-2b Exceptions.**

2. This act shall not require any domestic corporation organized prior to the effective date of this act or any foreign corporation authorized to transact business in this State to change its corporate name.

3. This act shall take effect January 1 next succeeding enactment.

Approved April 14, 1977.

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CHAPTER 60

AN ACT concerning marriages and married persons and amending  
R. S. 37:1-6.

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

1. R. S. 37:1-6 is amended to read as follows:

**Consent of parents or guardian; when required.**

37:1-6. A marriage license shall not be issued to a minor under the age of 18 years, unless the parents or guardian of the minor, if there be any, first certify under their hands and seals, in the presence of two reputable witnesses, their consent thereto, which consent shall be delivered to the licensing officer issuing the license. If the parents, or either of them, or guardian of any such minor shall be of unsound mind, the consent of such parent or guardian to the proposed marriage shall not be required.

When a minor is under the age of 16 years, the consent required by this section must be approved in writing by any judge of the county court of the county or any judge of the juvenile and domestic relations court of the county. Said approval shall be filed with the licensing officer.

The licensing officer shall transmit to the State Bureau of Vital Statistics all such consents, orders, and approvals so received by him in the same manner and subject to the same penalty as in the case of certificates of marriage and marriage licenses.

If any such male applicant for a license to marry shall be a minor under the age of 18 years, and shall have been arrested

on the charge of sexual intercourse with a single, widowed or divorced female of good repute for chastity who has thereby become pregnant, a license to marry the female may be immediately issued by any licensing officer to the minor upon his application therefor, without the consent or approval required by this section.

2. This act shall take effect immediately.

Approved April 14, 1977.

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#### CHAPTER 61

AN ACT concerning limitations of actions 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:14-23.1 Statute of limitation running on cause of action belonging to decedent.**

1. No statute of limitation running on a cause of action belonging to a decedent which had not been barred as of the date of his death, shall apply to bar a cause of action surviving the decedent's death sooner than 6 months after death. A cause of action which, but for this section, would have been barred less than 6 months after death, is barred 6 months after death, unless tolled.

2. This act shall take effect immediately.

Approved April 15, 1977.

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#### CHAPTER 62

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 181 of P. L. 1948, c. 67 (C. 17:9A-181) is amended to read as follows:

**C. 17:9A-181 Mortgage loans.**

## Sec. 181. Mortgage loans.

A. 1. A savings bank may make or invest in mortgage loans in the manner and subject to the limitations prescribed by this section. For the purposes of this section, "mortgage loan" shall include every indebtedness secured by mortgage on real property, or on a lease of the fee of real property (in any case in which such lease is lawful security for such mortgage loan), except as otherwise provided by subsection Q. of this section, and a savings bank shall be deemed to have made a mortgage loan when

(a) it lends or participates in lending money to a borrower upon the security of real property; or

(b) it acquires, by purchase or otherwise, a mortgage loan or any share or part of or interest in a mortgage loan which is not subordinate to any share or part thereof or interest therein held by any other person.

A savings bank may sell, assign or otherwise dispose of a share or part of or interest in a mortgage loan held by it to any other person.

A. 2. For all purposes of compliance with the applicable provisions and restrictions of subsection D., F. and G. of this section as to the percentage of the mortgage loan to the appraised value of the mortgaged property, and the term of and rate of amortization of such loan, the date of the acquisition by a savings bank of a mortgage loan or a share or part thereof or interest therein shall, as respects such savings bank, be deemed to be the date as of which the mortgage loan was made and the unpaid amount of the principal then due shall be deemed to be the amount of such mortgage loan.

B. No savings bank shall make a mortgage loan at any time when the total cost of acquisition by the savings bank of all real property owned by it, other than real property held for the purposes specified in subparagraph (a) of paragraph (5) of section 24, and the total of all principal balances owing to the savings bank on mortgage loans, less all write-offs and reserves with respect to such real property and mortgage loans, together exceeds, or by the making of such loan will exceed, 80% of its deposits. For the purposes, of this subsection, principal balances owing on mortgage loans made pursuant to subsection Q. (1) of this section shall, only to the extent of the unguaranteed portion of such balances, and loans made pursuant to subsection Q. (2) of this section shall, only to

the extent of 50% of such balances, be included in the total of all principal balances owing to the savings bank on mortgage loans; and for the purposes of this subsection, principal balances owing on mortgage loans made by the use of funds received by the bank pursuant to the provisions of the "New Jersey Mortgage Finance Agency Law" (P. L. 1970, c. 38, C. 17:1B-4 et seq.), shall, only to the extent of 50% of such balances, be included in the total of all principal balances, owing to the savings bank on mortgage loans.

C. Every mortgage loan shall be evidenced by a note or bond, and shall be secured by a mortgage on the fee of real property located within this State, or, if outside this State, upon the fee of real property located within 50 miles of the border of this State. Every mortgage shall be certified to be a first lien by an attorney at law of the State in which the real property is located, or certified or guaranteed to be a first lien by a corporation authorized to guarantee titles to land in such State. For the purposes of this section, a mortgage shall be deemed to be a first lien, notwithstanding the existence of a prior mortgage or mortgages held by the savings bank, or a lien for current taxes or assessments not due or payable at the time the loan is made, and notwithstanding the existence of leases, building restrictions, easements, encroachments, or covenants which, in the opinion of an officer of the savings bank designated for that purpose by the board of managers, do not materially lessen the value of the real property to be mortgaged.

D. When the real property offered as security for a mortgage loan consists of a lot of land, or, in the case of condominiums, an interest in a lot of land, upon which there is one or more one-, two-, three-, or four-family dwellings including appropriate garages or other outbuildings, if any, or upon which such dwelling or dwellings, garages or outbuildings are in the course of construction or are to be constructed, the amount of the mortgage loan shall not exceed 90% of the appraised value of the real property; provided, however, where mortgage guaranty insurance is issued incident to such loan pursuant to the provisions of the Mortgage Guaranty Insurance Act, P. L. 1968, c. 248 (C. 17:46A-1 et seq.), the amount of the mortgage loan shall not exceed 95% of the appraised value of the real property.

E. (Deleted by amendment.)

F. The instrument evidencing a mortgage loan made pursuant to subsection D. of this section shall require that

(1) interest shall be paid on such loan monthly, and that equal

monthly payments be made in reduction of such loan of an annual rate equal to at least  $2\frac{1}{2}\%$  of the original amount of such loan; or

(2) that a constant sum be paid monthly in an amount sufficient for current interest and for the payment of the loan in full in not more than 40 years and 1 month from the making of such loan.

G. When the real property offered as security for a mortgage loan consists of a lot of land upon which there is a building or buildings other than dwellings of the nature described in subsection D. of this section, or upon which such other buildings are in the course of construction, or are to be constructed, or when such land is paved for parking lot purposes, the amount of the mortgage loan shall not exceed 80% of appraised value of such real property. The instrument evidencing a mortgage loan made pursuant to this subsection shall require that the loan be repaid in full in not more than 30 years and 1 month from the date it is made; and (a) if the amount of such loan, when made, exceeds 50% of the appraised value of the real property, that payments shall be made in reduction thereof at least semiannually, at an annual rate equal to at least 1% of the original amount of such loan; or (b) if the amount of such loan, when made, does not exceed 50% of the appraised value of the real property, that payments shall be made in reduction thereof at least semiannually, at an annual rate equal to at least  $\frac{1}{2}\%$  of the original amount of such loan; provided, that, in lieu of such principal payments, the instrument evidencing any mortgage loan may require equal monthly payments each applicable to principal and interest in an amount sufficient to pay current interest and to repay the amount of the loan in not more than 30 years and 1 month from its date. When, however, the amount of such loan does not, when made, exceed 50% of the appraised value of such real property, and the instrument evidencing such loan requires that it be paid in full in not more than 5 years and 1 month from the date it is made, the instrument need not require that any payment be made in reduction of such loan prior to its maturity date. Notwithstanding the limitations prescribed by subsection D. and hereinabove in this section, a savings bank may make a mortgage loan secured by a lot of land or two or more lots of land, contiguous or not, upon each of which there is a building or buildings, or upon each of which a building or buildings are in the course of construction or are to be constructed. The limitations of this section governing the term of the loan, rate of amortization, and the percentage of the mortgage loan to the appraised value of each type of building, including land, shall

apply. No loans shall be made under subsections D., F., or G. hereof to any one person or on any one property if the loans shall exceed 15% of the surplus, undivided profits, and reserves of the savings bank, or \$50,000.00, whichever is greater.

H. When the real property offered as security for a mortgage loan is of the nature described in subsection D. of this section, and the amount of the loan does not exceed  $66\frac{2}{3}\%$  of the appraised value of such real property, the instrument evidencing such loan shall be sufficient if it conforms to the requirements of either subsection F. or subsection G. of this section.

I. A mortgage loan may be made for the purpose of enabling a borrower to construct a building or buildings upon real property owned by him, and, in such a case, the appraised value of the real property shall include the value of the building or buildings to be constructed, but at no time shall a greater sum be advanced on account of such loan than, in the opinion of (1) the appraisers hereinafter provided for, or (2) one of such appraisers and an officer of the savings bank designated for that purpose by the board of managers, is warranted by the state of completion of the buildings in process of construction. For the purposes of compliance with the applicable requirements of subsection F. or G. of this section as to the term of and the rate of amortization of a loan made pursuant to this section, such loan shall be deemed to have been made when the final advance shall be made to the borrower on such loan, or 60 months from the date of the mortgage securing such loan, whichever is earlier.

J. When the real property offered as security for a mortgage loan consists of unimproved land, and the proceeds of such loan are not to be used to construct a building on such land, the amount of such loan shall not exceed 50% of the appraised value of such real property. When the real property offered as security for a mortgage loan consists of unimproved land, and the proceeds of such loan are to be used for improvements to the land, the amount of such loan shall not exceed 75% of the appraised value of such real property. The instrument evidencing a loan made pursuant to this subsection shall require that such loan be paid in full in not more than 10 years and 1 month from the date it is made. No loan made pursuant to this subsection shall exceed \$10,000.00, or  $\frac{3}{10}$  of 1% of the deposits of the savings bank, whichever is greater; nor shall any loan be made at any time when the total of all such loans exceeds, or if the making of such loan would cause such total to exceed 2% of the deposits of the savings bank.

K. No mortgage loan shall be made except upon a written certification signed by at least two persons, each of whom shall be either a manager of the bank or an appraiser appointed by its board of managers. In the case of a mortgage loan secured by a mortgage upon real property, such certification shall state the opinion of such persons as to the value of the land and the improvements thereon or to be erected thereon and the character of such improvements. In the case of a mortgage loan secured by a mortgage upon a lease of the fee of real property, such certification shall state the opinion of such person as to the value of the leasehold interest to be subject to the mortgage, including the leasehold interest in the improvements erected or to be erected upon the leased property and the character of such improvements. Such certification shall be filed with the records of the bank, and shall be preserved until the savings bank has no interest, as mortgagee or otherwise, in the real property.

L. Purchase money mortgage loans made by a savings bank on the sale of real property owned by it shall not be subject to the preceding subsections or to subsection P. of this section, except that such loans shall be included in determining whether the total amount of mortgage loans held by a savings bank exceeds 80% of its deposits.

M. No savings bank shall make a mortgage loan secured by a mortgage upon a lease of the fee of real property unless

(1) the leased property is located within this State or, if outside this State, the leased property is located within 50 miles of the border of this State;

(2) the leased property shall consist of improved real property, including farm lands, or unimproved real property if the proceeds of such loan shall be used for the purpose of erecting improvements thereon;

(3) the mortgage securing such loan shall constitute a first lien on a lease of the fee of real property, which fee is not subject to any prior lien; the fee shall be deemed not subject to any prior lien notwithstanding the existence of liens of taxes which are not delinquent, building restrictions or other restrictive covenants or conditions, joint driveways, sewer rights, rights in walls, rights-of-way or other easements, or encroachments, which the person signing the certificate provided for in subsection K. of this section report in their opinion do not materially affect the security for the mortgage loan. Every mortgage shall be certified to be such a

first lien by an attorney-at-law of the State in which the real property is located, or certified or guaranteed to be such a first lien by a corporation authorized to guarantee titles to land in such State;

(4) such loan shall not exceed  $66\frac{2}{3}\%$  of the appraised value of the leasehold interest subject to the mortgage, including the leasehold interest in the improvements erected upon the mortgaged property, or to be erected thereon wholly or partly with the proceeds of the mortgage loan; and

(5) the instrument evidencing the loan shall require that payment be made on account of the principal amount of such loan at an annual rate sufficient to repay such loan not later than 1 year prior to the expiration of the lease.

N. The instrument evidencing a mortgage loan may be in such form, and may contain such provisions, not inconsistent with law, as the savings bank may choose to insert for the protection of its lien and the preservation of its interest in the real property mortgaged to it.

O. Notwithstanding the limitations prescribed by the preceding subsections or by subsection P. of this section, a savings bank may

(1) for the purposes of preventing or mitigating loss, or of preserving the lien of its mortgage, or of conserving the value of the real property affected by its mortgage, (a) extend the time for the payment of principal or interest, (b) modify or waive any of the terms or conditions of the instrument evidencing a mortgage loan, (c) settle or compromise all or part of the amount due or to grow due on a mortgage loan, (d) sell or assign the mortgage loan, or a share or part thereof or interest therein, for such consideration as it shall deem proper, and (e) advance funds for the payment of any tax, lien, charge or claim whatsoever; and

(2) make a loan in addition to an existing mortgage loan or loans held by it, upon the security of the same real property and secured by the existing mortgage or mortgages, in an amount not to exceed the difference between the balance due on the existing mortgage or mortgages and the original amount thereof; provided, however, that no such additional loan shall be made which shall increase the total amount due upon such mortgages over the amount which could be loaned upon the security of such real property. Such additional loan shall be repaid in equal monthly installments, beginning within 1 year from the date of such loan, with the payments adjusted so that the additional loan shall be repaid in full either before or at the maturity of the existing mortgage. If the unexpired term of

such mortgage or mortgages shall have been reduced to 15 years or less, such term may be extended for an additional period of not more than 15 years. Adjustment of payments and extension of mortgage terms pursuant to this section shall comply with the provisions of subsection F., G. or H. of this section. If so provided in the original mortgage or a supplement or amendment thereto, persons who acquire any rights in or liens upon the mortgaged real property subsequent to the recording of the original mortgage or such supplement or amendment, as the case may be, shall hold such rights and liens subject to the prior lien of the original mortgage and such supplement or amendment, if any, as security for such additional loan; and in such case, no title certificate or insurance under subsection C. of this section shall be required with respect to such additional loan.

P. Except as otherwise provided by this section, no savings bank shall make a mortgage loan if the making of such loan would cause the total of all unpaid balances of such loans held by the savings bank upon the security of the same real property or leasehold, to exceed the limitations imposed by this section upon the amount of a mortgage loan which may be made upon the security of such real property of such leasehold.

Q. A savings bank may invest in

(1) (a) veterans loans, wherever located, made pursuant to Title III of the Act of Congress of June 22, 1944, known as the "Service-men's Readjustment Act of 1944," as amended, supplemented, revised, or recodified from time to time, which the Administrator of Veterans' Affairs or other officer or agency which succeeds to his powers and functions under said act has insured or guaranteed or has made a commitment to insure or guarantee, to the extent and in the manner provided in said act or the regulations made thereunder; and

(b) veterans' loans, wherever located, made and insured or guaranteed in part as provided in paragraph (1) (a) of this subsection of this section, and, as to the balance thereof, insured or guaranteed by an insurer or guarantor named or described in paragraph (2) of this subsection of this section.

(c) mortgages or deeds of trust or other securities made pursuant to paragraph 1 (a) of this subsection of this section shall not be subject to the provisions and restrictions of this section, except that they shall be included in determining whether total mortgage investments are within the limitation prescribed by

subsection B. of this section, provided however, that said mortgages or deeds of trust or other securities shall not be subject to the provisions of any law of this State prescribing or limiting the interest which may be taken upon such loans or investments.

(2) (a) mortgages or deeds of trust or other securities of the character of mortgages which are first liens on the fee of real property or a lease of the fee of real property, wherever located, which (i) the United States, or (ii) the Federal Housing Commissioner under the Act of Congress of June 27, 1934, known as the "National Housing Act," as amended, supplemented, revised or recodified from time to time, or other officer or agency which succeeds to his powers and functions, or (iii) the State of New Jersey or an officer or agency thereof, or (iv) any other officer or agency of the United States or of this State which the commissioner shall have approved for the purposes of this section as an insurer or guarantor, has fully insured or guaranteed or made a commitment to fully insure or guarantee.

(b) mortgages or deeds of trust or other securities made pursuant to paragraph 2 (a) of this subsection of this section shall not be subject to the provisions and restrictions of this section, except that they shall be included in determining whether total mortgage investments are within the limitation prescribed by subsection B. of this section, provided however, that said mortgages or deeds of trust or other securities shall not be subject to the provisions of any law of this State prescribing or limiting the interest which may be taken upon such loans or investments.

R. The commissioner may, from time to time, make, alter and rescind regulations:

(1) authorizing savings banks to make mortgage loans or specified types or classes of mortgage loans (a) which exceed the specified percentages of the appraised value of the mortgaged property; (b) which mature later than the specified periods from their date; (c) which require smaller annual payments on account of the principal amounts thereof than those specified in this section; (d) which provide for equal monthly payments each applicable to principal and interest in amounts sufficient to pay current interest on and to repay the amount of the loan in such number of years more than 40, but not more than 45, as the regulation may specify;

(2) increasing the percentage of deposits of savings banks which savings banks may invest in mortgage loans;

(3) increasing the percentage of principal balances owing on mortgage loans referred to in subsection Q. which shall not be included in the total of all principal balances owing on mortgage loans for the purpose of subsection B., or

(4) eliminating entirely the principal balances owing on such mortgage loans from such total of all principal balances.

2. This act shall take effect immediately.

Approved April 15, 1977.

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### CHAPTER 63

AN ACT concerning the treatment and prevention of tuberculosis and revising and repealing sundry sections of the law in connection therewith.

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

1. N. J. S. 18A:40-11 is amended to read as follows:

**Exclusion of pupils having communicable tuberculosis.**

18A:40-11. Any pupil found to have communicable tuberculosis shall be excluded from school and a report of each such case shall be filed by the school medical inspector with the health officer of the municipality in which the pupil resides. Readmission to school may be granted when proof satisfactory to the school medical inspector is furnished to indicate that the pupil is free from communicable tuberculosis.

2. N. J. S. 18A:40-16 is amended to read as follows:

**Tuberculosis infection; determining presence of.**

18A:40-16. The board of education of every school district shall periodically determine or cause to be determined the presence or absence of tuberculosis infection in any or all pupils in public schools, and, with respect to frequency, procedure, and selection of pupils, shall comply with the rules of the State board.

3. N. J. S. 18A:40-17 is amended to read as follows:

**Equipment, materials and services for tuberculosis tests.**

18A:40-17. The board may provide at its expense the equipment, materials, and services necessary to make such determination, or

it may contract to use for that purpose, with or without financial reimbursement, the equipment, materials, and services available through a hospital or public health agency approved by the State Department of Health.

4. N. J. S. 18A:40-18 is amended to read as follows:

**Exclusion of pupils failing to comply with rules and orders.**

18A:40-18. Any pupil failing to comply with the rules of the board of education relating to the determination of the presence of tuberculosis or any order issued by a school officer pursuant to such rules may be excluded from school.

5. N. J. S. 18A:40-19 is amended to read as follows:

**Records and reports relating to tuberculosis testing; filing; inspection.**

18A:40-19. All records and reports of tuberculosis testing conducted by or under the auspices of a board of education shall be the property of the board, and shall be filed with the medical inspector as confidential information except that such records and reports shall be open for inspection by officers of the State Department of Health and of the local board of health, of the municipality in which the pupil resides and of the municipality in which the school is located.

6. R. S. 26:4-60 is amended to read as follows:

**Register of reported cases and examinations; inspection.**

26:4-60. The local board shall cause all reports of cases of tuberculosis, and the result of any examination showing the presence of the bacilli of tuberculosis to be recorded in a register of which it shall be the custodian.

Such register shall not be open to inspection by any person other than the State department and the local board. The local board shall not permit any such report or record to be divulged so as to disclose the identity of the person to whom it relates, except as may be necessary to carry into effect the provisions of this article.

7. R. S. 26:4-69 is amended to read as follows:

**Expenditure of appropriations.**

26:4-69. The State department shall expend such sums as shall be annually appropriated for the study, treatment and prevention of tuberculosis.

8. R. S. 26:4-70 is amended to read as follows:

**Rules and regulations; enforcement.**

26:4-70. The State department shall make rules and regulations for the care of persons suffering with tuberculosis, and for preventing the spread of the disease.

The State department shall enforce the rules and regulations and see that they are enforced, for which purpose it may issue orders to local boards and practicing physicians. Every local board shall also enforce said rules and regulations.

9. Section 3 of P. L. 1949, c. 196 (C. 26:4-71.3) is amended to read as follows:

**C. 26:4-71.3 Patients leaving hospital against advice; report by administrator.**

3. If any person afflicted with tuberculosis in a communicable form shall leave any hospital against medical advice, the administrator shall report such person to the local board of health of the municipality in which such patient was residing when admitted to the hospital and to the State Commissioner of Health within 12 hours. Such report shall be in writing and shall state whether the person is afflicted with tuberculosis in a communicable form.

10. R. S. 30:1-7 is amended to read as follows:

**General jurisdiction and power of State board; institutions enumerated.**

30:1-7. The charitable, hospital, relief and training institutions and noninstitutional agencies of this State, within the meaning of this Title, shall include the following, and, as well, any institution established hereafter for any similar purpose, as now established and as the same are to be hereafter maintained and operated pursuant to law:

Trenton Psychiatric Hospital,  
 Greystone Park Psychiatric Hospital,  
 Marlboro Psychiatric Hospital,  
 Ancora Psychiatric Hospital,  
 New Jersey Neuropsychiatric Institute,  
 North Jersey Training School at Totowa,  
 New Lisbon State School,  
 Woodbine State School,  
 Vineland State School,  
 Woodbridge State School,  
 Hunterdon State School,  
 New Jersey Memorial Home for Disabled Soldiers at Menlo Park,  
 New Jersey Memorial Home for Disabled Soldiers, Sailors,  
 Marines and their Wives and Widows at Vineland,

Diagnostic Center at Menlo Park  
Arthur Brisbane Child Center at Allaire,  
Board of Public Welfare,  
Commission for the Blind and Visually Impaired.

The correctional institutions of this State, within the meaning of this Title, shall include the following, and, as well, any institution established hereafter for any similar purpose, as now established and as the same are to be hereafter maintained and operated pursuant to law:

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.

11. R. S. 30:1-15 is amended to read as follows:

**Inspection of local and private institutions; reports.**

30:1-15. The commissioner and the State board shall have the power of visitation and inspection of all county and city jails or places of detention, county or city workhouses, county penitentiaries, county mental hospitals, poor farms, almshouses, county and municipal schools of detention, and privately maintained institutions and noninstitutional agencies for the care and treatment of the mentally ill, the blind, the deaf, the mentally retarded, or other institutions, and noninstitutional agencies conducted for the benefit of the physically and mentally defective, or the furnishing of board, lodging or care for children. The commissioner or his duly authorized agent, and any member of the State board shall be admitted to any and all parts of any such institutions at any time, for the purpose of inspecting and observing the physical condition thereof, the methods of management and operation thereof, the physical condition of the inmates, the care, treatment and discipline thereof, and also to determine whether such persons so admitted or committed are properly and adequately boarded, lodged, treated, cared for and maintained. The commissioner and the State board may make such report with reference to the result

of such observation and inspection and recommendation with reference thereto, as they may determine.

12. R. S. 30:4-1 is amended to read as follows:

**Boards of trustees; appointment; terms; vacancies; removal; compensation; organization.**

30:4-1. The State board, with the approval of the Governor, shall appoint a board of trustees for each institution or agency within the department or for each group or class thereof as it may determine.

Whenever the establishment or assumption of jurisdiction over an additional institution, or the acquisition of a site therefor, is authorized by the Legislature the State board, with the approval of the Governor, may appoint a board of trustees therefor or may authorize or designate any existing board of trustees to assume jurisdiction thereof. Each board of trustees of an institution shall be known as "the board of trustees" naming the institution or group or class for which the board is appointed. The State board, with the approval of the Governor, shall determine the names of the boards of noninstitutional agencies.

Except as otherwise specifically provided by statute, the boards of trustees shall consist of not less than five nor more than seven members appointed with the approval of the Governor from residents of the State at large without respect to political affiliation or belief. At least two women shall be members of each board in charge of the Training School for Boys, Jamesburg, the Home for Disabled Soldiers, Sailors, Marines and their Wives and Widows, and the institutions or agencies for the blind, feebleminded, the epileptic and the insane and at least two members of the Commission for the Blind and Visually Impaired shall themselves be legally blind but they shall not be employees, or related by blood, marriage or adoption to any employee, of said commission. At least a majority of the members of each board in charge of the Training School for Girls, Trenton, and the women's reformatory shall be women.

The term of each board member shall be 3 years commencing on July 1 and ending on June 30, of the third year thereafter. A vacancy shall be filled by the State board, with the approval of the Governor, for the unexpired term only.

The members of new or additional boards of trustees shall at the time of their appointment be divided into groups so that the terms of two members shall expire on June 30 of the year next succeeding

appointment; the terms of two others on June 30 of the second year succeeding appointment; the term of the fifth member and in case of larger boards the term of the sixth member, on June 30 of the third year succeeding appointment; the term of the seventh member of a board having seven members, on June 30 of the fourth year succeeding appointment. Their successors shall be appointed for 3-year terms.

The members of such boards shall receive no compensation for services but shall be reimbursed for actual expenditures incurred in the performance of duty. They shall be subject to removal by the State board, with the approval of the Governor at any time for good and sufficient cause.

On or before July 1 of each year each such board shall reorganize by the election from among its members of a chairman and vice chairman and shall appoint a secretary, with the approval of the chief executive officer of the institution, who shall be an employee of the department and shall serve at the pleasure of the board without additional compensation. The term of office of the chairman and vice chairman shall be until June 30 of the following year or until their successors are elected and qualified.

13. Section 6 of P. L. 1968, c. 413 (C. 30:4D-6) is amended to read as follows:

**C. 30:4D-6 Medical assistance program; contents.**

6. a. Subject to the requirements of Title XIX of the Federal Social Security Act, the limitations imposed by this act and by the rules and regulations promulgated pursuant thereto, the medical assistance program shall include authorized services within each of the following classifications:

(1) Inpatient hospital services (other than services in an institution for mental diseases);

(2) Outpatient hospital services;

(3) Other laboratory and X-ray services;

(4) (a) Skilled nursing home services (other than services in an institution for mental diseases) for persons 21 years of age or older;

(b) Such early and periodic screening and diagnosis of individuals who are eligible under the program and are under age 21 to ascertain their physical or mental defects and such health care, treatment, and other measures to correct or ameliorate defects and chronic conditions discovered thereby, as may be provided in regu-

lations of the Secretary of the Federal Department of Health, Education and Welfare and approved by the commissioner;

(5) Physicians' services furnished in the office, the patient's home, a hospital, skilled nursing home or elsewhere.

b. Subject to the limitations imposed by Federal law, by this act, and by the rules and regulations promulgated pursuant thereto, the medical assistance program may be expanded to include authorized services within each of the following classifications:

(1) Medical care not included in subsection a. (5) above, or any other type of remedial care recognized under State law, furnished by licensed practitioners within the scope of their practice as defined by State law; provided, however, at the program's inception such practitioners shall be limited to podiatrists and optometrists;

(2) Home health care services;

(3) Clinic services;

(4) Dental services;

(5) Physical therapy and related services;

(6) Prescribed drugs, dentures, and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist, whichever the individual may select;

(7) Other diagnostic, screening, preventive, and rehabilitative services, and other remedial care;

(8) Inpatient hospital services and skilled nursing home services for individuals 65 years of age or over in an institution for mental diseases;

(9) Any other medical care and any other type of remedial care recognized under State law, specified by the Secretary of the Federal Department of Health, Education and Welfare, and approved by the commissioner.

c. Payments for the foregoing services, goods and supplies furnished pursuant to this act shall be made to the extent authorized by this act, the rules and regulations promulgated pursuant thereto and, where applicable, subject to the agreement of insurance provided for under this act. Every provider making a claim for payment pursuant to this act shall certify in writing that no additional amount will be charged to the recipient for the services, goods and supplies furnished.

d. Any individual eligible for medical assistance (including drugs) may obtain such assistance from any institution, agency, community pharmacy, or person, qualified to perform the service

or services required (including an organization which provides such services, or arranges for their availability on a prepayment basis), who undertakes to provide him such services.

e. Anything in this act to the contrary notwithstanding, no payments for medical assistance shall be made under this act with respect to care or services for any individual who:

(1) Is an inmate of a public institution (except as a patient in a medical institution); or

(2) Has not attained 65 years of age and who is a patient in an institution for mental diseases.

14. Section 1 of P. L. 1947, c. 34 (C. 30:9-12.1) is amended to read as follows:

**C. 30:9-12.1 Counties over 400,000; county hospitals; lands and buildings.**

1. The board of chosen freeholders of any county having a population in excess of 400,000 may establish, erect and maintain a county hospital or hospitals for sick, disabled, or aged persons, for the mentally ill, and for persons suffering from communicable diseases, and for that purpose shall have power to:

Purchase and lease real property therefor or acquire such real property by condemnation pursuant to the provisions of chapter 1 of Title 20 of the Revised Statutes (Eminent Domain § 20:1-1 et seq.);

Erect all necessary buildings and make all necessary improvements, plans and alterations, the plans first to be approved by the State Department of Health;

Appropriate money for the purchase of a site and for the construction or reconstruction of all necessary buildings, including the original furnishings and equipment therefor, and borrow funds therefor on the credit of the county and issue county obligations therefor in like manner as for other county purposes;

Accept and hold in trust for the county any grant or devise of land or any gift or bequest of money or other personal property or any donation and apply the same in accordance with the terms of the gift.

15. Section 8 of P. L. 1947, c. 34 (C. 30:9-12.8) is amended to read as follows:

**C. 30:9-12.8 Persons who may be treated.**

8. A county hospital or hospitals established under this act shall be devoted to the care and treatment of:

- (a) Persons suffering from communicable diseases;
- (b) Mentally ill persons;
- (c) Sick, disabled, or aged persons of the low-wage group, who are hereby defined to be those persons who are unable to pay prevailing semi-private hospital charges.

16. R. S. 30:9-28 is amended to read as follows:

**Municipal hospital or building within other municipality; consent required.**

30:9-28. No municipality shall locate, build, establish or maintain, temporarily or permanently, any hospital or building for the treatment of any communicable disease, or for the reception of persons suffering from such disease, within the limits of another municipality, without first obtaining the consent of the governing body of such other municipality. Such consent may be by resolution upon such terms, conditions and limitations as the governing body of the consenting municipality shall therein prescribe.

17. R. S. 30:9-29 is amended to read as follows:

**County aid to hospitals caring for communicable diseases.**

30:9-29. The board of chosen freeholders of a county which has no county hospital permanently maintaining a building or pavilion for communicable diseases, other than the sick ward of the county poor home or the county institutions for the insane, may appropriate not more than \$50,000.00 in any 1 year, to any one hospital which permanently maintains and operates a building or pavilion for communicable diseases, or, for the purpose of contracting with any such hospital for payment for care and treatment of residents of such county who are afflicted with communicable diseases.

18. R. S. 30:9-38 is amended to read as follows:

**Board of managers; appointment, terms, compensation; certain counties of first and second classes.**

30:9-38. When a county hospital for communicable diseases has been completed in counties other than counties of the first class the director of the board of chosen freeholders, with the consent and approval of the board, may appoint a board of managers for the hospital consisting of six members, residents of the county, three of whom shall be physicians and three of whom shall be selected from the members of the several boards of health or department heads administering health laws within the county. Not more than three members shall belong to the same political party. Two shall be appointed to serve for 3 years, two for 2 years and two for 1 year, and their successors shall be appointed in the

same manner but shall serve for a term of 3 years. A vacancy shall be filled for the unexpired term only. Members shall serve without compensation.

In any county of the first class, and in all counties of the second class in which there is no appointed board of managers as provided in the first paragraph of this section, the board of managers of such hospital shall consist of the board of chosen freeholders of said county or such committee or committees thereof as the board of chosen freeholders shall designate. Each year at the time of organization of the board of chosen freeholders, the director shall select from among the members of the board a committee to act as a board of managers subject to the general jurisdiction and control of the board of chosen freeholders, and shall designate the chairman of such committee. The board of chosen freeholders shall appoint each year, with the advice of the superintendent of the hospital, an advisory and consulting staff of not less than five physicians resident in the county whose duties it shall be to confer and consult with the superintendent and board of chosen freeholders to promote and advance the scientific, medical and surgical development of the institution. Notice of meetings of the hospital committee of the board of chosen freeholders shall be given to each member of the advisory staff.

19. R. S. 30:9-57 is amended to read as follows:

**Commitment for failure to observe rules.**

30:9-57. A person with communicable tuberculosis who fails to obey the rules or regulations promulgated in accordance with 26:4-70 by the State Department of Health for the care of tubercular persons and for the prevention of the spread of tuberculosis, or who is an actual menace to the community or to members of his household, may be committed to a hospital or institution, designated by the State Commissioner of Health with the approval of the Commissioner of the State Department of Human Services, for the care and custody of such person or persons, by the county court of the county in which the person resides, upon proof of service upon him of the rules and regulations and proof of violation thereafter, or upon proof by the health officer of the municipality in which the person resides, or by the State Commissioner of Health or his authorized representative, that he is suffering from tuberculosis, and is an actual menace to the community, or to members of his household. Two days' notice of the time and place of hearing shall in all cases be served upon the person to be com-

mitted. Proof of such service shall be made at the hearing. The court may also make such order for the payment for care and treatment as may be proper. The superintendent or person in charge of said hospital or institution to which such person has been committed shall detain said person until the State Commissioner of Health shall be satisfied that the person has recovered to the extent that he will not be a menace to the community or to members of his household or that the person will so conduct himself that he will not constitute such a menace.

20. R. S. 30:9-61 is amended to read as follows:

**County hospital for communicable diseases; establishment; powers of board.**

30:9-61. The board of chosen freeholders of a county, other than counties of the first class, may establish, erect and maintain a county hospital for persons suffering from communicable diseases.

A board having voted to establish such hospital shall have power to:

Purchase and lease real property therefor or acquire such real property by condemnation pursuant to the provisions of chapter 1 of the title Eminent Domain (§ 20:1-1 et seq.);

Erect all necessary buildings and make all necessary improvements, plans and alterations, the plans first to be approved by the State Department of Health;

Borrow money for the purchase of a site and the erection of the hospital on the credit of the county and issue county obligations therefor in like manner as for other county purposes;

Accept and hold in trust for the county any grant or devise of land or any gift or bequest of money or other personal property or any donation to be applied, principal or income, or both, for the benefit of the hospital, and apply the same in accordance with the terms of the gift.

21. R. S. 30:9-66 is amended to read as follows:

**Application for admission; payment for care and treatment; disciplining of patients; discharge.**

30:9-66. A resident of the county desiring treatment in the county hospital established under section 30:9-61 of this Title may apply for examination to a reputable physician. Such physician if he finds that the applicant is suffering from a communicable disease in any form, may apply to the superintendent for his admission.

All applications shall state whether in the judgment of the physician, the patient is able to pay in whole or in part for his care and treatment. Each application shall be filed and recorded in a book kept for that purpose in the order of its receipt.

The determination of legal settlement and liability for costs of care and maintenance of all patients shall be insofar as practicable in accordance with sections 30:4-23 to 30:4-105 and 30:9-45 to 30:9-60 of this Title.

No discrimination shall be made in the accommodation, care or treatment of any patient because of any payment of maintenance and no officer or employee shall accept from a patient any fee, payment or gratuity for services.

When in the judgment of the board of managers the further detention of a patient is for his benefit or the benefit of the community, he may be so detained. No patient shall be discharged without first obtaining permission of the superintendent or board of managers.

The superintendent, if he shall be a physician and if not then such member of the medical staff as shall be so designated by the board of managers, shall have the custody and control of the patients and within the regulations of the board of managers may restrain and discipline a patient in such manner as in his opinion the welfare of the patient requires. He shall discharge a patient whenever cured or whenever further detention would not benefit the patient or the community.

A patient to whom discharge is refused, or any person as his guardian ad litem, may apply to the county court in a summary manner for such discharge.

22. R. S. 30:12-2 is amended to read as follows:

**Consent for establishment or maintenance of hospitals or institutions.**

30:12-2. No person, corporation or association, except municipal corporations or corporations not organized for pecuniary profit shall establish or maintain for profit any hospital, or other institution for persons afflicted with communicable diseases without first having obtained the consent by resolution or ordinance of the governing board or body of the municipality within which the institution is to be established.

Notice of application for such consent, setting forth the time and place at which the application will be presented, the name of the

applicant, and the exact location of the proposed institution shall be given by publication for at least 2 weeks in one or more newspapers published and circulated in the municipality, or if none be published therein, by posting in ten of the most public places in such municipality at least 14 days before the meeting at which the application will be presented.

23. R. S. 44:4-89 is amended to read as follows:

**Classification of inmates of welfare-houses.**

44:4-89. In the management of welfare-houses the inmates shall be classified according to age, condition of health and ability to perform manual labor. Some form of employment shall be provided for such of the inmates as are able to work.

**Repealer.**

24. The following sections, acts and parts of acts together with all amendments and supplements thereto, are hereby repealed:

R. S. 9:14-1 and R. S. 9:14-2, inclusive;

R. S. 26:4-58 and R. S. 26:4-59, inclusive;

R. S. 26:4-61 through R. S. 26:4-68, inclusive;

Sections 1, 2, 4, 5 and 6 of P. L. 1949, c. 196 (C. 26:4-71.1, C. 26:4-71.2, C. 26:4-71.4, C. 26:4-71.5 and C. 26:4-71.6);

R. S. 30:4-18;

R. S. 30:4-158 and R. S. 30:4-159, inclusive;

R. S. 30:9-30 through R. S. 30:9-34, inclusive;

R. S. 30:9-45 and R. S. 30:9-46, inclusive;

R. S. 30:9-48;

P. L. 1970, c. 27 (C. 30:9-48.1);

R. S. 30:9-49 through R. S. 30:9-52, inclusive;

P. L. 1949, c. 219, (C. 30:9-52.1);

P. L. 1955, c. 11 (C. 30:9-52.2);

R. S. 30:9-53 through R. S. 30:9-56, inclusive;

R. S. 30:9-58 through R. S. 30:9-60, inclusive;

R. S. 30:9-82 through R. S. 30:9-84, inclusive;

R. S. 30:12-3;

R. S. 40:21-45 through R. S. 40:21-47, inclusive.

25. This act shall take effect immediately.

Approved April 15, 1977.

## CHAPTER 64

AN ACT concerning certain loans made by banking institutions and supplementing "The Banking Act of 1948" (P. L. 1948, c. 67).

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

**C. 17:9A-59.40 Loans secured by deposits; interest rate.**

1. Notwithstanding any other provision of law, a banking institution may contract with a depositor for the loan of money in an amount not to exceed such depositor's deposit and secured by a pledge of such deposit, upon such terms and conditions as may be mutually agreed upon between the banking institution and such depositor; provided, however, that the rate of interest charged with respect to any such loan shall not exceed the maximum permitted under the provisions of R. S. 31:1-1 or 2% in excess of the interest rate then paid with respect to the deposit which secures such loan whichever is greater.

2. This act shall take effect immediately.

Approved April 18, 1977.

## CHAPTER 65

AN ACT concerning legal holidays, and amending R. S. 36:1-1.

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

1. R. S. 36:1-1 is amended to read as follows:

**Presentation for payment of bills, checks and notes; transaction of public business; State and county offices closed.**

36:1-1. The following days in each year shall, for all purposes whatsoever as regards the presenting for payment or acceptance, and of the protesting and giving notice of dishonor, of bills of exchange, bank checks and promissory notes be treated and considered as the first day of the week, commonly called Sunday, and as public holidays: January 1, known as New Year's Day; January 15,

known as Martin Luther King's Birthday; February 12, known as Lincoln's Birthday; the third Monday in February, known as Washington's Birthday; the day designated and known as Good Friday; the last Monday in May, known as Memorial Day; July 4, known as Independence Day; the first Monday in September, known as Labor Day; the second Monday in October, known as Columbus Day; November 11, known as Armistice Day or Veteran's Day; the fourth Thursday in November, known as Thanksgiving Day; December 25, known as Christmas Day; any general election day in this State; every Saturday; and any day heretofore or hereafter appointed, ordered or recommended by the Governor of this State, or the President of the United States, as a day of fasting and prayer, or other religious observance, or as a bank holiday or holidays. All such bills, checks and notes, otherwise presentable for acceptance or payment on any of the days herein enumerated, shall be deemed to be payable and be presentable for acceptance or payment on the secular or business day next succeeding any such holiday.

Whenever any of the days herein enumerated can and shall fall on a Sunday, the Monday next following shall, for any of the purposes herein enumerated be deemed a public holiday; and bills of exchange, checks and promissory notes which otherwise would be presentable for acceptance or payment on such Monday, shall be deemed to be presentable for acceptance or payment on the secular or business day next succeeding such holiday.

In construing this section, every Saturday shall, until 12 o'clock noon, be deemed a secular or business day, except as is hereinbefore provided in regard to bills of exchange, bank checks and promissory notes, and the days herein enumerated except bank holidays and Saturdays shall be considered as the first day of the week, commonly called Sunday, and public holidays, for all purposes whatsoever as regards the transaction of business in the public offices of this State, or counties of this State; but on all other days or half days, except Sunday or as otherwise provided by law, such offices shall be kept open for the transaction of business.

2. This act shall take effect January 1, 1978.

Approved April 20, 1977.

## CHAPTER 66

AN ACT reconstituting the Corporation Law Revision Commission, created by “An act creating a Commission to Revise the General Corporation Law and related statutes, and prescribing its powers and duties and making an appropriation therefor,” approved April 16, 1958 (P. L. 1958, c. 10, C. 1:14-1 et seq.), and prescribing its powers and duties.

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

**C. 1:14-9 Legislature’s findings.**

1. The Legislature finds it to be desirable that the Corporation Law Revision Commission created by P. L. 1958, c. 10 (C. 1:14-1 et seq.) be reconstituted for the purpose of observing and evaluating the operation of Title 14A, Corporations, General, of the New Jersey Statutes, enacted as P. L. 1968, c. 350, as amended, and related statutes, in order to consider and report from time to time to the Legislature such amendments or refinements to said Title 14A or related statutes as it may deem appropriate.

**C. 1:14-10 Corporation law revision commission reconstituted; powers; membership; duration.**

2. The Corporation Law Revision Commission is reconstituted with the same powers and duties as provided in P. L. 1958, c. 10 and with the members to be appointed as provided therein. As reconstituted, the Corporation Law Revision Commission shall continue in existence until December 31, 1979 upon which date this act shall expire.

3. This act shall take effect immediately.

Approved April 20, 1977.

## CHAPTER 67

AN ACT concerning bidding and payment procedures on State highway projects and amending R. S. 27:7-29, 27:7-31 through 27:7-34, amending "An act concerning the classification of prospective bidders on State Highway Department projects and supplementing chapter 7 of Title 27 of the Revised Statutes," approved June 30, 1966 (P. L. 1966, c. 185) and repealing R. S. 27:7-35.

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

1. R. S. 27:7-29 is amended to read as follows:

**Advertisement for bids; contents; publication.**

27:7-29. The commissioner shall advertise for bids on the work and materials covered by the plans and specifications for each project.

The advertisement shall be by public notice published for at least 3 weeks before bids on the contract may be received, at least once a week in each of two newspapers printed in the county or counties where the roads are located, and in one other newspaper in Trenton, and may be inserted in one or more American engineering periodicals.

The advertisements shall give a brief description of the work and materials required, specify where plans and specifications can be seen or had, the hour, date, and place where the sealed proposals will be received and publicly opened and read, and such other pertinent information as the commissioner may include.

2. R. S. 27:7-31 is amended to read as follows:

**Proposal bond to accompany bid; amount.**

27:7-31. A proposal bond equal to at least 50% of the bid, executed by the contractor with such sureties as shall be approved by the commissioner in favor of the State of New Jersey, shall accompany each bid and shall be held as security for the faithful performance of the contractor in that, if awarded the contract, the bidder will deliver the contract within 10 working days after the award, properly executed and secured by satisfactory bonds in accordance with the provisions of N. J. S. 2A:44-143 to N. J. S. 2A:44-147 and specifications for the project. The commissioner may require in addition to the proposal bond such additional

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evidence of the ability of a contractor to perform the work required by the contract as he may deem necessary and advisable.

3. R. S. 27:7-32 is amended to read as follows:

**Failure to provide proposal bond; rejection of bid.**

27:7-32. If the bidder fails to provide a satisfactory proposal bond as provided in section 27:7-31 of this Title, his bid shall be rejected.

4. R. S. 27:7-33 is amended to read as follows:

**Time for awarding of contract; return of proposal bonds.**

27:7-33. The commissioner shall award the contract or reject the bids therefor within 30 working days after the bids are received, except that this time limit may be extended by mutual agreement, and all proposal bonds which have been delivered with the bids, except those of the two lowest responsible bidders, shall be returned within 3 working days after such bids are received. Any and all bids may be rejected when the commissioner determines that it is in the public interest to do so.

5. R. S. 27:7-34 is amended to read as follows:

**Partial and deferred payments; amount; deposit.**

27:7-34. Contracts shall provide for partial payments at least once each month or from time to time as the work progresses on work of construction or maintenance. Five per centum of the amount due on partial payments on the first 50% of the total contract price shall be withheld from the contractor pending completion of the contract. Thereafter, on the remaining 50% of the total contract price, no per centum of the partial payments shall be withheld from the contractor pending such completion, but upon substantial completion of the contract, as defined by rules or regulations of the department 2% shall be withheld. No retainage shall be withheld on service contracts including, but not limited to, mowing, sweeping, tree trimming and similar contracts. Any partial payments made after substantial completion of the contract shall be made only upon certification by the general contractor to the department that all subcontractors have been paid in the same proportion that he has been paid; however, should the amount owed by a general contractor to a subcontractor be in dispute the department shall be empowered to advance to the general contractor the amount in dispute after a determination by the commissioner.

Contracts may also provide for partial payments at least once in each month or from time to time as the work progresses on all

materials placed along or upon the site, or stored at locations approved by the commissioner, which are suitable for the use and execution of the contract, provided the contractor furnishes releases of liens for all materials furnished at the time each estimate of work is submitted for payment, but such partial payments shall not exceed the cost of the material.

When the contract provides that a portion of the work may be deferred with the approval of the commissioner, the sum withheld from the contractor may not be less than 25% of the value of said work.

Any money heretofore or hereafter withheld from contract payments as provided for herein shall be paid by the State to any contractor entitled thereto who shall deposit under terms of an escrow agreement, in a banking institution located in this State and approved by the commissioner, negotiable bonds, acceptable to the commissioner, issued by the State or any political subdivision thereof, said bonds having value equal to the amount of money to be paid to any such contractor. For purposes of this section, value shall mean par value or market value, whichever is lower.

6. Section 5 of P. L. 1966, c. 185 (C. 27:7-35.5) is amended to read as follows:

**C. 27:7-35.5 Effective date of classification; expiration.**

5. The classification of the prospective bidder shall be effective 15 days after the receipt of the information specified in section 4 of this act and shall expire at such time after the effective date as specified in regulations promulgated by the commissioner. No person shall be qualified to bid on any contract who does not have a valid classification as to type and amount of work required by the contract, on the date set for the opening of bids for such contract.

7. Section 7 of P. L. 1966, c. 185 (C. 27:7-35.7) is amended to read as follows:

**C. 27:7-35.7 Prequalification committee; membership.**

7. The prequalification committee, to be appointed by the Commissioner of Transportation, shall consist of such officials as the commissioner may deem appropriate for the performance of these duties.

**Repealer.**

8. R. S. 27:7-35 is hereby repealed.

9. This act shall take effect immediately.

Approved April 21, 1977.

## CHAPTER 68

AN ACT concerning contracts for the transportation of pupils, and amending sections 18A:39-2 and 18A:39-3 of the New Jersey Statutes.

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

1. N. J. S. 18A:39-2 is amended to read as follows:

**Methods of providing transportation.**

18A:39-2. Any board of education having power to provide for the transportation of school pupils in its district to and from school may provide such transportation by a bus or buses owned by it or may enter into contract for such transportation, approved by the county superintendent, for a term not exceeding 4 years.

All multiyear contracts made pursuant to the above taking effect subsequent to September 1, 1975 may, at the discretion of the local board of education, and subject to approval by the county superintendent, be increased not to exceed 5% annually of the original yearly contract cost beginning with the second year of the contract.

2. N. J. S. 18A:39-3 is amended to read as follows:

**Advertising for bids to transport pupils.**

18A:39-3. No contract for the transportation of pupils to and from school shall be made, when the amount to be paid during the school year for such transportation shall exceed \$2,500.00 and have the approval of the county superintendent of schools, unless the board of education making such contract shall have first publicly advertised for bids therefor in a newspaper published in the district or, if no newspaper is published therein, in a newspaper circulating in the district once, at least 10 days prior to the date fixed for receiving proposals for such transportation, and shall have awarded the contract to the lowest responsible bidder.

Nothing in this chapter shall require the advertisement and letting on proposals or bids of annual extensions, approved by the county superintendent, of any contract for transportation entered into through competitive bidding when—

(a) Such annual extensions impose no additional cost upon the board of education; or

(b) The original contract was entered into prior to May 14, 1942 and the increase in the original contractual amount as a result of such extensions does not exceed 30% thereof; or

(c) The original contract was entered into on or subsequent to May 14, 1942 and the increase in the original contractual amount as a result of such extensions does not exceed 20% thereof.

3. This act shall take effect immediately.

Approved April 21, 1977.

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## CHAPTER 69

AN ACT to amend the "Savings and Loan Act (1963)," approved August 30, 1963 (P. L. 1963, c. 144).

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

1. Section 48 of P. L. 1963, c. 144 (C. 17:12B-48) is amended to read as follows:

**C. 17:12B-48 Specific powers.**

48. Specific powers. Without limiting the generality of the foregoing, every association shall have power to:

(1) Have succession by its corporate name for the period limited in its charter or certificate of incorporation, and when no period is limited, perpetually.

(2) Sue and be sued in any court.

(3) Adopt and use a corporate seal and alter the same.

(4) Purchase and otherwise acquire, hold, mortgage, pledge, lease, exchange, sell, convey and otherwise dispose of, any real and personal property, necessary or incidental to its operations and consistent with its powers and purposes.

(5) Insure its members' accounts with the Federal Savings and Loan Insurance Corporation, and comply with conditions necessary to obtain and maintain such insurance.

(6) Become a member of or stockholder in a Federal Home Loan Bank and to that end to comply with all conditions of membership therein.

(7) Act as agent for the United States or the State of New Jersey

or any instrumentality of either of them, when designated for that purpose, and perform such reasonable duties as such agents as may be required of it.

(8) Join any cooperative league organized for the purpose of protecting and promoting the welfare of associations and their members and comply with all conditions of membership therein.

(9) Borrow money from any source in or out of the State, on the note, bond and mortgage or other obligation of the association upon such terms and conditions as the board may from time to time prescribe by resolution adopted by at least a majority of all the members of the board and duly recorded on the minutes and to pledge, assign or transfer mortgages, owned by the association and the obligations secured by such mortgages, together with the shares, if any, pledged as collateral security therefor, or any real or other personal property, as security for the repayment of money so borrowed. No association shall borrow money if by doing so the aggregate of its indebtedness for borrowed money other than to the Federal Home Loan Bank will exceed 20% of its capital, except with the approval of the commissioner.

(10) Take from its members, a premium for priority or privilege of loan or acquisition of real estate and no premium so taken shall be deemed usurious. The rate of premium may be agreed upon or be determined by auction.

(11) Require an advance payment of interest for a period of 1 month on any loan; and accept advance payments of interest, if made at the option of the debtor, for any period on any loan. None of such payments shall be deemed usurious.

(12) Where shares are issued, charge an admission fee, not to exceed \$0.25 per share, which shall include the cost of membership or share certificate and account book.

(13) Impose charges upon a member for failure to make any payment to the association when due, but only as provided in this paragraph. Where the association issues installment share accounts it may impose such charge upon any member holding such an account or any borrower upon a sinking fund mortgage not in excess of 1% a month upon the amount in arrears, except for the first month's arrearage or the amount by which such first month's arrearage may be increased by subsequent arrearage in which case a charge not in excess of 5% may be imposed. Such charges shall be subject to the further limitations that no such charge shall be deducted from any amount actually paid by a member upon an account nor shall the

total of any such charges against any account in any fiscal year exceed the amount that may be charged for failure to make any payments for a 6-month period nor shall any charge for default be made on a charge for default. Otherwise an association may impose a charge for failure to make any required payment to it when due upon any loan or contract for the resale of real estate to a member not to exceed 4% of the amount of each payment in arrears but no more than one such charge may be made with respect to any one payment in arrears. An association may impose a reasonable service charge against any member who tenders to such association, for collection or as payment, a check or other instrument of any type which subsequently is not honored by the institution or person upon which such check or other instrument is drawn. None of such charges shall be deemed usurious.

(14) Compute interest upon any direct reduction loan, on designated payment dates, and add the same to the unpaid balance of such loan.

(15) Act as agent for any person where such agency will further the interests of the association and its members, subject to such limitations as may be prescribed by the commissioner.

(16) Upon application to and approval by the commissioner, to act as custodian or trustee within the contemplation of the Federal Self-Employed Individuals Tax Retirement Act of 1962, as amended and supplemented, and the Employee Retirement Income Security Act of 1974, as amended and supplemented, and as custodian, trustee or manager of any such investment fund the authorized investments of which include, but need not be limited to, savings accounts or real estate loans, and the beneficial interests in which may be represented by transferable shares or certificates. Associations exercising the powers authorized by the subsection shall segregate all funds held in such fiduciary capacities from the general assets of the association and shall keep a separate set of books and records showing in detail all transactions made under authority of this subsection. If individual records are kept for each self-employed individual's retirement plan and each such investment fund, then all such funds held in such fiduciary capacities by an association may be commingled for appropriate purposes of investment. No funds held in such fiduciary capacities shall be used by an association in the conduct of its business; however, such funds may be invested in savings accounts of the association in the event that the custodial, trust or other plan does not prohibit such investment. In granting or refusing the association's applica-

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tion the commissioner shall take into consideration the investment policies, amount, type and adequacy of reserves, fidelity bonds and any legally required deposits of the applicant and other pertinent facts and circumstances.

2. This act shall take effect immediately.

Approved April 21, 1977.

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## CHAPTER 70

AN ACT to validate certain proceedings of school districts and any bonds or other obligations issued or to be issued pursuant to 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 the supplemental debt statement required by section 18A:24-16 of Title 18A, Education, of the New Jersey Statutes, was not prepared and filed as required by section 18A:24-17 of Title 18A, Education, of the New Jersey Statutes; provided, however, that a supplemental debt statement has heretofore been made, sworn to, and filed in the places required by sections 18A:24-16 and 18A:24-17 of Title 18A, Education, of the New Jersey Statutes; and provided further, that no action, suit or other proceedings of any nature to contest the validity of such proceedings has heretofore been instituted prior to the date upon 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 21, 1977.

## CHAPTER 71

AN ACT permitting counties to construct and maintain works to control surplus and surface water on railroad property.

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

**C. 40:23-6.50 Construction and maintenance of works to control flow of surplus and surface water on railroad property.**

1. Whenever a railroad company shall not properly construct and maintain on its property in any county any structures, ditches, watercourses, dykes, dams, and such other works and such filling and excavating necessary to control the flow of surplus and surface waters for the protection of the public health, safety and welfare, the governing body of such county may, after notice to the company and approval of the construction plans and specifications by the company within 90 days of their submission, enter upon such property and construct and maintain such works, fillings and excavations.

The county shall not be required to make compensation to such railroad for entering upon such property and constructing and maintaining such works, fillings and excavations.

2. This act shall take effect immediately.

Approved April 21, 1977.

## CHAPTER 72

AN ACT concerning special State aid to certain school districts.

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

**C. 18A:58-11.1 Special State aid to certain school districts.**

1. Special State aid may be paid by the Commissioner of Education to any district which experiences a loss of tuition caused by the termination of a sending-receiving relationship due to the establishment of a regional district for 1 year following such loss.

The amount of such aid in conjunction with other available resources shall be sufficient to meet the financial need of said district caused by the loss of such tuition.

**C. 18A:58-11.2 Rules and regulations.**

2. The commissioner shall make such rules and regulations as are necessary for the implementation of this act.

3. This act shall take effect immediately.

Approved April 21, 1977.

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CHAPTER 73

AN ACT concerning the appointment of county court judges in certain counties and supplementing article 2 of chapter 3 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:3-13.14 County court judges in counties with 175,000 population; appointment.**

1. In counties having a population of more than 125,000 but less than 175,000 according to the 1970 census, there shall be five judges of the County Court in addition to the judge of the county court provided by Article VI, Section V, paragraph 2 of the Constitution, making six in all in each of said counties, to be nominated and appointed by the Governor with the advice and consent of the Senate.

2. This act shall take effect immediately.

Approved April 22, 1977.

## CHAPTER 74

AN ACT concerning water pollution control; providing certain powers to the Department of Environmental Protection; creating a pollutant discharge elimination system; granting rule-making authority; providing penalties; and repealing parts of the Statutory Law.

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

**C. 58:10A-1 Short title.**

1. This act shall be known and may be cited as the "Water Pollution Control Act."

**C. 58:10A-2 Legislature's findings and declaration of policy.**

2. The Legislature finds and declares that pollution of the ground and surface waters of this State continues to endanger public health; to threaten fish and aquatic life, scenic and ecological values; and to limit the domestic, municipal, recreational, industrial, agricultural and other uses of water, even though a significant pollution abatement effort has been made in recent years. It is the policy of this State to restore, enhance and maintain the chemical, physical, and biological integrity of its waters, to protect public health, to safeguard fish and aquatic life and scenic and ecological values, and to enhance the domestic, municipal, recreational, industrial and other uses of water.

The Legislature further finds and declares that the Federal Water Pollution Control Act Amendments of 1972 (P. L. 92-500; 33 U.S.C. 1251 et seq.) establishes a permit system to regulate discharges of pollutants and provides that permits for this purpose will be issued by the Federal Government or by states with adequate authority and programs to implement the regulatory provisions of that act. It is in the interest of the people of this State to minimize direct regulation by the Federal Government of wastewater dischargers by enacting legislation which will continue and extend the powers and responsibilities of the Department of Environmental Protection for administering the State's water pollution control program, so that the State may be enabled to implement the permit system required by the Federal Act.

**C. 58:10A-3 Definitions.**

3. As used in this act, unless the context clearly requires a different meaning, the following words and terms shall have the following meanings:

a. "Administrator" means the Administrator of the United States Environmental Protection Agency or his authorized representative;

b. "Areawide plan" means any plan prepared pursuant to section 208 of the Federal Act;

c. "Commissioner" means the Commissioner of Environmental Protection or his authorized representative;

d. "Department" means the Department of Environmental Protection;

e. "Discharge" means the releasing, spilling, leaking, pumping, pouring, emitting, emptying, or dumping of a pollutant into the waters of the State or onto land or into wells from which it might flow or drain into said waters, and shall include the release of any pollutant into a municipal treatment works;

f. "Effluent limitation" means any restriction on quantities, quality, rates and concentration of chemical, physical, thermal, biological, and other constituents of pollutants;

g. "Federal Act" means the "Federal Water Pollution Control Act Amendments of 1972" (Public Law 92-500; 33 U. S. C. 1251 et seq.);

h. "Municipal treatment works" means the treatment works of any municipal, county, or State agency or any agency or subdivision created by one or more municipal, county or State governments and the treatment works of any public utility as defined in R. S. 48:2-13;

i. "National Pollutant Discharge Elimination System" or "NPDES" means the national system for the issuance of permits under the Federal Act;

j. "New Jersey Pollutant Discharge Elimination System" or "NJPDES" means the New Jersey system for the issuance of permits under this act;

k. "Permit" means an NJPDES permit issued pursuant to section 6 of this act;

l. "Person" means any individual, corporation, company, partnership, firm, association, owner or operator of a treatment works, political subdivision of this State and any state or interstate agency. "Person" shall also mean any responsible corporate

official for the purpose of enforcement action under section 10 of this act;

m. "Point source" means any discernable, confined and discrete conveyance, including but not limited to, any pipe, ditch, channel, tunnel, conduit, well, discrete fissure, container, rolling stock, concentrated animal feeding operation, or vessel or other floating craft, from which pollutants are or may be discharged;

n. "Pollutant" means any dredged spoil, solid waste, incinerator residue, sewage, garbage, refuse, oil, grease, sewage sludge, munitions, chemical wastes, biological materials, radioactive substance, thermal waste, wrecked or discarded equipment, rock, sand, cellar dirt, and industrial, municipal or agricultural waste or other residue discharged into the waters of the State;

o. "Pretreatment standards" means any restriction on quantities, quality, rates, or concentrations of pollutants discharged into municipal or privately owned treatment works adopted pursuant to P. L. 1972, c. 42 (C. 58:11-49 et seq.);

p. "Schedule of compliance" means a schedule of remedial measures including an enforceable sequence of actions or operations leading to compliance with water quality standards, an effluent limitation or other limitation, prohibition or standard;

q. "Substantial modification of a permit" means any significant change in any effluent limitation, schedule of compliance, compliance monitoring requirement, or any other provision in any permit which permits, allows, or requires more or less stringent or more or less timely compliance by the permittee;

r. "Toxic pollutant" means those pollutants, or combinations of pollutants, including disease causing agents, which after discharge and upon exposure, ingestion, inhalation or assimilation into any organism, either directly or indirectly by ingestion through food chains, will, on the basis of information available to the commissioner, cause death, disease, behavioral abnormalities, cancer, genetic mutations, physiological malfunctions, including malfunctions in reproduction, or physical deformation, in such organisms or their offspring;

s. "Treatment works" means any device or systems, whether public or private, used in the storage, treatment, recycling, or reclamation of municipal or industrial waste of a liquid nature including intercepting sewers, outfall sewers, sewage collection systems, cooling towers and ponds, pumping, power and other equipment and their appurtenances; extensions, improvements,

remodeling, additions, and alterations thereof; elements essential to provide a reliable recycled supply such as standby treatment units and clear well facilities; and any other works including sites for the treatment process or for ultimate disposal of residues resulting from such treatment. Additionally, "treatment works" means any other method or system for preventing, abating, reducing, storing, treating, separating, or disposing of pollutants, including storm water runoff, or industrial waste in combined or separate storm water and sanitary sewer systems;

t. "Waters of the State" means the ocean and its estuaries, all springs, streams and bodies of surface or ground water, whether natural or artificial, within the boundaries of this State or subject to its jurisdiction.

**C. 58:10A-4 Rules and regulations.**

4. The commissioner shall have power to prepare, adopt, amend, repeal and enforce, pursuant to the "Administrative Procedure Act," P. L. 1968, c. 410 (C. 52:14B-1 et seq.), reasonable codes, rules and regulations to prevent, control or abate water pollution and to carry out the intent of this act, either throughout the State or in certain areas of the State affected by a particular water pollution problem. Such codes, rules and regulations may include, but shall not be limited to, provisions concerning:

a. The storage of any liquid or solid pollutant in a manner designed to keep it from entering the waters of the State;

b. The prior submission and approval of plans and specifications for the construction or modification of any treatment work or part thereof;

c. The classification of the surface and ground waters of the State and the determination of water quality standards for each such classification;

d. The limitation of effluents, including toxic effluents as indicated herein;

e. The determination of pretreatment standards;

f. The establishment of user charges and cost recovery requirements in conformance with the Federal Act.

**C. 58:10A-5 Powers of department.**

5. The department is empowered to:

a. Exercise general supervision of the administration and enforcement of this act and all rules, regulations and orders promulgated hereunder;

b. Assess compliance of a discharger with applicable requirements of State and Federal law pertaining to the control of pollutant discharges and the protection of the environment and, also, to issue certification with respect thereto as required by section 401 of the Federal Act;

c. Advise, consult, and cooperate with other agencies of the State, the Federal Government, other states and interstate agencies, including the State Soil Conservation Committee, and with affected groups, political subdivisions and industries in furtherance of the purposes of this act;

d. Administer State and Federal grants to municipalities, counties and other political subdivisions, or any recipient approved by the commissioner according to terms and conditions approved by him in order to meet the goals and objectives of this act.

**C. 58:10A-6 Permit; issuance; exemption for certain categories of discharge; permit not issued for certain discharges; requirements.**

6. a. It shall be unlawful for any person to discharge any pollutant, except in conformity with a valid New Jersey Pollutant Discharge Elimination System permit that has been issued by the commissioner pursuant to this act or a valid National Pollution Discharge Elimination System permit issued by the administrator pursuant to the Federal Act, as the case may be.

b. It shall be unlawful for any person to build, install, modify or operate any facility for the collection, treatment or discharge of any pollutant, except after approval by the department pursuant to regulations adopted by the commissioner.

c. The commissioner is hereby authorized to grant, deny, modify, suspend, revoke, and reissue NJPDES permits in accordance with this act, and with regulations to be adopted by him. The commissioner may reissue, with or without modifications, an NPDES permit duly issued by the Federal Government as the NJPDES permit required by this act.

d. The commissioner may, by regulation, exempt the following categories of discharge, in whole or in part, from the requirement of obtaining a permit under this act; provided, however, that an exemption afforded under this section shall not limit the civil or criminal liability of any discharger nor exempt any discharger from approval or permit requirements under any other provision of law:

(1) Additions of sewage, industrial wastes or other materials into a publicly owned sewage treatment works which is regulated by pretreatment standards;

(2) Discharges of any pollutant from a marine vessel or other discharges incidental to the normal operation of marine vessels;

(3) Discharges from septic tanks, or other individual waste disposal systems, sanitary landfills, and other means of land disposal of wastes;

(4) Discharges of dredged or fill materials;

(5) Nonpoint source discharges;

(6) Uncontrolled nonpoint source discharges composed entirely of storm water runoff when these discharges are uncontaminated by any industrial or commercial activity unless these particular storm water runoff discharges have been identified by the administrator or the department as a significant contributor of pollution;

(7) Discharges conforming to a national contingency plan for removal of oil and hazardous substances, published pursuant to section 311(c)(2) of the Federal Act.

e. The commissioner shall not issue any permit for:

(1) The discharge of any radiological, chemical or biological warfare agent or high-level radioactive waste into the waters of this State;

(2) Any discharge which the United States Secretary of the Army, acting through the Chief of Engineers, finds would substantially impair anchorage or navigation;

(3) Any discharge to which the administrator has objected in writing pursuant to the Federal Act;

(4) Any discharge which conflicts with an areawide plan adopted pursuant to law.

f. A permit under this act shall require the permittee:

(1) To achieve effluent limitations based upon guidelines or standards established pursuant to the Federal Act or this act, together with such further discharge restrictions and safeguards against unauthorized discharge as may be necessary to meet water quality standards, areawide plans adopted pursuant to law, or other legally applicable requirements;

(2) Where appropriate, to meet schedules for compliance with the terms of the permit and interim deadlines for progress or reports of progress towards compliance;

(3) To insure that all discharges are consistent at all times with the terms and conditions of the permit and that no pollutant will be discharged more frequently than authorized or at a level in excess of that which is authorized by the permit;

(4) To submit application for a new permit in the event of any

contemplated facility expansion or process modification that would result in new or increased discharges or, if these would not violate effluent limitations or other restrictions specified in the permit, to notify the commissioner of such new or increased discharges;

(5) To install, use and maintain such monitoring equipment and methods, to sample in accordance with such methods, to maintain and retain such records of information from monitoring activities, and to submit to the commissioner such reports of monitoring results as he may require;

(6) At all times, to maintain in good working order and operate as effectively as possible, any facilities or systems of control installed to achieve compliance with the terms and conditions of the permit.

g. The commissioner shall have a right of entry to all premises in which a discharge source is or might be located or in which monitoring equipment or records required by a permit are kept, for purposes of inspection, sampling, copying or photographing.

h. In addition, any permit issued for a discharge from a municipal treatment works shall require the permittee:

(1) To notify the commissioner in advance of the quality and quantity of all new introductions of pollutants into a facility and of any substantial change in the pollutants introduced into a facility by an existing user of the facility, except for such introductions of nonindustrial pollutants as the commissioner may exempt from this notification requirement when ample capacity remains in the facility to accommodate new inflows. Such notifications shall estimate the effects of such changes on the effluents to be discharged into the facility.

(2) To establish an effective regulatory program, alone or in conjunction with the operators of sewage collection systems, that will assure compliance and monitor progress toward compliance by industrial users of the facilities with user charge and cost recovery requirements of the Federal Act or State law and toxicity standards adopted pursuant to this act and pretreatment standards;

(3) As actual flows to the facility approach design flow or design loading limits, to submit to the commissioner for his approval, a program which the permittee and the persons responsible for building and maintaining the contributory collection system shall pursue in order to prevent overload of the facilities.

i. All owners of municipal treatment works are hereby authorized to prescribe terms and conditions, consistent with

applicable State and Federal law, upon which pollutants may be introduced into such works, and to exercise the same right of entry, inspection, sampling and copying with respect to users of such works as are vested in the commissioner by this act or by any other provision of State law.

j. In reviewing permits submitted in compliance with this act and in determining conditions under which such permits may be approved, the commissioner shall encourage the development of comprehensive regional sewerage facilities which serve the needs of the regional community and which conform to the adopted area-wide water quality management plan for that region.

**C. 58:10A-7 Term of permit; modification, suspension or revocation; causes; notice; publication; hearing.**

7. a. All permits issued under this act shall be for fixed terms not to exceed 5 years. Any permittee who wishes to continue discharging after the expiration date of his permit must file for a new permit at least 180 days prior to that date.

b. The commissioner may modify, suspend, or revoke a permit in whole or in part during its term for cause, including but not limited to the following:

- (1) Violation of any term or condition of the permit;
- (2) Obtaining a permit by misrepresentation or failure to disclose fully all relevant facts;
- (3) If a toxic effluent limitation or prohibition, including any schedule of compliance specified in such effluent limitation or prohibition, is established under section 307 (a) of the Federal Act for a toxic pollutant which is more stringent than any limitations upon such pollutant in an existing permit, the commissioner shall revise or modify the permit in accordance with the toxic effluent limitation or prohibition and so notify the permittee.

c. Notice of every proposed suspension, revocation or renewal, or substantial modification of a permit and opportunity for public hearing thereupon, shall be afforded in the same manner as with respect to original permit applications as provided for in this act. In any event notice of all modifications to a discharge permit shall be published in the New Jersey Register.

d. Every final determination of the commissioner to grant, deny, modify, suspend, or revoke a permit shall constitute an administrative adjudication under the "Administrative Procedure Act" P. L. 1968, c. 410 (C. 52:14B-1 et seq.), which provides the permittee the opportunity to contest the final determination in a hearing.

**C. 58:10A-8 Effluent limitations.**

8. Whenever the commissioner finds that discharges from a point source or a group of point sources with the application of the effluent limitations authorized in this act, which effluent limitations are as stringent as the best available technology economically achievable as provided for in the Federal Act or State law, would interfere with the attainment and maintenance of applicable water quality standards, the commissioner may establish more stringent effluent limitations for each such point source or group of point sources, which effluent limitations can reasonably be expected to contribute to the attainment and maintenance of the applicable water quality standards. Prior to the establishment of any more stringent effluent limitations under this section, the commissioner shall publish a notice of his intent to establish such limitations and, upon request of a person affected by any such limitations, the commissioner shall hold a public hearing to determine if there is a reasonable relationship between the economic and social costs of achieving such limitations, including any economic or social dislocation in the affected community or communities, and the social and environmental benefits to be obtained, including the objective of restoring and maintaining the water quality of the State, and to determine whether such effluent limitations can be implemented with available technology or with other control strategies. If a person affected by any such limitations demonstrates at the hearing that there is no reasonable relationship between the economic and social costs of compliance and the benefits to be obtained, the commissioner shall modify any such limitations as they may apply to that person.

**C. 58:10A-9 Application for permit.**

9. Applications for permits shall be submitted within such times, on such forms, and with such signatures as may be prescribed by the commissioner and shall contain such information as he may require. The commissioner shall, in accordance with a fee schedule adopted by regulation, establish and charge reasonable annual administrative fees, which fees shall be based upon, and shall not exceed, the estimated cost of processing, monitoring and administering the NJPDES permits. Said fees shall be deposited to the credit of the State and be deemed as part of the General State Fund. The Legislature shall annually appropriate an amount equivalent to the amount anticipated to be collected as fees charged under this section in support of NJPDES program.

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b. The commissioner shall give public notice of every complete application for a permit in a manner designed to inform interested and potentially interested persons, affected states and appropriate governmental agencies of his proposed determination to issue or deny a permit. The notice shall announce a period of at least 30 days during which the interested persons may request additional facts, submit written views, and request a public hearing on the proposed discharge or determination. All written comments so submitted shall be retained and considered by the commissioner in formulating his final determination with respect to the permit application. The commissioner may give combined notice of two or more permit applications and proposed determinations provided that the requirements of this section are observed for each application.

c. All permit applications, documented information concerning actual and proposed discharges, comments received from the public, and draft and issued permits shall be made available to the public for inspection and for duplication. At his discretion, the commissioner may also make available any other records, reports, plans or information pertaining to permit applicants or permittees, but he shall protect from disclosure any information, other than effluent data, upon a showing by any person that such information, if made public, would divulge methods or processes entitled to protection as trade secrets of such person. The commissioner may prescribe reasonable fees to reimburse the department for duplication expenses under this section.

d. The commissioner shall hold a public hearing on a permit application before a final determination, if a significant showing of interest on the part of the public appears in favor of holding such a hearing. At his discretion, the commissioner may also hold such a hearing on his own motion or if requested to so do by any other interested person. Public notices of every public hearing under this subsection, including a concise statement of the issues to be considered therein, shall be given at least 30 days in advance, and shall be circulated at least as widely as was the notice of the permit application. The commissioner may hold a single hearing on two or more applications. To the extent feasible, he shall afford all persons or representatives of all points of view an opportunity to appear, but may so allocate hearing time as to exclude repetitious, redundant, or irrelevant matter. All testimony and documentary material submitted at the hearing shall be considered by the commissioner in formulating his final determination.

e. The commissioner may appoint and employ such persons as he deems necessary to enforce and administer the provisions of this act, and determine their qualifications, term of office, duties and compensation, all without regard to the provisions of Title 11, Civil Service, of the Revised Statutes.

**C. 58:10A-10 Violation of act; penalty.**

10. a. Whenever, on the basis of any information available to him, the commissioner finds that any person is in violation of any provision of this act, or any rule, regulation, water quality standard, effluent limitation, or permit issued pursuant to this act he shall:

(1) Issue an order requiring any such person to comply in accordance with subsection b. of this section; or

(2) Bring a civil action in accordance with subsection c. of this section; or

(3) Levy a civil administrative penalty in accordance with subsection d. of this section; or

(4) Bring an action for a civil penalty in accordance with subsection e. of this section; or

(5) Petition the Attorney General to bring a criminal action in accordance with subsection f. of this section.

Use of any of the remedies specified under this section shall not preclude use of any other remedy specified.

b. Whenever, on the basis of any information available to him, the commissioner finds that any person is in violation of any provision of this act, or of any rule, regulation, water quality standard, effluent limitation or permit issued pursuant to this act, he may issue an order (1) specifying the provision or provisions of this act, or the rule, regulation, water quality standard, effluent limitation, or permit of which he is in violation, (2) citing the action which caused such violation, (3) requiring compliance with such provision or provisions, and (4) giving notice to the person of his right to a hearing on the matters contained in the order.

c. The commissioner is authorized to commence a civil action in Superior Court for appropriate relief from any violation of this act or of a permit issued hereunder. Such relief may include, singly or in combination:

(1) A temporary or permanent injunction;

(2) Assessment of the violator for the costs of any investigation, inspection, or monitoring survey which led to the establishment of

the violation, and for the reasonable costs of preparing and litigating the case under this subsection;

(3) Assessment of the violator for any cost incurred by the State in removing, correcting or terminating the adverse effects upon water quality resulting from any unauthorized discharge of pollutants for which the action under this subsection may have been brought;

(4) Assessment against the violator of compensatory damages for any loss or destruction of wildlife, fish or aquatic life, and for any other actual damages caused by an unauthorized discharge. Assessments under this subsection shall be paid to the State Treasurer, except that compensatory damages shall be paid by specific order of the court to any persons who have been aggrieved by the unauthorized discharge;

d. The commissioner is authorized to assess a civil penalty of not more than \$5,000.00 for each violation and additional penalties of not more than \$500.00 for each day during which such violation continues after receipt of an order from the department. Any amount assessed under this subsection shall fall within a range established by regulation by the commissioner for violations of similar type, seriousness, and duration. No assessment shall be levied pursuant to this section until after the discharger has been notified by certified mail or personal service. The notice shall include a reference to the section of the statute, regulation, order or permit condition violated; a concise statement of the facts alleged to constitute a violation; a statement of the amount of the civil penalties to be imposed; and a statement of the party's right to a hearing. The ordered party shall have 20 days from receipt of the notice within which to deliver to the commissioner a written request for a hearing. After the hearing and upon finding that a violation has occurred, the commissioner may issue a final order after assessing the amount of the fine specified in the notice. If no hearing is requested, then the notice shall become a final order after the expiration of the 20-day period. Payment of the assessment is due when a final order is issued or the notice becomes a final order. The authority to levy an administrative order is in addition to all other enforcement provisions in this act, and the payment of any assessment shall not be deemed to affect the availability of any other enforcement provisions in connection with the violation for which the assessment is levied. Any civil penalty assessed under this section may be compromised by the commissioner upon the posting of a performance bond by the violator, or

upon such terms and conditions as the commissioner may establish by regulation.

e. Any person who violates this act or an administrative order issued pursuant to subsection b. or a court order issued pursuant to subsection c., or who fails to pay an administrative assessment in full pursuant to subsection d. shall be subject upon order of a court to a civil penalty not to exceed \$10,000.00 per day of such violation, and each day's continuance of the violation shall constitute a separate violation. Any penalty incurred under this subsection may be recovered with costs in a summary proceeding pursuant to the "Penalty Enforcement Law" (N. J. S. 2A:58-1 et seq.). The Superior Court, County Court and county district court shall have jurisdiction to enforce said Penalty Enforcement Law in conjunction with this act.

f. Any person who willfully or negligently violates this act shall, upon conviction, be guilty of a misdemeanor and shall be punished by fine of not less than \$2,500.00 nor more than \$25,000.00 per day of violation, or by imprisonment for not more than 1 year or by both. Punishment for a second offense under this subsection shall be a fine of not less than \$5,000.00 nor more than \$50,000.00 per day of violation, or by imprisonment for not more than 2 years, or both. Any person who knowingly makes a false statement, representation, or certification in any application, record, or other document filed or required to be maintained under this act or who falsifies, tampers with or knowingly renders inaccurate, any monitoring device or method required to be maintained pursuant to this act, shall upon conviction, be subject to a fine of not more than \$10,000.00 or by imprisonment for not more than 6 months, or by both.

**C. 58:10A-11 Conflict of interest.**

11. Notwithstanding any contrary provision of State law, no person to whom the commissioner has delegated responsibility to approve permits or portions thereof may accept this responsibility if such person receives, or has received during the previous two years, a significant portion of his income directly or indirectly from permit holders or applicants for a permit.

**C. 58:10A-12 Construction of act; severability.**

12. This act shall be construed liberally. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications which can be given effect without the invalid provisions or

applications, and to this end the provisions of this act are declared to be severable.

**C. 58:10A-13 Continuation of actions, proceedings, orders, rules and regulations.**

13. This act shall not affect, impair or invalidate any action or proceeding, civil or criminal, brought by or against the department, pending on the effective date of this act: all such actions or proceedings may and shall be continued to final judgment, decree or decision, as if the foregoing provisions had not taken effect; nor shall this act affect orders, rules and regulations heretofore made, promulgated or issued by the department or other matters or proceedings pending before the department on the effective date of this act. Such orders, rules, regulations, matters or proceedings shall continue in full force and effect until amended or repealed pursuant to law.

**Repealer.**

14. The following sections, acts and parts of acts are hereby repealed:

N. J. S. 2A:134-2 to N. J. S. 2A:134-4 both inclusive,  
N. J. S. 2A:170-22 to N. J. S. 2A:170-24 both inclusive,  
R. S. 23:5-27,  
R. S. 23:8-5,  
R. S. 23:9-18,  
R. S. 23:9-36,  
R. S. 23:9-52,  
R. S. 58:10-5 to R. S. 58:10-23 both inclusive,  
R. S. 58:10-36 to R. S. 58:10-45 both inclusive,  
R. S. 58:12-1 to R. S. 58:12-6 both inclusive,  
P. L. 1970, c. 91, s. 2 (C. 58:12-4.1).

**C. 58:10A-14 Legislative oversight committees; powers.**

15. The Senate Committee on Energy and Environment and the Assembly Committee on Agriculture and Environment are hereby designated as the Legislative Oversight Committees for the Water Pollution Control Act. The Department of Environmental Protection is directed to submit any proposed rules or regulations to the Legislative Oversight Committees, prior to the holding of public hearings on such proposed rules or regulations and to promptly submit to either committee any information concerning the administration of said act which either Legislative Oversight Committee may request. The Legislative Oversight Committees shall review, evaluate and recommend alterations to any such proposed

rules or regulations and shall recommend whatever administrative alterations it may choose in order to effectuate the Legislative intent of this act.

16. There is hereby appropriated to the Department of Environmental Protection the sum of \$888,000.00 for the administration of this act.

17. This act shall take effect on the ninetieth day after enactment.

Approved April 25, 1977.

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## CHAPTER 75

AN ACT concerning water quality planning and specifying the functions, powers and duties of the Department of Environmental Protection, the county governments and certain areawide planning agencies and repealing parts of the statutory law.

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

**C. 58:11A-1 Short title.**

1. This act shall be known, and may be cited, as the "Water Quality Planning Act."

**C. 58:11A-2 Legislature's findings and declaration of policy.**

2. a. The Legislature finds that the people of the State have a paramount interest in the restoration, maintenance and preservation of the quality of the waters of the State for the protection and preservation of public health and welfare, food supplies, public water supplies, propagation of fish and wildlife, agricultural and industrial uses, aesthetic satisfaction, recreation, and other beneficial uses; and that the severity of the water pollution problem in the State necessitates continuing water quality management planning in order to develop and implement water quality programs in concert with other social and economic objectives. The Legislature further finds that water quality is dependent upon factors of topography, hydrology, population concentration, industrial and commercial development, agricultural uses, transportation and other such factors which vary among and within

watersheds and other regions of the State and that pollution abatement programs should consider these natural and man-made conditions that influence water quality. The Legislature further finds that the State's groundwaters are a precious and vulnerable resource.

b. The Legislature declares that the objective of this act is, wherever attainable, to restore and maintain the chemical, physical and biological integrity of the waters of the State, including groundwaters, and the public trust therein; and that areawide waste treatment management planning processes should be developed and implemented in order to achieve this objective and to assure adequate control of sources of water pollutants in the State. The Legislature further declares that wherever practicable and feasible waste treatment management planning areas shall be coterminous with county boundaries, and that wherever appropriate county governments shall perform such areawide waste treatment management planning; that the Department of Environmental Protection shall conduct areawide waste treatment management planning for all areas of the State without a designated planning agency, and that said Department of Environmental Protection shall establish a continuing planning process which will encourage, direct, supervise and aid areawide planning and which will also incorporate water quality management plans into a comprehensive and cohesive Statewide program directed toward the achievement of water quality objectives; that the Department of Environmental Protection through the continuing planning process and the planning agencies through the areawide planning process shall coordinate and integrate water quality management plans with related Federal, State, regional and local comprehensive land use, functional and other relevant planning activities, programs and policies; and that opportunities for meaningful public participation shall be provided during all phases of the water quality planning management process.

**C. 58:11A-3 Definitions.**

3. As used in this act, unless the context clearly requires a different meaning, the following words and terms shall have the following meanings:

a. "Areawide plan" means the areawide water quality management plan authorized in section 5 of this act;

b. "Commissioner" means the Commissioner of the Department of Environmental Protection.

c. "Continuing planning process" means the Statewide planning process conducted by the Department of Environmental Protection as authorized in section 7 of this act;

d. "Federal Act" means the "Federal Water Pollution Control Act Amendments of 1972" (Public Law 92-500; 33 U. S. C. 1251 et seq.).

e. "Planning agency" means a single representative organization capable of developing effective areawide waste treatment management plans for a designated or nondesignated planning area; and

f. "Planning area" means those areas designated or nondesignated herein or to be designated pursuant to section 4 of this act;

g. "Waters of the State" means the ocean and its estuaries, all springs, streams and bodies of surface or ground water, whether natural or artificial, within the boundaries of this State or subject to its jurisdiction.

**C. 58:11A-4 Areawide waste treatment management planning areas; areawide planning agencies; designation by Governor.**

4. a. The Governor may designate such areas as he may deem appropriate as areawide waste treatment management planning areas pursuant to the provisions of section 208 of the Federal Act. Said designation should to the maximum extent practicable conform to county boundaries, with appropriate modifications made to take account of the major watersheds, as for example by including the south branch of the Raritan in a Hunterdon county designation and the north branch of the Raritan in a Somerset county designation. The existing designation of certain planning areas is hereby confirmed. The Governor may also amend the boundaries contained in any of the designated or nondesignated planning areas at any time after the effective date of this act pursuant to the procedures required by the Federal Act after he reviews the existing boundaries of the counties, the sewerage treatment agencies and the river basins and subbasins located in that area. The Governor shall take whatever additional steps are required to implement this section.

b. The Governor shall designate, where practicable and appropriate and wherever the county conforms to the applicable requirements of the Federal Act or regulations promulgated pursuant thereto, the county board of chosen freeholders as the designated areawide planning agency in accordance with section 208 of the Federal Act. The existing designation of certain areawide planning agencies for certain planning areas is hereby confirmed.

**C. 58:11A-5 Areawide plan; contents.**

5. Every designated planning agency and the Department of Environmental Protection for all areas of the State without a designated planning agency, shall conduct an areawide waste treatment management planning process and submit an areawide plan for that area to the Governor for adoption. Every county planning board may also conduct a countywide waste treatment management planning process and prepare a county water quality management plan, which plan shall be consistent with the areawide plan or plans provided for herein. The areawide plan shall be consistent with the Statewide continuing planning process and shall be in conformance with the rules and regulations promulgated by the commissioner pursuant to section 9 of this act. Each planning agency shall coordinate its work with every other planning agency with which it shares a river basin or sub-basin and shall refer any conflicts between itself and any such planning agency to the commissioner for his mediation. The areawide plan shall include, but not be limited to:

a. The identification of treatment works necessary to meet the anticipated municipal and industrial waste treatment needs of the area over a twenty-year period, annually updated, including an analysis of alternative waste treatment systems and any requirements for the acquisition of land for treatment purposes; the identification of the necessary waste water collection and urban storm water runoff systems; and the determination of a program to provide the necessary financial arrangements for the development of such treatment works;

b. The establishment of construction priorities for such treatment works and time schedules for the initiation and completion of all treatment works;

c. The establishment of a regulatory program:

(1) to provide control or treatment of all point and nonpoint sources of pollution, including in-place or accumulated pollution sources, to the extent practicable;

(2) to regulate the location, modification, and construction of any facilities within such area which may result in any discharge in such area, and

(3) to assure that any industrial or commercial wastes discharged into any treatment works in such area meet applicable pre-treatment requirements;

d. The identification of those existing or required agencies or

political subdivisions necessary to construct, operate and maintain all facilities required by the plan and otherwise necessary to carry out the plan;

e. The identification of the measures necessary to carry out the plan, including financing, the period of time necessary to carry out the plan, the costs of carrying out the plan within such time, and the economic, social, and environmental impact of carrying out the plan within such time;

f. A process: (1) to identify, if appropriate, agriculturally and silviculturally related nonpoint sources of pollution, including runoff from manure disposal areas and from land used for livestock and crop production; and (2) to set forth procedures and methods including land use requirements, to control to the extent feasible such sources;

g. A process: (1) to identify, if appropriate, mine-related sources of pollution including new, current, and abandoned surface and underground mine runoff; and (2) to set forth procedures and methods, including land use requirements to control to the extent feasible such sources;

h. A process: (1) to identify construction activity related sources of pollution; and (2) to set forth procedures and methods, including land use requirements, to control to the extent feasible such sources;

i. A process: (1) to identify, if appropriate, salt water intrusion into rivers, lakes, and estuaries resulting from reduction of fresh water flow from any cause, including irrigation, obstruction, ground water extraction, and diversion; and (2) to set forth procedures and methods to control such intrusion to the extent feasible where such procedures and methods are otherwise a part of the waste treatment management plan;

j. A process to control the disposition of all residual waste generated in such area which could affect water quality;

k. A process to control the disposal of pollutants on land or in subsurface excavations within such area to protect ground and surface water quality.

**C. 58:11A-6 Consultation with county planning board; appointment of policy and technical advisory councils.**

6. a. In every planning area in the State, the designated planning agency or the Department of Environmental Protection for all areas of the State without a designated planning agency, shall consult the concerned county planning board or boards and

shall consider the advice of said county planning board or boards for the planning area, and shall prepare all appropriate reports, working papers, and plans in a manner which facilitates such consultation with said county planning board or boards.

b. To assist the areawide planning agency in formulating its plan, the agency shall appoint one or more policy and technical advisory councils, consisting of selected elective and appointive officials and members of the general public. The areawide plan shall be prepared by the areawide agency only after consultation with its policy or technical advisory council or councils.

**C. 58:11A-7 Continuing planning process.**

7. The commissioner shall conduct a continuing planning process which shall:

a. Integrate and unify the statewide and areawide water quality management planning processes;

b. Conduct a statewide assessment of water quality and establish water quality goals and water quality standards for the waters of the State;

c. Develop a statewide implementation strategy to achieve the water quality standards, which shall include, but not be limited to:

(1) the determination of effluent limitations and schedules of compliance at least as stringent as those required by the Federal Act;

(2) the determination of the total maximum daily load for pollutants necessary to meet the water quality standards;

(3) the incorporation of all elements of any areawide waste management plan prepared pursuant to this act;

(4) an inventory and ranking of needs, in order of priority, for the construction of municipal waste treatment works needed to meet the water quality goals and standards;

(5) methods for controlling all residual wastes from any water treatment processing.

The commissioner may delegate aspects of the continuing planning process to other State, Federal, interstate or local agencies. The commissioner shall coordinate and integrate the continuing planning process with related Federal, State, regional and local comprehensive, functional and other relevant planning activities, programs and policies.

**C. 58:11A-8 Public participation program.**

8. The Department of Environmental Protection and all areawide waste treatment management planning agencies shall establish a

comprehensive public participation program directed towards informing the public and involving it in the water quality management planning process. Opportunities for meaningful public participation shall be provided during determination of planning goals, plan development, review, and adoption in accordance with the policy of this act and all applicable requirements of law.

**C. 58:11A-9 Rules and regulations.**

9. The commissioner may, pursuant to the "Administrative Procedure Act" P. L. 1968, c. 410 (C. 52:14B-1 et seq.), adopt rules and regulations for the preparation and adoption of area-wide plans by the areawide planning agencies and in order to effectuate the purposes of this act.

**C. 58:11A-10 Consistency of projects and activities with plan; granting of permit.**

10. All projects and activities affecting water quality in any planning area shall be developed and conducted in a manner consistent with the adopted areawide plan. The commissioner shall not make any grant for construction of a publicly owned treatment works to any agency not identified as the necessary agency to construct said facilities pursuant to any adopted areawide plan. The commissioner shall not grant any permit which is in conflict with an adopted areawide plan.

**C. 58:11A-11 Construction of act; partial invalidity.**

11. This act shall be liberally construed. If any one or more sections, clauses, sentences, or parts of this act shall for any reason be questioned in any court, and shall be judged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions thereof, but shall be confined in its operation to the specific provisions so held unconstitutional or invalid.

**Repealer.**

12. The following sections, acts and parts of acts are hereby repealed:

- P. L. 1871, c. 132 (R. S. 13:10-7),
- R. S. 40:30-1 to 40:30-17, both inclusive,
- R. S. 40:31-1 to 40:31-3, both inclusive,
- R. S. 40:57-1 to 40:57-11, both inclusive,
- P. L. 1909, c. 269 (R. S. 40:154-1),
- R. S. 40:154-2 to 40:154-13, both inclusive,
- R. S. 40:156-1 to 40:156-8, both inclusive,
- R. S. 58:12-7 to 58:12-40, both inclusive,
- R. S. 58:13-1, 58:13-2.

P. L. 1940, c. 46 (amending and supplementing P. L. 1909, c. 269 saved from repeal by R. S. 40:154-1),  
P. L. 1951, c. 336, s. 11 (C. 40:154-1.6),  
P. L. 1955, c. 112 (C. 40:154-1.7 to 40:154-1.10),  
P. L. 1959, c. 93 (C. 40:154-1(26) to 40:154-1(28)).

13. This act shall take effect immediately.

Approved April 25, 1977.

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## CHAPTER 76

AN ACT relating to offers for the purchase of security of certain corporations in certain cases and supplementing Title 49 of the Revised Statutes.

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

**C. 49:5-1 Short title.**

**1. Short title**

This act shall be known and may be cited as the “New Jersey Corporation Takeover Bid Disclosure Law.”

**C. 49:5-2 Definitions.**

**2. Definitions**

As used in this act, the following terms shall have the respective meanings hereinafter set forth, unless the context shall otherwise require:

a. An “associate” of a person means:

(1) Any corporation or other organization of which such person is an officer, director or partner, or is, directly or indirectly, the beneficial owner of 10% or more of any class of equity securities;

(2) Any person who is, directly or indirectly, the beneficial owner of 10% or more of any class of equity securities of such persons;

(3) Any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar fiduciary capacity; or

(4) The spouse of such person, or any relative of such person or of such spouse who has the same home as such person.

(5) Any person acting jointly or in concert with the offeror for the purpose of acquiring, holding, or disposing of, or exercising any voting rights attached to the equity securities of a target company.

b. "Bureau" means the Bureau of Securities in the Division of Consumer Affairs in the Department of Law and Public Safety.

c. "Equity security" means:

(1) Any stock or similar security carrying, at the time of the takeover offer, the right to vote on any matter by virtue of the articles of incorporation, bylaws or governing instrument of the target company or the right to vote for directors or person performing substantially similar functions by operation of law;

(2) Any security convertible with or without consideration into stock or a similar security, as described in c.(1) above;

(3) Any warrant or right to purchase stock or a similar security, as described in c.(1) above;

(4) Any security carrying any warrant or right to purchase stock or similar security, as described in c.(1) above; or

(5) Any other security which for the protection of investors is deemed an equity security pursuant to regulation of the bureau chief.

d. "Number of shares" means, with respect to any equity security which is not stock or a similar security, the number of shares of stock or a similar security, as described in c.(1) above:

(1) Into which such security is convertible; or

(2) Which such equity security evidences or carries the right to purchase.

e. "Offeror" means a person who makes or in any way participates in making a takeover offer, and includes all affiliates and associates of that person. The term does not include a financial institution or broker-dealer loaning funds or extending credit to any offeror in the ordinary course of its business, or any accountant, attorney, financial institution, broker-dealer, newspaper or magazine of general circulation, consultant, or other person furnishing information, services or advice to or performing ministerial or administrative duties for an offeror and not otherwise participating in the takeover offer.

f. "Offeree" means a record or beneficial owner of any equity security which an offeror acquires or offers to acquire in connection with a takeover offer.

g. "Person" includes an individual, a partnership, a corporation, an unincorporated association or a trust.

h. "Shares" means and includes any equity security, however its units are denominated.

i. A "securityholder" of a specified person is one who owns any security of such person, including common stock, preferred stock, debt obligations, and any other security convertible into or evidencing the right to acquire any of the foregoing.

j. A "subsidiary" of a company is any corporation whose outstanding stock of any class or classes having by the terms thereof ordinary voting power to elect a majority of the directors of such corporation, irrespective of whether or not at the time stock of any other class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency, is at the time owned by such company directly or indirectly.

k. An "offeror's presently owned shares" is the aggregate number of shares of a target company which are on the date of a takeover bid either beneficially owned or subject to a right of acquisition directly or indirectly, by the offeror and each associate of the offeror.

l. (1) A "takeover bid or takeover offer" is an offer made by an offeror directly or through an agent by advertisement or any other written or oral communication to offerees to purchase such number of shares of any class of equity securities of the target company that:

(a) Together with the offeror's presently owned shares of that class, will in the aggregate exceed 10% of the outstanding shares of such class; or

(b) Together with an offeror's presently owned shares of all classes of equity securities of the target company, will in the aggregate, after giving effect to all conversion and purchase rights held and to be acquired by the offeror, exceed 10% of the number of shares of stock or a similar security of the target company which will be outstanding.

(2) A "takeover bid" does not include, with respect to any class of securities of the target company:

(a) An isolated offer to purchase shares from individual shareholders not made to shareholders generally;

(b) An offer made by an issuer to purchase its own shares or shares of a subsidiary;

(c) An offer to purchase shares of a class not registered pursuant to § 12 of the Securities Exchange Act of 1934;

(d) An offer made to not more than 10 persons in this State during any period of 12 consecutive months; or

(e) An offer as to which the target company, acting through its board of directors, recommends acceptance to its shareholders, provided that the terms thereof, including any inducements to officers or directors which are not made available to all shareholders, have been furnished to shareholders.

(f) An offer effected by or through a broker-dealer in the ordinary course of his business without solicitation of orders to sell equity securities of the target company;

(g) An offer, if the acquisitions by the offeror, in the instant transaction and in all acquisitions of equity securities of the same class during the preceding 12 months, does not exceed 2% of that class of outstanding equity securities of the target company;

(h) An offer to purchase shares of a company whose capital assets do not exceed \$5,000,000.00;

m. A "target company" is any corporation or other issuer of securities which is either organized under the laws of the state or has its principal place of business or substantial portion of its total assets in this State. A target company does not include:

(1) A domestic insurer subject to the provisions of P. L. 1970, c. 22 (C. 17:27A-1 et seq.); or

(2) A bank in the possession of the Commissioner of Banking pursuant to the provisions of C. 17:9A-266 et seq.; or

(3) A savings and loan association undergoing dissolution and liquidation pursuant to the provisions of C. 17:12B-288 et seq. and C. 17:12B-270.

**C. 49:5-3 Disclosure.**

**3. Disclosure**

a. Filing requirements. No offeror shall make a takeover bid unless at least 20 days before such takeover bid is made such offeror has filed with the bureau and has sent by certified mail to the target company at its principal office a statement containing the information required by this section and such takeover bid has been permitted to proceed by the bureau chief in the manner hereinafter prescribed in this act. The material terms of the proposed offer shall be publicly disclosed by the offeror to the leading wire services for the financial press.

b. The disclosure statement shall be filed on forms prescribed by the bureau chief, and shall be accompanied by a consent by the offeror to service of process and the filing fee specified in section 11, and shall contain the following information and such additional information as the bureau chief, by regulation prescribes:

(1) The identity of and material information concerning the offeror, including:

(i) If the offeror is a corporation, information concerning its organization, including the year and jurisdiction of its organization, a description of each class of its capital stock and long-term debt, a description of the business done by the offeror and its affiliates and any material changes therein during the past 3 years, a description of the location and character of the principal properties of the offeror and its affiliates, a description of any material pending legal or administrative proceedings in which the offeror or any of its affiliates is a party, the names of all directors and executive officers of the offeror and their material business activities and affiliations during the past 3 years;

(ii) If the offeror is not a corporation, information concerning the background of the person, including his material business activities and affiliations during the past 3 years, and a description of any material pending legal or administrative proceeding in which that person is a party, as well as any conviction of crimes other than minor traffic violations during the past 10 years;

(2) The source and amount of funds or other consideration used or to be used in acquiring any equity security, including a statement describing any securities which are being offered in exchange for the equity securities of the target company, and if any part of the acquisition price is or will be represented by borrowed funds or other consideration, a description of the transaction and the names of all parties; provided, however, that where a source of such consideration is a loan made by a banking institution in such lender's ordinary course of business, the identity of the lender shall remain confidential, if the person filing the statement so requests.

(3) Audited financial information as to the earnings and financial condition of such offeror for the preceding 5 fiscal years of such offeror (or for such lesser period as such offeror and any predecessors thereof shall have been in existence), and similar unaudited information as of a date not earlier than 90 days prior to the filing of the statement.

(4) Any plans or proposals which such offeror may have to liquidate such target company, to sell its assets or merge or consolidate it with any person, or to make any other material change in its business or corporate structure or management

(with particular emphasis upon the changes that will occur within the State of New Jersey) and full details as to the manner in which the acquisition will be accounted for on the records of the offeror.

(5) The number of shares or units of any equity security of the target company of which each offeror is the record or beneficial owner or which the offeror has a right to acquire, directly or indirectly;

(6) Information as to any contracts, arrangements, understandings or negotiations with any person with respect to any equity security of the target company, including transfers of any equity security, joint ventures, loan or option arrangements, puts and calls, guarantees of loan, guarantees against loss, guarantees of profits, division of losses or profits, or the giving or withholding of proxies, naming the persons with whom those contracts, arrangements or understandings have been entered into;

(7) Information as to any contracts, arrangements, understandings or negotiations with any person who is an officer, director, administrator, manager, executive employee or record or beneficial owner of equity securities of the target company with respect to the tender of any equity securities of the target company, the purchase by the offeror of any equity securities owned by that person otherwise than pursuant to the takeover offer, the retention of any person in his present position or in any other management position or with respect to that person giving or withholding a favorable recommendation to the takeover offer; and

(8) A description of the provisions made or to be made for providing all material information concerning the takeover offer to the offerees, including a description of the proposed takeover offer in the form proposed to be published or sent the offerees initially disclosing the takeover offer.

(9) The number of shares of any security subject to the takeover bid which such offeror proposes to acquire, and the terms of the takeover bid referred to in subsection a., and a statement as to the method by which the fairness of the proposal to the offerees was arrived at.

(10) A description of the purchase of any security subject to the takeover bid during the 12 calendar months preceding the filing of the statement, by such offeror, including the dates of purchase, names of the purchasers, and consideration paid or agreed to be paid therefor.

(11) A description of any recommendations to purchase any security subject to the takeover bid made during the 12 calendar months preceding the filing of the statement, by such offeror, or by anyone based upon interviews or at the suggestion of such offeror.

(12) Copies of all tender offers for, requests or invitations for tenders of, exchange offers for, and agreements to acquire or exchange any securities subject to the takeover bid and (if distributed) of additional soliciting material relating thereto.

(13) The terms of any agreement, contract or understanding made with any broker-dealer as to solicitation of securities subject to the takeover bid for tender, and the amount of any fees, commissions or other compensation to be paid to broker-dealers with regard thereto.

(14) Such additional information as the bureau chief may by rule or regulation or order prescribe as necessary or appropriate for the achievement of the functions and objectives described in section 4 of this act.

If the person required to file the statement referred to in subsection a. is a partnership, limited partnership, syndicate or other group, the bureau chief may require that the information called for by paragraphs (1) through (14) shall be given with respect to each partner of such partnership or limited partnership, each member of such syndicate or group, and each person who controls such partner or member. If any such partner, member or person is a corporation or the person required to file the statement referred to in subsection a. is a corporation, the bureau chief may require that the information called for by paragraphs (1) through (14) shall be given with respect to such corporation, each officer and director of such corporation, and each person who is directly or indirectly the beneficial owner of more than 10% of the outstanding voting securities of such corporation.

If any material change occurs in the facts set forth in the statement filed with the bureau and sent to such target company pursuant to this section, an amendment setting forth such change, shall be filed with the bureau and sent to such target company within 2 business days after the person learns of such change.

**C. 49:5-4 Permission to proceed; hearings.**

**4. Permission to proceed; hearings.**

a. The bureau chief shall permit any takeover bid referred to in subsection a of section 3 of this act to proceed unless after a

public hearing thereon, referred to in subsection b. of this section, he finds that:

(1) The financial condition of the offeror is such as to jeopardize the financial stability of the target company, or prejudice the interests of any employees, or securityholders who are unaffiliated with the offeror;

(2) The terms of the takeover bid are unfair or inequitable to the securityholders of the target company;

(3) The plans and proposals which the offeror has to make any material change in the target company's business or corporate structure or management, are not in the interest of the target company's remaining securityholders, or employees;

(4) The competence, experience and integrity of those persons who would control the operation of the target company are such that it would not be in the interest of the target company's remaining securityholders, or employees, to permit the takeover; or

(5) The terms of the takeover bid do not comply with the provisions of this act.

b. A public hearing shall be held at a time and place fixed by the bureau chief if, within 20 days after the filing of the statement referred to in subsection a of section 3 of this act, he shall determine that such a public hearing is necessary or shall receive from the target company, acting by resolution of its board of directors, a written request for such a public hearing, unless the bureau chief finds that no cause for hearing exists. Written notice of such determination or of the receipt of such request shall be promptly sent to the offeror and the target company by the bureau chief. At least 20 days' notice of the holding of any such public hearing shall be given by the bureau chief to the offeror filing the statement and to the target company. No less than 7 days' notice of such public hearing shall be given by the offeror filing the statement to such other persons as may be designated by the bureau chief. The target company shall give such notice to its securityholders. The bureau chief shall make a determination within 60 days after the conclusion of such hearing. At such hearing, the offeror filing the statement, the target company, and any other person the bureau chief determines has sufficient interest shall have the right to present evidence, examine and cross-examine witnesses, and offer oral and written arguments and in connection therewith shall be entitled to conduct discovery proceedings in the same manner as is allowed in the Superior

Court of this State, or pursuant to such other procedure as may be established by the bureau chief. All discovery proceedings shall be concluded not later than 3 days prior to the commencement of public hearings.

**C. 49:5-5 Mailing shareholders; payment of expenses.**

5. Mailing shareholders; payment of expenses

To the extent permitted by applicable Federal laws, rules and regulations, all notices of public hearings held pursuant to section 4 of this act shall be mailed by the target company to its shareholders within 5 business days after the target company has received such notification from the bureau chief. The cost of mailing shall be borne by the offeror making the filing. As security for the payment of such expenses, such offeror shall file with the bureau an acceptable bond or other deposit in an amount to be determined by the bureau.

**C. 49:5-6 Time for filing.**

6. Time for filing

a. Copies of all advertisements, circulars, letters or other materials published by the offeror or the target company, soliciting or requesting the acceptance or rejection of the takeover offer, with the exception of the initial press release by the offeror to the wire services announcing the intention to make a takeover offer, shall be filed with the bureau chief and sent to the target company or offeror, respectively, not later than the time copies of such solicitation or recommendation are first published or sent or given to offerees.

b. The materials described in subsection a. of this section shall not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading. The bureau chief may by order prohibit the use of any materials deemed false or misleading.

**C. 49:5-7 Investigations.**

7. Investigations

a. The bureau may make such investigations within or outside of this State as it deems necessary to determine whether any person has violated or is about to violate the provisions of this act or any order of the bureau chief, and may require any person subject to the investigation to pay the actual costs of the investigation including \$50.00 per day for the time of the investigator. The bureau chief shall have power to issue subpoenas and subpoenas duces tecum to require the attendance of any person and the production of any papers for the purposes of such investigation.

b. If, in the course of any investigation or hearing conducted by the bureau chief pursuant to this act, a person refuses to answer a question or questions or produce evidence of any kind on the ground that he will be exposed to criminal prosecution or penalty or to forfeiture of his estate thereby, the bureau chief may order the person to answer the question or questions or produce the requested evidence and confer immunity as in this section provided. If upon issuance of such an order, the person complies therewith, he shall be immune from having such responsive answer given by him or such responsive evidence produced by him, or evidence derived therefrom used to expose him to criminal prosecution or penalty or to a forfeiture of his estate, except that such person may nevertheless be prosecuted for any perjury committed in such answer or in producing such evidence, or for contempt for failing to give an answer or produce evidence in accordance with the order of the bureau chief and any such answer given or evidence produced shall be admissible against him upon any criminal investigation, proceeding or trial against him for such perjury, or upon any investigation, proceeding or trial against him for such contempt.

**C. 49:5-8 Prohibited acts.**

8. Prohibited acts. No person shall engage in any fraudulent, deceptive or manipulative acts or practices in connection with a takeover offer. Fraudulent, deceptive and manipulative acts or practices include, without limitation:

a. Solicitation of any offeree for acceptance or rejection of a takeover offer, or acquisition of any equity security of a target company pursuant to a takeover offer, that has not been permitted to proceed or exempt under this act.

b. Publication or use in connection with the offer of any untrue statement of material fact or omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, but not including the mailing by a target company to the record or beneficial owners of its equity securities of solicitation materials published by an offeror.

c. Sale by any officer, director, affiliate or associate of a target company of all or any part of their equity securities to the offeror at a price higher than that to be paid to the offerees pursuant to the offer, unless the sales are made at the then existing market price.

d. Acquisition by the offeror, after announcement of the takeover offer and prior to its termination, of equity securities of the target company otherwise than pursuant to the takeover offer.

**C. 49:5-9 Takeover offer.**

9. Takeover offer

a. An offer shall provide that any equity securities of a target company deposited or tendered pursuant to a takeover offer may be withdrawn by or on behalf of any offeree at any time up to the third day prior to the announced termination date, except as the bureau chief may otherwise prescribe by rule or order for the protection of the offerees.

b. If an offeror make a takeover offer for less than all the outstanding equity securities of any class, and if the number of securities deposited or tendered pursuant thereto is greater than the number the offeror has offered to accept and pay for, the securities shall be accepted pro rata, disregarding fractions, according to the number of securities deposited or tendered by each offeree.

c. If an offeror varies the term of a takeover offer before its expiration date by increasing the consideration offered to the offerees, the offeror shall pay the increased consideration for all equity securities accepted, whether the securities have been accepted by the offeror before or after the variation in the terms of the offer.

d. No offeror shall make a takeover offer at any time when an administrative or injunctive proceeding has been brought by the bureau chief against the offeror for violation of this chapter that has not been finally determined.

e. An offeror may not make a takeover offer involving a target company which is not made to the owners of equity securities of the target company who are residents of this State.

**C. 49:5-10 Voting of securities; restrictions.**

10. Voting of securities; restrictions. No security of a target company acquired pursuant to a takeover bid in contravention of the provisions of this act or of any rule, regulation or order issued by the bureau chief hereunder may be voted at any shareholders' meeting, or may be counted for quorum purposes, and any action of shareholders requiring the affirmative vote of a percentage of shares may be taken as though such securities were not issued and outstanding; but no action taken at any such meeting shall be invalidated by the voting of such securities, unless the action would materially affect control of the target company or unless a court

of this State has so ordered. If a target company or the bureau chief has reason to believe that any equity security of the target company has been or is about to be acquired in contravention of the provisions of this act or of any rule, regulation, or order issued by the bureau chief hereunder, the target company or the bureau chief may apply to the Superior Court to enjoin any such acquisition, to enjoin the voting of any security so acquired, to void any vote of such security already cast at any meeting of shareholders, and for such other equitable relief as the nature of the case and the interests of the target company's securityholders, employees, customers or creditors or of the public may require.

In any case where an offeror has acquired or is proposing to acquire any voting securities in violation of this act or any rule, regulation or order issued by the bureau chief hereunder, the Superior Court may, on such notice as the court deems appropriate, upon the application of the target company or the bureau chief seize or sequester any voting securities of the target company owned directly or indirectly by such offeror and issue such orders with respect thereto as may be appropriate to effectuate the provisions of this act. Notwithstanding any other provisions of law, for the purposes of this act the situs of the ownership of the securities of target companies shall be deemed to be in this State.

**C. 49:5-11 Promulgation of regulations.**

11. Promulgation of regulations

a. This act shall be administered by the Chief of the Bureau of Securities in the Division of Consumer Affairs in the Department of Law and Public Safety, who may promulgate regulations necessary to carry out the purposes of this act, including regulations defining fraudulent, deceptive and manipulative acts and practices and other terms used herein.

b. The bureau chief shall set a filing fee for a disclosure statement filed by an offeror and the same amount for a request for hearing filed by a target company. Such fees may be set so as to raise sufficient revenue for funding the purposes of this act.

**C. 49:5-12 Injunctions.**

12. Injunctions

a. Whenever it appears to the bureau chief that any person has engaged or is about to engage in any act or practice constituting a violation of any provision of this act or any regulation or order adopted under this act, the bureau chief may investigate and issue orders and notices including cease and desist orders and notices.

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In addition to all other remedies, he may bring an action in any Superior Court of this State in the name and on behalf of the State against any person or persons participating in or about to participate in a violation, to enjoin those persons from continuing or doing any act in violation of this act or to enforce compliance. In any court proceedings, the bureau chief may apply for and on due showing be entitled to have issued the court's subpoena requiring the appearance of any defendant and the defendant's employees or agents and the production of documents, books and records as may appear necessary for the hearing of the petition, to testify and give evidence concerning the acts or conduct or things complained of in the action. Upon a proper showing, the court may grant a permanent or preliminary injunction or temporary restraining order or may order rescission of any sales tenders for sale, purchase or tenders for purchase of equity securities determined to be unlawful under this act or any regulation or order of the bureau chief.

b. Whenever any person has engaged or is about to engage in any act or practice constituting a violation of this act or any regulation or order adopted thereunder, the offeror, target company or any record or beneficial owner of an equity security of the target company may bring an action to enjoin that person from continuing or doing any act in violation of this act or to enforce compliance. Upon a proper showing, the court may grant a permanent or preliminary injunction or temporary restraining order or may order rescission of any sales, tenders for sale, purchases or tenders for purchase of equity securities determined to be unlawful under this act or any regulation or order of the bureau chief.

**C. 49:5-13 Criminal penalties.**

13. Criminal Penalties.

a. Any person who makes a takeover offer involving a target company without a disclosure statement required under section 3, may be imprisoned for a period not to exceed 1 year, or fined an amount not to exceed \$10,000.00 or both.

b. Any person who, in connection with a takeover offer, knowingly makes or causes to be made to the bureau chief any representation of a material fact which he knows to be false, or knowingly withholds or causes to be withheld from the bureau chief any information the disclosure of which he knows is necessary, in light of the circumstances, to make not misleading other representations of material facts made or caused to be made by him to the bureau chief, may be imprisoned for a period of not less than 1 year nor

more than 5 years, or fined an amount not to exceed \$50,000.00 or both.

c. Any person who in connection with a takeover offer knowingly publishes or causes to be published any representation of a material fact which he knows to be false, or knowingly omits to publish information which he knows is necessary, in light of the circumstances, to make not misleading other representation of material facts published or caused to be published by him, may be imprisoned for a period not less than 1 nor more than 5 years, or fined an amount not to exceed \$50,000.00, or both, provided, however, this subsection shall not apply to the mailing by a target company to the record or beneficial owners of its equity securities of solicitation materials published by an offeror.

d. Any person who knowingly violates any provision of this act for which a specific criminal penalty is not otherwise provided may be imprisoned for a period not to exceed 1 year, or fined an amount not to exceed \$10,000.00 or both.

**C. 49:5-14 Civil penalties.**

14. Civil Penalties.

In addition to any other sanctions herein or otherwise provided by law, the bureau chief, upon notice and hearing, may impose a penalty not exceeding \$10,000.00 for any violation of this act or of any rule or regulation duly issued hereunder. Such penalty shall be recovered by and in the name of the bureau chief in a civil action by a summary proceeding under the Penalty Enforcement Law (C. 2A:58-1 et seq.) in the Superior Court, County Court, county district court or a municipal court, all of which shall have jurisdiction to enforce said Penalty Enforcement Law in connection with this act. Where any violation of this act or of any rule or regulation duly issued hereunder is of a continuing nature, each day during which such violation continues after the date fixed by the bureau chief in any order or notice for the correction or termination of such violation, shall constitute an additional separate and distinct offense, except during the time an appeal from said order or notice may be taken or is pending.

**C. 49:5-15 Rights and remedies.**

15. Rights and remedies.

a. Any offeror who purchases an equity security in connection with a takeover offer not in compliance with this act or by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in

light of the circumstances under which they were made, not misleading, shall be liable to the person selling the security to him. That person may sue either at law or in equity.

As used in this section, "damages" means an amount equal to the market value of the shares acquired by the offeror plus any dividends or interest paid thereon to the offeror or any person holding under him and minus the consideration received for the shares from the offeror. For the purpose of paragraph (2) of subsection b. of this section, market value is the greater of the market value on the date the action is commenced or on the date of tender. For the purpose of subsection e. of this section, market value is measured on the date when the offer to pay damages is made.

b. An offeree who is entitled to recover pursuant to subsection a. may bring a civil action:

(1) To recover such shares, if the offeror still owns them, together with all dividends or interest received thereon, costs and reasonable attorneys' fees, upon the tender of the consideration received from the offeror; or

(2) For the substantial equivalent in damages.

c. Every person who directly or indirectly controls a person liable under subsection b., every partner, principal executive officer or director of such person, every person occupying a similar status or performing similar functions, every employee of such person who materially aids in the act or transaction constituting the violation, and every broker-dealer or agent who materially aids in the act or transaction constituting the violation, is also liable jointly and severally with and to the same extent as such person, unless the person liable hereunder proves that he did not know, and in the exercise of reasonable care could not have known, of the existence of the facts by reason of which the liability is alleged to exist. There shall be contribution as in cases of contract among the several persons so liable.

d. Any tender specified in this section may be made at any time before entry of judgment.

e. If any person liable by reason of subsection a. or c. makes a written offer, before suit is brought, to return the shares taken up pursuant to the takeover bid, together with all dividends or interest received thereon, upon the tender of the consideration received from the offeror, or to pay damages if the offeror no longer owns such shares, an offeree is not entitled to maintain a suit under this section if he has refused or failed to accept such offer within 30 days of its receipt.

**C. 49:5-16 Conflict with other laws.**

## 16. Conflict with other laws.

All laws and parts of laws of this State inconsistent with this act are hereby superseded with respect to matters covered by this act; provided, however, that, nothing contained herein shall limit the power of the State to proceed against any person for conduct which constitutes a crime under any other statute, and further provided that, nothing contained herein shall affect the applicability of the New Jersey Anti-trust Act, P. L. 1970, c. 73 (C. 56:9-1 et seq.) or the rights conferred therein.

**C. 49:5-17 Appeals procedure. Judicial review; in lieu of prerogative writ.**

## 17. Appeals procedure. Judicial review; in lieu of prerogative writ.

a. Any person aggrieved by any act, determination, rules, regulation, or order or any other action of the bureau chief pursuant to this act may appeal to the Appellate Division of Superior Court.

b. The filing of an appeal pursuant to this section shall stay the application of any such rule, regulation, order or other action of the bureau chief to the appealing party unless the court, after giving such party notice and an opportunity to be heard, determines that such a stay would be detrimental to the interests of the target company's security holders, employees, customers or creditors or of the public.

c. Any person aggrieved by any failure of the bureau chief to act or to make determination required by this act may commence an action in the Superior Court for an order in lieu of a prerogative writ directing the bureau chief to act or make such determination forthwith.

**C. 49:5-18 Severability clause.**

## 18. 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. 49:5-19 Application of Takeover Bid Disclosure Law.**

## 19. Application of Takeover Bid Disclosure Law.

a. If the target company is a financial institution subject to regulation by the Commissioner of Banking, or a public utility corporation subject to regulation by the Board of Public Utility Commissioners, or a transportation company subject to regulation by the Commissioner of Transportation, the bureau chief shall

promptly furnish a copy of the registration statement filed under this act to the regulatory agency having supervision of the target company. Any hearing under this act involving any such target company shall be held jointly with the regulatory agency having supervision, and any determination following the hearing shall be made jointly with that regulatory agency.

b. If the target company is a public utility, public utility holding company, national banking association, bank holding company, savings and loan association or saving and loan holding company subject to regulation by a Federal agency and the takeover of such company is subject to approval by that agency this act shall not apply.

c. Where a takeover bid or takeover offer subject to the filing requirements of section 3 of this act is also subject to similar laws of another state, or to review by Federal agencies, or other State agencies; the bureau chief may, at his discretion, hold joint hearings and otherwise cooperate with such State and Federal agencies, provided such cooperation furthers the purposes of this act and does not impair the ability of the bureau chief to proceed and make all requisite findings under section 4 of this act.

d. This act shall not apply to any offer involving a class vote by shareholders of the target company, pursuant to its articles of incorporation or the applicable corporation statute, on a merger, consolidation or sale of corporate assets in consideration of the issuance of securities of another corporation, or sale of its securities in exchange for cash or securities of another corporation.

20. There is hereby appropriated the sum of \$45,000.00 for the purposes of administering this act.

21. Effective date. This act shall take effect immediately.

Approved April 27, 1977.

## CHAPTER 77

A SUPPLEMENT to "An Act making appropriations for the support of 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. There is hereby appropriated from the General Treasury for the expenses of the Commission on Efficiency and Economy in State Government, constituted under Senate Concurrent Resolution No. 141 of 1976, the sum of \$100,000.00.

2. This act shall take effect immediately.

Approved April 27, 1977.

## CHAPTER 78

AN ACT concerning fees for official searches for municipal liens and amending R. S. 54:5-14 and R. S. 54:5-15.

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

1. R. S. 54:5-14 is amended to read as follows:

**Fee.**

54:5-14. The official appointed as provided in section 54:5-11 of this Title shall receive, for each certificate issued by him, a fee of \$10.00.

2. R. S. 54:5-15 is amended to read as follows:

**Continuation searches; fee.**

54:5-15. When the holder of a certificate issued as hereinbefore provided shall, within 3 years from the date thereof, apply for a continuation thereof, the fees charged therefor shall not exceed \$2.00 per calendar year.

3. This act shall take effect immediately.

Approved May 2, 1977.

## CHAPTER 79

AN ACT concerning county detectives and amending N. J. S.  
2A:157-4.

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

1. N. J. S. 2A:157-4 is amended to read as follows:

**County detectives in second class counties; appointment; minimum compensation.**

2A:157-4. a. In counties of the second class having a population in excess of 500,000 there may be appointed not in excess of 28 county detectives, of whom one may be designated chief of county detectives, one captain of county detectives, six lieutenants of county detectives and four sergeants of county detectives.

b. In counties of the second class having a population between 460,000 and 500,000 there may be appointed not in excess of 28 county detectives, of whom one may be designated chief of county detectives, one deputy chief of county detectives, four captains of county detectives and six lieutenants of county detectives.

c. In counties of the second class having a population between 400,000 and 460,000, there may be appointed not in excess of 24 county detectives, of whom one may be designated chief of county detectives, one captain of county detectives, four lieutenants of county detectives, and two sergeants of county detectives.

d. In the counties of the second class having a population of 400,000 or under, there may be appointed not in excess of 12 county detectives of whom one may be designated chief of county detectives, one captain of county detectives, and one lieutenant of county detectives.

e. Their annual salaries shall be fixed as follows: chief of county detectives, not less than \$9,500.00; deputy chief of county detectives not less than \$9,000.00; captain of county detectives, not less than \$8,000.00; lieutenant of county detectives, not less than \$7,000.00; sergeant of county detectives, not less than \$6,500.00; and other county detectives not less than \$6,000.00.

2. This act shall take effect immediately.

Approved May 2, 1977.

## CHAPTER 80

AN ACT to amend the "county improvement authorities law," approved January 18, 1961 (P. L. 1960, c. 183).

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

1. Section 17 of P. L. 1960, c. 183 (C. 40:37A-60) is amended to read as follows:

**C. 40:37A-60 Purpose of issuance; bonds authorized; pledge of contributions or revenue.**

17. Upon adoption of a bond resolution, an authority shall have power to issue its bonds for the purpose of financing the project or of funding or refunding the bonds described therein. Such bonds shall be authorized by the bond resolution and may be issued in one or more series and shall bear such date or dates, mature at such time or times not exceeding 40 years from the date thereof, bear interest at such rate or rates, 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 the bond resolution may provide. The authority may issue such types of bonds as it may determine, including (without limiting the generality of the foregoing) bonds on which the principal and interest are payable (a) exclusively from the income and revenues of the project financed with the proceeds of such bonds; (b) exclusively from the income and revenues of certain designated projects whether or not they are financed in whole or in part with the proceeds of such bonds; or (c) from its revenues generally. Any such bonds may be additionally secured by a pledge of any grant or contributions from any governmental unit or person or a pledge of any income or revenues of the authority from any source whatsoever.

2. Section 18 of P. L. 1960, c. 183 (C. 40:37A-61) is amended to read as follows:

**C. 40:37A-61 Sale of bonds.**

18. Bonds of an authority may be sold at public or private sale at such price or prices as the authority shall determine.

3. Section 40 of P. L. 1960, c. 183 (C. 40:37A-83) is amended to read as follows:

**C. 40:37A-83 Annual payments to municipalities in lieu of taxes.**

40. Every authority and every municipality in which any property of the authority is located are hereby authorized and empowered to enter into agreements with respect to the payment by the authority to such municipality of annual sums of money in lieu of taxes on such property in such amounts as may be agreed upon between the authority and the municipality, and each such authority is empowered to make such payments and each such municipality is empowered to accept such payments and to apply them in the manner in which taxes may be applied in such municipality; provided, however, that no such annual payment with respect to any parcel of such property shall exceed the amount to be derived by applying the current general tax rate for the taxing district in which such property is located to the assessed and taxable value of such property for the taxable year immediately prior to the time of its acquisition by the authority.

4. This act shall take effect immediately.

Approved May 2, 1977.

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CHAPTER 81

AN ACT to amend "An act providing for property tax rebates or credits for residential tenants in certain cases", approved August 17, 1976 (P. L. 1976, c. 63) and repealing section 8 thereof.

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

1. Section 2 of P. L. 1976, c. 63 (C. 54:4-6.3) is amended to read as follows:

**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 any real property containing a mobile home park or two or more spaces which are rented or leased or offered for rent or lease for occupancy by mobile homes, or any building or structure or complex of buildings

or structures in which housing units are rented or leased or offered for rental or lease for residential purposes except hotels, motels or other guest-houses serving transient or seasonal guests, and owner-occupied structures of three units or less.

b. "Property tax reduction" means 0.65 times the difference between the amount of property tax paid or payable in any year on any qualified real rental property, exclusive of improvements not included in the assessment on the real property for the base year, and the amount of property tax paid in the base year, but such calculations for the property tax reduction shall exclude reductions resulting from judgments entered by county boards of taxation, the Division of Tax Appeals in the Department of the Treasury, or by courts of competent jurisdiction. "Property tax reduction" shall also include 0.65 times any rebate or refund of school property taxes which may be provided pursuant to P. L. 1976, c. 113. "Property tax reduction" shall not include any amount in excess of that which is identified herein. Any such amount shall be retained by the property owner.

c. "Base year" means, for qualified real rental property rented or leased or offered for rent or lease on the effective date of this act, the calendar year prior to the year in which this act takes effect, and for qualified real rental property which is first rented or leased or offered for rent or lease after the effective date of this act, the calendar year in which it is first offered for rent or lease.

2. Section 3 of P. L. 1976, c. 63 (C. 54:4-6.4) is amended to read as follows:

**C. 54:4-6.4 Property tax rebate to tenants by owner of qualified real rental property.**

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 year in which he receives a property tax reduction.

3. Section 4 of P. L. 1976, c. 63 (C. 54:4-6.5) is amended to read as follows:

**C. 54:4-6.5 Computation of property tax reduction for property owner; notice.**

4. At the time when municipal property tax bills are prepared pursuant to R. S. 54:4-64 for the tax year 1977, and each year thereafter, the municipal tax collector shall compute the amount of property tax reduction for the year for each property owner of qualified real rental property 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. A copy shall be provided to the rent leveling board, or similar agency charged

with regulating rents or, where no such board exists, retained by the tax collector.

4. Section 5 of P. L. 1976, c. 63 (C. 54:4-6.6) is amended to read as follows:

**C. 54:4-6.6 Property tax rebate for each tenant; computation.**

5. The property tax rebate for each tenant shall be computed by the property owner in the following manner:

The property tax reduction on the qualified real rental property for the year shall be divided by the total annual rent for all dwelling units, occupied or unoccupied, on such property for the said year to determine the property tax rebate or credit as a fixed percentage of rent for every tenant. The annual rent of each residential unit shall be multiplied by such fixed percentage to determine the annual amount of property tax rebate or credit for each such unit. However, a municipality instead may provide by ordinance that the property tax reduction for residential rental property shall be divided by the total rentable square feet contained within all mobile home spaces or residential rental units on such property to determine the annual property tax rebate or credit per square foot for every residential unit in the entire property. The square footage of each unit shall be multiplied by such property tax rebate or credit per square foot to determine the annual amount of property tax rebate or credit for each residential unit. However where one or more residential rental units, spaces or equivalent are occupied by the property owner or his employees, the tax credit or rebate for the residential rental units on such property shall be computed by first reducing the property tax reduction by the proportion that the number of units occupied by the property owner or his employees bears to the total number of residential units on the property.

5. Section 6 of P. L. 1976, c. 63 (C. 54:4-6.7) is amended to read as follows:

**C. 54:4-6.7 Payment to tenant.**

6. The property tax rebate or credit for each dwelling unit shall be paid to the tenant in residence of such unit at the time each rent payment is made. Such property tax reduction shall, at the option of the owner either be credited as a rent reduction or paid directly to the tenant. The amount of each property tax rebate or credit shall be equal to the annual amount of the rebate or credit multiplied by the percentage of annual rent payable at such time; provided, however, that the amount of the rebate or credit due the

tenant at the time the rent is paid shall be rounded off such that any amount less than \$0.50 shall be reduced to the next lower dollar and any amount \$0.50 or higher shall be increased to the next higher dollar.

6. Section 7 of P. L. 1976, c. 63 (C. 54:4-6.8) is amended to read as follows:

**C. 54:4-6.8 Statement on form as to total property tax rebate paid; filing and posting.**

7. Any person who is a property owner of qualified real rental property shall state on a form required to be filed with the rent leveling board or similar agency charged with regulating rents or, where no such board exists, with the municipal tax collector, the total property tax rebate paid with respect to such qualified real rental property and shall certify that he has complied with the provisions of this act. Said form shall be filed within 30 days following notification by the municipal tax collector of the amount of property tax reduction. Also at such time he shall post and maintain in a prominent place within such property a notice containing a listing of the specific amount of rent rebate per year and per month for each different category of rent payable.

7. Section 13 of P. L. 1976, c. 63 is amended to read as follows:

13. This act shall take effect immediately and shall expire on December 31, 1979.

**Repealer.**

8. Section 8 of P. L. 1976, c. 63 (C. 54:4-6.9) is repealed.

9. This act shall take effect immediately.

Approved May 3, 1977.

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CHAPTER 82

AN ACT concerning the rights of the developmentally disabled.

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

**C. 30:6D.1 Short title.**

1. This act shall be known and may be cited as the "Developmentally Disabled Rights Act."

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**C. 30:6D-2 Legislature's findings and declaration of policy; purpose of act.**

2. The Legislature finds and declares that the developmentally disabled are entitled to certain fundamental rights as citizens and that these rights shall not be abrogated solely by reason of admission to any facility or receipt of any service for developmentally disabled persons; that services which are offered to the developmentally disabled shall be provided in a manner which respects the dignity individuality and constitutional, civil and legal rights of each developmentally disabled person; and that it is the purpose of this act to denote such rights and establish standards for the provision of such services.

**C. 30:6D-3 Definitions.**

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

a. "Developmental disability" means a disability of a person which

(1) is attributable to:

(a) mental retardation, cerebral palsy, epilepsy or autism;

(b) any other condition found to be closely related to mental retardation because such condition results in impairment of general intellectual functioning or adaptive behavior similar to impairment resulting from mental retardation or which requires treatment and services similar to those required for mental retardation; or

(c) dyslexia resulting from a disability described in subparagraphs (a) and (b);

(2) originates before such person attains age 18;

(3) has continued or can be expected to continue indefinitely; and

(4) constitutes a substantial handicap to such person's ability to function normally in society;

b. "Services" or "services for persons with developmental disabilities" means specialized services or special adaptations of generic services provided by any public or private agency, organization or institution and directed toward the alleviation of a developmental disability or toward the social, personal, physical, or economic habilitation or rehabilitation of an individual with such a disability; and such term includes diagnosis, evaluation, treatment, personal care, day care, domiciliary care, special living arrangements, training, education, sheltered employment, recreation, counseling of the individual with such disability and of his family, protective and other social and socio-legal services, infor-

mation and referral services, follow-along services, and transportation services necessary to assure delivery of services to persons with developmental disabilities;

c. "Facility" or "facility for persons with developmental disabilities" means a facility operated by any public or private agency, organization or institution for the provision of services for persons with developmental disabilities.

**C. 30:6D-4 Rights of developmentally disabled persons.**

4. No developmentally disabled person shall be presumed to be incompetent or shall be discriminated against or shall be deprived of any constitutional, civil or legal right solely by reason of admission to or residence at a facility or solely by reason of receipt of any service for developmentally disabled persons. No such admission, residence or receipt of services shall modify or vary any constitutional, civil or legal right of such person, including, but not necessarily limited to;

a. Register and vote at elections;

b. Free exercise of religion;

c. Receive and send unopened correspondence and, upon request, to obtain assistance in the writing and reading of such correspondence;

d. Private visitations and private telephone conversations without prior notice to the facility during such reasonable hours as may be established by the facility with parents, guardians, representatives of guardian services, relatives, friends, physicians, attorneys, government officials, and any other persons;

e. Reasonable opportunities for interaction with members of the opposite sex;

f. Confidential handling of personal and medical records.

**C. 30:6D-5 Developmentally disabled persons receiving services at facility; acts prohibited; adequate and sufficient diet, medical and dental care; education.**

5. a. No person receiving services for the developmentally disabled at any facility shall:

(1) be subjected to any corporal punishment;

(2) be administered any medication or chemical restraint, except upon the written authorization of a physician when necessary and appropriate as an element of the service being received or as a treatment of any medical or physical condition in conformity with accepted standards for such treatment. The nature, amount of, and reasons for the administration of any medication or chemical

restraint shall be promptly recorded in such person's medical record;

(3) be physically or chemically restrained or isolated in any manner, except in emergency situations for the control of violent, disturbed or depressed behavior which may immediately result in or has resulted in harm to such person or other person or in substantial property damage.

The chief administrator of the facility, or his designee, shall be notified immediately upon the application of any such restraint or isolation, and thereafter such restraint or isolation shall be continued only upon the written order of the administrator or designee. Such order shall be effective for not more than 24 hours, and may be renewed for additional periods of not more than 24 hours each if the administrator or designee shall determine that such continued restraint or isolation is necessary. While in restraint or isolation, such person shall be checked by an attendant every 15 minutes, and bathed every 24 hours. Such restraint or isolation shall be terminated at any time if an attending physician shall find such restraint or isolation to be medically contraindicated. The nature, duration of, reasons for and notation of attendant checks shall be promptly recorded in such person's medical record;

(4) be subjected to shock treatment, psychosurgery, sterilization or medical behavioral or pharmacological research without the express and informed consent of such person, if a competent adult, or of such person's guardian ad litem specifically appointed by a court for the matter of consent to these proceedings, if a minor or an incompetent adult or a person administratively determined to be mentally deficient. Such consent shall be made in writing and shall be placed in such person's record.

Either the party alleging the necessity of such procedure or such person or such person's guardian ad litem may petition a court of competent jurisdiction to hold a hearing to determine the necessity of such procedure at which the client is physically present, represented by counsel, and provided the right and opportunity to be confronted with and to cross-examine all witnesses alleging the necessity of such procedure. In such proceedings, the burden of proof shall be on the party alleging the necessity of such procedure. In the event that a person cannot afford counsel, the court shall appoint an attorney not less than 10 days before the hearing. An attorney so appointed shall be entitled to a reasonable fee to be determined by the court and paid by the county from which the person was admitted. Under no circumstances may a person in

treatment be subjected to hazardous or intrusive experimental research which is not directly related to the specific goals of his treatment program.

b. Every developmentally disabled person in residence at any facility shall be provided with a nutritionally adequate and sufficient diet and shall receive appropriate and sufficient medical and dental care on a regular basis and whenever otherwise necessary.

c. Every developmentally disabled person between the ages of 5 and 21, inclusive, in residence or full-time attendance at any facility shall be provided a thorough and efficient education suited to such person's age and abilities.

**C. 30:6D-6 Affirmative action.**

6. Every public or private agency, organization or institution providing services for persons with developmental disabilities shall take affirmative action to employ and advance in employment persons with developmental disabilities to the extent feasible and practicable.

**C. 30:6D-7 Entitlement to writ of habeas corpus and enforcement of rights by civil action.**

7. Every developmentally disabled person in residence or attendance at any facility shall be entitled to a writ of habeas corpus upon proper petition by such person, or a parent, guardian, representative of guardian services, attorney or other interested party, to any court of competent jurisdiction in the county in which such person is residing or in which such facility is located, and shall further be entitled to enforce any of the rights herein stated by civil action or other remedy otherwise available by common law or statute.

**C. 30:6D-8 Written notice of rights, obligations and prohibitions; explanation; posting.**

8. The chief administrator of any facility for persons with developmental disabilities shall cause a written notice of the rights, obligations and prohibitions set forth in this act to be given every developmentally disabled person and such person's parent or guardian or representative of guardianship services, within 5 days of the admission of such person to such facility. In addition, the substance of such rights, obligations and prohibitions shall be explained to each such person over the age of 10 years in simple, understandable language, reasonably calculated to assure that the person comprehends the substance to the best of the person's ability. A full list of such rights, obligations and prohibitions shall be prominently posted in all wards and public rooms of the facility.

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**C. 30:6D-9 Manner of providing services.**

9. Every service for persons with developmental disabilities offered by any facility shall be designed to maximize the developmental potential of such persons and shall be provided in a humane manner in accordance with generally accepted standards for the delivery of such service and with full recognition and respect for the dignity, individuality and constitutional, civil and legal rights of each person receiving such service, and in a setting and manner which is least restrictive of each person's personal liberty.

**C. 30:6D-10 Habilitation plan for each developmentally disabled person.**

10. Every agency, organization or institution providing services for persons with developmental disabilities shall cause a written, individualized habilitation plan to be developed and placed into effect for each person for whom such agency, organization or institution is primarily responsible for the delivery or for coordinating the delivery of services within 30 days following the admission of such person. In the case of persons receiving services through such agency, organization or institution at the time of enactment of this act, such plan shall be effected within 60 days following enactment. Such plan shall be developed and may be revised from time to time by appropriate representatives of such agency, organization or institution in consultation with such person and such person's parents, guardian, representative of guardianship services or other interested party.

**C. 30:6D-11 Contents of plan.**

11. Such plan shall:

- a. Include a statement of the long-term habilitation goals for such person and the intermediate objectives relating to the attainments of such goals. Such objectives shall be stated specifically and in sequence and shall be expressed in behavioral or other terms that provide measurable indices of progress;
- b. Describe how the objectives will be achieved and the barriers that might interfere with the achievement of them;
- c. State an objective criteria and an evaluation procedure and schedule for determining whether such objective and goals are being achieved;
- d. Provide a coordinator who will be responsible for the implementation of the plan;
- e. Specify habilitation services to be provided;
- f. Describe the personnel, including their qualifications, necessary for the provision of the services described in such plan;

g. Specify the date of initiation and the anticipated duration of each service to be provided;

h. Specify the role and objectives of all parties to the implementation of the plan.

**C. 30:6D-12 Review of plan.**

12. The plan coordinator shall review such plan at least every 12 months and shall provide an opportunity at least annually for the person for whom the plan is designed and such person's parents, guardian, representative of guardianship services or other interested party to review such plan.

13. This act shall take effect immediately.

Approved May 5, 1977.

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CHAPTER 83

AN ACT concerning the practice of podiatry and amending  
R. S. 45:5-7.

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

1. R. S. 45:5-7 is amended to read as follows:

**Scope of examination; filing of application and examination papers; issuance of license; definitions; display of license; residents licensed in other states; certificate to podiatrist leaving state; license after revocation.**

45:5-7. All examinations shall be written in the English language, but the board, in its discretion, may use supplementary oral or practical examinations, either of the whole class or of individuals. The examinations shall be in all subjects taught and practiced in the legally incorporated schools or colleges of podiatry, in good standing in the opinion of the board, which confer the degree of doctor of surgical chiropody or other doctorate degree in podiatry. Said application and examination papers shall be deposited in the files of the said board for at least 5 years, and they shall be prima facie evidence of all matters therein contained. All licenses shall be signed by the president and secretary of the board and shall be attested by the seal thereof.

If the examination is satisfactory, the board shall issue a license entitling the applicant to practice podiatry in this State.

“Podiatry” or “practice of podiatry” is defined to be the diagnosis or treatment of or the holding out of a right or ability to diagnose or treat any ailment of the human foot, including local manifestations of systemic diseases as they appear on the lower leg or foot but not treatment of systemic diseases of any other part of the body, or the holding out of a right or ability to treat the same by any one or more of the following means: local medical, mechanical, surgical, manipulative and physio-therapeutic, including the application of any of the aforementioned means to the lower leg and ankle for the treatment of a foot ailment. Such means shall not be construed to include the amputation of the leg or foot. The term “local medical” hereinbefore mentioned shall be construed to mean the prescription or use of a therapeutic agent or remedy where the action or reaction is intended for a localized area or part.

Every person practicing podiatry under this act shall at all times conspicuously display in his place of practice his license and yearly registration to practice. It shall be unlawful to practice podiatry in this State without so displaying such license and registration. Any applicant for a license to practice podiatry upon proving that he has been examined and licensed by the examining and licensing board of another State, territory of the United States, or the District of Columbia, may in the discretion of the board be granted a license to practice podiatry without further examination upon payment to the board of a license fee of \$100.00; provided, such applicant shall furnish proof that he can fulfill the requirements demanded in the other sections of this chapter relating to applicants for admission by examinations; provided further, that the laws of such State, territory or the District of Columbia accords equal reciprocal rights to a licensed podiatrist of this State, who desires to practice his profession in such State, territory or the District of Columbia; provided further, that said applicant has been in lawful and ethical practice of podiatry in the State, territory or District of Columbia from which he applies for 5 full consecutive years next prior to filing his application; and provided, further, that said applicant shall, within 6 months after the issuance of his license hereunder, remove to this State, establish his permanent and only legal residence and cease to operate his practice in the State from which he applies and not use such license for part-time practice in this State. An affidavit setting forth his intention to comply with the requirements of this proviso must be filed with

the application for license. In any such application for a license without examination, all reciprocal questions of academic requirements of other states, territories or the District of Columbia shall be determined by the board. The board shall consider each application for such license on its individual merits and may, in its discretion and without establishing a precedent, waive the requirements for internship in lieu of 10 or more years of active and continuous ethical practice outside of this State.

The board may issue to any licensed podiatrist of this State, known to it to be of good moral character and who has conducted an ethical practice in this State, and who desires to remove his residence and practice to another state, a certificate or certification authenticated with its seal, which shall attest such information as may be necessary for competent boards of other states to determine reciprocity qualifications, upon payment of a fee of \$10.00.

The board may, in its discretion, accept in lieu of its own examination, either in whole or in part, the certificate of the National Board of Podiatry Examiners; and provided further, that the applicant satisfies in all other respects the requirements for licensure by examination. Such application to the board shall be accompanied by an application fee of \$100.00 plus \$10.00 for verification. In the event an oral or practical examination or both is given under this provision, an additional fee of \$25.00 may be required for examiner compensation.

The board, in its discretion, may grant a license without further examination to any person whose previous license has been revoked under section 45:5-8 of the Revised Statutes and upon payment to the board of a license fee of \$100.00.

2. This act shall take effect immediately.

Approved May 9, 1977.

## CHAPTER 84

A SUPPLEMENT to the "Franchise Practices Act," approved December 21, 1971 (P. L. 1971, c. 356, C. 56:10-1 et seq.).

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

**C. 56:10-13 Definitions.**

1. For the purposes of this act: "motor vehicle franchisor" means a franchisor engaged in the business of manufacturing or assembling motor vehicles, who will, under normal business conditions during the year, manufacture or assemble at least 10 new motor vehicles, and his motor vehicle distributors; "motor vehicle franchisee" means every franchisee actively engaged in the business of buying, selling or exchanging motor vehicles or motorcycles and who has an established place of business.

**C. 56:10-14 Provisions for indemnification.**

2. All motor vehicle franchisors shall indemnify and hold harmless their motor vehicle franchisees from any and all claims, losses, damages, and expenses, including attorneys' fees, resulting from or related to complaints, claims or suits against the motor vehicle franchisee by third parties concerning defects or alleged defects in any of the merchandise or service systems, procedures or methods of the motor vehicle franchisors which are sold or performed by the motor vehicle franchisee. With regards to services rendered by a motor vehicle franchisee, the motor vehicle franchisor shall not be liable to the motor vehicle franchisee by virtue of this section for any claims, losses, expenses or damages arising as a result of negligence or willful malfeasance by the motor vehicle franchisee, but the motor vehicle franchisor shall be liable for damages arising from or in connection with any services rendered by a motor vehicle franchisee in accordance with any service system, procedure or method suggested or required by the motor vehicle franchisor. The foregoing provisions for indemnification shall specifically include, but without limiting the generality of the foregoing, any defects or damages to merchandise occurring in transit from the motor vehicle franchisor to the motor vehicle franchisee in situations in which the motor vehicle franchisor designates the carrier or method of transportation.

**C. 56:10-15 Warranty issued by motor vehicle franchisor; reimbursement to motor vehicle franchisee for services rendered; prohibited practice.**

3. If any motor vehicle franchise shall require or permit motor vehicle franchisees to perform services or provide parts in satisfaction of a warranty issued by the motor vehicle franchisor:

a. The motor vehicle franchisor shall reimburse each motor vehicle franchisee for such services as are rendered and for such parts as are supplied, in an amount equal to the prevailing retail price charged by such motor vehicle franchisee for such services and parts in circumstances where such services are rendered or such parts supplied other than pursuant to warranty; provided that such motor vehicle franchisee's prevailing retail price is not unreasonable when compared with that of the holders of motor vehicle franchises from the same motor vehicle franchisor for identical merchandise or services in the geographic area in which the motor vehicle franchisee is engaged in business.

b. The motor vehicle franchisor shall not by agreement, by restrictions upon reimbursement, or otherwise, restrict the nature and extent of services to be rendered or parts to be provided so that such restriction prevents the motor vehicle franchisee from satisfying the warranty by rendering services in a good and workmanlike manner and providing parts which are required in accordance with generally accepted standards. Any such restriction shall constitute a prohibited practice hereunder.

4. This act shall take effect immediately.

Approved May 9, 1977.

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CHAPTER 85

AN ACT providing for compulsory arbitration of labor disputes in public fire and police departments; prescribing a procedure therefor, and the enforcement thereof, and supplementing the "New Jersey Employer-Employee Relations Act," approved April 30, 1941 (P. L. 1941, c. 100, C. 34:13A-1 et seq.), as said short title was amended by P. L. 1968, c. 303.

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

**C. 34:13A-14 Public policy; construction of act.**

1. It is the public policy of this State that in public fire and police departments, where public employees do not enjoy the right to strike, it is requisite to the high morale of such employees and the efficient operation of such departments to afford an alternate, expeditious, effective and binding procedure for the resolution of disputes, and to that end the provisions of this act, providing for compulsory arbitration, shall be liberally construed.

**C. 34:13A-15 Definitions.**

2. "Public fire department" means any department of a municipality, county, fire district or the State or any agency thereof having employees engaged in firefighting provided that such firefighting employees are included in a negotiating unit exclusively comprised of firefighting employees.

"Public police department" means any police department or organization of a municipality, county or park, or the State, or any agency thereof having employees engaged in performing police services including but not necessarily limited to units composed of State troopers, police officers, detectives and investigators of counties, county parks and park commissions, grades of sheriff's officers and investigators; State motor vehicle officers, inspectors and investigators of the Alcoholic Beverage Commission, conservation officers in Fish, Game and Shell Fisheries, rangers in parks, marine patrolmen; correction officers, keepers, cottage officers, interstate escort officers, juvenile officers in the Department of Corrections and patrolmen of the Human Services and Corrections Departments; patrolmen of Capitol police and patrolmen of the Palisades Interstate Park Commission.

**C. 34:13A-16 Procedure for resolution of impasse; terminal procedures; selection of arbitrator; economic and individual issues; opinion and award; factors relevant for resolution of specific dispute.**

3. a. Whenever negotiations between a public fire or police department and an exclusive representative concerning the terms and conditions of employment shall reach an impasse, the commission, through the Division of Public Employment Relations shall, upon the request of either party, or upon its own motion take such steps including the assignment of a mediator as it may deem expedient to effect a voluntary resolution of the impasse. The cost of mediation shall be borne by the commission.

b. In the event of a failure to resolve the impasse by mediation, the Division of Public Employment Relations, at the request of either party, shall invoke factfinding with recommendation for set-

tlement of all issues in dispute unless the parties reach a voluntary settlement prior to the issuance of the factfinders report and recommended terms of settlement. Factfindings shall be limited to those issues that are within the required scope of negotiations unless the parties to the factfinding agree to factfinding on permissive subjects of negotiation. The cost of factfinding shall be borne by the commission. In the event of a continuing failure to resolve an impasse by means of the procedure set forth above, and notwithstanding the fact that such procedures have not been exhausted, the parties shall notify the commission 60 days prior to the required budget submission date of the public employer as to whether or not they have agreed upon a terminal procedure for resolving the issues in dispute. Any terminal procedure mutually agreed upon by the parties shall be reduced to writing, provide for finality in resolving the issues in dispute, and shall be submitted to the commission for approval.

c. Terminal procedures that are approvable include, but shall not be limited to the following:

(1) Conventional arbitration of all unsettled items.

(2) Arbitration under which the award by an arbitrator or panel of arbitrators is confined to a choice between (a) the last offer of the employer and (b) the last offer of the employees' representative, as a single package.

(3) Arbitration under which the award is confined to a choice between (a) the last offer of the employer and (b) the last offer of the employees' representative, on each issue in dispute, with the decision on an issue-by-issue basis.

(4) If there is a factfinder's report with recommendations on the issues in dispute, the parties may agree to arbitration under which the award would be confined to a choice among three positions: (a) the last offer of the employer as a single package, (b) the last offer of the employees' representative as a single package, or (c) the factfinder's recommendations as a single package.

(5) If there is a factfinder's report with a recommendation on each of the issues in dispute, the parties may agree to arbitration under which the award would be confined to a choice on each issue from among three positions: (a) the last offer of the employer on the issue, (b) the employee representative's last offer on the issue, or (c) the factfinder's recommendation on the issue.

(6) Arbitration under which the award on the economic issues in dispute is confined to a choice between (a) the last offer of the employer on the economic issues as a single package and (b) the

employee representative's last offer on the economic issues as a single package; and, on any noneconomic issues in dispute, the award is confined to a choice between (a) the last offer of the employer on each issue in dispute and (b) the employee representative's last offer on that issue.

d. The following procedure shall be utilized if parties fail to agree on a terminal procedure for the settlement of an impasse dispute:

(1) In the event of a failure of the parties to agree upon an acceptable terminal procedure 50 days prior to the public employer's budget-submission date, no later than the aforesaid time the parties shall separately so notify the commission in writing, indicating all issues in dispute and the reasons for their inability to agree on the procedure. The substance of a written notification shall not provide the basis for any delay in effectuating the provisions of this subsection.

(2) Upon receipt of such notification from either party or on the commission's own motion, the procedure to provide finality for the resolution of issues in dispute shall be binding arbitration under which the award on the economic issues in dispute shall be confined to a choice between: (a) the last offer of the employer on such issues as a single package and (b) the employee representative's last offer, on such issues, as a single package; and, on the noneconomic issues in dispute, the award shall be confined to a choice between: (a) the last offer of the employer on each issue in dispute and (b) the employee representative's last offer on such issue.

e. The commission shall take measures to assure the selection of an arbitrator or arbitrators from its special panel of arbitrators. Appointment of an arbitrator to the commission's special panel shall be for a 3-year term, with reappointment contingent upon a screening process similar to that used for determining initial appointments.

f. (1) Prior to the arbitration proceedings, the parties shall submit to the arbitrator or tripartite panel of arbitrators, pursuant to rules and procedures established by the commission, their final offers in two separate parts: (a) a single package containing all the economic issues in dispute and (b) the individual issues in dispute not included in the economic package, each set forth separately by issue.

(2) In the event of a dispute, the commission shall have the power to decide which issues are economic issues. Economic issues include those items which have a direct relation to employee income

including wages, salaries, hours in relation to earnings, and other forms of compensation such as paid vacation, paid holidays, health and medical insurance, and other economic benefits to employees.

(3) Throughout formal arbitration proceedings the chosen arbitrator or panel of arbitrators may mediate or assist the parties in reaching a mutually agreeable settlement.

(4) Arbitration shall be limited to those subjects that are within the required scope of collective negotiations, except that the parties may agree to submit to arbitration one or more permissive subjects of negotiation.

(5) The decision of an arbitrator or panel of arbitrators shall include an opinion and an award, which shall be final and binding upon the parties and shall be irreversible, except where there is submitted to the court extrinsic evidence upon which the court may vacate, modify or correct such award pursuant to N. J. S. 2A:24-7 et seq. or for failure to apply the factors specified in subsection g. below.

(6) The parties shall bear the costs of arbitration subject to a fee schedule approved by the commission.

g. The arbitrator or panel of arbitrators shall decide the dispute based on a reasonable determination of the issues, giving due weight to those factors listed below that are judged relevant for the resolution of the specific dispute:

(1) The interests and welfare of the public.

(2) Comparison of the wages, salaries, hours, and conditions of employment of the employees involved in the arbitration proceedings with the wages, hours, and conditions of employment of other employees performing the same or similar services and with other employees generally:

(a) In public employment in the same or similar comparable jurisdictions.

(b) In comparable private employment.

(c) In public and private employment in general.

(3) The overall compensation presently received by the employees, inclusive of direct wages, salary, vacations, holidays, excused leaves, insurance and pensions, medical and hospitalization benefits, and all other economic benefits received.

(4) Stipulations of the parties.

(5) The lawful authority of the employer.

(6) The financial impact on the governing unit, its residents and taxpayers.

(7) The cost of living.

(8) The continuity and stability of employment including seniority rights and such other factors not confined to the foregoing which are ordinarily or traditionally considered in the determination of wages, hours, and conditions of employment through collective negotiations and collective bargaining between the parties in the public service and in private employment.

h. A mediator, factfinder, or arbitrator while functioning in a mediatory capacity shall not be required to disclose any files, records, reports, documents, or other papers classified as confidential received or prepared by him or to testify with regard to mediation, conducted by him under this act on behalf of any party to any cause pending in any type of proceeding under this act. Nothing contained herein shall exempt such an individual from disclosing information relating to the commission of a crime.

**C. 34:13A-17 Powers and duties of arbitrator.**

4. The arbitrator may administer oaths, require the attendance of witnesses, and the production of such books, papers, contracts, agreements and documents as he may deem material to a just determination of the issues in dispute, and for such purpose may issue subpoenas. If any person refuses to obey a subpoena, or refuses to be sworn or to testify, or if any witness, party or attorney is guilty of any contempt while in attendance at any hearing, the arbitrator may, or the Attorney General if requested shall, invoke the aid of the Superior Court within the county in which the hearing is being held, which court shall issue an appropriate order. Any failure to obey the order may be punished by the court as contempt.

**C. 34:13A-18 Issuance of certain findings, opinions or orders not authorized.**

5. The arbitrator shall not issue any finding, opinion or order regarding the issue of whether or not a public employer shall remain as a participant in the New Jersey State Health Benefits Program or any governmental retirement system or pension fund, or statutory retirement or pension plan; nor, in the case of a participating public employer, shall the arbitrator issue any finding, opinion or order regarding any aspect of the rights, duties, obligations in or associated with the New Jersey State Health Benefits Program or any governmental retirement system or pension fund, or statutory retirement or pension plan.

**C. 34:13A-19 Enforcement of decisions; venue; effective date of implementation prescribed in award.**

6. The decision of the arbitrator may be enforced at the instance of either party in the Superior Court with venue laid in the

county in which the dispute arose. The commencement of a new public employer fiscal year after the initiation of arbitration procedures under this act, but before the arbitration decision, or its enforcement, shall not be deemed to render a dispute moot, or to otherwise impair the jurisdiction or authority of the arbitrator or his decision. Increases in rates of compensation awarded by the arbitrator shall take effect on the date of implementation prescribed in the award. The parties, by stipulation, may at any time amend or modify an award of arbitration.

**C. 34:13A-20 Review of orders.**

7. Orders of the arbitrator shall be reviewable by the Superior Court in the county in which the dispute arose. The pendency of such proceeding for review shall not of itself stay the order of the arbitrator.

**C. 34:13A-21 Change in employment conditions during pendency of proceedings.**

8. During the pendency of proceedings before the arbitrator, existing wages, hours and other conditions of employment shall not be changed by action of either party without the consent of the other, any change in or of the public employer or employee representative notwithstanding; but a party may so consent without prejudice to his rights or position under this supplementary act.

9. This act shall take effect immediately and shall apply to all negotiations for new agreements, renewals of existing agreements, and reopener provisions of existing agreements that are or shall become effective during the first full fiscal year of the public employer after the effective date of this act.

Approved May 10, 1977.

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CHAPTER 86

AN ACT concerning the appointment of county court judges in certain counties and supplementing article 2 of chapter 3 of Title 2A of the New Jersey Statutes.

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

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**C. 2A:3-13.15 Judges in counties having population of 400,000 to 460,000; appointment.**

1. In counties having a population of more than 400,000 but less than 460,000 according to the 1970 census, there shall be seven judges of the county court in addition to the judge of the county court provided by Article VI, Section V, paragraph 2 of the Constitution, making eight in all in each of said counties, to be nominated and appointed by the Governor with the advice and consent of the Senate.

2. This act shall take effect immediately.

Approved May 13, 1977.

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**CHAPTER 87**

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 21 of P. L. 1971, c. 199 (C. 40A:12-21) is amended to read as follows:

**C. 40A:12-21 Private sales to certain organizations upon nominal consideration.**

21. Private sales to certain organizations upon nominal consideration. When the governing body of any county or municipality shall determine that all or any part of a tract of land, with or without improvements, owned by the county or municipality, is not then needed for county or municipal purposes, as the case may be, said governing body, by resolution or ordinance, may authorize a private sale and conveyance of the same, or any part thereof without compliance with any other law governing disposal of lands by counties and municipalities for a consideration, which may be nominal, and containing a limitation that such lands or buildings shall be used only for the purposes of such organization or association, and to render such services or to provide such facilities as may be agreed upon, and not for commercial business trade or manufacture, and that if said lands or buildings are not used in accordance with said limitation, title thereto shall revert to the county or municipality without any entry or reentry made thereon on behalf of such county or municipality, to

(a) A duly incorporated volunteer fire company or first aid and emergency or volunteer ambulance or rescue squad association of a municipality within the county, in the case of a county, or of the municipality, in the case of a municipality, for the construction thereon of a firehouse or fire school or a first aid and emergency or volunteer ambulance or rescue squad building or for the use of any existing building for any or all of said purposes and any such land or building sold to any duly incorporated volunteer fire company may be leased by such fire company to any volunteer firemen's association for the use thereof for fire school purposes for the benefit of the members of such association, or

(b) Any nationally chartered organization or association of veterans of any war, in which the United States has or shall have been engaged, by a conveyance for a consideration, a part of which may be an agreement by the organization or association to render service or provide facilities for the general public of the county or municipality, of a kind which the county or municipality may furnish to its citizens and to the general public, or

(c) Any duly incorporated nonprofit hospital association for the construction or maintenance thereon of a general hospital, or

(d) Any paraplegic veteran, that is to say, any officer, soldier, sailor, marine, nurse or other person, regularly enlisted or inducted, who was or shall have been in the active military or naval forces of the United States in any war in which the United States was engaged, and who, at the time he was commissioned, enlisted, inducted, appointed or mustered into such military or naval service, was a resident of and who continues to reside in this State, who is suffering from paraplegia and has permanent paralysis of both legs or the lower parts of the body resulting from injuries sustained through enemy action or accident while in such active military or naval service, for the construction of a home to domicile him, or to any organization or association of veterans, for the construction of a home or homes to domicile paraplegic veterans, with power to convey said lands and premises to the paraplegic veterans or veterans on whose behalf said organization or association shall acquire title to said land, or

(e) Any duly incorporated nonprofit association or any regional commission or authority composed of one or more municipalities or one or more counties for the construction or maintenance thereon of an animal shelter, or

(f) Any duly incorporated nonprofit historical society for the acquisition of publicly owned historic sites for their restoration,

preservation, improvement and utilization for the benefit of the general public, or

(g) Any duly incorporated nonprofit cemetery organization or association serving the residents of the municipality or county, or both, for the use thereof for cemetery purposes.

2. This act shall take effect immediately.

Approved May 14, 1977.

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## CHAPTER 88

**AN ACT** concerning municipalities in relation to public pounds, and amending R. S. 40:48-5.1.

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

1. R. S. 40:48-5.1 is amended to read as follows:

**Contracts with humane societies where no pound established; advertisement not required.**

40:48-5.1. Whenever in any municipality there shall not be established under municipal authority a public pound for the keeping of stray dogs, cats or other domestic pets, and there shall exist in the county wherein such municipality is situated or in any adjoining county, a pound maintained by any humane society or other similar association, not organized for pecuniary profit, which shall have continuously maintained said pound for at least 1 year, such municipality shall enter into negotiations and may contract with such society or association for any period not exceeding 5 years, for collecting, keeping for redemption and destroying all such stray animals found within the municipal limits.

Any provision of any law requiring advertisement for bids before the letting of any contract involving the expenditure of money shall not be applicable to the making of any such contract with such society or association.

2. This act shall take effect immediately.

Approved May 14, 1977.

## CHAPTER 89

AN ACT concerning elections and amending R. S. 19:31-11.

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

1. R. S. 19:31-11 is amended to read as follows:

**Change of residence notice.**

19:31-11. a. In all counties within the State, change of residence notices shall be made by a written request, signed by the registrant, forwarded to the commissioner by mail, and actually received by him, or by calling in person at the office of the commissioner or the municipal clerk. The commissioner shall provide change of residence notices in card form for the use of any registered voter moving to another address within the same election district or to another election district within the same county. Copies of these notices shall also be available at the office of the municipal clerk in each municipality. Each municipal clerk shall transmit daily to the commissioner all the filled out change of residence notices that he may have in his office at the time. These notices shall be printed upon cards, shall contain a blank form showing where the applicant last resided and the address and exact location to which he has moved and shall have a line for his signature. Upon receipt of such change of residence notice the commissioner shall cause the signature to be compared with the permanent registration forms of the applicant and, if such signature appears to be of and by one and the same legal voter, the commissioner shall cause the entry of the change of residence to be made on the permanent registration forms and the registrant shall thereupon be qualified to vote in the election district to which he shall have so moved. If the commissioner is not satisfied as to the signature on the request for a change of residence, a notice shall be sent by mail with postage prepaid to the registrant at his new address directing him to appear at a time to be fixed in the notice not less than 10 days from the date thereof at the office of the commissioner to answer such questions as may be deemed necessary to determine the applicant's place of residence and eligibility to vote. If such registrant fails to appear at the time and place as directed, or if the notice is returned as not delivered or if it is not returned as undelivered, the registration forms of the applicant shall be

placed in the inactive file until such time as he establishes to the satisfaction of the commissioner the accuracy of the signature on such change of residence notice; provided, however, that such application for change of residence shall be filed with the commissioner or municipal clerk, as the case may be, on or before the twenty-ninth day preceding any election. All applications for change of residence postmarked on or before the twenty-ninth day preceding any election shall be deemed timely.

b. In any county any voter who shall move within the same county after the time above prescribed for filing an application for change of residence without having made application for change of residence, shall be permitted to vote in the district from which he has moved, upon signing an affidavit which shall set forth (1) the date upon which he moved, (2) the address from which he moved, (3) the address to which he moved, and such affidavit shall constitute a transfer to the said new residence for any subsequent election. The county clerk shall furnish to the election board of each district form affidavits for this purpose and the said district boards shall turn over all signed affidavits to the commissioner; provided, however, if the voter has moved from one residence to another within the same election district at any time, he or she shall be permitted to vote in such election district at any election within 2 years subsequent to the date of such change of residence within the district upon signing the affidavit herein set forth.

2. This act shall take effect immediately.

Approved May 16, 1977.

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## CHAPTER 90

AN ACT concerning certain activities by legislative agents and supplementing the "Legislative Activities Disclosure Act of 1971," approved June 2, 1971 (P. L. 1971, c. 183).

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

**C. 52:13C-21.2 Disclosure to employer of potential conflicts of interest.**

1. Any legislative agent who knowingly represents an interest adverse to any of his employer's without first obtaining such

employer's written consent thereto, after full disclosure to such employer of such adverse interest, shall, upon conviction, be guilty of a misdemeanor.

2. This act shall take effect immediately.

Approved May 16, 1977.

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CHAPTER 91

AN ACT concerning certain activities by legislative agents and supplementing the "Legislative Activities Disclosure Act of 1971," approved June 2, 1971 (P. L. 1971, c. 183).

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

**C. 52:13C-21.3 Certain activities prohibited; penalty.**

1. Any legislative agent who knowingly causes, influences, or otherwise secures the introduction of any legislation or amendment thereto for the purpose of thereafter being employed to prevent the passage thereof, shall upon conviction be guilty of a misdemeanor.

2. This act shall take effect immediately.

Approved May 16, 1977.

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CHAPTER 92

AN ACT providing penalties for persons employing unregistered agents and supplementing the "Legislative Activities Disclosure Act of 1971," approved June 2, 1971 (P. L. 1971, c. 183).

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

**C. 52:13C-21.1 Persons employing unregistered agents; penalty.**

1. Any person who knowingly employs another person to serve as a legislative agent who is not registered as required by section 4 of the act of which this act is a supplement, except upon the con-

dition that such person register as a legislative agent as provided by law or who continues to employ any such person who has not registered within the time required by law, shall, upon conviction, be guilty of a misdemeanor.

2. This act shall take effect immediately.

Approved May 16, 1977.

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## CHAPTER 93

AN ACT authorizing county boards of chosen freeholders to engage in housing assistance programs and supplementing chapter 23 of Title 40 of the Revised Statutes.

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

**C. 40:32A-1 Authorization to engage in housing assistance programs.**

1. The provisions of any other law to the contrary notwithstanding, the board of chosen freeholders of any county in which a local housing authority has not been established by the county pursuant to R. S. 55:14A-1 et seq. may, by adopting a resolution having the same effect, designate itself as a county public housing agency, solicit and accept grants and donations for the purpose of housing assistance throughout the county from the United States Department of Housing and Urban Development or from any other source, engage and assist in the development and operation of subsidized public housing throughout the county and in addition enjoy the powers granted to local housing authorities by the "Local Housing Authorities Law," R. S. 55:14A-1 et seq.

**C. 40:32A-2 Applicability of act.**

2. This act shall not apply to those counties organized pursuant to the "Optional County Charter Law" P. L. 1972, c. 154 (C. 40:41A-1 et seq.).

3. This act shall take effect immediately.

Approved May 16, 1977.

## CHAPTER 94

AN ACT concerning legal investments and amending R. S. 17:2-6.

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

1. R. S. 17:2-6 is amended to read as follows:

**General powers.**

17:2-6. Savings banks, banks, banking institutions, trust companies, building and loan associations, savings and loans associations, mortgage companies and insurance companies organized under any general or special law of this State, all boards, commissions and departments of the State Government and of the various counties and municipalities thereof, and executors, administrators, trustees, guardians and other fiduciaries are authorized:

a. To make such real estate mortgage loans as may be guaranteed or insured in whole or in part by the United States of America or the State of New Jersey, or by any officer, agency or instrumentality of either of them, or for which a commitment to so guarantee or insure has been made, and to invest in, purchase or otherwise acquire, own or hold, mortgage notes or bonds so guaranteed or insured;

b. To cause such mortgage securities to be and be kept so guaranteed or insured and to pay for and receive the benefits of such guarantees or insurance;

c. To invest in, purchase or otherwise acquire, own and hold notes, bonds, debentures, capital stock or other such obligations of any national mortgage association; provided, the issuance of such notes, bonds, debentures, capital stock or other such obligations has been approved by the Federal Housing Administrator. Nothing in sections 17:2-5 to 17:2-8 of this Title contained shall be construed to empower any fiduciary to make any investment or commitment in capital stock pursuant to paragraph "c" of this section;

d. To make loans for the purpose of financing the purchase of or refinancing an existing ownership interest in certificates of stock or other evidence of an ownership interest in, and a proprietary lease from, a corporation or partnership formed for the purpose of cooperative ownership of real estate in this State.

Such institutions may, subject to such regulations as the commissioner finds necessary and proper, invest to an amount not exceeding 85% per annum of the purchase price or, in the case of a refinancing, the appraised value of certificates of stock or other evidence of an ownership interest in and a proprietary lease from, a corporation or partnership formed for the purpose of the cooperative ownership of real estate within the State, for the purpose of financing a purchase of or refinancing an existing ownership interest in such a corporation or partnership, provided (1) such investment is secured within 90 days from the making of the loan by an assignment or transfer of the stock or other evidence of an ownership interest of the borrower and a proprietary lease; and (2) repayment of principal and interest shall be effected within 30 years. Notwithstanding any other provision of law, the maximum rate of interest which may be charged, taken or received upon any loan or forbearance made pursuant to this subsection may exceed by no more than 1½% per annum the rate of interest prescribed by the commissioner which is applicable to mortgage loans on one-to-six family dwellings a portion of which may be used for commercial purposes, pursuant to the provisions of R. S. 31:1-1 et seq.

2. This act shall take effect 90 days after its enactment.

Approved May 16, 1977.

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## CHAPTER 95

AN ACT to amend the title of “An act concerning medical service corporations and regulating the establishment, maintenance and operation of medical service corporations and medical service plans, and supplementing Title 17 of the Revised Statutes by adding thereto a new chapter entitled ‘Medical Services Corporations,’ ” approved May 29, 1940 (P. L. 1940, c. 74), so that the same shall read “An act concerning medical service corporations and regulating the establishment, maintenance and operation of medical service corporations, and supplementing Title 17 of the Revised Statutes by adding thereto a new chapter entitled ‘Medical Services Corporations,’ ” to amend the body of said act, and to amend P. L. 1964, c. 1.

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

1. The title of P. L. 1940, c. 74 is amended to read as follows:

**Title amended.**

An act concerning medical service corporations and regulating the establishment, maintenance and operation of medical service corporations, and supplementing Title 17 of the Revised Statutes by adding thereto a new chapter entitled "Medical Service Corporations."

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

**C. 17:48A-1 Definitions.**

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

A medical service corporation is any corporation organized, without capital stock, and not for profit, for the purpose of establishing, maintaining and operating nonprofit medical service plans, or to provide or pay for medical services on the basis of premiums or other valuable considerations. A nonprofit medical service plan is any plan or arrangement operated by a medical service corporation, under the provisions of this act, and whereby the expense of medical services to subscribers and other covered dependents is paid in whole or in part by the corporation to participating physicians of such plans or arrangements and to others as provided herein. A subscriber is a person to whom a subscription certificate is issued by the corporation and which sets forth the kinds and extent of the medical services for which the corporation is liable to make payment and which constitutes the contract between the subscriber and the corporation. A covered dependent is the spouse, an adult dependent or a child of the subscriber who is named in the subscription certificate issued to the subscriber and with respect to whom appropriate premium is specified in the certificate. A participating physician is any physician licensed to practice medicine and surgery in the State of New Jersey pursuant to chapter 9, Title 45, of the Revised Statutes, who agrees in writing with the corporation to perform the medical services specified in the subscription certificates issued by the corporation and at such rates of compensation as shall be determined by its board of trustees and who agrees to abide by the bylaws, rules and regulations of the corporation applicable to participating physicians. Medical

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service includes all general and special medical, dental and surgical services ordinarily provided by such licensed physicians and by others as provided herein in accordance with accepted practices in the community at the time the service is rendered. No subscriber or his covered dependents shall be liable for any payment to any participating physician for medical services specified in the subscriber's certificate to be paid to the participating physician by the corporation.

3. Section 1 of P. L. 1964, c. 1 (17:48A-28) is amended to read as follows:

**C. 17:48A-28 Services performed by dentists.**

1. Notwithstanding any other provision of the act to which this act is a supplement, benefits shall not be denied to an eligible individual for eligible services when such services are performed or rendered such persons by a licensed dentist within the scope of his practice and a medical service corporation under this act may issue separate contracts covering the services of licensed dentists. The practice of dentistry shall be deemed to be within the provisions of the act to which this act is a supplement and licensed dentists shall have the privileges and benefits in the scope of their practice under such act as are afforded thereunder to licensed physicians and surgeons in the scope of their practice.

4. This act shall take effect immediately.

Approved May 18, 1977.

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CHAPTER 96

AN ACT to amend the "Law Against Discrimination," approved April 16, 1945 (P. L. 1945, c. 169).

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

1. Section 3 of P. L. 1945, c. 169 (C. 10:5-3) is amended to read as follows:

**C. 10:5-3 Legislature's findings and declaration of policy.**

3. The Legislature finds and declares that practices of discrimination against any of its inhabitants, because of race, creed, color,

national origin, ancestry, age, sex, marital status, liability for service in the Armed Forces of the United States, or nationality, are a matter of concern to the government of the State, and that such discrimination threatens not only the rights and proper privileges of the inhabitants of the State but menaces the institutions and foundation of a free democratic State; provided, however, that nothing in this expression of policy prevents the making of legitimate distinctions between citizens and aliens when required by Federal law or otherwise necessary to promote the national interest.

The Legislature further declares its opposition to such practices of discrimination when directed against any person by reason of the race, creed, color, national origin, ancestry, age, sex, marital status, liability for service in the Armed Forces of the United States, or nationality of that person or that person's spouse, partners, members, stockholders, directors, officers, managers, superintendents, agents, employees, business associates, suppliers, or customers, in order that the economic prosperity and general welfare of the inhabitants of the State may be protected and ensured.

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

**C. 10:5-12 Unlawful employment practice or unlawful discrimination.**

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

a. For an employer, because of the race, creed, color, national origin, ancestry, age, marital status or sex of any individuals, or because of the liability for service in the Armed Forces of the United States or the nationality of any individual, to refuse to hire or employ or to bar or to discharge from employment such individual or to discriminate against such individual in compensation or in terms, conditions or privileges of employment; provided, however, it shall not be an unlawful employment practice to refuse to accept for employment an applicant who has received a notice of induction or orders to report for active duty in the armed forces; provided further that nothing herein contained shall be construed to bar an employer from refusing to accept for employment any person on the basis of sex in those certain circumstances where sex is a bona fide occupational qualification, reasonably necessary to the normal operation of the particular business or enterprise; and provided further that an employer may restrict employment to citizens of the United States where such restriction

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is required by Federal law or is otherwise necessary to protect the national interest.

b. For a labor organization, because of the race, creed, color, national origin, ancestry, age, marital status or sex of any individual, or because of the liability for service in the Armed Forces of the United States or nationality of an individual, to exclude or to expel from its membership such individual or to discriminate in any way against any of its members, against any applicant for, or individual included in, any apprentice or other training program or against any employer or any individual employed by an employer; provided, however, that nothing herein contained shall be construed to bar a labor organization from excluding from its apprentice or other training programs any person on the basis of sex in those certain circumstances where sex is a bona fide occupational qualification reasonably necessary to the normal operation of the particular apprentice or other training program.

c. For any employer or employment agency to print or circulate or cause to be printed or circulated any statement, advertisement or publication, or to use any form of application for employment, or to make an inquiry in connection with prospective employment, which expresses, directly or indirectly, any limitation, specification or discrimination as to race, creed, color, national origin, ancestry, age, marital status or sex or liability of any applicant for employment for service in the Armed Forces of the United States, or any intent to make any such limitation, specification or discrimination, unless based upon a bona fide occupational qualification.

d. For any person to take reprisals against any person because he has opposed any practices or acts forbidden under this act or because he has filed a complaint, testified or assisted in any proceeding under this act.

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

f. For any owner, lessee, proprietor, manager, superintendent, agent or employee of any place of public accommodation directly or indirectly to refuse, withhold from or deny to any person any of the accommodations, advantages, facilities or privileges thereof, or to discriminate against any person in the furnishing thereof, or directly or indirectly to publish, circulate, issue, display, post or mail any written or printed communication, notice, or advertise-

ment to the effect that any of the accommodations, advantages, facilities, or privileges of any such place will be refused, withheld from or denied to any person on account of the race, creed, color, national origin, ancestry, marital status, sex or nationality of such person, or that the patronage or custom thereof of any person of any particular race, creed, color, national origin, ancestry, marital status, sex or nationality is unwelcome, objectionable or not acceptable, desired or solicited, and the production of any such written or printed communication, notice or advertisement, purporting to relate to any such place and to be made by any owner, lessee, proprietor, superintendent, or manager thereof, shall be presumptive evidence in any action that the same was authorized by such person; provided, however, that nothing contained herein shall be construed to bar any place of public accommodation which is in its nature reasonably restricted exclusively to individuals of one sex, and which shall include but not be limited to any summer camp, day camp or resort camp, bathhouse, dressing room, swimming pool, gymnasium, comfort station, dispensary clinic or hospital, or school or educational institution which is restricted exclusively to individuals of one sex, from refusing, withholding from or denying to any individual of the opposite sex any of the accommodations, advantages, facilities or privileges thereof on the basis of sex; provided further, that the foregoing limitation shall not apply to any restaurant as defined in R. S. 33:1-1 or place where alcoholic beverages are served.

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

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

(2) To discriminate against any person or group of persons because of the race, creed, color, national origin, marital status, sex or nationality of such person or group of persons in the terms, conditions or privileges of the sale, rental or lease of any real property or part or portion thereof or in the furnishing of facilities or services in connection therewith; or

(3) To print, publish, circulate, issue, display, post or mail, or cause to be printed, published, circulated, issued, displayed, posted or mailed any statement, advertisement, publication or sign, or to use any form of application for the purchase, rental, lease, assignment or sublease of any real property or part or portion thereof, or to make any record or inquiry in connection with the prospective purchase, rental, lease, assignment, or sublease of any real property, or part or portion thereof which expresses, directly or indirectly, any limitation, specification or discrimination as to race, creed, color, national origin, ancestry, marital status, sex or nationality or any intent to make any such limitation, specification or discrimination, and the production of any such statement, advertisement, publicity, sign, form of application, record, or inquiry purporting to be made by any such person shall be presumptive evidence in any action that the same was authorized by such person; provided, however, that nothing contained in this subsection shall be construed to bar any person from refusing to sell, rent, lease, assign or sublease or from advertising or recording a qualification as to sex for any room, apartment, flat in a dwelling or residential facility which is planned exclusively for and occupied by individuals by one sex to any individual of the exclusively opposite sex on the basis of sex.

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

(1) To refuse to sell, rent, assign, lease or sublease, or offer for sale, rental lease, assignment, or sublease any real property or part or portion thereof to any person or group of persons or to refuse to negotiate for the sale, rental, lease, assignment, or sublease of any real property or part or portion thereof to any person or group of persons because of the race, creed, color, national origin, ancestry, marital status, sex or nationality of such person or group of persons, or to represent that any real property to portion thereof is not available for inspection, sale, rental, lease, assignment, or sublease when in fact it is so available, or otherwise to deny or withhold any real property or any part or portion or facilities thereof to or from any person or group of persons because of the race, creed, color, national origin, ancestry, marital status, sex or nationality of such person or group of persons;

(2) To discriminate against any person because of his race, creed, national origin, ancestry, marital status, sex or nationality in the terms, conditions or privileges of the sale, rental, lease, assignment or sublease of any real property or part or portion

thereof or in the furnishing of facilities or services in connection therewith; or

(3) To print, publish, circulate, issue, display, post or mail, or cause to be printed, published, circulated, issued, displayed, posted or mailed, any statement, advertisement, publication or sign, or to use any form of application for the purchase, rental, lease, assignment, or sublease of any real property or part or portion thereof or to make any record or inquiry in connection with the prospective purchaser, rental, lease, assignment, or sublease of any real property or part or portion thereof which expresses, directly or indirectly, any limitation, specification or discrimination as to race, creed, color, national origin, ancestry, marital status, sex or nationality or any intent to make any such limitation, specification or discrimination, and the production of any such statement, advertisement, publicity, sign, form of application, record or inquiry purporting to be made by any such person shall be presumptive evidence in any action that the same was authorized by such person; provided, however, that nothing contained in this subsection h., shall be construed to bar any person from refusing to sell, rent, lease, assign or sublease or from advertising or recording a qualification as to sex for any room, apartment, flat in a dwelling or residential facility which is planned exclusively for and occupied exclusively by individuals of one sex to any individual of the opposite sex on the basis of sex.

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

(1) To discriminate against any person or group of persons because of the race, creed, color, national origin, ancestry, marital status, sex or nationality of such person or group of persons or of the prospective occupants or tenants of such real property or part or portion thereof, in the granting, withholding, extending, modifying, or renewing, or in the fixing of the rates, terms, condition, or provisions of any such loan, extension of credit or financial assistance or in the extension of services in connection therewith; or

(2) To use any form of application for such loan, extension or credit or financial assistance or to make any record or inquiry in connection with applications for any such loan, extension of credit

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or financial assistance which expresses, directly or indirectly any limitation, specification or discrimination as to race, creed, color, national origin, ancestry, marital status, sex or nationality or any intent to make any such limitation, specification or discrimination; unless otherwise required by law or regulation to retain or use such information.

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

k. For any real estate broker, real estate salesman or employee or agent thereof or any other individual, corporation, partnership, or organization, for the purpose of inducing a transaction for the sale or rental of real property from which transaction such person or any of its members may benefit financially, to represent that a change has occurred or will or may occur in the composition with respect to race, creed, color, national origin, ancestry, marital status, sex or nationality of the owners or occupants in the block, neighborhood directly or indirectly, that this change will or may result in undesirable consequences in the block, neighborhood or area in which the real property is located, including, but not limited to the lowering of property values, an increase in criminal or anti-social behavior, or a decline in the quality of schools or other facilities.

l. For any person to refuse to buy from, sell to, lease from or to, license, contract with, or trade with, provide goods, service or information to, or otherwise do business with any other person on the basis of the race, creed, color, national origin, ancestry, age, sex, marital status, liability for service in the Armed Forces of the United States, or nationality of such other person or of such other person's spouse, partners, members, stockholders, directors, officers, managers, superintendents, agents, employees, business associates, suppliers, or customers. This subsection shall not prohibit refusals or other actions (1) pertaining to employee-employer collective bargaining, labor disputes, or unfair labor practices, or (2) made or taken in connection with a protest of unlawful discrimination or unlawful employment practices.

m. For any person to:

(1) Grant or accept any letter of credit or other document which evidences the transfer of funds or credit, or enter into any contract for the exchange of goods or services, where the letter of credit, contract, or other document contains any provisions requir-

ing any person to discriminate against or to certify that he, she or it has not dealt with any other person on the basis of the race, creed, color, national origin, ancestry, age, sex, marital status, liability for service in the Armed Forces of the United States, or nationality of such other person or of such other person's spouse, partners, members, stockholders, directors, officers, managers, superintendents, agents, employees, business associates, suppliers, or customers.

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

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

n. For any person to aid, abet, incite, compel, coerce, or induce the doing of any act forbidden by subsections 11(1) and (m) of this act, or to attempt, or to conspire to do so. Such prohibited conduct shall include, but not be limited to:

(1) Buying from, selling to, leasing from or to, licensing, contracting with, trading with, providing goods, services, or information to, or otherwise doing business with any person because that person does, or agrees or attempts to do, any such act or any act prohibited by this subsection (n); or

(2) Boycotting, commercially blacklisting or refusing to buy from, sell to, lease from or to, license, contract with, provide goods, services or information to, or otherwise do business with any person because that person has not done or refuses to do any such act or any act prohibited by this subsection (n);

provided that, this subsection (n) shall not prohibit refusals or other actions either pertaining to employee-employer collective bargaining, labor disputes, or unfair labor practices, or made or taken in connection with a protest of unlawful discrimination or unlawful employment practices.

3. Section 16 of P. L. 1945, c. 169 (C. 10:5-17) is amended to read as follows:

**C. 10:5-17 Findings and conclusions of director; order.**

16. If, upon all evidence at the hearing, the director shall find that the respondent has engaged in any unlawful employment practice or unlawful discrimination as defined in this act, the director shall state his findings of fact and conclusions of law and shall issue and cause to be served on such respondent an order requiring such respondent to cease and desist from such unlawful employment practice or unlawful discrimination and to take such affirmative action, including, but not limited to, hiring, reinstatement or upgrading of employees, with or without back pay, or restoration to membership, in any respondent labor organization, or extending full and equal accommodations, advantages, facilities, and privileges to all persons, as, in the judgment of the director, will effectuate the purpose of this act, and including a requirement for report of the manner of compliance. If the conduct violative of this act constitutes any form of unlawful economic discrimination prohibited in section 11, subsections l., m., and n. of this act, the affirmative action taken by the director may include the award of three-fold damages to the person or persons aggrieved by the violation. The director shall have the power to use reasonably certain bases, including but not limited to list, catalogue or market prices or values, or contract or advertised terms and conditions, in order to determine particulars or performance in giving appropriate remedy. If, upon all the evidence, the director shall find that the respondent has not engaged in any such unlawful practice or unlawful discrimination, the director shall state his findings of fact and conclusions of law and shall issue and cause to be served on the complainant an order dismissing the said complaint as to such respondent.

4. Section 27 of P. L. 1945, c. 169 (C. 10:5-28) is amended to read as follows:

**C. 10:5-28 Partial invalidity.**

27. If any clause, sentence, paragraph, or part of this act or any amendment or supplement thereto 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.

5. This act shall take effect immediately.

Approved May 19, 1977.

## CHAPTER 97

AN ACT concerning elections, amending R. S. 19:23-45 and P. L. 1976, c. . . ., now pending before the Legislature as S. 1067 of 1976.

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; political party affiliation declaration forms.**

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, or a voter who has not previously voted in a primary election, 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.

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2. Section 2 of P. L. 1976, c. .... (C. ....) is amended to read as follows:

**C. 19:23-45.1 Notice of requirements to vote in primary elections; publication.**

2. 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, or a voter who has not previously voted in a primary election 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.

3. This act shall take effect immediately.

Approved May 20, 1977.

## CHAPTER 98

AN ACT concerning health insurance and supplementing chapter 26 of Title 17B of the New Jersey Statutes.

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

**C. 17B:26-39 Legislature's findings and declaration of policy.**

1. The Legislature hereby finds and declares that the high cost of hospital care necessitates the establishment of alternative means of caring for patients who need some professional health care, but who do not need to remain hospitalized. Home health care, therefore, is a necessary and desirable means of providing professional services to patients, consistent with the following objectives:

- a. Rehabilitation of the patient in order to assist in the development of independent living capabilities;
- b. Rehabilitation of the patient in order to attain reduction of physical or mental disability.

**C. 17B:26-40 Definitions.**

2. As used in this act:

a. "Home health care" means those nursing and other home health care services rendered to a person in his place of residence, under the following conditions:

(1) On a part-time and intermittent basis, except when full-time or 24-hour services are needed on a short-term basis:

(2) If continuing hospitalization would otherwise have been required if home health care were not provided;

(3) Pursuant to a physician's order and under a plan of care established by the responsible physician in collaboration with a home health care provider, which plan shall be periodically reviewed and approved by said physician. All care plans shall be established within 14 days following the commencement of home health care.

b. "Home health care services" means any of the following services necessary for achievement of the care plan set forth for the patient:

- (1) Nursing care;
- (2) Physical therapy;
- (3) Occupational therapy;
- (4) Medical social work;

- (5) Nutrition services;
- (6) Speech therapy;
- (7) Home health aide services;
- (8) Medical appliances and equipment, drugs and medications, laboratory services and special meals, to the extent such items and services would have been covered under the policy if the covered person had been in a hospital;

(9) Any diagnostic or therapeutic service, including surgical services, performed in a hospital outpatient department, a doctor's office or any other licensed health care facility, provided such service would have been covered under the policy if performed as inpatient hospital services.

c. "Home health care provider" means a home health care agency which is certified to participate as a home health agency under Title XVIII of the Social Security Act or a proprietary agency licensed by the Commissioner of Health. At such time as home health agency licensure standards are promulgated pursuant to P. L. 1971, c. 136 and 138, home health care providers shall be licensed agencies.

**C. 17B:26-41 Coverage for home health care.**

3. Notwithstanding any provision of a policy of health insurance, hereafter delivered or issued for delivery in this State, whenever such policy provides coverage for inpatient hospital care or skilled nursing facility care, it shall also provide coverage for home health care.

**C. 17B:26-42 Determination of benefits for home health care; number of visits.**

4. Every policy shall provide benefits required by section 3 without a separate deductible or coinsurance provision for the home health care benefit. For the purpose of determining the benefits for home health care, each visit by a member of a home health care team shall be considered as one home health care visit. The policy may contain a limitation on the number of home health care visits, but no policy may provide for less than 60 home health care visits in any calendar year or in any continuous period of 12 months.

**C. 17B:26-43 Direct reimbursement.**

5. The State Commissioner of Insurance, after consultation with the State Commissioner of Health, shall provide for a system of direct reimbursement to home health care providers for services rendered pursuant to this act.

**C. 17B:26-44 Regulations.**

6. The State Commissioner of Insurance, after consultation with the State Commissioner of Health, is hereby empowered and directed to promulgate regulations necessary to effectuate the provisions of this act.

7. This act shall take effect 6 months following enactment.

Approved May 23, 1977.

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**CHAPTER 99**

AN ACT concerning group health insurance and supplementing chapter 27 of Title 17B of the New Jersey Statutes.

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

**C. 17B:27-51.2 Legislature's findings and declaration of policy.**

1. The Legislature hereby finds and declares that the high cost of hospital care necessitates the establishment of alternative means of caring for patients who need some professional health care, but who do not need to remain hospitalized. Home health care, therefore, is a necessary and desirable means of providing professional services to patients, consistent with the following objectives:

- a. Rehabilitation of the patient in order to assist in the development of independent living capabilities;
- b. Rehabilitation of the patient in order to attain reduction of physical or mental disability.

**C. 17B:27-51.3 Definitions.**

2. As used in this act:

a. "Home health care" means those nursing and other home health care services rendered to a person in his place of residence, under the following conditions:

- (1) On a part-time and intermittent basis, except when full-time or 24-hour services are needed on a short-term basis;
- (2) If continuing hospitalization would otherwise have been required if home health care were not provided;
- (3) Pursuant to a physician's order and under a plan of care established by the responsible physician in collaboration with a home health care provider, which plan shall be periodically

reviewed and approved by said physician. All care plans shall be established within 14 days following the commencement of home health care.

b. "Home health care services" means any of the following services necessary for achievement of the care plan set forth for the patient:

- (1) Nursing care;
- (2) Physical therapy;
- (3) Occupational therapy;
- (4) Medical social work;
- (5) Nutrition services;
- (6) Speech therapy;
- (7) Home health aide services;
- (8) Medical appliances and equipment, drugs and medications, laboratory services and special meals, to the extent such items and services would have been covered under the policy if the covered person had been in a hospital;
- (9) Any diagnostic or therapeutic service, including surgical services, performed in a hospital outpatient department, a doctor's office or any other licensed health care facility, provided such service would have been covered under the policy if performed as inpatient hospital services.

c. "Home health care provider" means a home health care agency which is certified to participate as a home health agency under Title XVIII of the Social Security Act or a proprietary agency licensed by the Commissioner of Health. At such time as home health agency licensure standards are promulgated pursuant to c. 136 and 138, P. L. 1971, home health care providers shall be licensed agencies.

**C. 17B:27-51.4 Coverage for home health care.**

3. Notwithstanding any provision of a policy of group health insurance, hereafter delivered or issued for delivery in this State, whenever such policy provides coverage for inpatient hospital care or skilled nursing facility care, it shall also provide coverage for home health care.

**C. 17B:27-51.5 Determination of benefits for home health care; number of visits.**

4. Every policy shall provide benefits required by section 3 without a separate deductible or coinsurance provision for the home health care benefit. For the purpose of determining the benefits for home health care, each visit by a member of a home health care team shall be considered as one home health care visit. The

policy may contain a limitation on the number of home health care visits, but no policy may provide for less than 60 home health care visits in any calendar year or in any continuous period of 12 months.

**C. 17B:27-51.6 Direct reimbursement.**

5. The State Commissioner of Insurance, after consultation with the State Commissioner of Health, shall provide for a system of direct reimbursement to home health care providers for services rendered pursuant to this act.

**C. 17B:27-51.7 Regulations.**

6. The State Commissioner of Insurance, after consultation with the State Commissioner of Health, is hereby empowered and directed to promulgate regulations necessary to effectuate the provisions of this act.

7. This act shall take effect 6 months following enactment.

Approved May 23, 1977.

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CHAPTER 100

AN ACT to amend the Charter of the borough of Paramus, in the county of Bergen.

WHEREAS, The borough of Paramus in the county of Bergen has as required by section 1 - 16 of P. L. 1950, c. 210 (C. 40:69A-16), petitioned the Legislature for a special law to provide an amendment to the charter for the borough, 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 passage of such special law has been duly published, and proof of such publication, together with the original of the petition have been presented and filed; now, therefore

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

1. The Charter of the borough of Paramus, county of Bergen is amended as follows:

#### ARTICLE 1

##### GENERAL PROVISIONS

Section 1-1 EFFECT OF AMENDMENTS. Upon the adoption of the amendments set forth in this act by the qualified voters of the borough of Paramus as hereinafter provided, the borough shall continue to be governed by its present charter as set forth in all applicable provisions of general law not inconsistent with such amendments or any other provision of this act.

Section 1-2 GENERAL LAW DEFINED. For the purposes of this act, a "general law" shall be deemed to be any law or provision of law, not inconsistent with the provisions of this act, heretofore or hereafter enacted which is by its terms applicable or available to all municipalities or to all boroughs governed by the borough form of government, and the following additional laws whether or not such additional laws are so applicable or available to all municipalities or all such boroughs: legislation relating to taxation, local courts, education, health, public authorities serving more than one municipality, and municipalities in unsound financial condition.

#### ARTICLE 2

##### COUNCIL

Section 2-1 LEGISLATIVE POWERS. The legislative power of the borough shall be exercised by the borough council, except as may be otherwise provided by general law.

Section 2-2 ADDITIONAL POWERS. The council, in addition to such other powers and duties as may be conferred upon it by this act or otherwise by general law, may:

(a) Require any borough officer or department head, in its discretion to prepare and submit sworn statements regarding his official duties and the performance thereof, and otherwise to investigate the conduct of any department, office or agency of the municipal government;

(b) Remove any appointed borough officer, for cause, upon notice and an opportunity to be heard.

## ARTICLE 3

## MAYOR AND ADMINISTRATION

Section 3-1 EXECUTIVE POWERS. The executive power of the borough shall be exercised by the mayor.

Section 3-2 MAYOR'S DUTIES. The mayor shall enforce the charter and ordinances of the borough 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 borough 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 borough government, all commissions and all borough officers except council members, and shall require each department to make an annual and such other reports of its work as he may deem desirable. The mayor may also require any other officer of the borough, other than a council member, to make reports to him, from time to time.

Section 3-3 BOROUGH OFFICERS AND DEPARTMENTS, LIMITATION, DIRECTORS, APPOINTMENT AND REMOVAL OF SUBORDINATES. (a) The borough shall have such offices as are required by general law or which are made specifically available by general law and which are established by ordinance. All administrative functions, powers and duties of the municipality, other than those vested in borough officers who are not designated as ex-officio department heads, shall be allocated and assigned among a department of administration and such other departments, not exceeding nine in number, as the council has heretofore established or may hereafter establish by ordinance. All officers of the borough who have not heretofore been assigned to a department, and who are required to be so assigned, shall continue to exercise their offices, subject to the direct supervision of the mayor, until assigned to a department, by ordinance.

(b) Each department shall be headed by a director. The holder of any borough office may be designated ex officio as a director of any department. Each department head shall serve during the term of office for which he is appointed and until the appointment and qualification of his successor.

(c) The mayor, in his discretion, may remove any department head or suspend the exercise by any borough officer who is ex officio a department head of his office as such department head, after notice and an opportunity to be heard. Prior to any such removal

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or suspension, as the case may be, the mayor shall first file written notice of his intention with the council, and such removal or suspension 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 two-third vote of the whole number of the council disapproving the removal or suspension. The suspension of a borough officer's ex-officio function, as a department head, shall be without effect on any applicable provision of general law or borough ordinance with respect to his removal as a borough officer.

(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 borough, 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.

Section 3-4 DEPARTMENT OF ADMINISTRATION, 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.

Section 3-5 APPOINTMENTS. All borough officers and employees shall be appointed in the manner, and, except as provided in this Section 3-5, for the terms, prescribed by the provisions of general law. All department heads, and other borough officers, who serve at the pleasure of the mayor and/or council shall serve for the term of the mayor appointing them, whether or not their appointment is subject to approval by the council. Any appointment, made

by the council in default of an appointment by the mayor, or because of the failure to approve an appointment by the mayor, shall be for a term of 1 year.

Section 3-6 RELATION OF THE COUNCIL TO THE ADMINISTRATIVE SERVICE. It is the intention of these amendments that the borough council shall act in all matters as a body. The council and its members shall deal with the administrative service through the mayor and shall not give orders to any officers, employees subject to the direction of the mayor or his subordinates, either publicly or privately. Nothing herein contained shall prevent the council, any of its members, or any committee or commissions of council members or of citizens appointed by the council from conducting investigations into the conduct of any officer or department, or any matter relating to an officer or department of the borough, and delegating to such committees or commissions or any of its members such powers of inquiry as the municipal council may deem necessary.

#### ARTICLE 4

##### BUDGET AND CONTROL

Section 4-1 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.

Section 4-2 BUDGET SUBMITTED TO COUNCIL. On or before the fifteenth day of January 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.

Section 4-3 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.

Section 4-4 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 expenditures 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 5

##### ADOPTION OF AMENDMENTS; EFFECT

Section 5-1 ADOPTION BY REFERENDUM. This act shall be submitted to the voters of the borough, in accordance with the applicable provisions of general law, at the next general election occurring not less than 25 days after its enactment by the Legislature. If a majority of the qualified electors voting vote in favor of its adoption, it shall take effect upon the reorganization of the borough council in the month of January next following such election, except that the borough council upon its then reorganization may postpone all or part of this act to a time no later than the reorganization of the borough council in the month of January in the following year.

Section 5-2 EXISTING ORDINANCES NOT AFFECTED. All ordinances and resolutions of the borough 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.

Section 5-3 EXISTING OFFICES PRESERVED. This act shall not be construed to abolish any offices existing in the borough nor to end the term of any elected or appointed officer serving at the time it becomes effective or at the time any part of it becomes effective.

#### ARTICLE 6

##### MISCELLANEOUS PROVISIONS

Section 6-1 ACT SEVERABLE. 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 rendered.

Section 6-2 SHORT TITLE. This act shall be known as the Paramus Municipal Charter Amendments Law of 1976.

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 (×), plus (+) or check (√) in the square opposite the word "Yes." If you are opposed thereto make a cross (×), plus (+) or check (√) in the square opposite the word "No."

	Yes.	"Shall 'An act to amend the Charter of the borough of Paramus, in the county of Bergen' 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 borough committee of the borough of Paramus, county of Bergen, including the elections and qualifications of its members, and all actions of the said borough committee, 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 borough clerk shall forthwith file his certificate of the results of the referendum on the public question with the Secretary of State, and the charter amendments shall become operative as provided in Article 5 of the charter as set forth in section 1 of this act.

Approved May 23, 1977.

## CHAPTER 101

AN ACT appropriating certain funds from the State Facilities for Handicapped Fund for construction of a building to serve as a school for the severely handicapped children within the region of Bergen, Passaic and northern Hudson counties.

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 State Facilities for Handicapped Fund established pursuant to the provisions of P. L. 1973, c. 149, the sum of \$2,500,000.00, or so much thereof as may be necessary, for the purpose of constructing a school to serve the severely handicapped children within the region of Bergen, Passaic and northern Hudson counties.

2. This act shall take effect immediately.

Approved May 23, 1977.

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CHAPTER 102

AN ACT concerning the confidentiality of records or reports of child abuse or neglect and supplementing chapter 6 of Title 9 of the Revised Statutes.

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

**C. 9:6-8.10a Records of child abuse reports; confidentiality; disclosure.**

1. a. All records of child abuse reports made pursuant to section 3 of P. L. 1971, c. 437 (C. 9:6-8.10), all information obtained by the Division of Youth and Family Services in investigating such reports including reports received pursuant to section 20 of P. L. 1974, c. 119 (C. 9:6-8.40), and all reports of findings forwarded to the central registry pursuant to section 4 of P. L. 1971, c. 437 (C. 9:6-8.11) shall be kept confidential and may be disclosed only under the circumstances expressly authorized under subsection b. herein.

b. The division may release the records and reports referred to in subsection a., or parts thereof, to:

(1) A public or private child protective agency authorized to investigate a report of child abuse or neglect;

(2) A police or other law enforcement agency investigating a report of child abuse or neglect;

(3) A physician who has before him a child whom he reasonably suspects may be abused or neglected;

(4) A physician, a hospital director or his designate, a police officer or other person authorized to place a child in protective custody when such person has before him a child whom he reasonably suspects may be abused or neglected and requires the information in order to determine whether to place the child in protective custody;

(5) An agency authorized to care for, treat, or supervise a child who is the subject of a child abuse report, or a parent, guardian or other person who is responsible for the child's welfare, or both, when the information is needed in connection with the provision of care, treatment, or supervision to such child or such parent, guardian or other person;

(6) A court, upon its finding that access to such records may be necessary for determination of an issue before the court, and such records may be disclosed by the court in whole or in part to the law guardian, attorney or other appropriate person upon a finding that such further disclosure is necessary for determination of an issue before the court;

(7) A grand jury upon its determination that access to such records is necessary in the conduct of its official business;

(8) Any appropriate State legislative committee acting in the course of its official functions, provided, however, that no names or other information identifying persons named in the report shall be made available to the legislative committee unless it is absolutely essential to the legislative purpose;

(9) Any person engaged in a bona fide research purpose, provided, however, that no names or other information identifying persons named in the report shall be made available to the researcher unless it is absolutely essential to the research purpose and provided further that the approval of the director of the Division of Youth and Family Services shall first have been obtained.

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Any individual, agency, court, grand jury or legislative committee which receives from the division the records and reports referred to in subsection a., shall keep such records and reports, or parts thereof, confidential.

**C. 9:6-8.10b Violation of act; penalty.**

2. Any person who willfully permits or encourages the release of the contents of any record or report in contravention of this act shall be guilty of a misdemeanor and subject to a fine of not more than \$1,000.00, or to imprisonment for not more than 3 years, or both.

3. This act shall take effect immediately.

Approved May 25, 1977.

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CHAPTER 103

AN ACT concerning municipal commissioner elections, and amending R. S. 40:75-3.

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

1. R. S. 40:75-3 is amended to read as follows:

**Nomination by petition; nature and sufficiency.**

40:75-3. The names of the candidates for commissioners shall be filed with the municipal clerk in the manner and form and under the conditions set forth in this section and sections 40:75-4 and 40:75-5 of this Title; said filing to be at least 30 days prior to an election for the first members of the commission and at least 40 days prior to any other municipal election, as the case may be, and in no event shall be filed later than 4 p.m. The petition of nomination shall consist of individual certificates equal in number to at least one-half of 1% of the entire vote cast at the last preceding general election, but in no event less than 25.

Each certificate shall be a separate paper and shall contain the names of not more than 10 signers and the name of but one candidate. No signer shall, at the time of filing the certificate, have signed more certificates for candidates for that office than there are places to be filled. If an elector has signed two or more conflicting certificates all such certificates shall be rejected.

2. This act shall take effect immediately.

Approved May 25, 1977.

**New Jersey State Library**

## CHAPTER 104

AN ACT to amend “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,” approved December 27, 1976 (P. L. 1976, c. 133), and making an appropriation.

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

1. Section 6 of P. L. 1976, c. 133 (C. 55:14J-46) is amended to read as follows:

**C. 55:14J-46 Financial assistance for senior citizens, low or moderate income families and for qualified housing developments.**

6. The commissioner is authorized to utilize \$3,000,000.00 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 prop-

erty owners in viable urban neighborhoods threatened by the lack of private capital for mortgage loans and loans for rehabilitation.

2. There is hereby appropriated from the Mortgage Assistance Fund to the Department of Community Affairs the sum of \$1,000,000.00 in accordance with the provisions of P. L. 1976, c. 133 (C. 55:14J-41 et seq.). Said appropriations shall be derived from the sale of State Mortgage Assistance Bonds issued pursuant to P. L. 1976, c. 94.

3. This act shall take effect immediately.

Approved May 26, 1977.

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## CHAPTER 105

AN ACT preserving Island Beach State Park in its present state for posterity.

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

**C. 13:6-2 Legislature's declaration.**

1. The Legislature hereby declares that Island Beach State Park is one of the few natural expanses of barrier beach remaining along the eastern edge of North America; that Island Beach State Park is highly valued for its topography, flora and fauna; that Island Beach State Park serves the citizens of this State as a unique recreational and educational resource and that therefore Island Beach State Park shall be preserved, maintained and improved in such a manner as the Division of Parks and Forestry in the Department of Environmental Protection determines will best perpetuate the park's present physical state.

**C. 13:6-3 Preservation of Island Beach State Park for posterity.**

2. Island Beach State Park shall from this day forward be preserved for posterity in accordance with the terms of this act.

Approved May 30, 1977.

## CHAPTER 106

AN ACT concerning leave of absence from public employment and amending R. S. 38:23-2.

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

1. R. S. 38:23-2 is amended to read as follows:

**Leave of absence to attend State or national conventions.**

38:23-2. The head of every public department and of every court of this State, every superintendent or foreman on the public works of this State, the heads of the county offices of the several counties and the head of every department, bureau and office in the government of the various municipalities, shall give a leave of absence with pay to every person in the service of the State, county or municipality who is a duly authorized representative of the Grand Army of the Republic, United Spanish-American War Veterans, Disabled American Veterans, Disabled American Veterans' Auxiliary, Veterans of Foreign Wars, Ladies Auxiliaries of Veterans of Foreign Wars, Ladies Auxiliary, Veterans of World War I of the U. S. A., American Gold Star Mothers, Indian War Veterans, American Legion, American Legion Auxiliary, Jewish War Veterans of the United States, Ladies Auxiliary, Department of New Jersey, Jewish War Veterans of the U. S. A., Catholic War Veterans of the United States, Ladies Auxiliary of New Jersey State Department, Catholic War Veterans, The 369th Veterans Association, Incorporated, Women's Overseas Service League, American Veterans of World War II, Korea and Vietnam, and AMVETS Ladies Auxiliary, Reserve Officers Association of the United States, Marine Corps League of the United States, Army and Navy Legion of Valor, the Twenty-ninth Division Association, Council of State Employees, War Veteran Public Employees Association, New Jersey Civil Service Association, Blind Veterans Association of New Jersey, Army and Air National Guard Association of New Jersey, The National Guard Association of the United States, The United States Coast Guard Auxiliary, Navy League, Veterans of World War I of the United States of America, Polish Legion of American Veterans, Polish Legion of American Veterans, Ladies Auxiliary, the Italian American War Veterans of the United States, Incorporated, the Ladies Auxiliary, Italian American War Veterans of the United States, Incorporated, the New Jersey Firemen's Associ-

ation and the New Jersey State Exempt Firemen's Association, to attend any State or national convention of such organization.

A certificate of attendance to the State convention or encampment shall, upon request, be submitted by the representative so attending.

Leave of absence shall be for a period inclusive of the duration of the convention with a reasonable time allowed for time to travel to and from the convention. No person shall be entitled to a total of more than 5 days leave of absence with pay each calendar year for the purpose of attending, as authorized representative, the State or national convention of one or more of the above enumerated organizations. The leaves of absence authorized hereunder shall not be cumulative and any unused leaves shall be canceled at the end of any given year.

2. This act shall take effect immediately.

Approved May 30, 1977.

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#### CHAPTER 107

AN ACT to amend "An act to provide for exemption from taxation in certain cases, and supplementing chapter 4 of Title 54 of the Revised Statutes," approved July 21, 1948 (P. L. 1948, c. 259) (C. 54:4-3.30 et seq.).

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

1. Section 1 of P. L. 1948, c. 259 (C. 54:4-3.30) is amended to read as follows:

**C. 54:4-3.30 Exemption of dwellings of veterans suffering certain disabilities; exceptions; widows' rights.**

1. a. The dwelling house and the lot or curtilage whereon the same is erected, of any citizen and resident of this State, now or hereafter honorably discharged or released under honorable circumstances, from active service, in time of war, in any branch of the Armed Forces of the United States who has been or shall be declared by the United States Veterans Administration or its successors to have a service-connected disability from paraplegia, sarcoidosis, osteochondritis resulting in permanent loss of the use

of both legs, or permanent paralysis of both legs and lower parts of the body, or from hemiplegia and has permanent paralysis of one leg and one arm or either side of the body, resulting from injury to the spinal cord, skeletal structure, or brain or from disease of the spinal cord not resulting from any form of syphilis; or from total blindness; or from amputation of both arms or both legs, or both hands or both feet, or the combination of a hand and a foot; or from other service-connected disability declared by the United States Veterans Administration or its successor to be a total or 100% permanent disability, and not so evaluated solely because of hospitalization or surgery and recuperation, sustained through enemy action, or accident, or resulting from disease contracted while in such active service shall be exempt from taxation, on proper claim made therefor, and such exemption shall be in addition to any other exemption of such person's real and personal property which now is or hereafter shall be prescribed or allowed by the Constitution or by law but no taxpayer shall be allowed more than one exemption under this act.

b. The widow of any such citizen and resident of this State who at the time of his death was entitled to and had the exemption provided under this act, shall be entitled, on proper claim made therefor, to the same exemption as her husband so had, during her widowhood and while a resident of this State, for the time that she is the legal owner thereof and actually occupies the said dwelling house on the premises to be exempted.

c. The widow of any citizen and resident of this State who died prior to January 10, 1972, that being the effective date of P. L. 1971, c. 398, and whose circumstances were such that, had said law become effective during the deceased's lifetime, he would have become eligible for the exemption granted under this section as amended by said law, shall be entitled, on proper claim made therefor, to the same exemption as her husband would have become eligible for upon the dwelling house and lot or curtilage occupied by him at the time of his death, during her widowhood and while a resident of this State, for the time that she is the legal owner thereof and actually occupies the said dwelling house on the premises to be exempted.

d. Nothing in this act shall be intended to include paraplegia or hemiplegia resulting from locomotor ataxia or other forms of syphilis of the central nervous system, or from chronic alcoholism, or to include other forms of disease resulting from the veteran's

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own misconduct which may produce signs and symptoms similar to those resulting from paraplegia, osteochondritis, or hemiplegia.

2. Section 2 of P. L. 1948, c. 259 (C. 54:4-3.31) is amended to read as follows:

**C. 54:4-3.31 Written claim for exemption under oath; allowance by assessor; multiple-family buildings.**

2. All exemptions from taxation under this act shall be allowed by the assessor upon the filing with him of a claim in writing under oath, made by or on behalf of the person claiming the same, showing the right to the exemption, briefly describing the property for which exemption is claimed and having annexed thereto a certificate of the claimant's honorable discharge or release under honorable circumstances, from active service, in time of war, in any branch of the armed forces and a certificate from the United States Veterans Administration or its successors, certifying to a service-connected disability of such claimant of the character described in section 1 of this act. In the case of a claim by a widow of such veteran, she shall establish in writing under oath that she is the owner of the legal title to the premises on which exemption is claimed; that she occupies the dwelling house on said premises as her legal residence in this State; that her husband shall have been declared by the United States Veterans Administration to have a service-connected disability of a character described in this act; that her husband was entitled to and was actually receiving exemption of said premises at the time of his death, or if he was not that she is entitled to exemption by reason of the provisions of subsection c. of section 1 of this act; and that she is a resident of this State and has not remarried. Such exemptions shall be allowed and prorated by the assessor for the remainder of any taxable year from the date the claimant shall have acquired title to the real property intended to be exempt by this act. Where a portion of a multiple-family building or structure occupied by the claimant is the subject of such exemption, the assessor shall aggregate the assessment on the lot or curtilage and building or structure and allow an exemption of that percentage of the aggregate assessment as the value of the portion of the building or structure occupied by the claimant bears to the value of the entire building or structure.

3. This act shall take effect immediately.

Approved May 30, 1977.

## CHAPTER 108

AN ACT to amend "An act declaring the policy of the states of New York and New Jersey in regard to certain vehicular bridges and tunnels within the Port of New York District; and in furtherance of the said policy vesting the control and operation of the Holland tunnel in the Port of New York Authority, authorizing the port authority to construct an additional interstate vehicular tunnel, and regulating the construction and operation of bridges and tunnels by the port authority," approved March 2, 1931 (P. L. 1931, c. 4), and "An act to provide for the financing and effectuation by the Port of New York Authority of a port development project, consisting of the Hudson tubes, the Hudson tubes extensions and a world trade center, for coordinating, facilitating and promoting the transportation of persons and the flow and exchange of trade and commerce in and through the Port of New York District, and agreeing with the State of New York with respect thereto," approved February 13, 1962 (P. L. 1962, c. 8).

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

1. Section 11 of P. L. 1931, c. 4 (R. S. 32:1-128) is amended to read as follows:

**Rules and regulations; establishment and collection of tolls; disposition of revenues; public hearing.**

11. The port authority is hereby authorized to make and enforce such rules and regulations and to establish, levy and collect such tolls and other charges in connection with any vehicular bridges and tunnels which it may now or hereafter be authorized to own, construct, operate or control (including the said Holland Tunnel and the said Midtown Hudson Tunnel), as it may deem necessary, proper or desirable, which said tolls and charges shall be at least sufficient to meet the expenses of the construction, operation and maintenance thereof, and to provide for the payment of, with interest upon, and the amortization and retirement of bonds or other securities or obligations issued or incurred for bridge or tunnel purposes. There shall be allocated to the cost of the construction,

operation and maintenance of such bridges and tunnels, such proportion of the general expenses of the port authority as it shall deem properly chargeable thereto.

The moneys in the General Reserve Fund of the port authority (authorized by chapter 5 of the laws of New Jersey, 1931, as amended, and chapter 48 of the laws of New York, 1931, as amended) may be pledged in whole or in part by the port authority as security for or applied by it to the repayment with interest of any moneys which it may raise upon bonds or other securities or obligations issued or incurred from time to time for any of the purposes of this act or secured in whole or in part by the pledge of the revenues of the port authority from any bridge or tunnel or both so issued or incurred and so secured; and the moneys in said General Reserve Fund may be applied by the port authority to the fulfillment of any other undertakings which it may assume to or for the benefit of the holders of any such bonds, securities or other obligations.

Subject to prior liens and pledges (and to the obligation of the port authority to apply revenues to the maintenance of its General Reserve Fund in the amount prescribed by the said statutes authorizing said fund), the revenues of the port authority from facilities established, constructed, acquired or effectuated through the issuance or sale of bonds of the port authority secured by a pledge of its General Reserve Fund may be pledged in whole or in part as security for or applied by it to the repayment with interest of any moneys which it may raise upon bonds or other securities or obligations issued or incurred from time to time for any of the purposes of this act or secured in whole or in part by the pledge of the revenues of the port authority from any bridge or tunnel or both so issued or incurred and so secured; and said revenues may be applied by the port authority to the fulfillment of any other undertakings which it may assume to or for the benefit of the holders of such bonds, securities or other obligations.

In the event that at any time the balance of moneys theretofore paid into the General Reserve Fund and not applied therefrom shall exceed an amount equal to  $\frac{1}{10}$  of the par value of all bonds legal for investment, as defined and limited in the said statutes authorizing said fund, issued by the port authority and currently outstanding at such time, by reason of the retirement of bonds or other securities or obligations issued or incurred from time to time for any of the purposes of this act or secured in whole or

in part by the pledge of the revenues of the port authority from any bridge or tunnel or both so issued or incurred and so secured, the par value of which had theretofore been included in the computation of said  $\frac{1}{10}$ , then the port authority may pledge or apply such excess for and only for the purposes for which it is authorized by the said statutes authorizing said fund to pledge the moneys in the General Reserve Fund, and such pledge may be made in advance of the time when such excess may occur.

No tolls or other charges authorized by this section shall hereafter be instituted or increased until after a public hearing thereon shall have been held, at which persons affected thereby shall be given adequate opportunity to be heard, and notice whereof shall be published by the port authority in a newspaper or newspapers of general circulation within the port district not less than 10 days prior to the convening of such hearing. Such notice shall state with particularity the charge or charges proposed to be instituted or increased and shall set forth in tabular form a comparison of the existing charges with the charges which would result from such institution or increase; and such tabulation shall also include a similar comparison of any decreases or abolitions of charges which are concomitantly proposed as part of a single proposal for restructuring of rates. Such notice shall also set forth an estimate of the overall increase or decrease in annual revenues to the port authority resulting from the proposed institution, increase, decrease or abolition of charges, or combination thereof forming items of a single proposal; the purpose or purposes to which any such overall increase is to be applied, and, if there be more than one such purpose, the specific allocation of such funds between or among them.

2. Section 3 of P. L. 1962, c. 8 (C. 32:1-35.52) is amended to read as follows:

**C. 32:1-35.52 Port development project; authority's powers and duties.**

3. In furtherance of the aforesaid findings and determinations and in partial effectuation of and supplemental to the comprehensive plan heretofore adopted by the 2 said States for the development of the said port district, the port authority is hereby authorized and empowered to establish, acquire, construct, effectuate, develop, own, lease, maintain, operate, improve and rehabilitate project herein referred to as the port development project, which shall consist of a facility of commerce herein referred to as the world trade center, to be located within the Hudson

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tubes-world trade center area, and railroad facilities herein referred to as the Hudson tubes and the Hudson tubes extensions. The port authority shall proceed as rapidly as may be practicable to accomplish the purposes of this act.

The port authority is hereby authorized and empowered to establish, levy and collect such rentals, tolls, fares, fees and other charges as it may deem necessary, proper or desirable in connection with any facility or part of any facility constituting a portion of the port development project and to issue bonds for any of the purposes of this act and to provide for payment thereof, with interest upon and the amortization and retirement of such bonds, and to secure all or any portion of such bonds by a pledge of such rentals, tolls, fares, fees, charges and other revenues or any part thereof (including but not limited to the revenues of any subsidiary corporation incorporated for any of the purposes of this act), and to secure all or any portion of such bonds by mortgages upon any property held or to be held by the port authority (or by any such subsidiary corporation) for any of the purposes of this act, and for any of the purposes of this act to exercise all appropriate powers heretofore or hereafter delegated to it by the States of New York and New Jersey, including, but not limited to, those expressly set forth in this act. The surplus revenues of the port development project may be pledged in whole or in part as hereinafter provided.

No toll or fare for passage upon or over the passenger rail facilities as to which the port authority is authorized and empowered to establish, levy and collect the same shall hereafter be instituted or increased until after a public hearing thereon shall have been held, at which persons affected thereby shall be given adequate opportunity to be heard, and notice whereof shall be published in a newspaper or newspapers of general circulation within the port district not less than 10 days prior to the convening of such hearing.

Unless and until hereafter expressly authorized by the two States the port authority shall not: (a) operate or permit operation by others of its Hudson tubes railroad cars or other rolling stock or equipment or Hudson tubes extensions railroad cars or other rolling stock or equipment except upon the rail transit lines of the Hudson tubes or of the Hudson tubes extensions and also between the Market street station and the South street station of the Pennsylvania Railroad Company in the city of Newark, State of New Jersey; or (b) except by way of Hudson tubes ex-

tensions as herein defined, make additions, betterments or other improvements to or of said Hudson tubes or Hudson tubes extensions by way of extensions of their rail transit lines. Nothing herein contained shall be deemed to prevent the making by the port authority of such joint service or other agreements with railroads as it shall deem necessary, convenient or desirable for the use of the Hudson tubes and Hudson tubes extensions by the railroad cars or other rolling stock or equipment of such railroads and the acquisition of the rights of any or all parties in any joint service or other agreements the Hudson & Manhattan Railroad Company or its successors shall have made with other railroads for such use of the Hudson tubes. The port authority shall not proceed with the effectuation of any railroad or railroad facility in addition to the Hudson tubes and the Hudson tubes extensions until hereafter expressly authorized by the 2 states. Nothing contained in this act shall authorize or empower the port authority to establish, construct or otherwise effectuate an air terminal.

3. 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 has already enacted such legislation this act shall take effect immediately.

Approved May 31, 1977.

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#### CHAPTER 109

AN ACT to amend the "county improvement authorities law," approved January 18, 1961 (P. L. 1960, c. 183).

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

1. Section 40 of P. L. 1960, c. 183 (C. 40:37A-83) is amended to read as follows:

**C. 40:37A-83 Annual payments to municipalities in lieu of taxes.**

40. Every authority and every municipality in which any property of the authority is located are hereby authorized and empowered to enter into agreements with respect to the payment by the authority to such municipality of annual sums of money in lieu of taxes on such property in such amounts as may be agreed

upon between the authority and the municipality, and each such authority is empowered to make such payments and each such municipality is empowered to accept such payments and to apply them in the manner in which taxes may be applied in such municipality; provided, however, that no such annual payment with respect to any parcel of such property shall exceed the amount to be derived by applying the current general tax rate for the taxing district in which such property is located to the assessed and taxable value of such property for the taxable year immediately prior to the time of its acquisition by the authority. In the case of a new facility constructed and owned by the authority, the authority is empowered to enter into an agreement with the municipality to make payments in lieu of taxes on such facility, so long as such payments do not exceed the amount derived by applying the current local purposes tax rate for such taxing district to the actual cost of construction of the facility; provided, however, that in the first through fourth year of such payments they shall not exceed 40% of the amount so derived, in the fifth through eighth year 50% of the amount so derived, in the ninth through twelfth year 65% of the amount so derived, and in the thirteenth through sixteenth year 80% of the amount so derived, until in the seventeenth year and all subsequent years the payments shall not exceed the amount derived as hereinbefore prescribed.

2. This act shall take effect immediately.

Approved June 1, 1977.

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#### CHAPTER 110

AN ACT authorizing the establishment of gambling casinos in Atlantic City and providing for the licensing, regulation and taxation thereof, and creating the New Jersey Casino Control Commission and the Division of Gaming Enforcement, prescribing the powers, duties and functions thereof and making appropriations thereto.

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

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## ARTICLE 1. INTRODUCTION AND GENERAL PROVISIONS.

**C. 5:12-1 Short title; declaration of policy and legislative findings.**

## 1. Short Title; Declaration of Policy and Legislative Findings.

a. This act shall be known and may be cited as the "Casino Control Act."

b. The Legislature hereby finds, and declares to be the public policy of this State, the following:

(1) The tourist, resort and convention industry of this State constitutes a critical component of its economic structure and, if properly developed, controlled and fostered, is capable of providing a substantial contribution to the general welfare, health and prosperity of the State and its inhabitants.

(2) By reason of its location, natural resources and worldwide prominence and reputation, the city of Atlantic City and its resort, tourist and convention industry represent a critically important and valuable asset in the continued viability and economic strength of the tourist, convention and resort industry of the State of New Jersey.

(3) The rehabilitation and redevelopment of existing tourist and convention facilities in Atlantic City, and the fostering and encouragement of new construction and the replacement of lost convention, tourist, entertainment and cultural centers in Atlantic City will offer a unique opportunity for the inhabitants of the entire State to make maximum use of the natural resources available in Atlantic City for the expansion and encouragement of New Jersey's hospitality industry, and to that end, the restoration of Atlantic City as the Playground of the World and the major hospitality center of the Eastern United States is found to be a program of critical concern and importance to the inhabitants of the State of New Jersey.

(4) Legalized casino gaming has been approved by the citizens of New Jersey as a unique tool of urban redevelopment for Atlantic City. In this regard, the introduction of a limited number of casino rooms in major hotel convention complexes, permitted as an additional element in the hospitality industry of Atlantic City, will

facilitate the redevelopment of existing blighted areas and the refurbishing and expansion of existing hotel, convention, tourist, and entertainment facilities; encourage the replacement of lost hospitality-oriented facilities; provide for judicious use of open space for leisure time and recreational activities; and attract new investment capital to New Jersey in general and to Atlantic City in particular.

(5) Restricting the issuance of casino licenses to major hotel and convention facilities is designed to assure that the existing nature and tone of the hospitality industry in New Jersey and in Atlantic City is preserved, and that the casino rooms licensed pursuant to the provisions of this act are always offered and maintained as an integral element of such hospitality facilities, rather than as the industry unto themselves that they have become in other jurisdictions.

(6) An integral and essential element of the regulation and control of such casino facilities by the State rests in the public confidence and trust in the credibility and integrity of the regulatory process and of casino operations. To further such public confidence and trust, the regulatory provisions of this act are designed to extend strict State regulation to all persons, locations, practices and associations related to the operation of licensed casino enterprises and all related service industries as herein provided. In addition, licensure of a limited number of casino establishments, with the comprehensive law-enforcement supervision attendant thereto, is further designed to contribute to the public confidence and trust in the efficacy and integrity of the regulatory process.

(7) Legalized casino gaming in New Jersey can attain, maintain and retain integrity, public confidence and trust, and remain compatible with the general public interest only under such a system of control and regulation as insures, so far as practicable, the exclusion from participation therein of persons with known criminal records, habits or associations, and the exclusion or removal from any positions of authority or responsibility within casino gaming operations and establishments of any persons known to be so deficient in business probity, ability or experience, either generally or with specific reference to gaming, as to create or enhance the dangers of unsound, unfair or illegal practices, methods and activities in the conduct of gaming or the carrying on of the business and financial arrangements incident thereto.

(8) Since the public has a vital interest in casino operations in Atlantic City and has established an exception to the general policy

of the State concerning gaming for private gain, participation in casino operations as a licensee under this act shall be deemed a revokable privilege conditioned upon the proper and continued qualification of the individual licensee and upon the discharge of the affirmative responsibility of each such licensee to provide to the regulatory and investigatory authorities established by this act any assistance and information necessary to assure that the policies declared by this act are achieved. Consistent with this policy, it is the intent of this act to preclude the creation of any property right in any license, certificate or reservation permitted by this act, the accrual of any value to the privilege of participation in gaming operations, or the transfer of any license, certificate, or reservation, and to require that participation in gaming be solely conditioned upon the individual qualifications of the person seeking such privilege.

(9) Since casino operations are especially sensitive and in need of public control and supervision, and since it is vital to the interests of the State to prevent entry, directly or indirectly, into such operations or the ancillary industries regulated by this act of persons who have pursued economic gains in an occupational manner or context which are in violation of the criminal or civil public policies of this State, the regulatory and investigatory powers and duties shall be exercised to the fullest extent consistent with law to avoid entry of such persons into the casino operations or the ancillary industries regulated by this act.

(10) Since the development of casino gaming operations in Atlantic City will substantially alter the environment of New Jersey's coastal areas, and since it is necessary to insure that this substantial alteration be beneficial to the overall ecology of the coastal areas, the regulatory and investigatory powers and duties conferred by this act shall include, in cooperation with other public agencies, the power and the duty to monitor and regulate casinos and the growth of casino operations to respond to the needs of the coastal areas.

(11) The facilities in which licensed casinos are to be located are of vital law enforcement and social interest to the State, and it is in the public interest that the regulatory and investigatory powers and duties conferred by this act include the power and duty to review architectural and site plans to assure that the proposal is suitable by law enforcement, aesthetic and architectural standards.

(12) Since the economic stability of casino operations is in the public interest and competition in the casino operations in Atlantic City is desirable and necessary to assure the residents of Atlantic City and of this State and other visitors to Atlantic City varied attractions and exceptional facilities, the regulatory and investigatory powers and duties conferred by this act shall include the power and duty to regulate, control and prevent economic concentration in the casino operations and the ancillary industries regulated by this act, and to encourage and preserve competition.

(13) It is in the public interest that the institution of licensed casino establishments in New Jersey be strictly regulated and controlled pursuant to the above findings and pursuant to the provisions of this act, which provisions are designed to engender and maintain public confidence and trust in the regulation of the licensed enterprises, to provide an effective method of rebuilding and redeveloping existing facilities and of encouraging new capital investment in Atlantic City, and to provide a meaningful and permanent contribution to the economic viability of the resort, convention, and tourist industry of New Jersey.

**C. 5:12-2 Definitions.**

2. Definitions. As used in this act, the words and terms have the meanings ascribed to them in sections 3 through 48 of this act, unless a different meaning clearly appears in the context.

**C. 5:12-3 "Applicant".**

3. "Applicant"—Any person who on his own behalf or on behalf of another has applied for permission to engage in any act or activity which is regulated under the provisions of this act.

**C. 5:12-4 "Application".**

4. "Application"—A written request for permission to engage in any act or activity which is regulated under the provisions of this act.

**C. 5:12-5 "Authorized game" or "authorized gambling game".**

5. "Authorized Game" or "Authorized Gambling Game"—Roulette, baccarat, blackjack, craps, big six wheel, and slot machines.

**C. 5:12-6 "Casino".**

6. "Casino"—A single room of at least 15,000 square feet in which casino gaming is conducted pursuant to the provisions of this act.

**C. 5:12-7 "Casino employee".**

7. "Casino Employee"—Any natural person employed in the operation of a licensed casino, including, without limitation, boxmen; dealers or croupiers; floormen; machine mechanics; and bartenders, waiters and waitresses or other persons whose employment duties require or authorize access to the casino but who are not included in the definition of casino hotel employee, casino key employee, casino security employee, or principal employee as hereinafter stated.

**C. 5:12-8 "Casino hotel employee".**

8. "Casino Hotel Employee"—Any natural person employed by a casino hotel licensed under this act to perform service or custodial duties not directly related to operations of the casino, including, without limitation, bartenders, waiters, waitresses, maintenance personnel, kitchen staff, but whose employment duties do not require or authorize access to the casino.

**C. 5:12-9 "Casino key employee".**

9. "Casino Key Employee"—Any natural person employed in the operation of a licensed casino in a supervisory capacity or empowered to make discretionary decisions which regulate casino operation, and who is not within an employee category defined elsewhere in this act, including, without limitation, pit bosses, shift bosses, supervisors, and cashiers; casino managers and assistant managers; managers or supervisors of casino security employees; and any other employee so designated by the Casino Control Commission.

**C. 5:12-10 "Casino license".**

10. "Casino License"—Any license issued pursuant to this act which authorizes the holder thereof to own or operate a casino.

**C. 5:12-11 "Casino security employee".**

11. "Casino Security Employee"—Any natural person employed by a casino or its agent to provide physical security in a casino hotel.

**C. 5:12-12 "Casino service industry".**

12. "Casino Service Industry"—Any form of enterprise which provides casinos with goods or services on a regular or continuing basis, including, without limitation, security businesses, gaming schools, manufacturers, distributors and servicers of gaming devices or equipment, garbage haulers, maintenance companies, food purveyors, or any other enterprise which does business with licensed casinos on a regular or continuing basis.

**C. 5:12-13 "Chairman" and "commissioner" or "member".**

13. "Chairman" and "Commissioner" or "Member"—The chairman and any member of the Casino Control Commission, respectively.

**C. 5:12-14 "Commission".**

14. "Commission"—The New Jersey Casino Control Commission.

**C. 5:12-15 "Director".**

15. "Director"—The Director of the Division of Gaming Enforcement.

**C. 5:12-16 "Division".**

16. "Division"—The Division of Gaming Enforcement.

**C. 5:12-17 "Equal employment opportunity".**

17. "Equal Employment Opportunity"—Equality in opportunity for employment by any person licensed pursuant to the provisions of this act.

**C. 5:12-18 "Equity security".**

18. "Equity Security"—(a) Any voting stock of a corporation, or similar security; (b) any security convertible, with or without consideration, into such a security, or carrying any warrant or right to subscribe to or purchase such a security; (c) any such warrant or right; or (d) any security having a direct or indirect participation in the profits of the issuer.

**C. 5:12-19 "Establishment".**

19. "Establishment"—Any premises wherein or whereon any gaming is done.

**C. 5:12-20 "Family".**

20. "Family"—Spouse, parents, grandparents, children, grandchildren, siblings, uncles, aunts, nephews, nieces, fathers-in-law, mothers-in-law, daughters-in-law, sons-in-law, brothers-in-law and sisters-in-law, whether by the whole or half blood, by marriage, adoption or natural relationship.

**C. 5:12-21 "Game" or "gambling game".**

21. "Game" or "Gambling Game"—Any banking or percentage game located exclusively within the casino played with cards, dice or any mechanical device or machine for money, property, or any representative of value.

**C. 5:12-22 "Gaming" or "gambling".**

22. "Gaming" or "Gambling"—The dealing, operating, carrying on, conducting, maintaining or exposing for pay of any game.

**C. 5:12-23 "Gaming device" or "gaming equipment".**

23. "Gaming Device" or "Gaming Equipment"—Any mechanical contrivance or machine used in connection with gaming or any game.

**C. 5:12-24 "Gross revenue".**

24. "Gross Revenue"—The total of all sums, including checks received pursuant to section 101 of this act, whether collected or not, actually received by a licensee from gaming operations, less only the total of all sums paid out as winnings to patrons and an allowance for uncollected gaming receivables not to exceed the lesser of such receivables actually uncollected or 4% of the total of all sums including checks, whether collected or not.

**C. 5:12-25 "Hearing examiner".**

25. "Hearing Examiner"—A commissioner or other person authorized by the commission to conduct hearings.

**C. 5:12-26 "Holding company".**

26. "Holding Company"—Any corporation, association, firm, partnership, trust or other form of business organization not a natural person which, directly or indirectly, owns, has the power or right to control, or has the power to vote all or any part of the outstanding voting securities of a corporation which holds or applies for a casino license. For the purpose of this section, in addition to any other reasonable meaning of the words used, a "holding company" indirectly has, holds or owns any such power, right or security if it does so through any interest in a subsidiary or successive subsidiaries, however many such subsidiaries may intervene between the holding company and the corporate licensee or applicant.

**C. 5:12-27 "Hotel" or "approved hotel".**

27. "Hotel" or "Approved Hotel"—A single building under one ownership, located within the limits of the city of Atlantic City as said limits were defined as of November 2, 1976, and containing not fewer than 500 sleeping units, each of at least 325 square feet measured to the center of perimeter walls, including bathroom and closet space and excluding hallways, balconies and lounges; each containing private bathroom facilities; and each held available and used regularly for the lodging of tourists and convention guests and conforming in all respects to the facilities requirements contained in this act. For the purpose of exceeding the maximum casino size specified in section 83 of this act, an approved hotel may, by means of physical connection, annex

additional buildings or facilities. "Physical connection" for the purposes herein means an enclosed permanent pedestrian passageway. In no event shall the main entrance or only access to an approved hotel be through a casino.

**C. 5:12-28 "Intermediary company".**

28. "Intermediary Company"—Any corporation, association, firm, partnership, trust or any other form of business organization other than a natural person which:

a. Is a holding company with respect to a corporation which holds or applies for a casino license, and

b. Is a subsidiary with respect to any holding company.

**C. 5:12-29 "Junket".**

29. "Junket"—An arrangement or arrangements the primary purpose of which is to induce any person to gamble at a licensed casino hotel and pursuant to which, and as consideration for which, over \$200.00 of the cost of transportation, food, lodging, and entertainment for said person is directly or indirectly paid by a casino licensee or employee or agent thereof. For purposes of this act, the furnishing of any of the above items on a complimentary basis shall be deemed to constitute the indirect payment for such food or lodging in the amount of the retail price normally charged by the licensee.

**C. 5:12-30 "License".**

30. "License"—Any license required by this act.

**C. 5:12-31 "License fee".**

31. "License Fee"—Any moneys required by law to be paid for the issuance or renewal of a casino license, or any other license required by this act.

**C. 5:12-32 "Licensed casino operation".**

32. "Licensed Casino Operation"—Any casino licensed pursuant to the provisions of this act.

**C. 5:12-33 "Licensee".**

33. "Licensee"—Any person who is licensed under any of the provisions of this act.

**C. 5:12-34 "Operation".**

34. "Operation"—The conduct of gaming as herein defined.

**C. 5:12-35 "Operation certificate".**

35. "Operation Certificate"—A certificate issued by the commission which certifies that operation of a casino conforms to

the requirements of this act and applicable regulations and that its personnel and procedures are efficient and prepared to entertain the public.

**C. 5:12-36 "Party".**

36. "Party"—The commission, or any licensee, or any person appearing of record for any licensee in any proceeding before the commission or in any proceeding for judicial review of any action, decision or order of the commission.

**C. 5:12-37 "Person".**

37. "Person"—Any corporation, association, operation, firm, partnership, trust or other form of business association, as well as a natural person.

**C. 5:12-38 "Principal employee".**

38. "Principal employee"—Any employee who, by reason of remuneration or of a management, supervisory or policy-making position or such other criteria as may be established by the commission by regulation, holds or exercises such authority as shall in the judgment of the commission be sufficiently related to the operation of a licensee so as to require approval by the commission in the protection of the public interest.

**C. 5:12-39 "Publicly traded corporation".**

39. "Publicly Traded Corporation"—Any corporation or other legal entity, except a natural person, which a. has one or more classes of security registered pursuant to section 12 of the Securities Exchange Act of 1934, as amended (15 U.S.C. Section 781), or b. is an issuer subject to section 15 (d) of the Securities Exchange Act of 1934 as amended (15 U.S.C. 78o).

**C. 5:12-40 "Registration".**

40. "Registration"—Any requirement other than one which requires a license as a prerequisite to conduct a particular business as specified by this act.

**C. 5:12-41 "Registrant".**

41. "Registrant"—Any person who is registered pursuant to the provisions of this act.

**C. 5:12-42 "Regulated complimentary service account".**

42. "Regulated Complimentary Service Account"—An account maintained by a casino licensee on a regular basis which itemizes complimentary services and includes, without limitation, a listing of the cost of junket activities and any other service provided at no cost or reduced price.

**C. 5:12-43 "Respondent".**

43. "Respondent"—Any person against whom a complaint has been filed or a written request for information served.

**C. 5:12-44 "Security".**

44. "Security"—Any instrument evidencing a direct or indirect beneficial ownership or creditor interest in a corporation, including but not limited to, stock, common and preferred; bonds; mortgages; debentures; security agreements; notes; warrants; options and rights.

**C. 5:12-45 "Slot machine".**

45. "Slot machine"—Any mechanical, electrical or other device, contrivance or machine which, upon insertion of a coin, token or similar object therein, or upon payment of any consideration whatsoever, is available to play or operate, the play or operation of which, whether by reason of the skill of the operator or application of the element of chance, or both, may deliver or entitle the person playing or operating the machine to receive cash or tokens to be exchanged for cash, whether the payoff is made automatically from the machine or in any other manner whatsoever.

**C. 5:12-46 "Statement of compliance".**

46. "Statement of Compliance"—A statement by the commission which may be issued to an applicant indicating satisfactory completion of a particular stage or stages of the license consideration process, and which states that unless there is a change of any material circumstance pertaining to such particular stage or stages of license consideration involved in the statement, such applicant has complied with requirements mandated by this act and by the commission and is therefore approved for license qualification to the stage or stages for which the statement has been issued.

**C. 5:12-47 "Subsidiary".**

47. "Subsidiary"—

a. Any corporation, all or any part of whose outstanding equity securities are owned, subject to a power or right of control, or held with power to vote, by a holding company or an intermediary company; or

b. Any firm, association, partnership, trust or other form of business organization, not a natural person, or any interest therein, which is owned, subject to a power or right of control, or held with power to vote, by a holding company or an intermediary company.

**C. 5:12-48 "Work permit".**

48. "Work Permit"—A writing provided by the commission to a casino licensee which authorizes the employment of a particular casino hotel employee, casino employee or casino key employee in a particular capacity by a casino licensee.

**C. 5:12-49 Words and terms: tense, number and gender.**

49. Words and terms: tense, number and gender.

In construing the provisions of this act, save when otherwise plainly declared or clearly apparent from the context:

- a. Words in the present tense shall include the future tense.
- b. Words in the masculine shall include the feminine and neuter genders.
- c. Words in the singular shall include the plural and the plural shall include the singular.

**ARTICLE 2. CASINO CONTROL COMMISSION AND DIVISION OF GAMING ENFORCEMENT: ESTABLISHMENT AND ORGANIZATION****C. 5:12-50 Creation of casino control commission; number of members.**

50. Creation of Casino Control Commission; Number of Members. The New Jersey Casino Control Commission, consisting of five members, is hereby created in but not of the Department of the Treasury.

**C. 5:12-51 Members of the commission; qualifications and eligibility.**

51. Members of the Commission; Qualifications and Eligibility.  
a. Each member of the commission shall be a citizen of the United States and a resident of the State of New Jersey.

b. No member of the Legislature, or person holding any elective or appointive office in the federal, State or local government shall be eligible to serve as a member of the commission.

c. No more than three members of the commission may be of the same political affiliation.

**C. 5:12-52 Appointment and terms of commission members.**

52. Appointment and Terms of Commission Members. a. Initial appointments to the commission shall be for terms as follows:

- (1) One member for 1 year;
- (2) One member for 2 years;
- (3) One member for 3 years;
- (4) One member for 4 years; and
- (5) One member for 5 years, who shall be designated chairman.

b. The term of each of the members first appointed shall be designated by the Governor.

c. After the initial appointments, all members shall be appointed for terms of 5 years; provided, however, that no member shall serve more than two terms of 5 years each.

d. Appointments to the commission shall be made by the Governor with the advice and consent of the Senate. Prior to nomination, the Governor shall cause an inquiry to be conducted by the Attorney General into the nominee's background, with particular regard to the nominee's financial stability, integrity, and responsibility and his reputation for good character, honesty, and integrity.

e. Appointments to fill vacancies on the commission shall be for the unexpired term of the member to be replaced.

f. The member designated by the Governor to serve as chairman shall serve in such capacity throughout such member's entire term and until his successor shall have been duly appointed and qualified. No such member, however, shall serve in such capacity for more than 10 years. The chairman shall be the chief executive officer of the commission, shall devote full time to the duties of his office and shall not pursue or engage in any other business, occupation or other gainful employment.

g. A commissioner may be removed from office for misconduct in office, willful neglect of duty, or other conduct evidencing unfitness for his office, or for incompetence. A proceeding for removal may be instituted by the Attorney General in the Superior Court. Notwithstanding any provision of this or any other act, any commissioner or employee of the commission shall automatically forfeit his office or position upon conviction of any crime.

h. Each member of the commission shall serve for the duration of his term and until his successor shall be duly appointed and qualified, subject to the limitations in subsections c. and f. of this section.

**C. 5:12-53 Compensation of members.**

53. Compensation of Members. Each member of the commission other than the chairman shall receive compensation of \$18,000.00 per annum and shall also be entitled to reimbursement for his expenses actually and necessarily incurred in the performance of his duties, including expenses of travel outside of the State. The compensation of the chairman shall be \$60,000.00 per annum.

**C. 5:12-54 Organization and employees.**

54. Organization and Employees. a. The commission may establish, and from time to time alter, such plan of organization as it may deem expedient, and may incur expenses within the limits of funds available to it.

b. The commission shall elect annually by a majority of the full commission one of its members, other than the chairman, to serve as vice-chairman for the ensuing year. The vice-chairman shall be empowered to carry out all of the responsibilities of the chairman as prescribed in this act during his absence or inability to serve.

c. The commission shall appoint an executive secretary who shall serve at its pleasure and shall be responsible for the conduct of its administrative affairs. No person shall be eligible for such appointment unless he shall have at least 5 years of responsible experience in public or business administration or possesses broad management skills. The salary of the executive secretary shall be fixed by the commission; provided, however, that such salary shall not exceed \$35,000.00.

d. The commission may employ such other personnel as it deems necessary. All employees of the commission, except for secretarial and clerical personnel, shall be in the unclassified service of the Civil Service. All employees of the commission shall be deemed confidential employees for the purposes of the "New Jersey Employer-Employee Relations Act" (P. L. 1941, c. 100; C. 34:13A-1 et seq.), as amended. Notwithstanding the provisions of any other law to the contrary, the commission may employ legal counsel who shall represent the commission in any proceeding to which it is a party, and who shall render legal advice to the commission upon its request. The commission may contract for the services of other professional, technical and operational personnel and consultants as may be necessary to the performance of its responsibilities under this act. Members and employees of the commission shall be enrolled in the Public Employees Retirement System of New Jersey (P. L. 1954, c. 84; C. 43:15A-1 et seq.).

**C. 5:12-55 Division of gaming enforcement.**

55. Division of Gaming Enforcement. There is hereby established in the Department of Law and Public Safety the Division of Gaming Enforcement. The division shall be under the immediate supervision of a director who shall also be sworn as an Assistant Attorney General and who shall administer the work of the division under the direction and supervision of the Attorney General.

The director shall be appointed by the Governor, with the advice and consent of the Senate, and shall serve during the term of office of the Governor, except that the first director shall be appointed for a term of 2 years. The director may be removed from office by the Attorney General for cause upon notice and opportunity to be heard. The Attorney General shall be responsible for the exercise of the duties and powers assigned to the division.

**C. 5:12-56 Organization of the division.**

56. a. The Attorney General shall organize the work of the division in such bureaus and other organizational units as he may determine to be necessary for efficient and effective operation and shall assign to the division such employees of the Department of Law and Public Safety as may be necessary to assist the director in the performance of his duties. Subject to the approval of the Attorney General, the Superintendent of State Police shall assign such supervisory and investigative personnel and other resources to the Division of Gaming Enforcement as may be necessary to fulfill its obligations under this act.

b. All employees of the division, except for secretarial and clerical personnel, shall be in the unclassified service of the Civil Service. All employees of the division shall be deemed confidential employees for the purposes of the "New Jersey Employer-Employee Relations Act" (P. L. 1941, c. 100; C. 34:13A-1 et seq.), as amended.

**C. 5:12-57 Expenses of the division.**

57. The division may incur expenses within the limits of funds available to it.

**ARTICLE 3. CONTROL AUTHORITY RESTRICTIONS.**

**C. 5:12-58 Restrictions on pre-employment by commissioners, commission employees and division employees and agents.**

58. Restrictions on Pre-Employment by Commissioners, Commission Employees and Division Employees and Agents. a. No person shall be appointed to or be employed by the commission or division if, during the period commencing 3 years prior to appointment or employment, said person held any direct or indirect interest in, or any employment by, any person engaged in gaming; any manufacturer, distributor or servicer of gaming equipment; or any operator of licensed pari-mutuel betting.

b. No person shall be appointed to or employed by the commission or division if, during the period commencing 3 years prior to

appointment or employment, said person held any direct or indirect interest in, or any employment by, any person which is licensed by or has an application for a license pending before or is registered with the commission.

c. Prior to appointment or employment, each member of the commission, each employee of the commission, the director of the Division of Gaming Enforcement and each employee and agent of the division shall swear or affirm that he possesses no interest in any business or organization licensed by or registered with the commission.

d. Each member of the commission and the director of the division shall file with the Executive Commission on Ethical Standards a financial disclosure statement listing all assets and liabilities, property and business interests, and sources of income of said member or director and his spouse and shall provide to the Attorney General a financial disclosure statement listing all assets and liabilities, property and business interests, and sources of income of the parents, brothers, sisters, and children of said member or director. Such statement shall be under oath and shall be filed at the time of appointment and annually thereafter.

e. Each employee of the commission, except for secretarial and clerical personnel, and each employee and agent of the division, except for secretarial and clerical personnel, shall file with the Executive Commission on Ethical Standards a financial disclosure statement listing all assets and liabilities, property and business interests, and sources of income of said employee or agent and his spouse. Such statement shall be under oath and shall be filed at the time of employment and annually thereafter.

**C. 5:12-59 Employment restrictions on commissioners, commission employees and division employees.**

59. Employment Restrictions on Commissioners, Commission Employees and Division Employees. a. The "New Jersey Conflicts of Interest Law" (P. L. 1971, c. 182; C. 52:13D-12 et seq.) shall apply to members of the Commission and to all employees of the Commission and the Division, except as herein specifically provided.

b. A Code of Ethics governing the specific needs of the Commission and the Division shall be promulgated by each and shall include, among other provisions, that:

(1) No commission member or employee or division employee or agent shall be permitted to gamble in any establishment licensed by the commission except in the course of his duties.

(2) No commission member or employee or division employee or agent shall solicit or accept employment from any person licensed by or registered with the commission or from any applicant for a period of 4 years after termination of service with the commission, or division, unless subject to section 60 b. of this act.

c. No commission member or employee or division employee or agent shall have any interest, direct or indirect, in any applicant or in any person licensed by or registered with the commission during his term of office or employment.

d. No commission member shall be employed in any capacity by any person licensed by or registered with the commission.

e. Each employee of the commission, including legal counsel and hearing examiners, and each employee and agent of the division shall devote his entire time and attention to his duties and shall not pursue any other business or occupation or other gainful employment, except that secretarial and clerical personnel may engage in such other gainful employment as shall not interfere with their duties to the commission or division, unless otherwise directed.

f. No member of the commission, employee of the commission, or employee or agent of the division shall:

(1) Use his official authority or influence for the purpose of interfering with or affecting the result of an election or a nomination for office;

(2) Directly or indirectly coerce, attempt to coerce, command or advise any person to pay, lend or contribute anything of value to a party, committee, organization, agency or person for political purposes; or

(3) Take any active part in political campaigns or the management thereof; provided, however, that nothing herein shall prohibit a person from voting as he chooses or from expressing his personal opinions on political subjects and candidates.

g. For the purpose of applying the provisions of the "New Jersey Conflicts of Interest Law", any consultant or other person under contract for services to the commission shall be deemed to be a Special State employee. Such person and any corporation, firm or partnership in which he has an interest or by which he is employed shall not represent any person or party other than the commission before the commission.

**C. 5:12-60 Post-employment restrictions.**

60. Post-Employment Restrictions. a. No member of the commission shall hold any direct or indirect interest in, or be employed by, any applicant or by any person licensed by or registered with

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the commission for a period of 4 years commencing on the date his membership on the commission terminates.

b. No employee of the commission or employee or agent of the division may acquire any direct or indirect interest in, or accept employment with, any applicant or any person licensed by or registered with the commission, for a period of 2 years commencing at the termination of employment with the commission or division. At the end of 2 years, the former employee or agent may acquire an interest in, or accept employment with, any applicant or person licensed by or registered with the commission upon application to and the approval of the commission upon a finding that the interest to be acquired or the employment will not create the appearance of a conflict of interest and does not evidence a conflict of interest in fact.

c. No commission member or person employed by the commission or division shall represent any person or party other than the State before or against the commission for a period of 2 years from the termination of his office or employment with the commission or division.

d. No partnership, firm or corporation in which a former commission member or employee or former division employee or agent has an interest, nor any partner, officer or employee of any such partnership, firm or corporation shall make any appearance or representation which is prohibited to said former member, employee, or agent.

**C. 5:12-61 Applicant and licensee liability for violations.**

61. Applicant and Licensee Liability for Violations. a. No applicant or person or organization licensed by or registered with the commission shall employ or offer to employ, or provide, transfer or sell, or offer to provide, transfer or sell any interest, direct or indirect, in any person licensed by or registered with the commission to any person restricted from such transactions by the provisions of sections 58, 59, and 60 of this act.

b. The commission shall impose such sanctions upon an applicant or a licensed or registered person for violations of this section as authorized by Article 9 of this act.

**C. 5:12-62 Enforcement.**

62. Enforcement. a. The Executive Commission on Ethical Standards, established pursuant to the "New Jersey Conflicts of Interest Law" (P. L. 1971, c. 182; C. 52:13D-12 et seq.) shall enforce the provisions of sections 58, 59, and 60 of this act.

b. Penalties for violation of sections 58, 59, and 60 shall be those set forth in P. L. 1971, c. 182 (C. 52:13D-12 et seq.).

**ARTICLE 4. CASINO CONTROL COMMISSION—DUTIES AND POWERS****C. 5:12-63 Duties of the commission.**

63. Duties of the Commission. The Casino Control Commission shall have general responsibility for the implementation of this act, as hereinafter provided, including, without limitation, the responsibility:

a. To hear and decide promptly and in reasonable order all license, certificate, and permit applications and causes affecting the granting, suspension, revocation, or renewal thereof;

b. To conduct all hearings pertaining to civil violations of this act or regulations promulgated hereunder;

c. To promulgate such regulations as in its judgment may be necessary to fulfill the policies of this act;

d. To collect all license fees and taxes imposed by this act and the regulations issued pursuant hereto;

e. To levy and collect penalties for the violation of provisions of this act and the regulations promulgated hereunder;

f. To be present through its inspectors and agents at all times during the operation of any casino for the purpose of certifying the revenue thereof, receiving complaints from the public, and conducting such other investigations into the conduct of the games and the maintenance of the equipment as from time to time the commission may deem necessary and proper; and

g. To review and rule upon any complaint by a casino licensee regarding any investigative procedures of the division which are unnecessarily disruptive of casino operations. The need to inspect and investigate shall be presumed at all times. The disruption of a licensee's operations shall be proved by clear and convincing evidence, and establish that: (1) the procedures had no reasonable law enforcement purpose, and (2) the procedures were so disruptive as to inhibit unreasonably casino operations.

**C. 5:12-64 Commission powers—denials and sanctions.**

64. Commission Powers—Denials and Sanctions. The commission shall assure that licenses, certificates, or permits shall not be issued to nor held by, nor shall there be any material involvement, directly or indirectly, with the licensed casino operation or the ownership thereof by, unqualified or disqualified persons or unsuitable persons, or persons whose operations are conducted in a manner not conforming with the provisions of this act. For the purposes of this section, "unqualified person," "disqualified person," or "unsuitable person" shall mean any person who is found by the commission to be disqualified pursuant to the criteria set

forth in section 86 c., e., f., g., and h., or to lack the financial responsibility and capability specified in the provisions of section 84. In enforcing the provisions of this act, the commission shall have the power and authority to deny any application; limit or restrict any certificate, permit or approval; suspend or revoke any license, certificate, permit or approval; and impose a penalty on any person licensed or previously approved for any cause deemed reasonable by the commission pursuant to rules and regulations promulgated thereby, except that no such denial, limitation, suspension or revocation shall be issued solely by reason of the fact that an applicant or licensee holds an interest in or is associated with any licensed casino enterprise in any other jurisdiction.

**C. 5:12-65 Subpoenas: oaths.**

65. Subpoenas; Oaths. The commission shall have the power and authority to issue subpoenas and to compel the attendance of witnesses at any place within this State, to administer oaths and to require testimony under oath. The commission may serve its process or notices in a manner provided for the service of process and notice in civil actions in accordance with the rules of court. The commission shall have the authority to propound written interrogatories and may appoint hearing examiners, to whom may be delegated the power and authority to administer oaths, issue subpoenas, propound written interrogatories, and require testimony under oath.

**C. 5:12-66 Investigative hearings.**

66. Investigative Hearings. The commission shall have the authority to conduct investigative hearings concerning the conduct of gaming and gaming operations as well as the development and well-being of the industries controlled by this act.

**C. 5:12-67 Testimonial immunity.**

67. Testimonial Immunity. The commission may order any person to answer a question or questions or produce evidence of any kind and confer immunity as provided in this section. If, in the course of any investigation or hearing conducted under this act, a person refuses to answer a question or produce evidence on the ground that he will be exposed to criminal prosecution thereby, then in addition to any other remedies or sanctions provided for by this act, the commission may, by resolution of four of its members and after the written approval of the Attorney General, issue an order to answer or to produce evidence with immunity.

If, upon issuance of such an order, the person complies therewith, he shall be immune from having such responsive answer given by him or such responsive evidence produced by him, or evidence derived therefrom, used to expose him to criminal prosecution, except that such person may nevertheless be prosecuted for any perjury committed in such answer or in producing such evidence, or for contempt for failing to give an answer or produce evidence in accordance with the order of the commission; provided, however, that no period of incarceration for contempt shall exceed 18 months in duration pursuant to this section. Any such answer given or evidence produced shall be admissible against him upon any criminal investigation, proceeding or trial against him for such perjury; upon any investigation, proceeding or trial against him for such contempt; or in any manner consonant with State and constitutional provisions.

**C. 5:12-68 Collection of fees, penalties or tax.**

68. Collection of Fees, Penalties or Tax. At any time within 5 years after any amount of fees, interest, penalties or tax required to be collected pursuant to the provisions of this act shall become due and payable, the commission may bring a civil action in the courts of this State or any other state or of the United States, in the name of the State of New Jersey, to collect the amount delinquent, together with penalties and interest. An action may be brought whether or not the person owing the amount is at such time a licensee pursuant to the provisions of this act. If such action is brought in this State, a writ of attachment may be issued and no bond or affidavit prior to the issuance thereof shall be required. In all actions in this State, the records of the commission shall be prima facie evidence of the determination of the tax or the amount of the delinquency.

**C. 5:12-69 Regulations.**

69. Regulations. a. The commission shall be authorized to adopt, amend, or repeal such regulations, consistent with the policy and objectives of this act, as it may deem necessary or desirable for the public interest in carrying out the provisions of this act.

b. Such regulations shall be adopted, amended, and repealed in accordance with the provisions of the "Administrative Procedure Act" (P. L. 1968, c. 410; C. 52:14B-1 et seq.).

c. Any interested person may file a petition with the commission requesting the adoption, amendment or repeal of a regulation. Such petition shall state clearly and concisely:

- (1) The substance and nature of the regulation, amendment or repeal requested;
- (2) The reason for the request; and
- (3) Reference to the authority of the commission to take the action requested.

Upon receipt of the petition, the commission shall schedule the matter for hearing within 90 days and shall render a decision within 30 days after the completion of said hearing.

d. The commission may, in emergency circumstances, summarily adopt, amend or repeal any regulation pursuant to the "Administrative Procedure Act" (P. L. 1968, c. 410; C. 52:14B-1 et seq.).

**C. 5:12-70 Required regulations.**

70. Required Regulations. The commission shall, without limitation on the powers conferred in the preceding section, include within its regulations the following specific provisions in accordance with the provisions of this act:

a. Prescribing the methods and forms of application which any applicant shall follow and complete prior to consideration of his application by the commission;

b. Prescribing the methods, procedures and form for delivery of information concerning any person's family, habits, character, associates, criminal record, business activities and financial affairs;

c. Prescribing procedures for the fingerprinting of an applicant, employee of a licensee, or registrant, or other methods of identification which may be necessary in the judgment of the commission to accomplish effective enforcement of restrictions on access to the casino floor and other restricted areas of the casino hotel complex;

d. Prescribing the manner and procedure of all hearings conducted by the commission or any hearing examiner, including special rules of evidence applicable thereto and notices thereof;

e. Prescribing the manner and method of collection of payments of taxes, fees, and penalties;

f. Defining and limiting the areas of operation, the rules of authorized games, odds, and devices permitted, and the method of operation of such games and devices;

g. Regulating the practice and procedures for negotiable transactions involving patrons, including limitations on the circumstances and amounts of such transactions, and the establishment of forms and procedures for negotiable instrument transactions, redemptions, and consolidations;

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h. Prescribing grounds and procedures for the revocation or suspension of operation certificates and licenses;

i. Governing the manufacture, distribution, sale, and servicing of gaming devices and equipment;

j. Prescribing the procedures, forms and methods of management controls, including employee and supervisory tables of organization and responsibility, and minimum security standards, including security personnel structure, alarm and other electrical or visual security measures;

k. Prescribing the qualifications of, and the conditions pursuant to which, engineers, accountants, and others shall be permitted to practice before the commission or to submit materials on behalf of any applicant or licensee; provided, however, that no member of the Legislature, nor any firm with which said member is associated, shall be permitted to appear or practice or act in any capacity whatsoever before the commission or division regarding any matter whatsoever, nor shall any member of the family of the Governor or of a member of the Legislature be permitted to so practice or appear in any capacity whatsoever before the commission or division regarding any matter whatsoever;

l. Prescribing minimum procedures for the exercise of effective control over the internal fiscal affairs of a licensee, including provisions for the safeguarding of assets and revenues, the recording of cash and evidence of indebtedness, and the maintenance of reliable records, accounts, and reports of transactions, operations and events, including reports to the commission;

m. Providing for a minimum uniform standard of accountancy methods, procedures and forms; a uniform code of accounts and accounting classifications; and such other standard operating procedures, including those controls listed in section 99 a. hereof, as may be necessary to assure consistency, comparability, and effective disclosure of all financial information, including calculations of percentages of profit by game, table, gaming device and slot machines;

n. Requiring periodic financial reports and the form thereof, including an annual audit prepared by a certified public accountant licensed to do business in this State attesting to the financial condition of a licensee and disclosing whether the accounts, records and control procedures examined are maintained by the licensee as required by this act and the regulations promulgated hereunder;

o. Governing the advertising of casino licensees, their employees and agents, with the view toward assuring that gaming activity in

Atlantic City is not the dominating advertising theme, that gaming is portrayed as an activity for adults conducted in an atmosphere of social graciousness, and that such advertisements are in no way deceptive; provided, however, that such regulations shall not prohibit the advertisement of casino location, hours of operation, or types of games and other amenities offered, but in no circumstance shall permit the advertisement of information about odds, the number of games, or the size of the casino; and provided further, however, that such regulations shall require the words "Bet with your head, not over it" to appear on all billboards, signs, and other on-sight advertising of a casino operation;

p. Governing entertainment presented by casino licensees in accordance with the prevailing community standards as determined by the commission;

q. Concerning the distribution and consumption of alcoholic beverages on the premises of the licensee, which regulations shall be insofar as possible consistent with Title 33 of the Revised Statutes, and shall deviate only insofar as necessary because of the unique character of the hotel casino premises and operations; and

r. Limiting signs and other on-sight advertising, with a view toward minimizing solicitation for gaming purposes from the public thoroughfares or otherwise dominating or despoiling the architecture or environment of the city.

**C. 5:12-71 Regulation requiring exclusion of certain persons.**

71. Regulation Requiring Exclusion of Certain Persons. a. The commission shall, by regulation, provide for the establishment of a list of persons who are to be excluded or ejected from any licensed casino establishment. Such provisions shall define the standards for exclusion, and shall include standards relating to persons:

(1) Who are career or professional offenders as defined by regulation of the commission;

(2) Who have been convicted of a criminal offense under the laws of this State or of the United States, which is punishable by more than 6 months in prison, or any crime or offense involving moral turpitude; or

(3) Whose presence in a licensed casino would, in the opinion of the commission, be inimical to the interest of the State of New Jersey or of licensed gaming therein, or both.

The commission shall promulgate definitions establishing those categories of persons who shall be excluded pursuant to this section,

including cheats and persons whose privileges for licensure have been revoked.

b. Race, color, creed, national origin or ancestry, or sex shall not be a reason for placing the name of any person upon such list.

c. The commission may impose sanctions upon a licensed casino or individual licensee in accordance with the provisions of this act if such casino or individual licensee knowingly fails to exclude or eject from the premises of any licensed casino any person placed by the commission on the list of persons to be excluded or ejected.

d. Any list compiled by the commission of persons to be excluded or ejected shall not be deemed an all inclusive list, and licensed casino establishments shall have a duty to keep from their premises persons known to them to be within the classifications declared in paragraph a. of this section and the regulations promulgated thereunder.

e. Whenever the name or description of any person is placed on a list pursuant to this section, the commission shall serve notice of such fact to such person by personal service, by certified mail at the last known address of such person, or by publication daily for one week in a newspaper of general circulation in Atlantic City.

f. Within 30 days after service by mail or in person or 60 days from the time of last publication, as the case may be, the person named for exclusion or ejection may demand a hearing before the commission and show cause why he should have his name removed from such list. Failure to demand such a hearing within the time allotted in this section shall preclude a person from having an administrative hearing, but shall in no way affect his right to judicial review as provided herein.

g. Upon receipt of a demand for a hearing, the commission shall set a time and place for such hearing. Unless otherwise agreed by the commission and the named person, such hearing shall not be later than 30 days after the receipt of a demand for such hearing.

h. If, upon completion of the hearing, the commission determines that the regulation does not or should not apply to the person so listed, the commission shall notify all casino licensees of such determination.

i. If, upon completion of a hearing, the commission determines that the placement of the name of the person on the exclusionary list was appropriate, the commission shall make and enter an order to that effect. Such order shall be subject to review by the Superior Court in accordance with the rules of court.

**C. 5:12-72 Commission reports and recommendations.**

72. Commission Reports and Recommendations. The commission shall carry on a continuous study of the operation and administration of casino control laws which may be in effect in other jurisdictions, literature on this subject which may from time to time become available, federal laws which may affect the operation of casino gaming in this State, and the reaction of New Jersey citizens to existing and potential features of casino gaming under this act. It shall be responsible for ascertaining any defects in this act or in the rules and regulations issued thereunder, formulating recommendations for changes in this act to prevent abuses thereof, guarding against the use of this act as a cloak for the carrying on of illegal gambling or other criminal activities, and insuring that this act and the rules and regulations shall be in such form and be so administered as to serve the true purposes of this act. The commission shall make to the Governor and the Legislature an annual report of all revenues, expenses and disbursements, and shall include therein such recommendations for changes in this act as the commission deems necessary or desirable. The commission shall report immediately to the Governor and the Legislature any matters which in its judgment require immediate changes in the laws of this State in order to prevent abuses and evasions of this act or of rules and regulations promulgated hereunder, or to rectify undesirable conditions in connection with the operation and regulation of casino gaming.

**C. 5:12-73 Meetings and quorum.**

73. Meetings and Quorum. a. Meetings of the commission will be held at the discretion of the chairman at such times and places as he may deem necessary and convenient, or at the call of three members of the commission.

b. The commission shall in all respects comply with the provisions of the "Open Public Meetings Act" (P. L. 1975, c. 231; C. 10:4-6 et seq.).

c. A majority of the full commission shall determine any action of the commission, except that no casino license may be issued without the approval of 4 members. In the event that a vacancy has existed on the commission for more than 60 days, a majority of the full commission may act with respect to any matter, including the issuance of a casino license.

**C. 5:12-74 Minutes and records.**

74. Minutes and Records. a. The commission shall cause to be made and kept a verbatim record of all proceedings held at public

meetings of the commission, which record shall be open to public inspection.

A true copy of the minutes of every meeting of the commission and of any regulations finally adopted by the commission shall be forthwith delivered, by and under the certification of the executive secretary, to the Governor, the Secretary of the Senate, and the Clerk of the General Assembly.

b. The commission shall keep and maintain a list of all applicants for licenses under this act together with a record of all actions taken with respect to such applicants, which file and record shall be open to public inspection; provided, however, that the foregoing information regarding any applicant whose license has been denied, revoked, or not renewed shall be removed from such list after 5 years from the date of such action.

c. The commission shall maintain such other files and records as may be deemed desirable.

d. Except as provided in paragraph h. of this section, all information and data required by the commission to be furnished hereunder, or which may otherwise be obtained, relative to the internal controls specified in section 99 a. of this act or to the earnings or revenue of any applicant or licensee shall be considered to be confidential and shall not be revealed in whole or in part except in the course of the necessary administration of this act, or upon the lawful order of a court of competent jurisdiction, or, with the approval of the Attorney General, to a duly authorized law enforcement agency.

e. All information and data pertaining to an applicant's criminal record, family, and background furnished to or obtained by the commission from any source shall be considered confidential and may be withheld in whole or in part, except that any information shall be released upon the lawful order of a court of competent jurisdiction or, with the approval of the Attorney General, to a duly authorized law enforcement agency.

f. Notice of the contents of any information or data released, except to a duly authorized law enforcement agency pursuant to subsection d. or e. of this section, may be given to any applicant or licensee in a manner prescribed by the rules and regulations adopted by the commission.

g. Files, records, reports and other information in the possession of the New Jersey Division of Taxation pertaining to licensees shall be made available to the commission and the division as may be necessary to the effective administration of this act.

h. The following information to be reported periodically to the commission shall not be considered confidential and shall be made available for public inspection:

(1) A licensee's operating revenues and expenses from all authorized games as herein defined;

(2) (a) The dollar amount of patron checks initially accepted by a licensee, (b) the dollar amount of patron checks deposited to the licensee's bank account, (c) the dollar amount of such checks initially dishonored by the bank and returned to the licensee as "uncollected," and (d) the dollar amount ultimately uncollected after all reasonable efforts;

(3) The amount of gross revenue tax actually paid and the amount of investment, if any, required and allowed, pursuant to section 144;

(4) A list of the premises and the nature of improvements, costs thereof and the payees for all such improvements, which were the subject of an investment required and allowed pursuant to section 144;

(5) The amount, if any, of tax in lieu of full local real property tax paid pursuant to section 146, and the amount of profits, if any, recaptured pursuant to section 147;

(6) A list of the premises, nature of improvements and costs thereof which constitute the cumulative investments by which a licensee has recaptured profits pursuant to section 147; and

(7) All information and data submitted to the commission relating to the licensee's annual revenues and expenditures, including annual audits.

Nothing in this subsection shall be construed to limit access by the public to those forms and documents required to be filed pursuant to Article 11 of this act.

**C. 5:12-75 Powers not enumerated.**

75. Powers Not Enumerated. The commission may exercise any proper power or authority necessary to perform the duties assigned to it by law, and no specific enumeration of powers in this act shall be read to limit the authority of the commission to administer this act.

ARTICLE 5. DIVISION OF GAMING ENFORCEMENT—POWERS  
AND DUTIES**C. 5:12-76 General duties and powers.**

76. General Duties and Powers. a. The Division of Gaming Enforcement shall promptly and in reasonable order investigate all applications, enforce the provisions of this act and any regulations promulgated hereunder, and prosecute before the commission all proceedings for violations of this act or any regulations promulgated hereunder. The division shall provide the commission with all information necessary for all action under Article 6 of this act and for all proceedings involving enforcement of the regulations of this act or any regulations promulgated hereunder.

b. The division shall:

(1) Investigate the qualifications of each applicant before any license, certificate, or permit is issued pursuant to the provisions of this act;

(2) Investigate the circumstances surrounding any act or transaction for which commission approval is required;

(3) Investigate violations of this act and regulations promulgated hereunder;

(4) Initiate, prosecute and defend such proceedings before the commission, or appeals therefrom, as the division may deem appropriate;

(5) Provide assistance upon request by the commission in the consideration and promulgation of rules and regulations;

(6) Conduct continuing reviews of casino operations through on-site observation and other reasonable means to assure compliance with this act and regulations promulgated hereunder, subject to section 63 g. of this act;

(7) Conduct audits of casino operations, including reviews of accounting, administrative and financial records, and management control systems, procedures and records utilized by a casino licensee; and

(8) Be entitled to request information, materials and any other data from any licensee or registrant, or applicant for a license or registration under this act.

**C. 5:12-77 Law enforcement responsibilities.**

77. The division shall prosecute all criminal violations of this act except those it may refer to the Division of Criminal Justice. To effectuate this power, the division shall have access to the State Grand Jury. The division and its employees and agents shall have

such other law enforcement powers as may be delegated to it by the Attorney General to effectuate the purposes of this act.

**C. 5:12-78 Cooperation responsibility of applicants for license or registration.**

78. Each licensee or registrant, or applicant for a license or registration under this act shall cooperate with the division in the performance of its duties.

**C. 5:12-79 Inspection, seizure and warrants.**

79. Inspection, Seizure, and Warrants. a. The division and its employees and agents, upon approval of the director, shall have the authority, without notice and without warrant:

(1) To inspect and examine all premises wherein casino gaming is conducted; or gaming devices or equipment are manufactured, sold, distributed, or serviced; or wherein any records of such activities are prepared or maintained;

(2) To inspect all equipment and supplies in, about, upon or around such premises;

(3) To seize summarily and remove from such premises and impound any such equipment or supplies for the purposes of examination and inspection;

(4) To inspect, examine and audit all books, records, and documents pertaining to a casino licensee's operation;

(5) To seize, impound or assume physical control of any book, record, ledger, game, device, cash box and its contents, counting room or its equipment, or casino operations; and

(6) To inspect the person, and personal effects present in a casino facility licensed under this act, of any holder of a license issued pursuant to this act while that person is present in a licensed casino facility.

b. The provisions of subsection a. of this section shall in no way be deemed to limit warrantless inspections except in accordance with constitutional requirements.

c. To effectuate further the purposes of this act, the division and its employees and agents may obtain administrative warrants for the inspection and seizure of any property possessed, controlled, bailed or otherwise held by any applicant, licensee, registrant, intermediary company, or holding company.

d. Issuance and execution of warrants for administrative inspection shall be in accordance with the following:

(1) Any judge of a court having jurisdiction in the municipality where the inspection or seizure is to be conducted may, upon proper oath or affirmation showing probable cause, issue warrants for the purpose of conducting administrative inspections authorized

by this act or regulations thereunder and seizures of property appropriate to such inspections. For the purposes of this section, "probable cause" means a valid public interest in the effective enforcement of the act or regulations sufficient to justify administrative inspection of the area, premises, building or conveyance in the circumstances specified in the application for the warrant.

(2) A warrant shall issue only upon an affidavit of a person duly designated and having knowledge of the facts alleged, sworn to before the judge and establishing the grounds for issuing the warrant. If the judge is satisfied that grounds for the application exist or that there is probable cause to believe they exist, he shall issue a warrant identifying the area, premises, building, or conveyance to be inspected; the purpose of such inspection; and, where appropriate, the type of property to be inspected, if any. The warrant shall identify the item or types of property to be seized, if any. The warrant shall be directed to a person authorized to execute it. The warrant shall state the grounds for its issuance and the name of the person or persons whose affidavit has been taken in support thereof. It shall command the person to whom it is directed to inspect the area, premises, building, or conveyance identified for the purpose specified, and where appropriate, shall direct the seizure of the property specified. The warrant shall direct that it be served during normal business hours of the licensee. It shall designate the judge to whom it shall be returned.

(3) A warrant issued pursuant to this section must be executed and returned within 10 days of its date. If property is seized pursuant to a warrant, the person executing the warrant shall give to the person from whom or from whose premises the property was taken a copy of the warrant and a receipt for the property taken or shall leave the copy and receipt at the place from which the property was taken. The return of the warrant shall be made promptly and shall be accompanied by a written inventory of any property taken. The inventory shall be made in the presence of the person executing the warrant and of the person from whose possession or premises the property was taken, if they are present, or in the presence of at least one credible person other than the person executing the warrant. The clerk of the court, upon request, shall deliver a copy of the inventory to the person from whom or from whose premises the property was taken and to the applicant for the warrant.

(4) The judge who has issued a warrant under this section shall attach to the warrant a copy of the return and all papers filed in

connection therewith and shall cause them to be filed with the court which issued such warrant.

e. The division is authorized to make administrative inspections to check for compliance by any applicant, licensee, registrant, intermediary company or holding company with the provisions of this act or regulations promulgated thereunder, and to investigate any violations thereof.

f. This section shall not be construed to prevent entries and administrative inspections, including seizures of property, without a warrant:

(1) With the consent of the owner, operator or agent in charge of the controlled premises;

(2) In situations presenting imminent danger to health or safety;

(3) In situations involving inspection of conveyances where there is reasonable cause to believe that the mobility of the conveyance makes it impracticable to obtain a warrant or in any other exceptional or emergency circumstance where time or opportunity to apply for a warrant is lacking;

(4) In accordance with the provisions of this act; or

(5) In all other situations where a warrant is not constitutionally required.

#### ARTICLE 6. LICENSING

##### **C. 5:12-80 General provisions.**

80. General Provisions. a. It shall be the affirmative responsibility of each applicant and licensee to establish by clear and convincing evidence his individual qualifications, and for a casino license the qualifications of each person who is required to be qualified under this act as well as the qualifications of the facility in which the casino is to be located.

b. Any applicant, licensee or any other person who must be qualified pursuant to this act shall provide all information required by this act and satisfy all requests for information pertaining to qualification and in the form specified by the commission. All applicants and licensees shall waive liability as to the State of New Jersey, and its instrumentalities and agents, for any damages resulting from lawful or unintentional disclosure or publication in any manner of any material or information acquired during inquiries, investigations or hearings.

c. All applicants, licensees, registrants, intermediary companies, and holding companies shall consent to inspections, searches and

seizures and the supplying of handwriting exemplars as authorized by this act and regulations promulgated hereunder.

d. All applicants, licensees, registrants, and any other person who shall be qualified pursuant to this act shall have the continuing duty to provide any assistance or information required by the commission or division, and to cooperate in any inquiry or investigation conducted by the division and any inquiry, investigation, or hearing conducted by the commission. If, upon issuance of a formal request to answer or produce information, evidence or testimony, any applicant, licensee, registrant, or any other person who shall be qualified pursuant to this act refuses to comply, the application, license, registration or qualification of such person may be denied or revoked by the commission.

e. No applicant or licensee shall give or provide, offer to give or provide, directly or indirectly, any compensation or reward or any percentage or share of the money or property played or received through gaming activities, except as authorized by this act, in consideration for obtaining any license, authorization, permission or privilege to participate in any way in gaming operations.

f. Each applicant or person who must be qualified under this act shall be photographed and fingerprinted for identification and investigation purposes in accordance with procedures established by the commission.

**C. 5:12-81 Statement of compliance.**

81. Statement of Compliance. a. The commission may issue a statement of compliance to an applicant for any license under this act at any time the commission is satisfied that one or more particular eligibility criteria have been satisfied by an applicant.

b. Such statement shall specify the eligibility criterion satisfied, the date of such satisfaction and a reservation to the commission to revoke the statement of compliance at any time based upon a change of circumstances affecting such compliance.

c. A statement of compliance certifying satisfaction of all of the requirements of subsection 84e. of this act with respect to a specific casino hotel proposal submitted by an eligible applicant may be accompanied by a written commitment from the commission that a casino license shall be reserved for a period not to exceed 18 months and shall be issued to such eligible applicant with respect to such proposal provided that such applicant (1) complies in all respects with the provisions of this act, (2) qualifies for a casino license within a period not to exceed 18 months of the date of such commitment, and (3) complies with such other conditions as the

commission shall impose. The commission may revoke such reservation at any time it finds that the applicant is disqualified from receiving or holding a casino license or has failed to comply with any conditions imposed by the commission. Such reservation shall be automatically revoked if the applicant does not qualify for a casino license within the period of such commitment.

**C. 5:12-82 Casino license.**

82. Casino License—Applicant Eligibility. a. No casino shall operate unless all necessary licenses and approvals therefor have been obtained in accordance with law.

b. Any person shall be eligible to apply for a casino license if he agrees to comply in all respects with this act and the regulations promulgated hereunder and if he:

- (1) Owns 100% of an approved hotel as herein defined; or
- (2) Leases 100% of an approved hotel in accordance with the provisions of section 104 a. of this act; or
- (3) Owns or has a contract to purchase or construct a hotel, or leases or has an agreement to lease in accordance with the provisions of section 104 a. of this act 100% of a hotel, which, in the judgment of the commission, can become an approved hotel within 18 months; or
- (4) Has a written agreement, with a casino licensee or with an eligible applicant for a casino license, for the complete management of a casino in accordance with the provisions of section 104a. of this act, and owns 100% of or controls any approved hotel, including the approved hotel which is the subject of the management agreement. For purposes of this subsection, control of an approved hotel shall mean the ownership of at least 10% of all outstanding equity securities of a casino licensee or of an eligible applicant for a casino license, and the sole and unrestricted power to direct the operations of such casino licensee or eligible applicant.

c. No casino license shall be issued to any person leasing a hotel pursuant to section 104 a. hereof unless a separate casino license has first been issued to the owner of the casino hotel facility which is the subject of such lease.

d. No corporation shall be eligible to apply for a casino license unless the corporation shall:

- (1) Be incorporated in the State of New Jersey, although such corporation may be a wholly or partially owned subsidiary of a corporation which is chartered in another State of the United States;

(2) Maintain an office of the corporation in the premises licensed or to be licensed;

(3) Comply with all the requirements of the laws of the State of New Jersey pertaining to corporations;

(4) Maintain a ledger in the principal office of the corporation in New Jersey which shall at all times reflect the current ownership of every class of security issued by the corporation and shall be available for inspection by the commission or the division and authorized agents of the commission and the division at all reasonable times without notice;

(5) Maintain all operating accounts required by the commission in a bank in New Jersey;

(6) Include among the purposes stated in its articles of incorporation the conduct of casino gaming;

(7) If it is not a publicly traded corporation, file with the commission such adopted corporate charter or by-laws provisions as may be necessary to establish the right of the commission to approve future transfers of corporate securities, shares, and other interests in the applicant corporation and in any holding company, intermediary company, or subsidiary thereof; and, if it is a publicly traded corporation, said corporation shall provide in its corporate charter or by-laws that any securities of such corporation are held subject to the condition that if a holder thereof is found to be disqualified by the commission pursuant to the provisions of this act, such holder shall dispose of his security interest in the corporation; provided, however, that nothing herein shall be deemed to require that any security of such corporation bear any legend to this effect; and

(8) If it is not a publicly traded corporation, establish to the satisfaction of the commission that appropriate charter or by-laws provisions create the absolute right of such corporations and companies to repurchase at the market price or the purchase price, whichever is the lesser, any security, share or other interest in the corporation in the event that the commission disapproves a transfer in accordance with the provisions of this act.

e. No person shall be issued or be the holder of more than three casino licenses. For the purpose of this subsection a person shall be considered the holder of a casino license if such license is issued to such person or if such license is held by any holding, intermediary or subsidiary company thereof, or by any officer, director, casino key employee or principal employee of such person, or of any holding, intermediary or subsidiary company thereof.

**C. 5:12-83 Approved hotel.**

83. Approved Hotel. An approved hotel for purposes of this act shall be a hotel providing facilities in accordance with this section. Nothing in this section shall be construed to limit the authority of the commission to determine the suitability of facilities as provided in this act, and nothing in this section shall be construed to require a casino to be larger than the minimum size or smaller than the maximum size herein provided. An approved hotel shall, in accordance with the following table:

a. Contain the minimum number of sleeping units as hereinbefore defined;

b. Contain the minimum amount of meeting and exhibition space, consisting of indoor public space available and of the sort regularly used for conventions, exhibits, meetings, banquets and similar functions, but not including space regularly used as restaurants, lobbies, lounges, bars, show theaters, sports facilities, casinos, or parking areas;

c. Contain the minimum amount of indoor space used for dining, entertainment, and sports facilities, including restaurants, bars, lounges, show theaters, shops, dance halls, and swimming facilities but excluding lobbies, casinos, parking areas and tennis facilities. For purposes of this subsection, only the actual swimming pool and a 25-foot area on all sides thereof shall be eligible for inclusion in the allowable indoor sports space; and

d. Contain a casino room as hereinbefore defined, in accordance with the relative size of room, meeting and exhibition, and indoor dining, entertainment and sports space as provided in the following chart, but, except as hereinafter provided, in no event may a casino room exceed the maximum square footage stated:

<i>No. of rooms</i>	<i>Meeting space</i>	<i>Dining, entertainment and indoor sports</i>	<i>Casino space</i>
	<i>Sq. Ft.</i>	<i>Sq. Ft.</i>	<i>Sq. Ft.</i>
	<i>Minimum</i>	<i>Minimum</i>	<i>Maximum</i>
500	25,000	40,000	30,000
750	30,000	50,000	40,000
1,000	35,000	60,000	50,000
1,250	40,000	70,000	60,000
1,500	45,000	80,000	70,000
1,750	50,000	90,000	85,000
2,000	55,000	100,000	100,000

If a licensed facility shall provide more meeting space and dining, entertainment, and indoor sports space than is required by subsection d. hereof, the maximum allowable casino space may be increased by a figure representing one half of the amount of such excess meeting space and excess dining and kitchen support facilities, entertainment, and indoor sports space; provided, however, that at least 25% of the total of such excess space shall be either meeting space or dining and kitchen support facilities, entertainment, and indoor sports space; and provided further, however, that the total of the increased allowable casino space shall not exceed a figure representing the original maximum casino size.

**C. 5:12-84 Casino license—applicant requirements.**

84. Casino License—Applicant Requirements. Any applicant for a casino license must produce information, documentation and assurances concerning the following qualification criteria:

a. Each applicant shall produce such information, documentation and assurances concerning financial background and resources as may be required to establish by clear and convincing evidence the financial stability, integrity and responsibility of the applicant, including but not limited to bank references, business and personal income and disbursement schedules, tax returns and other reports filed with governmental agencies, and business and personal accounting and check records and ledgers. In addition, each applicant shall, in writing, authorize the examination of all bank accounts and records as may be deemed necessary by the commission or the division.

b. Each applicant shall produce such information, documentation and assurances as may be necessary to establish by clear and convincing evidence the integrity and reputation of all financial backers, investors, mortgagees, bond holders, and holders of indentures, notes or other evidences of indebtedness, either in effect or proposed, which bears any relation to the casino proposal submitted by the applicant or applicants. The reputation and integrity of financial sources shall be judged upon the same standards as the applicant. In addition, the applicant shall produce whatever information, documentation or assurance may be required to establish by clear and convincing evidence the adequacy of financial resources both as to the completion of the casino proposal and the operation of the casino.

c. Each applicant shall produce such information, documentation and assurances of good character as may be required to

establish by clear and convincing evidence the applicant's good reputation for honesty and integrity. Such information shall include, without limitation, information pertaining to family, habits, character, criminal and arrest record, business activities, financial affairs, and business, professional and personal associates, covering at least the ten-year period immediately preceding the filing of the application. Each applicant shall notify the commission of any civil judgments obtained against any such applicant pertaining to antitrust or security regulation laws of the federal government, of this State or of any other state, jurisdiction, province or country. In addition, each applicant shall produce letters of reference from law enforcement agencies having jurisdiction in the applicant's place of residence and principal place of business, which letters of reference shall indicate that such law enforcement agencies do not have any pertinent information concerning the applicant, or if such law enforcement agency does have information pertaining to the applicant, shall specify what that information is. If the applicant has conducted gaming operations in a jurisdiction which permits such activity, the applicant shall produce letters of reference from the gaming or casino enforcement or control agency which shall specify the experiences of such agency with the applicant, his associates, and his gaming operation; provided, however, that if no such letters are received within 60 days of request therefor, the applicant may submit a statement under oath that he is or was during the period such activities were conducted in good standing with such gaming or casino enforcement or control agency.

d. Each applicant shall produce such information, documentation and assurances as may be required to establish by clear and convincing evidence that the applicant has sufficient business ability and casino experience as to establish the likelihood of creation and maintenance of a successful, efficient casino operation. The applicant shall produce the names of all proposed casino key employees as they become known and a description of their respective or proposed responsibilities, and a full description of security systems and management controls proposed for the casino and related facilities.

e. Each applicant shall produce such information, documentation and assurances to establish to the satisfaction of the commission the suitability of the casino and related facilities and its proposed location, and that the proposal will not adversely affect casino operations or overall environmental conditions. Each

applicant shall submit an impact statement which shall include, without limitation, architectural and site plans which establish that the proposed facilities comply in all respects to the requirements of this act, of the master plan and zoning ordinances of Atlantic City, and of the "Coastal Area Facility Review Act," P. L. 1973, c. 185 (C. 13:19-1 et seq.); a market impact study which analyzes the adequacy of the patron market and the effect of the proposal on such market and on the existing casino facilities licensed under this act; and an analysis of the effect of the proposal on the overall environment, including, without limitation, economic, social, demographic and competitive conditions as well as the natural resources of Atlantic City and the State of New Jersey.

**C. 5:12-85 Additional requirements.**

85. Additional Requirements. a. In addition to other information required by this act, a corporation applying for a casino license shall provide the following information:

(1) The organization, financial structure and nature of all businesses operated by the corporation and its holding, intermediary and subsidiary companies, including names and personal employment and criminal histories of all officers, directors and principal employees of all such corporations and companies;

(2) The rights and privileges acquired by the holders of different classes of authorized securities of all such corporations and companies, including the names, addresses and amounts held by all holders of such securities;

(3) The terms upon which securities have been or are to be offered;

(4) The terms and conditions of all outstanding loans, mortgages, trust deeds, pledges or any other indebtedness or security devices utilized by the corporation;

(5) The extent of the equity security holding in the corporation of all officers, directors and underwriters, and their remuneration in the form of salary, wages, fees or otherwise;

(6) Names of persons other than directors and officers whose compensation exceeds \$25,000.00 per annum, and amounts thereof;

(7) A description of all bonus and profit sharing arrangements;

(8) Copies of all management and service contracts; and

(9) A listing of stock options existing or to be created.

b. If a corporation applying for a casino license is, or if a corporation holding a casino license is to become, a subsidiary, each

holding company and each intermediary company with respect thereto must, as a condition of acquiring or retaining such license, as the case may be:

(1) Qualify to do business in the State of New Jersey; and

(2) If it is a corporation, register with the commission and furnish the commission with all the information required of a corporate licensee as specified in subsection a.; or

(3) If it is not a corporation, register with the commission and furnish the commission with such information as the commission may prescribe. The commission may, in its discretion, make such investigations concerning the officers, directors, underwriters, security holders, partners, principals, trustees or persons owning or beneficially holding any interest in any holding company or intermediary company as it deems necessary, either at the time of initial registration or at any time thereafter.

c. No corporation shall be eligible to hold a casino license unless each officer; each director; each person who directly or indirectly holds any beneficial interest or ownership of the securities issued by the corporation; any person who in the opinion of the commission has the ability to control the corporation or elect a majority of the board of directors of that corporation, other than a banking or other licensed lending institution which holds a mortgage or other lien acquired in the ordinary course of business; each principal employee; and any lender, underwriter, agent or employee of the corporation whom the commission may consider appropriate for approval or qualification would, but for residence, individually be qualified for approval as a casino key employee pursuant to the provisions of this act.

d. No corporation which is a subsidiary shall be eligible to receive or hold a casino license unless each holding and intermediary company with respect thereto:

(1) If it is a corporation, shall comply with the provisions of subsection c. of this section as if said holding or intermediary company were itself applying for a casino license; provided, however, that the commission with the concurrence of the director may waive compliance with the provisions of subsection c. hereof on the part of a publicly-traded corporation which is a holding company as to any officer, director, lender, underwriter, agent or employee thereof, or person directly or indirectly holding a beneficial interest or ownership of the securities of such corporation, where the commission and the director are satisfied that such officer, director, lender, underwriter, agent or em-

ployee is not significantly involved in the activities of the corporate licensee, and in the case of security holders, does not have the ability to control the publicly-traded corporation or elect one or more directors thereof; or

(2) If it is not a corporation, shall comply with the provisions of subsection e. of this section as if said company were itself applying for a casino license.

e. Any non-corporate applicant for a casino license shall provide the information required in subsection a. of this section in such form as may be required by the commission or the division. No such applicant shall be eligible to hold a casino license unless each person who directly or indirectly holds any beneficial interest or ownership in the applicant, or who in the opinion of the commission has the ability to control the applicant, or whom the commission may consider appropriate for approval or qualification, would, but for residence, individually be qualified for approval as a casino key employee pursuant to the provisions of this act.

**C. 5:12-86 Casino license—disqualification criteria.**

86. Casino License—Disqualification Criteria. The commission shall deny a casino license to any applicant who is disqualified on the basis of any of the following criteria:

a. Failure of the applicant to prove by clear and convincing evidence that the applicant is qualified in accordance with the provisions of this act;

b. Failure of the applicant to provide information, documentation and assurances required by the act or requested by the commission, or failure of the applicant to reveal any fact material to qualification, or the supplying of information which is untrue or misleading as to a material fact pertaining to the qualification criteria;

c. The conviction of the applicant or of any person required to be qualified under this act as a condition of any offense in any jurisdiction which would be under New Jersey law at the time of application a capital offense or a high misdemeanor or a misdemeanor under any of the following sections of the statutory law:

N. J. S. 2A:85-1

N. J. S. 2A:89-1 et seq.

N. J. S. 2A:91-1 et seq.

N. J. S. 2A:93-1 et seq.

N. J. S. 2A:98-1 et seq.

P. L. 1961, c. 53 (C. 2A:98-3, 2A:98-4)

N. J. S. 2A:102-1 et seq.

P. L. 1959, c. 98 (C. 2A:102-12.1)  
P. L. 1957, c. 182 (C. 2A:102-13 to 2A:102-17)  
N. J. S. 2A:105-3  
N. J. S. 2A:108-1 et seq.  
N. J. S. 2A:111-1  
N. J. S. 2A:111-4  
N. J. S. 2A:111-6  
N. J. S. 2A:111-7  
N. J. S. 2A:111-8  
N. J. S. 2A:111-9  
N. J. S. 2A:111-10  
N. J. S. 2A:111-11  
N. J. S. 2A:111-13  
N. J. S. 2A:111-14  
N. J. S. 2A:111-15  
N. J. S. 2A:111-20  
N. J. S. 2A:111-21  
P. L. 1964, c. 179 (C. 2A:111-21.1)  
N. J. S. 2A:111-22  
N. J. S. 2A:111-23  
N. J. S. 2A:117-1 et seq.  
N. J. S. 2A:119-1 to 2A:119-5  
P. L. 1965, c. 52 (C. 2A:119-5.1 to 2A:119-5.5)  
N. J. S. 2A:119-6 to 2A:119-8  
P. L. 1962, c. 201 (C. 2A:119-8.1)  
N. J. S. 2A:119-9  
N. J. S. 2A:131-4 to 2A:131-7  
N. J. S. 2A:139-1 et seq.  
N. J. S. 2A:147-1 et seq.  
N. J. S. 2A:149-1  
N. J. S. 2A:150-1,

or any of the disorderly persons offenses enumerated in the following sections of the statutory law:

N. J. S. 2A:170-5  
N. J. S. 2A:170-18  
P. L. 1969, c. 256 (C. 2A:170-102),

or any other offense which indicates that licensure of the applicant would be inimical to the policy of this act and to casino operations;

d. Current prosecution or pending charges in any jurisdiction of the applicant or of any person who is required to be qualified under this act as a condition of a casino license, for any of the offenses enumerated in subsection c. of this section; provided, however,

that at the request of the applicant or the person charged, the commission shall defer decision upon such application during the pendency of such charge;

e. The pursuit by the applicant or any person who is required to be qualified under this act as a condition of a casino license of economic gain in an occupational manner or context which is in violation of the criminal or civil public policies of this State, if such pursuit creates a reasonable belief that the participation of such person in casino operations would be inimical to the policies of this act or to legalized gaming in this State. For purposes of this section, occupational manner or context shall be defined as the systematic planning, administration, management, or execution of an activity for financial gain;

f. The identification of the applicant or any person who is required to be qualified under this act as a condition of a casino license as a career offender or a member of a career offender cartel or an associate of a career offender or career offender cartel in such a manner which creates a reasonable belief that the association is of such a nature as to be inimical to the policy of this act and to gaming operations. For purposes of this section, career offender shall be defined as any person whose behavior is pursued in an occupational manner or context for the purpose of economic gain, utilizing such methods as are deemed criminal violations of the public policy of this State. A career offender cartel shall be defined as any group of persons who operate together as career offenders;

g. The commission by the applicant or any person who is required to be qualified under this act as a condition of a casino license of any act or acts which would constitute any offense under subsection c. of this section, even if such conduct has not or may not be prosecuted under the criminal laws of this State; and

h. Contumacious defiance by the applicant or any person who is required to be qualified under this act of any legislative investigatory body or other official investigatory body of this State or of the United States when such body is engaged in the investigation of crimes relating to gaming, official corruption, or organized crime activity.

**C. 5:12-87 Investigation of applicants; order approving or denying license.**

87. Investigation of Applicants; Order Approving or Denying License. a. Upon the filing of an application and such supplemental information as the commission may require, the commission shall request the division to conduct such investigation into the qualifica-

tion of the applicant, and the commission shall conduct such hearings concerning the qualification of the applicant in accordance with its regulations as may be necessary to determine qualifications for casino license.

b. After such investigation, the commission may either deny the application or grant a casino license to an applicant whom it determines to be qualified to hold such license.

c. The commission shall have the authority to deny any application pursuant to the provisions of this act. When an application is denied, the commission shall prepare and file an order denying such application with the general reasons therefor, and if requested by the applicant, shall further prepare and file a statement of the reasons for the denial, including the specific findings of facts.

d. After an application is submitted to the commission, final action of the commission shall be taken within 90 days after completion of all hearings and investigations and the receipt of all information required by the commission.

e. If satisfied that an applicant is qualified to receive a casino license, and upon tender of all license fees and taxes as required by law and regulations of the commission, and such bonds as the commission may require for the faithful performance of all requirements imposed by law or regulations, the commission shall issue a casino license for the term of one year.

f. The commission shall fix the amount of the bond or bonds to be required under this section in such amounts as it may deem appropriate, by rules of uniform application. The bonds so furnished may be applied by the commission to the payment of any unpaid liability of the licensee under this act. The bond shall be furnished in cash or negotiable securities, by a surety bond guaranteed by a satisfactory guarantor, or by an irrevocable letter of credit issued by a banking institution of this State acceptable to the commission. If furnished in cash or negotiable securities, the principal shall be placed without restriction at the disposal of the commission, but any income shall inure to the benefit of the licensee.

g. No more than one casino license may be issued with respect to any approved hotel, except that in the case of any lease agreement or management contract approved in accordance with section 104 of this act, each party to such agreement or contract may be issued a casino license.

**C. 5:12-88 Renewal of casino licenses.**

88. Renewal of Casino Licenses. a. Subject to the power of the commission to deny, revoke, or suspend licenses, any casino license

in force shall be renewed by the commission for the next succeeding license period upon proper application for renewal and payment of license fees and taxes as required by law and the regulations of the commission. The commission shall act upon any such application no later than 30 days prior to the date of expiration of the current license.

b. Application for renewal shall be filed with the commission no later than 90 days prior to the expiration of the current license, and all license fees and taxes as required by law shall be paid to the commission on or before the date of expiration of the current license.

c. Upon renewal of any license the commission shall issue an appropriate renewal certificate or validating device or sticker which shall be attached to each casino license.

**C. 5:12-89 Licensing of casino key employees.**

89. Licensing of Casino Key Employees. a. No person may be employed as a casino key employee unless he is the holder of a valid casino key employee license issued by the commission.

b. Each applicant must, prior to the issuance of any casino key employee license, produce information, documentation and assurances concerning the following qualification criteria:

(1) Each applicant for a casino key employee license shall produce such information, documentation and assurances as may be required to establish by clear and convincing evidence the financial stability, integrity and responsibility of the applicant, including but not limited to bank references, business and personal income and disbursements schedules, tax returns and other reports filed with governmental agencies, and business and personal accounting and check records and ledgers. In addition, each applicant shall, in writing, authorize the examination of all bank accounts and records as may be deemed necessary by the commission or the division.

(2) Each applicant for a casino key employee license shall produce such information, documentation and assurances as may be required to establish by clear and convincing evidence the applicant's reputation for good character, honesty and integrity. Such information shall include, without limitation, data pertaining to family, habits, character, criminal and arrest record, business activities, financial affairs, and business, professional and personal associates, covering at least the 10-year period immediately preceding the filing of the application. Each applicant shall notify the commission of any civil judgments obtained against such applicant pertaining to antitrust or security regulation laws of the federal government, of this State or of any other State, jurisdic-

tion, province or country. In addition, each applicant shall produce letters of reference from law enforcement agencies having jurisdiction in the applicant's place of residence and principal place of business, which letters of reference shall indicate that such law enforcement agencies do not have any pertinent information concerning the applicant, or if such law enforcement agency does have information pertaining to the applicant, shall specify what that information is. If the applicant has been associated with gaming or casino operations in any capacity, position or employment in a jurisdiction which permits such activity, the applicant shall produce letters of reference from the gaming or casino enforcement or control agency which shall specify the experiences of such agency with the applicant, his associates and his participation in the gaming operations of that jurisdiction; provided, however, that if no such letters are received within 60 days of request therefor, the applicant may submit a statement under oath that he is or was during the period such activities were conducted in good standing with such gaming or casino enforcement or control agency.

(3) Each applicant shall produce such information, documentation and assurances as may be required to establish by clear and convincing evidence that the applicant has sufficient business ability and casino experience as to establish the reasonable likelihood of success and efficiency in the particular position involved.

(4) Each applicant shall be a resident of the State of New Jersey prior to the issuance of a casino key employee license.

c. The commission shall endorse upon any license issued hereunder the particular positions as defined by this act or by regulation which the licensee is qualified to hold.

d. The commission shall deny a casino key employee license to any applicant who is disqualified on the basis of the criteria contained in section 86 of this act.

**C. 5:12-90 Licensing of casino employees.**

90. Licensing of Casino Employees. a. No person may commence employment as a casino employee unless he is the holder of a valid casino employee license issued by the commission.

b. Any applicant for a casino employee license must, prior to the issuance of any such license, produce sufficient information, documentation and assurances to meet the qualification criteria, including New Jersey residency, contained in subsection b. of section 89 of this act; except that the standards for business ability and casino experience may be satisfied by a showing of casino job experience and knowledge of the provisions of this act and

regulations pertaining to the particular position involved, or by successful completion of a course of study at a licensed school in an approved curriculum.

c. The commission shall endorse upon any license issued hereunder the particular positions as defined by regulation which the licensee is qualified to hold.

d. The commission shall deny a casino employee license to any applicant who is disqualified on the basis of the criteria contained in section 86 of this act.

e. For purposes of this section, casino security employees shall be considered casino employees and must, in addition to any requirements under other laws, be licensed in accordance with the provisions of this act.

**C. 5:12-91 Casino hotel employee licenses.**

91. Casino Hotel Employee Licenses. a. No person may commence employment as a casino hotel employee unless he is the holder of a valid casino hotel employee license issued by the chairman.

b. Any applicant for a casino hotel employee license must, prior to the issuance of any such license, produce sufficient information, documentation and assurances to meet the qualification criteria, including New Jersey residency, contained in subsections b.(1), b.(2) and b.(4) of section 89 of this act. No casino hotel employee license shall be issued to any person disqualified on the basis of the criteria contained in section 86 of this act.

c. Notwithstanding the provisions of subsection b. of this section, no applicant shall be denied a casino hotel employee license on the basis of a conviction of any of the offenses enumerated in this act as disqualification criteria, provided that the applicant has demonstrated his rehabilitation or can produce a certificate of rehabilitation, or that the offense for which the applicant has been convicted is not reasonably related to the duties for which the applicant will be employed in the casino hotel.

d. The commission may waive any disqualification criterion for a casino hotel employee consistent with the public policy of this act and upon a finding that the interests of justice so require.

e. A temporary license of 5 days duration may be issued by the chairman if in his judgment the issuance of a permanent license will be restricted by necessary investigations and said temporary licensing of the applicant is necessary for the continuing operations of the hotel.

**C. 5:12-92 Licensing and registration of casino service industries.****92. Licensing and Registration of Casino Service Industries.**

a. All casino service industries offering goods or services on a regular basis which directly relate to casino or gaming activity, including gaming equipment manufacturers, suppliers and repairers, schools teaching gaming and either playing or dealing techniques, and casino security services, shall be licensed in accordance with the provisions of this act prior to conducting any business whatsoever with a casino licensee, its employees or agents, and in the case of a school, prior to enrollment of any students or offering of any courses to the public whether for compensation or not.

b. Each casino service industry in subsection a. of this section, as well as its owners, management and supervisory personnel and other principal employees must qualify under the standards, except residency, established for qualification of a casino key employee under this act. In addition, if the business or enterprise is a school teaching gaming and either playing or dealing techniques, each employee of such school must qualify under the standards established for qualification of a casino employee under this act; provided, however, that nothing in this subsection shall be deemed to require, in the case of a public school district or a public institution of higher education, the licensure or qualification of any individuals except those instructors and other principal employees responsible for the teaching of playing or dealing techniques.

c. All casino service industries not included in subsection a. of this section shall be licensed in accordance with rules of the commission prior to commencement or continuation of any business with a casino licensee or its agents. Such casino service industries, whether or not directly related to gaming operations, shall include suppliers of alcoholic beverages, food and nonalcoholic beverages; garbage handlers; vending machine providers; linen suppliers; maintenance companies; shopkeepers located within the approved hotel; and limousine services contracting with casino licensees. The commission may exempt any person or field of commerce from the licensing requirements of this subsection if it finds that such person or field of commerce is regulated by a public agency and that licensure is not necessary to protect the public interest or to accomplish the policies established by this act.

d. Licensure pursuant to subsection c. of this section of any casino service industry may be denied to any applicant disqualified in accordance with the criteria contained in section 86 of this act.

**C. 5:12-93 Registration of labor organizations.**

93. Registration of Labor Organizations. a. Each labor organization, union or affiliate seeking to represent employees licensed under this act and employed by a casino hotel or a casino licensee shall register with the commission annually, and shall disclose such information to the commission as the commission may require, including the names of all affiliated organizations, pension and welfare systems and all officers and agents of such organizations and systems; provided, however, that no labor organization, union, or affiliate shall be required to furnish such information to the extent such information is included in a report filed by any labor organization, union, or affiliate with the Secretary of Labor pursuant to 29 U. S. C. §§ 431 et seq. or 1001 et seq. if a copy of such report, or of the portion thereof containing such information, is furnished to the commission pursuant to the aforesaid Federal provisions. The commission may in its discretion exempt any labor organization, union, or affiliate from the registration requirements of this subsection where the commission finds that such organization, union or affiliate is not the certified bargaining representative of any employee licensed under this act, is not involved actively, directly or substantially in the control or direction of the representation of any such employee, and is not seeking to do so.

b. No labor organization, union or affiliate registered or required to be registered pursuant to this section and representing or seeking to represent employees licensed under this act may receive any dues from any employee licensed under this act and employed by a casino licensee or its agent, or administer any pension or welfare funds, if any officer, agent, or principal employee of the labor organization, union or affiliate is disqualified in accordance with the criteria contained in section 86 of this act. The commission may for the purposes of this subsection waive any disqualification criterion consistent with the public policy of this act and upon a finding that the interests of justice so require.

c. Neither a labor organization, union or affiliate nor its officers and agents not otherwise individually licensed under this act and employed by a casino licensee may hold any financial interest whatsoever in the casino hotel or casino licensee whose employees they represent.

**C. 5:12-94 Approval and denial of registrations and licenses other than casino licenses.**

94. Approval and Denial of Registrations and Licenses Other Than Casino Licenses. a. Upon the filing of an application for any

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license or registration required by this act other than a casino license, and after submission of such supplemental information as the commission may require, the commission shall request the division to conduct such investigation into the qualification of the applicant, and the commission shall conduct such hearings concerning the qualification of the applicant in accordance with its regulations as may be necessary to determine qualification for such license or registration.

b. After such investigation, the commission may either deny the application or grant a license to or accept the registration of an applicant whom it determines to be qualified to hold such license or registration. Notwithstanding the above, the chairman may grant a casino hotel employee license upon application therefor; if said application is denied, the applicant may appeal to the commission in the normal course.

c. The commission shall have the authority to deny any application pursuant to the provisions of this act. When an application is denied, the commission shall prepare and file its order denying such application with the general reasons therefor, and if requested by the applicant, shall further prepare and file a statement of the reasons for the denial, including the specific findings of facts.

d. When the commission grants an application, the commission may limit or place such restrictions thereupon as it may deem necessary in the public interest. Licenses shall be granted and registrations approved for a term of one year.

e. After an application is submitted to the commission, final action of the commission shall be taken within 90 days after completion of all hearings and investigations and the receipt of all information required by the commission.

**C. 5:12-95 Renewal of licenses and registrations.**

95. Renewal of Licenses and Registrations. Subject to the power of the commission to deny, revoke or suspend any license or registration, any license other than a casino license or any registration may be renewed upon proper application for renewal no later than 90 days prior to the expiration of the current license or registration, and the payment of fees as provided by law on or before the date of expiration of the current license or registration. The commission shall act upon such application for renewal no later than 30 days prior to the date of expiration of the current license or registration.

## ARTICLE 7. CONDITIONS OF OPERATION.

**C. 5:12-96 Operation certificate.**

96. Operation Certificate. a. Notwithstanding the issuance of a license therefor, no casino may be opened or remain open to the public, and no gaming activity, except for test purposes, may be conducted therein, unless and until a valid operation certificate has been issued to the casino licensee by the commission. Such certificate shall be issued by the commission upon a finding that a casino complies in all respects with the requirements of this act and regulations promulgated hereunder, that the casino licensee has implemented necessary management controls and security precautions, that casino personnel are properly trained and licensed for their respective responsibilities, and that the casino is prepared in all respects to receive the public.

b. The operation certificate shall include a statement of compliance with subsection a. of this section and an itemized list by category and number of the authorized games permitted in the particular casino establishment.

c. A casino licensee shall notify the commission 30 days in advance of any proposed change in the number of authorized games to be played in a particular casino, and shall request the issuance of an operation certificate which permits such changes to occur. The commission shall issue a revised operation certificate unless it finds that the planned change in authorized games does not conform to the requirements of this act or regulations promulgated hereunder, or that there has been a change of circumstances in the casino or with respect to the casino licensee materially affecting compliance with subsection a. of this section.

d. An operation certificate shall remain in force and effect unless altered in accordance with subsection c. of this section, or revoked, suspended, limited, or otherwise altered by the commission in accordance with this act.

e. It shall be an express condition of continued operation under this act that a casino licensee shall maintain all books, records, and documents pertaining to the licensee's operations on the licensed premises immediately available for inspection during all hours of operation. All such books, records, and documents shall be maintained for a period of not less than 7 years.

**C. 5:12-97 Hours of operation.**

97. Hours of Operation. a. No casino licensed pursuant to this act shall operate between the hours of 6 a.m. and 10 a.m. on Satur-

days, Sundays and State and Federal holidays, or between the hours of 4 a.m. and 10 a.m. on all other days.

b. A casino licensee shall file with the commission a schedule of hours prior to the issuance of an initial operation certificate. If the casino licensee proposes any change in scheduled hours, such change may not be effected until such licensee files a notice of the new schedule of hours with the commission. Such filing must be made 30 days prior to the effective date of the proposed change in hours.

c. Nothing herein shall be construed to limit a casino licensee in opening its casino later than, or closing its casino earlier than, the times stated in its schedule of operating hours; provided, however, that any such alterations in its hours shall comply with the provisions of subsection a. of this section and with regulations of the commission pertaining to such alterations.

**C. 5:12-98 Casino facility requirements.**

98. Casino Facility Requirements. a. Each casino licensee shall arrange the facilities of its casino in such a manner as to promote maximum comfort for the patrons and optimum security for the casino operation, and shall comply in all respects with regulations of the commission pertaining thereto.

b. Each casino licensee shall:

(1) Install a closed circuit television system according to specifications approved by the commission, and provide access on the licensed premises to the system or its signal by the commission or the division, in accordance with regulations pertaining thereto;

(2) Provide exterior public entrances to a casino only through an enclosed lobby or receiving foyer of not less than 400 square feet; provided, however, that nothing herein shall limit the number of such entrances to a casino;

(3) Establish a single room of at least 15,000 square feet as its casino, and provide that visibility between any two areas in the casino, whether or not contiguous, may not be obstructed by partitions of any kind which cover more than 50% of the structural opening; provided, however, that multi-level casinos otherwise complying with this subsection shall be permitted;

(4) Not permit the interior of the casino to be visible from outside the casino hotel facility; and

(5) Not be entitled to have considered any meeting space and restaurant, entertainment, and sports space which has direct public access only through the casino as counting toward the minimum ancillary space requirements of section 83 of this act.

**C. 5:12-99 Internal controls.**

99. Internal Controls. a. Each casino licensee shall submit to the commission a description of its system of internal procedures and administrative and accounting controls. Such submission shall be made at least 90 days before gaming operations are to commence or before changes in previously submitted control plans are to become effective, unless otherwise directed by the commission. Each such submission shall contain both narrative and diagrammatic representations of the internal control system to be utilized by the casino, including, but not limited to:

(1) Accounting controls, including the standardization of forms and definition of terms to be utilized in the gaming operations;

(2) Procedures, forms, and, where appropriate, formulas covering the calculation of hold percentages, revenue drop, expense and overhead schedules, complimentary services, junkets, cash equivalent transactions, salary structure and personnel practices;

(3) Job descriptions and the system of personnel and chain-of-command, establishing a diversity of responsibility among employees engaged in casino operations and identifying primary and secondary supervisory positions for areas of responsibility, which areas shall not be so extensive as to be impractical for an individual to monitor;

(4) Procedures within the cashier's cage for the receipt, storage and disbursement of chips and cash; the cashing of checks; the redemption of chips; the pay-off of jackpots; and the recording of transactions pertaining to gaming operations;

(5) Procedures for the collection and security of moneys at the gaming tables;

(6) Procedures for the transfer and recordation of chips between the gaming tables and the cashier's cage;

(7) Procedures for the transfer of moneys from the gaming tables to the counting process;

(8) Procedures and security for the counting and recordation of revenue;

(9) Procedures for the security, storage and recordation of chips utilized in the gaming operation;

(10) Procedures for the transfer of moneys or chips from and to the slot machines;

(11) Procedures and standards for the opening and security of slot machines;

(12) Procedures for the payment and recordation of slot machine jackpots;

(13) Procedures for the cashing and recordation of checks exchanged by casino patrons;

(14) Procedures governing the utilization of the private security force within the casino;

(15) Procedures and security standards for the handling and storage of gaming apparatus including cards, dice, machines, wheels and all other gaming equipment; and

(16) Procedures and rules governing the conduct of particular games and the responsibility of casino personnel in respect thereto.

b. The commission shall review each submission required by subsection a. hereof, and shall determine whether it conforms to the requirements of this act and to the regulations promulgated thereunder and whether the system submitted provides adequate and effective controls for the operations of the particular casino submitting it. If the commission finds any insufficiencies, it shall specify same in writing to the casino licensee, who shall make appropriate alterations. When the commission determines a submission to be adequate in all respects, it shall notify the casino licensee of same. No casino licensee shall commence gaming operations, or alter in fact its internal controls, unless and until such system of controls is approved by the commission.

**C. 5:12-100 Games and gaming equipment.**

100. Games and Gaming Equipment. a. This act shall not be construed to permit any gaming except the conduct of authorized games in a casino room in accordance with this act and the regulations promulgated hereunder.

b. Gaming equipment shall not be possessed, maintained or exhibited by any person on the premises of a casino hotel complex except in the casino room and in secure areas used for the inspection, repair or storage of such equipment and specifically designated for that purpose by the casino licensee with the approval of the commission. No gaming equipment shall be possessed, maintained, exhibited, brought into or removed from a casino room by any person unless such equipment is necessary to the conduct of an authorized game, has permanently affixed, imprinted, impressed or engraved thereon an identification number or symbol authorized by the commission, is under the exclusive control of a casino licensee or his employees, and is brought into or removed from the casino room at times authorized for that purpose by the commission or at other times when prior notice has been given to and written approval granted by an authorized agent of the commission.

c. Each casino hotel shall contain a count room and such other secure facilities as may be required by the commission for the counting and storage of cash, coin, tokens and checks received in the conduct of gaming and for the inspection, counting and storage of dice, cards, chips and other representatives of value. All drop boxes and other devices wherein cash, coins, or tokens are deposited at the gaming tables or in slot machines, and all areas wherein such boxes and devices are kept while in use, shall be equipped with two locking devices, one key to which shall be under the exclusive control of the commission and the other under the exclusive control of the casino licensee, and said drop boxes and other devices shall not be brought into or removed from the casino room, or locked or unlocked, except at such times, in such places, and according to such procedures as the commission may require.

d. All chips used in gaming at all casinos shall be of such size and uniform color by denomination as the commission shall require by regulation.

e. All gaming shall be conducted according to rules promulgated by the commission. All wagers and pay-offs of winning wagers at table games shall be made according to rules promulgated by the commission, which shall establish such minimum wagers and other limitations as may be necessary to assure the vitality of casino operations and fair odds to and maximum participation by casino patrons; provided, however, that a licensee may establish a higher minimum wager with the prior approval of the commission. Each slot machine shall have a minimum payout of 83%.

f. Each casino licensee shall make available in printed form to any casino patron upon request the complete text of the rules of the commission regarding games and the conduct of gaming, pay-offs of winning wagers, an approximation of the odds of winning for each wager, and such other advice to the player as the commission shall require. Each casino licensee shall prominently post within the casino room according to regulations of the commission such information about gaming rules, pay-offs of winning wagers, the odds of winning for each wager, and such other advice to the player as the commission shall require.

g. Each gaming table shall be equipped with a sign indicating the permissible minimum and maximum wagers pertaining thereto. It shall be unlawful to conduct gaming activity at any table in any manner inconsistent with the information stated upon the signs required by this subsection.

h. No slot machine shall be used to conduct gaming unless it is identical in all electrical, mechanical and other aspects to a model thereof which has been specifically tested by the division and licensed for use by the commission. The commission shall, by regulation, establish such technical standards for licensure, including mechanical and electrical reliability, security against tampering, the comprehensibility of wagering, and noise and light levels, as it may deem necessary to protect the player from fraud or deception and to insure the integrity of gaming. In no event shall slot machines, including walkways between them, occupy more than 30% of the first 50,000 square feet of floor space of a casino, or more than 25% of any additional floor space of a casino larger than 50,000 square feet. The commission shall, by regulation, determine the permissible density of particular licensed slot machines or combinations thereof, based upon their size and light and noise levels, so as to create and maintain a gracious playing environment in the casino and to avoid deception or frequent distraction to players at gaming tables. The denominations of such machines shall be set by the licensee, subject to the prior approval of the commission.

i. Each casino shall be arranged in such fashion as to allow floor space for each gaming table, including the space occupied by the table, in accordance with the following:

Baccarat—300 square feet

Blackjack—100 square feet

Craps—200 square feet

Roulette—150 square feet

Big Six Wheel—150 square feet

j. Each casino shall be arranged in such fashion as to assure that gaming tables shall at all times be present, whether in use or not, according to the following:

(1) At least one baccarat table for every 25,000 square feet of casino space or part thereof;

(2) At least one craps table for every 10,000 square feet of casino space or part thereof;

(3) At least one roulette table for every 10,000 square feet of casino space or part thereof;

(4) At least four blackjack tables for every 10,000 square feet of casino space or part thereof; and

(5) No more than one Big Six Wheel and table for every 10,000 square feet of casino space or part thereof.

k. It shall be unlawful for any person to exchange or redeem chips for anything whatsoever, except currency, negotiable personal checks, negotiable counter checks or other chips. A casino licensee shall, upon the request of any person, redeem that licensee's gaming chips surrendered by that person in any amount over \$25.00 with a check drawn upon the licensee's account at any banking institution in this State and made payable to that person.

l. It shall be unlawful for any casino licensee or his agents or employees to employ, contract with, or use any shill or barker to induce any person to enter a casino or play at any game or for any purpose whatsoever.

m. It shall be unlawful for a dealer in any authorized game in which cards are dealt to deal cards by hand or other than from a device specifically designed for that purpose.

n. It shall be unlawful for any casino key employee, other than a junket representative, or any casino employee, other than a bartender, waiter, waitress, or other casino employee who in the judgment of the commission is not directly involved with the conduct of gaming operations, to wager at any game in any casino in this State.

o. (1) It shall be unlawful for any casino key employee or boxman, floorman, or any other casino employee who shall serve in a supervisory position to solicit or accept, and for any other casino employee to solicit, any tip or gratuity from any player or patron at the casino where he is employed.

(2) A dealer may accept tips or gratuities from a patron at the table at which such dealer is conducting play, subject to the provisions of this subsection. All such tips or gratuities shall be immediately deposited in a lock box reserved for that purpose, accounted for, and placed in a pool for distribution pro rata among the dealers on a weekly basis, with the distribution based upon the number of hours each dealer has worked.

**C. 5:12-101 Credit.**

101. Credit. a. Except as otherwise provided in this section, no casino licensee or any person licensed under this act, and no person acting on behalf of or under any arrangement with a casino licensee or other person licensed under this act, shall:

(1) Cash any check, make any loan, or otherwise provide or allow to any person any credit or advance of anything of value or which represents value to enable any person to take part in gaming activity as a player; or

(2) Release or discharge any debt, either in whole or in part, or make any loan which represents any losses incurred by any player in gaming activity without maintaining a written record thereof in accordance with the rules of the commission.

b. No casino licensee or any person licensed under this act, and no person acting on behalf of or under any arrangement with a casino licensee or other person licensed under this act, may accept a check, other than a recognized traveler's check or other cash equivalent, from any person to enable such person to take part in gaming activity as a player, or may give cash or cash equivalents in exchange for such check unless:

- (1) The check is made payable to the casino licensee;
- (2) The check is dated, but not postdated;
- (3) The check is presented to the cashier or his representative and is exchanged only for a credit slip or slips which total an amount equal to the amount for which the check is drawn, which slip or slips may be presented for chips at a gaming table; and
- (4) The regulations concerning check cashing procedures are observed by the casino licensee and its employees and agents.

Nothing in this subsection shall be deemed to preclude the establishment of an account by any person with a casino licensee by a deposit of cash or recognized traveler's check or other cash equivalent, or to preclude the withdrawal, either in whole or in part, of any amount contained in such account.

c. When a casino licensee or other person licensed under this act, or any person acting on behalf of or under any arrangement with a casino licensee or other person licensed under this act, cashes a check in conformity with the requirements of subsection b. of this section, the casino licensee shall cause the deposit of such check in a bank for collection or payment within (1) seven banking days of the date of the transaction for a check in an amount less than \$1,000.00; (2) fourteen banking days of the date of the transaction for a check of at least \$1,000.00 but less than \$2,500.00; or (3) ninety banking days of the date of the transaction for a check of \$2,500.00 or more. Notwithstanding the foregoing, the drawer of the check may redeem the check by exchanging cash or chips in an amount equal to the amount for which the check is drawn; or he may redeem the check in part by exchanging cash or chips and another check which meets the requirements of subsection b. of this section for the difference between the original check and the cash or chips tendered; or he may issue one check

which meets the requirements of subsection b. of this section in an amount sufficient to redeem two or more checks drawn to the order of the casino licensee. If there has been a partial redemption or a consolidation in conformity with the provisions of this subsection, the newly issued check shall be delivered to a bank for collection or payment within the period herein specified. No casino licensee or any person licensed under this act, and no person acting on behalf of or under any arrangement with a casino licensee or other person licensed under this act shall accept any check or series of checks in redemption or consolidation of another check or checks in accordance with this subsection for the purpose of avoiding or delaying the deposit of a check in a bank for collection or payment within the time period prescribed by this subsection.

d. No casino licensee or any other person licensed under this act, or any other person acting on behalf of or under any arrangement with a casino licensee or other person licensed under this act, shall transfer, convey, or give, with or without consideration, a check cashed in conformity with the requirements of this section to any person other than:

- (1) The drawer of the check upon redemption or consolidation in accordance with subsection c. of this section;
- (2) A bank for collection or payment of the check; or
- (3) A purchaser of the casino license as approved by the commission.

The limitation on transferability of checks imposed herein shall apply to checks returned by any bank to the casino licensee without full and final payment.

e. No person other than one licensed as a casino key employee or as a casino employee may engage in efforts to collect upon checks that have been returned by banks without full and final payment, except that an attorney-at-law representing a casino licensee may bring action for such collection.

f. Notwithstanding the provisions of any law to the contrary, checks cashed in conformity with the requirements of this act shall be valid instruments, enforceable at law in the courts of this State. Any check cashed, transferred, conveyed or given in violation of this act shall be invalid and unenforceable.

**C. 5:12-102 Junkets and complimentary services.**

102. Junkets and Complimentary Services. a. No junkets may be organized or permitted except in accordance with the provisions of this act. No person may act as a junket representative except

in accordance with this section. For purposes of this section, the term "junket representative" shall mean any person who is responsible for or directly engaged in the creation, organization, or operation of a junket, regardless of whether or not such junket is engaged in or organized within the State of New Jersey.

b. A junket representative shall be licensed as a casino key employee in accordance with the provisions of this act; provided, however, that said licensee need not be a resident of this State. No casino licensee may employ or otherwise engage a junket representative who is not so licensed.

c. A casino licensee shall be responsible for the conduct of any junket representative associated with it and for the terms and conditions of any junket engaged in on its premises, regardless of the employment status of any junket representative associated therewith.

d. Each casino licensee shall either :

(1) Submit to the commission, in accordance with its rules, a report in advance of any junket which shall include the names of the participants, the terms of the junket, the origin and dates of the junket, and such other information as may be required by the commission, including, without limitation, acknowledgments by the participants that they understand the terms of the particular junket; or

(2) Submit to the commission, in accordance with its rules, proposals for junkets, which proposals may be approved by the commission for continued use upon the condition that no material aspect of any proposal will be changed except as to participants and that quarterly reports regarding such junkets shall be submitted to the commission, including such information as it may require.

e. A casino licensee shall be responsible for any violation or deviation from the terms of a junket. Notwithstanding any other provisions of this act, the commission may, after hearings in accordance with this act, order restitution to junket participants, assess penalties for such violations or deviations, prohibit future junkets by the casino licensee or junket representatives, and order such further relief as it deems appropriate.

f. Each casino licensee shall maintain a regulated complimentary service account and shall submit a quarterly report to the commission based upon such account and covering all complimentary services offered or engaged in by the licensee during the immediately preceding quarter. Such reports shall include identification

of the regulated complimentary services and their respective costs, the number of persons by category of service who received same, and such other information as the commission may require.

**C. 5:12-103 Alcoholic beverages on casino hotel facilities.**

103. Alcoholic Beverages on Casino Hotel Facilities. a. Notwithstanding any law to the contrary, the authority to grant any license for, or to permit or prohibit the presence of, alcoholic beverages in, on, or about any premises licensed as part of a casino hotel shall exclusively be vested in the commission.

b. Unless otherwise stated, and except where inconsistent with the purpose or intent of this act or the common understanding of usage thereof, definitions contained in Title 33 of the Revised Statutes shall apply to this section. Any definition contained therein shall apply to the same word in any form.

c. Notwithstanding any provision of Title 33 of the Revised Statutes, the rules, regulations and bulletins promulgated by the director of the Division of Alcoholic Beverage Control, or any provision promulgated by any local authority, including the authority to issue, renew, transfer, revoke or suspend any Casino Hotel Alcoholic Beverage License or any portion, location, privilege or condition thereof; to fine or penalize any Casino Hotel Alcoholic Beverage Licensee; to enforce all statutes, laws, rulings, or regulations relating to such license; and to collect license fees and establish application standards therefor, shall be, consistent with this act, exclusively vested in the commission or the division.

d. Except as otherwise provided in this section, the provisions of Title 33 of the Revised Statutes and the rules, regulations and bulletins promulgated by the director of the Division of Alcoholic Beverage Control shall apply to any Casino Hotel and Casino Hotel Alcoholic Beverage Licensee licensed under this act.

e. Notwithstanding any provision to the contrary, the commission may promulgate any regulations and special rulings and findings as may be necessary for the proper enforcement, regulation, and control of alcoholic beverages in casino hotels when the commission finds that the uniqueness of casino operations and the public interest require that such regulations, rulings, and findings are appropriate. Regulations of the commission may include but are not limited to: designation and duties of enforcement personnel; all forms necessary or convenient in the administration of this section; inspections, investigations, searches, seizures; licensing and disciplinary standards; requirements and standards for any hearings or disciplinary or other proceedings that may be required

from time to time; the assessment of fines or penalties for violations; hours of sale; sale in original containers; sales on credit; out-of-door sales; limitations of sales; gifts and promotional materials; locations or places for sale; control of signs and other displays; identification of licensees and their employees; employment of aliens and minors; storage, transportation and sanitary requirements; records to be kept by the Casino Hotel Alcoholic Beverage Licensees and availability thereof; practices unduly designed to increase consumption of alcoholic beverages; and such other matters whatsoever as are or may become necessary and consistent with the administration of this act.

f. (1) It shall be unlawful for any casino licensee, or any of its lessees, agents or employees to expose for sale, solicit or promote the sale of, possess with intent to sell, sell, give, dispense, or otherwise transfer or dispose of alcoholic beverages in, on or about any portion of the premises of a casino hotel, unless said person possesses an appropriate Casino Hotel Alcoholic Beverage License.

(2) It shall be unlawful for any person issued a Casino Hotel Alcoholic Beverage License to expose, possess, sell, give, dispense, transfer, or otherwise dispose of alcoholic beverages, other than within the terms and conditions of the Casino Hotel Alcoholic Beverage License issued, the provisions of Title 33 of the Revised Statutes, the rules and regulations promulgated by the director of the Division of Alcoholic Beverage Control, and, when applicable, the regulations promulgated pursuant to this act.

g. All Casino Hotel Alcoholic Beverage Licenses shall be classified as follows:

**Class I: Casino License**

The holder of this license shall be entitled, subject to applicable laws, rules and regulations, to sell any alcoholic beverage by the glass or other open receptacle, but not in an original container, for on-premises consumption within a casino; provided, however, that no food or alcoholic beverage, other than nonalcoholic beverages or garnishments used in the preparation of alcoholic beverages for consumption by the glass, shall be sold, given or be available for consumption; offered, delivered or otherwise brought to a patron; or consumed at a gaming table unless so requested by the patron.

**Class II: Cabaret—Entertainment Room License**

The holder of this license shall be entitled, subject to applicable laws, rules, and regulations, to sell any alcoholic beverage by the glass or other open receptacle for on-premises consumption within an enclosed room not in a casino; provided, however, that the Class

II licensed room shall regularly and principally be used for the purpose of providing live cabaret, show, revue, or performing arts entertainment available to the public, with or without the availability of food.

**Class III: Restaurant—Banquet Room License**

The holder of this license shall be entitled, subject to applicable laws, rules and regulations, to sell any alcoholic beverage by the glass or other open receptacle for on-premises consumption within an enclosed room or a series of enclosed connected rooms, with or without an adjacent outdoor dining area, not in a casino; provided, however, that the Class III licensed area shall regularly and principally be used for the purpose of providing meals to the public and has adequate kitchen and dining area equipped for the preparing, cooking and serving of meals for consumption therein; or that the room or rooms shall regularly and principally be used for the purpose of banquets or conventions into which food may be brought or catered. For the purpose of this section, "meals for consumption" shall be defined as offering of any food other than sandwiches, salads, crackers, chips, nuts or similar snacks; and "rooms regularly and principally used for banquets or conventions" shall be defined as rooms in which any food other than sandwiches, salads, chips, nuts or similar snacks is offered for consumption.

**Class IV: Pub Area License**

The holder of this license shall be entitled, subject to applicable laws, rules, and regulations, to sell any alcoholic beverage by the glass or other open receptacle for on-premises consumption within a room not in a casino, or from one fixed location outside a building or structure containing a casino but on a casino hotel premises; provided, however, that the regular and principal purpose of such facility shall not be for the consumption of meals by customers or for banquets or conventions.

**Class V: Package License**

The holder of this license shall be entitled, subject to applicable laws, rules, and regulations, to sell any alcoholic beverage in original containers for consumption outside the Class V licensed area from one enclosed room not in a casino; provided, however, that no food shall be made available for consumption in a Class V room and no direct access to or from a casino may exist in a Class V room.

**Class VI: Room Service License**

The holder of this license shall be entitled, subject to applicable laws, rules, and regulation, to sell any alcoholic beverage from one fixed location within an enclosed room not in a casino; provided, however, that the Class VI licensed room has no direct access to or from a casino and any sale of alcoholic beverages is delivered only to a room and to a registered guest of the casino hotel and not in or on any area, room or location licensed under Class I, II, III, IV or V.

**Class VII: Storage License**

The holder of any Casino Hotel Alcoholic Beverage License shall be entitled, subject to applicable laws, rules, and regulations, to possess or to store alcoholic beverages intended but not actually exposed for sale in an area, room or location so licensed. The holder of a storage license shall be entitled, subject to applicable laws, rules, and regulations, to store any alcoholic beverage intended for sale at a fixed enclosed location on a casino hotel premises, not in a casino, and not otherwise licensed under Class I, II, III, IV, V or VI; and to transfer or deliver such alcoholic beverages only to a licensed location for which such licensee is licensed; provided, however, that no access to or from a Class VII licensed location shall be permitted except during the normal course of business by employees or agents of the Class VII licensee, or by licensed employees or agents of wholesalers or distributors licensed pursuant to Title 33 of the Revised Statutes and any applicable rules and regulations.

h. (1) No Class I Casino Hotel Alcoholic Beverage License shall issue to any applicant who does not hold a casino license issued pursuant to this act.

(2) No Class II, III, IV, V, VI or VII Casino Hotel Alcoholic Beverage License shall issue to any applicant who would not qualify under the standards for licensure of a casino employee as defined under this act, except that such applicant need not be an employee of the casino licensee.

(3) No Class VII Casino Hotel Alcoholic Beverage License shall issue to any applicant who does not hold a Class I, II, III, IV, V, or VI Casino Hotel Alcoholic Beverage License.

i. The commission may revoke, suspend, refuse to renew or refuse to transfer any Casino Hotel Alcoholic Beverage License, or fine or penalize any Casino Hotel Alcoholic Beverage Licensee for violations of any provision of Title 33 of the Revised Statutes, the rules and regulations promulgated by the director of the Division

of Alcoholic Beverage Control, and the regulations promulgated by the commission.

j. Jurisdiction over all alcoholic beverage licenses previously issued with respect to the casino hotel facility is hereby vested in the commission, which in its discretion may, by regulation, provide for the conversion thereof into Casino Hotel Alcoholic Beverage Licenses as provided in this section.

**C. 5:12-104 Casino licensee—leases and contracts.**

104. Casino Licensee—Leases and Contracts. a. It shall be unlawful for any person to lend, let, lease or otherwise provide any thing, or furnish any service, including service in managing a casino or in maintaining any equipment for any gambling game, including slot machines, for any interest or any percentage or share of the money or property gambled at or derived from such casino, equipment, or service, or for any interest, however defined, in the revenues, profits or earnings of the casino other than pursuant to the terms of a written agreement providing:

- (1) For casino employee profit sharing;
- (2) For casino key employee profit sharing;
- (3) For the leasing of 100% of the entire casino hotel facility for a term exceeding thirty years; or
- (4) For the complete management of the casino.

Such agreements shall not be effective unless approved by the commission, except that receipts of percentage charges between a corporate licensee and another entity which is a holding company or intermediary company with respect to such licensee shall be permitted. Under no circumstances shall any such agreement be approved unless all parties thereto are themselves holders of licenses issued pursuant to the provisions of this act, and in the case of leases and management contracts, each party thereto holds or is eligible to apply for a casino license. Receipts, rentals, or charges for real property, personal property, or services shall not lose their character as payments of a fixed sum because of contract, lease, or license provisions for adjustments in charges, rentals, or fees on account of changes in taxes or assessments, cost-of-living index escalations, expansion or improvement of facilities, or changes in services supplied. In the case of leases and management contracts permitted under this subsection, each party thereto shall be individually and severally liable for all acts, omissions, and violations of this act by the other party thereto, regardless of actual knowledge of such act, omission, or violation and notwithstanding any provision of such lease or contract to the

contrary. The commission shall adopt such regulations as it may deem necessary to further define or restrict the terms of such agreements. No casino licensee shall be permitted to enter into contracts for the management of a total of more than three casinos.

b. Each casino licensee shall be required to present to the commission any written or unwritten agreement regarding the realty of, or any business or person doing business with or on the premises of, its casino hotel facility. Such agreement shall be reviewed by the commission on the basis of the reasonableness of its terms, including the terms of compensation, and of the qualifications of the person involved in the agreement with such casino licensee, which qualifications shall be reviewed according to the standards enumerated in section 86 of this act. If the commission does not approve such an agreement or association, the commission may require its termination.

Every agreement with a casino hotel shall be deemed to include a provision for its termination without liability on the part of the licensee, if the commission shall disapprove of the business or of any person associated therewith, by reason of a finding that said business or person is unsuitable to be associated with a casino enterprise in accordance with the regulations promulgated under this act. Failure expressly to include such a condition in the agreement shall not constitute a defense in any action brought to terminate the agreement. If the agreement is not presented to the commission in accordance with commission regulations, or the disapproved agreement or association is not terminated, the commission may pursue any remedy or combination of remedies provided in this act.

c. Nothing in this act shall be deemed to permit the transfer of any license, or any interest in any license, or any certificate of compliance or any commitment or reservation.

**C. 5:12-105 Disposition of securities by corporate licensee.**

105. Disposition of Securities by Corporate Licensee. a. The sale, assignment, transfer, pledge or other disposition of any security issued by a corporation which holds a casino license is conditional and shall be ineffective if disapproved by the commission.

b. Every security issued by a corporation which holds a casino license shall bear, on both sides of the certificate evidencing such security, a statement of the restrictions imposed by this section, except that in the case of a publicly traded corporation incorporated prior to the effective date of this act, a statement of restriction

shall be necessary only insofar as certificates are issued by such corporation after the effective date of this act.

c. The Secretary of State shall not accept for filing any articles of incorporation of any corporation which includes as a stated purpose the conduct of casino gaming, or any amendment which adds such purpose to articles of incorporation already filed, unless such articles or amendments have been approved by the commission and a copy of such approval is annexed thereto upon presentation for filing with the Secretary of State.

d. If at any time the commission finds that an individual owner or holder or any security of a corporate licensee or of a holding or intermediary company with respect thereto is not qualified under this act, and if as a result the corporate licensee is no longer qualified to continue as a casino licensee in this State, the commission shall, pursuant to the provisions of this act, propose any necessary action to protect the public interest, including the suspension or revocation of the casino license of the corporation; provided, however, that if the holding or intermediary company is a publicly traded corporation and the commission finds disqualified any holder of any security thereof who is required to be qualified under section 85 d. of this act, and the commission also finds that: (1) the holding or intermediary company has complied with the provisions of section 82 d. (7) of this act; (2) the holding or intermediary company has made a good faith effort, including the prosecution of all legal remedies, to comply with any order of the commission requiring the divestiture of the security interest held by the disqualified holder; and (3) such disqualified holder does not have the ability to control the corporate licensee or any holding or intermediary company with respect thereto, or to elect one or more members of the board of directors of such corporation or company, the commission shall not take action against the casino licensee or the holding or intermediary company with respect to the continued ownership of the security interest by the disqualified holder. For purposes of this act, a security holder shall be presumed to have the ability to control a publicly traded corporation, or to elect one or more members of its board of directors, if such holder owns or beneficially holds 5% or more of the securities of such corporation, unless such presumption of control or ability to elect is rebutted by clear and convincing evidence.

e. Commencing on the date the commission serves notice upon a corporation of the determination of disqualification under subsection d. of this section, it shall be unlawful for the named individual:

- (1) To receive any dividends or interest upon any such securities ;
- (2) To exercise, directly or through any trustee or nominee, any right conferred by such securities ; or
- (3) To receive any remuneration in any form from the corporate licensee for services rendered or otherwise.

f. After a non-public corporation has been issued a casino license pursuant to the provisions of this act, but prior to the issuance or transfer of any security to any person required to be but not yet qualified in accordance with the provisions of this act, such corporation shall file a report of its proposed action with the commission, and shall request the approval of the commission for the transaction. If the commission shall deny the request, the corporation shall not issue or transfer such security. After a public corporation has been issued a casino license, such corporation shall file a report quarterly with the commission, which report shall list all owners and holders of any security issued by such corporate casino licensee.

g. Each corporation which has been issued a casino license pursuant to the provisions of this act shall file a report of any change of its corporate officers or members of its board of directors with the commission. No officer or director shall be entitled to exercise any powers of the office to which he was so elected or appointed until qualified by the commission in accordance with the provisions of this act.

**C. 5:12-106 Work permits.**

106. Work Permits. a. A casino licensee shall not appoint or employ any person not possessing a current and valid license permitting such appointment or employment. Prior to the effective date of such appointment or employment, the casino licensee shall apply for a work permit for such employee, which shall be granted by the commission if the employee is the holder of a current and valid license. The casino licensee shall return such work permit to the commission within five days of the termination or cessation of such appointment or employment for any cause whatsoever. Each work permit shall be renewed annually in accordance with rules and regulations promulgated by the commission.

b. A casino licensee shall, within 24 hours of receipt of written notice thereof, terminate the appointment or employment of any person whose license has been revoked or has expired. A casino licensee shall comply in all respects with any order of the commission imposing limitations or restrictions upon the terms of employment or appointment in the course of any investigation or hearing.

## ARTICLE 8. HEARINGS

**C. 5:12-107 Commencement.**

107. Commencement. a. Any proceeding against a licensee shall be brought on by written complaint, which shall include a statement setting forth in ordinary and concise language the charges and the acts or omissions supporting such charges.

b. Upon filing of the complaint, the commission shall serve a copy upon the licensee either personally or by certified mail to his address on file with the commission.

c. Within 15 days after service upon him of the complaint, the licensee may file with the commission a notice of defense, in which he may:

- (1) Request a hearing;
- (2) Admit the accusation in whole or in part;
- (3) Present new matters or explanations by way of defense; or
- (4) State any legal objections to the complaint. Within the time specified, the licensee may file one or more notices of defense upon any or all of the above grounds.

d. The licensee shall be entitled to a hearing on the merits if he files the required notice of defense within the time allowed by subsection c. of this section, and any such notice shall be deemed a specific denial of all parts of the complaint not expressly admitted. Failure to file a notice of defense within such time shall constitute a waiver of the licensee's rights to a hearing, but the commission, in its discretion, may nevertheless order a hearing. All affirmative defenses must be specifically stated, and unless objection is taken as provided in subparagraph (4) of subsection c. of this section, all objections to the form of complaint shall be deemed waived.

e. The commission shall determine the time and place of the hearing as soon as is reasonably practical after receiving the licensee's notice of defense. The commission shall deliver or send by certified mail a notice to all parties at least 10 days prior to the hearing. Unless the licensee consents, the hearing shall not be held prior to the expiration time within which the licensee is entitled to file the notice of defense.

f. Prior to a hearing before the commission, and during a hearing upon reasonable cause shown, the commission shall issue subpoenas and subpoenas duces tecum at the request of a licensee or the division.

**C. 5:12-108 Conduct of hearings; rules of evidence; punishment of contempts; decisions; rehearing.**

108. Conduct of Hearings; Rules of Evidence; Punishment of Contempts; Decisions; Rehearing. a. At all hearings of the commission pursuant to this article:

(1) At least one member of the commission shall be present and shall exercise all powers relating to the conduct of the hearing;

(2) The proceedings at the hearing shall be recorded or transcribed;

(3) Oral evidence shall be taken only upon oath or affirmation administered by the commission;

(4) Each party to a hearing shall have the right to call and examine witnesses; to introduce exhibits relevant to the issues of the case, including the transcript of testimony at any investigative hearing conducted by or on behalf of the commission; to cross-examine opposing witnesses in any matters relevant to the issue of the case; to impeach any witness, regardless of which party called him to testify; and to offer rebuttal evidence;

(5) If the licensee shall not testify in his own behalf, he may be called and examined as if under cross-examination;

(6) The hearing need not be conducted according to rules relating to the admissibility of evidence in courts of law. Any relevant evidence may be admitted and shall be sufficient in itself to support a finding if it is the sort of evidence upon which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in a civil action; and

(7) The parties or their counsel may by written stipulation agree that certain specified evidence may be admitted, although such evidence may be otherwise subject to objection.

b. The commission may take official notice of any generally accepted information or technical or scientific matter in the field of gaming, and of any other fact which may be judicially noticed by the courts of this State. The parties shall be informed of any information, matters or facts so noticed and shall be given a reasonable opportunity, on request, to refute such information, matters or facts by evidence or by written or oral presentation of authorities, the manner of such refutation to be determined by the commission. The commission may in its discretion, before rendering its decision, permit the filing of amended or supplemental pleadings and shall notify all parties thereof and provide a reasonable opportunity for objections thereto.

c. If any person in proceedings before the commission disobeys or resists any lawful order, refuses to respond to a subpoena or refuses to take the oath or affirmation as a witness or thereafter refuses to be examined, or is guilty of misconduct at the hearing or so near the place thereof as to obstruct the proceeding, the person may be punished for contempt in accordance with the Rules of Court if the commission certifies the facts underlying the contumacious behavior to the Superior Court. Thereafter, the courts shall have jurisdiction in the matter, and the same proceeding shall be had, the same penalties may be imposed, and the person charged may purge himself of the contempt in the same way as in the case of a person who has committed contempt in the trial of a civil action before the Superior Court.

d. Failure of a licensee to file a notice of defense or to request or appear at the hearing shall constitute an admission of all matters and facts contained in the complaint filed with respect to such respondent. In such cases the commission may take action based upon such admission or upon any other evidence, without any further notice whatever to the licensee. In such cases the commission shall prepare and file a record containing the evidence upon which the action was based.

e. After the hearing in a contested matter, and upon review of the transcript, the commission shall render a written decision on the merits, which shall contain findings of fact, determination of the issues presented, and specifications of the penalty or penalties to be imposed, if any; and shall thereafter make and enter its written order in accordance with such decision. Copies of the decision and order shall be served on the parties personally or sent to them by certified mail. The decision shall become and remain effective upon such service and until the commission shall otherwise order.

f. The commission may, upon motion therefor made within 10 days after service of the decision and order, order a rehearing before the commission upon such terms and conditions as it may deem just and proper. Such motion shall be granted only upon a showing that there is additional evidence which is material and necessary, and which would be reasonably likely to change the decision of the commission, and that sufficient reason existed for failure to present such evidence at the hearing of the commission. The motion shall be supported by an affidavit of the moving party or his counsel showing with particularity the materiality and necessity of the additional evidence and the reason why it was not introduced at the hearing. Upon rehearing, rebuttal evidence to the

additional evidence shall be admitted. After rehearing, the commission may modify its decision and order as the additional evidence may warrant.

**C. 5:12-109 Emergency orders.**

109. Emergency Orders. Notwithstanding any provisions of this article, the commission may issue an emergency order for the suspension, limitation or conditioning of any operation certificate or any license, other than a casino license, or may issue an emergency order requiring the licensed casino to keep an individual from the premises of such licensed casino or not to pay such individual any remuneration for services or any profits, income or accruals on his investment in such casino, in the following manner:

a. An emergency order shall be issued only when the commission finds that:

(1) There has been charged a violation of any of the criminal laws of this State by a licensee, or

(2) Such action is necessary to prevent a violation of any such provision, or

(3) Such action is necessary immediately for the preservation of the public peace, health, safety, morals, good order and general welfare or to preserve the public policies declared by this act.

b. An emergency order shall set forth the grounds upon which it is issued, including the statement of facts constituting the alleged emergency necessitating such action.

c. The emergency order shall be effective immediately upon issuance and service upon the licensee or resident agent of the licensee. The emergency order may suspend, limit, condition or take other action in relation to the approval of one or more individuals who were required to be approved in any operation, without necessarily affecting any other individuals or the licensed casino establishment. The emergency order shall remain effective until further order of the Commission or final disposition of the case.

d. Within 5 days after issuance of an emergency order, the commission shall cause a complaint to be filed and served upon the person or entity involved in accordance with the provisions of this act.

e. Thereafter, the person or entity against whom the emergency order has been issued and served shall be entitled to a hearing before the commission in accordance with the provisions of this act.

**C. 5:12-110 Judicial review.**

110. Judicial Review. a. The division or any person aggrieved by a final decision or order of the commission made after hearing or rehearing by the commission, whether or not a petition for hearing was filed, may obtain judicial review thereof by appeal to the Superior Court in accordance with the Rules of Court.

b. Filing of an appeal shall not stay enforcement of the decision or order of the commission unless the stay is obtained from the court upon application in accordance with the Rules of Court or from the commission upon such terms and conditions as it deems proper.

c. The reviewing court may affirm the decision and order of the commission, may remand the case for further proceedings, or may reverse the decision if the substantive rights of the petitioner have been prejudiced because the decision is:

- (1) In violation of constitutional provisions;
- (2) In excess of the statutory authority and jurisdiction of the commission; or
- (3) Arbitrary or capricious or otherwise not in accordance with law.

d. In order to protect the public interest and the regulatory authority of the commission, any action by the commission taken pursuant to the provisions of sections 64, 69 d. or 71 of this act shall not be subject to the injunctive authority of the Superior Court prior to the exhaustion of the administrative procedures herein specified, unless it shall appear evident to the court, by clear and convincing evidence, that a manifest denial of justice would be effectuated by the refusal to enjoin the contemplated action of the commission.

**ARTICLE 9. SANCTIONS****C. 5:12-111 Penalties for willful evasion of payment of license fees, other acts and omissions.**

111. Penalties for Willful Evasion of Payment of License Fees, Other Acts and Omissions. Any person who willfully fails to report, pay or truthfully account for and pay over any license fee or tax imposed by the provisions of this act, or willfully attempts in any manner to evade or defeat any such license fee, tax, or payment thereof is guilty of a misdemeanor and subject to not more than three years imprisonment or a fine of \$25,000.00 or both, and in the case of a person other than a natural person, to a fine of not more than \$100,000.00, and shall in addition be liable for a penalty of

three times the amount of the license fee evaded and not paid, collected or paid over, which penalty shall be assessed by the commission and collected in accordance with the provisions of this act.

**C. 5:12-112 Unlicensed casino gambling games unlawful; penalties.**

112. Unlicensed Casino Gambling Games Unlawful; Penalties.

a. Any person who violates the provisions of sections 80 or 82 or of Article 7 of this act, or permits any gambling game, slot machine or device to be conducted, operated, dealt or carried on in any casino by a person other than a person licensed for such purposes pursuant to this act is guilty of a misdemeanor and subject to a term of imprisonment of not more than three years or a fine of \$25,000.00 or both, and in the case of a person other than a natural person, to a fine of not more than \$100,000.00.

b. Any licensee who places games or slot machines into play or displays such games or slot machines in a casino without authority of the commission to do so is guilty of a misdemeanor and subject to not more than three years imprisonment or a fine of \$25,000.00 or both, and in the case of a person other than a natural person, to a fine of not more than \$100,000.00.

c. Any person who operates, carries on or exposes for play any gambling game, gaming device or slot machine after his license has expired and prior to the actual renewal thereof is guilty of a misdemeanor and subject to not more than three years imprisonment or a fine of \$25,000.00 or both, and in the case of a person other than a natural person, to a fine of not more than \$100,000.00.

**C. 5:12-113 Swindling and cheating; penalties.**

113. Swindling and Cheating; Penalties. Any person who by any trick or slight of hand performance, or by a fraud or fraudulent scheme, cards, dice or device, wins for himself or for another money or property or a representative of either in connection with casino gaming is guilty of a misdemeanor and subject to not more than three years imprisonment or a fine of \$25,000.00 or both, and in the case of a person other than a natural person, to a fine of not more than \$100,000.00.

**C. 5:12-114 Unlawful use of bogus chips, marked cards, dice, cheating devices, unlawful coins; penalty.**

114. Unlawful Use of Bogus Chips, Marked Cards, Dice, Cheating Devices, Unlawful Coins; Penalty. a. It shall be unlawful for any person playing any licensed gambling game:

(1) Knowingly to use bogus or counterfeit chips, or knowingly to substitute and use in any such game cards or dice that have been marked, loaded or tampered with; or

(2) Knowingly to use or possess any cheating device with intent to cheat or defraud.

b. It shall be unlawful for any person, playing or using any slot machine in a licensed casino:

(1) Knowingly to use other than a lawful coin or legal tender of the United States of America, or to use coin not of the same denomination as the coin intended to be used in such slot machine, except that in the playing of any slot machine it shall be lawful for any person to use tokens or similar objects therein which are approved by the commission; or

(2) To use any cheating or thieving device, including but not limited to tools, drills, wires, coins or tokens attached to strings or wires, or electronic or magnetic devices, to facilitate the alignment of any winning combination or removing from any slot machine any money or other contents thereof.

c. It shall be unlawful for any person knowingly to possess or use while on the premises of a licensed casino, any cheating or thieving device, including but not limited to tools, wires, drills, coins attached to strings or wires or electronic or magnetic devices to facilitate removing from any slot machine any money or contents thereof, except that a duly authorized employee of a licensed casino may possess and use any of the foregoing only in furtherance of his employment in the casino.

d. It shall be unlawful for any person knowingly to possess or use while on the premises of any licensed casino any key or device designed for the purpose of or suitable for opening or entering any slot machine or drop box, except that a duly authorized employee of a licensed casino or of the commission may possess and use any of the foregoing only in furtherance of his employment.

e. Any person who violates this section is guilty of a misdemeanor and shall be subject to not more than three years imprisonment or a fine of \$25,000.00 or both, and in the case of a person other than a natural person, to a fine of not more than \$100,000.00.

**C. 5:12-115 Cheating games and devices in a licensed casino; penalty.**

115. Cheating Games and Devices in a Licensed Casino; Penalty.

a. It shall be unlawful:

(1) Knowingly to conduct, carry on, operate, deal or allow to be conducted, carried on, operated or dealt any cheating or thieving game or device; or

(2) Knowingly to deal, conduct, carry on, operate or expose for play any game or games played with cards, dice or any mechanical device, or any combination of games or devices, which have in any

manner been marked or tampered with, or placed in a condition, or operated in a manner, the result of which tends to deceive the public or tends to alter the normal random selection of characteristics or the normal chance of the game which could determine or alter the result of the game.

b. It shall be unlawful knowingly to use or possess any marked cards, loaded dice, plugged or tampered with machines or devices.

c. Any person who violates this section is guilty of a misdemeanor and subject to not more than three years imprisonment or a fine of \$25,000.00 or both, and in the case of a person other than a natural person, to a fine of not more than \$100,000.00.

**C. 5:12-116 Unlawful possession of device, equipment or other material illegally manufactured, distributed, sold or serviced.**

116. Unlawful Possession of Device, Equipment or Other Material Illegally Manufactured, Distributed, Sold or Serviced.

Any person who possesses any device, equipment or material which he knows has been manufactured, distributed, sold, tampered with or serviced in violation of the provisions of this act is guilty of a misdemeanor and subject to not more than three years imprisonment or a fine of \$25,000.00 or both, and in the case of a person other than a natural person, to a fine of not more than \$100,000.00.

**C. 5:12-117 Employment without license and work permit; penalty.**

117. Employment Without License and Work Permit; Penalty.

a. Any person who, without obtaining the requisite license as provided in this act, works or is employed in a position whose duties would require licensing under the provisions of this act is guilty of a misdemeanor and subject to not more than three years imprisonment or a fine of \$10,000.00 or both, and in the case of a person other than a natural person, to a fine of not more than \$50,000.00.

b. Any person who employs or continues to employ an individual not duly licensed under the provisions of this act in a position whose duties require a license under the provisions of this act is guilty of a misdemeanor and subject to not more than three years imprisonment or a fine of \$10,000.00 or both, and in the case of a person other than a natural person, to a fine of not more than \$50,000.00.

c. Any person who employs an individual without obtaining a work permit or does not return such permit as required by this act, is guilty of a misdemeanor and subject to a fine of not more

than \$10,000.00, and in the case of a person other than a natural person, to a fine of not more than \$50,000.00.

d. Any person violating the provisions of subsection 101 e. of this act shall be guilty of a misdemeanor, and shall be subject to imprisonment for not more than 7 years or a fine of not more than \$25,000.00, or both. Any licensee permitting or allowing such a violation shall also be punishable under this subsection, in addition to any other sanctions the commission may impose.

**C. 5:12-118 Regulations requiring exclusion or rejection of certain persons from licensed casinos; unlawful entry by person whose name has been placed on list; penalty.**

118. Regulations Requiring Exclusion or Rejection of Certain Persons from Licensed Casinos; Unlawful Entry by Person Whose Name Has Been Placed on List; Penalty.

Any person whose name is on the list of persons promulgated by the commission pursuant to the provisions of section 71 of this act who knowingly enters the premises of a licensed casino is guilty of a misdemeanor.

**C. 5:12-119 Gaming by minors prohibited; penalties; defenses.**

119. Gaming by Minors Prohibited; Penalties; Defenses.

a. No person under the age of 18 years shall enter a licensed casino except by way of passage to another room.

b. Any licensee or employee of a casino who allows a minor under the age of 18 to remain in a casino is a disorderly person; except that the establishment of all of the following facts by a person allowing any such minor to remain shall constitute a defense to any prosecution therefor:

(1) That the minor falsely represented in writing that he or she was 18 years of age or over;

(2) That the appearance of the minor was such that an ordinary prudent person would believe him or her to be 18 years of age or over; and

(3) That the admission was made in good faith, relying upon such written representation and appearance, and in the reasonable belief that the minor was actually 18 years of age or over.

**C. 5:12-120 Prohibited political contributions; penalty.**

120. Prohibited Political Contributions; Penalty. Any person who makes or causes to be made a political contribution prohibited by the provisions of this act, or files or causes to be filed any report of political contributions which misstates or omits any material fact with respect to such contribution is guilty of a misdemeanor and subject to not more than three years imprison-

ment or a fine of \$100,000.00 or both, and in the case of a person other than a natural person, to a fine of not more than \$250,000.00.

**C. 5:12-121 Authority of gaming licensee and agents to detain or question persons suspected of cheating; immunity from liability; posted notice required.**

121. Authority of Gaming Licensee and Agents to Detain or Question Persons Suspected of Cheating; Immunity from Liability; Posted Notice Required. a. Any licensee or its officers, employees or agents may question any individual in the casino reasonably suspected of violating any of the provisions of sections 113 through 116 of this act. No licensee or its officers, employees or agents shall be criminally or civilly liable by reason of any such questioning.

b. Any licensee or its officers, employees or agents who shall have probable cause for believing there has been a violation of sections 113 through 116 of this act in the casino by any person may take such person into custody and detain him in the establishment in a reasonable manner for a reasonable length of time, for the purpose of notifying law enforcement or commission authorities. Such taking into custody and detention shall not render such licensee or its officers, employees or agents criminally or civilly liable for false arrest, false imprisonment, slander or unlawful detention, unless such taking into custody or detention is unreasonable under all of the circumstances.

c. No licensee or his officers, employees or agents shall be entitled to any immunity from civil or criminal liability provided in this section unless there is displayed in a conspicuous manner in the casino a notice in bold face type clearly legible and in substantially this form:

“Any gaming licensee or officer, employee or agent thereof who has probable cause for believing that any person is violating any of the provisions of the Casino Control Act prohibiting cheating or swindling in gaming may detain such person in the establishment for the purpose of notifying a police officer or Casino Control Commission authorities.”

**C. 5:12-122 Other offenses; general penalty.**

122. Other Offenses; General Penalty. Any person who violates any provision of this act the penalty for which is not specifically fixed in this act is guilty of a disorderly persons offense.

**C. 5:12-123 Continuing offenses.**

123. Continuing Offenses. a. A violation of any of the provisions of this act shall be deemed to be a separate offense on each day during which it occurs.

b. Any person who aids, abets, counsels, commands, induces, procures or causes another to violate a provision of this act is punishable as a principal and subject to all sanctions and penalties, both civil and criminal, provided by this act.

**C. 5:12-124 Exemption from gambling statutes.**

124. Exemption from Gambling Statutes. The provisions of N. J. S. 2A:40-1, 2A:112-1 and 2A:112-2 shall not apply to any person who, as a licensee operating pursuant to the provisions of this act, or as a player in any game authorized pursuant to the provisions of this act, engages in gaming as authorized herein.

**C. 5:12-125 Racketeer—influenced and corrupt organizations—definitions.**

125. Racketeer—Influenced and Corrupt Organizations—Definitions.

For purposes of this section and sections 126 through 129:

a. "Racketeering activity" means (1) any act or threat involving murder, kidnaping, gambling, arson, robbery, bribery, extortion, or dealing in narcotic or other dangerous drugs, which is chargeable under State law and punishable by imprisonment for more than 1 year; (2) any act which is indictable under any of the following provisions of Title 18, United States Code: section 201 (relating to bribery), section 224 (relating to sports bribery), sections 471 through 509 (relating to counterfeiting), section 659 (relating to theft from interstate shipment) if the act indictable under section 659 is felonious, section 664 (relating to embezzlement from pension and welfare funds), sections 891-894 (relating to extortionate credit transactions), section 1084 (relating to the transmission of gambling information), section 1341 (relating to mail fraud), section 1343 (relating to wire fraud), section 1503 (relating to obstruction of justice), section 1510 (relating to obstruction of criminal investigations), section 1511 (relating to the obstruction of State or local law enforcement), section 1951 (relating to interference with commerce, robbery, or extortion), section 1952 (relating to racketeering), section 1953 (relating to interstate transportation of wagering paraphernalia), section 1954 (relating to unlawful fund payments), section 1955 (relating to the prohibition of illegal gambling businesses), sections 2314 and 2315 (relating to interstate transportation of stolen property), sections 2421-2424 (relating to white slave traffic); (3) any act which is indictable under Title 29, United States Code, section 186 (relating to restrictions on payments and loans to labor organizations) or section 501(c) (relating to embezzlement from union funds); or (4) any offense involving bankruptcy fraud, fraud in

the sale of securities, or the felonious manufacture, importation, receiving, concealment, buying, selling, or otherwise dealing in narcotic or other dangerous drugs, punishable under any law of the United States.

b. "Person" includes any individual or entity holding or capable of holding a legal or beneficial interest in property.

c. "Enterprise" includes any individual, partnership, corporation, association, or other legal entity, and any union or group of individuals associated in fact although not a legal entity.

d. "Pattern of racketeering activity" requires at least two acts of racketeering activity, one of which occurred after the effective date of this act and the last of which occurred within 10 years (excluding any period of imprisonment) after the commission of a prior act of racketeering activity.

e. "Unlawful debt" means a debt (1) which was incurred or contracted in gambling activity which was in violation of the law of the United States, a State or political subdivision thereof; or (2) which is unenforceable under State or Federal law in whole or in part as to principal or interest because of the laws relating to usury; or (3) which was incurred in connection with the business of gambling in violation of the law of the United States, a State or political subdivision thereof; or (4) which was incurred in connection with the business of lending money or a thing of value at a rate usurious under State or Federal law, where the usurious rate is at least twice the enforceable rate.

f. "Documentary material" includes any book, paper, document, record, recording, or other material.

**C. 5:12-126 Prohibited activities.**

126. Prohibited Activities. a. It shall be unlawful for any person who has received any income derived, directly or indirectly, from pattern of racketeering activity or through collection of an unlawful debt in which such person has participated as a principal within the meaning of N. J. S. 2A:85-14 to use or invest, directly or indirectly, any part of such income, or the proceeds of such income, in acquisition of any interest in, or the establishment or operation of, any enterprise which is engaged in or the activities of which affect casino gaming operations or ancillary industries which do business with any casino licensee. A purchase of securities on the open market for purposes of investment, and without the intention of controlling or participating in the control of the issuer or of assisting another to do so, shall not be unlawful under this subsection, provided that the sum total of the securities of the

issuer held by the purchaser, the members of his family, and his or their accomplices in any pattern of racketeering activity or in the collection of an unlawful debt does not amount in the aggregate to one percent of the outstanding securities of any one class, or does not, either in law or in fact, empower the holders thereof to elect one or more directors of the issuer.

b. It shall be unlawful for any person through a pattern of racketeering activity or through collection of an unlawful debt to acquire or maintain, directly or indirectly, any interest in or control of any enterprise which is engaged in, or the activities of which affect, casino gaming operations or ancillary industries which do business with any casino licensee.

c. It shall be unlawful for any person employed by or associated with any enterprise engaged in, or the activities of which affect, casino gaming operations or ancillary industries which do business with any casino licensee, to conduct or participate, directly or indirectly, in the conduct of such enterprise's affairs through a pattern of racketeering activity or collection of unlawful debt.

d. It shall be unlawful for any person to conspire to violate any of the provisions of subsections a., b., or c. of this section.

e. Any person who violates any provision of this section shall be fined not more than \$50,000.00 or imprisoned not more than twenty years or both and shall forfeit to the State (1) any interest he has acquired or maintained in violation of this section and (2) any interest in, security of, claim against, or property or contractual right of any kind affording a source of influence over any enterprise which he has established, operated, controlled, conducted, or participated in the conduct of, in violation of this section.

f. In any action brought by the Attorney General under this section, the Superior Court shall have jurisdiction to enter such restraining orders or prohibitions, or to take such other actions, including, but not limited to, the acceptance of satisfactory performance bonds, in connection with any property or other interest subject to forfeiture under this section, as it shall deem proper.

g. Upon conviction of a person under this section, the court shall authorize the Attorney General to seize all property or other interest declared forfeited under this section upon such terms and conditions as the court shall deem proper. If a property right or other interest is not exercisable or transferable for value by the State, it shall expire and shall not revert to the convicted person.

**C. 5:12-127 Civil remedies.**

127. Civil Remedies. a. The Superior Court shall have jurisdiction to prevent and restrain violations of section 126 of this act by issuing appropriate orders, including, but not limited to, ordering any person to divest himself of any interest, direct or indirect, in any enterprise; imposing reasonable restrictions on the future activities or investments of any person, including, but not limited to, prohibiting any person from engaging in the same type of endeavor as the enterprise engaged in, the activities of which affect casino gaming operations or ancillary industries which do business with any casino licensee; or ordering dissolution or reorganization of any enterprise, making due provision for the rights of innocent persons.

b. The Attorney General may institute proceedings in Superior Court for violations of section 126 of this act. In any action brought under this section, the court shall proceed as soon as practicable to the hearing and determination thereof. Pending final determination thereof, the court may at any time enter such restraining orders or prohibitions, or take such other actions, including the acceptance of satisfactory performance bonds, as it shall deem proper.

c. Any person injured in his business or property by reason of a violation of section 126 of this act may sue therefor in any appropriate court and shall recover threefold any damages he sustains and the cost of the suit, including a reasonable attorney's fee.

d. A final judgment or decree rendered in favor of the State in any criminal proceeding brought under this act shall estop the defendant from denying the essential allegations of the criminal offense in any subsequent civil proceeding brought by the Attorney General.

**C. 5:12-128 Civil investigative demand.**

128. Civil Investigative Demand. a. Whenever the Attorney General has reason to believe that any person or enterprise may be in possession, custody, or control of any documentary materials relevant to an investigation under this act, he may, prior to the institution of a civil or criminal proceeding thereon, issue in writing, and cause to be served upon such person, a civil investigative demand requiring such person to produce such material for examination.

b. Each such demand shall:

(1) State the nature of the conduct constituting the alleged violation which is under investigation and the provision of law applicable thereto;

(2) Describe the class or classes of documentary material to be produced thereunder with such specificity and certainty as to permit such material to be fairly identified;

(3) Prescribe a return date which will provide a reasonable period of time within which the material so demanded may be assembled and made available for inspection and copying or reproduction; and

(4) Identify the custodian to whom such material shall be made available.

c. No such demand shall:

(1) Contain any requirement which would be held to be unreasonable if contained in a subpoena duces tecum issued in aid of a grand jury investigation; or

(2) Require the production of any documentary evidence which would be otherwise privileged from disclosure if demanded by a subpoena duces tecum issued in aid of a grand jury investigation.

d. Service of any such demand or any petition filed under this section may be made upon a person by:

(1) Delivering a duly executed copy thereof to any partner, executive officer, managing agent, or general agent thereof, or to any agent thereof authorized by appointment or by law to receive service of process on behalf of such person, or upon any individual person;

(2) Delivering a duly executed copy thereof to the principal office or place of business of the person to be served; or

(3) Depositing such copy in the United States mail, by registered or certified mail duly addressed to such person at its principal office or place of business.

e. A verified return by the individual serving any such demand or petition setting forth the manner of such service shall be prima facie proof of such service. In the case of service by registered or certified mail, such return shall be accompanied by the return post office receipt of delivery of such demand.

f. Any person upon whom any demand issued under this section has been duly served shall make such material available for inspection and copying or reproduction to the Attorney General at the principal place of business of such person, or at such other place as the Attorney General and such person thereafter may agree and prescribe in writing, on the return date specified in such demand or on such later date as the Attorney General may prescribe in writing. Upon written agreement between such person and the Attorney General, copies may be substituted for all or any

part of such original materials. The Attorney General may cause the preparation of such copies of documentary material as may be required for official use by the Attorney General. While in the possession of the Attorney General, no material so produced shall be available for examination, without the consent of the person who produced such material, by any individual other than the Attorney General or his duly appointed representatives. Under such reasonable terms and conditions as the Attorney General shall prescribe, documentary material while in his possession shall be available for examination by the person who produced such material or any duly authorized representatives of such person.

g. Upon completion of:

(1) The review and investigation for which any documentary material was produced under this action, and

(2) Any case or proceeding arising from such investigation, the Attorney General shall return to the person who produced such material all such material other than copies thereof made by the Attorney General pursuant to this section which has not passed into the control of any court or grand jury through the introduction thereof into the record of such case or proceeding.

h. When any documentary material has been produced by any person under this section for use in any racketeering investigation, and no such case or proceeding arising therefrom has been instituted within a reasonable time after completion of the examination and analysis of all evidence assembled in the course of such investigation, such person shall be entitled, upon written demand made upon the Attorney General, to the return of all documentary material other than copies thereof made pursuant to this section so produced by such person.

i. Whenever any person fails to comply with any civil investigative demand duly served upon him under this section or whenever satisfactory copying or reproduction of any such material cannot be done and such person refuses to surrender such material, the Attorney General may file in the Superior Court a petition for an order of such court for the enforcement of this section.

j. The provisions of this section shall not apply to any situation covered by the provisions of section 79 of this act, and shall in no way limit the division's authority under that section.

**C. 5:12-129 Supplemental sanctions.**

129. Supplemental Sanctions. In addition to any penalty, fine or term of imprisonment authorized by law, the commission shall, after appropriate hearings and factual determinations, have the

authority to impose the following sanctions upon any person licensed pursuant to this act:

(1) Revoke the license of any person for the conviction of any criminal offense under this act or for the commission of any other offense or violation of this act which would disqualify such person from holding his license;

(2) Revoke the license of any person for willfully and knowingly violating an order of the commission directed to such person;

(3) Suspend the license of any person pending hearing and determination, in any case in which license revocation could result;

(4) Suspend the operation certificate of any casino for violation of any provisions of this act or regulations promulgated hereunder related to the casino operation, including games, internal and accountancy controls and security;

(5) Assess such civil penalties as may be necessary to punish misconduct and to deter future violations, which penalties may not exceed \$10,000.00 in the case of any individual licensee, except that in the case of a casino licensee the penalty may not exceed \$50,000.00;

(6) Order restitution of any monies or property unlawfully obtained or retained by a licensee;

(7) Enter a cease and desist order which specifies the conduct which is to be discontinued, altered or implemented by the licensee;

(8) Issue letters of reprimand or censure, which letters shall be made a permanent part of the file of each licensee so sanctioned; or

(9) Impose any or all of the foregoing sanctions in combination with each other.

**C. 5:12-130 Imposition of sanctions—standards.**

130. Imposition of Sanctions—Standards. In considering appropriate sanctions in a particular case, the commission shall consider:

a. The risk to the public and to the integrity of gaming operations created by the conduct of the licensee;

b. The seriousness of the conduct of the licensee, and whether the conduct was purposeful and with knowledge that it was in contravention of the provisions of this act or regulations promulgated hereunder;

c. Any justification or excuse for such conduct by the licensee;

d. The prior history of the particular licensee involved with respect to gaming activity;

e. The corrective action taken by the licensee to prevent future misconduct of a like nature from occurring; and

f. In the case of a monetary penalty, the amount of the penalty in relation to the severity of the misconduct and the financial means of the licensee. The commission may impose any schedule or terms of payment of such penalty as it may deem appropriate.

g. It shall be no defense to a disciplinary action before the commission that an applicant, licensee, registrant, intermediary company, or holding company inadvertently, unintentionally, or unknowingly violated a provision of this act. Such factors shall only go to the degree of the penalty to be imposed by the commission, and not to a finding of a violation itself.

#### ARTICLE 10. MISCELLANEOUS PROVISIONS.

**C. 5:12-131 Declaration of State's exemption from operation of provisions of 15 U.S.C. (1172).**

131. Declaration of State's Exemption from Operation of Provisions of 15 U.S.C. (1172).

Pursuant to section 2 of an Act of Congress of the United States entitled "An act to prohibit transportation of gambling devices in interstate and foreign commerce," approved January 2, 1951, being chapter 1194, 64 Stat. 1134, and also designated as 15 U.S.C. (1171-1177), the State of New Jersey, acting by and through the duly elected and qualified members of its Legislature, does hereby, in accordance with and in compliance with the provisions of section 2 of said Act of Congress, declare and proclaim that it is exempt from the provisions of section 2 of said Act of Congress.

**C. 5:12-132 Shipment of gambling devices into New Jersey.**

132. Legal Shipments of Gaming Devices into New Jersey.

All shipments into this State of gaming devices, including slot machines, the registering, recording and labeling of which has been duly had by the manufacturer or dealer thereof in accordance with sections 3 and 4 of an Act of Congress of the United States entitled "An act to prohibit transportation of gambling devices in interstate and foreign commerce," approved January 2, 1951, being chapter 1194, 64 Stat. 1134, and also designated as 15 U.S.C. (1171-1172), shall be deemed legal shipments thereof into this State.

**C. 5:12-133 Severability and preemption.**

133. Severability and Preemption. a. If any clause, sentence, subparagraph, paragraph, subsection, section, article or other portion of this act or the application thereof to any person or circumstances shall be held to be invalid, such holding shall not affect, impair or invalidate the remainder of this act or the application of

such portion held invalid to any other person or circumstances, but shall be confined in its operation to the clause, sentence, paragraph, subparagraph, paragraph, subsection, section, article or other portion thereof directly involved in such holding or to the person or circumstance therein involved.

b. If any provision of this act is inconsistent with, in conflict with, or contrary to any other provision of law, such provision of this act shall prevail over such other provision and such other provision shall be deemed to be amended, superseded or repealed to the extent of such inconsistency or conflict. Notwithstanding the provisions of any other law to the contrary, no local government unit of this State may enact or enforce any ordinance or resolution conflicting with any provision of this act or with any policy of this State expressed or implied herein, whether by exclusion or inclusion. The commission shall have exclusive jurisdiction over all matters delegated to it or within the scope of its powers under the provisions of this act.

**C. 5:12-134 Equal employment opportunity; requirements of license.**

**134. Equal Employment Opportunity; Requirements of License.**

a. Each applicant at the time of submitting architectural plans or site plans to the commission for approval of proposed construction, renovation or reconstruction of any structure or facility to be used as an approved hotel or casino shall accompany same with a written guaranty that all contracts and subcontracts to be awarded in connection therewith shall contain appropriate provisions by which contractors and subcontractors or their assignees agree to afford an equal employment opportunity to all prospective employees and to all actual employees to be employed by the contractor or subcontractor in accordance with an affirmative action program approved by the commission and consonant with the provisions of the "Law Against Discrimination" P. L. 1945, c. 169 (C. 10:5-1 et seq.).

b. No license shall be issued by the commission to any applicant, including a casino service industry as defined in section 12 of this act, who has not agreed to afford an equal employment opportunity to all prospective employees in accordance with an affirmative-action program approved by the commission and consonant with the provisions of the "Law Against Discrimination," P. L. 1945, c. 169 (C. 10:5-1 et seq.).

c. Each applicant shall formulate for commission approval and abide by an affirmative-action program of equal opportunity whereby the applicant guarantees to provide equal employment

opportunity to rehabilitated offenders eligible under section 91 of this act and members of minority groups qualified for licensure in all employment categories, including the handicapped, in accordance with the provisions of the "Law Against Discrimination," P. L. 1945, c. 169 (C. 10:5-1 et seq.), except in the case of the mentally handicapped, if it can be clearly shown that such handicap would prevent such person from performing a particular job.

d. Any license issued by the Commission in violation of this section shall be null and void.

**C. 5:12-135 Equal employment opportunity; enforcement by the commission.**

135. Equal Employment Opportunity; Enforcement by the Commission. The commission, in addition to and without limitation of other powers which it may have by law, shall have the following powers:

a. To investigate and determine the percentage of population of minority groups in the State or in areas thereof from which the work force for the licensee is or may be drawn;

b. To establish and promulgate such percentages as guidelines in determining the adequacy of affirmative-action programs submitted for approval pursuant to the provisions of section 134 of this act;

c. To impose such sanctions as may be necessary to accomplish the objectives of section 134;

d. To refer to the Attorney General or his designee circumstances which may constitute violation of the "Law Against Discrimination," P. L. 1945, c. 169 (C. 10:5-1 et seq.);

e. To enforce in a court of law the provisions of section 134 or to join in or assist any enforcement proceeding initiated by any aggrieved person; and

f. To require the designation by a licensee of an equal employment officer to enforce the provisions of section 134 and this section and the regulations promulgated hereunder.

**C. 5:12-136 Facilities for the handicapped.**

136. Facilities For The Handicapped. All hotels and other facilities of a casino licensee, which are public accommodations and are subject to the regulatory powers of the commission under this act, shall be constructed or renovated to conform with the provisions of P. L. 1971, c. 269, as amended and supplemented (C. 52:32-4 et seq.) relating to barrier-free design for providing facilities for the physically handicapped in public buildings, and the rules, regulations and codes thereunder promulgated.

**C. 5:12-137 Early settlement dates and certain transfers of gaming property prohibited.**

137. Early Settlement Dates and Certain Transfers of Gaming Property Prohibited. When any person contracts to sell or lease any property or interest in property, real or personal, under circumstances which require the approval or licensing of the purchaser or lessee by the commission, the contract shall not specify a settlement or closing date for the transaction which is earlier than the ninety-first day after the date of submission of the completed application for such approval or licensing. Any provision of such a contract which specifies an earlier settlement or closing date is void for all purposes, but such invalidity shall not affect the validity of any other provision of the contract.

**C. 5:12-138 Prohibited political contributions.**

138. Prohibited Political Contributions. No applicant for or holder of a casino license, nor any holding, intermediary or subsidiary company thereof, nor any officer, director, casino key employee or principal employee of an applicant for or holder of a casino license or of any holding, intermediary or subsidiary company thereof nor any person or agent on behalf of any such applicant, holder, company or person, shall directly or indirectly, pay or contribute any money or thing of value to any candidate for nomination or election to any public office in this State, or to any committee of any political party in this State, or to any group, committee or association organized in support of any such candidate or political party.

ARTICLE 11. FEES AND TAXES

**C. 5:12-139 Casino license fees.**

139. Casino License Fees. a. The commission shall, by regulation, establish annual fees for the issuance or renewal of casino licenses. The issuance fee shall be based upon the cost of investigation and consideration of the license application and shall be not less than \$200,000.00. The renewal fee shall be based upon the cost of maintaining control and regulatory activities contemplated by this act and shall be not less than \$100,000.00 annually.

b. The Attorney General shall certify to the commission actual and prospective costs of the investigative and enforcement functions of the division, which costs shall be the basis, together with the operating expenses of the commission, for the establishment of annual license issuance and renewal fees.

c. A nonrefundable deposit of at least \$100,000.00 shall be required to be posted with each application for a casino license and shall be applied to the initial license fee if the application is approved.

**C. 5:12-140 License fee on slot machines.**

140. License Fee on Slot Machines. a. In addition to any other tax or fee imposed by this act, there is also hereby imposed an annual license fee of \$200.00 upon every slot machine which is subject to the occupational tax on coin-operated devices under the provisions of the Federal Internal Revenue Code of 1954 and the amendments thereof and supplements thereto.

b. License fees imposed under the provisions of this section shall be imposed as of the first day of July of each year, with regard to all slot machines in use on that date, and on a pro rata basis thereafter during the year with regard to all slot machines placed in use after July 1.

**C. 5:12-141 License fees for other than casino licenses.**

141. License Fees for Other Than Casino Licenses. The commission shall, by regulation, establish annual fees for the issuance and renewal of licenses other than casino licenses, which fees shall be payable by the licensee.

**C. 5:12-142 Work permit fee.**

142. Work Permit Fee. The commission shall, by regulation, establish annual fees for the issuance and renewal of work permits for the various classes of employees, which fees shall be payable by the employer licensee.

**C. 5:12-143 Casino control fund.**

143. Casino Control Fund. a. There is hereby created and established in the Department of the Treasury a separate special account to be known as the "Casino Control Fund," into which shall be deposited all license fee revenues imposed by sections 139, 140, 141, and 142 of this act.

b. Moneys in the Casino Control Fund shall be appropriated, notwithstanding the provisions of P. L. 1976, c. 67 (C. 52:9H-5 et seq.), exclusively for the operating expenses of the commission and the division.

**C. 5:12-144 Tax on Gross revenues.**

144. Tax on Gross Revenues. a. There is hereby imposed an annual tax on gross revenues as defined in section 24 of this act in the amount of 8% of such gross revenues.

b. Commencing with the third annual tax return of a licensee and based upon a determination that in said return or any annual return thereafter the gross revenue of a licensee in the calendar year upon which the tax is based exceeds the cumulative investments in this State of said licensee as of that year, such licensee shall make investments in an amount not less than 2% of the gross revenue for said calendar year within a period of 5 years from the end of said calendar year. Investments required as a result of any of the five annual tax returns commencing with the third annual tax return shall be made in the municipality in which the licensed premises are located. Not less than 50% of investments required as a result of any annual tax return subsequent to the seventh such return shall be made in any other municipality of this State.

All investments and cumulative investments made pursuant to this Article shall be subject to a determination by the commission as to the eligibility of such investments. In determining eligibility, the commission shall consider the public interest, including the social and economic benefits to be derived from such investments for the people of this State.

c. For the purposes of this Article, "investments" means equity investments in land and real property on which improvements are made and in real property improvements. For the purpose of this Article, "cumulative investments" means investments in and debt financing of the licensed premises, plus other investments in and debt financing of land and real property on which improvements are made and real property improvements; provided, however, that the investments and debt financing not associated with the licensed premises have been made subsequent to July 6, 1976. Real property and real property improvements sold or otherwise disposed of by the licensee shall not be included for the purposes of determining cumulative investments.

d. For the purposes of satisfying the amount of investments in any given year and of determining cumulative investments as of any given year, pursuant to subsection b., actual monetary contributions shall be included if the commission determines that such contributions directly relate to the improvement, furtherance, and promotion of the tourist industry in this State through the planning, acquisition, construction, improvement, maintenance, and operation of recreational and entertainment facilities for the public, including, without limitation, a performing arts center.

e. In the event that the investments required in subsection b. of this section are not made within the time set forth therein, there

shall be imposed an investment alternative tax in an amount equivalent to 2% of gross revenue, which tax shall be added to the tax determined under subsection a. of this section and shall be due and payable in accordance with this section. For purposes of determining whether the investment alternative tax shall be paid, the State Treasurer shall certify, under such rules and regulations as he shall promulgate consistent with the provisions of this Article, the amount of cumulative investments made by each licensee. In the event of the sale or other disposition of the licensed premises, any investment obligation imposed by subsection b. which is not satisfied shall be immediately deemed due and payable as investment alternative tax, and said amount shall constitute a lien upon the licensed premises until paid, together with interest at the rate specified in the "State Tax Uniform Procedure Law," Subtitle 9 of Title 54 of the Revised Statutes.

f. The commission shall promulgate rules and regulations consistent with the provisions of this Article as to the eligibility of the investments and cumulative investments required by this Article.

**C. 5:12-145 Casino revenue fund.**

145. Casino Revenue Fund. a. There is hereby created and established in the Department of the Treasury a separate special account to be known as the "Casino Revenue Fund," into which shall be deposited all revenues from the tax imposed by section 144 of this act.

b. The commission shall require at least monthly deposits by the licensee of the tax at such times, under such conditions, and in such depositories as shall be prescribed by the State Treasurer. The deposits shall be deposited to the credit of the Casino Revenue Fund. The commission may require a monthly report and reconciliation statement, to be filed with it on or before the 10th day of each month, with respect to gross revenues and deposits received and made, respectively, during the preceding month.

c. Moneys in the Casino Revenue Fund shall be appropriated, notwithstanding the provisions of P. L. 1976, c. 67 (C. 52:9H-5 et seq.), exclusively for reductions in property taxes, rentals, telephone, gas, electric, and municipal utilities charges of eligible senior citizens and disabled residents of the State, as shall be provided by law.

**C. 5:12-146 In lieu tax.**

146. In Lieu Tax. a. Any casino licensee whose licensed premises are located in an area which has been declared, by the Department of Community Affairs and the commission, to be a blighted area,

or an area endangered by blight, may, for a period of not more than 25 years, enter into a written agreement with the Department of the Treasury, which agreement shall, with respect to real property held for use as a licensed casino hotel, provide for the payment of taxes to the tax collector of the municipality, in lieu of full local real property tax payments, in an amount to be computed by the sum of the following amounts, payable at the time specified by law for the payment of local property taxes;

(1) An annual amount equal to 2% of the cost of the real property investment. For the purposes of this section, "cost of the real property investment" means only the actual cost or fair market value of direct labor and all materials used in the construction, expansion, or rehabilitation of all buildings, structures, and facilities at the project site, including the costs, if any, of land acquisition and land preparation, provision of access roads, utilities, drainage facilities, and parking facilities, together with architectural, engineering, legal, surveying, testing, and contractors' fees associated with the project; provided, however, that the applicant shall cause such costs to be certified and verified to the Department of the Treasury by an independent certified public accountant, following the completion of the investment in the project; and provided further, however, that upon execution of an agreement pursuant to this section, only real property improvements made after July 6, 1976 shall be subject to the provisions herein; plus

(2) An amount equivalent to the difference between an amount that would have been payable as property taxes under the full local property tax rate and the amount calculated pursuant to subsection a.(1) of this section, which shall be payable from such profits, if any, as hereinafter defined in section 147, as shall remain after deducting therefrom interest and principal paid on mortgage loans applicable to the real property held for use as a licensed casino hotel. The total payments provided by this section shall not exceed the full local property taxes normally payable for the year.

b. At the time an applicant applies for a license under this act, he shall determine whether to exercise the option to pay in lieu taxes under this section or whether the property of the applicant shall be subject to the normal real property taxes of the municipality. This determination having been made and approved, the method selected may not be changed or altered during the term of the agreement.

c. Upon the filing of a certification by the State Treasurer in any year that an agreement has been entered into pursuant to this section, the in lieu tax provisions of this section shall be applicable with respect to the ensuing tax years.

**C. 5:12-147 Profits.**

147. Profits. a. For the purposes of the application of the provisions of section 146 of this act, "profits" referred to in section 146 a.(2) for any year means total profits from cumulative investments in Atlantic City. In computing profits under this section, a licensee shall deduct from the gross income of cumulative investments in Atlantic City all operating expenses in accordance with generally accepted accounting principles. There shall be included in said operating expenses (1) all annual payments pursuant to section 146 a.(1) of this act; (2) property taxes in said municipality not subject to section 146; and (3) an annual amount sufficient to amortize in equal annual installments the total cost of the investment over the life of the improvements, which in no case shall be less than 25 years in the case of real property. There shall not be included in said operating expenses or in any other account (1) depreciation or obsolescence; (2) interest on debt; (3) taxes on income; (4) losses on bad debt instruments from gaming operations in excess of the lesser of such instruments actually uncollected or 4% of gross revenues; or (5) salaries, bonuses and other compensation paid, directly or indirectly, to directors, partners, officers, stockholders or other persons having any proprietary or ownership interest in the licensee.

b. In any year during which gross income exceeds cumulative investments as defined in section 144 d. hereof, 50% of the profits, as herein defined, which exceed the amount equivalent to 20% of the cumulative investments in the municipality of a licensee who shall have entered into an agreement pursuant to the provisions of section 146 hereof for such year shall be retained in a separate interest-bearing account maintained by the Treasurer, which account shall be designated "Special Casino Retention Account." All amounts retained in such account with respect to a licensee for any year may be recaptured by the licensee, provided that (1) the average annual gross income for the tax year and the two immediately preceding years is less than the cumulative investments of the licensee in casino, hotel, or other facilities in the municipality or State; or (2) the licensee, within 5 years of the date its annual tax return under this act is due, shall make cumulative investments in such municipality which shall cause the total of

such investments to exceed the average annual gross income for the tax year and the 2 immediately preceding years, and which are equal to or greater than the amount of profits, as herein defined, retained in such account for the tax year.

c. In the event such licensee fails to make cumulative investments within the time specified as required for recapture of profits under this section, the profits retained in the Special Casino Retention Account shall be remitted to the Treasurer for deposit to the credit of the Casino Revenue Fund.

d. For the purposes of this section, each annual return of such licensee shall reflect the profits, if appropriate, determined on the basis of the immediately preceding calendar year. The commission shall make rules and regulations for the determination of profits under the provisions of this section.

**C. 5:12-148 Payment of taxes.**

148. Payment of Taxes. a. The tax imposed under section 144 hereof shall be due and payable annually on or before the 15th day of March and shall be based upon gross revenues derived during the previous calendar year. A licensee shall file its first return and shall report gross revenues from the time it commenced operations and ending on the last day of said calendar year. Such report shall be filed with the commission on or before the following March 15.

b. Any other law to the contrary notwithstanding, any business conducted by an individual, partnership, or corporation or any other entity, or any combination thereof, holding a license pursuant to this act shall, in addition to all other taxes imposed by this act, file a consolidated corporation business tax return pursuant to P. L. 1945, c. 162 (C. 54:10A-1 et seq.) and pay the taxes indicated thereon. The director of the Division of Taxation shall issue such rules and regulations and design such tax forms as shall be necessary to carry into effect the provisions of this act.

**C. 5:12-149 Determination of tax liability.**

149. Determination of Tax Liability. If a return or deposit required by section 145 is not filed or paid, or if a return or deposit when filed or paid is incorrect or insufficient in the opinion of the State Treasurer, the amount of tax due or deposit shall be determined by the State Treasurer from such information as may be available. Notice of such determination shall be given to the licensee liable for the payment of the tax or deposit. 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 State Treasurer for a hearing, or unless the State Treasurer on his own motion shall redetermine the same. After such hearing the State Treasurer shall give notice of his determination to the person against whom the tax is assessed.

**C. 5:12-150 Penalties.**

150. Penalties. a. Any licensee who shall fail to file his return when due or to pay any tax or deposit 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 State Treasurer determines that the failure to comply with any provision of this Article was excusable under the circumstances, he may remit such part or all of the penalty as shall be appropriate under such circumstances.

b. Any person failing to file a return, failing to pay the tax or deposit, 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 and subject to not more than 3 years imprisonment or a fine of \$100,000.00 or both.

c. The certificate of the State Treasurer to the effect that a tax or deposit 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.

d. If any part of any underpayment of tax required to be shown on a return is due to fraud, there shall be added to the tax an amount equal to 50% of the underpayment.

**C. 5:12-151 Forms.**

151. Forms. In addition to the other powers granted by this act, the commission is hereby authorized and empowered to promulgate and distribute all forms and returns necessary to the implementation of this act.

**C. 5:12-152 Applicability of state tax uniform procedure law.**

152. The taxes imposed by this act 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 act may be in conflict therewith.

ARTICLE 12. APPROPRIATION AND EFFECTIVE DATE

153. a. Notwithstanding the provisions of P. L. 1976, c. 67 (C. 52:9H-5 et seq.), there is hereby appropriated the sum of \$800,000.00 for initial expenses of the commission.

b. Notwithstanding the provisions of P. L. 1976, c. 67 (C. 52:9H-5 et seq.), there is hereby appropriated the sum of \$3,300,000.00 to the Department of Law and Public Safety for the operating expenses of the division and other agencies therein directly related to the enforcement of this act.

c. The sums hereinabove appropriated shall be repaid to the General State Fund from the first proceeds received in the Casino Control Fund during the first 6 years of its operation.

154. This act shall take effect immediately.

Approved June 2, 1977.

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CHAPTER 111

AN ACT to amend "An act concerning disorderly persons, and supplementing chapter 170 of Title 2A of the New Jersey Statutes," approved July 12, 1954 (P. L. 1954, c. 137).

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

1. Section 1 of P. L. 1954, c. 137 (C. 2A:170-69.1) is amended to read as follows:

**C. 2A:170-69.1 Polluting waters of bathing beach.**

1. The owner or other person in charge of any vessel afloat upon the coastal waters or tidal water bays of this State, who shall discharge, suffer, or unknowingly or knowingly allow or permit the discharge of any waste, debris, refuse or any other matter or material by any method, means, or manner into or upon said waters from such vessel by any person aboard, which waste, debris, refuse, material or matter may or will tend to litter any established bathing beach or any beach customarily used for bathing purposes or to pollute the waters adjacent to any such beach, is a disorderly person.

2. This act shall take effect immediately.

Approved June 1, 1977.

## CHAPTER 112

AN ACT to amend "An act concerning disorderly persons, prohibiting the discharge of certain matter or material into certain waters of the State and prohibiting the registration or licensing of certain vessels to operate in said waters," approved February 9, 1959 (P. L. 1958, c. 170).

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

1. Section 1 of P. L. 1958, c. 170 (C. 2A:170-69.1a) is amended to read as follows:

**C. 2A:170-69.1a Polluting waters from vessel; enforcement.**

1. The owner or other person in charge of any vessel afloat upon any of the fresh waters of this State, who shall discharge, suffer, or knowingly or unknowingly allow or permit the discharge of any excrement, waste, debris, refuse, chemical, or any other matter or material by any method, means or manner into or upon said waters from such vessel by any person aboard, which excrement, waste, debris, refuse, chemical, material or other matter may or will tend to pollute said waters, or to harm or destroy the fish therein or the wildlife thereupon, or to litter said waters or the shores or banks adjacent thereto, is a disorderly person, and upon conviction, shall be punished by a fine of not less than \$25.00 nor more than \$100.00 for the first offense and for each subsequent offense a fine of not less than \$100.00 nor more than \$200.00 or by imprisonment for not more than 90 days or both.

Fish and game wardens and deputy fish and game wardens of the State and all inspectors appointed pursuant to the "Power Vessel Act" (P. L. 1954, c. 236), are authorized to enforce the provisions of this section and shall have the powers of peace officers for such purpose.

2. This act shall take effect immediately.

Approved June 1, 1977.

## CHAPTER 113

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. There is hereby appropriated from the General Treasury to the Department of Environmental Protection for weed control purposes in Lake Hopatcong and Lake Musconetcong the sum of \$100,000.00.

2. This act shall take effect immediately.

Approved June 2, 1977.

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CHAPTER 114

AN ACT concerning education, revising parts of the statutory law, and enacting an additional chapter to Title 18A of the New Jersey Statutes to be known as the "Public School Contracts Law," and repealing chapter 18 of Title 18A of the New Jersey Statutes and all amendments and supplements thereto.

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

Section 1.

## CHAPTER 18A

## PUBLIC SCHOOL CONTRACTS LAW

## ARTICLE 1. GENERAL PROVISIONS

18A:18A-1. Short title; citation.

18A:18A-2. Definitions.

ARTICLE 2. PURCHASES, CONTRACTS, AGREEMENTS, ADVERTISING;  
EXCEPTIONS

- 18A:18A-3. Purchases, contracts and agreements not requiring advertising.
- 18A:18A-4. Contracts and agreements requiring advertising.
- 18A:18A-5. Exceptions to requirement for advertising.
- 18A:18A-6. Standards for purchase of fresh milk; penalties; rules and regulations.
- 18A:18A-7. Emergency purchases and contracts.
- 18A:18A-8. Contracts not to be divided.
- 18A:18A-9. Periodic solicitation of bids.
- 18A:18A-10. Purchase through State agency.

ARTICLE 3. JOINT PURCHASING AGREEMENTS

- 18A:18A-11. Joint purchases by districts, municipalities, counties; authority.
- 18A:18A-12. Contents of agreement.
- 18A:18A-13. Purchases and agreements subject to law and rules and regulations.
- 18A:18A-14. Controversies or disputes; determination; appeal.

ARTICLE 4. SPECIFICATIONS AND PLANS

- 18A:18A-15. Specifications generally.
- 18A:18A-16. Preparation and approval of plans and specifications for public schoolhouses.
- 18A:18A-17. Facilities for handicapped persons.
- 18A:18A-17.1. Commissioner of Education authorized to withhold State aid.
- 18A:18A-18. Separate plans for various types of work; bids; contracts.
- 18A:18A-19. Number of working days specified.
- 18A:18A-20. American goods and products to be used where possible.

ARTICLE 5. BIDDING

- 18A:18A-21. Advertisements for bids; bids; general requirements.
- 18A:18A-22. Bids to conform to specifications; rejection of bids.
- 18A:18A-23. Certificate of bidder showing ability to perform contract.
- 18A:18A-24. Security to accompany bid; amount.
- 18A:18A-25. Guarantee certificate.
- 18A:18A-26. Classification of bidders as requisite to bidding.

## ARTICLE 6. QUALIFICATION OF BIDDERS

18A:18A-27. Authority of State Board of Education to adopt regulations providing for qualification of bidders.

18A:18A-28. Application for classification; fee.

18A:18A-29. Classification by classes; notice to applicants.

18A:18A-30. Appeal from determination as to classification; hearings; change; approval by State board.

18A:18A-31. Change in classification as affecting bids; review and reconsideration of classification.

18A:18A-32. Bidders not submitting statements, within six months ineligible to bid; affidavit of no change in status to accompany bid; reports as to performance, etc.

18A:18A-33. Penalties for false statements.

## ARTICLE 7. RESERVED

18A:18A-34. Blank.

18A:18A-35. Blank.

## ARTICLE 8. AWARDING CONTRACTS

18A:18A-36. Time for making awards, deposits returned.

18A:18A-37. Contracts to be awarded to the lowest responsible bidder; quotations solicited for unadvertised contracts.

18A:18A-38. Award of contracts when bids are equal.

18A:18A-39. Filing copies of contracts.

## ARTICLE 9. FORM OF CONTRACT AND BONDS

18A:18A-40. Form and execution of contracts and bonds.

18A:18A-41. Liquidated damages.

## ARTICLE 10. CONTRACTS EXTENDING BEYOND THE FISCAL YEAR

18A:18A-42. Duration of certain contracts.

## ARTICLE 11. SUPERVISION, INSPECTION, CONDEMNATION, REJECTION

18A:18A-43. Supervision of school building repairs.

18A:18A-44. Inspection, condemnation and rejection of work and materials.

## ARTICLE 12. SALE OF PERSONAL PROPERTY

18A:18A-45. Manner and method of sale.

## ARTICLE 13. MISCELLANEOUS

18A:18A-46. No action for damages for action by officials.

18A:18A-47. Indemnity agreement with the United States, etc.

18A:18A-48. Contracts, etc.; validated and confirmed.

18A:18A-49. No municipal permit required for school building.  
18A:18A-49.1. Transportation of pupils to and from schools.

#### ARTICLE 14. REPEALER

18A:18A-50. Statutes repealed.

#### ARTICLE 1. GENERAL PROVISIONS

##### **Short title; citation.**

18A:18A-1. Short title; citation. This chapter shall be known and may be cited as the "Public School Contracts Law."  
Source: New.

##### **Definitions.**

18A:18A-2. Definitions. As used in this chapter, unless the context otherwise indicates:

a. "Board of education" means and includes the board of education of any local school district, consolidated school district, regional school district, county vocational school and any other board of education or other similar body other than the State Board of Education or the State Board of Higher Education, established and operating under the provisions of Title 18A of the New Jersey Statutes and having authority to make purchases and to enter into contracts, agreements or leases for the performance of any work or the furnishing or hiring of any materials, supplies, equipment or services usually required, the cost or contract price is to be paid with or out of board funds.

b. "Contracting agent" means the secretary, business administrator or the business manager of the board of education having the power to prepare advertisements, to advertise for and receive bids and to make awards for the board of education in connection with purchases, contracts or agreements as permitted by this chapter, but if there be no secretary, business administrator or business manager such officer, committees or employees to whom such power has been delegated by the board of education.

c. "Contracts" for the purpose of this chapter means contracts or agreements for the performance of work or the furnishing or hiring of services, materials, or supplies as distinguished from contracts of employment.

d. "District" means and includes any local school district, consolidated school district, regional school district, county vocational school and any other board of education or other similar body other than the State board, established under the provisions of Title 18A of the New Jersey Statutes.

e. "Legal newspaper" means a newspaper circulating in the district, printed and published in the English language at least once a week for at least 1 year continuously.

f. "Materials" includes goods and property subject to article 2 of Title 12A of the New Jersey Statutes, apparatus, or any other tangible thing, except real property or any interest therein.

g. "Extraordinary unspecifiable services" means services which are specialized and qualitative in nature requiring expertise, extensive training and proven reputation in the field of endeavor.

h. "Professional services" means services rendered or performed by a person authorized by law to practice a recognized profession and whose practice is regulated by law and the performance of which services requires knowledge of an advanced type in a field of learning acquired by a prolonged formal course of specialized instruction and study as distinguished from general academic instruction or apprenticeship and training. Professional services also means services rendered in the performance of work that is original and creative in character in a recognized field of artistic endeavor.

i. "Project" means any work, undertaking, construction or alteration.

j. "Purchases" are transactions, for a valuable consideration, creating or acquiring an interest in goods, services and property, except real property or any interest therein.

k. "Work" includes services and any other activity of a tangible or intangible nature performed or assumed pursuant to a contract or agreement with a board of education.

Source: C. 18A:18-2.1 (1971, c. 42, s. 1); N. J. S. 18A:18-8.

#### ARTICLE 2. PURCHASES, CONTRACTS, AGREEMENTS, ADVERTISING: EXCEPTIONS

##### **Purchases, contracts and agreements not requiring advertising.**

18A:18A-3. Purchases, contracts and agreements not requiring advertising. Any purchase, contract or agreement for the performance of any work or the furnishing or hiring of materials or supplies, the cost or price of which, together with any other sums expended or foreseeably to be expended for the performance of any work or services in connection with the same project or the furnishing of similar materials or supplies during the same fiscal year paid with or out of school funds, does not exceed the total sum of \$2,500.00 in the fiscal year or, in the case of purchases that are not annually recurring, in a period of 1 year may be

made, negotiated and awarded by a contracting agent when so authorized by resolution of the board of education without public advertising for bids and bidding therefor.

Source: C. 40A:11-3 (1971, c. 198, s. 3).

**Contracts and agreements requiring advertising.**

18A:18A-4. Contracts and agreements requiring advertising. Every contract or agreement for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of school funds, not included within the terms of N. J. S. 18A:18A-3, shall be made and awarded only by the board of education after public advertising for bids and bidding therefor, except as is provided otherwise in this chapter or specifically by any other law.

No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate \$2,500.00 except by contract or agreement.

Source: C. 40A:11-4 (1971, c. 198, s. 4).

**Exceptions to requirement for advertising.**

18A:18A-5. Exceptions to requirement for advertising. Any purchase, contract or agreement of the character described in N. J. S. 18A:18A-4 may be made, negotiated or awarded by the board of education by resolution at a public meeting without public advertising for bids and bidding therefor if

a. The subject matter thereof consists of:

- (1) Professional services;
- (2) Extraordinary unspecifiable services which cannot reasonably be described by written specifications, which exception as to extraordinary unspecifiable services shall be construed narrowly in favor of open competitive bidding where possible and the State Board of Education is authorized to establish rules and regulations limiting its use in accordance with the intention herein expressed; and the board of education shall in each instance state supporting reasons for its action in the resolution awarding the contract for extraordinary unspecifiable services;
- (3) The doing of any work by employees of the contracting unit;
- (4) The printing of all legal notices; and legal briefs, records and appendices to be used in any legal proceeding in which the contracting party may be a party;
- (5) Textbooks, copyrighted materials, kindergarten supplies, and student produced publications and services incidental thereto;
- (6) Food supplies, including food supplies for home economic classes, when purchased pursuant to rules and regulations of the

State board and in accordance with the provisions of N. J. S. 18A:18A-6;

(7) 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 and exacted, filed with said board;

(8) The printing of bonds and documents necessary to the issuance and sale thereof by a board of education;

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

(10) Insurance, including the purchase of insurance coverage and consultant services;

(11) Publishing of legal notices in newspapers as required by law;

(12) The acquisition of artifacts or other items of unique, intrinsic, artistic or historic character;

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

b. 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 or any other state or subdivision thereof.

c. The board of education has advertised for bids pursuant to N. J. S. 18A:18A-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 county or municipality in which the board of education is located is willing and able to perform any work or furnish or hire any materials or supplies in conformity with the specifications of the board of education. Any such contract or agreement entered into pursuant to this subsection c. 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 board of education 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 N. J. S. 18A:18A-4 shall be stated in the resolution awarding the contract.

d. The board of education has advertised for bids pursuant to N. J. S. 18A:18A-4 on two occasions and has rejected such bids on each occasion because the board of education has determined that they are not reasonable as to price on the basis of cost estimates prepared for the board of education 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:

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

(2) 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;

(3) Any amendment or modification of the terms, conditions, restrictions and specifications which were the subject of competitive bidding pursuant to N. J. S. 18A:18A-4 shall be stated in the resolution awarding the contract; and

(4) The negotiated price is lower than the price of the same or equivalent materials or supplies available from the State, county or municipality in which the board of education is located.

Whenever a board of education shall determine that a bid was not arrived at independently in open competition pursuant to this subsection 4 of N. J. S. 18A:18A-5, it shall thereupon notify the county prosecutor of the county in which the board of education 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 d. 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 board of education at a meeting thereof authorizing such a contract or agreement.

Source: N. J. S. 18A:18-5.

**Standards for purchase of fresh milk; penalties; rules and regulations.**

18A:18A-6. Standards for purchase of fresh milk; penalties; rules and regulations. In purchases of fresh milk and as a condition thereof, the board of education shall require each vendor to agree in writing to purchase during the year in which he pro-

poses to furnish such milk to the school district an amount of fresh milk from New Jersey producers or associations of producers at least equal to the amount he proposes to furnish to the school district plus an amount equal to the amount, if any, he shall be required to furnish to any other school district in the State. Every such agreement shall be filed by the board of education with the Secretary of Agriculture who shall be charged with the duty of enforcing the provisions of this section. Failure by any vendor to purchase milk in compliance with his agreement shall subject him to a penalty of not less than \$100.00 nor more than \$500.00 per day for each day of noncompliance, unless he can prove to the satisfaction of the Secretary that he is unable to obtain sufficient milk from New Jersey producers or associations of producers to enable him to comply with his agreement. In the absence of such proof, the penalties herein provided for shall be enforced and collected by the Secretary of Agriculture in the name of the respective school district in a summary proceeding in accordance with the Penalty Enforcement Law (N. J. S. 2A:58-1 et seq.). The penalty, when recovered, shall be paid to the school district so named in the proceeding. Any vendor found guilty of violating his agreement shall be ineligible for any contract award under this section for a period of 3 years thereafter.

The Secretary of Agriculture shall adopt and promulgate such rules and regulations as shall be necessary for the proper operation and enforcement of this section.

Source: N. J. S. 18A:18-5.1 amended 1971, c. 284.

**Emergency purchases and contracts.**

18A:18A-7. Emergency purchases and contracts. Any purchase, contract or agreement may be made, negotiated or awarded for a board of education without public advertising for bids and bidding therefor notwithstanding that the cost or contract price will exceed \$2,500.00, when an emergency affecting the health or safety of occupants of school property requires the immediate delivery of the articles or the performance of the service, provided that the awarding or making of such purchases, contracts or agreements are made in the following manner:

a. A written requisition for the performance of such work or labor, or the furnishing of materials, supplies or services is filed with the contracting agent or his deputy in charge describing the nature of the emergency, the time of its occurrence and the need for invoking this section, certified by the employee in charge of the building, facility or equipment wherein the emergency occurred.

The contracting agent, or his deputy in charge, being satisfied that the emergency exists, is hereby authorized to award a contract for said work or labor, materials, supplies or services.

b. Upon the furnishing of such work or labor, materials, supplies or services, in accordance with the terms of the contract or agreement, the contractor furnishing such work or labor, materials, supplies or services, shall be entitled to be paid therefor and the board of education shall be obligated for said payment. The board of education shall take such action as shall be required to provide for the payment of the contract price.

c. The State Board of Education shall prescribe rules and procedures to implement the requirements of this section.

Source: C. 40A:11-6 (1971, c. 198, s. 6).

**Contracts not to be divided.**

18A:18A-8. Contracts not to be divided. No purchase, contract or agreement, which is single in character or which necessarily or by reason of the quantities required to effectuate the purpose of the purchase, contract or agreement, includes the furnishing of additional services or equipment or buying materials or supplies or the doing of additional work, shall be subdivided, so as to bring it or any of the parts thereof under the maximum price or cost limitation of \$2,500.00 thus dispensing with the requirement of public advertising and bidding therefor. In purchasing or contracting for, or agreeing for the furnishing of, any services, equipment, materials or supplies, the doing of any work included in or incident to the performance or completion of any project, which is single in character or inclusive of the furnishing of additional services or equipment or buying materials or supplies or the doing of additional work, or which requires the furnishing of more than one article of equipment or buying materials or supplies, all of the services, materials or supplies requisite for the completion of such project shall be included in one purchase, contract or agreement.

Source: C. 40A:11-7 (1971, c. 198, s. 7).

**Periodic solicitation of bids.**

18A:18A-9. Periodic solicitation of bids. Every board of education shall, on an annual basis or at such lesser intervals to be fixed by it, solicit by public advertisement the submission of bids for the furnishing of all work, materials and supplies which are and which under N. J. S. 18A:18A-4 can be purchased or agreed or contracted to be furnished only after public advertisement for bids and bidding therefor and all purchases, or contracts or agreements for

the furnishing, of such work, materials and supplies shall be made and awarded only in that manner.

Source: N. J. S. 18A:18-5.

**Purchase through State agency.**

18A:18A-10. Purchase through State agency. Any board of education, without advertising for bids, or after having rejected all bids obtained pursuant to advertising therefor, may purchase any materials, supplies or equipment pursuant to a contract or contracts for such materials, supplies or equipment entered into on behalf of the State by the Division of Purchase and Property.

Source: C. 18A:18-1.6 (1969, c. 104, s. 2).

ARTICLE 3. JOINT PURCHASING AGREEMENTS

**Joint purchases by districts, municipalities, counties; authority.**

18A:18A-11. Joint purchases by districts, municipalities, counties; authority. The boards of education of two or more districts may provide jointly by agreement for the purchasing of supplies, materials or work for their respective districts, or one or more boards of education may provide for such purchases by joint agreement with the governing body of the municipality or county within whose boundaries any such district is wholly or partly located.

Source: N. J. S. 18A:18-1.1 amended 1968, c. 422, s. 8.

**Contents of agreement.**

18A:18A-12. Contents of agreement. a. Such agreements shall set forth the categories of work, materials and supplies to be purchased, the manner of advertising for bids and of awarding of contracts, the method of payment by each participating board of education, municipality or county, and other matters deemed necessary to carry out the purposes of the agreement.

b. Each participant's share of expenditures for purchases under any such agreement shall be appropriated and paid in the manner set forth in the agreement and in the same manner as for other expenses of the participant.

Source: N. J. S. 18A:18-1.2, 18A:18-1.4.

**Purchases and agreements subject to law and rules and regulations.**

18A:18A-13. Purchases and agreements subject to law and rules and regulations. Such purchases and all agreements pertaining thereto shall be subject to all provisions of law and the applicable rules and regulations of the State board.

Source: N. J. S. 18A:18-1.3.

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**Controversies or disputes; determination; appeal.**

18A:18A-14. Controversies or disputes; determination; appeal. In the event that any controversy or dispute shall arise among the parties (except a municipality or county) to any such agreement, the same shall be referred to the county superintendent of the county in which the districts are situate for determination and his determination thereon shall be binding, subject to appeal to the commissioner and the State board pursuant to law. In the event that the districts are in more than one county, the controversy or dispute shall be referred to the county superintendents of the counties for joint determination, and if they shall be unable to agree upon a joint determination within 30 days, the controversy or dispute shall be referred to the commissioner for determination. Source: N. J. S. 18A:18-1.5 amended 1968, c. 422, s. 9.

## ARTICLE 4. SPECIFICATIONS AND PLANS

**Specifications generally.**

18A:18A-15. Specifications generally. Any specifications for an acquisition under this chapter, whether by purchase, contract or agreement, shall be drafted in a manner to encourage free, open and competitive bidding. In particular, no specifications under this chapter may:

a. Require any standard, restriction, condition or limitation not directly related to the purpose, function or activity for which the purchase, contract or agreement is made; or

b. Require that any bidder be a resident of, or that his place of business be located in, the county or school district in which the purchase will be made or the contract or agreement performed, unless the physical proximity of the bidder is requisite to the efficient and economical purchase or performance of the contract or agreement; or

c. Discriminate on the basis of race, religion, sex, national origin; or

d. Require, with regard to any purchase, contract or agreement, the furnishing of any "brand name," but may in all cases require "brand name or equivalent," except that if the materials to be supplied or purchased are patented or copyrighted, such materials or supplies may be purchased by specification in any case in which the resolution authorizing the purchase, contract, sale or agreement so indicates, and the special need for such patented or copyrighted materials or supplies is directly related to the performance,

completion or undertaking of the purpose for which the purchase, contract or agreement is made; or

e. Fail to include any option for renewal, extension, or release which the board of education may intend to exercise or require; or any terms and conditions necessary for the performance of any extra work; or fail to disclose any matter necessary to the substantial performance of the contract or agreement.

The specifications for every contract for public work, the entire cost whereof will exceed \$10,000.00 shall provide that the board of education, through its authorized agent, shall upon completion of the contract report to the department as to the contractor's performance, and shall also furnish such report from time to time during performance if the contractor is then in default.

Any specification adopted by the board of education which knowingly excludes prospective bidders by reason of the impossibility of performance, bidding or qualification by any but one bidder, except as provided herein, shall be null and void and of no effect and such purchase, contract or agreement shall be readvertised, and the original purchase, contract or agreement shall be set aside by the board of education.

Source: N. J. S. 18A:18-14 amended 1968, c. 188, s. 2.

**Preparation and approval of plans and specifications for public schoolhouses.**

18A:18A-16. Preparation and approval of plans and specifications for public schoolhouses. All plans and specifications for the erection, alteration, improvement or repair of public schoolhouses shall be drawn by or under the supervision of an appropriate officer employed by the board to whom such power shall have been delegated by the board of education.

No contract for the erection of any building or any part thereof by any board of education of any school district shall be entered into until the plans and specifications therefor have been submitted to, and approved by, the State board and no change in any such plans or specifications, so approved, shall be made unless the same shall have been submitted to, and approved by, the State board. A copy of all plans and specifications, and all changes therein, so approved, shall be filed forthwith with the State board.

Source: N. J. S. 18A:18-2.

**Facilities for handicapped persons.**

18A:18A-17. Facilities for handicapped persons. Every board of education shall require that all plans and specifications for bids on any contract with the board for the construction, remodeling or

renovation of any public building shall provide facilities for the physically handicapped.

As used in this section, "remodeling or renovation" shall mean to construct an addition to, alter the design or layout of said public building so that a change or modification of the entrance facilities, toilet facilities, or vertical access is achieved, or makes substantial repairs or alterations. As used herein, "substantial repairs or alterations" shall mean that if the costs of making such repairs or alterations:

- a. Shall exceed 60% of the value of the building the entire building shall be made to comply with the requirements of this section;
- b. Shall be between 30% and 60% of the value of the building, only those portions of the building repaired or altered shall be made to comply with the requirements of this section; or
- c. Shall be under 30% of the value of the building such repairs or alterations shall be either in accordance with the requirement of this section, or in compliance with their previously required condition and with the same or equivalent material or equipment, provided the general safety and public welfare are not thereby endangered.

The value of such public buildings shall be determined by every board of education in accordance with a formula which shall be established by the State Board of Education. Said formula may take into account the size, age, type of construction, original building cost and replacement cost of any such building.

The State Board of Education, by rules and regulations, shall prescribe the kinds, types and quality of the aforementioned facilities for the physically handicapped.

Source: C. 18A:18-2.2 (1971, c. 42, c. 2 amended 1975, c. 219, s. 1).

**Commissioner of Education authorized to withhold State aid.**

18A:18A-17.1. Commissioner of Education authorized to withhold State aid.

The Commissioner of Education is hereby authorized to withhold all or part of any State aid paid to any school district pursuant to chapter 58 of Title 18A of the New Jersey Statutes or any other law, unless and until said school district shall comply with the provisions of N. J. S. 18A:18A-17 with respect to facilities for the physically handicapped.

Source: C. 18A:18-2.3 (1975, c. 219, s. 3).

**Separate plans for various types of work; bids; contracts.**

18A:18A-18. Separate plans for various types of work; bids; contracts. In the preparation of plans and specifications for the construction, alteration or repair of any building by a board of education, when the entire cost of the work and materials will exceed \$2,500.00, separate plans and specifications shall be prepared for each of the following, and all work and materials kindred thereto to be performed or furnished in connection therewith:

- a. The plumbing and gas fitting work;
- b. The heating and ventilating systems and equipment;
- c. The electrical work, including any electrical power plant;
- d. The structural steel and ornamental iron work;
- e. All other work and materials required for the completion of the project.

The board of education or its contracting agent shall advertise for and receive, in the manner provided by law, (1) separate bids for each of said branches of work, and (2) bids for all the work and materials required to complete the building to be included in a single overall contract. There will be set forth in the bid the name or names of, and evidence of performance security from, all subcontractors to whom the bidder will subcontract the furnishing of plumbing and gas fitting, and all kindred work, and of the heating and ventilating systems and equipment, and electrical work, structural steel and ornamental iron work, each of which subcontractors shall be qualified in accordance with this chapter.

Contracts shall be awarded to the lowest responsible bidder. The contract shall be awarded in the following manner: If the sum total of the amounts bid by the lowest responsible bidder for each branch is less than the amount bid by the lowest responsible bidder for all the work and materials, the board of education shall award separate contracts for each of such branches to the lowest responsible bidder therefor, but if the sum total of the amount bid by the lowest responsible bidder for each branch is not less than the amount bid by the lowest responsible bidder for all the work and materials, the board of education shall award a single overall contract to the lowest responsible bidder for all of such work and materials. In every case in which a contract is awarded under (2) above, all payments required to be made under such contract for work and materials supplied by a subcontractor shall, upon the certification of the contractor of the amount due to the subcontractor, be paid directly to the subcontractor.

Source: N. J. S. 18A:18-3 amended 1968, c. 107, s. 1; 18A:18-4 amended 1968, c. 107, s. 2.

**Number of working days specified.**

18A:18A-19. Number of working days specified. All specifications for the doing of any work for a board of education shall fix the date before which the work shall be completed, or the number of working days to be allowed for its completion; and every such contract shall contain a provision for a deduction, from the contract price, or any wages paid by the board of education to any inspector or inspectors necessarily employed by it on the work, for any number of days in excess of the number allowed in the specifications.

Source: C. 40A:11-17 (1971, c. 198, s. 17).

**American goods and products to be used where possible.**

18A:18A-20. American goods and products to be used where possible. Each board of education shall provide, in the specifications for all contracts for work for which it will pay any part of the cost, that only manufactured and farm products of the United States, wherever available, be used in such work.

Source: C. 40A:11-18 (1971, c. 198, s. 18).

#### ARTICLE 5. BIDDING

**Advertisements for bids; bids; general requirements.**

18A:18A-21. Advertisements for bids; bids; general requirements. All advertisements for bids shall be published in a Legal Newspaper sufficiently in advance of the date fixed for receiving the bids to promote competitive bidding, but in no event less than 10 days prior to such date. The advertisement shall designate the manner of submitting and of receiving the bids and the time and place at which the bids will be received. If the published specifications provide for receipt of bids by mail, those bids which are mailed to the board of education shall be sealed and shall be opened only for examination at such time and place as all bids received are unsealed and announced. At such time and place the contracting agent of the board of education shall publicly receive the bids and thereupon immediately proceed to unseal them and publicly announce the contents, which announcement shall be made in the presence of any parties bidding or their agents who are then and there present. A proper record of the prices and terms shall be made in the minutes of the board. No bids shall be received after the time designated in the advertisement.

Source: C. 40A:11-23 (1971, c. 198, s. 23).

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**Bids to conform to specifications; rejection of bids.**

18A:18A-22. Bids to conform to specifications; rejection of bids. No bid shall be accepted which does not conform to the specifications furnished therefor. Nothing contained in this chapter shall be construed as depriving any board of education of the right to reject all bids.

Source: N. J. S. 18A:18-13, 18A:18-20.

**Certificate of bidder showing ability to perform contract.**

18A:18A-23. Certificate of bidder showing ability to perform contract. There may be required from any bidder submitting a bid on public work to any board of education, duly advertised for in accordance with law, a certificate showing that he owns, leases, or controls all the necessary equipment required by the plans, specifications and advertisements under which bids are asked for and if the bidder is not the actual owner or lessee of any such equipment, his certificate shall state the source from which the equipment will be obtained, and shall be accompanied by a certificate from the owner or person in control of the equipment definitely granting to the bidder the control of the equipment required during such time as may be necessary for the completion of that portion of the contract for which it is necessary.

Source: C. 40A:11-20 (1971, c. 198, s. 20).

**Security to accompany bid; amount.**

18A:18A-24. Security to accompany bid; amount. There may be required from any person bidding on any contract or agreement, advertised in accordance with law, that the bid be accompanied by a guarantee payable to the board of education that, if the contract or agreement is awarded to him, he will enter into a contract therefor and will furnish any performance bond or other security required as a guarantee or indemnification. The guarantee shall be in the amount of 10% of the bid, but not in excess of \$20,000.00, except as otherwise provided herein, and may be given, at the option of the bidder, by certified check, cashier's check or bid bond. In the event that any law or regulation of the United States imposes any condition upon the awarding of a monetary grant to any board of education, which condition requires the depositing of a guarantee in an amount other than 10% of the bid or in excess of \$20,000.00, the provisions of this section shall not apply and the requirements of the law or regulation of the United States shall govern.

Source: C. 40A:11-21 (1971, c. 198, s. 21, amended 1974, c. 189, s. 1).

**Guarantee certificate.**

18A:18A-25. Guarantee certificate. When a surety company bond is required in the advertisement or specifications for a contract or agreement, every board of education shall require from any bidder submitting a bid in accordance with plans, specifications and advertisements, as provided for by law, a certificate from a surety company stating that it will provide the contractor with a bond in such sum as is required in the advertisement or in the specifications.

This certificate shall be obtained for a bond—

a. For the faithful performance of all provisions of the specifications or for all matters which may be contained in the notice to bidders, relating to the performance of the contract or agreement; including the guarantees required under article 12 of chapter 44 of Title 2A of the New Jersey Statutes; and

b. If any be required, for a guarantee bond for the faithful performance of the contract provisions relating to the repair and maintenance of any work, project or facility and its appurtenances and keeping the same in good and serviceable condition during the term of the bond as provided for in the notice to bidders or in the specifications; or

c. In such other form as may be provided in the notice to bidders or in the specifications.

If a bidder desires to offer the bond of an individual instead of that of a surety company, he shall submit with his bid a certificate signed by such individual similar to that required of a surety company.

The board of education may reject any such bid if it is not satisfied with the sufficiency of the individual surety offered.

Source: C. 40A:11-22 (1971, c. 198, s. 22).

**Classification of bidders as requisite to bidding.**

18A:18A-26. Classification of bidders as requisite to bidding. Every board of education shall require that all persons proposing to bid on any contract requiring public advertisement for bids with the board for public work, the entire cost whereof will exceed \$10,000.00, shall first be classified in accordance with article 6 of this chapter as to the character and amount of public work on which they shall be qualified to submit bids. So long as such requirement is in effect, the board of education shall accept such bids only from persons qualified in accordance with such classification.

Source: N. J. S. 18A:18-9 amended 1968, c. 188, s. 1.

**New Jersey State Library**

## ARTICLE 6. QUALIFICATION OF BIDDERS

**Authority of State Board of Education to adopt regulations providing for qualification of bidders.**

18A:18A-27. Authority of State Board of Education to adopt regulations providing for qualification of bidders. The State Board of Education may establish reasonable regulations appropriate for controlling the qualifications of prospective bidders upon contracts for public work, the entire cost whereof will exceed \$10,000.00, by the amount, class or category of work to be performed or materials and supplies to be furnished or hired which may fix the qualifications required according to the financial ability and experience of the bidders and the capital and equipment available to them pertinent to and reasonably related to the class or category of work to be performed or materials and supplies to be furnished or hired in the performance of any such contract, and may require each bidder to furnish a statement thereof.

Such regulations shall be written in a manner:

- a. Which will not unnecessarily discourage full, free and open competition; or
- b. Which will not unnecessarily restrict the participation of small business in the public bidding process; or
- c. Which will not create undue preferences; or
- d. Which will not violate any other provision of this chapter, or any other law.

No qualification rating of any bidder shall be influenced by his race, religion, sex, national origin, nationality or his place of residence or residence.

In lieu of adopting any qualification regulation under this section, the State Board may, in whole or in part, delegate by regulation to the Department of the Treasury or other appropriate State agency with its consent, the authority to qualify bidders subject to this article.

“Department,” as used in this article, shall mean the Department of Education, Department of the Treasury or other State agency to which the authority to qualify bidders has been delegated by the State Board.

Such regulations shall not be effective unless they have been adopted as provided in the Administrative Procedure Act, P. L. 1968, c. 410 (C. 52:14B-1 et seq.).

Source: C. 40A:11-25 (1971, c. 198, s. 25).

**Application for classification; fee.**

18A:18A-28. Application for classification; fee. Any person desiring such classification shall file with the department a statement under oath in response to a questionnaire, prepared and standardized for like classes of work, by the department together with a fee of \$10.00. The statement shall develop fully the financial ability, adequacy of plant and equipment, organization and prior experience of the prospective bidder, and also such other pertinent and material facts as may be deemed desirable.

Source: N. J. S. 18A:18-10 amended 1971, c. 266, s. 3.

**Classification by classes; notice to applicants.**

18A:18A-29. Classification by classes; notice to applicants. The department shall classify all such prospective bidders as to the character and amount of public work contracts on which they shall be qualified to submit bids. The department shall consider reports filed by boards of education pursuant to 18A:18A-15 as a basis for denial of a favorable classification to all prospective bidders. The classification shall be made and an immediate notice thereof shall be sent to the prospective bidder or bidders by registered mail within a period of 15 days after the date of receipt of the statement in response to the questionnaire; provided, however, that if the department shall require additional information from the prospective bidder, the classification shall be made and the notice sent within 15 days after receipt of such additional information.

Source: N. J. S. 18A:18-11.

**Appeal from determination as to classification; hearings; change.**

18A:18A-30. Appeal from determination as to classification; hearings; change. Any person, after being notified of his classification, being dissatisfied therewith or with the classification of another person or persons, may request in writing a hearing before the department, and may present such further evidence with respect to his financial ability, plant and equipment or prior experience, or that of the other person or persons, as might tend to justify a different classification.

Where the request for a hearing is related to the classification of another person, the applicant for the hearing shall notify such other person, by registered mail, of the time and place of hearing and at the hearing shall present to the department satisfactory evidence that such notice was given before any matters pertaining to the classification of such other person shall be taken up.

After the hearing the department may change or affirm the classification or classifications, the subject of the hearing.

Source: N. J. S. 18A:18-12.

**Change in classification as affecting bids; review and reconsideration of classification.**

18A:18A-31. Change in classification as affecting bids; review and reconsideration of classification. Where there have been developments subsequent to the qualification and classification of a bidder which in the opinion of the board of education would affect the responsibility of the bidder, information to that effect shall forthwith be transmitted to the department for its review and reconsideration of the classification. Before taking final action on any such bid, the board of education concerned shall notify the bidder and give him an opportunity to present to the department any additional information which might tend to substantiate the existing classification.

Source: N. J. S. 18A:18-13.

**Bidders not submitting statements, within 6 months ineligible to bid; affidavit of no change in status to accompany bid; reports as to performance, etc.**

18A:18A-32. Bidders not submitting statements, within 6 months ineligible to bid; affidavit of no change in status to accompany bid; reports as to performance, etc. No person shall be qualified to bid on any public work contract with the board of education, the entire cost whereof will exceed \$10,000.00, who shall not have submitted a statement as required by N. J. S. 18A:18A-28 within a period of 6 months preceding the date of opening of bids for such contract. Every bidder shall submit with his bid an affidavit that subsequent to the latest such statement submitted by him there has been no material adverse change in his qualification information except as set forth in said affidavit.

Source: N. J. S. 18A:18-14 amended 1968, c. 188, s. 2.

**Penalties for false statements.**

18A:18A-33. Penalties for false statements. Any person who makes, or causes to be made, a false, deceptive or fraudulent statement in the questionnaire required to be submitted, or in the course of any hearing under this article shall be guilty of a misdemeanor, and upon conviction shall be sentenced to pay a fine of not less than \$100.00 nor more than \$1,000.00; or, in the case of an individual or the officer or employee charged with the duty of making such questionnaire for a person, firm, copartnership, association or corporation, to pay such fine or undergo imprison-

ment, not exceeding 6 months, or both. All such persons and any copartnership, association, corporation or joint stock company of which any such person is a partner or officer or director, and any corporation of which he owns more than 25% of the stock, shall for 5 years from the date of such conviction be disqualified from bidding on all public work in this State.

The board of education shall cause the forfeiture as liquidated damages to the board of any certified check or certificate of deposit deposited as bid security by any person who makes or causes to be made any false, deceptive or fraudulent statement in the questionnaire or bid affidavit required to be submitted, or in the course of any hearing under this chapter.

Source: N. J. S. 18A:18-15, 18A:18-16.

#### ARTICLE 7. RESERVED

18A:18A-34. Blank.

18A:18A-35. Blank.

#### ARTICLE 8. AWARDING CONTRACTS

##### **Time for making awards, deposits returned.**

18A:18A-36. Time for making awards, deposits returned.

The board of education shall award the contract or reject all bids within such time as may be specified in the invitation to bid, but in no case more than 60 days, except that the bids of any bidders who consent thereto may, at the request of the board of education, be held for consideration for such longer period as may be agreed. All bid security except the security of the three apparent lowest responsible bidders shall, if requested, be returned after 10 days from the opening of the bids, Sundays and holidays excepted and the bids of such bidders shall be considered as withdrawn. Within 3 days after the awarding of the contract and the approval of the contractor's performance bond the bid security of the remaining unsuccessful bidders shall be returned to them forthwith, Sundays and holidays excepted.

Source: C. 40A:11-24 (1971, c. 198, s. 24).

##### **Award of purchases, contracts or agreements.**

18A:18A-37. Award of purchases, contracts or agreements.

All purchases, contracts or agreements which require public advertisement for bids shall be awarded to the lowest responsible bidder.

Prior to the award of any other purchase, contract or agreement, the contracting agent shall, except in the case of the performance of professional services, solicit quotations, whenever practicable, on any such purchase, contract or agreement the estimated cost or price of which is \$500.00 or more, and the award thereof shall be made, in accordance with N. J. S. 18A:18A-3 or N. J. S. 18A:18A-4, as the case may be, on the basis of the lowest responsible quotation received, which quotation is most advantageous to the board of education, price and other factors considered; provided, however, that if the contracting agent deems it impractical to solicit competitive quotations in the case of extraordinary, unspecifiable service, or, in the case of such or any other purchase, contract or agreement awarded hereunder, having sought such quotations determines that it should not be awarded on the basis of the lowest quotation received, the contracting agent shall file a statement of explanation of the reason or reasons therefor, which shall be placed on file with said purchase, contract or agreement.

Source: New.

**Award of contracts when bids are equal.**

18A:18A-38. Award of contracts when bids are equal. Whenever two or more proposals or bids of equal amounts are the lowest proposals or bids submitted by responsible bidders, the board of education may award the contract to any one of such bidders as, in its discretion, it may determine.

Source: N. J. S. 18A:18-21.

**Filing copies of contracts.**

18A:18A-39. Filing copies of contracts. A copy of each contract, the entire cost of which exceeds \$10,000.00, for the performance of any work or for the furnishing of services, materials or supplies for the construction, alteration or repair of any building shall be filed with the State board within 10 days after the same shall have been signed.

Source: N. J. S. 18A:18-22.

ARTICLE 9. FORM OF CONTRACTS AND BONDS

**Form and execution of contracts and bonds.**

18A:18A-40. Form and execution of contracts and bonds. All contracts for the performing of work or furnishing materials, supplies or services shall be in writing. The State Board of Education may, subject to the requirements of law, prescribe the forms and manner in which contracts shall be made and executed, and the

form and manner of execution and approval of all guarantee, indemnity, fidelity and other bonds.

Source: C. 40A:11-14 (1971, c. 198, s. 14).

**Liquidated damages.**

18A:18A-41. Liquidated damages. Any contract or agreement made pursuant to this chapter may include liquidated damages for the violation of any of the terms and conditions thereof or the failure to perform said contract or agreement in accordance with its terms and conditions, or the terms and conditions of this chapter.

Source: C. 40A:11-19 (1971, c. 198, s. 19).

ARTICLE 10. CONTRACTS EXTENDING BEYOND THE FISCAL YEAR

**Duration of certain contracts.**

18A:18A-42. Duration of certain contracts. Any board of education may enter into a contract exceeding the fiscal year for the

a. Supplying of:

(1) Fuel for heating purposes, for any term not exceeding in the aggregate, 3 years; or

(2) Fuel or oil for use of automobiles, autobuses, motor vehicles or equipment for any term not exceeding in the aggregate, 3 years;

or

b. The plowing and removal of snow and ice for any term not exceeding in the aggregate, 3 years; or

c. The collection and disposal of garbage and refuse, for any term not exceeding in the aggregate, 3 years; or

d. Data processing service, for any term of not more than 5 years; or

e. Insurance, for any term of not more than 3 years; or

f. Leasing or servicing of automobiles, motor vehicles, electronic communications equipment, machinery and equipment of every nature and kind, for any term not exceeding the aggregate 5 years; provided, however, such contracts shall be entered into only subject to and in accordance with rules and regulations promulgated by the State Board of Education;

g. The supplying of any product or the rendering of any service by a telephone company which is subject to the jurisdiction of the Board of Public Utility Commissioners for a term not exceeding 5 years.

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All multiyear leases and contracts entered into pursuant to this section 18A:18A-42 except contracts for the leasing or servicing of equipment supplied by a telephone company which is subject to the jurisdiction of the Board of Public Utility Commissioners shall contain a clause making them subject to the availability and appropriation annually of sufficient funds as may be required to meet the extended obligation, or contain an annual cancellation clause.

Source: C. 40A:11-15 (1971, c. 198, s. 15).

#### ARTICLE 11. SUPERVISION, INSPECTION, CONDEMNATION, REJECTION

##### **Supervision of school building repairs.**

18A:18A-43. Supervision of school building repairs. Repairs of all school buildings shall be supervised by the business manager of the district, if there be one, as provided by N. J. S. 18A:17-28, but if the district has no business manager, the board may delegate such power to any appropriate officer of the board as provided by N. J. S. 18A:16-1.2.

Source: N. J. S. 18A:18-23.

##### **Inspection, condemnation and rejection of work and materials.**

18A:18A-44. Inspection, condemnation and rejection of work and materials. All work done and materials or supplies furnished under contract shall be inspected by the business manager of the district, if there be a business manager of the district, but if there be no business manager of the district, they may be inspected by an appropriate officer employed by the board to whom such power shall have been delegated by the board, and subject to the approval of the board the business manager or such officer, as the case may be, shall condemn any work and reject any material or supplies, which in his judgment do not conform to the specifications of the contract therefor.

Source: N. J. S. 18A:18-24.

#### ARTICLE 12. SALE OF PERSONAL PROPERTY

##### **Manner and method of sale.**

18A:18A-45. Manner and method of sale. Any board of education may, by resolution, authorize the sale of its personal property not needed for school purposes.

a. If the estimated fair value of the property to be sold exceeds \$2,500.00 in any one sale and it is neither livestock nor perishable goods, it shall be sold at public sale to the highest bidder.

b. Notice of the date, time and place of the public sale, together with a description of the items to be sold and the conditions of sale, shall be published once in a legal newspaper. Such sale shall be held not less than seven nor more than 14 days after the publication of the notice thereof.

c. Personal property may be sold to the United States, the State of New Jersey, another board of education or to any body politic by private sale without advertising for bids.

d. If no bids are received the property may then be sold at private sale without further publication or notice thereof, but in no event at less than the estimated fair value; or the board of education may if it so elect reoffer the property at public sale. As used herein, "estimated fair value" means the market value of the property between a willing seller and a willing buyer less the cost to the board of education to continue storage or maintenance of any personal property not needed for school purposes to be sold pursuant to this section.

e. A board of education may reject all bids if it determine such rejection to be in the public interest. In any case in which the board of education has rejected all bids, it may readvertise such personal property for a subsequent public sale. If it elects to reject all bids at a second public sale, pursuant to this section, it may then sell such personal property without further publication or notice thereof at private sale, provided that in no event shall the negotiated price at private sale be less than the highest price of any bid rejected at the preceding two public sales and provided further that in no event shall the terms or conditions of sale be changed or amended.

f. If the estimated fair value of the property to be sold does not exceed \$2,500.00 in any one sale or is either livestock or perishable goods, it may be sold at private sale without advertising for bids.  
Source: C. 40A:11-36 (1971, c. 198, s. 36).

#### ARTICLE 13. MISCELLANEOUS

**No action for damages for action by officials.**

18A:18A-46. No action for damages for action by officials. No action for damages shall lie against the State board, any State official, or any board of education or any of its officers because of any action taken by virtue of the provisions of this chapter.

Source: N. J. S. 18A:18-18 amended 1968, c. 342.

**Indemnity agreement with the United States, etc.**

18A:18A-47. Indemnity agreement with the United States, etc. Any board of education may enter into an agreement indemnifying the United States of America, or any board, body, officer or agency thereof, from loss or damage to the property of others resulting from the furtherance of any project, undertaken or to be undertaken by the Federal Government for the benefit of such board of education where the cost or any part thereof is to be paid out of Federal funds.

Source: C. 40A:11-35 (1971, c. 198, s. 35).

**Contracts, etc.; validated and confirmed.**

18A:18A-48. Contracts, etc.; validated and confirmed. Any action, purchase, sale, contract or agreement taken, made or entered into prior to the effective date of this chapter pursuant to any of the acts, amendments and supplements repealed by this chapter are hereby validated and confirmed, provided that in no event shall a lease of personal property entered into prior to the effective date of this chapter be renewed or extended, except in accordance with the terms and provisions of this chapter.

Source: New.

**No municipal permit required for school building.**

18A:18A-49. No municipal permit required for school building. No board of education of any school district shall be required to secure the approval of its plans and specifications for the erection or alteration of any school building or vocational school building or any part thereof by the municipality in which the building is located; nor shall any board of education or any board of education of a county vocational school or any contractor doing work in connection with school buildings or county vocational school buildings be required to secure a building permit from the municipality.

Source: N. J. S. 18A:18-25.

**Transportation of pupils to and from schools.**

18A:18A-49.1. Transportation of pupils to and from schools. The provisions of this chapter shall not apply to contracts for the transportation of pupils to and from school, which contracts are regulated by Chapter 39 of this Title.

Source: New.

## ARTICLE 14. REPEALER

**Repealer.**

18A:18A-50. Statutes repealed. The following sections, chapters and acts, together with all amendments and supplements thereto, are hereby repealed:

Chapter 18 of Title 18A of the New Jersey Statutes;  
Laws of 1969, c. 104, s. 2 (C. 18A:18-1.6);  
Laws of 1971, c. 42 (C. 18A:18-2.1; C. 18A:18-2.2).

2. Effective date. This act shall take effect immediately.

PUBLIC SCHOOL CONTRACTS LAW  
SCHEDULE OF ALLOCATIONS OF SOURCE MATERIALS

Source Sections	Revised Sections
N. J. S. 18A:18-1 .....	Not Enacted
N. J. S. 18A:18-1.1 As am. L. 1968, c. 422, s. 8 .....	18A:18A-11
N. J. S. 18A:18-1.2 .....	18A:18A-12
N. J. S. 18A:18-1.3 .....	18A:18A-13
N. J. S. 18A:18-1.4 .....	18A:18A-12
N. J. S. 18A:18-1.5 As am. L. 1968, c. 422, s. 9 .....	18A:18A-14
C. 18A:18-1.6 L. 1969, c. 104, s. 2 .....	18A:18A-10
N. J. S. 18A:18-2 .....	18A:18A-16
C. 18A:18-2.1 L. 1971, c. 42, s. 1 .....	18A:18A-2
C. 18A:18-2.2 L. 1971, c. 42, s. 2 .....	18A:18A-17
As am. L. 1975, c. 219, s. 1 .....	18A:18A-17
C. 18A:18-2.3 L. 1975, c. 219, s. 3 .....	18A:18A-17.1
N. J. S. 18A:18-3 As am. L. 1968, c. 107, s. 1 .....	18A:18A-18
N. J. S. 18A:18-4 As am. L. 1968, c. 107, s. 2 .....	18A:18A-18
N. J. S. 18A:18-4.1 .....	Not Enacted
N. J. S. 18A:18-5 .....	{18A:18A-5
N. J. S. 18A:18-5.1 As am. L. 1971, c. 284 .....	}18A:18A-9
N. J. S. 18A:18-6 .....	18A:18A-6
N. J. S. 18A:18-6 .....	Not Enacted
N. J. S. 18A:18-7 .....	Not Enacted
N. J. S. 18A:18-8 .....	18A:18A-2
N. J. S. 18A:18-9 As am. L. 1968, c. 188, s. 1 .....	18A:18A-26
N. J. S. 18A:18-10 As am. L. 1971, c. 266, s. 3 .....	18A:18A-28
N. J. S. 18A:18-11 .....	18A:18A-29
N. J. S. 18A:18-12 .....	18A:18A-30
N. J. S. 18A:18-13 .....	{18A:18A-22
	}18A:18A-31

Source Sections	Revised Sections
N. J. S. 18A:18-14 As am. L. 1968, c. 188, s. 2	}18A:18A-15 }18A:18A-32
N. J. S. 18A:18-15	18A:18A-33
N. J. S. 18A:18-16	18A:18A-33
N. J. S. 18A:18-17	Not Enacted
N. J. S. 18A:18-18 As am. L. 1968, c. 342	18A:18A-46
N. J. S. 18A:18-19	Not Enacted
N. J. S. 18A:18-20	18A:18A-22
N. J. S. 18A:18-21	18A:18A-38
N. J. S. 18A:18-22	18A:18A-39
N. J. S. 18A:18-23	18A:18A-43
N. J. S. 18A:18-24	18A:18A-44
N. J. S. 18A:18-25	18A:18A-49
C. 40A:11-3 L. 1971, c. 198, s. 3	18A:18A-3
C. 40A:11-4 L. 1971, c. 198, s. 4	18A:18A-4
C. 40A:11-6 L. 1971, c. 198, s. 6	18A:18A-7
C. 40A:11-7 L. 1971, c. 198, s. 7	18A:18A-8
C. 40A:11-14 L. 1971, c. 198, s. 14	18A:18A-40
C. 40A:11-15 L. 1971, c. 198, s. 15	18A:18A-42
C. 40A:11-17 L. 1971, c. 198, s. 17	18A:18A-19
C. 40A:11-18 L. 1971, c. 198, s. 18	18A:18A-20
C. 40A:11-19 L. 1971, c. 198, s. 19	18A:18A-41
C. 40A:11-20 L. 1971, c. 198, s. 20	18A:18A-23
C. 40A:11-21 L. 1971, c. 198, s. 21	}18A:18A-24
As am. L. 1974, c. 189, s. 1	}
C. 40A:11-22 L. 1971, c. 198, s. 22	18A:18A-25
C. 40A:11-23 L. 1971, c. 198, s. 23	18A:18A-21
C. 40A:11-24 L. 1971, c. 198, s. 24	18A:18A-36
C. 40A:11-25 L. 1971, c. 198, s. 25	18A:18A-27
C. 40A:11-35 L. 1971, c. 198, s. 35	18A:18A-47
C. 40A:11-36 L. 1971, c. 198, s. 36	18A:18A-45
New	18A:18A-1
New	18A:18A-34
New	18A:18A-35
New	18A:18A-37
New	18A:18A-48

PUBLIC SCHOOL CONTRACTS LAW  
TREATMENT OF SOURCE MATERIAL

Revised Section	Source	Treatment of Source
18A:18A-1		New; short title
18A:18A-2	C. 18A:18-2.1 N. J. S. 18A:18-8	Source sections consolidated; revised to conform with "Local Public Contracts Law"
18A:18A-3	C. 40A:11-3	Revised section adapted from source to conform with "Local Public Contracts Law"
18A:18A-4	C. 40A:11-4	Revised section adapted from source to conform with "Local Public Contracts Law"
Revised Section	Source	Treatment of Source
18A:18A-5	N. J. S. 18A:18-5	Source section has been re- vised to conform with "Local Public Contracts Law"
18A:18A-6	N. J. S. 18A:18-5.1	No change
18A:18A-7	C. 40A:11-6	Revised section adapted from source to conform with "Local Public Contracts Law"
18A:18A-8	C. 40A:11-7	Revised section adapted from source to conform with "Local Public Contracts Law"
18A:18A-9	N. J. S. 18A:18-5	Source section has been re- vised to conform with "Local Public Contracts Law"
18A:18A-10	C. 18A:18-1.6	Editorial
18A:18A-11	N. J. S. 18A:18-1.1	Editorial

Revised Section	Source	Treatment of Source
18A:18A-12	N. J. S. 18A:18-1.2 N. J. S. 18A:18-1.4	Source sections consolidated
18A:18A-13	N. J. S. 18A:18-1.3	No change
18A:18A-14	N. J. S. 18A:18-1.5	No change
18A:18A-15	N. J. S. 18A:18-14	Source section divided; revised to conform with "Local Public Contracts Law"
18A:18A-16	N. J. S. 18A:18-2	Editorial
18A:18A-17	C. 18A:18-2.2	Editorial
18A:18A-17.1	C. 18A:18-2.3	Editorial
18A:18A-18	N. J. S. 18A:18-3 N. J. S. 18A:18-4	Source sections consolidated; revised to conform with "Local Public Contracts Law"
18A:18A-19	C. 40A:11-17	Revised section adapted from source to conform with "Local Public Contracts Law"
18A:18A-20	C. 40A:11-18	Revised section adapted from source to conform with "Local Public Contracts Law"
18A:18A-21	C. 40A:11-23	Revised section adapted from source to conform with "Local Public Contracts Law"
18A:18A-22	N. J. S. 18A:18-13 N. J. S. 18A:18-20	Source sections consolidated; editorial
18A:18A-23	C. 40A:11-20	Revised section adapted from source to conform with "Local Public Contracts Law"
18A:18A-24	C. 40A:11-21	Revised section adapted from source to conform with "Local Public Contracts Law"

Revised Section	Source	Treatment of Source
18A:18A-25	C. 40A:11-22	Revised section adapted from source to conform with "Local Public Contracts Law"
18A:18A-26	N. J. S. 18A:18-9	No change
18A:18A-27	C. 40A:11-25	Revised section adapted from source to conform with "Local Public Contracts Law"
18A:18A-28	N. J. S. 18A:18-10	No change
18A:18A-29	N. J. S. 18A:18-11	Editorial
18A:18A-30	N. J. S. 18A:18-12	No change
18A:18A-31	N. J. S. 18A:18-13	Editorial
18A:18A-32	N. J. S. 18A:18-14	Source section divided; editorial
18A:18A-33	N. J. S. 18A:18-15 N. J. S. 18A:18-16	Source sections consolidated; editorial
18A:18A-34	Blank	
18A:18A-35	Blank	
18A:18A-36	C. 40A:11-24	Revised section adapted from source to conform with "Local Public Contracts Law"
18A:18A-37		New; contracts are to be awarded to the lowest responsible bidder; quotations solicited for unadvertised contracts
18A:18A-38	N. J. S. 18A:18-21	Editorial
18A:18A-39	N. J. S. 18A:18-22	Editorial
18A:18A-40	C. 40A:11-14	Revised section adapted from source to conform with "Local Public Contracts Law"
18A:18A-41	C. 40A:11-19	Revised section adapted from source to conform with "Local Public Contracts Law"

Revised Section	Source	Treatment of Source
18A:18A-42	C. 40A:11-15	Revised section adapted from source to conform with "Local Public Contracts Law"
18A:18A-43	N. J. S. 18A:18-23	Editorial
18A:18A-44	N. J. S. 18A:18-24	No change
18A:18A-45	C. 40A:11-36	Revised section adapted from source to conform with "Local Public Contracts Law"
18A:18A-46	N. J. S. 18A:18-18	Editorial
18A:18A-47	C. 40A:11-35	Revised section adapted from source to conform with "Local Public Contracts Law"
18A:18A-48		New; validating section
18A:18A-49	N. J. S. 18A:18-25	Editorial
18A:18A-49.1	New	Excepts contracts for transportation of pupils to and from school
18A:18A-50		Repealer

Approved June 2, 1977.

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## CHAPTER 115

AN ACT providing for the inclusion of benefits for expenses incurred in connection with the treatment of alcoholism in hospital service corporation contracts, and supplementing P. L. 1938, c. 366 (C. 17:48-1 et seq.).

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

**C. 17:48-6a Benefits for expenses incurred in connection with treatment of alcoholism.**

1. No group or individual contract providing hospital or medical expense benefits shall be delivered, issued, executed or renewed in this State, or approved for issuance or renewal in this State

by the Commissioner of Insurance after the effective date of this act, unless such contract provides benefits to any subscriber or other person covered thereunder for expenses incurred in connection with the treatment of alcoholism when such treatment is prescribed by a doctor of medicine. Such benefits shall be provided to the same extent as for any other sickness under the contract.

Every contract shall include such benefits for the treatment of alcoholism as are hereinafter set forth:

- a. Inpatient or outpatient care in a licensed hospital;
- b. Treatment at a detoxification facility licensed pursuant to P. L. 1975, c. 305;
- c. Confinement as an inpatient or outpatient at a licensed, certified, or State approved residential treatment facility, under a program which meets minimum standards of care equivalent to those prescribed by the Joint Commission on Hospital Accreditation.

Treatment or confinement at any facility shall not preclude further or additional treatment at any other eligible facility; provided, however, that the benefit days used do not exceed the total number of benefit days provided for any other sickness under the contract.

2. This act shall take effect immediately.

Approved June 2, 1977.

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## CHAPTER 116

AN ACT providing for the inclusion of benefits for expenses incurred in connection with the treatment of alcoholism in group health insurance contracts and supplementing Chapter 27 of Title 17B of the New Jersey Statutes.

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

**C. 17B:27-46.1 Benefits for expenses incurred in connection with treatment of alcoholism.**

1. No group health insurance contract providing hospital or medical expense benefits shall be delivered, issued, executed or renewed in this State, or approved for issuance or renewal in this State by the Commissioner of Insurance after the effective date of this act, unless such contract provides benefits to any subscriber or other person covered thereunder for expenses incurred in con-

nection with the treatment of alcoholism when such treatment is prescribed by a doctor of medicine. Such benefits shall be provided to the same extent as for any other sickness under the contract.

Every contract shall include such benefits for the treatment of alcoholism as are hereinafter set forth:

- a. Inpatient or outpatient care in a licensed hospital;
- b. Treatment at a detoxification facility licensed pursuant to P. L. 1975, c. 305;
- c. Confinement as an inpatient or outpatient at a licensed, certified, or State approved residential treatment facility, under a program which meets minimum standards of care equivalent to those prescribed by the Joint Commission on Hospital Accreditation.

Treatment or confinement at any facility shall not preclude further or additional treatment at any other eligible facility; provided, however, that the benefit days used do not exceed the total number of benefit days provided for any other sickness under the contract.

2. This act shall take effect immediately.

Approved June 2, 1977.

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#### CHAPTER 117

AN ACT providing for the inclusion of benefits for expenses incurred in connection with the treatment of alcoholism in medical service corporation contracts, and supplementing P. L. 1940, c. 74 (C. 17:48A-1 et seq.).

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

**C. 17:48A-7a Benefits for expenses incurred in connection with treatment of alcoholism.**

1. No group or individual contract providing hospital or medical expense benefits shall be delivered, issued, executed or renewed in this State, or approved for issuance or renewal in this State by the Commissioner of Insurance after the effective date of this act, unless such contract provides benefits to any subscriber or other person covered thereunder for expenses incurred in connection with the treatment of alcoholism when such treatment is prescribed by a doctor of medicine. Such benefits shall be provided to the same extent as for any other sickness under the contract.

Every contract shall include such benefits for the treatment of alcoholism as are hereinafter set forth:

- a. Inpatient or outpatient care in a licensed hospital;
- b. Treatment at a detoxification facility licensed pursuant to P. L. 1975, c. 305;
- c. Confinement as an inpatient or outpatient at a licensed, certified, or State approved residential treatment facility, under a program which meets minimum standards of care equivalent to those prescribed by the Joint Commission on Hospital Accreditation.

Treatment or confinement at any facility shall not preclude further or additional treatment at any other eligible facility; provided, however, that the benefit days used do not exceed the total number of benefit days provided for any other sickness under the contract.

2. This act shall take effect immediately.

Approved June 2, 1977.

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## CHAPTER 118

AN ACT providing for the inclusion of benefits for expenses incurred in connection with the treatment of alcoholism in certain health insurance contracts, and supplementing Chapter 26 of Title 17B of the New Jersey Statutes.

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

**C. 17B:26-2.1 Benefits for expenses incurred in connection with treatment of alcoholism.**

1. No health insurance contract providing hospital or medical expense benefits shall be delivered, issued, executed or renewed in this State, or approved for issuance or renewal in this State by the Commissioner of Insurance after the effective date of this act, unless such contract provides benefits to any subscriber or other person covered thereunder for expenses incurred in connection with the treatment of alcoholism when such treatment is prescribed by a doctor of medicine. Such benefits shall be provided to the same extent as for any other sickness under the contract.

Every contract shall include such benefits for the treatment of alcoholism as are hereinafter set forth:

- a. Inpatient or outpatient care in a licensed hospital;
- b. Treatment at a detoxification facility licensed pursuant to P. L. 1975, c. 305;
- c. Confinement as an inpatient or outpatient at a licensed, certified, or State approved residential treatment facility, under a program which meets minimum standards of care equivalent to those prescribed by the Joint Commission on Hospital Accreditation.

Treatment or confinement at any facility shall not preclude further or additional treatment at any other eligible facility; provided, however, that the benefit days used do not exceed the total number of benefit days provided for any other sickness under the contract.

2. This act shall take effect immediately.

Approved June 2, 1977.

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#### CHAPTER 119

AN ACT appropriating funds from the Clean Waters Fund for the purposes of researching, planning, acquiring, developing, constructing and maintaining water supply, waste water treatment and water quality plans, facilities and programs; and providing for procedures and regulations relating to the expenditure of such funds.

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

1. There is hereby appropriated to the Department of Environmental Protection, from the Clean Waters Fund created pursuant to the Clean Waters Bond Act of 1976 (P. L. 1976, c. 92), the sum of \$22,604,279.00 for the purpose of providing grants to the following authorities and municipalities, in the amount of 8% of approved local sewerage construction project costs which qualify for Federal assistance, pursuant to the provisions of the "State Public Sanitary Sewerage Facilities Assistance Act of 1965", P. L. 1965, c. 121 (C. 26:2E-1 et seq.):

<i>Municipality or Authority</i>	<i>Amount of State Grant</i>
Passaic Valley Sewerage Commissioners .....	\$133,706
Western Monmouth Utilities Authority .....	25,501
Fieldsboro Borough .....	35,455
Mantoloking Borough .....	181,156
Brick Township Municipal Utilities Authority ....	2,799,496
Pequanock, Lincoln Park and Fairfield Sewerage Authority .....	2,961,477
Ocean County Sewerage Authority .....	3,684,640
Stony Brook Regional Sewerage Authority .....	2,099,120
New Providence Borough .....	8,000
Point Pleasant Borough .....	1,166,782
Linden-Roselle Sewerage Authority .....	1,907,776
Bayshore Regional Sewerage Authority .....	758,464
Harvey Cedars Borough .....	87,494
Barnegat Light Borough .....	112,517
Fairfield Borough .....	595,888
Fairfield Borough .....	269,646
Neptune Township .....	165,316
Brick Township Municipal Utilities Authority ....	921,871
Pennington Borough .....	192,775
Passaic Valley Sewerage Commissioners .....	25,190
Hanover Township Sewerage Authority .....	601,752
Neptune Township Sewerage Authority .....	2,178,815
Brick Township Municipal Utilities Authority ....	199,967
Randolph Township .....	17,493
Cumberland County Sewerage Authority .....	1,193,632
Parsippany-Troy Hills Township .....	140,890
Somerset-Raritan Valley Sewerage Authority ....	139,460
	\$22,604,279

2. The Department of Environmental Protection, after consultation with the Attorney General, shall promulgate regulations relating to the expenditure of funds appropriated by this act. Such regulations shall provide standards for construction progress of projects, management practices, fiscal controls, accounting procedures and auditing of funds appropriated by this act. All funds appropriated by this act shall be disbursed only in compliance with such regulations.

3. There is also appropriated from the proceeds of the sale of the bonds hereinafter 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.

4. It is the declared purpose of this act that the funds from which said appropriations shall be met shall be those funds which shall be derived from the sale of the Clean Waters Bonds, the issuance of which is provided for in P. L. 1976, c. 92, which said act was submitted to the people and approved by the people at the general election held on November 2, 1976.

5. 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 Clean Waters Fund established heretofore pursuant to the act hereinabove mentioned. The funds herein appropriated may be requisitioned by the Department of Environmental Protection for the uses and purposes specifically enumerated 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.

6. The State Treasurer and the State Department of Environmental Protection are 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 Clean Waters Fund in separate accounts. Any such funds so established and maintained may be requisitioned for the uses and purposes specifically enumerated 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.

7. The Director of the Division of Budget and Accounting in the Department of the Treasury is hereby authorized, empowered and directed and it shall be his duty to make such correction of the title or text, or both, of any item in this act contained necessary to make such appropriation available for the purpose or purposes of its intention. Such correction shall be by written ruling reciting any appropriate details, the facts thereof and the reasons therefor, attested by the signature of the director and filed by him in his office as an official record, and any action thereunder, including disbursements, and the audit thereof, shall be legally binding and of full force and effect.

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8. In order to provide flexibility in administering the provisions of this act, the Commissioner of Environmental Protection may apply to the Director of the Division of Budget and Accounting for permission to transfer a part of any item to any other item within the respective accounts in the Clean Waters Fund. Upon the approval of such application by said director and by the Executive Director of the Office of Fiscal Affairs, in writing, said director shall make such transfer as provided by law.

9. Except as the context may otherwise require:

a. "Construct" and "construction" mean, in addition to the usual meaning thereof, acts of construction, reconstruction, replacement, extension, improvement and betterment;

b. "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 (but operating expenses allowable as costs for any phase of a project shall not include expenses after such phase in the project's construction is completed), 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 until completion 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 General State Fund, or to any other fund from which moneys may have been transferred to the General State Fund, of any moneys theretofore expended for or in connection with such project.

c. "Project" means any work relating to water supply or waste water treatment;

d. "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;

e. "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;

f. "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, sewerage 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 sewerage, liquid or solid wastes, night soil, or industrial wastes to preserve and protect natural water resources and facilities.

10. This act shall take effect immediately.

Approved June 2, 1977.

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## CHAPTER 120

AN ACT to provide for the establishing of Educational Improvement Centers 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:6-92 Educational improvement centers; establishment; rules and regulations.**

1. The commissioner, with the approval of the State Board of Education shall establish and maintain not more than four regional Educational Improvement Centers under the supervision of the State Department of Education, prescribe the boundaries of the regions to be served by the centers, and promulgate such rules and regulations as are necessary for the operation of the centers. Such rules shall provide for an advisory planning council comprised of representatives from school districts and other appropriate agencies within the affected region.

**C. 18A:6-93 Support services.**

2. The centers on request shall provide research and development support to the county offices of the department of education, to the local school districts, and to teaching staff members. Such support shall include technical assistance, inservice education workshops, demonstrations, and such other functions as may be prescribed by the commissioner.

**C. 18A:6-94 Centers constituted as local education agencies.**

3. Each center shall constitute a local education agency (L.E.A.) for the purpose of preparation and submission of proposals to secure funding from the Federal Government or other sources.

4. This act shall take effect immediately.

Approved June 3, 1977.

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CHAPTER 121

A SUPPLEMENT to the "Law Against Discrimination," approved April 16, 1945 (P. L. 1945, c. 169).

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

**C. 10:5-14.2 Office of civil rights; establishment; administration; officers and employees.**

1. Any municipality with a population of at least 200,000 in a county of the first class, may, upon approval of the Attorney General, create and establish, by ordinance, an office of civil rights to be administered by a municipal director of civil rights who shall be appointed by the appointing authority of the municipality. In

addition, the governing body may provide for the employment of such other officers including hearing examiners and attorneys, and employees as may be necessary or desirable for the proper conduct of the affairs of the office. The qualifications of the director, hearing examiner and attorneys shall be subject to approval by the Attorney General. A municipal office thus established shall have and exercise those powers to enforce the Law Against Discrimination as may be delegated to it as provided in section 2 of this act.

**C. 10:5-14.3 Powers of municipal office.**

2. Upon a finding that the public interest may be better served thereby, the Attorney General may delegate to such municipal office of civil rights the power to investigate complaints and conduct conciliation conferences, in accordance with the provisions of P. L. 1945, c. 169, § 13 (C. 10:5-14), and to proceed in a summary manner in accordance with the provisions of P. L. 1966, c. 17, § 6 (C. 10:5-14.1). In addition, the Attorney General may delegate to such municipal office of civil rights the power to conduct hearings and in connection therewith, the power to subpoena witnesses, administer oaths, take testimony and conduct discovery procedures including the taking of interrogatories and oral depositions. The findings and conclusions of a municipal office resulting from an exercise of the foregoing powers shall not constitute a final administrative decision, but shall be submitted to the director of the Division on Civil Rights who may rely and act thereupon in accordance with the provisions of P. L. 1945, c. 169, § 16 (C. 10:5-17). The Attorney General shall establish rules of practice to govern, expedite and effectuate the utilization of the foregoing powers by such municipal office.

3. This act shall take effect immediately.

Approved June 6, 1977.

## CHAPTER 122

AN ACT to amend the "Law Against Discrimination," approved April 16, 1945 (P. L. 1945, c. 169).

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

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

**C. 10:5-5 Definitions.**

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

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

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

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

d. "Unlawful employment practice" and "unlawful discrimination" includes only those unlawful practices and acts specified in section 11 of this act.

e. "Employer" includes all persons as defined in subsection a. of this section unless otherwise specifically exempt under another section of this act, and includes the State, any political or civil subdivision thereof, and all public officers, agencies, boards or bodies.

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

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

**New Jersey State Library**

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

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

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

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

l. "A place of public accommodation" shall include, but not be limited to: any tavern, roadhouse, hotel, motel, trailer camp, summer camp, day camp, or resort camp, whether for entertainment of transient guests or accommodation of those seeking health, recreation or rest; any producer, manufacturer, wholesaler, distributor, retail shop, store, establishment, or concession dealing with goods or services of any kind; any restaurant, eating house, or place where food is sold for consumption on the premises; any place maintained for the sale of ice cream, ice and fruit preparations or their derivatives, soda water or confections, or where any beverages of any kind are retailed for consumption on the premises; any garage, any public conveyance operated on land or water, or in the air, any stations and terminals thereof; any bathhouse, boardwalk, or seashore accommodation; any auditorium, meeting place, or hall; any theatre, motion-picture house, music hall, roof garden, skating rink, swimming pool, amusement and recreation park, fair, bowling alley, gymnasium, shooting gallery, billiard and pool parlor, or other place of amusement; any comfort station; any dispensary, clinic or hospital; any public library; any kindergarten, primary and secondary school, trade or business school, high school, academy, college and university, or any educational institution under the supervision of the State Board of Education, or the Commissioner of Education of the State of New Jersey. Nothing herein contained shall be construed to include or to apply to any institution, bona fide club, or place of accommodation, which is in its nature distinctly private; nor shall anything herein contained apply to any educational facility operated or maintained by a bona fide religious or sectarian institution, and the right of a natural parent or one in loco parentis to direct the education and upbringing of a child under his control is hereby affirmed; nor shall anything herein contained be construed to bar any private secondary or post-secondary school from using in good faith criteria other than race, creed, color, national origin or ancestry, in the admission of students.

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

n. The term "real property" includes real estate, lands, tenements and hereditaments, corporeal, and incorporeal, and leaseholds, provided however, that, except as to publicly assisted housing accommodations, the provisions of this act shall not apply to the rental: (1) of a single apartment or flat in a two-family dwelling, the other occupancy unit of which is occupied by the owner as his residence or the household of his family at the time of such rental; or (2) of a room or rooms to another person or persons by the owner or occupant of a one-family dwelling occupied by him as his residence or the household of his family at the time of such rental. Nothing herein contained shall be construed to bar any religious or denominational institution or organization, or any organization operated for charitable or educational purposes, which is operated, supervised or controlled by or in connection with a religious organization, in the sale, lease or rental of real property, from limiting admission to or giving preference to persons of the same religion or denomination or from making such selection as is calculated by such organization to promote the religious principles for which it is established or maintained.

o. "Real estate broker" includes a person, firm or corporation who, for a fee, commission or other valuable consideration, or by reason of promise or reasonable expectation thereof, lists for sale, sells, exchanges, buys or rents, or offers or attempts to negotiate a sale, exchange, purchase, or rental of real estate or an interest therein, or collects or offers or attempts to collect rent for the use of real estate, or solicits for prospective purchasers or assists or directs in the procuring of prospects or the negotiation or closing of any transaction which does or is contemplated to result in the sale, exchange, leasing, renting or auctioning of any real estate, or negotiates, or offers or attempts or agrees to negotiate a loan secured or to be secured by mortgage or other encumbrance upon or transfer of any real estate for others; or any person who, for pecuniary gain or expectation of pecuniary gain conducts a public or private competitive sale of lands or any interest in lands. In the

sale of lots, the term "real estate broker" shall also include any person, partnership, association or corporation employed by or on behalf of the owner or owners of lots or other parcels of real estate, at a stated salary, or upon a commission, or upon a salary and commission, or otherwise, to sell such real estate, or any parts thereof, in lots or other parcels, and who shall sell or exchange, or offer or attempt or agree to negotiate the sale or exchange, of any such lot or parcel of real estate.

p. "Real estate salesman" includes any person who, for compensation, valuable consideration or commission, or other thing of value, or by reason of a promise or reasonable expectation thereof, is employed by and operates under the supervision of a licensed real estate broker to sell or offer to sell, buy or offer to buy or negotiate the purchase, sale or exchange of real estate, or offers or attempts to negotiate a loan secured or to be secured by a mortgage or other encumbrance upon or transfer of real estate, or to lease or rent, or offer to lease or rent any real estate for others, or to collect rents for the use of real estate, or to solicit for prospective purchasers or lessees of real estate, or who is employed by a licensed real estate broker to sell or offer to sell lots or other parcels of real estate, at a stated salary, or upon a commission, or upon a salary and commission, or otherwise to sell real estate, or any parts thereof, in lots or other parcels.

q. "Physical handicap" means any physical disability, infirmity, malformation or disfigurement which is caused by bodily injury, birth defect or illness including epilepsy, and which shall include, but not be limited to, any degree of paralysis, amputation, lack of physical coordination, blindness or visual impediment, deafness or hearing impediment, muteness or speech impediment or physical reliance on a seeing eye dog, wheelchair, or other remedial appliance or device.

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

**C. 10:5-12 Unlawful employment practice or unlawful discrimination.**

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

a. For an employer, because of the race, creed, color, national origin, ancestry, age, marital status or sex of any individual, or because of the liability for service in the Armed Forces of the United States, of any individual, to refuse to hire or employ or to bar or to discharge from employment such individual or to dis-

criminate against such individual in compensation or in terms, conditions or privileges of employment; provided, however, it shall not be an unlawful employment practice to refuse to accept for employment an applicant who has received a notice of induction or orders to report for active duty in the armed forces; provided further that nothing herein contained shall be construed to bar an employer from refusing to accept for employment any person on the basis of sex in those certain circumstances where sex is a bona fide occupational qualification, reasonably necessary to the normal operation of the particular business or enterprise; provided further that it shall not be an unlawful employment practice for a club exclusively social or fraternal to use club membership as a uniform qualification for employment, or for a religious association or organization to utilize religious affiliation as a uniform qualification in the employment of clergy, religious teachers or other employees engaged in the religious activities of the association or organization, or in following the tenets of its religion in establishing and utilizing criteria for employment of an employee.

b. For a labor organization, because of the race, creed, color, national origin, ancestry, age, marital status or sex of any individual, or because of the liability for service in the Armed Forces of the United States, of any individual, to exclude or to expel from its membership such individual or to discriminate in any way against any of its members, against any applicant for, or individual included in, any apprentice or other training program or against any employer or any individual employed by an employer; provided, however, that nothing herein contained shall be construed to bar a labor organization from excluding from its apprentice or other training programs any person on the basis of sex in those certain circumstances where sex is a bona fide occupational qualification reasonably necessary to the normal operation of the particular apprentice or other training program.

c. For any employer or employment agency to print or circulate or cause to be printed or circulated any statement, advertisement or publication, or to use any form of application for employment, or to make an inquiry in connection with prospective employment, which expresses, directly or indirectly, any limitation, specification or discrimination as to race, creed, color, national origin, ancestry, age, marital status or sex or liability of any applicant for employment for service in the Armed Forces of the United States, or any intent to make any such limitation, specification or discrimination, unless based upon a bona fide occupational qualification.

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d. For any person to take reprisals against any person because he has opposed any practices or acts forbidden under this act or because he has filed a complaint, testified or assisted in any proceeding under this act.

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

f. For any owner, lessee, proprietor, manager, superintendent, agent, or employee of any place of public accommodation directly or indirectly to refuse, withhold from or deny to any person any of the accommodations, advantages, facilities or privileges thereof, or to discriminate against any person in the furnishing thereof, or directly or indirectly to publish, circulate, issue, display, post or mail any written or printed communication, notice, or advertisement to the effect that any of the accommodations, advantages, facilities, or privileges of any such place will be refused, withheld from, or denied to any person on account of the race, creed, color, national origin, ancestry, marital status or sex of such person, or that the patronage or custom thereof of any person of any particular race, creed, color, national origin, ancestry, marital status or sex is unwelcome, objectionable or not acceptable, desired or solicited, and the production of any such written or printed communication, notice or advertisement, purporting to relate to any such place and to be made by any owner, lessee, proprietor, superintendent or manager thereof, shall be presumptive evidence in any action that the same was authorized by such person; provided, however, that nothing contained herein shall be construed to bar any place of public accommodation which is in its nature reasonably restricted exclusively to individuals of one sex, and which shall include but not be limited to any summer camp, day camp, or resort camp, bathhouse, dressing room, swimming pool, gymnasium, comfort station, dispensary, clinic or hospital, or school or educational institution which is restricted exclusively to individuals of one sex, from refusing, withholding from or denying to any individual of the opposite sex any of the accommodations, advantages, facilities or privileges thereof on the basis of sex; provided further, that the foregoing limitation shall not apply to any restaurant as defined in R. S. 33:1-1 or place where alcoholic beverages are served.

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

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

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

(3) To print, publish, circulate, issue, display, post or mail, or cause to be printed, published, circulated, issued, displayed, posted or mailed any statement, advertisement, publication or sign, or to use any form of application for the purchase, rental, lease, assignment or sublease of any real property or part or portion thereof, or to make any record or inquiry in connection with the prospective purchase, rental, lease, assignment, or sublease of any real property, or part or portion thereof which expresses, directly or indirectly, any limitation, specification or discrimination as to race, creed, color, national origin, ancestry, marital status or sex or any intent to make any such limitation, specification or discrimination, and the production of any such statement, advertisement, publicity, sign, form of application, record, or inquiry purporting to be made by any such person shall be presumptive evidence in any action that the same was authorized by such person; provided, however, that nothing contained in this subsection shall be construed to bar any person from refusing to sell, rent, lease, assign or sublease or from advertising or recording a qualification as to sex for any room, apartment, flat in a dwelling or residential facility which is planned exclusively for and occupied by individuals of one sex to any individual of the exclusively opposite sex on the basis of sex.

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

(1) To refuse to sell, rent, assign, lease or sublease, or offer for sale, rental, lease, assignment, or sublease any real property or part or portion thereof to any person or group of persons or to refuse to negotiate for the sale, rental, lease, assignment, or sublease of any real property or part or portion thereof to any person or group of persons because of the race, creed, color, national origin, ancestry, marital status or sex of such person or group of persons, or to represent that any real property or portion thereof is not avail-

able for inspection, sale, rental, lease, assignment, or sublease when in fact it is so available, or otherwise to deny or withhold any real property or any part or portion or facilities thereof to or from any person or group of persons because of the race, creed, color, national origin, ancestry, marital status or sex of such person or group of persons;

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

(3) To print, publish, circulate, issue, display, post, or mail, or cause to be printed, published, circulated, issued, displayed, posted or mailed any statement, advertisement, publication or sign, or to use any form of application for the purchase, rental, lease, assignment, or sublease of any real property or part or portion thereof or to make any record or inquiry in connection with the prospective purchase, rental, lease, assignment, or sublease of any real property or part or portion thereof which expresses, directly or indirectly, any limitation, specification or discrimination as to race, creed, color, national origin, ancestry, marital status or sex or any intent to make any such limitation, specification or discrimination, and the production of any such statement, advertisement, publicity, sign, form of application, record, or inquiry purporting to be made by any such person shall be presumptive evidence in any action that the same was authorized by such person; provided, however, that nothing contained in this subsection h., shall be construed to bar any person from refusing to sell, rent, lease, assign or sublease or from advertising or recording a qualification as to sex for any room, apartment, flat in a dwelling or residential facility which is planned exclusively for and occupied exclusively by individuals of one sex to any individual of the opposite sex on the basis of sex.

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

(1) To discriminate against any person or group of persons because of the race, creed, color, national origin, ancestry, marital

status or sex of such person or group of persons or of the prospective occupants or tenants of such real property or part or portion thereof, in the granting, withholding, extending, modifying or renewing, or in the fixing of the rates, terms, conditions or provisions of any such loan, extension of credit or financial assistance or in the extension of services in connection therewith; or

(2) To use any form of application for such loan, extension of credit or financial assistance or to make record or inquiry in connection with applications for any such loan, extension of credit or financial assistance which expresses, directly or indirectly, any limitation, specification or discrimination as to race, creed, color, national origin, ancestry, marital status or sex or any intent to make any such limitation, specification or discrimination; unless otherwise required by law or regulation to retain or use such information.

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

k. For any real estate broker, real estate salesman or employee or agent thereof or any other individual, corporation, partnership, or organization, for the purpose of inducing a transaction for the sale or rental of real property from which transaction such person or any of its members may benefit financially, to represent that a change has occurred or will or may occur in the composition with respect to race, creed, color, national origin, ancestry, marital status or sex of the owners or occupants in the block, neighborhood or area in which the real property is located, and to represent, directly or indirectly, that this change will or may result in undesirable consequences in the block, neighborhood or area in which the real property is located, including, but not limited to the lowering of property values, an increase in criminal or anti-social behavior, or a decline in the quality of schools or other facilities.

3. This act shall take effect immediately.

Approved June 6, 1977.

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## CHAPTER 123

AN ACT to permit certain institutions of higher education to make loans for the purpose of defraying costs of 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:68-11.1 Short title.**

1. This act shall be known and may be cited as the "Institution of Higher Education Educational Loan Act."

**C. 18A:68-11.2 Definitions.**

2. As used in this act:

a. "Institution of higher education" means an institution of collegiate grade in New Jersey approved or licensed by the State Board of Higher Education or otherwise authorized under N. J. S. 18A:68-6 and accredited by the Middle States Association of Colleges and Secondary Schools.

b. "Educational loan" means either (1) a loan which is made for the purpose of defraying the cost of attendance by one or more students at the institution of higher education making such loan or (2) a loan to an employee of an institution of higher education for the purpose of defraying the costs of post-secondary school education of the employee or of the spouse or child of the employee.

**C. 18A:68-11.3 Loans from institutional funds.**

3. In addition to such other powers and authority which institutions of higher education may have, such institutions may make educational loans upon the terms and conditions prescribed by this act, provided that only institutional funds derived from endowment, corporate or foundation accounts are used to make such loans. Funds borrowed from sources outside of the institution or received from governmental sources shall not be used for such loans.

**C. 18A:68-11.4 Interest; calculation.**

4. An institution of higher education may make educational loans and may charge and collect interest thereon at a rate not in excess of 1% per month on the first \$10,000.00 of the principal sum owing on all such loans for the payment of which a person is liable to the institution in any capacity, and  $\frac{3}{4}$  of 1% on the excess over \$10,000.00 owing on all such loans for the payment of which a per-

son is so liable to the institution of higher education. Interest shall be calculated according to the actuarial method, pursuant to which payments made on the loan are applied first to accumulated interest on the principal amount of the loan and the remainder applied to the unpaid principal balance of the loan in reduction thereof. All payments shall be applied no later than the next day, other than a Sunday or a public holiday, after the date of receipt, and a day shall be counted as one-three hundred sixty-fifth of a year.

**C. 18A:68-11.5 Repayment; terms and conditions.**

5. Educational loans shall be repaid in such manner and shall be subject to such terms and conditions not inconsistent with this act to which the parties thereto may agree.

**C. 18A:68-11.6 Credit life and credit health insurance.**

6. When a person liable for the payment of an educational loan consents in writing thereto, the institution of higher education may obtain or provide either or both credit life insurance and credit health insurance on such person, pursuant to chapter 29 of subtitle 3 of Title 17B of the New Jersey Statutes (N. J. S. 17A :29-1 et seq.), and may deduct and retain from the proceeds of such loan an amount equal to the premium lawfully charged by the insurer issuing such insurance. If there is more than one person who is liable for the payment of such loan, insurance may be obtained as herein authorized only upon one of such persons. Nothing in any law of this State shall prohibit an institution of higher education or any employee or agent thereof from collecting the premium or identifiable charge for such insurance, dividend or other gain or advantage resulting from such insurance.

**C. 18A:68-11.7 Regulations and procedures.**

7. The Higher Education Assistance Authority of the State of New Jersey shall make such regulations including the rate of interest to be charged pursuant to Section 4 and establish such procedures as may be necessary to achieve the purposes of this act.

8. This act shall take effect immediately.

Approved June 6, 1977.

## CHAPTER 124

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 \$3,537,658.00 or so much thereof as may be necessary, for buildings, structures, facilities and equipment required for the operation of vocational education programs, for expenditures for the period July 1, 1976 to June 30, 1977 for the following projects:

	Total Projected Cost (Adjusted)	Entitlement State Bond Issue Funds	Appropriations Available for the Period July 1, 1976 to June 30, 1977
School District			
Bergen County			
Bergen County			
AVTS			
Shared-Time			
Centers:			
South Central			
Bergen .....	\$3,500,000	\$468,750	\$468,750
Burlington County			
Burlington County			
AVTS:			
Medford .....	9,000,000	2,250,000	1,616,648
Camden County			
Camden County			
AVTS:			
Special Needs			
Center .....	6,000,000	1,410,658	60,000
Cumberland County			
Cumberland County			
AVTS .....	3,300,000	699,935	15,000

	Total Projected Cost (Adjusted)	Entitlement State Bond Issue Funds	Appropriations Available for the Period July 1, 1976 to June 30, 1977
School District			
Middlesex County			
Middlesex County			
AVTS:			
Northwest Middlesex			
County . . . . .	\$12,000,000	\$2,500,000	\$336,291
East Brunswick			
Addition II . . . .	3,000,000	715,229	620,952
Monmouth County			
Monmouth County			
AVTS:			
Shared-Time			
Centers:			
Matawan . . . . .	500,000	125,000	83,881
Sussex County			
Sussex County			
AVTS:			
Addition II . . . . .	4,950,000	750,000	336,136
Total . . . . .			\$3,537,658

2. This act shall take effect immediately.

Approved June 13, 1977.

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CHAPTER 125

AN ACT concerning the appointment of county administrators and amending N. J. S. 40A:9-1.

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

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

**Residence of officers.**

40A:9-1. Except in the case of county administrator, counsel, attorney, engineer, health officer, auditor, comptroller, appointed

tax collector, elected assessors who have received tenure under P. L. 1967, c. 44, s. 7 (C. 54:1-35.31), appointed tax assessor, or members of boards of assessors or as otherwise provided by law, every person holding an office, the authority and duties of which relate to a county only, or to a municipality only, shall reside within said county or municipality, as the case may be.

Any person holding or attempting to hold any such office in a county or municipality in violation hereof, may be ousted in a proceeding in lieu of prerogative writ.

2. This act shall take effect immediately.

Approved June 13, 1977.

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## CHAPTER 126

AN ACT to amend "An act establishing the Delaware and Raritan Canal State Park, and creating a Delaware and Raritan Canal Commission, prescribing its jurisdiction, powers and duties, and making an appropriation therefor," approved October 10, 1974 (P. L. 1974, c. 118).

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

1. Section 3 of P. L. 1974, c. 118 (C. 13:13A-3) is amended to read as follows:

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

3. As used in this act:

a. "Department" means the Department of Environmental Protection.

b. "Park" means the Delaware and Raritan Canal Park as determined by the Department of Environmental Protection, pursuant to section 6 a. of this act.

c. "Canal" means the Delaware and Raritan Canal, its feeder canal, and the abandoned section of the canal in the township of Hamilton, county of Mercer, to be determined, pursuant to subsection 6 f. of this act.

d. "Commission" means the Delaware and Raritan Canal Commission.

e. "Commissioner" means the Commissioner of the Department of Environmental Protection.

f. "Review zone" means that region appertaining to and including the park, as determined pursuant to subsections 6 e. and 14 a. of this act, in which proposed "projects," as defined in subsection 14 c., may cause an adverse impact on the park including, but not limited to, drainage, esthetic, and ecological factors. Such review zone shall not include that portion of the canal and those lands along and appertaining to the canal banks situated between the Landing Lane bridge and the juncture of the canal with the Raritan river.

2. Section 4 of P. L. 1974, c. 118 (C. 13:13A-4) is amended to read as follows:

**C. 13:13A-4 Delaware and Raritan Canal State Park; designation; maintenance and operation.**

4. The Delaware and Raritan Canal and the lands along the canal banks, now or hereafter owned by the State, except that portion of the canal and those lands along and appertaining to the canal banks situated between the Landing Lane bridge and the juncture of the canal with the Raritan river, are designated as the Delaware and Raritan Canal State Park, to be maintained and operated under the Department of Environmental Protection as a State park.

3. This act shall take effect immediately.

Approved June 13, 1977.

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CHAPTER 127

AN ACT to amend and supplement "An act concerning assistance for dependent children, supplementing Title 44 of the Revised Statutes and repealing certain statutes relating thereto," approved June 11, 1959 (P. L. 1959, c. 86) and to repeal P. L. 1971, c. 209.

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

1. Section 1 of P. L. 1959, c. 86 (C. 44:10-1) is amended to read as follows:

**C. 44:10-1 Definitions.**

1. As used in this act and for the purpose of the determination of eligibility to receive financial assistance under the provisions of this act, the following words shall have the following meaning, unless the context indicates another meaning:

(a) "Aid to families with dependent children" means the assistance and other services to be extended under this act to or for eligible dependent children and the parents and relatives with whom they are living for the following purposes:

(1) To provide for the care of eligible dependent children in their own homes or in the homes of relatives, under standards and conditions compatible with decency and health,

(2) To help maintain and strengthen family life,

(3) To help such parents or relatives to attain the maximum self-support and personal independence consistent with the maintenance of continuing parental care and protection, and

(4) To provide for the care of a dependent child whose parents have been denied assistance under the provisions of section 2.

(b) "Division of Public Welfare" means the Division of Public Welfare of the Department of Human Services.

(c) "Dependent child" means a child under the age of 18, or under the age of 21 and a student regularly attending school, college or university, or regularly attending a course of vocational or technical training designed to fit him for gainful employment, who

(1) Has been deprived of parental support or care by reason of (i) the death, continued absence from the home, or physical or mental incapacity of a parent; or,

(ii) The unemployment of his father, when living with both parents, natural or adoptive, as the term "unemployment" is defined in the Federal Social Security Act; or (iii) insufficient income or insufficient other resources for the support of the family, when living with both parents, natural or adoptive, and

(2) Is living in New Jersey with his father, mother, grandfather, grandmother, brother, sister, stepfather, stepmother, stepbrother, stepsister, uncle, aunt, first cousin, nephew or niece, in a place of residence maintained by one or more of such relatives as his or their home, and

(3) Is found, after due investigation and determination, according to standards and procedures established pursuant to this act, to be eligible for financial assistance.

(d) "Parent or relative with whom a dependent child is living" means a person

(1) Who is related to the dependent child, in the manner prescribed in subsection (c) (2) of this section, and

(2) With whom the dependent child is living in a place of residence maintained by one or more of such relatives as his or their own home, and

(3) Who is found, after due investigation and determination according to standards and procedures established pursuant to this act, to be eligible for financial assistance.

(e) "Insufficient income" means that the total of monthly earned and unearned income of all employed individuals in a family with a dependent child as defined in subsection (c) (1) (iii), minus the first \$60.00 earned by each employed person, is less than  $66\frac{2}{3}\%$  of the standard otherwise applicable to the applicant family's size as established with regard to the eligibility standards contained in subsections (c) (1) (i) and (ii), except that the earned income of any minor child under 16, and the earned income of a minor child under 21 if he is attending on a full-time basis an accredited educational institution, shall be disregarded.

(f) "Other resources" means all property and assets, as otherwise defined by the Division of Public Welfare, legally or beneficially owned by a member or members of a family which are or can be readily made available for the use of the family.

(g) "Insufficient other resources" means that other resources are insufficient as determined by standards set forth by the Director of the Division of Public Welfare.

2. Section 2 of P. L. 1959, c. 86 (C. 44:10-2) is amended to read as follows:

**C. 44:10-2 Persons entitled to financial assistance; administration of assistance; ineligibility.**

2. Eligible dependent children living in New Jersey and the parent or parents or relative or relatives with whom they are living shall be entitled to financial assistance and other services from the county welfare agency of the county in which they reside, which shall be administered in accordance with and governed by requirements, conditions, limitations and procedures similar to those established by chapter 7 of Title 44 of the Revised Statutes excepting sections 44:7-3, 44:7-5, 44:7-14 to 44:7-16, inclusive and

R. S. 44:7-25. Notwithstanding any provision to the contrary, no natural or adoptive parents with a dependent child as defined in section 1 (c) (1) (iii) shall be eligible to receive assistance where the insufficiency of income or resources is the direct result of (a) a voluntary cessation of employment within 90 days prior to the date of application which such voluntary cessation shall include unemployment due to inappropriate work habits resulting in discharge from employment or (b) a voluntary assignment or transfer of property within 1 year prior to the time of application for the purpose of qualifying for public assistance.

3. Section 3 of P. L. 1959, c. 86 (C. 44:10-3) is amended to read as follows:

**C. 44:10-3 Rules and regulations; purposes of act.**

3. The Commissioner of Human Services is authorized, directed and empowered to issue, or to cause to be issued by the appropriate departmental officers or agencies, 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 financial participation that is available with respect to a program of aid to families with dependent children and otherwise to accomplish the purposes of this act, including specifically the following:

(a) To assure that the program shall be in effect in all counties of the State and be mandatory upon them;

(b) To assure that all individuals wishing to make application for aid to families with dependent children shall have opportunity to do so, and that assistance shall be furnished with reasonable promptness to or for all eligible individuals;

(c) To provide that, in determining eligibility for financial assistance and the amount of assistance to be granted, there shall be taken into consideration all other income and resources of the dependent child and of the parent, parents, or other relatives with whom such child is living, except that, in making such determination, there shall be disregarded the amounts of income and resources required by Federal law as a condition of Federal financial participation;

(d) To provide safeguards which restrict the use or disclosure of information concerning applicants and recipients to purposes directly connected with the administration of the program;

(e) To provide for prompt notice to appropriate law enforcement officials of the furnishing of assistance to or for a child who has been deserted or abandoned by a parent;

(f) To assure that all persons eligible for financial assistance, including those persons not entitled to a grant of assistance because of the eligibility standards contained in section 2, or receiving financial assistance under the provisions of this act shall not receive, nor be eligible to receive during the same period, any other financial assistance from this State or any political subdivision thereof, with respect to any maintenance requirements or other items for which allowance is or may be made pursuant to this act; provided that persons eligible for but not receiving benefits under Title XVI of the Social Security Act shall be afforded the opportunity to apply for and receive assistance under this act;

(g) To prescribe appropriate services which shall be made available by or utilized by the county welfare agencies for the purpose of maintaining and strengthening family life for children;

(h) To assure that payments of financial assistance, with respect to a dependent child or children, to a parent or relative with whom such child is living, will be terminated promptly, and other arrangements for the care and maintenance of such child or children instituted, in any case where it is determined that the payments to such parent or relative under the provisions of this act are failing to secure for the child or children a standard of maintenance, care and family life consistent with the purposes stated in section 1(a) of this act;

(i) To provide for appropriate services and cooperative arrangements with other agencies so that maximum opportunities for employment and training for employment will be available to recipients of financial assistance, and to prescribe the conditions under which financial assistance will be denied to an individual who refuses without good cause to accept employment or training for employment;

(j) To provide opportunity for a family with a dependent child as defined in section 1. (e) (1) (iii) to make application for assistance when the child is deprived of parental support or care by reason of insufficient income or other resources. Such application shall be made in a form which shall be prescribed by the Division of Public Welfare, and which may be secured from the county welfare agency. Said form shall be completed and signed by both parents, except that if a parent is unavailable to sign the application for reasons beyond the family's control one signature will suffice. In that event the nonsignatory parent shall be required to annex his signature as promptly as he is available for such purpose;

(k) Prescribe the conditions under which financial assistance will be denied to any family in which the father refuses, without good cause, to accept employment, better employment, or training for employment or better employment;

(l) To provide that assistance to be granted to an eligible family with a dependent child as defined in section 1. (c) (1) (iii) which qualifies for assistance because of insufficient income or other resources shall be computed in the following manner:

(1) From an amount equal to 66 $\frac{2}{3}$ % of the applicable standard otherwise established by the Division of Public Welfare, the following shall be deducted:

- (i) the monthly unearned income of the family; and
- (ii) the monthly earned income of the employed parents and of employed children not excluded by the provisions of section 1. (e) of this act, less (i) the first \$60.00 earned by each such employed person and (ii) one-third of the remainder after deducting said \$60.00 for each such employed person.

(2) The sum resulting from the computation described above shall be the amount of assistance to the family, provided that the amount of assistance shall be limited by those ceilings established by the Division of Public Welfare. Available resources shall be utilized to meet need before eligibility for public assistance is established.

4. Section 4 of P. L. 1959, c. 86 (C. 44:10-4) is amended to read as follows:

**C. 44:10-4 Repayment of assistance; claim against minor's estate; compromise and settlement of claims.**

4. (a) Whenever any parent or relative with whom a child is living applies for or is receiving assistance for such child pursuant to this act, and it appears that there is pending entitlement to a payment to the child or to either or both his parents of funds arising from a claim or interest legally or equitably owned by such child or by either or both his parents, the county welfare agency may, as a condition of eligibility or continuation of eligibility for such assistance, require such parent or parents, or relative, to execute a written promise to repay, from the funds anticipated, the amount of assistance to be granted from the date of entitlement to such payment. Upon any refusal to make repayment, including refusal by any person acting for or on behalf of such parent or parents, or relative, in accordance with such promise, the county welfare agency may take all necessary and proper action under the laws

of this State to enforce such promise, and the granting or continuing of assistance, as the case may be, shall be deemed due consideration therefor. Any payments from the settlement of such claim or interest legally or equitably owned by such child or by either or both of his parents made by any person acting for or on behalf of such parent or parents, or relative, subsequent to notice of claim of the county welfare agency and prior to express written approval by the county welfare agency shall cause such person to be liable to the county welfare agency in the amount of such payment.

(b) Whenever any child with respect to whom assistance has been paid pursuant to this act shall die prior to the attainment of his twenty-first birthday, and shall leave an estate, the total amount of assistance paid with respect to such child pursuant to this act and pursuant to any of the acts hereby repealed, shall be a valid and enforceable claim against such estate, with priority over all other unsecured claims except reasonable funeral expenses and terminal medical and hospital expenses, and the county welfare agency shall take all necessary and proper action under the laws of this State to enforce such claim.

(c) The county welfare agency may, with the consent and approval of the Division of Public Welfare, compromise and settle any claim for repayment of assistance granted under this act.

(d) The Division of Public Welfare shall determine and cause to be made such financial adjustments as are necessary to maintain a correct proportional participation in such repayments as among the counties, State and Federal Government, and shall pay to the Treasurer of the United States the determined Federal portion.

5. Section 5 of P. L. 1959, c. 86 (C. 44:10-5) is amended to read as follows:

**C. 44:10-5 Payments by State to county welfare agencies.**

5. The State shall pay to each county welfare agency the full amount of any funds received by the State from the Federal Government as Federal participation with respect to expenditures made by such county welfare agency for aid to families with dependent children, plus an additional amount equal to 75% of the balance of such expenditures after deducting the amount of such Federal participation, plus, for aid provided to families with dependent children as defined in section 1 (c) 1 (ii) and (iii) of this act (C. 44:10-1), the entire amount of such expenditures that exceed the level of expenditures in 1976 for aid to families of the working poor pursuant to P. L. 1971, c. 209 (C. 44:13-1 et seq.), after deduction for Federal participation.

The State shall also pay to each county welfare agency the full amount of any funds received by the State from the Federal Government as Federal participation with respect to the costs of administration of the program of aid to families with dependent children by such county welfare agency.

**C. 44:10-1.1 References to county welfare board to mean county welfare agency.**

6. (New section) Whenever in any law, rule, regulation or document not specifically repealed or otherwise affected by this act, reference is made to the county welfare board, the same shall mean and refer to the county welfare agency duly organized under the laws of this State.

**C. 44:10-1.2 References to program of assistance for dependent children to mean program of aid to families with dependent children.**

7. (New section) Whenever in any law, rule, regulation or document not specifically repealed or otherwise affected by this act, reference is made to the program of assistance for dependent children, the same shall mean and refer to the program of aid to families with dependent children.

**Repealer.**

8. Sections 1 through 12 and section 15 of P. L. 1971, c. 209 (C. 44:13-1 through 44:13-13) are repealed.

9. This act shall take effect on the first day of the month next following enactment.

Approved June 13, 1977.

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## CHAPTER 128

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 for the respective public officers and for the several purposes herein specified:

An amount of \$3,000,000.00 is hereby transferred from the Department of Human Services and is made available to and appropriated to the Department of Corrections in a control account to be allocated by the commissioner with the approval of the Director of the Division of Budget and Accounting.

2. This act shall take effect immediately.

Approved June 14, 1977.

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## CHAPTER 129

AN ACT to amend "The New Jersey Highway Authority Act," approved April 14, 1952 (P. L. 1952, c. 16, C. 27:12B-1 et seq.).

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

1. Section 20 of P. L. 1952, c. 16 (C. 27:12B-20) is amended to read as follows:

**C. 27:12B-20 "The Garden State Parkway" authorized.**

20. The authority, pursuant to the provisions of this act, is hereby authorized to construct, maintain, improve, repair and operate a project to be known as "The Garden State Parkway," consisting of a highway at the following location or such part or parts thereof as the authority may from time to time determine to be suitable for a project as contemplated by this act: Beginning at such points as the authority may select as most feasible and practicable at Paterson and also at State Highway Route No. 17 in Paramus or Ridgewood and thence in a general southerly direction to a junction in Passaic county and thence generally along the State highway route referred to in section 21 hereof through Clifton, Passaic county, Essex county and Union county to Woodbridge and thence in a general southerly direction to the vicinity of the Edison bridge and thence over the Raritan river through Middlesex county and Monmouth county to Toms River and thence to a point at or near the city of Cape May; but, notwithstanding any of the prior provisions of this act, the authority: (1) shall exclude from any part of such highway situate north of its interchange with State Highway Route No. 18 all traffic except passenger motor vehicles, hearses, funeral flower and service vehicles of

types for which issuance of passenger car plates is authorized, campers, omnibusses and taxicabs, and may further regulate the use thereof pursuant to the provisions of section 17(b) hereof; and (2) shall not fix, prescribe, charge or collect tolls or other charges for transit over or use of any part of said project which is or was a portion of a State highway route if such part was designated as toll-free by written certificate of the State Highway Department filed with the Secretary of State prior to October 1, 1952, unless and until such part has been acquired from the State pursuant to section 21 hereof; and (3) shall, with respect to any part of said project located in Essex county, provide connections therewith by means of parallel, marginal, connecting or other service roads or otherwise, to and from existing county highways intersecting such part of said project between and including Springfield avenue, Irvington, and Belleville avenue, Bloomfield, or such of said county highways as, prior to September 15, 1952 or such later date as may be fixed by the authority, shall be designated by certificate of the county engineer of Essex county, approved by resolution of the authority; and (4) unless and until the authority, pursuant to an agreement with the commissioner, shall have set aside in a special reserve fund to be held by it the sum of \$13,000,000.00 to be expended and used as hereinafter provided, shall not collect tolls on such project at Springfield avenue, Irvington, or Belleville avenue, Bloomfield, or at any point between said avenues, except with respect to vehicles entering or leaving the project south of said Springfield avenue or north of said Belleville avenue. The moneys in said special reserve fund may be expended and used by the authority to make payments to the commissioner, pursuant to and as required by the aforementioned agreement, of the excess of the net cost to the State of the construction (generally as a depressed highway and underpassing intersecting roads, streets, highways and the Garden State Parkway, unless subsurface soil conditions are found to be unstable or drainage conditions of such a nature that underpassing the Parkway becomes unfeasible, as determined from engineering studies and reports, then the Freeway shall go over the Parkway) of the part of the public highway approved and designated by the commissioner as Highway Route I-280 and known as the East-West Freeway situate in Essex county between a point easterly of Prospect avenue, West Orange, and a point in Newark between First street and Sixth street, over the net cost to the State, as estimated by the commissioner, of the construction of said part of

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said public highway as an elevated highway, and no moneys in said fund shall be applied to any purpose except (1) payments to the commissioner as aforesaid, (2) temporary investment pending other authorized use in accordance herewith, or (3) use by the authority for any of its corporate purposes of any balance thereof remaining after payments therefrom to the commissioner aggregating the lesser of (a) \$13,000,000.00 or (b) such sum as the commissioner may certify to the authority as the total amount of the aforesaid excess cost of construction, provided, however, that at any time when the amount in said fund, valuing any temporary investments therein at cost or market value whichever is lower, together with the amount of all payments theretofore made therefrom to the commissioner shall exceed \$13,000,000.00, the amount of such excess may be withdrawn from said fund by the authority and deposited in the series one construction fund created under section 502 of the resolution of the authority entitled: "First Supplemental Junior Bond Resolution Authorizing \$40,000,000.00 Junior Bonds," adopted by the authority on July 7, 1962, and held or applied as other moneys in said construction fund. In the design, construction and operation of such parkway project, it shall be the duty of the authority, so far as may be deemed practicable by it and may be permitted by the terms of any agreement by it with the holders of its bonds or notes, to permit the largest possible toll-free use of the project by intracounty or short-haul traffic and provide the largest possible number of points of connection between public highways and the project consistent with safe and efficient use of such project and public highways and safe and economical construction and operation of the project on a self-supporting basis.

2. This act shall take effect upon the opening to traffic of a connection and interchange between State Highway Route No. 18 and the Garden State Parkway.

Approved June 17, 1977.

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## CHAPTER 130

AN ACT concerning property tax relief in certain cases, supplementing P. L. 1976, c. 113 and making an appropriation.

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

1. It is the policy of this State that all taxpayers should receive property tax reductions in a manner consistent with the intent of P. L. 1976, c. 113, as amended by P. L. 1977, c. 15. Because the full and complete assessments for certain taxpayers could not be determined from the 1976 assessed valuations certified by each county board of taxation these taxpayers, contrary to the general intent of said statute, technically are ineligible for some or all of their respective refunds under said statute and its effective rules and regulations. It is hereby determined that appropriate refunds shall be made to taxpayers for any 1976 "added or omitted assessments" determined after the deadline by which each county board of taxation certified the 1976 assessed valuation for each municipality.

2. The manner in which said refund shall be computed is as follows:

a. Every tax assessor shall, by July 1, 1977, certify to the Director, Division of Local Government Services, the prorated added and omitted assessments in 1976 for the municipality. This certification shall be on a form prescribed by the Director of the Division of Local Government Services and shall show the value of the prorated added and omitted assessments for the year 1976 less the amount of assessment reductions resulting from finalized tax appeals.

b. Upon receipt of the tax assessor's certification, the Director of the Division of Local Government Services shall compute the property tax refund amount for each municipality utilizing the Commissioner of Education's certified tax reduction rate which is the same rate used to determine unbudgeted school aid refunds under P. L. 1976, c. 113.

This computation for each municipality shall be as follows:

The value of 1976 prorated added and omitted assessments for the municipality less the amount of assessment reductions resulting from finalized tax appeals for the municipality times the Commissioner of Education's certified tax reduction rate.

3. The amount so determined from this calculation shall be certified by the Director of the Division of Local Government Services to the State Treasurer on or before August 15, 1977 in order that the State Treasurer may issue checks to all municipalities in accordance with section 2 of this act.

4. By September 15, 1977, each municipal treasurer shall refund to each taxpayer entitled to a refund, as a result of an added or omitted assessment for property located in the municipality, an

amount determined in accordance with rules and regulations of the Director of the Division of Local Government Services establishing procedures for unbudgeted school aid refunds pursuant to P. L. 1976, c. 113, as amended by P. L. 1977, c. 15.

5. The State Treasurer shall pay, in accordance with the provisions of this act, so much as may be necessary from funds which are appropriated for the purposes of this act.

6. Landlords of qualified real rental property, pursuant to P. L. 1976, c. 63, as amended from time to time, shall rebate or credit any funds received under this act to their tenants, pursuant to P. L. 1976, c. 63, as amended from time to time and regulations promulgated by the Director of the Division of Local Government Services.

7. There is hereby appropriated the sum of \$2,000,000.00 from the Property Tax Relief Fund for the purposes of this act.

8. This act shall take effect immediately.

Approved June 20, 1977.

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#### CHAPTER 131

AN ACT concerning persons who perform special police or law enforcement functions and providing a penalty for violations.

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

**C. 40A:14-146.6 Identification of persons who perform special police or law enforcement functions.**

1. Any other law to the contrary notwithstanding, the identification card, badge or other identifying insignia of any person who serves as a special policeman, auxiliary policeman, civil defense worker, or who performs under the law any special police or law enforcement function in the State or any of its political subdivisions, shall clearly state the name of the agency by which any such person is employed and shall clearly distinguish any such person from the members of any regular and permanent State, county or municipal police department.

**C. 40A:14-146.7 Violation of act.**

2. Any person who violates the provisions of this act shall be a disorderly person.

3. This act shall take effect on the sixty-first day after enactment.

Approved June 20, 1977.

## CHAPTER 132

AN ACT authorizing the sale of surplus real property owned by the Department of Law and Public Safety.

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

1. The Department of Law and Public Safety is hereby authorized to sell and convey all of the State's interest in surplus real property known as the Hartford street motor vehicles inspection station in the city of Newark, Essex county.

2. The sale shall be upon such terms and conditions as approved by the State House Commission and in accordance with sale agreements with the Newark Housing Authority.

3. This act shall take effect immediately.

Approved June 20, 1977.

## CHAPTER 133

AN ACT concerning county colleges and amending N. J. S. 18A:64A-22.

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

1. N. J. S. 18A:64A-22 is amended to read as follows:

**Annual budget requests for State support of colleges.**

18A:64A-22. Annual budget requests for State support of colleges. The Board of Higher Education shall formulate annual budget requests for State support of county colleges. Within the limits of funds appropriated to the Board of Higher Education for such purposes and in accordance with rules and regulations prescribed by the Board of Higher Education, the board of trustees of a county college may apply to the Board of Higher Education and receive State support:

a. For capital projects approved by the Board of Higher Education in amounts not to exceed one-half of the cost of said capital projects, and

b. For operational costs to the extent of one-half thereof or \$700.00 per equated full-time student, including such students resident in other counties, whichever is the lesser amount. For the purposes of determining State aid, only those students enrolled in credit courses and noncredit remedial, developmental, general education development and adult basic education courses, shall be included in calculating the number of equated full-time students.

State support for the operational costs of county colleges shall be made within limits of State appropriation and only after an annual review and approval by the Board of Higher Education of the financial program for operation of the county college, including the charges to be made for student tuition and fees and the establishment of the county share of said costs.

2. This act shall take effect immediately.

Approved June 29, 1977.

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#### CHAPTER 134

AN ACT concerning general powers of counties and amending  
R. S. 40:23-6.

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

1. R. S. 40:23-6 is amended to read as follows:

**Contributions for membership in New Jersey Association of Counties.**

40:23-6. A county may agree to contribute and expend in any 1 year, for membership in and the services of the New Jersey Association of Counties, such sums as said county may determine.

2. This act shall take effect immediately.

Approved June 29, 1977.

## CHAPTER 135

AN ACT reconstituting the State Capitol Police Force, supplementing Title 52 of the Revised Statutes, and repealing R. S. 52:20-25, sections 1 and 2 of P. L. 1938, c. 389 and section 1 of P. L. 1939, c. 77.

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

**C. 52:17B-9.1 State capitol police force reconstituted; powers of officers; oath; filing.**

1. The State Capitol Police Force created pursuant to R. S. 52:20-25 is hereby reconstituted in the Department of Law and Public Safety under the direction and supervision of the Superintendent of State Police.

The State Capitol Police Force, as reconstituted, shall consist of the present members of said force with such officers of rank and grade as the Superintendent, with the approval of the Attorney General, shall designate. The officers of the force shall possess all police powers as other police officers, subject to the rules of the Division of State Police.

Each member of the State Capitol Police Force shall take an oath that he will well and truly serve the State of New Jersey as an officer of the State Capitol Police Force, which oath shall be filed with the Secretary of State.

**C. 52:17B-9.2 Jurisdiction; duties and responsibilities.**

2. a. The jurisdiction of the State Capitol Police Force shall cover all State Capitol grounds, adjoining parks, court rooms, jury rooms and assembly areas, and may be extended by the Governor to such other buildings and grounds owned, leased or used by the State and the adjacent and surrounding grounds and areas to and between such grounds as he may deem necessary to perform the duties set forth herein. Nothing herein shall be construed to prohibit the assignment, from time to time, of other personnel to perform specific police duties as the Governor may deem necessary to maintain law, order and decorum on said State buildings and grounds.

b. The duties and responsibilities of the State Capitol Police Force shall include:

(1) Maintenance of law, order and decorum on all State grounds as enumerated above;

(2) The protection and policing of all areas used by the members of the Legislature, Executive and Judiciary, and the rendering and performing of services necessary to the proper, convenient and efficient performance of said members' duties at, around, and between State grounds as set forth herein, and the offices used by members of the Legislature, Executive and Judiciary; and

(3) Attaining such standards of training and competence as may be set by the Superintendent of State Police with the approval of the Attorney General.

**C. 52:17B-9.3 Equipment to remain with force.**

3. Such equipment as is assigned to the members of the State Capitol Police Force as of the date of enactment of this act shall remain with the force. The Division of State Police shall supply such equipment as is deemed necessary by the Superintendent.

**C. 52:17B-9.4 Rules and regulations.**

4. The Superintendent of State Police shall be responsible for the establishment and promulgation of rules and regulations of the State Capitol Police Force, subject to the approval of the Attorney General.

**Repealer.**

5. R. S. 52:20-25, sections 1 and 2 of P. L. 1938, c. 389 (C. 52:20-26 and 52:20-27) and section 1 of P. L. 1939, c. 77 (C. 52:20-28) are repealed.

6. This act shall take effect July 1 next following enactment.

Approved June 30, 1977.

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CHAPTER 136

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

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

1. Section 8 of P. L. 1961, c. 49 (C. 52:14-17.32) is amended to read as follows:

**C. 52:14-17.32 Termination of coverage; rates payable by employees covered by medicare; payment of premiums by State for retired employees.**

8. The basic coverage and the major medical coverage of any employee, and of his dependents, if any, shall cease upon the discontinuance of his term of office or employment or upon cessation of active full-time employment subject to such regulations as may be prescribed by the commission for limited continuance of basic coverage and major medical coverage during disability, part-time employment, leave of absence or lay off, and for continuance of basic coverage and major medical coverage after retirement, any such continuance after retirement to be provided at such rates and under such conditions as shall be prescribed by the commission, subject, however, to the requirements hereinafter set forth in this section. The commission may also establish regulations prescribing an extension of coverage when an employee or dependent is totally disabled at termination of coverage.

Rates payable by retired employees for themselves and their dependents, by active employees for dependents covered by medicare benefits, and by the State or other employer for an active employee alone covered by medicare benefits, shall be determined on the basis of utilization experienced according to classifications determined by the commission, provided, however, that the total rate payable by such retired employee for himself and his dependents, or by such active employee for his dependents and the State or other employer for such active employee alone, for coverage hereunder and for Part B of medicare, shall not exceed by more than 25%, as determined by the commission, the total amount which would have been required to have been paid by him and by the State or other employer for the coverage maintained had he continued in office or active employment and he and his dependents were not eligible for medicare benefits. "Medicare" as used in this act means the coverage provided under Title XVIII of the Social Security Act as amended in 1965, or its successor plan or plans.

From funds appropriated therefor, the State shall pay the premium or periodic charges for the benefits provided to a retired State employee and his dependents covered under the program, but not including survivors, if such employee retired from a State-administered retirement system effective on or after July 1, 1964, on a benefit based on 25 years or more of service credited in such retirement system, excepting the employee who elected deferred retirement, but including the employee who retired on a dis-

ability pension based on fewer years of service credited in such retirement system and shall also reimburse such retired employee for his premium charges under Part B of the Federal medicare program covering the retired employee and the employee's spouse.

2. (New section) There is appropriated \$466,250.00 for the purposes of this act.

3. This act shall take effect July 1, 1977.

Approved June 30, 1977.

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### CHAPTER 137

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, 1978 and regulating the disbursement thereof.

#### ANTICIPATED RESOURCES FOR THE FISCAL YEAR 1977-1978

##### *Surplus*

Estimated balance, July 1, 1977:

General State Fund .....	\$83,364,014
Property Tax Relief Fund .....	187,000,000
	<hr/>
Total .....	\$270,364,014
	<hr/>

##### *Major Taxes*

Sales .....	\$982,500,000
Motor fuels .....	298,000,000
Corporation franchise .....	465,000,000
Corporation business tax—Banks and financial institutions .....	24,800,000
Insurance premiums .....	65,000,000
Motor vehicle fees .....	227,000,000
Motor fuel use .....	5,000,000
Cigarette .....	167,000,000
Transfer inheritance .....	88,000,000

Alcoholic beverage .....	55,300,000
Pari-mutuel .....	32,000,000
Public utility .....	55,000,000
Savings institution .....	2,800,000
Realty transfer .....	15,200,000
Business personal property .....	87,200,000
	<hr/>
Total, Major Taxes .....	\$2,569,800,000
	<hr/>

*Miscellaneous Taxes, Licenses and Other Revenues*

Department of Law and Public Safety:	
Motor Vehicle Security Responsibility law administration .....	\$2,621,601
Beverage licenses .....	2,963,865
Division of Consumer Affairs:	
General revenues .....	2,039,616
Professional examining board fees .....	2,655,129
Amusement games control fees .....	112,405
Bus excise tax .....	283,395
Division of State Police .....	393,650
State agency for federal surplus property .....	75,000
Department of the Treasury:	
Public Utility Tax—Administration .....	125,000
Interest on deposits—General Treasury .....	1,000,000
Investment earnings .....	17,000,000
Escheats, personal property (14 years law) .....	150,000
Division of Tax Appeals—Fees .....	340,000
Railroad tax—Franchise .....	40,000
Railroad tax—Class II .....	3,000,000
Department of State:	
General revenues—Fees .....	4,911,000
Uniform Commercial Code—Fees .....	753,700
Commissions .....	235,000
Department of Banking:	
Bank assessments .....	490,000
Examining and other fees .....	2,786,125
New Jersey Cemetery Board .....	48,587
Department of Insurance:	
Real Estate Commission .....	1,339,400
Examining and other fees .....	3,997,019

Department of Agriculture:	
General fees .....	106,150
Milk Control licenses and fees .....	200,000
Fertilizer inspection and other fees .....	137,830
Department of Defense:	
Armory rentals .....	65,000
Department of Public Utilities:	
Assessments—Public Utility .....	4,962,525
Assessments—Cable TV .....	298,627
Other revenue .....	78,300
Department of Health:	
General revenues—Licenses, fees .....	689,245
Drug Control fees .....	169,500
Department of Labor and Industry:	
General revenues—Licenses, fees .....	725,000
Special Injury Compensation Fund .....	703,577
Department of Environmental Protection:	
Recreation Boating—Motor Boat Numbering Act .....	897,402
Recreation Boating—Other fees .....	25,650
New Jersey Pilot Commissioners .....	40,400
Marinas .....	390,200
Marine Lands Management—Delineation and title determination .....	450,000
Marine Lands Management—Miscellaneous rev- enue .....	30,000
Excess water diversion fees .....	212,700
Well drillers licenses and permits .....	34,950
Delaware and Raritan Canal water and sales .....	2,128,465
Round Valley and Spruce Run water sales .....	2,766,063
Air pollution fees .....	75,000
Water pollution fees .....	34,100
Radiation protection .....	265,000
Solid Waste Management fees .....	787,000
Shell Fisheries .....	213,560
Hunters' and Anglers' License Fund .....	3,760,603
Parks management .....	2,750,000
Morris Canal Fund .....	48,000
Examination licensing program .....	81,275
Forest management .....	44,134

Department of Education:	
State Board of Examiners fees .....	450,000
Miscellaneous .....	18,400
Department of Higher Education:	
Agricultural Experiment Station—Fees .....	10,000
Bond interest recoveries .....	360,472
Tuition—Regular .....	42,301,847
Other student fees .....	1,081,560
School of Conservation .....	388,876
Miscellaneous .....	208,000
Department of Transportation:	
Outdoor advertising .....	230,000
Division of Aeronautics .....	93,000
Miscellaneous .....	235,500
Department of Human Services:	
Board of patients, residents, other income .....	100,071,000
Special residential services .....	1,900,000
Adoption law fees .....	200,000
Soldiers Home—Menlo Park .....	432,836
Soldiers Home—Vineland .....	400,000
Nutrition reimbursement .....	96,000
Department of Community Affairs:	
Local government services .....	55,000
Housing inspection fees .....	2,691,440
Department of the Public Advocate:	
Rate Counsel representation .....	60,126
Delaware River Joint Toll Bridge Commission:	
Pennsylvania share .....	506,846
The Judiciary:	
Court fees .....	9,340,000
Inter-Departmental Accounts:	
Administration and investment of pension and social security funds .....	3,000,000
Pension contribution reimbursement from special funds .....	12,000,000
Social security contribution reimbursement from special funds .....	9,000,000
Health benefits contribution reimbursement from special funds .....	5,800,000
Other fringe benefit reimbursement from special funds .....	250,000

Public employer's contribution reimbursement . . .	3,500,000
Reimbursement from Rutgers—Employer's share of employees' benefits . . . . .	2,000,000
Rent of State building space . . . . .	1,230,542
Judicial Retirement System reimbursements . . . .	2,100,000
Indirect cost recovery—Federal . . . . .	4,329,000
Other Sources:	
Antirecession fiscal assistance—Federal . . . . .	14,000,000
Miscellaneous Revenue . . . . .	1,000,000
	<hr/>
Total, Miscellaneous Taxes, Licenses and Other Revenue . . . . .	\$289,871,193
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*Interfund Transfers*

Clean Waters Fund . . . . .	\$300,000
1837 Surplus Revenue Fund . . . . .	35,000
General Revenue Sharing Fund . . . . .	72,923,000
Higher Education Buildings Construction Fund (Act of 1971) . . . . .	600,000
Housing Assistance Fund . . . . .	27,000
Institution Construction Fund . . . . .	800,000
Mortgage Assistance Fund . . . . .	300,000
Motor Vehicle Security Responsibility Fund . . . . .	70,000
Outstanding checks account . . . . .	35,000
Public Buildings Construction Fund . . . . .	500,000
School Fund . . . . .	1,970,000
Special railroad deposits . . . . .	1,100
State Disability Benefits Fund . . . . .	4,815,852
State 1964 Institution Construction Fund . . . . .	20,000
State Lottery Fund . . . . .	83,000,000
State Lottery Fund—Administration . . . . .	3,650,547
State Recreation and Conservation Land Acquisition Fund (Act of 1961) . . . . .	8,500
State Recreation and Conservation Land Acquisition Fund (Act of 1971) . . . . .	625,000
State Recreation and Conservation Land Acquisition Fund (Act of 1974) . . . . .	2,500,000
State Transportation Fund . . . . .	2,000,000
State Water Development Fund . . . . .	55,000
Transportation Benefit Fund . . . . .	776,744
Transportation Fund . . . . .	27,750,000
Unclaimed Bank Deposits Escheat Fund . . . . .	250,000

Unclaimed Domestic Life Insurance Escheat Fund	200,000
Unclaimed Personal Property Trust Fund	700,000
Unemployment Compensation Auxiliary Fund	2,064,036
Unsatisfied Claim and Judgment Fund	285,464
Water Conservation Fund	2,412,000
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Total, Interfund Transfers	\$208,674,243
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Total General State Fund Anticipated Revenue	\$3,068,345,436
<i>Less:</i>	
<i>Reserve for Commuter Taxes:</i>	
<i>Emergency Transportation Tax (N. Y.)</i>	\$27,750,000
<i>Transportation Benefits Tax (Pa.)</i>	776,744
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Net General State Fund Anticipated Revenue	\$3,039,818,692
Gross Income Tax	815,000,000
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<i>Property Tax Relief Fund</i>	
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Total Anticipated Revenues	\$3,854,818,692
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Total Resources	\$4,125,182,706
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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, 1978. 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, 1978 with the Director of the Division of Budget and Accounting or held by encumbrance requests covering requisitions on file as of June 30, 1978 with the Director

of the Division of Budget and Accounting, provided that contracts covering such requisitions are filed with the Director by August 31, 1978. 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 .....	\$2,148,429
Sub-Total Appropriation .....	<u>\$2,148,429</u>

## Salaries:

Senators (40) .....	( \$403,334)
Members' staff services .....	( 600,000)
Officers and employees .....	( 425,000)
Materials and Supplies .....	( 243,775)
Services Other Than Personal .....	( 455,200)

## Maintenance of Property:

Recurring .....	( 8,000)
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## Extraordinary:

Compensation awards .....	( 3,120)
Additions and Improvements .....	( 10,000)

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

72120-002. General Assembly .....	\$3,401,334
Sub-Total Appropriation .....	<u>\$3,401,334</u>

## Salaries:

Assemblymen (80) .....	( \$803,334)
Members' staff services .....	( 1,200,000)
Officers and employees .....	( 425,000)
Materials and Supplies .....	( 307,300)
Services Other Than Personal .....	( 636,000)

## Maintenance of Property:

Recurring .....	( 9,700)
Additions and Improvements .....	( 20,000)

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

Total Appropriation, Legislature ..... \$5,549,763

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*72200. Legislative Services*

72210-003. Office of Chief Counsel, Divisions of  
Bill Drafting and Legal Services and  
Law Revision ..... \$523,195  
72220-003. Division of Information and Research ..... 1,325,083

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Total Appropriation, Legislative Services  
Agency ..... \$1,848,278

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Salaries:

Officers and employees ..... ( \$1,641,228)  
Materials and Supplies ..... ( 56,400)  
Services Other Than Personal ..... ( 62,500)

Maintenance of Property:

Recurring ..... ( 3,000)

Extraordinary:

Computer Statutory Research ..... ( 25,000)  
Compensation awards ..... ( 150)  
Additions and Improvements ..... ( 60,000)

One-third of the unexpended balance as of June 30,  
1977 in this account is hereby appropriated.

*72300. Office of Fiscal Affairs*

72310-004. Administrative Office of the Executive  
Director ..... \$300,978  
72320-004. Division of State Auditing ..... 1,152,389  
72330-004. Division of Budget Review ..... 362,622  
72340-004. Division of Program Analysis ..... 373,858

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Total Appropriation, Office of Fiscal Affairs. \$2,189,847

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Salaries:

State Auditor ..... ( \$21,250)  
Officers and employees ..... ( 1,946,349)  
Materials and Supplies ..... ( 34,800)  
Services Other Than Personal ..... ( 123,773)

Maintenance of Property:	
Recurring .....	( 4,275)
Non-recurring and replacements ...	( 400)
Extraordinary:	
Special professional services .....	( 56,000)
Additions and Improvements .....	( 3,000)

72400. *Legislative Commissions*

72410-010. Intergovernmental Relations Commission .....	\$177,905
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Sub-Total Appropriation .....	<u>\$177,905</u>
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Materials and Supplies .....	( \$50)
Services Other Than Personal .....	( 4,130)

Extraordinary:	
Council of State Governments .....	( 48,550)
National Conference of Commissioners on Uniform State Laws ..	( 11,500)
National Governors' Conference ...	( 40,835)
Advisory Commission on Intergovernmental Relations .....	( 3,000)
National Conference of State Legislatures .....	( 39,790)
Education Commission of the States	( 24,750)
Atlantic States Marine Fisheries Commission .....	( 5,300)

72410-013. Task Force on Business Efficiency of the Public Schools of the Joint Committee on the Public Schools .....	\$35,000
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Sub-Total Appropriation .....	<u>\$35,000</u>
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Extraordinary:	
Expenses of the commission .....	( \$35,000)
The unexpended balance as of June 30, 1977 in this account is hereby appropriated.	

72410-014. Joint Committee on the Public Schools .....	\$35,000
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Sub-Total Appropriation .....	<u>\$35,000</u>
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## Extraordinary:

Expenses of Commission ..... ( \$35,000)

The unexpended balance as of June 30, 1977 in this  
account is hereby appropriated.

72410-018. State Commission of Investigation .... \$850,000

Sub-Total Appropriation ..... \$850,000

## Extraordinary:

Expenses of Commission ..... ( \$850,000)

The unexpended balance as of June 30, 1977 in this  
account is hereby appropriated.

72410-021. Nursing Home Study Commission .... \$55,000

Sub-Total Appropriation ..... \$55,000

## Extraordinary:

Expenses of Commission ..... ( \$55,000)

The unexpended balance as of June 30, 1977 in this  
account is hereby appropriated.72410-039. County and Municipal Government  
Study Commission ..... \$110,000

Sub-Total Appropriation ..... \$110,000

## Extraordinary:

Expenses of Commission ..... ( \$110,000)

The unexpended balance as of June 30, 1977 in this  
account is hereby appropriated.

72410-048. Energy Crisis Study Commission

The unexpended balance as of June 30, 1977 in this  
account is hereby appropriated.Total Appropriation, Legislative Commis-  
sions ..... \$1,262,905

Total Appropriation, Legislative Affairs ... \$10,850,793

## EXECUTIVE BRANCH

71100. *Chief Executive's Office*

71110-080. Executive Management .....	\$844,623
<b>Total Appropriation, Chief Executive's Office</b>	<b>\$844,623</b>

## Salaries:

Governor .....	( \$65,000)
Secretary to the Governor .....	( 25,000)
Officers and employees .....	( 481,190)
Materials and Supplies .....	( 40,750)
Services Other Than Personal .....	( 195,183)

## Maintenance of Property:

Recurring .....	( 1,500)
Non-recurring and replacements ...	( 1,000)

## 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)
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The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

## DEPARTMENT OF LAW AND PUBLIC SAFETY

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

11110-140. Licensing and Registration .....	\$8,541,792
11120-140. Vehicle Control .....	10,785,208
11130-140. Driver Control and Enforcement .....	6,234,226
11140-141. Security Responsibility .....	2,621,601
11150-142. Unsatisfied Claim and Judgment Fund Board .....	285,464
11190-140. Administration and Support .....	2,833,929
<b>Total Appropriation .....</b>	<b>\$31,302,220</b>

**Salaries:**

Officers and employees .....	(\$21,012,816)
Positions established from lump sum appropriation .....	( 108,646)
New positions .....	( 355,989)
Materials and Supplies .....	( 2,262,096)
Services Other Than Personal .....	( 6,005,506)

**Maintenance of Property:**

Recurring .....	( 102,350)
Non-recurring and replacements .....	( 294,135)

**Extraordinary:**

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 .....	( 50,000)
Compensation awards .....	( 65,352)

To implement revisions to the Motor Vehicle statutes as recommended by the Motor Vehicle Study Commission .....	( 1,000,000)
Additions and Improvements .....	( 45,330)

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 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, 1977 is hereby appropriated for such projects.

There are hereby appropriated such additional sums, not to exceed \$1,000,000, as may be necessary for the implementation of PL 1977, c. 23, 24, 25, 26, 27, 28, 29, from receipts pursuant to such chapters.

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 administer PL 1968, c. 323.

11200. *State Police*

11210-120. Patrol Activities and Crime Control ..	\$27,681,877
11220-120. Police Services and Public Order .....	9,057,115
11290-120. Administration and Support .....	2,770,331
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Total Appropriation .....	\$39,509,323
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Salaries:

Officers and employees .....	(\$26,553,704)
New positions .....	( 1,114,223)
Cash in lieu of maintenance .....	( 3,921,000)
Materials and Supplies .....	( 2,478,178)
Services Other Than Personal .....	( 2,733,118)

Maintenance of Property:

Recurring .....	( 610,250)
Non-recurring and replacements ...	( 1,527,520)

Extraordinary:

Compensation awards .....	( 150,000)
State Police recruit class .....	( 244,830)
Additions and Improvements .....	( 176,500)

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 unexpended balance as of June 30, 1977, in this account is hereby appropriated for a State Police recruit class.

11300. *Legal, Administrative and Support Services*

11310-110. Legal Services .....	\$3,291,699
11320-105. Criminal Justice .....	3,886,869
11330-105. Police Training Commission .....	389,319
11340-105. State Medical Examiner .....	487,439
11350-106. Civil Defense Operations and Administration .....	360,649
11390-100. Department Planning and Management .....	520,773
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Total Appropriation .....	\$8,936,748
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Salaries:

Attorney General .....	( \$43,000)
Officers and employees .....	( 6,494,753)
New positions .....	( 498,556)
Materials and Supplies .....	( 405,820)
Services Other Than Personal .....	( 890,429)

Maintenance of Property:

Recurring .....	( 26,851)
Non-recurring and replacements ...	( 45,550)

Extraordinary:

Expenses of State Grand Jury ....	( 150,000)
Disaster relief .....	( 25,000)

Hammonton Training School . . . . .	(	6,500)
Emergency operating center . . . . .	(	1,200)
Civil Defense Operations and Ad- ministration . . . . .	(	327,949)
Compensation awards . . . . .	(	6,240)
Additions and Improvements . . . . .	(	14,900)

The unexpended balance as of June 30, 1977, 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.

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.

Of the \$701,438 hereinabove appropriated for Civil Defense Operations and Administration, the amount of \$75,000 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 said program, and, further, that any receipts from such charges in excess of \$75,000 are hereby appropriated to defray additional costs of administration of the aforesaid program.

The unexpended balance as of June 30, 1977, in the Disaster relief account is hereby appropriated.

The Governor is hereby empowered to direct the State Treasurer to transfer from any State department to this Department such sums as may be necessary for the cost of any emergency occasioned by aggression, civil disturbance, sabotage, disaster or for flood loss expenses for State owned structures to comply with Federal insurance administration requirements.

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, 1977, 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.

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.

<i>11400. Protection of Individual Rights</i>	
11410-160. Consumer Affairs—General .....	\$1,634,069
11420-161. Consumer Affairs—Regulation of Professions and Trades .....	3,043,276
11430-115. Civil Rights .....	1,381,906
Total Appropriation .....	\$6,059,251

Salaries:

Officers and employees .....	(\$3,527,407)
New positions .....	( 63,778)
Materials and Supplies .....	( 153,280)
Services Other Than Personal .....	( 2,241,366)

Maintenance of Property:

Recurring .....	( 14,600)
Non-recurring and replacements ...	( 23,885)

Extraordinary:

Compensation awards .....	( 20,085)
Additions and Improvements .....	( 14,850)
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 program element Consumer Affairs—General, the annual salary of the State Athletic Commissioner shall not exceed \$7,500.

The amount hereinabove appropriated for each of the several State professional boards shall be provided from receipts of such boards and any receipts in excess of the amount specifically provided to 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 .....	\$2,173,311
11620-190. Law Enforcement Planning .....	1,174,614
11630-186. Violent Crimes Compensation .....	1,235,255
11640-187. Executive Commission on Ethical Standards .....	87,380
<b>Total Appropriation .....</b>	<b>\$4,670,560</b>

**Salaries:**

Officers and employees .....	( \$416,976)
New positions .....	( 30,957)
Materials and Supplies .....	( 32,000)
Services Other Than Personal .....	( 122,175)

**Maintenance of Property:**

Recurring .....	( 600)
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**Extraordinary:**

Public financing of gubernatorial general elections (PL 1974, c. 26) (	1,812,088)
For transfer to an applicant State department with the approval of the Director of the Division of Budget and Accounting, for the State share of State Law Enforce-	

ment Planning Agency programs  
for which matching Federal funds  
are approved:

Discretionary grants .....	( 444,500)
Correctional assistance grants (Part E) .....	( 154,250)
Grant for administration of SLEPA .....	( 147,000)
Action grants (Part C) .....	( 359,264)
Juvenile justice grant .....	( 69,600)
Claims—Victims of violent crimes	( 1,078,000)
Additions and Improvements .....	( 3,150)

The unexpended balance as of June 30, 1977, in the Public financing of gubernatorial general elections account is hereby appropriated.

The unexpended balance as of June 30, 1977, in the Discretionary grants account, not to exceed \$300,000, is hereby appropriated.

The unexpended balance as of June 30, 1977, in the Action grants (Part C) account is hereby appropriated.

The unexpended balances as of June 30, 1977, in all other accounts of the Law Enforcement Planning program element are hereby appropriated for the same purpose.

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 .....	\$2,126,317
14820-155. Racing Commission .....	655,993
Total Appropriation .....	<u>\$2,782,310</u>

## Salaries:

Officers and employees .....	( \$2,424,462)
Materials and Supplies .....	( 51,475)
Services Other Than Personal .....	( 274,773)

## Maintenance of Property:

Recurring .....	( 8,600)
Non-recurring and replacements ...	( 15,500)

## Extraordinary:

Compensation awards .....	( 7,500)
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Pursuant to NJS 5:10-20, the New Jersey Racing Commission shall bill the New Jersey Sports and Exposition Authority for costs incurred by the Commission for supervising track operations of the Authority.

Receipts derived by the New Jersey Racing Commission by billings for costs incurred by the Commission for supervising track operations of the New Jersey Sports and Exposition Authority are hereby appropriated for program costs.

Receipts from the Race Track Admission Tax (PL 1974, c. 181), and the unexpended balance of such receipts as of June 30, 1977, are hereby appropriated for use as provided by law.

Total Appropriation, Department of Law and Public Safety .....	<u>\$93,260,412</u>
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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 .....	\$1,497,614
71220-220. Accounting and Fiscal Management ...	4,108,063
71230-225. Management of Data Processing and Telecommunications .....	842,643
71240-212. Employee Relations and Collective Negotiations .....	308,651
71250-211. Economic Planning and Research ....	105,192
71260-290. Management of State Investments ....	876,595

71270-295. Management of Employee Benefits Programs .....	4,039,038
71290-270. Financial Regulations and Assistance .....	486,996
<b>Total Appropriation .....</b>	<b>\$12,264,792</b>

**Salaries:**

Officers and employees .....	( \$7,847,132)
Positions established from lump sum appropriation .....	( 46,269)
New positions .....	( 288,756)
Materials and Supplies .....	( 404,325)
Services Other Than Personal .....	( 3,562,785)

**Maintenance of Property:**

Recurring .....	( 33,890)
Non-recurring and replacements ..	( 61,475)
Additions and Improvements .....	( 20,160)

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 bank service charges, 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 .....	\$9,635,417
71320-240. Tax Audit Services .....	6,301,409
71330-250. Administration of State Lottery .....	3,650,547
71380-260. Adjudication of Tax Appeals .....	411,354
71390-240. Administration and General Support ..	5,694,613
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Total Appropriation .....	\$25,693,340
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Salaries:

Judges (6 @ \$17,000) .....	( \$102,000)
Officers and employees .....	( 19,481,815)
New positions .....	( 308,656)
Materials and Supplies .....	( 836,150)
Services Other Than Personal .....	( 4,778,059)

Maintenance of Property:

Recurring .....	( 41,410)
Non-recurring and replacements ...	( 50,500)

Extraordinary:

Compensation awards .....	( 30,000)
Additions and Improvements .....	( 64,750)

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, prizes and expenses of developing games (C5:9-7).

*Centrally Financed Facilities and Services*

78100. *Central Support Services*

78110-230.	Purchasing and Inventory Management	\$1,501,843
78120-230.	Physical Plant Operation and Maintenance	5,005,913
78130-230.	Other Property Management Services	632,735
78170-235.	Construction Management Services	2,267,001
	<b>Total Appropriation</b>	<b>\$9,407,492</b>

Salaries:

Officers and employees	( \$5,498,765)
Positions established from lump sum appropriation	( 891,469)
New positions	( 118,822)
Materials and Supplies	( 1,800,150)
Services Other Than Personal	( 779,596)

## Maintenance of Property:

Recurring .....	(	218,350)
Non-recurring and replacements ...	(	61,400)
Additions and Improvements .....	(	38,940)

There is hereby appropriated, a sum not to exceed \$175,000, from the proceeds derived from the sale of State-owned surplus real property, for administrative expenses connected with such sale or disposition.

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, 1977, 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 unexpended balance of such receipts as of June 30, 1977, 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, 1977, for the purpose of operating such a motor pool, including the replacement of motor vehicles and the purchase of additional motor vehicles.

78180-213-300. *Public Communication*

There are hereby appropriated as a revolving fund the receipts derived from services rendered by the Office of Public Communication, and the unexpended balances of such receipts as of June 30, 1977.

*Management and General Support*

79100. *Department Management and General Support*

79110-210. Management Services .....	\$1,252,668
79130-210. Federal Liaison Office .....	100,000
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Total Appropriation .....	\$1,352,668
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Salaries:

State Treasurer .....	( \$43,000)
Officers and employees .....	( 646,150)
Positions transferred from another subcategory .....	( 29,167)
Materials and Supplies .....	( 21,300)
Services Other Than Personal .....	( 146,051)

Maintenance of Property:

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

Extraordinary:

Public Contracts Affirmative Action Program .....	( 160,000)
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Federal Liaison Office—Washington, D. C. . . . .	( 100,000)
For a contract with the Newark Construction Trades Training Council for performing affirmative action services, including training, outreach and referrals . . . . .	( 200,000)
Additions and Improvements . . . . .	( 2,000)

Fees collected on behalf of the Public Contracts Affirmative Action Program, are hereby appropriated for program costs, subject to allotment by the Director of the Division of Budget and Accounting.

There is hereby appropriated from the New Jersey Spill Compensation Fund so much as may be required to pay approved claims for damages.

79120-210-301. *Print Shop*

The unexpended balance as of June 30, 1977 in the Print Shop revolving fund, 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 their share of costs of the Print Shop.

79120-210-302. *Microfilm Section*

The unexpended balance as of June 30, 1977 in the Microfilm Section revolving fund 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 their 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, 1977, and 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 .....	\$48,718,292
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## DEPARTMENT OF STATE

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

34610-300. Development Support .....	\$1,076,816
Total Appropriation .....	<u>\$1,076,816</u>

**Salaries:**

Officers and employees .....	(\$49,396)
Materials and Supplies .....	(2,550)
Services Other Than Personal .....	(14,420)

**Maintenance of Property:**

Recurring .....	(200)
Non-recurring and replacements .....	(500)

**Extraordinary:**

Cultural projects .....	(1,009,000)
Council member expenses .....	(750)

The unexpended balance as of June 30, 1977 in the Cultural projects account 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 . . .	\$1,482,221
71620-300. Codification and Publication of Admin- istrative Procedures . . . . .	231,040
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Total Appropriation . . . . .	\$1,713,261
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## Salaries:

Secretary of State . . . . .	( \$43,000)
Officers and employees . . . . .	( 1,087,955)
Materials and Supplies . . . . .	( 71,150)
Services Other Than Personal . . . . .	( 341,556)

## Maintenance of Property:

Recurring . . . . .	( 3,600)
Non-recurring and replacements . . .	( 4,000)

## Extraordinary:

Voter Registration Act (PL 1974, c. 51) . . . . .	( 115,000)
Implement Voter Declaration Act . .	( 5,000)
Additions and Improvements . . . . .	( 42,000)

The unexpended balance in the Examination of voting machines receipts control account as of June 30, 1977, and any additional receipts derived from the examination of voting machines by the Secretary of State, is hereby appropriated for the costs of making such examinations.

The unexpended balance as of June 30, 1977 in the Publications preparation account, and any additional receipts derived from the sale of publications by the Division of Administrative Procedure, are hereby appropriated for the printing and distribution of such publications.

Total Appropriation, Department of State . .	<u><u>\$2,790,077</u></u>
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## DEPARTMENT OF CIVIL SERVICE

*Personnel Management*75500. *Merit System Administration*

75510-310. Personnel Policy Development and General Administration .....	\$1,860,311
75520-310. Recruitment and Selection .....	2,526,852
75530-310. Organization Management and Em- ployee Development .....	2,733,716
<b>Total Appropriation .....</b>	<b>\$7,120,879</b>

## Salaries:

President .....	( \$43,000)
Commissioners (4 @ \$10,500) .....	( 42,000)
Officers and employees .....	( 4,971,739)
New positions .....	( 118,058)
Materials and Supplies .....	( 279,400)
Services Other Than Personal .....	( 1,093,807)

## Maintenance of Property:

Recurring .....	( 10,875)
Non-recurring and replacements ...	( 8,000)

## Extraordinary:

Compensation awards .....	( 4,000)
To improve examination and classi- fication services .....	( 320,000)
For expansion of Affirmative Action program .....	( 200,000)
Additions and Improvements .....	( 30,000)

Receipts derived for the training services provided to local governments are hereby appropriated for the same purpose.

<b>Total Appropriation, Department of Civil Service .....</b>	<b>\$7,120,879</b>
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## DEPARTMENT OF BANKING

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

14110-320. Regulation of Banking Industry . . . . .	\$1,681,625
14120-320. Regulation of Savings and Loan Associations . . . . .	734,862
14190-320. Management and General Support . . . . .	553,419
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Total Appropriation . . . . .	\$2,969,906
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## Salaries:

Commissioner . . . . .	( \$43,000)
Officers and employees . . . . .	( 2,334,296)
Materials and Supplies . . . . .	( 36,750)
Services Other Than Personal . . . . .	( 401,343)

## Maintenance of Property:

Recurring . . . . .	( 3,590)
Non-recurring and replacements . . . . .	( 2,000)

## Extraordinary:

New Jersey Cemetery Board . . . . .	( 48,587)
Compensation awards . . . . .	( 2,500)
To implement and enforce PL 1977, c. 1 . . . . .	( 95,340)
Additions and Improvements . . . . .	( 2,500)

Receipts in excess of \$280,000, derived from assessments (NJAC 3:1-6.1 et seq. by authority of NJSA 17:1-8), are hereby appropriated for the regulation of the Banking Industry.

Receipts in excess of \$210,000, derived from assessments (NJAC 3:1-6.1 et seq. by authority of NJSA 17:1-8), are hereby appropriated for the regulation of Savings and Loan Associations.

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.

The unexpended balance as of June 30, 1977 in the New Jersey Cemetery Board account is hereby appropriated for the same purpose.

Total Appropriation, Department of Banking	\$2,969,906
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DEPARTMENT OF INSURANCE

*Regulation of Industry*

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

14210-325. Licensing and Enforcement .....	\$1,179,389
14220-325. Actuarial Services .....	897,835
14230-325. Regulation of Real Estate Industry ...	501,874
14290-325. Management and General Support ....	975,336
Total Appropriation .....	\$3,554,434

**Salaries:**

Commissioner .....	( \$43,000)
Real Estate Commissioners (6 @ \$5,000) .....	( 30,000)
Officers and employees .....	( 2,938,957)
Materials and Supplies .....	( 78,058)
Services Other Than Personal .....	( 345,008)

**Maintenance of Property:**

Recurring .....	( 6,411)
Non-recurring and replacements ...	( 500)

**Extraordinary:**

Title Insurance Act (PL 1975, c. 106) .....	( 50,000)
Unfair Insurance Claims Settlement Practices Acts (PL 1975, c. 100, 101) .....	( 50,000)
Compensation awards .....	( 10,000)
Additions and Improvements .....	( 2,500)

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).

The unexpended balance as of June 30, 1977 of the receipts representing reimbursement of costs incurred by the Department of Insurance acting as receiver for insolvent insurance companies, together with any additional such receipts, are hereby appropriated.

There are hereby appropriated from the Real Estate Guaranty Fund such sums as may be necessary to pay claims.

Receipts derived from the sale of shoppers guides, and the unexpended balance as of June 30, 1977, of such receipts, are hereby appropriated for the operation of the Insurance Shoppers' Guide revolving fund.

Total Appropriation, Department of Insurance .....	\$3,554,434
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## DEPARTMENT OF AGRICULTURE

*Environmental Management*41100. *Disease Control and Agricultural Development Services*

41110-330. Animal Disease Control .....	\$459,877
41120-330. Plant Pest and Disease Control .....	1,032,073
41130-330. Resource Development Services .....	611,577

Total Appropriation .....	\$2,103,527
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## Salaries:

Officers and employees .....	(\$1,484,897)
New positions .....	( 15,000)
Materials and Supplies .....	( 125,900)
Services Other Than Personal .....	( 244,355)

## Maintenance of Property:

Recurring .....	( 2,225)
Non-recurring and replacements .....	( 1,150)

## Extraordinary:

Indemnities (C4:5-93.37) .....	( 20,000)
Gypsy moth control .....	( 60,000)

Soil survey program .....	( 45,000)
Grants to soil conservation districts	( 100,000)
Additions and Improvements .....	( 5,000)

The unexpended balances as of June 30, 1977, 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 .....	\$377,308
51330-330. Other Commodity Regulation .....	540,572
51340-330. Marketing Services .....	423,836
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Total Appropriation .....	\$1,341,716
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Salaries:

Officers and employees .....	( \$1,079,434)
Positions transferred from another subcategory .....	( 21,577)
Materials and Supplies .....	( 18,340)
Services Other Than Personal .....	( 216,460)

Maintenance of Property:

Recurring .....	( 3,720)
Non-recurring and replacements ...	( 2,185)

The cost of operating fruit and vegetable inspection shall be paid from inspection fees derived therefrom and the unexpended balance as of June 30, 1977, 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, 1977, of receipts for the 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.

Receipts derived from the distribution of commodities, sale of containers and salvage of commodities, in accordance with applicable Federal regulations, and the unexpended balance of such receipts as of June 30, 1977, are hereby appropriated for expenses of Commodity Distribution.

*Management and General Support*

79100. *Department Management and Support*

79110-330. Management Services .....		\$705,114
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Total Appropriation .....		\$705,114
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Salaries:		
Secretary .....	( \$43,000)	
Officers and employees .....	( 498,924)	
Positions transferred from another subcategory .....	( 6,326)	
Materials and Supplies .....	( 26,725)	
Services Other Than Personal .....	( 114,164)	
Maintenance of Property:		
Recurring .....	( 7,000)	
Non-recurring and replacements ...	( 2,975)	
Extraordinary:		
Expenses of State Board of Agri- culture .....	( 5,500)	
Additions and Improvements .....	( 500)	
Total Appropriation, Department of Agri- culture .....		\$4,150,357
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DEPARTMENT OF DEFENSE

*Protection Against Natural and Man-made Hazards*

13100. *National Guard*

13110-340. National Guard Training, Operations and Administration .....		\$1,550,009
13120-340. Management of National Guard In- stallations .....		3,010,178

13140-340. Management of Joint Training Center	663,697
<b>Total Appropriation</b> .....	<b>\$5,223,884</b>
<b>Salaries:</b>	
Chief of Staff .....	( \$40,500)
Officers and employees .....	( 3,124,387)
Materials and Supplies .....	( 961,989)
Services Other Than Personal .....	( 351,119)
<b>Maintenance of Property:</b>	
Recurring .....	( 167,890)
Non-recurring and replacements .....	( 429,725)
<b>Extraordinary:</b>	
Governor's Youth Program .....	( 50,000)
New Jersey Military Academy .....	( 27,000)
Compensation awards .....	( 65,457)
Additions and Improvements .....	( 5,817)
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.	
The unexpended balance as of June 30, 1977 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.	
<b>Total Appropriation, Department of Defense</b>	<b>\$5,223,884</b>

## DEPARTMENT OF PUBLIC UTILITIES

*Regulation of Industry*14300. *Regulation of Public Utilities*

14310-350. Economic Regulation .....	\$704,918
14320-350. Service Adequacy and Safety .....	1,507,170
14340-350. State Energy Office .....	250,353

14390-350. Management and General Support . . .	2,369,126
Total Appropriation . . . . .	\$4,831,567

## Salaries:

President . . . . .	(\$43,000)
Board members (2 @ \$41,000) . . . . .	(82,000)
Officers and employees . . . . .	(3,343,359)
Positions established from lump sum appropriation . . . . .	(105,901)
New positions . . . . .	(63,264)
Materials and Supplies . . . . .	(51,500)
Services Other Than Personal . . . . .	(397,453)

## Maintenance of Property:

Recurring . . . . .	(3,500)
Non-recurring and replacements . . . . .	(1,500)

## Extraordinary:

Expenses of the Office of Cable Tele- vision (PL 1972, c. 186) . . . . .	(238,090)
Bus operators subsidy . . . . .	(500,000)
Additions and Improvements . . . . .	(2,000)

In addition to the sum provided hereinabove, such other sums as the Director of the Division of Budget and Accounting shall determine are provided on behalf of the Department of Public Utilities, in order to comply with the provisions of C48:2-59 et seq. and C48:5A-32 et seq. or other applicable statutes, with respect to assessment of public utilities or assessment of the cable television industry.

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

Within the limits of funds hereinabove appropriated for Bus operators subsidy, the Board of Public Utility Commissioners shall provide for a reduced student fare program as set forth by PL 1972, c. 210.

*Education and Intellectual Development*34500. *Public Broadcasting*

34510-352. New Jersey Public Broadcasting Authority .....	\$3,724,421
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Total Appropriation .....	\$3,724,421
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## Salaries:

Officers and employees .....	( \$1,770,973)
Materials and Supplies .....	( 334,360)
Services Other Than Personal .....	( 373,853)

## Maintenance of Property:

Recurring .....	( 109,630)
Non-recurring and replacements .....	( 580)

## Extraordinary:

Programming .....	( 720,000)
Equipment necessary for a collaborative news program with station WNET .....	( 264,000)
Promotional expenses .....	( 25,000)
Grant from the State of New Jersey for the purpose of producing the Daily Lottery Drawing Program .....	( 125,000)
Additions and Improvements .....	( 1,025)

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

The unexpended balance as of June 30, 1977 and receipts derived from the leasing of space on transmitter towers, the rental of studio or production facilities to non-profit organizations, and the sale or reproduction of Authority produced programs are hereby appropriated.

The unexpended balance as of June 30, 1977 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.

Total Appropriation, Department of Public Utilities .....	\$8,555,988
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## DEPARTMENT OF HEALTH

*Personal Health*22100. *Prevention, Treatment and Rehabilitation*

22110-360.	Community Health Services .....	\$7,675,857
22120-360.	Epidemiology and Communicable Dis- ease Control .....	941,659
22130-360.	Narcotics and Drug Abuse Control ...	5,186,455
22140-360.	Alcoholism Control .....	433,072
Total Appropriation .....		<u>\$14,237,043</u>

## Salaries:

Officers and employees .....	( \$4,871,243)
Positions established from lump sum appropriation .....	( 307,000)
Materials and Supplies .....	( 925,200)
Services Other Than Personal .....	( 1,412,400)

## Maintenance of Property:

Recurring .....	( 5,700)
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## Extraordinary:

Testing for specific hereditary diseases .....	( 40,000)
Chronic renal disease .....	( 750,000)
Hemophilia .....	( 612,000)
Juvenile terminal illness assistance ..	( 30,000)
Hospitalization and convalescent care of crippled children .....	( 1,850,000)
Chronic diseases services .....	( 344,000)
Improvement of local health services	( 175,000)
Hypothyroid screening program ..	( 37,000)
Tuberculosis services .....	( 200,000)
Family planning services .....	( 125,000)
Homemaker services .....	( 28,500)
Pilot training program for mobile intensive care paramedics .....	( 177,000)
Venereal disease clinics .....	( 40,000)
Special epidemiological projects ..	( 23,000)
Community drug program (State share) .....	( 1,200,000)

Drug addiction treatment, College of Medicine and Dentistry of New Jersey, Newark .....	( 160,000)
Statewide addiction service, in- patient unit .....	( 550,000)
Outpatient alcoholism clinics .....	( 374,000)

The unexpended balance as of June 30, 1977 in the revolving fund, created for the purpose of printing literature, codes and manuals for sale, and receipts derived from such sales, are hereby appropriated.

The appropriation for inpatient medical services for tuberculosis patients in the Services Other Than Personal account shall be available for the payment of obligations applicable to prior fiscal years.

The appropriation for the Hospitalization and convalescent care of crippled children shall be available for the payment of obligations applicable to prior fiscal years.

The amount, hereinabove 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 \$430,000 from the Attorney General of New Jersey Public Health Trust, for the operation of the Therapeutic Residential School at Long Branch.

There is hereby appropriated from the Rabies Control Fund such sums as may be required for costs of operation of the Rabies Control Program.

*Health Care Management*23100. *Health Care Facilities Administration*

23110-360.	Health Facilities Evaluation .....	\$701,945
23120-360.	Health Planning and Resource Development .....	1,314,643
	Total Appropriation .....	<u>\$2,016,588</u>

## Salaries:

Officers and employees .....	( \$973,621)
Positions established from lump sum appropriation .....	( 252,257)
Materials and Supplies .....	( 16,600)
Services Other Than Personal .....	( 265,940)

## Maintenance of Property:

Recurring .....	( 350)
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## Extraordinary:

Planning and development of urban health services .....	( 334,000)
Health services for migrant workers	( 53,500)
State support for areawide planning agencies .....	( 60,000)
Implementation of PL 1976, c. 120	( 60,000)
Additions and Improvements .....	( 320)

The unexpended balance as of June 30, 1977 in the revolving fund created for the purpose of providing management information to health agencies, and receipts from the sale of this management information, are hereby appropriated for the same purpose.

*Laboratory Support and Services*24100. *Supporting Laboratory Services*

24110-360	Diagnostic Services .....	\$1,853,116
24120-360	Clinical Laboratory Improvement .....	182,993
	Total Appropriation .....	<u>\$2,036,109</u>

Salaries:

Officers and employees .....	( \$1,314,609)
Materials and Supplies .....	( 335,450)
Services Other Than Personal .....	( 57,750)

Maintenance of Property:

Recurring .....	( 8,300)
Non-recurring and replacements ...	( 30,000)

Extraordinary:

Analysis of carcinogenic agents ...	( 240,000)
Clinical laboratory improvement ...	( 50,000)

The unexpended balance as of June 30, 1977 in the Laboratory revolving fund, and any receipts therefrom, are hereby appropriated for the same purposes.

The amount hereinabove for the Analysis of carcinogenic agents program shall be reduced, as the Director of the Division of Budget and Accounting shall determine, by the amount of Federal or other non-State funds made available for such purpose.

The Commissioner of Health shall establish fees for the licensing of clinical laboratories, and the receipts derived from such fees, are hereby appropriated for the same purpose.

*Department Management, General Support, Special Programs*

*29100. Management, Support and Special Programs*

29110-360. Management Services and General Support .....	\$1,707,775
29120-360. Vital Statistics and Registration .....	342,799
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Total Appropriation .....	\$2,050,574
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Salaries:

Commissioner .....	( \$43,000)
Officers and employees .....	( 1,404,626)
Positions established from lump sum appropriation .....	( 67,681)

Positions transferred from other subcategories .....	( 43,835)	
Materials and Supplies .....	( 47,600)	
Services Other Than Personal .....	( 392,432)	
Maintenance of Property:		
Recurring .....	( 11,400)	
Extraordinary:		
Compensation awards .....	( 40,000)	
Total Appropriation, Department of Health		<u>\$20,340,314</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 .....		\$3,459,192
52130-380. Disability Insurance—Private Plan ..		1,356,660
52140-380. Workers' Compensation .....		2,470,524
52150-380. Special Compensation Fund .....		703,577
Total Appropriation .....		<u>\$7,989,953</u>

## Salaries:

Officers and employees .....	( \$5,275,684)	
Positions established from lump sum appropriation .....	( 944,766)	
Position transferred from another subcategory .....	( 6,326)	
New position .....	( 28,938)	
Materials and Supplies .....	( 146,770)	
Services Other Than Personal .....	( 1,203,344)	

## Maintenance of Property:

Recurring .....	( 13,825)	
Non-recurring and replacements ..	( 2,500)	

## Extraordinary:

Payments from Special Compensation Fund to Workers' Compensation and Department Administration for services .....	( 350,000)	
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Compensation awards .....	( 15,700)
Additions and Improvements .....	( 2,100)

The amounts hereinabove 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 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 for Special Compensation Fund shall be payable out of such fund and, in addition to the amounts hereinabove, there are hereby appropriated out of the Special Compensation 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 Special Compensation Fund over the sum of \$1,250,000 accumulated as of June 30, 1977 (RS 34:15-94).

52200. *Manpower Development and Employment Assistance*

52210-380. Work Incentive Program .....	\$300,000
52240-380. Vocational Rehabilitation Services .....	4,908,576
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Total Appropriation .....	\$5,208,576
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Extraordinary:

Work Incentive Program (State share) .....	( \$300,000)
Training grants (State share) .....	( 2,500)
Services to clients .....	( 2,689,000)
Expansion grants (State share) .....	( 150,000)
Sheltered workshop support .....	( 1,200,000)
Vocation Rehabilitation Services .....	( 867,076)

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

The amount hereinabove set forth for the Work Incentive Program is hereby appropriated out of the Unemployment Compensation Auxiliary Fund.

The sum hereinabove for the Vocational Rehabilitation Services program element shall be available for the payment of obligations applicable to prior fiscal years.

*Labor Standards and Labor Relations*

54200. *Labor Standards*

54230-380. Workplace Standards—Promulgation and Licensing .....	\$339,653
54240-380. Workplace Standards—Enforcement..	1,983,304
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Total Appropriation .....	\$2,322,957
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Salaries:

Officers and employees .....	( \$1,574,695)
Positions established from lump sum appropriation .....	( 199,612)
New positions .....	( 75,598)
Materials and Supplies .....	( 61,250)
Services Other Than Personal .....	( 377,580)

Maintenance of Property:

Recurring .....	( 2,200)
Non-recurring and replacements ...	( 3,000)

Extraordinary:

Compensation awards .....	( 9,022)
Additions and Improvements .....	( 20,000)

There are hereby appropriated 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.) such sums as may be necessary for payments.

54300. *Labor Relations*

54310-380. Public Sector .....	\$1,139,498
54320-380. Private Sector .....	252,892
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Total Appropriation .....	\$1,392,390
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## Salaries:

Board members (7) .....	( \$9,000)
Officers and employees .....	( 893,765)
New positions .....	( 9,000)
Materials and Supplies .....	( 19,925)
Services Other Than Personal .....	( 455,800)

## Maintenance of Property:

Recurring .....	( 1,900)
Additions and Improvements .....	( 3,000)

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.

Of the sum provided for Public sector, an amount of \$42,500 shall be provided for the annual salary of the Chairman of the Public Employee Relations Commission.

*Department Management and Economic Development*59100. *Department Management and General Support*

59110-380. Department Management .....	\$519,749
59120-380. Planning and Research .....	345,828
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Total Appropriation .....	\$865,577
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## Salaries:

Commissioner .....	( \$43,000)
Officers and employees .....	( 545,355)
New positions .....	( 16,450)
Materials and Supplies .....	( 20,000)
Services Other Than Personal .....	( 202,452)

## Maintenance of Property:

Recurring .....	( 3,380)
Non-recurring and replacements .....	( 1,350)

Extraordinary:

Statistical reporting (State share) . ( 33,590)

The unexpended balance as of June 30, 1977, in the revolving fund for the purpose of printing literature, maps, Workers' 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, 1977, 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 .....	\$1,864,036*
Total Appropriation .....	\$1,864,036*

Salaries:

Officers and employees .....	(\$785,527)
Positions established from lump sum appropriation .....	( 150,484)
Materials and Supplies .....	( 161,700)
Services Other Than Personal .....	( 515,825)

Maintenance of Property:

Recurring .....	( 2,000)
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Extraordinary:

Economic development assistance ..	( 100,000)
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State office—World Trade Center . . .	( 46,000)
To expand the Business Advocacy Program . . . . .	( 100,000)
Start-up costs for the Energy Financing Authority, subject to the enactment of enabling legisla- tion . . . . .	( 200,000)
Additions and Improvements . . . . .	( 2,500)

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

The amount hereinabove set forth for Expansion and growth of commerce and industry is hereby appropriated out of the Unemployment Compensation Auxiliary Fund.

The unexpended balance as of June 30, 1977 in the account for the Motion Picture and Television Development Commission is hereby appropriated.

In addition to the amounts hereinabove, an amount not to exceed \$500,000 for expanded economic development activities, of which \$150,000 is to be used to expand the tourism promotion program is hereby appropriated from the Unemployment Compensation Auxiliary Fund.

59300. *South Jersey Port Corporation*

59310-380. South Jersey Port Corporation . . . . .	\$945,400
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Total Appropriation . . . . .	\$945,400
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Extraordinary:

Debt service reserve fund require- ment (C12:11A-14) . . . . .	( \$221,600)
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Property tax reserve fund require- ment (C12:11A-20) . . . . .	( 723,800)
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Total Appropriation, Department of Labor and Industry . . . . .	\$20,588,889*
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## DEPARTMENT OF ENVIRONMENTAL PROTECTION

*Environmental Management*41300. *Resource Management*

41310-400.	Water Supply and Flood Plain Management .....	\$1,488,481
41320-400.	Forest Resource Management .....	1,570,316
41330-400.	Marine Lands Management .....	1,174,741
41340-400.	Solid Waste Management .....	807,423
41350-400.	Shellfish Resource and Development ...	221,571
41360-400.	Water Resources—Planning and Management .....	973,191
41370-400.	Wildlife and Fisheries Management: Hunters' and Anglers' License Fund Endangered Species and Marine Fisheries Program .....	3,760,603  98,000
	Total Appropriation .....	<u>\$10,094,326</u>

## Salaries:

Officers and employees .....	( \$5,283,750)
Positions transferred from another subcategory .....	( 39,686)
New positions .....	( 40,100)
Materials and Supplies .....	( 1,148,325)
Services Other Than Personal .....	( 1,292,984)

## Maintenance of Property:

Recurring .....	( 216,100)
Non-recurring and replacements ...	( 500,940)

## Extraordinary:

Flood plain regulation and delineation .....	( 300,000)
Fire fighting costs .....	( 200,000)
Expenses of the Natural Resource Council .....	( 25,000)
Delineation and determination—of State riparian land .....	( 450,000)
Groundwater monitoring, well analyses .....	( 25,350)
Expansion of solid waste administration .....	( 300,000)

Surf clam research and inventory .. (	35,000)
Storing, loading and planting of oyster shells (C50:3-20.17) .....	( 15,000)
Compensation awards .....	( 17,750)
Office of Rivermaster (State share) .. (	28,000)
Protection of endangered and non- game wildlife species .....	( 48,000)
Marine fisheries program .....	( 50,000)
Additions and Improvements .....	( 78,341)

There is hereby appropriated for operation and maintenance of Spruce Run and Round Valley Reservoirs a sum not to exceed \$890,000 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, 1977 in the Flood plain regulation and delineation and Fire fighting costs accounts are hereby appropriated for the same purposes.

The amount hereinabove for delineation and determination of State riparian land shall be from receipts derived from the sales, grants, leases and rentals of State riparian lands, and any receipts in excess of such amount, but not to exceed \$650,000, are hereby appropriated for the same purpose as originally provided.

The unexpended balance as of June 30, 1977 in the revolving fund created for the purpose of providing 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.

The unexpended balance as of June 30, 1977 in the revolving fund created for the purpose of printing or purchasing literature, material and maps for sale, and receipts derived from such sales, 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 amount hereinabove 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 materials 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.

41400. *Pollution Control*

41410-400. Air Pollution .....	\$1,221,788
41420-400. Radiation Protection .....	476,592
41430-400. Pesticide Control .....	60,000
41440-400. Water Pollution .....	1,254,173
41450-400. Noise Control .....	75,000
41460-400. Public Waste Water Facilities .....	75,000
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Total Appropriation .....	\$3,162,553
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Salaries:

Officers and employees .....	( \$1,695,284)
Positions transferred from other subcategories .....	( 56,100)
Materials and Supplies .....	( 262,450)
Services Other Than Personal .....	( 515,269)

Maintenance of Property:

Recurring .....	( 117,500)
Non-recurring and replacements ..	( 253,650)

**Extraordinary:**

Pesticide control .....	( 60,000)
Noise pollution .....	( 75,000)
Additions and Improvements .....	( 127,300)

Excess receipts collected on behalf of the Air pollution, Radiation protection, and Pesticide control programs are hereby appropriated.

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.

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, 1977 in the Public waste water facilities program element is hereby appropriated for the same purpose as originally intended.

There is hereby appropriated from the New Jersey Spill Compensation Fund so much as may be required for clean-up costs in conjunction with the discharge of hazardous substances.

*Recreation Management*46100. *Recreation Opportunities*

46110-400	Parks Management .....	\$7,822,494*
46120-400.	Recreational Boating .....	1,197,185
46120-400.	Boat Regulation .....	897,402
46130-400.	Marina Operations .....	321,588
Total Appropriation .....		<u>\$10,238,669*</u>

**Salaries:**

Officers and employees .....	( \$5,624,394)
New positions .....	( 200,000)

Materials and Supplies .....	( 1,161,305)
Services Other Than Personal .....	( 481,620)
Maintenance of Property:	
Recurring .....	( 626,350)
Non-recurring and replacements ..	( 807,500)
Extraordinary:	
Maintenance, Old Barracks, Trenton (State share) .....	( 55,000)
Expenses of the Delaware and Raritan Canal Commission .....	( 130,000)
Youth conservation and recreation projects .....	( 120,000)
Youth recreation projects to provide day-trip and camping opportuni- ties for youngsters from lower and moderate income families .....	( 500,000)
For operation of a New Jersey con- servation corps, subject to the enactment of enabling legislation ..	( 400,000)
Construction, maintenance, improve- ment and dredging of inland waterways; bulkheading and dredging at State marinas; and dredging State-controlled lakes ..	( 250,000)
Compensation awards .....	( 22,500)
Additions and Improvements .....	( 260,000)

Receipts in excess of those anticipated from Park operations are hereby appropriated.

The unexpended balance as of June 30, 1977 in the Surveying the Delaware and Raritan Canal account is hereby appropriated for the same purpose.

The unexpended balance as of June 30, 1977 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 re-

funded 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, 1977 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 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.

Receipts in excess of those anticipated from Marina operations are hereby appropriated for maintenance of marina facilities.

\$1,000,000 of the amount provided for Parks management first shall be charged to funds anticipated from the Federal government, under terms of Title II of the Public Works Act of 1976.

Of the amount provided hereinabove for Recreational Boating, a sufficient sum shall be used to provide two lights at the Round Valley boat ramp.

*Management and General Support*

49100. *Department Management*

49110-400. Department Management and Administrative Services .....	\$3,470,740
49120-400. Program Management .....	984,981
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Total Appropriation .....	\$4,455,721
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Salaries:

Commissioner .....	( \$43,000)
Officers and employees .....	( 1,774,058)

Positions transferred from other subcategories .....	(	42,603)
Materials and Supplies .....	(	49,100)
Services Other Than Personal .....	(	1,288,460)
<b>Maintenance of Property:</b>		
Recurring .....	(	8,600)
Non-recurring and replacements ...	(	3,500)
<b>Extraordinary:</b>		
To monitor the environment for cancer causing agents and other hazardous or toxic substances ...	(	1,200,000)
Board of New Jersey Pilot Commissioners .....	(	40,400)
Compensation awards .....	(	6,000)

The unexpended balance as of June 30, 1977 in the To monitor the environment for cancer causing agents and other hazardous or toxic substances account is hereby appropriated for the same purposes as originally provided.

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, 1977 in the revolving fund for the purpose of printing or purchasing literature, material and maps for sale, and receipts derived from such sales, are hereby appropriated.

The unexpended balance as of June 30, 1977 and the fees deposited in the Environmental Services Fund (PL 1975, c. 232) are hereby appropriated for the purposes of the Fund.

Total Appropriation, Department of Environmental Protection .....	<b>\$27,951,269*</b>
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## DEPARTMENT OF EDUCATION

*Programs for Special Groups and Limited Purposes*32100. *Field Service Programs*

32120-500. Facilities Planning .....	\$538,465
32130-500. Pupil Transportation .....	202,409
32140-500. Adult and Continuing Education .....	318,084
32160-500. Teacher Certification .....	346,287
32170-500. School Nutrition .....	125,879
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Total Appropriation .....	\$1,531,124
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## Salaries:

Officers and employees .....	( \$1,136,604)
New positions .....	( 24,725)
Materials and Supplies .....	( 24,700)
Services Other Than Personal .....	( 344,595)

## Maintenance of Property:

Recurring .....	( 500)
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The unexpended balance as of June 30, 1977 in the Inspection of school construction account, and receipts derived therefrom, are hereby appropriated for the same purpose.

The unexpended balances as of June 30, 1977 in the General education development test and other high school equivalency tests and the Adult basic education film revolving funds, and receipts derived therefrom, are hereby appropriated for the same purposes.

The unexpended balance as of June 30, 1977 in the Facilities workshop revolving fund, and receipts derived therefrom, are hereby appropriated for the same purpose.

32200. *Controversies and Disputes*

32220-500. Resolution of School Controversies and Disputes .....	\$471,165
	<hr/>
Total Appropriation .....	\$471,165
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Salaries:

Officers and employees .....	( \$329,847)
Position transferred from another subcategory .....	( 6,974)
New positions .....	( 21,434)
Materials and Supplies .....	( 6,200)
Services Other Than Personal .....	( 106,310)
Additions and Improvements .....	( 400)

32300. *School Programs*

32320-500. Special Education .....	\$1,123,344
32330-500. Bilingual Education .....	328,637
32340-500. Compensatory Education .....	180,824
32350-500. Basic Skills .....	40,169
32370-510. Education Program—Garden State School District .....	552,500

Total Appropriation .....	\$2,225,474
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Salaries:

Officers and employees .....	( \$948,227)
Positions established from lump sum appropriation .....	( 105,187)
Position transferred from another subcategory .....	( 40,689)
New positions .....	( 107,911)
Materials and Supplies .....	( 50,020)
Services Other Than Personal .....	( 527,140)

Maintenance of Property:

Recurring .....	( 100)
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Extraordinary:

Bilingual education pilot project ...	( 170,000)
Programs for the gifted .....	( 75,000)
Innovative education grants .....	( 200,000)
Additions and Improvements .....	( 1,200)

The unexpended balances as of June 30, 1977 in the Garden State School District program accounts are hereby appropriated for the same purposes.

The unexpended balance as of June 30, 1977 in the revolving fund for the purpose of printing litera-

ture for sale, and for the purchase and sale of films, and receipts derived from such sales, are hereby appropriated for the same purposes.

32500. *Vocational Education Programs*

32520-500. Special Programs .....	\$220,862
32530-500. General Vocational Education .....	620,603
32540-500. Occupational Career Research .....	108,692
32560-500. Project COED .....	1,586,000
<b>Total Appropriation .....</b>	<b>\$2,536,157</b>

Salaries:

Officers and employees .....	( \$2,094,980)
Materials and Supplies .....	( 252,650)
Services Other Than Personal .....	( 139,527)

Maintenance of Property:

Recurring .....	( 24,000)
Additions and Improvements .....	( 25,000)

The unexpended balance as of June 30, 1977 in the Revolving fund—COED cafeteria account, and receipts derived therefrom are hereby appropriated for the same purpose.

The amount hereinabove provided for Project COED shall first be charged to funds anticipated from the Federal government as antirecession fiscal assistance.

*Direct Public Services*

34100. *Services for the Handicapped*

34110-535. Marie H. Katzenbach School for the Deaf .....	\$2,900,000
34130-500. Regional Schools for the Handicapped .....	50,000
<b>Total Appropriation .....</b>	<b>\$2,950,000</b>

Extraordinary:

Maintenance expense of boarding students .....	( \$1,100,000)
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Other operating expenses ..... ( 1,800,000)  
 Regional day schools ..... ( 50,000)

The unexpended balance as of June 30, 1977 in the Millburn Avenue School for the Deaf account, and receipts derived from tuition charges, are hereby appropriated for the costs of such operation.

The provisions of NJS 18A :61-1 and NJS 18A :46-13 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, 1977 in the Tuition receipt account of the Marie H. Katzenbach School for the Deaf and receipts derived from tuition charges are hereby appropriated for necessary operating expenses.

The unexpended balance as of June 30, 1977 in the Vocational Shops revolving fund, and 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 .....	\$1,832,005
34220-520. New Jersey Historical Commission ...	276,848
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Total Appropriation .....	\$2,108,853
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Salaries :

Officers and employees ..... ( \$1,435,528)  
 Materials and Supplies ..... ( 399,200)  
 Services Other Than Personal ..... ( 218,125)

Maintenance of Property :

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

## Extraordinary:

Senator James F. Murray, Jr.,  
 Historian Fund ..... ( 40,000)  
 Additions and Improvements ..... ( 11,000)

The unexpended balances as of June 30, 1977 in the Microfilm, New Jersey Archives Publication and the New Jersey Historical Commission Publication revolving funds, and receipts derived therefrom, are hereby appropriated for the same purposes.

34300. <i>Programs for the State Museum</i>	
34310-530. State Museum .....	\$1,263,795
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Total Appropriation .....	\$1,263,795
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## Salaries:

Officers and employees ..... ( \$986,870)  
 Materials and Supplies ..... ( 72,100)  
 Services Other Than Personal ..... ( 108,825)

## Maintenance of Property:

Recurring ..... ( 12,600)  
 Non-recurring and replacements ... ( 17,400)

## Extraordinary:

Acquisition of art and historical  
 objects ..... ( 60,000)  
 Additions and Improvements ..... ( 6,000)

The unexpended balance as of June 30, 1977 in the Museum Shop revolving fund, and 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, 1977 in the Films and Museum Auditorium revolving funds, and receipts derived therefrom, are hereby appropriated for the same purposes.

*Department Planning, Management and General Support*39100. *Department Planning and Management*

39110-500. Administration .....	\$1,749,989
39120-500. Commissioner's Office .....	265,131
39130-500. Research, Planning and Evaluation .....	5,186,456
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Total Appropriation .....	\$7,201,576
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## Salaries:

Commissioner .....	( \$43,000)
Officers and employees .....	( 1,275,842)
Positions transferred from another subcategory .....	( 25,984)
New positions .....	( 372,000)
Materials and Supplies .....	( 177,450)
Services Other Than Personal .....	( 1,193,500)

## Maintenance of Property:

Recurring .....	( 15,800)
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## Extraordinary:

State Board of Education expenses ..	( 18,000)
Minimal standards .....	( 80,000)
For transfer to an applicant State department to provide educational and/or training activities for the mentally retarded .....	( 4,000,000)

The unexpended balances as of June 30, 1977 in the School law decisions and School election account revolving funds, and receipts derived therefrom, are hereby appropriated for the same purposes.

No funds shall be transferred or expended from this account for educational and/or training services for those mentally retarded eligible for day training and/or residents of State institutions until a plan for the use of such funds is developed jointly by the Commissioner of Education and the Commissioner of any applicant department, and is approved by the Director of the Division of Budget and Accounting.

39500. *Management of Field Operations*

39520-500. Equal Education Opportunity .....	\$109,025
39530-500. Office of School Approval .....	3,964,081
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Total Appropriation .....	\$4,073,106
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## Salaries:

County superintendents .....	( \$722,345)
Officers and employees .....	( 2,001,825)
Position transferred from another subcategory .....	( 28,916)
New positions .....	( 961,000)
Materials and Supplies .....	( 8,100)
Services Other Than Personal .....	( 100,920)

## Extraordinary:

Expenses associated with new posi- tions .....	( 250,000)
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Total Appropriation, Department of Educa- tion .....	\$24,361,250
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## DEPARTMENT OF HIGHER EDUCATION

39000. *Department Management and General Support*

39110-540. Administration .....	\$2,474,516
39230-540. Support of Independent Higher Educa- tion Institutions .....	12,346,000
39910-540. New Jersey Educational Opportunity Fund .....	16,302,215
39920-540. Scholarships and Loans .....	14,200,000
39930-540. Student Assistance Administration .....	1,862,257
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Total Appropriation .....	\$47,184,988
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## Salaries:

Chancellor .....	( \$43,000)
Officers and employees .....	( 2,212,058)
Positions established from lump sum appropriation .....	( 86,727)
New positions .....	( 134,849)
Materials and Supplies .....	( 138,436)
Services Other Than Personal .....	( 822,103)

Maintenance of Property:	
Recurring .....	( 7,300)
Non-recurring and replacements ...	( 3,700)
Extraordinary:	
Board of Higher Education ex-	
penses .....	( 6,000)
Program development .....	( 200,000)
College information system and	
Higher Education management	
system .....	( 240,000)
State and county college councils ..	( 4,000)
Basic skills assessments program ..	( 250,000)
Marine sciences consortium .....	( 150,000)
Aid to independent colleges and	
universities .....	( 7,903,000)
Schools of professional nursing ....	( 1,500,000)
Veterinary medicine education pro-	
gram .....	( 663,000)
Dental school aid (PL 1975, c. 345) .	( 2,280,000)
Opportunity program grants .....	( 12,604,062)
Supplementary education program	
grants .....	( 3,698,153)
Scholarships .....	( 6,700,000)
County college graduate scholar-	
ships .....	( 200,000)
Incentive grants .....	( 2,400,000)
Tuition aid grants .....	( 4,400,000)
Higher Education Assistance	
Fund .....	( 500,000)
Educational Opportunity Fund	
Board expenses .....	( 2,500)
Additions and Improvements .....	( 36,100)

The unexpended balances as of June 30, 1977 in the Extraordinary accounts are hereby appropriated, provided, however, that \$301,888 from the State colleges enrollment increases account, and the unexpended balances in the Scholarships and Loans accounts, be appropriated to the Public tuition aid account.

Notwithstanding any other provision of law, the Board of Higher Education shall utilize all re-

appropriated balances from enrollment increases and Scholarships and Loans accounts recommended hereinabove for tuition assistance grants in such a manner as to assist the maximum number of needy undergraduate students who attend Rutgers, The State University, New Jersey Institute of Technology and the eight State colleges in meeting the additional tuition costs which have resulted from the general tuition rate increase adopted by resolution of the Board of Higher Education, Board of Trustees or Board of Governors in 1976.

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 (NJSA 52:34-10(a)).

Proceeds derived from the sale of the State owned property used as a residence for the Chancellor of Higher Education is hereby appropriated for the acquisition of or rental of a residence for the Chancellor of Higher Education, including any necessary repairs, subject to the approval of the Subcommittee on Transfers of the Joint Appropriations Committee.

An amount not to exceed \$50,000 in the Aid to independent colleges and universities account is hereby available for administrative expenses.

33000. *Higher Education*

*State Colleges Programs*

545. *Thomas A. Edison College of New Jersey*

33970. Institutional Support .....	\$640,940*
<b>Total Appropriation .....</b>	<b>\$640,940*</b>

## Salaries:

Officers and employees .....	( \$362,041)
Positions established from lump sum appropriation .....	( 119,784)
New positions .....	( 46,278)
Materials and Supplies .....	( 60,650)
Services Other Than Personal .....	( 98,465)

## Extraordinary:

Counseling program .....	( 58,000)
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The unexpended balance as of June 30, 1977, and receipts from fees, are hereby appropriated.

550. *Glassboro State College*

33110. Instruction .....	\$10,171,458
33950. Academic Support .....	953,066
33960. Student Services .....	1,773,841
33970. Institutional Support .....	4,363,461
Total Appropriation .....	<u>\$17,261,826</u>

## Salaries:

Officers and employees .....	(\$12,576,951)
Student aides .....	( 150,000)
New positions .....	( 36,785)
Materials and Supplies .....	( 1,588,430)
Services Other Than Personal .....	( 1,187,526)

## Maintenance of Property:

Recurring .....	( 187,421)
Non-recurring and replacements ...	( 147,666)

## Extraordinary:

Outdoor laboratory experiences ...	( 14,000)
Academic development .....	( 464,000)
NDSL program (State share) .....	( 58,006)
College work-study program (State share) .....	( 164,655)
Additions and Improvements .....	( 686,386)

551. *Jersey City State College*

33110. Instruction .....	\$8,884,513
33950. Academic Support .....	869,580
33960. Student Services .....	1,249,976

33970. Institutional Support .....	3,881,032
<b>Total Appropriation .....</b>	<b>\$14,885,101</b>

## Salaries:

Officers and employees .....	(\$10,594,938)
Student aides .....	( 150,000)
New positions .....	( 151,072)
Materials and Supplies .....	( 1,478,610)
Services Other Than Personal .....	( 687,885)

## Maintenance of Property:

Recurring .....	( 152,000)
Non-recurring and replacements ...	( 137,000)

## Extraordinary:

A. Harry Moore Laboratory School ..	( 663,596)
Academic development .....	( 379,000)
NDSL program (State share) .....	( 25,000)
College work-study program (State share) .....	( 125,000)
Compensation awards .....	( 25,000)
Additions and Improvements .....	( 316,000)

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 .....	\$9,754,671
33950. Academic Support .....	1,156,614
33960. Student Services .....	1,641,969
33970. Institutional Support .....	5,347,702
<b>Total Appropriation .....</b>	<b>\$17,900,956</b>

## Salaries:

Officers and employees .....	(\$13,312,828)
Student aides .....	( 200,000)
Materials and Supplies .....	( 1,939,897)
Services Other Than Personal .....	( 1,077,426)

Maintenance of Property:	
Recurring .....	( 174,331)
Non-recurring and replacements ...	( 192,050)
Extraordinary:	
Academic development .....	( 487,000)
NDSL program (State share) .....	( 24,000)
College work-study program (State share) .....	( 52,000)
Additions and Improvements .....	( 441,424)

553. *The William Paterson College of New Jersey*

33110. Instruction .....	\$11,420,291
33950. Academic Support .....	965,324
33960. Student Services .....	1,579,017
33970. Institutional Support .....	5,875,912
Total Appropriation .....	<u>\$19,840,544</u>

Salaries:	
Officers and employees .....	(\$14,361,054)
Student aides .....	( 300,000)
New positions .....	( 308,285)
Materials and Supplies .....	( 1,951,555)
Services Other Than Personal .....	( 873,407)

Maintenance of Property:	
Recurring .....	( 262,000)
Non-recurring and replacements ...	( 380,000)
Extraordinary:	
Academic development .....	( 549,000)
NDSL program (State share) .....	( 25,000)
College work-study program (State share) .....	( 75,000)
Compensation awards .....	( 3,043)
Additions and Improvements .....	( 752,200)

554. *Montclair State College*

33110. Instruction .....	\$12,763,446
33950. Academic Support .....	1,239,280
33960. Student Services .....	1,954,503
33970. Institutional Support .....	5,815,896
Total Appropriation .....	<u>\$21,773,125</u>

## Salaries:

Officers and employees .....	(\$15,922,120)
Student aides .....	( 340,430)
New positions .....	( 197,476)
Materials and Supplies .....	( 2,020,009)
Services Other Than Personal .....	( 1,031,014)

## Maintenance of Property:

Recurring .....	( 236,000)
Non-recurring and replacements ...	( 269,300)

## Extraordinary:

New Jersey State School of Conservation .....	( 388,876)
Academic development .....	( 602,000)
NDSL program (State share) .....	( 29,800)
College work-study program (State share) .....	( 68,400)
Compensation awards .....	( 20,000)
Additions and improvements .....	( 647,700)

Of the amount provided hereinabove in the New Jersey State School of Conservation account, the sum of \$388,876 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, 1977, are hereby appropriated.

555. *Trenton State College*

33110. Instruction .....	\$10,348,304
33950. Academic Support .....	995,361
33960. Student Services .....	1,761,748
33970. Institutional Support .....	5,248,903
	<hr/>
Total Appropriation .....	\$18,354,316
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## Salaries:

Officers and employees .....	(\$13,790,101)
Student aides .....	( 236,500)
Materials and Supplies .....	( 1,867,480)
Services Other Than Personal .....	( 848,199)

Maintenance of Property:	
Recurring .....	( 192,161)
Non-recurring and replacements ...	( 186,900)
Extraordinary:	
Academic development .....	( 490,000)
Child study and demonstration center .....	( 30,000)
Demonstration school services .....	( 140,000)
NDSL program (State share) .....	( 60,275)
College work-study program (State share) .....	( 23,000)
Nursing loan and scholarship pro- gram .....	( 3,370)
Additions and Improvements .....	( 486,330)

556. *Ramapo State College of New Jersey*

33110. Instruction .....	\$3,770,851
33950. Academic Support .....	580,410
33960. Student Services .....	797,651
33970. Institutional Support .....	3,425,749
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Total Appropriation .....	\$8,574,661
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Salaries:	
Officers and employees .....	( \$5,928,003)
Student aides .....	( 150,000)
New positions .....	( 180,776)
Materials and Supplies .....	( 1,131,915)
Services Other Than Personal .....	( 491,643)
Maintenance of Property:	
Recurring .....	( 172,417)
Non-recurring and replacements ..	( 85,732)
Extraordinary:	
Academic development .....	( 202,000)
NDSL program (State share) .....	( 25,000)
College work-study program (State share) .....	( 44,250)
Compensation awards .....	( 2,000)
Additions and Improvements .....	( 160,925)

557. *Richard Stockton State College*

33110. Instruction .....	\$4,001,530
33950. Academic Support .....	959,791
33960. Student Services .....	718,586
33970. Institutional Support .....	3,251,073
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Total Appropriation .....	\$8,930,980
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## Salaries:

Officers and employees .....	( \$5,958,243)
Student aides .....	( 153,209)
New positions .....	( 189,269)
Materials and Supplies .....	( 1,231,044)
Services Other Than Personal .....	( 577,779)

## Maintenance of Property:

Recurring .....	( 152,350)
Non-recurring and replacements ...	( 109,900)

## Extraordinary:

Academic development .....	( 220,000)
NDSL program (State share) .....	( 9,106)
College work-study program (State share) .....	( 32,685)
Compensation awards .....	( 22,000)
Additions and Improvements .....	( 275,395)

*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, 1977 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 programs are hereby appropriated out of

the receipts derived therefrom, and unexpended balances of these programs as of June 30, 1977 and all receipts, are hereby appropriated.

Funds for the operation of Auxiliary services are hereby appropriated out of the receipts derived therefrom and unexpended balances of these programs as of June 30, 1977, and all receipts in excess of those pledged for the payment of principal and interest on bonds of this State are hereby appropriated (NJS 18A:64-18).

With respect to the transfer of funds between items of appropriation, as provided by law, the program element accounts shall be deemed to be the primary expenditure accounts (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.

The unexpended balances as of June 30, 1977 in the Faculty research accounts, at all State colleges are hereby appropriated.

*Rutgers, The State University*

570. *General University*

33110.	Instruction .....	\$65,590,716
33120.	Sponsored Research and Other Sponsored Programs .....	2,689,196
33130.	Extension and Public Service .....	4,397,034
33950.	Academic Support .....	7,817,537

33960. Student Services .....		11,674,487
33970. Institutional Support .....		36,692,530
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Sub-Total, General Operations .....		\$128,861,500
Special Funds expense .....		29,700,000
Auxiliary Services .....		24,658,265
		<hr/>
Total All Operations .....		\$183,219,765
<i>Less:</i>		
General Services income .....	\$41,800,787	
Special Funds income .....	29,700,000	
Auxiliary Services income .....	24,658,265	
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Total Income Deductions .....		96,159,052
		<hr/>
Appropriation, Exclusive of Land		
Grant Interest .....	(\$87,054,913)	
Land Grant Interest .....	( 5,800)	
Sub-Total Appropriation .....		\$87,060,713
		<hr/>
Salaries:		
Officers and employees .....	(\$91,998,409)	
Student aides .....	( 578,639)	
New positions .....	( 1,003,774)	
Materials and Supplies .....	( 12,596,481)	
Services Other Than Personal .....	( 9,786,682)	
Maintenance of Property:		
Recurring .....	( 1,063,432)	
Non-recurring and replacements .....	( 1,503,908)	
Extraordinary:		
Educational equipment .....	( 600,000)	
Research grants .....	( 288,413)	
Guidance of public employees in em- ployee-management relationships (C34:13A) .....	( 50,000)	
Library books .....	( 1,200,000)	
Graduate and law school fellowships	( 64,000)	
Student aid .....	( 3,140,461)	
College work-study program (State share) .....	( 350,000)	

Retirement allowances .....	( 515,000)
Interest .....	( 89,523)
Contingent fund .....	( 110,000)
Major renovations .....	( 100,000)
Student life center support .....	( 600,000)
Special projects .....	( 1,437,500)
Additions and Improvements .....	( 1,785,278)
Special Funds expense .....	( 29,700,000)
Auxiliary Services .....	( 24,658,265)

*Less:*

<i>General Services income</i> .....	( 41,800,787)
<i>Special Funds income</i> .....	( 29,700,000)
<i>Auxiliary Services income</i> .....	( 24,658,265)

Actual full-time and part-time enrollment, exclusive of enrollment in extension and public service programs, shall not exceed 38,259 full-time equivalent (FTE) students at Rutgers University. In the event that actual enrollments 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 38,259 FTE students. Any such adjustment shall occur in the last quarter of the fiscal year.

Of the sums provided hereinabove for Rutgers, The State University, an adequate sum shall be used to continue the offering of graduate social work courses at the Camden campus at the same level as in the 1976-77 fiscal year.

Of the amount provided hereinabove, \$250,000 shall be used for graduate fellowships to be awarded to students on an annual competitive basis 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 for Rutgers, The State University, a sum shall be used for the adequate operation after 6 p.m. 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, \$497,306 shall be used for public service under guidelines established by the Department of Higher Education. On or before March 1, 1978, Rutgers, The State University shall submit a report to the State Board of Higher Education, the Joint Appropriations Committee, the Senate Education Committee and the Assembly Education Committee which indicates the amount of release time generated, the projects undertaken and the funds utilized by public service projects.

572. *Agricultural Experiment Station*

33120. Research .....	\$4,696,515*
33130. Extension and Public Service .....	3,085,272
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Sub-Total, General Operations .....	\$7,781,787*
Federal research and extension funds expense .....	2,991,213
Special Funds expense .....	2,300,000
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Total All Operations .....	\$13,073,000*
<i>Less:</i>	
<i>General Services income</i> .....	\$35,000
<i>Federal research and extension funds income</i> .....	2,991,213
<i>Special Funds income</i> .....	2,300,000
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<i>Total Income Deductions</i> .....	5,326,213
	<hr/>
Sub-Total Appropriation .....	\$7,746,787*
	<hr/>
<b>Salaries:</b>	
Officers and employees .....	( \$7,410,447)
Student wages .....	( 20,600)

Materials and Supplies .....	( 98,300)	
Services Other Than Personal .....	( 141,150)	
Maintenance of Property:		
Recurring .....	( 18,600)	
Non-recurring and replacements ...	( 15,200)	
Extraordinary:		
South Jersey Research Center .....	( 14,430)	
Asparagus research .....	( 16,690)	
Operation of Willowood Farm		
Arboretum and Bird Sanctuary ..	( 13,680)	
Blackbird control .....	( 11,560)	
Control .....	( 140,000)	
Additions and Improvements .....	( 21,130)	
Federal research and extension funds	( 2,991,213)	
Special Funds expense .....	( 2,300,000)	
Less:		
General Services income .....	( 35,000)	
Federal research and extension		
funds income .....	( 2,991,213)	
Special Funds income .....	( 2,300,000)	
Total Appropriation, Rutgers, The State		
University .....		\$94,807,500*

573. *College of Medicine and Dentistry of New Jersey*573-100. *Central Administration*

33120. Organized Research .....	\$700,000
33970. Institutional Support .....	1,565,232
	<hr/>
Sub-Total, All Operations .....	\$2,265,232
Less:	
Special Services income .....	\$700,000
	<hr/>
Total Income Deductions .....	700,000
	<hr/>
Sub-Total Appropriation .....	\$1,565,232
	<hr/>

573-101. *New Jersey Medical School—Newark*

33110.	Instruction .....	\$9,620,573
33120.	Organized Research .....	9,475,000
33240.	Auxiliary Services .....	244,005
33950.	Academic Support .....	433,457
33960.	Student Services .....	126,647
33970.	Institutional Support .....	6,799,837
	Sub-Total, All Operations .....	<u>\$26,699,519</u>

*Less:*

<i>General Services income</i> .....	\$3,133,000
<i>Special Services income</i> .....	9,475,000
<i>Auxiliary Services income</i> .....	255,000

<i>Total Income Deductions</i> .....	<u>12,863,000</u>
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Sub-Total Appropriation .....	<u>\$13,836,519</u>
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573-102. *Rutgers Medical School*

33110.	Instruction .....	\$8,842,989
33120.	Organized Research .....	2,785,304
33240.	Auxiliary Services .....	117,000
33950.	Academic Support .....	134,820
33960.	Student Services .....	282,626
33970.	Institutional Support .....	3,189,495
	Sub-Total, All Operations .....	<u>\$15,352,234</u>

*Less:*

<i>General Services income</i> .....	\$2,654,780
<i>Special Services income</i> .....	2,785,304
<i>Auxiliary Services income</i> .....	117,000

<i>Total Income Deductions</i> .....	<u>5,557,084</u>
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Sub-Total Appropriation .....	<u>\$9,795,150</u>
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573-103. *College-wide Programs*

33110.	Instruction .....	\$582,805
33960.	Student Services .....	157,746
33970.	Institutional Support .....	2,008,020
	Sub-Total, All Operations .....	<u>\$2,748,571</u>

*Less:*

<i>General Services income</i> .....	<u>\$257,000</u>	
<i>Total Income Deductions</i> .....		<u>257,000</u>
Sub-Total Appropriation .....		<u>\$2,491,571</u>

573-104. *New Jersey Dental School—Newark*

33110. Instruction .....		\$5,083,515
33120. Organized Research .....		550,000
33950. Academic Support .....		103,849
33970. Institutional Support .....		<u>1,132,523</u>
Sub-Total, All Operations .....		<u>\$6,869,887</u>

*Less:*

<i>General Services income</i> .....	<u>\$1,562,000</u>	
<i>Special Services income</i> .....	<u>550,000</u>	
<i>Total Income Deductions</i> .....		<u>2,112,000</u>
Sub-Total Appropriation .....		<u>\$4,757,887</u>

573-105. *Martland Hospital—Newark*

33130. Extension and Public Service		
Nursing Service .....	\$10,590,347	
Outpatient Service .....	1,616,312	
Other Professional Service .....	12,932,754	
General Service .....	6,183,119	
Administration .....	<u>5,497,451</u>	
Sub-Total, All Operations .....		<u>\$36,819,983</u>

*Less:*

<i>Hospital Services income</i> .....	<u>\$26,221,700</u>	
<i>Total Income Deductions</i> .....		<u>26,221,700</u>
Sub-Total Appropriation .....		<u>\$10,598,283</u>

573-106. *Raritan Valley Hospital*

33130. Extension and Public Service		
Nursing Service .....	\$2,540,139	
Outpatient Service .....	837,522	
Other Professional Service .....	3,995,945	
General Service .....	2,126,613	
Administration .....	1,391,518	
	<hr/>	
Sub-Total, All Operations .....		\$10,891,737
<i>Less:</i>		
Hospital Services income .....	\$9,958,497	
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Total Income Deductions .....		9,958,497
		<hr/>
Sub-Total Appropriation .....		\$933,240
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573-107. *Graduate School of Bio-Medical Sciences*

33110. Instruction .....		\$319,673
		<hr/>
Sub-Total, All Operations .....		\$319,673
<i>Less:</i>		
General Services income .....	\$88,704	
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Total Income Deductions .....		88,704
		<hr/>
Sub-Total Appropriation .....		\$230,969
		<hr/>

573-108. *South Jersey Medical Program*

33110. Instruction .....		\$624,753
33120. Organized Research .....		486,935
33970. Institutional Support .....		334,791
		<hr/>
Sub-Total, All Operations .....		\$1,446,479
<i>Less:</i>		
General Services income .....	\$475,000	
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Total Income Deductions .....		475,000
		<hr/>
Sub-Total Appropriation .....		\$971,479
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573-109. *Allied Health Programs*

33110. Instruction .....		\$528,965
Sub-Total, All Operations .....		\$528,965
<i>Less:</i>		
<i>General Services income</i> .....	\$48,960	
<i>Special Services income</i> .....	45,000	
<i>Total Income Deductions</i> .....		93,960
Sub-Total Appropriation .....		\$435,005

573-111. *Newark Community Mental Health Center*

33130. Extension and Public Service		
Inpatient Service .....	\$513,193	
Outpatient Service .....	279,924	
General Service .....	793,117	
Administration .....	746,463	
Sub-Total All Operations .....		\$2,332,697
<i>Less:</i>		
<i>Patient Service income</i> .....	\$52,780	
<i>Federal Staffing Grant</i> .....	1,312,237	
<i>Department of Human Services</i> .....	967,680	
<i>Total Income Deductions</i> .....		2,332,697
Sub-Total Appropriation .....		0

573-112. *Rutgers Community Mental Health Center*

33130. Extension and Public Service		
Inpatient Service .....	\$1,185,610	
Outpatient Service .....	2,234,420	
General Service .....	866,408	
Administration .....	273,602	
Sub-Total, All Operations .....		\$4,560,040

*Less:*

<i>Patient Service income</i> . . . . .	\$970,155
<i>Federal Staffing Grant</i> . . . . .	427,645
<i>Department of Human Services</i> . . . . .	3,162,240

<i>Total Income Deductions</i> . . . . .	<u>\$4,560,040</u>
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Sub-Total Appropriation . . . . .	<u>0</u>
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Total Appropriation, College of Medicine and Dentistry of New Jersey . . . . .	<u>\$45,615,335</u>
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## Salaries:

Officers and employees . . . . .	(\$62,967,455)
New positions . . . . .	( 1,303,487)
Materials and Supplies . . . . .	( 15,171,693)
Services Other Than Personal . . . . .	( 7,562,789)

## Maintenance of Property:

Recurring . . . . .	( 924,225)
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## Extraordinary:

Central Administration—Board of trustees planning fund . . . . .	( 8,000)
College-wide—Student aid . . . . .	( 165,850)
New Jersey Medical School—Student aid . . . . .	( 42,445)
Martland Hospital—Pension and workers' compensation . . . . .	( 592,107)
Rutgers Medical School Student aid . . . . .	( 36,750)
Research under contract with the Institute of Medical Research, Camden . . . . .	( 390,520)
Additions and Improvements . . . . .	( 849,655)
Special Funds expense . . . . .	( 13,555,304)
Auxiliary Fund expense . . . . .	( 372,000)
Rutgers Community Mental Health Center . . . . .	( 4,560,040)
Newark Community Mental Health Center . . . . .	( 2,332,697)

*Less:*

<i>General Services income</i> .....	( 6,517,444)
<i>Receipts from Tuition Increase</i> .....	( 1,702,000)
<i>Special Services income</i> .....	( 13,555,304)
<i>Auxiliary Services income</i> .....	( 372,000)
<i>Hospital Services income</i> .....	( 36,180,197)
<i>Rutgers Community Mental Health Center</i> .....	( 4,560,040)
<i>Newark Community Mental Health Center</i> .....	( 2,332,697)

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 1977-78 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 after notice to the Subcommittee on Transfers of the Joint Appropriations Committee.

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, all such income in excess of the additional costs resulting from the increased services required to be provided under the terms of the College's provider contract with the New Jersey Health Services Corporation shall be deposited in the general State Fund as unappropriated revenue.

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.

The unexpended balance in this account as of June 30, 1977, not to exceed \$2,000,000, is hereby appropriated.

574. *New Jersey Institute of Technology*

33110.	Instruction .....	\$8,278,000
33120.	Sponsored Research and Other Sponsored Programs .....	384,000
33130.	Extension and Public Service .....	173,000
33240.	Auxiliary Services .....	1,200,000
33950.	Academic Support .....	1,686,000
33960.	Student Services .....	1,054,000
33970.	Institutional Support .....	5,318,000
	Sub-Total, All Operations .....	\$18,093,000
<i>Less:</i>		
	<i>General Services income</i> .....	\$4,488,000
	<i>Auxiliary Services income</i> .....	1,200,000
	<i>Total Income Deductions</i> .....	5,688,000
	Total Appropriation .....	\$12,405,000

Salaries:

Officers and employees .....	(\$10,335,000)
Student aides .....	( 157,600)
New positions .....	( 368,000)
Materials and Supplies .....	( 1,679,200)
Services Other Than Personal .....	( 1,687,200)

Maintenance of Property:

Recurring .....	( 168,700)
Non-recurring and replacements .....	( 297,000)

Extraordinary:

Research .....	( 277,000)
Scholarships, grants, fellowships .....	( 130,000)
Social security tax .....	( 240,000)
Group life, major medical and hospitalization .....	( 379,000)
Retirement allowances .....	( 441,000)
Mortgage interest and amortization .....	( 27,000)
Faculty/staff development .....	( 105,600)

Additions and Improvements ..... ( 600,700)  
 Auxiliary Fund expenses ..... ( 1,200,000)

*Less:*

*General Services income* ..... ( 4,488,000)  
*Auxiliary Services income* ..... ( 1,200,000)

Actual full-time and part-time enrollments, exclusive of enrollment in extension and public service programs, shall not exceed 4,332 full-time equivalent (FTE) students at the New Jersey Institute of Technology. In the event that actual enrollments 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 4,332 FTE students. Any such adjustment shall occur in the last quarter of the fiscal year.

Total Appropriation, Department of  
 Higher Education .....

\$328,175,272\*

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 (NJEON), and from the Higher Education Central Library Processing Center (CAPTAIN Library Services Corporation), as if they were State government agencies (NJSA 52:34-10(a)).

All expenditures for data processing services, equipment and software from sources other than the New Jersey Education Computing Network (NJEON) shall be subject to approval by the Director of the Division of Budget and Accounting.

Of the amount hereinabove appropriated to the Department of Higher Education, the sums hereinafter set forth are hereby appropriated from the State Lottery Fund:

Aid to independent colleges and universities .....	( \$7,500,000)
Schools of professional nursing ..	( 1,500,000)
Thomas A. Edison College of New Jersey .....	( 600,000)
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Total Appropriation from the State Lottery Fund .....	( \$9,600,000)

## DEPARTMENT OF TRANSPORTATION

*Operation and Maintenance of Transportation Facilities*63100. *State Highway Facilities*

63110-600. Roadway and Bridge Maintenance and Improvements .....	\$32,520,351
63120-600. Electrical and Traffic Operations .....	11,873,061
63130-600. Physical Plant Maintenance .....	2,562,052
63140-600. Equipment Engineering, Operation and Acquisition .....	12,812,907
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Total Appropriation .....	\$59,768,371

## Salaries:

Officers and employees .....	(\$31,304,902)
Positions transferred from another subcategory .....	( 252,303)
Materials and Supplies .....	( 5,937,303)
Services Other Than Personal .....	( 987,363)

## Maintenance of Property:

Recurring .....	( 10,152,500)
Non-recurring and replacements ...	( 5,184,000)

## Extraordinary:

Construction, reconstruction, im- provement or rebuilding of State highways including resurfacing and major bridge repairs or rehabilitation .....	( 5,000,000)
Traffic signals, signs, lighting and safety improvements .....	( 900,000)
Additions and Improvements .....	( 50,000)

The unexpended balance as of June 30, 1977 in the extraordinary account construction, reconstruction, improvement or rebuilding of State highways is hereby appropriated for the same purpose.

\$1,000,000 of the amount provided hereinabove first shall be charged to funds anticipated from the Federal government as Antirecession fiscal assistance.

63200. *Public Transportation Facilities\**

63210-600. Railroad and Bus Operations .....	\$67,624,627
63220-600. Aeronautics .....	291,078
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Total Appropriation .....	\$67,915,705
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Salaries:

Officers and employees .....	( \$1,245,709)
Positions established from lump sum appropriation .....	( 174,626)
Position transferred from another subcategory .....	( 8,477)
Materials and Supplies .....	( 88,217)
Services Other Than Personal .....	( 3,347,956)

Maintenance of Property:

Recurring .....	( 100)
Non-recurring and replacements .....	( 620)

Extraordinary:

Bus demonstration projects .....	( 50,000)
Passenger service subsidies for rail and bus operations .....	( 62,500,000)
Subsidies for transportation services to senior citizens and handicapped persons .....	
Promotion of Public Transit ridership .....	( 500,000)

The unexpended balance as of June 30, 1977 in the Extraordinary category is hereby appropriated.

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 railroad and bus operations.

The funds provided hereinabove for Bus Demonstration projects is to be used to create a park ride commuter bus operation.

*Department Management and General Support*

69100. *Department Management and General Support*

69110-600. Department Management .....	\$996,775
69120-600. Department Administration Services..	3,411,490
69130-600. Fiscal Management .....	2,565,680
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Total Appropriation .....	\$6,973,945
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Salaries:

Commissioner .....	( \$43,000)
Officers and employees .....	( 4,581,769)
Positions transferred from other subcategories .....	( 57,535)
Materials and Supplies .....	( 95,238)
Services Other Than Personal .....	( 1,684,103)

Maintenance of Property:

Recurring .....	( 60,300)
Non-recurring and replacements ...	( 1,000)

Extraordinary:

Compensation awards .....	( 450,000)
Additions and Improvements .....	( 1,000)

The unexpended balance as of June 30, 1977 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 .....	\$932,536
69320-600. Research .....	666,783
Total Appropriation .....	<u>\$1,599,319</u>

Extraordinary:

Metropolitan planning studies .....	( \$333,708)
Public transportation technical feasibility studies .....	( 19,600)
Planning .....	( 579,228)
Research .....	( 666,783)

The unexpended balance as of June 30, 1977 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><u>\$136,257,340</u></u>
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DEPARTMENT OF HUMAN SERVICES

*Mental Retardation*

25100. *Residential Functional Services*

762. *Vineland State School*

25110. Resident Care and Habilitation .....	\$7,857,729
25130. Health Services .....	2,340,852
25190. Institutional Administration and Support Services .....	5,355,791
Total Appropriation .....	<u><u>\$15,554,372</u></u>

Salaries:	
Officers and employees .....	(\$12,163,081)
New positions .....	( 324,839)
Food in lieu of cash .....	( 31,704)
Materials and Supplies .....	( 2,544,070)
Services Other Than Personal .....	( 320,828)
Maintenance of Property:	
Recurring .....	( 73,050)
Non-recurring and replacements ..	( 45,300)
Extraordinary:	
Compensation awards .....	( 50,000)
Additions and Improvements .....	( 1,500)

*763. North Jersey Training School at Totowa*

25110. Resident Care and Habilitation .....	\$3,664,720
25130. Health Services .....	1,330,450
25190. Institutional Administration and Support Services .....	2,961,782
<b>Total Appropriation .....</b>	<b>\$7,956,952</b>

Salaries:	
Officers and employees .....	( \$6,044,759)
New positions .....	( 279,694)
Food in lieu of cash .....	( 10,852)
Materials and Supplies .....	( 1,226,190)
Services Other Than Personal .....	( 195,757)
Maintenance of Property:	
Recurring .....	( 55,900)
Non-recurring and replacements ..	( 50,200)
Extraordinary:	
Compensation awards .....	( 78,600)
Additions and Improvements .....	( 15,000)

*764. Woodbine State School*

25110. Resident Care and Habilitation .....	\$4,915,737
25130. Health Services .....	1,174,379
25190. Institutional Administration and Support Services .....	2,958,172
<b>Total Appropriation .....</b>	<b>\$9,048,288</b>

Salaries:

Officers and employees .....	( \$7,170,777)
New positions .....	( 363,815)
Food in lieu of cash .....	( 23,453)
Materials and Supplies .....	( 1,325,310)
Services Other Than Personal .....	( 74,333)

Maintenance of Property:

Recurring .....	( 59,200)
Non-recurring and replacements ...	( 400)

Extraordinary:

Compensation awards .....	( 31,000)
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765. *New Lisbon State School*

25110. Resident Care and Habilitation .....	\$4,399,918
25130. Health Services .....	756,032
25190. Institutional Administration and Support Services .....	2,980,617
<b>Total Appropriation .....</b>	<b>\$8,136,567</b>

Salaries:

Officers and employees .....	( \$6,036,949)
New positions .....	( 329,949)
Food in lieu of cash .....	( 14,799)
Materials and Supplies .....	( 1,501,700)
Services Other Than Personal .....	( 112,390)

Maintenance of Property:

Recurring .....	( 55,700)
Non-recurring and replacements ...	( 54,900)

Extraordinary:

Compensation awards .....	( 25,000)
Additions and Improvements .....	( 5,180)

766. *Woodbridge State School*

25110. Resident Care and Habilitation .....	\$5,081,019
25130. Health Services .....	1,778,876
25190. Institutional Administration and Support Services .....	3,042,821
<b>Total Appropriation .....</b>	<b>\$9,902,716</b>

## Salaries:

Officers and employees .....	( \$7,794,717)
New positions .....	( 119,235)
Food in lieu of cash .....	( 8,586)
Materials and Supplies .....	( 1,562,050)
Services Other Than Personal .....	( 232,328)

## Maintenance of Property:

Recurring .....	( 56,800)
Non-recurring and replacements .....	( 22,000)

## Extraordinary:

Compensation awards .....	( 66,000)
Additions and Improvements .....	( 41,000)

767. *Hunterdon State School*

25110. Resident Care and Habilitation .....	\$4,493,610
25130. Health Services .....	2,143,672
25190. Institutional Administration and Support Services .....	3,404,999
<b>Total Appropriation .....</b>	<b><u>\$10,042,281</u></b>

## Salaries:

Officers and employees .....	( \$7,696,882)
New positions .....	( 234,985)
Food in lieu of cash .....	( 648)
Materials and Supplies .....	( 1,624,110)
Services Other Than Personal .....	( 316,406)

## Maintenance of Property:

Recurring .....	( 72,100)
Non-recurring and replacements .....	( 41,150)

## Extraordinary:

Compensation awards .....	( 50,000)
Additions and Improvements .....	( 6,000)

768. *Edward R. Johnstone Training and Research Center*

25110. Resident Care and Habilitation .....	\$2,363,446
25130. Health Services .....	306,645
25150. Research .....	168,931
25190. Institutional Administration and Support Services .....	1,693,618
<b>Total Appropriation .....</b>	<b><u>\$4,532,640</u></b>

## Salaries:

Officers and employees .....	( \$3,632,001)
New positions .....	( 151,605)
Food in lieu of cash .....	( 8,748)
Materials and Supplies .....	( 559,368)
Services Other Than Personal .....	( 82,430)

## Maintenance of Property:

Recurring .....	( 51,488)
Non-recurring and replacements ..	( 32,000)

## Extraordinary:

Compensation awards .....	( 15,000)
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769. *New Jersey Neuropsychiatric Institute*

25110. Resident Care and Habilitation .....	\$4,105,956
25130. Health Services .....	951,474
25190. Institutional Administration and Support Services .....	3,637,542
Total Appropriation .....	<u>\$8,694,972</u>

## Salaries:

Officers and employees .....	( \$7,121,722)
Food in lieu of cash .....	( 26,934)
Materials and Supplies .....	( 1,180,525)
Services Other Than Personal .....	( 168,281)

## Maintenance of Property:

Recurring .....	( 78,230)
Non-recurring and replacements ..	( 51,380)

## Extraordinary:

Compensation awards .....	( 55,000)
Additions and Improvements .....	( 12,900)

25200. *Other Agency Services*760. *Division of Mental Retardation*

25210. Purchased Residential Care .....	\$5,207,650
25220. Social Supervision and Consultation .....	1,105,909
25230. Day Training and Adult Activities .....	5,960,343
25290. Management and General Support .....	2,341,561
Total Appropriation .....	<u>\$14,615,463</u>

## Salaries:

Officers and employees .....	( \$2,952,558)
New positions .....	( 25,824)
Materials and Supplies .....	( 354,430)
Services Other Than Personal .....	( 1,370,113)

## Maintenance of Property:

Recurring .....	( 32,300)
Non-recurring and replacements ..	( 16,000)

## Extraordinary:

Purchase of residential care .....	( 4,882,367)
Family care .....	( 150,000)
Social services (State share) .....	( 175,000)
Homemaker services (State share) ..	( 25,000)
Compensation awards .....	( 23,000)
Purchase of day training services ..	( 1,275,000)
Adult activities .....	( 870,508)
For allotment to the various State institutions for the mentally re- tarded for overtime on State holi- days .....	( 1,272,300)
Patient employees .....	( 300,000)
Divisional coordination of T & E Planning .....	( 47,000)
Foster grandparents program .....	( 125,000)
Developmental disabilities services (State share) .....	( 200,000)
To increase staffing for adult activity programs .....	( 500,000)
Additions and Improvements .....	( 19,063)

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 .....	\$1,583,535
26120. Inpatient Care and Health Services .....	14,034,862
26190. Administration and Support .....	6,199,427
<b>Total Appropriation .....</b>	<b><u>\$21,817,824</u></b>

## Salaries:

Officers and employees .....	(\$16,545,087)
Food in lieu of cash .....	( 104,829)
Materials and Supplies .....	( 2,720,775)
Services Other Than Personal .....	( 397,058)

## Maintenance of Property:

Recurring .....	( 249,275)
Non-recurring and replacements ..	( 163,450)

## Extraordinary:

Community care .....	( 1,485,000)
Family care .....	( 57,350)
Compensation awards .....	( 95,000)

779. *Trenton Psychiatric Hospital*

26110. Outpatient and Community Services .....	\$1,688,149
26120. Inpatient Care and Health Services .....	13,449,058
26190. Administration and Support .....	5,058,101
<b>Total Appropriation .....</b>	<b><u>\$20,195,308</u></b>

## Salaries:

Officers and employees .....	(\$15,456,189)
Food in lieu of cash .....	( 49,824)
Materials and Supplies .....	( 2,487,638)
Services Other Than Personal .....	( 235,267)

## Maintenance of Property:

Recurring .....	( 128,090)
Non-recurring and replacements ..	( 90,000)

## Extraordinary:

Community care .....	( 1,485,000)
Family care .....	( 113,300)
Compensation awards .....	( 150,000)

There are hereby appropriated as a revolving fund receipts derived from laundry services furnished to the several institutions for the purpose of defraying the costs of operation and maintenance of the Trenton Regional Laundry.

781. *Marlboro Psychiatric Hospital*

26110. Outpatient and Community Services . . . . .	\$1,166,900
26120. Inpatient Care and Health Services . . . . .	9,622,092
26190. Administration and Support . . . . .	4,936,018
	<hr/>
Total Appropriation . . . . .	\$15,725,010
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Salaries:

Officers and employees . . . . .	(\$12,032,838)
Food in lieu of cash . . . . .	( 50,364)
Materials and Supplies . . . . .	( 1,853,976)
Services Other Than Personal . . . . .	( 394,072)

Maintenance of Property:

Recurring . . . . .	( 141,160)
Non-recurring and replacements . . . . .	( 63,000)

Extraordinary:

Community care . . . . .	( 866,000)
Family care . . . . .	( 124,600)
Compensation awards . . . . .	( 199,000)

783. *Ancora Psychiatric Hospital*

26110. Outpatient and Community Services . . . . .	\$1,378,204
26120. Inpatient Care and Health Services . . . . .	9,193,913
26190. Administration and Support . . . . .	4,172,569
	<hr/>
Total Appropriation . . . . .	\$14,744,686
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Salaries:

Officers and employees . . . . .	(\$10,409,679)
Positions transferred from another institution . . . . .	( 675,321)
Food in lieu of cash . . . . .	( 94,718)
Materials and Supplies . . . . .	( 1,933,823)
Services Other Than Personal . . . . .	( 216,835)

Maintenance of Property:

Recurring ..... ( 121,420)  
 Non-recurring and replacements ... ( 90,110)

Extraordinary:

Community care ..... ( 1,013,000)  
 Family care ..... ( 113,280)  
 Compensation awards ..... ( 76,500)

There are hereby appropriated as a revolving fund, receipts derived from laundry services furnished to the several institutions for the purpose of defraying the costs of operation and maintenance of the Ancora Regional Laundry.

790. *Arthur Brisbane Child Center at Allaire*

26120. Inpatient Care and Health Services ..... \$857,325  
 26190. Administration and Support ..... 326,408

Total Appropriation ..... \$1,183,733

Salaries:

Officers and employees ..... ( \$982,499)  
 Food in lieu of cash ..... ( 5,508)  
 Materials and Supplies ..... ( 135,513)  
 Services Other Than Personal ..... ( 33,573)

Maintenance of Property:

Recurring ..... ( 15,640)  
 Non-recurring and replacements ... ( 11,000)

794. *Glen Gardner Geriatric Center*

26190. Administration and Support ..... \$2,400,000

Total Appropriation ..... \$2,400,000

Extraordinary:

For operation of the geriatric center ..... ( \$2,400,000)

26900. *Management and General Support*770. *Division of Mental Health and Hospitals*

26910. Community Services .....	\$6,039,641
26920. Management and General Support .....	2,219,433
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Total Appropriation .....	\$8,259,074

## Salaries:

Officers and employees .....	( \$565,924)
Positions established from lump sum appropriation .....	( 168,101)
Positions transferred from another Division .....	( 684,718)
Materials and Supplies .....	( 7,800)
Services Other Than Personal .....	( 259,761)

## Maintenance of Property:

Recurring .....	( 500)
Non-recurring and replacements ...	( 1,500)

## Extraordinary:

Community Mental Health Center, College of Medicine and Dentistry, Newark (State share) .....	( 967,680)
Community Mental Health Center, College of Medicine and Dentistry, Rutgers (State share) .....	( 3,162,240)
Social service initiative funds (State share) .....	( 442,800)
Community mental health screening units .....	( 600,000)
For allotment to the various State psychiatric institutions for over- time on State holidays .....	( 1,342,850)
Independent psychiatric evaluation and legal representation for indigent patients .....	( 50,000)
Compensation awards .....	( 200)
Additions and Improvements .....	( 5,000)

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.

In addition to the amount provided hereinabove for the Community services program element, a portion of the funds in the Community care account in each of the psychiatric hospitals, not to exceed 7% of the total, shall be available for administration of Community services, including the Community care program.

*Income Security and Human Resource Development*

52400. *Services to the Blind and Visually Impaired*

716. *Commission for the Blind and Visually Impaired*

52410. Habilitation and Rehabilitation .....	\$1,364,839
52420. Instruction and Community Programs .....	1,824,079
52490. Administration .....	216,954
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Total Appropriation .....	\$3,405,872
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Salaries:

Officers and employees .....	( \$638,079)
Materials and Supplies .....	( 29,000)
Services Other Than Personal .....	( 1,157,000)

Extraordinary:

Vocational rehabilitation .....	( 590,558)
Habilitation .....	( 774,281)
Administration .....	( 216,954)

The unexpended balance as of June 30, 1977 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, 1978, and those made in prior fiscal years, are hereby appropriated.

The balance to the credit of the Revolving industrial fund as of June 30, 1977 is hereby appropriated in a sum not to exceed \$11,000 for the same purpose.

52500. *Provision of Income Maintenance to Public Indigents*715. *Division of Public Welfare*

52510. Fiscal Control .....	\$1,044,010
52520. Quality Control .....	816,216
52530. Income Maintenance .....	960,977
52590. Administration .....	1,955,920
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Total Appropriation .....	\$4,777,123
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## Extraordinary:

Development of income maintenance information system .....	( \$609,763)
Establishment of word processing center .....	( 55,000)
Fiscal Control .....	( 1,044,010)
Quality Control .....	( 816,216)
Income Maintenance .....	( 960,977)
Administration .....	( 1,291,157)

The unexpended balance as of June 30, 1977 in the Income maintenance information system revolving fund, and receipts derived therefrom, are hereby appropriated.

The unexpended balance in the Development of income maintenance information system account as of June 30, 1977 is hereby appropriated.

52600. *Social Services for Youth and Families*717. *Division of Youth and Family Services*

52610. Community Services .....	\$4,255,785
52620. Residential Services .....	3,061,472
52630. Social Services .....	8,785,078
52690. Administration .....	2,861,240
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Total Appropriation .....	\$18,963,575
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## Salaries:

Officers and employees .....	( \$4,154,004)
Materials and Supplies .....	( 446,581)
Services Other Than Personal .....	( 660,032)

Maintenance of Property:	
Recurring .....	( 90,186)
Non-recurring and replacements ...	( 6,500)
Extraordinary:	
Community day care (State share) .	( 3,102,694)
Children in crisis .....	( 1,000,000)
Implementation of Task Force Rec-	
ommendations:	
Reorganization .....	( 219,000)
Contract auditing .....	( 200,000)
Judicial determinations .....	( 75,000)
Increased personal car use .....	( 214,000)
Social service information system	( 75,000)
Reorganization contingencies ....	( 100,000)
Social service initiatives .....	( 318,000)
To continue expanded social services	( 3,200,000)
Early childhood and development	
program .....	( 113,000)
Work incentive program and day	
care (State share) .....	( 722,500)
Social services .....	( 4,267,078)

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 1977, 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 Human Services.

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*

712. *Division of Veterans' Services*

52710. Division Management and Field Services ..	\$661,462
<b>Total Appropriation .....</b>	<b>\$661,462</b>

## Salaries:

Officers and employees .....	(	\$264,723)
New positions .....	(	37,593)
Materials and Supplies .....	(	3,600)
Services Other Than Personal .....	(	25,046)

## Maintenance of Property:

Recurring .....	(	500)
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## Extraordinary:

Veterans' orphans fund—Educa- tion grants .....	(	100,000)
Blind veterans' allowances .....	(	60,000)
Paraplegic and hemiplegic veterans' allowances .....	(	170,000)

710. *New Jersey Memorial Home for Disabled Soldiers  
at Menlo Park*

52720. Domiciliary and Treatment Services .....	\$1,462,844
52730. Administration and Support Services .....	660,412
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Total Appropriation .....	\$2,123,256

## Extraordinary:

Domiciliary and Treatment Services(	\$1,462,844)
Administration and Support Ser- vices .....	( 660,412)

711. *New Jersey Memorial Home for Disabled Soldiers  
at Vineland*

52720. Domiciliary and Treatment Services .....	\$2,046,696
52730. Administration and Support Services .....	776,299
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Total Appropriation .....	\$2,822,995

## Extraordinary:

Domiciliary and Treatment Services(	\$2,046,696)
Administration and Support Serv- ices .....	( 776,299)

*Assistance to the Economically Disadvantaged*53100. *Medical Assistance and Health Services*714. *Division of Medical Assistance and Health Services*

53110. Long-term Care .....	\$950,573
53120. General Medical Services .....	281,618,035
53190. Administration and General Support .....	3,077,343
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Total Appropriation .....	\$285,645,951
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## Extraordinary:

Payments to fiscal agents .....	( \$6,490,500)
Payments for medical assistance re- cipients (State share) .....	(270,790,000)
Pharmaceutical assistance to the aged .....	( 4,000,000)
Medical fraud investigation and prosecution unit .....	( 336,000)
Eligibility determination .....	( 784,000)
Planning and management unit .....	( 50,000)
Health facilities rate setting .....	( 300,000)
Compensation awards .....	( 6,000)
Long-term care .....	( 950,573)
General medical services .....	( 337,535)
Administration and general support .....	( 1,601,343)

All funds recovered under C30:4D-1 et seq. during the fiscal year ending June 30, 1978 are hereby appropriated.

The sum hereinabove for Payments for medical assistance recipients shall be available for the payment of obligations applicable to prior fiscal years.

\$5,700,000 of the amount provided for Payments for medical assistance recipients (State share) shall first be charged to funds anticipated from the Federal government as Antirecession fiscal assistance.

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, 1977 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 sum hereinabove for Pharmaceutical assistance to the aged shall be available for the payment of obligations applicable to prior fiscal years.

The sum provided hereinabove for the Newark comprehensive health service plan—Medical assistance (State share) account shall not be available after September 1, 1977, unless by that date provision of health services to recipients under the Newark Comprehensive Health Services Plan have begun.

Within the sum provided hereinabove for the Payments for medical assistance recipients (State share) account, the Commissioner of Human Services may increase the fees provided to pharmacists by an average of 25¢. If an increase is granted, in no case may a pharmacist receive less than 15¢ per prescription. The Commissioner shall inform the Director of the Division of Budget and Accounting and the Executive Director, Office of Fiscal Affairs, of the intention to increase said fees.

*Department Management and General Support*

79100. *Department Management and General Support*

79190-700. Department Management .....	\$4,075,764
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Total Appropriation .....	\$4,075,764
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Salaries:	
Commissioner .....	( \$43,000)
Officers and employees .....	( 2,649,830)
New positions .....	( 43,047)
Materials and Supplies .....	( 41,900)
Services Other Than Personal .....	( 707,197)
Maintenance of Property:	
Recurring .....	( 8,590)
Non-recurring and replacements ...	( 2,200)
Extraordinary:	
Social services matching funds .....	( 100,000)
Information systems development ..	( 200,000)
Nursing scholarship program .....	( 270,000)
Compensation awards .....	( 8,500)
Additions and Improvements .....	( 1,500)

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, 1977, 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.

Total Appropriation, Department of Human  
Services .....

\$495,285,884

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, 1977 of funds held for the benefit of patients in the several institutions, and such funds as may be received, are hereby appropriated for the use of such patients.

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, 1977 of funds received by the several institutions representing rental of garages, and such funds as may be received during fiscal year 1977-78 are hereby appropriated for the repair and maintenance of existing garages and for the construction of additional garages by such institutions.

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.).

Of the amount hereinabove appropriated to the Department of Human Services, the sums hereinafter set forth are hereby appropriated from the State Lottery Fund:

Operation of institutions for	
children:	
Arthur Brisbane Child Center at Allaire .....	( \$1,000,000)
Residential Services of the Division of Youth and Family Services .....	( 3,000,000)
State operated Community Mental Health Centers at Newark and Rutgers .....	( 3,750,000)
Glen Gardner Geriatric Center ...	( 2,400,000)
Resident Care and Habilitation, Division of Mental Retardation	( 6,750,000)
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Total Appropriation from the State Lottery Fund .....	(\$16,900,000)
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## DEPARTMENT OF COMMUNITY AFFAIRS

*Development of Community Programs*42100. *Community Development Management\**

42110-800. Housing Code Enforcement . . . . .	\$2,661,440
42120-800. Housing . . . . .	1,316,902
42130-800. Local Government Services . . . . .	998,293
42140-800. State and Regional Planning . . . . .	1,228,361
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Total Appropriation . . . . .	\$6,204,996
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## Salaries:

Board Members (5 @ \$6,000) . . . . .	( \$30,000)
Officers and employees . . . . .	( 3,083,921)
New positions . . . . .	( 45,722)
Materials and Supplies . . . . .	( 94,175)
Services Other Than Personal . . . . .	( 565,278)

## Maintenance of Property:

Recurring . . . . .	( 3,900)
Non-recurring and replacements . . . . .	( 3,800)

## Extraordinary:

Cooperative housing inspection . . . . .	( 800,000)
Relocation assistance . . . . .	( 700,000)
Hackensack Meadowlands Development Commission . . . . .	( 587,500)
Tri-State Regional Planning Commission . . . . .	( 229,200)
Delaware Valley Regional Planning Commission . . . . .	( 50,000)
Additions and Improvements . . . . .	( 11,500)

Receipts in excess of those anticipated from fees and fines from housing code enforcement are hereby appropriated.

The unexpended balance as of June 30, 1977 in the Cooperative housing inspection account is hereby appropriated for the same purpose.

The unexpended balance as of June 30, 1977 in the Special Housing Finance Agency account, not to exceed \$4,558,000 is hereby appropriated.

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 PL 1976, c. 3. Any amounts unexpended from that Fund or that account, pursuant to PL 1976, c. 3, as of December 31, 1977, shall be allocated as follows: for Elderly emergency assistance, \$200,000; and the remainder shall lapse into surplus.

The amount appropriated hereinabove for Relocation assistance shall be applicable to the fiscal year 1977-78 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, 1977 in the Hackensack Meadowlands Development Commission account is hereby appropriated for the same purpose.

The amount appropriated hereinabove 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 a 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 .....	\$1,099,788
52320-800. Programs for Aging .....	386,484
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Total Appropriation .....	\$1,486,272
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Salaries:

Officers and employees .....	( \$361,750)
New positions .....	( 108,722)
Materials and Supplies .....	( 25,100)
Services Other Than Personal .....	( 67,850)

Maintenance of Property:

Recurring .....	( 1,200)
Non-recurring and replacements ...	( 1,250)

Extraordinary:

For operation of a Division on Women .....	( 128,000)
Federal aging programs (State share) .....	( 150,000)
Urban Loan Authority .....	( 640,000)
Commission on Aging .....	( 2,400)

The unexpended balance as of June 30, 1977 in the Urban Loan Authority account is hereby appropriated for the same purpose.

The funds appropriated 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 with non-State agencies; provided, however, that 100% of the non-Federal share be provided for Federally approved projects with State agencies.

*Management and General Support*

79100. *Department Management*

79190-800. Department Management ..... \$940,649

Total Appropriation ..... \$940,649

Salaries:

Commissioner ..... ( \$43,000)

Officers and employees ..... ( 639,691)

New positions ..... ( 38,560)

Materials and Supplies ..... ( 8,925)

Services Other Than Personal ..... ( 192,268)

Maintenance of Property:

Recurring ..... ( 5,205)

Non-recurring and replacements ... ( 2,500)

Extraordinary:

Compensation awards ..... ( 10,500)

The unexpended balance as of June 30, 1977 in the revolving fund for printing literature for sale, and the receipts derived from such sales, are hereby appropriated.

Total Appropriation, Department of Community Affairs ..... \$8,631,917

DEPARTMENT OF THE PUBLIC ADVOCATE

*Public Advocacy*

11500. *Protection of Citizens' Rights*

11510-850. Mental Health Advocacy ..... \$789,795

11520-850. Public Interest Advocacy ..... 335,409

11530-850. Citizens Complaints and Dispute Settlement ..... 356,879

Total Appropriation ..... \$1,482,083

## Salaries:

Officers and employees ..... ( \$1,056,653)  
 Materials and Supplies ..... ( 30,780)  
 Services Other Than Personal ..... ( 193,550)

## Maintenance of Property:

Recurring ..... ( 1,100)

## Extraordinary:

Establishment of mental health ad-  
 vocacy regional office in Camden . ( 200,000)

The unexpended balance as of June 30, 1977 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.

The unexpended balance as of June 30, 1977 in the Office of dispute settlement account is hereby appropriated.

*Assistance to the Economically Disadvantaged*53200. *Criminal Defense of Indigents*

53210-850. Trial .....	\$9,746,323
53220-850. Appellate .....	1,931,420
53290-850. Administration and Special Programs.	542,933
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Total Appropriation .....	\$12,220,676
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## Salaries:

Officers and employees ..... ( \$8,706,778)  
 Materials and Supplies ..... ( 188,700)  
 Services Other Than Personal ..... ( 3,125,448)

## Maintenance of Property:

Recurring ..... ( 5,750)

## Extraordinary:

Representation of child abuse cases  
 (State share) ..... ( 90,000)  
 Parole revocation ..... ( 100,000)  
 Compensation awards ..... ( 4,000)

**New Jersey State Library**

The unexpended balance as of June 30, 1977 in the Receipts from clients account, and any receipts collected, are hereby appropriated.

The sum appropriated hereinabove for Legal and investigative services 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. Support Services .....	\$432,569
79190-850. Department Management .....	300,632
Total Appropriation .....	<u>\$733,201</u>

Salaries:

Commissioner .....	( \$43,000)
Officers and employees .....	( 593,591)
Position transferred from another subcategory .....	( 11,360)
Materials and Supplies .....	( 28,400)
Services Other Than Personal .....	( 55,850)

Maintenance of Property:

Recurring .....	( 1,000)
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Total Appropriation, Department of the Public Advocate .....	<u>\$14,435,960</u>
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DEPARTMENT OF CORRECTIONS

*Custody, Care and Rehabilitation*

12100. *Institutional Services*

870. *State Prison, Trenton*

12110. Institutional Control and Supervision .....	\$6,191,645
12120. Institutional Care Program .....	2,711,583
12130. Institutional Treatment Program .....	742,449
12170. Education Program—Garden State School District .....	298,364
12190. Institutional Administration .....	310,558
Total Appropriation .....	<u>\$10,254,599</u>

## Salaries:

Officers and employees .....	( \$7,477,351)
New positions .....	( 435,417)
Food in lieu of cash .....	( 91,206)
Materials and Supplies .....	( 1,538,630)
Services Other Than Personal .....	( 594,119)

## Maintenance of Property:

Recurring .....	( 49,896)
Non-recurring and replacements ...	( 12,980)

## Extraordinary:

Compensation awards .....	( 55,000)
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The unexpended balance as of June 30, 1977 in the Relocation of inmates account is hereby appropriated for the same purpose.

871. *State Prison, Rahway*

12110. Institutional Control and Supervision ....	\$4,300,050
12120. Institutional Care Program .....	2,703,687
12130. Institutional Treatment Program .....	653,976
12170. Education Program—Garden State School District .....	303,463
12190. Institutional Administration .....	373,556
Total Appropriation .....	<u>\$8,334,732</u>

## Salaries:

Officers and employees .....	( \$5,427,567)
Position transferred from another subcategory .....	( 19,775)
New positions .....	( 164,402)
Food in lieu of cash .....	( 50,868)
Materials and Supplies .....	( 1,723,956)
Services Other Than Personal .....	( 774,503)

## Maintenance of Property:

Recurring .....	( 16,751)
Non-recurring and replacements ...	( 62,710)

## Extraordinary:

Compensation awards .....	( 70,000)
Additions and Improvements .....	( 24,200)

12190-871-300. *Rahway Regional Laundry*

The unexpended balance as of June 30, 1977 in the Rahway Regional Laundry account, and 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 Rahway Regional Laundry.

12190-871-301. *Dental Laboratory*

The unexpended balance as of June 30, 1977 in the Dental Laboratory account, and 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.

872. *State Prison, Leesburg*

12110.	Institutional Control and Supervision . . . . .	\$3,250,935
12120.	Institutional Care Program . . . . .	2,450,149
12130.	Institutional Treatment Program . . . . .	541,451
12170.	Education Program—Garden State School District . . . . .	365,526
12190.	Institutional Administration . . . . .	239,887
	Total Appropriation . . . . .	<u>\$6,847,948</u>

## Salaries:

Officers and employees . . . . .	( \$4,168,695)
Position transferred from another subcategory . . . . .	( 6,527)
New positions . . . . .	( 329,992)
Food in lieu of cash . . . . .	( 60,552)
Materials and Supplies . . . . .	( 1,528,179)
Services Other Than Personal . . . . .	( 566,103)

## Maintenance of Property:

Recurring . . . . .	( 56,700)
Non-recurring and replacements . . . . .	( 55,500)

## Extraordinary:

Compensation awards . . . . .	( 9,000)
Additions and Improvements . . . . .	( 66,700)

The Director of the Division of Budget and Accounting shall, by debit and credit, charge the Department of Human Services institutional accounts an amount sufficient to reimburse the Department of Corrections for the cost of custody personnel necessary to monitor inmate work details assigned to the institutions.

12190-872-300. *Leesburg Regional Bakery*

The unexpended balance as of June 30, 1977 in the Leesburg Regional Bakery account, and 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 Leesburg Regional Bakery.

874. *Correctional Institution for Women, Clinton*

12110.	Institutional Control and Supervision . . . . .	\$2,089,959
12120.	Institutional Care Program . . . . .	1,904,216
12130.	Institutional Treatment Program . . . . .	237,901
12170.	Education Program—Garden State School District . . . . .	200,787
12190.	Institutional Administration . . . . .	307,636
	<b>Total Appropriation . . . . .</b>	<b>\$4,740,499</b>

Salaries:

Officers and employees . . . . .	( \$3,266,023)
Positions transferred from another subcategory . . . . .	( 12,524)
New positions . . . . .	( 103,423)
Food in lieu of cash . . . . .	( 28,409)
Materials and Supplies . . . . .	( 660,660)
Services Other Than Personal . . . . .	( 468,410)

Maintenance of Property:

Recurring . . . . .	( 63,925)
Non-recurring and replacements . . . . .	( 64,250)

Extraordinary:

Compensation awards . . . . .	( 30,000)
Additions and Improvements . . . . .	( 42,875)

875. *Adult Diagnostic and Treatment Center, Avenel*

12110.	Institutional Control and Supervision . . . . .	\$1,065,647
12120.	Institutional Care Program . . . . .	755,390
12130.	Institutional Treatment Program . . . . .	230,888
12140.	Outpatient Diagnostic and Treatment Services . . . . .	262,671
12170.	Education Program—Garden State School District . . . . .	36,575
12190.	Institutional Administration . . . . .	439,318
	<b>Total Appropriation . . . . .</b>	<b>\$2,790,489</b>

## Salaries:

Officers and employees . . . . .	( \$1,671,968)
New positions . . . . .	( 438,924)
Food in lieu of cash . . . . .	( 19,441)
Materials and Supplies . . . . .	( 394,562)
Services Other Than Personal . . . . .	( 135,094)

## Maintenance of Property:

Recurring . . . . .	( 27,500)
Non-recurring and replacements . . . . .	( 53,000)
Additions and Improvements . . . . .	( 50,000)

877. *Youth Reception and Correction Center, Yardville*

12110.	Institutional Control and Supervision . . . . .	\$3,326,097
12120.	Institutional Care Program . . . . .	2,220,123
12130.	Institutional Treatment Program . . . . .	988,378
12170.	Education Program—Garden State School District . . . . .	488,598
12190.	Institutional Administration . . . . .	348,950
	<b>Total Appropriation . . . . .</b>	<b>\$7,372,146</b>

## Salaries:

Officers and employees . . . . .	( \$5,271,731)
New positions . . . . .	( 139,772)
Food in lieu of cash . . . . .	( 52,324)
Materials and Supplies . . . . .	( 1,257,822)
Services Other Than Personal . . . . .	( 484,997)

Maintenance of Property:	
Recurring .....	( 41,150)
Non-recurring and replacements ...	( 33,500)
Extraordinary:	
Compensation awards .....	( 60,000)
Additions and Improvements .....	( 30,850)

878. *Youth Correctional Institution, Bordentown*

12110. Institutional Control and Supervision .....	\$2,752,959
12120. Institutional Care Program .....	2,140,021
12130. Institutional Treatment Program .....	614,335
12170. Education Program—Garden State School District .....	250,873
12190. Institutional Administration .....	328,706
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Total Appropriation .....	\$6,086,894
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Salaries:	
Officers and employees .....	( \$4,181,817)
New positions .....	( 123,952)
Food in lieu of cash .....	( 49,667)
Materials and Supplies .....	( 1,125,648)
Services Other Than Personal .....	( 379,335)

Maintenance of Property:	
Recurring .....	( 42,575)
Non-recurring and replacements ...	( 100,300)

Extraordinary:	
Compensation awards .....	( 40,000)
Additions and Improvements .....	( 43,600)

12190-878-300. *Bordentown Regional Laundry*

There are hereby appropriated as a revolving fund all receipts derived from laundry services furnished to the several institutions for the purpose of defraying the costs of operation and maintenance of the Bordentown Regional Laundry.

879. *Youth Correctional Institution, Annandale*

12110.	Institutional Control and Supervision . . . .	\$2,522,012
12120.	Institutional Care Program . . . . .	1,746,395
12130.	Institutional Treatment Program . . . . .	450,232
12170.	Education Program—Garden State School District . . . . .	192,378
12190.	Institutional Administration . . . . .	285,811
	Total Appropriation . . . . .	<u>\$5,196,828</u>

## Salaries:

Officers and employees . . . . .	( \$3,737,108)
New positions . . . . .	( 150,459)
Food in lieu of cash . . . . .	( 47,709)
Materials and Supplies . . . . .	( 932,612)
Services Other Than Personal . . . . .	( 244,640)

## Maintenance of Property:

Recurring . . . . .	( 28,450)
Non-recurring and replacements . . . . .	( 25,250)

## Extraordinary:

Compensation awards . . . . .	( 20,800)
Additions and Improvements . . . . .	( 9,800)

881. *Training School for Boys, Jamesburg*

12110.	Institutional Control and Supervision . . . .	\$1,610,290
12120.	Institutional Care Program . . . . .	1,735,004
12130.	Institutional Treatment Program . . . . .	362,102
12170.	Education Program—Garden State School District . . . . .	401,250
12190.	Institutional Administration . . . . .	260,001
	Total Appropriation . . . . .	<u>\$4,368,647</u>

## Salaries:

Officers and employees . . . . .	( \$3,088,904)
New positions . . . . .	( 120,089)
Food in lieu of cash . . . . .	( 8,868)
Materials and Supplies . . . . .	( 855,299)
Services Other Than Personal . . . . .	( 109,100)

## Maintenance of Property:

Recurring . . . . .	( 51,100)
Non-recurring and replacements . . . . .	( 76,250)

## Extraordinary:

Compensation awards .....	( 5,000)
Additions and Improvements .....	( 54,037)

882. *Training School for Boys, Skillman*

12110. Institutional Control and Supervision .....	\$1,020,191
12120. Institutional Care Program .....	805,779
12130. Institutional Treatment Program .....	242,757
12170. Education Program—Garden State School District .....	214,269
12190. Institutional Administration .....	243,643
Total Appropriation .....	<u>\$2,526,639</u>

## Salaries:

Officers and employees .....	( \$1,860,441)
New positions .....	( 101,280)
Materials and Supplies .....	( 302,057)
Services Other Than Personal .....	( 95,911)

## Maintenance of Property:

Recurring .....	( 56,950)
Non-recurring and replacements ...	( 77,000)

## Extraordinary:

Compensation awards .....	( 10,000)
Additions and Improvements .....	( 23,000)

12200. *Operation of Residential Group Centers*

12210-884. Highfields .....	\$112,777
12220-885. Warren .....	141,225
12230-886. Ocean .....	126,334
12240-887. Turrell .....	135,452

Total Appropriation .....	<u>\$515,788</u>
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## Salaries:

Officers and employees .....	( \$316,757)
Food in lieu of cash .....	( 1,348)
Materials and Supplies .....	( 97,671)
Services Other Than Personal .....	( 31,627)

## Maintenance of Property:

Recurring .....	( 12,194)
Non-recurring and replacements ...	( 15,214)

## Extraordinary:

Compensation awards ..... ( 2,100)  
 Additions and Improvements ..... ( 38,877)

12300. *Parole and Community Programs*

12310-860. Parole ..... \$4,083,510  
 12320-860. Community Programs ..... 862,402

Total Appropriation ..... \$4,945,912

## Salaries:

Officers and employees ..... ( \$3,297,180)  
 Position transferred from another  
 subcategory ..... ( 10,377)  
 New positions ..... ( 259,145)  
 Materials and Supplies ..... ( 22,150)  
 Services Other Than Personal ..... ( 515,933)

## Maintenance of Property:

Recurring ..... ( 9,000)

## Extraordinary:

Community Residence Center I .... ( 102,355)  
 Correctional Community Service  
 Centers ..... ( 248,000)  
 Camden Treatment Center ..... ( 164,772)  
 Community Treatment Center—  
 Plainfield ..... ( 157,000)  
 Community Treatment Center—  
 Paterson ..... ( 160,000)

889. *State Parole Board*

12330. State Parole Board ..... \$462,463

Total Appropriation ..... \$462,463

## Salaries:

Officers and employees ..... ( \$353,185)  
 New positions ..... ( 68,593)  
 Materials and Supplies ..... ( 3,200)  
 Services Other Than Personal ..... ( 33,185)

## Maintenance of Property:

Recurring ..... ( 200)  
 Additions and Improvements ..... ( 4,100)

12900. *Department Management and General Support*

12910-860. Planning, Program Development and Support Services .....	\$441,162
12920-860. Training and Staff Development .....	362,375
12930-860. Department Management .....	3,596,230
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Total Appropriation .....	\$4,399,767
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## Salaries:

Commissioner .....	( \$43,000)
Officers and employees .....	( 625,678)
Positions transferred from another department .....	( 400,000)
Positions transferred from another subcategory .....	( 55,562)
New positions .....	( 70,247)
Materials and Supplies .....	( 3,300)
Services Other Than Personal .....	( 150,392)

## Maintenance of Property:

Recurring .....	( 400)
Non-recurring and replacements ...	( 20,000)

## Extraordinary:

For transportation assistance for inmate families' visitations .....	( 94,150)
Officers training school .....	( 300,000)
To increase administrative capability .....	( 637,038)
Purchase of Service—Inmates incarcerated in county penal facilities ..	( 2,000,000)

12410-867-300. *Bureau of State Use Industries*

The unexpended balance as of June 30, 1977 in the State Use Working Capital Fund, and receipts derived from sales, are hereby appropriated to the Bureau of State Use Industries.

Total Appropriation, Department of Corrections .....	\$68,843,351
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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, 1977 of funds held for the benefit of inmates in the several institutions, and such funds as may be received, are hereby appropriated for the use of such inmates.

The unexpended balances as of June 30, 1977 of funds received by the several institutions representing rental of garages, and such funds as may be received during fiscal year 1977-78 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.).

Notwithstanding any other provisions of this act, the Commissioner of the Department of Corrections is hereby empowered to transfer such sums as he deems necessary within the department during the first 30 days of the fiscal year to which this bill applies. A copy of all such transfers shall be filed with the Executive Director, Office of Fiscal Affairs, by August 1, 1977.

\$4,000,000 of the amount appropriated for the Department of Corrections first shall be charged from funds anticipated from the Federal government as Antirecession fiscal assistance.

Of the amount appropriated hereinabove to the Department of Corrections, the sums hereinafter set forth are hereby appropriated from the State Lottery Fund:

Operation of Institutions for	
Children:	
Training School for Boys,	
Skillman .....	( \$2,200,000)
Training School for Boys,	
Jamesburg .....	( 4,000,000)
Residential Group Centers .....	( 500,000)

Education Programs—Adult Cor- rection Institutions . . . . .	( 2,000,000)
State Operated Community Centers . . . . .	( 800,000)
Institutional care programs . . . . .	( 3,800,000)
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Total Appropriation from the State Lottery Fund . . . . .	(\$13,300,000)
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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*

The unexpended balance as of June 30, 1977 in this account, and 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
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Total Appropriation . . . . .	\$297,190
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## Extraordinary:

Expenses of Commission . . . . . ( \$297,190)

41400. *Pollution Control*913. *Interstate Sanitation Commission*

41410. Air Pollution . . . . .	\$81,000
41440. Water Quality . . . . .	137,900
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Total Appropriation . . . . .	\$218,900
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**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 .....	\$976,343
46180. Patrol Activities and Crime Control .....	601,819
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Sub-Total Appropriation .....	\$1,578,162
<i>Less:</i>	
<i>Revenues derived from gasoline stations, police court, stands and concessions .....</i>	<i>375,000</i>
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Total Appropriation .....	\$1,203,162
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**Salaries:**

Officers and employees .....	( \$1,248,771)
Materials and Supplies .....	( 141,340)
Services Other Than Personal .....	( 61,441)

**Maintenance of Property:**

Recurring .....	( 66,410)
Non-recurring and replacements ...	( 59,200)
Additions and Improvements .....	( 1,000)

*Less:*

<i>Revenues derived from gasoline stations, police court, stands and concessions .....</i>	<i>( 375,000)</i>
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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, 1977 from such revenues, are hereby appropriated for maintenance, capital projects and plans.

The unexpended balances as of June 30, 1977 from 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 .....	\$1,011,872
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Total Appropriation .....	\$1,011,872
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Salaries:

Officers and employees .....	( \$752,972)
Materials and Supplies .....	( 44,400)
Services Other Than Personal .....	( 48,000)

Maintenance of Property:

Recurring .....	( 21,500)
Non-recurring and replacements ...	( 145,000)

*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 .....	\$110,000
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Total Appropriation .....	\$110,000
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Extraordinary:

Expenses of commission .....	( \$110,000)
Total Appropriation, Miscellaneous Executive Commissions .....	\$2,841,124
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## INTER-DEPARTMENTAL ACCOUNTS

*Centrally Financed Facilities and Services*78200. *Inter-Departmental Service Appropriations*

78210-940. Property Rentals—Buildings and Grounds .....	\$19,367,205
78260-940. Insurance and Other Services .....	1,346,091
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Total Appropriation .....	\$20,713,296
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## Services Other Than Personal:

## Rent

Buildings and grounds .....	(\$17,829,090)
Health-Agricultural Building ...	( 664,500)
Education Building .....	( 332,355)
Cultural Center .....	( 541,260)

## Extraordinary:

Retroactive Premium — M a s t e r Automobile Policy .....	( 146,091)
Excess Liability Insurance Master Policy .....	( 700,000)
Tort Claims Liability Fund (C59:12-1) .....	( 500,000)

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 hereinabove shall be available for the payment of obligations applicable to prior fiscal years.

The unexpended balance as of June 30, 1977 in the Tort Claims Liability Fund account (C59:12-1) is hereby appropriated for the same purpose.

The amount appropriated hereinabove for the Tort Claims Liability Fund (C59:12-1) shall be available for the payment of direct costs of outside legal and investigative services related to the investigation and litigation of claims against the Fund.

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.

941. *Employee Benefits*

78220. Employee Benefits .....	\$188,351,196*
<b>Total Appropriation .....</b>	<b>\$188,351,196*</b>

## Extraordinary:

Heath Act .....	( \$75,000)
Veterans' Act .....	( 125,000)
Miscellaneous special acts .....	( 13,000)
Governors' widows annuity .....	( 8,000)
Judicial Retirement System .....	( 4,270,582)
Prison officers' pensions .....	( 1,300,000)
Public Employees' Retirement System .....	( 42,382,412)
Premiums for non-contributory in- surance .....	( 6,144,525)
Social Security tax .....	( 52,500,000)
State Police Retirement System ...	( 5,955,573)
Premium for non-contributory in- surance—State Police .....	( 361,700)
State employees' health benefits ...	( 46,000,000)
Prescription Drug Program .....	( 3,800,000)
Pension Increase Act .....	( 8,168,400)
Employer contributions, alternate benefit program .....	( 14,500,000)
Pension and insurance contributions payable to Teachers' Pension and Annuity Fund for higher educa- tion and State employee members	( 2,247,004)
Unemployment insurance benefit costs for employees of State hos- pitals and State institutions of higher education .....	( 2,000,000)
Police and Firemen's Retirement System (C43:16A-1) .....	( 3,500,000)

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 hereinabove 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, 1977 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, 1978 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, 1977 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.

\$73,000,000 of the amount appropriated for Social Security tax and State employees' health benefits first shall be charged to funds anticipated from the Federal government as general revenue sharing.

Of the sum provided hereinabove for the Pension Increase Act, an amount of \$1,361,400 only shall be used to increase the cost of living adjustment from 50% to 60%, subject to the enactment of enabling legislation.

942. *State Emergency Fund*

78230. State Emergency Fund .....	\$1,550,000
Total Appropriation .....	\$1,550,000

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 .....

( \$400,000)

For allotment, as required, to meet contingencies, including 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)

943. *Salary and Other Benefits*

78240. Salary and Other Benefits .....	\$44,000,000
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Total Appropriation .....	\$44,000,000
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## 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) ..... ( \$2,000,000)

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, including a shared-cost dental plan, and the costs of salary and other benefits for those employees not covered by a negotiated contractual agreement with any employee organization ..... ( 22,234,000)

To the Director of the Division of Budget and Accounting for allotment to the various agencies for the cost of salary and other benefits resulting from additional collective bargaining agreements, including a shared-cost dental plan, still in negotiation with various employee organizations ..... ( 19,766,000)

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

Accounting; and provided further that any salary adjustment which may be authorized shall be made effective at the beginning of the bi-weekly pay period nearest July 1, 1977, 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.

The cash salary rate which may be paid to any employee shall not be increased to a salary rate which exceeds \$500 less than 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, the President of Rutgers, The State University, and the President of the New Jersey Institute of Technology, 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.

No salary range or rate of pay may 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 adjustment 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 Department of Civil Service.

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.

944. *Overtime Compensation*

78250. Overtime Compensation .....	\$500,000
Total Appropriation .....	<u>\$500,000</u>

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 under the regulations promulgated by the President of the Civil Service Commission, the State Treasurer, and the Director of the Division of Budget and Accounting, or their designated representatives.. ( \$500,000)

Total Appropriation, Inter-Departmental Accounts .....	<u>\$255,114,492*</u>
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THE JUDICIARY

*Judicial Affairs*

73100. *Court Operations*

73110-970. Supreme Court .....	\$1,111,470
73120-970. Superior Court .....	9,204,807
Total Appropriation .....	<u>\$10,316,277</u>

## Salaries:

Chief Justice .....	(	\$50,500)
Associate Justices (6 @ \$48,000) ..	(	288,000)
Judges (120) .....	(	4,906,000)
Officers and employees .....	(	3,891,671)
New positions .....	(	193,983)
Materials and Supplies .....	(	338,300)
Services Other Than Personal .....	(	535,223)

## Maintenance of Property:

Recurring .....	(	30,100)
Non-recurring and replacements ...	(	34,500)
Additions and Improvements .....	(	48,000)

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

73200. *Court Support Services*

73210-970. Official Court Reporters .....	\$3,709,648
73290-970. General Support .....	2,642,988
	<hr/>
Total Appropriation .....	\$6,352,636

## Salaries:

Officers and employees .....	(	\$4,522,339)
New positions .....	(	236,479)
Materials and Supplies .....	(	212,500)
Services Other Than Personal .....	(	1,120,318)

## Maintenance of Property:

Recurring .....	(	10,700)
Non-recurring and replacements ...	(	500)

## Extraordinary:

Compensation awards .....	(	30,000)
Improve judicial services .....	(	200,000)
Additions and Improvements .....	(	19,800)

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

73300. *Court Administration*

73310-970. Legal Services .....	\$770,771
73320-970. Probation Services .....	97,460
73390-970. Management Services .....	860,612
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Total Appropriation .....	\$1,728,843

## Salaries:

Officers and employees .....	( \$1,203,210)
New positions .....	( 316,148)
Materials and Supplies .....	( 65,200)
Services Other Than Personal .....	( 128,210)

## Maintenance of Property:

Recurring .....	( 11,700)
Non-recurring and replacements ..	( 400)
Additions and Improvements .....	( 3,975)

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

Receipts from charges to the Superior Court Trust Fund and to the Clients' Security Fund for services provided to those funds are hereby appropriated.

Total Appropriation, The Judiciary .....	\$18,397,756
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\$1,500,000 of the amount appropriated hereinabove for the Judiciary first shall be charged to funds anticipated from the Federal government as Antirecession fiscal assistance.

Total Appropriation, General State Operations .....	\$1,609,264,463*
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## STATE AID

## DEPARTMENT OF LAW AND PUBLIC SAFETY

*Law Enforcement*

11400. <i>Protection of Individual Rights—State Aid</i>	
11410-160. Consumer Affairs—General .....	\$2,700
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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For payment of fees to counties and municipalities from the sale of poultry licenses (RS 4:11-48), approximating ..... ( 300)

In addition to the amount hereinabove there is 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 .....	\$517,413
	<hr/>
Total Appropriation .....	\$517,413
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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 .... ( \$475,813)

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 ..... ( 41,600)

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

Total Appropriation, Department of Law and Public Safety .....	\$520,113
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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
77130-240. Business Personal Property Tax Re- placement .....	108,203,834
Total Appropriation .....	<u>\$115,929,497</u>

**Extraordinary:**

Payment to municipalities in lieu  
of railroad property tax ..... ( \$7,725,663)  
Business Personal Property Tax  
Replacement ..... (114,453,834)

In addition to the amount 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.).

Notwithstanding the provisions of (C54:29A-1 et seq.) the amounts to be paid to the various municipalities under the terms of the Railroad Property Tax Law shall not be less than that paid during fiscal year 1977.

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 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.

There are hereby appropriated so much of the proceeds derived from the imposition of the financial business tax as may be required for payment.

77200. *State Subsidies and Services—State Aid*

77210-240. Revenue Sharing .....	\$5,000,000
77240-240. Reimbursement—County Boards of Taxation .....	428,125
77250-295. Consolidated Police and Firemen's Pension Fund .....	5,654,834
77260-240. Locally Provided Services .....	8,000,000*
Total Appropriation .....	<u>\$19,082,959*</u>

## Salaries:

County Tax Board Members (69) .. ( \$428,125)

## Extraordinary:

County revenue sharing, subject to  
the enactment of enabling legis-  
lation .. ( 5,000,000)

State contribution to consolidated  
Police and Firemen's Pension  
Fund .. ( 5,654,834)

Payments to municipalities for ser-  
vices to State-owned property,  
subject to the enactment of enabl-  
ing legislation .. ( 9,000,000)

Upon enactment of legislation permitting payments to municipalities for services to State-owned property, the amounts provided for such purposes to the Department of Community Affairs shall be considered as payments in accordance with such legislation, provided that no municipality shall receive less than that provided by the Department of Community Affairs.

Total Appropriation, Department of the  
Treasury .. \$135,012,456\*

## DEPARTMENT OF HEALTH

22100. *Local Health Services—State Aid*

22110. Community Health Services .....	\$2,000,000
Total Appropriation .....	<u>\$2,000,000</u>

**Extraordinary:**

For contribution to Bergen Pines Hospital subject to the enactment of enabling legislation . . . . . ( \$2,000,000)	
Total Appropriation, Department of Health	<u>\$2,000,000</u>

## DEPARTMENT OF ENVIRONMENTAL PROTECTION

*Environmental Management*41300. *Resource Management—State Aid*

41330-400. Marine Lands Management . . . . .	\$1,783,225
41340-400. Solid Waste Management . . . . .	900,000
	<hr/>
Total Appropriation . . . . .	<u>\$2,683,225</u>

**Extraordinary:**

Shore protection projects, con- tingent upon no less than 50% participation by local governments (State share) (C12:6A-1 et seq.).( \$1,500,000)	
To the town of Keansburg for repay- ment to the State for costs incurred on their behalf, due to contract overruns on hurricane protection projects . . . . . ( 283,225)	
Administrative costs for Solid Waste planning . . . . . ( 150,000)	
Planning grants to Solid Waste Management districts . . . . . ( 750,000)	

The unexpended balance as of June 30, 1977 in this account is hereby appropriated for the same purposes as originally provided.

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.

*Management and General Support*

49100. *Department Management—State Aid*

49110. Department Management and Administrative Services .....	\$860,000
Total Appropriation .....	\$860,000

Extraordinary:

Mosquito control, research and administration .....	(\$300,000)
Payment in lieu of taxes on real property acquired for future water supply facilities, recreation and conservation purposes ..	( 500,000)
Grants for historic restoration in the capital city .....	( 60,000)

The unexpended balance as of June 30, 1977 in this account is hereby appropriated for the same purposes as originally provided.

The amount hereinabove in the Mosquito control, research and administration 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.

The unexpended balance as of June 30, 1977, 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, and PL 1974, c. 102, 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, 1977, 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.

Total Appropriation, Department of Environmental Protection .....	\$3,543,225
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## DEPARTMENT OF EDUCATION

*General Assistance for Public and Non-Public Education*31100. *General Assistance to Local Educational Agencies—**State Aid\**

31110-500. General Formula Aid .....	\$336,644,032
31120-500. Special Education .....	64,604,818
31130-500. Teachers' Pension and Annuity Fund ..	250,358,574
31140-500. School Building Aid .....	34,827,062
31150-500. Pupil Transportation Aid .....	37,070,000
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Total Appropriation .....	\$723,504,486
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**Grants-in-Aid:**

Current expense equalization aid (NJSA 18A:7A-1 et seq.) .....	(\$336,644,032)
Pilot projects for pre-school educa- tion for the handicapped .....	( 2,000,000)
Special education program .....	( 62,604,818)
Building aid (NJSA 18A:7A-1 et seq.) .....	( 19,383,951)
Transportation aid .....	( 36,820,000)
Computerized bus scheduling .....	( 250,000)
School building aid debt service ..	( 15,443,111)

**Teachers' Pension and Annuity Fund:**

Normal contribution .....	( 98,573,380)
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 .....	( 7,862,890)
Social security tax .....	( 89,500,000)
Pension Increase Act .....	( 28,800,000)

Of the amount hereinabove included in the Current expense equalization aid account (NJSA 18A:7A-1 et seq.), not more than \$250,000 may be used for administrative expenses.

From the amount appropriated hereinabove for Current expense equalization aid, an amount not

to exceed \$5,000,000 may be used to fund County Special Services Districts (18A:46-44).

The unexpended balance as of June 30, 1977 in the School building aid debt service account is hereby appropriated for the same purpose.

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.

Of the sum provided hereinabove for the Pension Increase Act, an amount of \$4,800,000 only shall be used to increase the cost of living adjustment from 50% to 60%, subject to the enactment of enabling legislation.

Notwithstanding the provisions of any other law, the sum hereinabove 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, 1977 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, 1978 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, 1977 through the date of such payment.

The Department of Education shall follow the precise statutory formula per NJSA 18A:7A-25 in the calculation of district budget growth.

Special education funds shall be distributed pursuant to section 20 of PL 1975, c. 212.

31200. *Special Assistance to Local Educational Agencies—**State Aid*

31210-500. Non-Public School Aid .....	\$4,770,000
31220-500. Adult and Continuing Education .....	3,450,000
31230-500. Nutrition Programs .....	9,800,000
31240-500. General Vocational Education .....	6,970,801
31250-500. Other Grants-in-Aid .....	3,167,598*
<b>Total Appropriation .....</b>	<b>\$28,158,399*</b>

## Grants-in-Aid:

Aid to non-public education .....	( \$2,270,000)
Non-public nutrition aid subject to enactment of Assembly Bill No. 2295 or similar legislation .....	( 500,000)
Non-public handicapped aid subject to enactment of Assembly Bill No. 2293 or similar legislation .....	( 2,000,000)
High school equivalency .....	( 1,300,000)
Adult education .....	( 1,058,000)
Adult literacy .....	( 889,000)
Evening school for foreign-born residents .....	( 203,000)
State school lunch aid .....	( 9,800,000)
Vocational education .....	( 4,500,000)
District and regional vocational schools .....	( 1,910,801)
Work-study program .....	( 500,000)
Schools of industrial education (PL 1971, c. 430) .....	( 60,000)
Emergency fund .....	( 500,000)
Public school safety act .....	( 2,506,598)
New Action method reading demon- stration .....	( 36,000)
National Guard cooperative educa- tion program .....	( 250,000)

The amount provided hereinabove for New Action method reading demonstration is hereby appropriated from the State Lottery Fund.

*Programs for Special Groups and Limited Purposes*32300. *School Programs—State Aid*

32360-500. Educational Improvement Centers . . .	\$1,164,950
Total Appropriation . . . . .	\$1,164,950

## Salaries:

New positions . . . . .	( \$200,000)
Materials and Supplies . . . . .	( 2,700)
Services Other Than Personal . . . . .	( 2,250)

## Extraordinary:

Educational Improvement Centers . (	960,000)
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*Direct Public Services*34200. *Programs for the State Library and**Historical Commission—State Aid*

34210-520. State Library . . . . .	\$7,825,000
Total Appropriation . . . . .	\$7,825,000

## Salaries:

Officers and employees . . . . .	( \$63,803)
Materials and Supplies . . . . .	( 3,670)
Services Other Than Personal . . . . .	( 7,920)

## 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 . . . . .	( 7,742,607)
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Notwithstanding any other provision of law, emergency aid shall be increased from \$200,000 to \$300,000 to be distributed by the Commissioner, upon approval by the State Board, to meet unforeseeable conditions in any municipal or county library in accordance with NJS 18A:74-6.

34300. *Programs for the State Museum—State Aid*

34310-530. State Museum .....	\$525,000
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Total Appropriation .....	\$525,000
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## Extraordinary:

Newark Museum Association .....	(\$525,000)
Total Appropriation, Department of Education .....	\$761,177,835*
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The unexpended balance as of June 30, 1977 in the remaining Grants-in-Aid accounts, not to exceed \$250,000 is hereby appropriated.

## DEPARTMENT OF HIGHER EDUCATION

*Department Management and General Support*39200. *General Support—State Aid*

39220-540. Aid to County Colleges .....	\$49,850,000*
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Total Appropriation .....	\$49,850,000*
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## Grants-in-Aid for County Colleges:

Operational costs .....	(\$47,950,000)
Debt service (NJS 18A :64A-22) ...	( 1,900,000)
Aid to counties for county college overenrollments .....	( 2,790,952)

The unexpended balance as of June 30, 1977 in this account is hereby appropriated; provided however that an amount not to exceed \$2,000,000 shall be for providing aid to counties for county college overenrollments.

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.

It is the intent of the appropriation hereinabove to fund a total enrollment during the 1977-78 fiscal year of 68,500 equated full-time students at \$700 per student 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.

Of the sum provided hereinabove for aid to counties for county college overenrollments, the distribution of such aid shall be limited to those counties where an outstanding obligation exists for the overenrollment of students by county colleges during fiscal year ending June 30, 1975 and that the allocation and payment of such aid shall be determined by the Chancellor of Higher Education and the Director of the Division of Budget and Accounting.

Total Appropriation, Department of Higher Education .....	\$49,850,000*
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Of the amount hereinabove appropriated to the Department of Higher Education, the sum hereinafter set forth is hereby appropriated from the State Lottery Fund:

Aid to county colleges .....	(\$46,964,000)
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Total Appropriation from State Lottery Fund .....	(\$46,964,000)
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## DEPARTMENT OF TRANSPORTATION

*Construction of Transportation Facilities*61200. *Public Transportation Facilities—State Aid*61250-600. *Grade Crossing Projects\**

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

61500. *Local Highway Facilities—State Aid*

61520-620. Federal Aid Urban Highway Projects	}	\$4,000,000
61540-620. Federal Aid Highway Safety Projects		
61560-620. County and Municipal Aid		775,000
61580-620. State Aid Road System Projects		5,500,000
61590-620. Construction Engineering		1,497,549
Total Appropriation		<u>\$11,772,549</u>

## Salaries:

Officers and employees	( \$1,397,410)
Materials and Supplies	( 28,500)
Services Other Than Personal	( 67,639)

## Maintenance of Property:

Recurring	( 4,000)
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## Extraordinary:

Federal Aid Urban Highway	}	( 4,000,000)
Projects		
Federal Aid Highway Safety	}	( 775,000)
Projects		
County and municipal aid for lighting	( 775,000)	
Extraordinary State aid for municipal highways (PL 1966, c. 33)	( 5,500,000)	

The unexpended balances as of June 30, 1977 in these accounts are hereby appropriated for the same purposes as originally provided.

Capital funds are hereby available for allotment by the Commissioner of Transportation to provide the non-Federal share of Construction of Local Highway facilities.

Total Appropriation, Department of Transportation	<u>\$11,772,549</u>
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## DEPARTMENT OF HUMAN SERVICES

*Mental Health*26900. *Management and General Support—State Aid*

26910-770. Community Services .....	\$27,800,000
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Total Appropriation .....	\$27,800,000
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## Extraordinary:

Support of patients in county mental hospitals (RS 30:4-78) .....	(\$20,300,000)
Establishment, development, improvement and expansion of community mental health services ....	( 7,500,000)

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

Funds appropriated hereinabove for Establishment, development, improvement and expansion of community mental health services 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 .....	\$242,382,000
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Total Appropriation .....	\$242,382,000
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## Extraordinary:

Payments to municipalities for cost of general assistance (State share) (C44:8-134) .....	(\$41,238,000)
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- Payments for dependent children assistance—Regular Segment (State share) (C44:10-4 et seq.).(168,385,000)
- Payments for dependent children assistance—Unemployment of father (State share) . . . . . ( 4,885,000)
- Payments for dependent children assistance—Insufficient employment of parents (State share) . . ( 9,999,000)
- Payments for supplementary security income (State share) . . . . ( 17,275,000)
- Payments for emergency assistance( 600,000)

The amounts appropriated hereinabove 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 (C44:13-1 et seq.), pending enactment of legislation to establish the above two categories for aid for dependent children.

The net State 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, 1978 are hereby appropriated.

Receipts from State administered towns during the fiscal year ending June 30, 1978 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 . . . . .	\$27,941,875
Sub-Total Appropriation . . . . .	\$27,941,875
<i>Less:</i>	
<i>Federal Aid Receivable</i> . . . . .	<i>1,438,211</i>
Total Appropriation . . . . .	\$26,503,664

Extraordinary:

Payment of child care costs (State share) (C30:4C-1 et seq.) . . . . . (\$27,941,875)

Less:

*Federal aid receivable* . . . . . ( 1,438,211)

The unexpended balance as of June 30, 1977 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, 1977 and, in addition thereto, all such funds recovered under C30:4C-1 et seq. during the fiscal year ending June 30, 1978 are hereby appropriated.

The sum appropriated hereinabove shall be available for the payment of obligations applicable to prior fiscal years.

The amount appropriated hereinabove for the Payment of child care costs account may be reduced, as the Director of the Division of Budget and Accounting shall determine, by the amount of additional Federal funds made available for AFDC—Foster Care.

Total Appropriation, Department of Human Services . . . . .	\$296,685,664
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DEPARTMENT OF COMMUNITY AFFAIRS

*Development of Community Programs*

42100. *Community Development Management—State Aid*

42110-800. Housing Code Enforcement . . . . .	\$30,000
42120-800. Housing . . . . .	1,750,000
42130-800. Local Government Services . . . . .	52,765,170

Total Appropriation . . . . .	\$54,545,170
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Extraordinary:

Building officials and code administrators membership for municipalities . . . . . ( \$30,000)

Neighborhood preservation . . . . .	( 1,000,000)
Revolving Housing Development and Demonstration Grant Fund . . .	( 750,000)
For Municipal services and in lieu of taxes—	
Trenton . . . . .	( 560,000)
Ewing Township . . . . .	( 350,000)
New Brunswick . . . . .	( 265,000)
Safe and clean neighborhoods . . . . .	( 12,000,000)
Municipal aid, subject to enactment of enabling legislation . . . . .	( 38,940,170)
Aid to depressed rural centers, sub- ject to the enactment of enabling legislation . . . . .	( 400,000)
Public service training internships . .	( 250,000)

The unexpended balance as of June 30, 1977 in the Revolving Housing Development and Demonstration Grant Fund account, and receipts, are hereby appropriated for the same purpose.

Of the amount appropriated hereinabove for the Revolving Housing Development and Demonstration Grant Fund, together with unexpended balances as of June 30, 1977 in such account, at least \$1,000,000 shall be made available to the Housing Finance Agency for seed money loans.

The amount appropriated 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.

*Income Security and Human Resource Development*

*52300. Human Resource Development—State Aid*

52310-800. Human Resources . . . . .	\$3,770,000
52320-800. Programs for Aging . . . . .	378,000
Total Appropriation . . . . .	<u>\$4,148,000</u>

## Extraordinary:

Special youth olympics .....	( \$75,000)
Youth employment program .....	( 1,900,000)
County offices on aging .....	( 378,000)
Economic opportunity programs ..	( 800,000)
Community development .....	( 395,000)
Office of Hispanic Affairs .....	( 500,000)
Program development .....	( 100,000)

Total Appropriation, Department of Community Affairs .....

\$58,693,170

The amount provided hereinabove for youth employment shall be expended exclusively for jobs for youths from lower income families, except that up to 5% may be used for adult counsellors of such youths, and in no event, no less than \$500,000 shall be expended for school term employment.

## THE JUDICIARY

*Judicial Affairs*73100. *Court Operations—State Aid*

73130-970. County Courts .....	\$1,691,000
Total Appropriation .....	<u>\$1,691,000</u>

## Extraordinary:

Amounts to be paid to various counties representing 40% of the salaries of county court judges (NJS 2A:3-19) .....	( \$1,616,000)
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.) .....	( 50,000)

The unexpended balance as of June 30, 1977 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 .....	\$1,691,000
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Total Appropriation, State Aid .....	\$1,320,946,012*
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### CAPITAL CONSTRUCTION

#### DEPARTMENT OF LAW AND PUBLIC SAFETY

##### *Law Enforcement*

##### 11100. *Regulation of Motor Vehicles—Capital*

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

##### *Law Enforcement*

##### 11200-120. *State Police—Capital*

Troop headquarters and garage, Morristown .....	\$212,795
Renovate forensic laboratory, Ewing .....	427,392
<hr/>	
Total Appropriation .....	\$640,187
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The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

##### 11400-160. *Protection of Individual Rights—Capital*

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

Total Appropriation, Department of Law and Public Safety .....	\$640,187
<hr/>	

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*

Kelsey building, remodeling .....	\$400,000
	<hr/>
Total Appropriation, Department of the Treasury .....	\$400,000
	<hr/> <hr/>

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

*Management and General Support*79100-210. *Department Management—Capital*

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

## DEPARTMENT OF DEFENSE

*Protection Against Natural and Man-Made Hazards*13100-340. *National Guard—Capital*

South Plainfield-Franklin Township area, new armory .....	\$471,750
	<hr/>
Total Appropriation, Department of Defense .....	\$471,750
	<hr/> <hr/>

Funds derived from the sale of any lands or buildings held by the Department of Defense are hereby appropriated for acquisition of land, rehabilitation or improvement of existing facilities and construction of new buildings for use by the State military or naval services.

The unexpended balance as of June 30, 1977 in this account, is hereby appropriated, and any additional Federal aid made available by the Congress for capital construction purposes, is hereby appropriated for use by the Department of Defense.

## DEPARTMENT OF ENVIRONMENTAL PROTECTION

*Environmental Management*41300-400. *Resource Management—Capital**Water Supply and Flood Plain Management*

The unexpended balance as of June 30, 1977 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, 1977 in this account is hereby appropriated.

46100-400. *Recreational Opportunities—Capital**Recreational Boating . .*

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

*Recreational Management*46100-400. *Recreational Opportunities—Capital**Parks Management*

Restoration of Proprietary House, Perth Amboy . . . . .	\$30,000
Repairs to Leonardo Marina . . . . .	500,000
	<hr/>
Total Appropriation, Department of Environmental Protection . . . . .	\$530,000
	<hr/> <hr/>

The unexpended balance as of June 30, 1977 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.

Notwithstanding the provisions of PL 1954, c. 48, the Department of Environmental Protection may enter into a contract with the Waterloo Foundation for the Arts for improvements to existing State-owned structures at Waterloo Village, or for the construction of new facilities at Waterloo Village, in a sum not to exceed \$100,000.

DEPARTMENT OF EDUCATION

*Direct Public Services*

34100-535. *Services For The Handicapped—Capital*

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

*Direct Public Services*

34300-530. *Programs For The State Museum—Capital*

Natural Science Hall exhibit .....	\$230,750
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The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

Total Appropriation, Department of Education .....	\$230,750
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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
Maintenance and renovation projects .....	1,500,000
Camden Campus, site development .....	325,000
Total Appropriation .....	<u>\$2,075,000</u>

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

Funds appropriated hereinabove for maintenance and renovation projects shall be made available upon approval by the Chancellor of Higher Education.

572. *Agricultural Experiment Station*

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

573. *College of Medicine and Dentistry of New Jersey*

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

594. *State College Construction*

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

*Department Management and General Support*

39100. *General Support—Capital*

540. *Other Capital Construction*

Renovation and maintenance projects—State colleges, New Jersey Institute of Technology and the College of Medicine and Dentistry of New Jersey .....

\$3,000,000

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

Total Appropriation, Department of Higher Education .....

\$5,075,000

## DEPARTMENT OF TRANSPORTATION

*Construction of Transportation Facilities*61100. *State Highway Facilities—State Highway Construction—Capital\**

61110-612.	Federal Aid Interstate Highway Projects .....	}	\$27,500,000
61120-612.	Federal Aid Urban System Projects ..		
61130-612.	Federal Aid Rural Highway Projects ..		
61140-612.	Federal Aid Safety Projects .....		
61150-612.	Federal Aid Consolidated Primary Projects .....	}	1,500,000
61160-612.	Non-Federal Aid Highway Projects ..		
61180-612.	Physical Plant Construction Projects ..		11,285,706
61190-612.	Transportation Construction Engineering .....		
Total Appropriation .....			<u>\$40,285,706</u>

## Extraordinary:

State Highway Construction .....	(\$27,500,000)
Physical Plant Construction .....	( 1,500,000)
Transportation Construction Engineering .....	( 11,285,706)

The unexpended balance as of June 30, 1977 in this subcategory, excluding the account for Route I-95 is hereby appropriated.

In addition to the amounts appropriated hereinabove 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 appropriated hereinabove 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 shall not be expended or contracted for without the approval of the Governor.

From the amount appropriated hereinabove for State Highway Construction, 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 appropriated hereinabove, not more than \$3,000,000 may be used for non-participating portions of Federal aid projects.

Funds appropriated hereinabove may be allocated by the Commissioner of Transportation to provide the non-Federal share of construction of Local highway facilities.

Funds appropriated hereinabove for State highway construction may be available for public transportation capital purposes.

Funds from the sale or exchange of any land or buildings held by the Division of Central Services are hereby appropriated for acquisition of other land, rehabilitation or improvement of existing installations and construction of new buildings.

61200-612. *Public Transportation Facilities—Capital*

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

Total Appropriation, Department of Transportation . . . . .	\$40,285,706
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## DEPARTMENT OF HUMAN SERVICES

*Mental Retardation*25100. *Residential Functional Services—Capital*760. *Division of Mental Retardation*

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

*Mental Health*26100. *Institutional Services—Capital*770. *Division of Mental Health and Hospitals*

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

*Income Security and Human Resource Development*52600. *Social Services for Youth and Families—Capital*717. *Division of Youth and Family Services*

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

52700. *Services to Veterans—Capital*710. *New Jersey Memorial Home For Disabled Soldiers  
At Menlo Park*

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

711. *New Jersey Memorial Home For Disabled Soldiers  
at Vineland*

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

*Management and General Support*79100-700. *Department Management and General Support  
—Capital*

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

Funds derived from the sale of any lands or buildings held by the Department of Human Services are hereby appropriated for acquisition of land, rehabilitation or improvement of existing facilities and construction of new facilities for use by the Department of Human Services.

DEPARTMENT OF CORRECTIONS

*Custody, Care and Rehabilitation*

12100-860. *Institutional Services—Capital*

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

Funds derived from the sale of any lands or buildings held by the Department of Corrections are hereby appropriated for acquisition of land, rehabilitation or improvement of existing facilities and construction of new facilities for use by the Department of Corrections.

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, 1977 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 . . . \$47,633,393

## DEBT SERVICE

## DEPARTMENT OF PUBLIC UTILITIES

34500. *Public Broadcasting—Debt Service*

34570-352. Interest on Bonds .....	\$340,580
34580-352. Redemption of Bonds .....	309,000
	<hr/>
Total Appropriation, Department of Public Utilities .....	\$649,580
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## Extraordinary:

Interest on Public Building Construction Bonds (PL 1968, c. 128) . (	\$340,580)
Redemption of Public Building Construction Bonds (PL 1968, c. 128) . (	309,000)

## DEPARTMENT OF HEALTH

29100. *Management, Support and Special Programs—Debt Service*

29170-360. Interest on Bonds .....	\$122,621
29180-360. Redemption of Bonds .....	111,000
	<hr/>
Total Appropriation, Department of Health .....	\$233,621
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## Extraordinary:

Interest on Public Building Construction Bonds (PL 1968, c. 128) . (	\$122,621)
Redemption of Public Building Construction Bonds (PL 1968, c. 128) . (	111,000)

## DEPARTMENT OF ENVIRONMENTAL PROTECTION

49100. *Department Management—Debt Service*

49170-400. Interest on Bonds .....	\$16,105,919
49180-400, Redemption of Bonds .....	13,055,000
	<hr/>
Total Appropriation, Department of Environmental Protection .....	\$29,160,919
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## Extraordinary:

Interest on Water Development Bonds (PL 1958, c. 35) .....	( \$688,250)
Interest on State Recreation and Conservation Land Acquisition Bonds (PL 1961, c. 46) .....	( 819,200)
Interest on Water Conservation Bonds (PL 1969, c. 127) .....	( 9,276,169)
Interest on State Recreation and Conservation Land Acquisition Bonds (PL 1971, c. 165) .....	( 3,734,620)
Interest on State Recreation and Conservation Land Acquisition and Development Bonds (PL 1974, c. 102) .....	( 1,587,680)
Redemption of Water Development Bonds (PL 1958, c. 35) .....	( 2,500,000)
Redemption of State Recreation and Conservation Land Acquisition Bonds (PL 1961, c. 46) .....	( 2,600,000)
Redemption of Water Conservation Bonds (PL 1969, c. 127) .....	( 5,755,000)
Redemption of State Recreation and Conservation Land Acquisition Bonds (PL 1971, c. 165) .....	( 1,200,000)
Redemption of State Recreation and Conservation Land Acquisition and Development Bonds (PL 1974, c. 102) .....	( 1,000,000)

## DEPARTMENT OF EDUCATION

39100. *Department Planning and Management—**Debt Service*

39170-500. Interest on Bonds .....	\$1,804,894
39180-500. Redemption of Bonds .....	1,833,000
	<hr/>
Total Appropriation, Department of Education .....	\$3,637,894
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## Extraordinary:

Interest on Public Building Construction Bonds (PL 1968, c. 128) .	( \$1,248,894)
Interest on State Facilities for Handicapped Bonds (PL 1973, c. 149) . . . . .	( 556,000)
Redemption of Public Building Construction Bonds (PL 1968, c. 128) .	( 1,133,000)
Redemption of State Facilities for Handicapped Bonds (PL 1973, c. 149) . . . . .	( 700,000)

## DEPARTMENT OF HIGHER EDUCATION

39100. *Department Planning and Management—Debt Service*

39170-540. Interest on Bonds . . . . .	\$17,581,160
39180-540. Redemption of Bonds . . . . .	14,340,000
	<hr/>
Total Appropriation, Department of Higher Education . . . . .	\$31,921,160
	<hr/> <hr/>

## Extraordinary:

Interest on State Higher Education Construction Bonds (PL 1964, c. 142) . . . . .	( \$923,200)
Interest on Public Building Construction Bonds (PL 1968, c. 128) .	( 9,196,560)
Interest on Higher Education Construction Bonds (PL 1971, c. 164) .	( 7,461,400)
Redemption of State Higher Education Construction Bonds (PL 1964, c. 142) . . . . .	( 2,000,000)
Redemption of Public Building Construction Bonds (PL 1968, c. 128) .	( 8,340,000)
Redemption of Higher Education Construction Bonds (PL 1971, c. 164) . . . . .	( 4,000,000)

## DEPARTMENT OF TRANSPORTATION

69100. *Department Management and General Support—**Debt Service*

69170-600.	Interest on Bonds .....	\$27,087,716
69180-600.	Redemption of Bonds .....	20,260,000
		<hr/>
Total Appropriation, Department of Transportation .....		\$47,347,716
		<hr/> <hr/>

## Extraordinary:

Interest on Highway Improvement and Grade Crossing Elimination Bonds (PL 1930, c. 228) .....		( \$115,363)
Interest on State Transportation Bonds (PL 1968, c. 126) .....		( 26,972,353)
Redemption of Highway Improvement and Grade Crossing Elimination Bonds (PL 1930, c. 228) .....		( 660,000)
Redemption of State Transportation Bonds (PL 1968, c. 126) .....		( 19,600,000)

## DEPARTMENT OF HUMAN SERVICES

79100. *Department Management and General Support—**Debt Service*

79170-700.	Interest on Bonds .....	\$4,527,724
79180-700.	Redemption of Bonds .....	5,630,000
		<hr/>
Total Appropriation, Department of Human Services .....		\$10,157,724
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## Extraordinary:

Interest on State Institution Construction Bonds (PL 1960, c. 156) (		\$327,719)
Interest on New Jersey Institutions Construction Bonds (PL 1964, c. 144) .....		( 775,320)
Interest on Public Buildings Construction Bonds (PL 1968, c. 128) (		3,424,685)

Redemption of State Institution Construction Bonds (PL 1960, c. 156) .....	( 1,125,000)
Redemption of New Jersey Institutions Construction Bonds (PL 1964, c. 144) .....	( 1,400,000)
Redemption of Public Buildings Construction Bonds (PL 1968, c. 128) .....	( 3,105,000)

## DEPARTMENT OF COMMUNITY AFFAIRS

79100. *Department Management—Debt Service*

79170-800. Interest on Bonds .....	\$558,300
79180-800. Redemption of Bonds .....	600,000
Total Appropriation, Department of Community Affairs .....	<u>\$1,158,300</u>

## Extraordinary:

Interest on State Housing Assistance Bonds (PL 1968, c. 127) .....	( \$558,300)
Redemption of State Housing Assistance Bonds (PL 1968, c. 127) .....	( 600,000)

## DEPARTMENT OF CORRECTIONS

12900. *Department Management and General Support—  
Debt Service*

12970-860. Interest on Bonds .....	\$1,523,176
12980-860. Redemption of Bonds .....	2,177,000
Total Appropriation, Department of Corrections .....	<u>\$3,700,176</u>

## Extraordinary:

Interest on State Institution Construction Bonds (PL 1960, c. 156) (	\$196,632)
Interest on New Jersey Institutions Construction Bonds (PL 1964, c. 144) .....	( 332,280)

Interest on Public Buildings Construction Bonds (PL 1968, c. 128) . . . . .	( 994,264)	
Redemption of State Institution Construction Bonds (PL 1960, c. 156) . . . . .	( 675,000)	
Redemption of New Jersey Institutions Construction Bonds (PL 1964, c. 144) . . . . .	( 600,000)	
Redemption of Public Buildings Construction Bonds (PL 1968, c. 128) . . . . .	( 902,000)	
Total Appropriation, Debt Service . . . . .		\$127,967,090
		<hr/> <hr/>
Total Appropriation, General State Fund . . . . .	\$3,105,810,958*	<hr/> <hr/>

## PROPERTY TAX RELIEF FUND

## GENERAL STATE OPERATIONS

## DEPARTMENT OF THE TREASURY

*Executive Management, Planning and Control*71300. *Tax and Revenue Administration—Property Tax Relief Fund*

71310-240. Tax Collection and Enforcement Services . . . . .		\$7,055,000
		<hr/>
Total Appropriation, Department of the Treasury . . . . .		\$7,055,000
		<hr/> <hr/>

## Extraordinary:

Administrative costs of the collection of the Gross Income Tax . . . . .	( \$5,555,000)
Administrative costs of the Homestead Exemption Act . . . . .	( 1,500,000)

The amount hereinabove is hereby appropriated from the Property Tax Relief Fund.

The unexpended balance as of June 30, 1977 in this account is hereby appropriated.

In addition to the amounts hereinabove, there are hereby appropriated additional sums as may be required for the administration of the collection of the Gross Income Tax and the administration of the Homestead Exemptions Act, subject to the approval of the Subcommittee on Transfers of the Joint Appropriations Committee.

Total Appropriation, General State Operations .....	\$7,055,000
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## STATE AID

## DEPARTMENT OF THE TREASURY

*Financial Aid to Counties and Municipalities*77100. *Shared and State-Collected Local Taxes—State Aid—**Property Tax Relief Fund*

77130-240. Business Personal Property Tax Replacement .....	\$18,759,233*
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Total Appropriation .....	\$18,759,233*
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## Extraordinary:

Business Personal Property Tax replacement .....	(\$50,500,000)
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The amount hereinabove is hereby appropriated from the Property Tax Relief Fund.

77200. *State Subsidies and Services—State Aid—Property Tax Relief Fund*

77210-240. Revenue Sharing .....	\$50,000,000
77220-240. Homestead Exemptions .....	266,000,000
77230-240. Reimbursements—Senior Citizens' and Veterans' Tax Exemptions .....	58,000,000

Total Appropriation .....	\$374,000,000
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## Extraordinary:

Reimbursement—Senior Citizens' and Veterans' Tax Exemptions .....	(\$374,000,000)
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The amount hereinabove is hereby appropriated from the Property Tax Relief Fund.

In addition to the amount hereinabove there are hereby appropriated from the Property Tax Relief Fund such additional sums as may be required for State reimbursement to municipalities for the senior citizens' and veterans' tax exemptions and for additional payments to home owners qualifying for homestead exemptions.

Total Appropriation, Department of the Treasury .....	<u><u>\$392,759,233*</u></u>
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DEPARTMENT OF EDUCATION

*General Assistance for Public and Non-Public Education*

31100. *General Assistance to Local Educational Agencies—*

*State Aid—Property Tax Relief Fund*

31110-500. General Formula Aid .....	\$341,105,968
31120-500. Special Education .....	80,205,182
31140-500. School Building Aid .....	33,916,049
31150-500. Pupil Transportation .....	49,795,877

Total Appropriation, Department of Education .....	<u><u>\$505,023,076</u></u>
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Grants-in-aid:

Current expense equalization aid (NJSA 18A:7A-1 et seq.) .....	(\$341,105,968)
Special education program .....	( 10,395,182)
Building aid (NJSA 18A:7A-1 et seq.) .....	( 33,916,049)
Pupil transportation .....	( 49,795,877)
Compensatory education research and development .....	( 1,710,000)
Compensatory aid .....	( 57,000,000)
Bilingual aid .....	( 6,100,000)
Local vocational aid .....	( 5,000,000)

The amount hereinabove is hereby appropriated from the Property Tax Relief Fund.

Total Appropriation, State Aid .....	\$897,782,309*
Total Appropriation, Property Tax Relief Fund .....	\$904,837,309*
Grand Total Appropriation, All Funds .....	\$4,010,648,267*

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, 1977 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, 1977 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; providing that such transfer is not between a State Aid account and either a General State Operations or a Capital Construction account, except as hereinafter provided. 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 \$200.00 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. Transfers between State Aid accounts and either General State Operations or Capital Construction accounts may be made only if approved by the Subcommittee on Transfers of the Joint Appropriations Committee. 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

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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, 1977 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, 1977 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.

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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, 1977 in accounts of appropriations enacted subsequent to April 1, 1977 are hereby appropriated as the Director of the Division of Budget and Accounting shall determine.

20. This act shall take effect July 1, 1977.

Approved June 30, 1977.

## STATEMENT ON SENATE BILL No. 3200

Pursuant to Article V, Section 1, Paragraph 15 of the Constitution, I am appending to Senate Bill No. 3200 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.

## GENERAL STATE OPERATIONS

## "EXECUTIVE BRANCH"

*"Department of Labor and Industry"*

On Page 41:

Lines 1-2 "59210-380. Expansion and Growth of  
Commerce and Industry ..... \$2,064,036"

This item is reduced to \$1,864,036.

On Page 41:

Line 3 "Total Appropriation ..... \$2,064,036"

This item is reduced to \$1,864,036.

On Page 42:

Lines 8-9 "Total Appropriation, Department of  
Labor and Industry ..... \$20,788,889"

This item is reduced to \$20,588,889.

*"Department of Environmental Protection"*

On Page 45:

Line 1 "46110-400. Parks Management ..... \$8,222,494"

This item is reduced to \$7,822,494.

On Page 45:

Line 5 "Total Appropriation ..... \$10,638,669"

This item is reduced to \$10,238,669.

On Page 48:

Lines 48-49 "Total Appropriation, Department  
of Environmental Protection ..... \$28,351,269"

This item is reduced to \$27,951,269.

*“Department of Higher Education”*

On Page 56:

Line 1 “33970. Institutional Support . . . . . \$745,218”

This item is reduced to \$640,940.

On Page 56:

Line 2 “Total Appropriation . . . . . \$745,218”

This item is reduced to \$640,940.

On Page 64:

Line 1 “33120. Research . . . . . \$4,836,515”

This item is reduced to \$4,696,515.

On Page 64:

Line 3 “Sub-Total, General Operations . . . . . \$7,921,787”

This item is reduced to \$7,781,787.

On Page 64:

Line 6 “Total All Operations . . . . . \$13,213,000”

This item is reduced to \$13,073,000.

On Page 65:

Line 13 “Sub-Total Appropriation . . . . . \$7,886,787”

This item is reduced to \$7,746,787.

On Page 65:

Lines 36-37 “Total Appropriation, Rutgers, The State University . . . . . \$94,947,500”

This item is reduced to \$94,807,500.

On Page 72:

Lines 50-51 “Total Appropriation, Department of Higher Education . . . . . \$328,419,550”

This item is reduced to \$328,175,272.

*“Department of Transportation”*

On Page 75:

Lines 29-33 “. . . In Ringwood Township, Passaic County, and at three locations in Sussex County.”

This quoted language is deleted in its entirety.

*“Department of Community Affairs”*

On Page 92:

Lines 34-39H “... For Revolving Housing Development and Demonstration Grant Fund, \$1,550,000; for Youth employment program; \$750,000; for Community Development, \$1,000,000; ....”

This quoted language is deleted in its entirety.

*“Inter-Departmental Accounts”*

On Page 110:

Line 1 “78220. Employee Benefits ..... \$193,351,196”

This item is reduced to \$188,351,196.

On Page 110:

Line 2 “Total Appropriation ..... \$193,351,196”

This item is reduced to \$188,351,196.

On Page 116:

Lines 15-16 “Total Appropriation, Inter-Departmental Accounts ..... \$260,114,492”

This item is reduced to \$255,114,492.

On Page 118:

Lines 25-26 “Total Appropriation, General State Operations ..... \$1,615,108,741”

This item is reduced to \$1,609,264,463.

## STATE AID

*“Department of the Treasury”*

On Pages 120-121:

Lines 13-23 “Notwithstanding the provisions of PL 1975, c. 170, ... 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.”

This quoted language is deleted in its entirety.

On Page 121:

Lines 24-32 “Notwithstanding the provisions of PL 1975, c. 171, . . . 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.”

This quoted language is deleted in its entirety.

On Page 121:

Line 4A “77260-240. Locally Provided Services 9,000,000”

This item is reduced to 8,000,000.

On Page 121:

Line 5 “Total Appropriation . . . . . \$20,082,959”

This item is reduced to \$19,082,959.

On Page 121:

Lines 20-21 “Total Appropriation, Department of the Treasury . . . . . \$136,012,456”

This item is reduced to \$135,012,456.

*“Department of Education”*

On Page 125:

Lines 66-69 “The Department of Education, at all stages of the calculation of district budget growth, shall round off per pupil expenditure to the nearest whole cent, in order to minimize rounding error.”

This quoted language is deleted in its entirety.

On Page 126:

Line 5 “31250-500. Other Grants-in-Aid . . . . . 3,292,598”

This item is reduced to 3,167,598.

On Page 126:

Line 6 “Total Appropriation . . . . . \$28,283,399”

This item is reduced to \$28,158,399.

On Page 127:

Lines 5-6 “Total Appropriation, Department of Education . . . . . \$761,302,835”

This item is reduced to \$761,177,835.

*“Department of Higher Education”*

On Page 128:

Line 1 “39220-540. Aid to County Colleges . . . . \$52,640,952”  
This item is reduced to \$49,850,000.

On Page 128:

Line 2 “Total Appropriation . . . . . \$52,640,952”  
This item is reduced to \$49,850,000.

On Page 129:

Lines 44-45 “Total Appropriation, Department  
of Higher Education . . . . . \$52,640,952”  
This item is reduced to \$49,850,000.

*“Department of Transportation”*

On Page 129:

Lines 1-5 “. . . Provided, however, that of the  
amount, not more than \$95,000 shall be used to  
install railroad signalization of the Whitman  
Avenue crossing, Edison.”

This quoted language is deleted in its entirety.

On Page 135:

Line 25 “Total Appropriation, State Aid . . . . . \$1,324,861,964”  
This item is reduced to \$1,320,946,012.

## CAPITAL

*“Department of Transportation”*

On Page 141:

Lines 52A-52J “Of the amount provided herein-  
above for State Highway Construction not  
more than \$275,000 shall be used for prelimi-  
nary engineering and design of the Camden  
Transportation Center, \$40,000 shall be used  
for reconstruction of Washington Avenue in  
Highland Park, \$100,000 shall be used for plan-  
ning improvements to Routes 4 and 17 and con-  
necting highways, and a pedestrian overpass  
shall be constructed over Route 18 in Old  
Bridge Township.”

This quoted language is deleted in its entirety.

On Page 141:

Lines 52K-52R "Of the amount provided herein-  
above for State Highway Construction, no  
funds shall be expended or allocated for con-  
struction of Route 29 southward and eastward  
from Cass Street in Trenton and no funds shall  
be expended or allocated for land acquisition,  
construction or related purposes for Route I-95  
between Hopewell Township and the Raritan  
River."

This quoted language is deleted in its entirety.

On Page 148:

Line 23 "Total Appropriation, General State  
Fund ..... \$3,115,571,188"  
This item is reduced to \$3,105,810,958.

PROPERTY TAX RELIEF FUND

STATE AID

*"Department of the Treasury"*

On Page 150:

Lines 1-2 "77130-240. Business Personal Prop-  
erty Tax Replacement ..... \$50,500,000"  
This item is reduced to \$18,759,233.

On Page 150:

Line 3 "Total Appropriation ..... \$50,500,000"  
This item is reduced to \$18,759,233.

On Page 150:

Lines 18-19 "Total Appropriation, Department  
of the Treasury ..... \$424,500,000"  
This item is reduced to \$392,759,233.

On Page 151:

Line 20 "Total Appropriation, State Aid ..... \$929,523,076"  
This item is reduced to \$897,782,309.

On Page 151:

Lines 21-22 "Total Appropriation, Property  
Tax Relief Fund ..... \$936,578,076"  
This item is reduced to \$904,837,309.

On Page 151:

Line 23 "Grand Total Appropriation, All Funds \$4,052,149,264"  
This item is reduced to \$4,010,648,267.

I hereby certify that in lieu of the resources listed in Senate Bill No. 3200 the following resources are available to support appropriations in the amount of \$3,105,810,058 from the General State Fund and \$904,837,309 from the Property Tax Relief Fund.

GENERAL STATE FUND

Surplus—Estimated Balance July 1, 1977 ..... \$90,176,014

Major Taxes:

Sales .....	\$968,000,000
Corporation franchise .....	508,000,000
Business personal property .....	78,000,000
Corporation business—banks and financial business .....	22,000,000
Cigarette .....	168,000,000
Insurance premiums .....	67,000,000
Motor fuels .....	297,000,000
Parimutuel .....	27,600,000
Realty transfer .....	14,000,000
Savings institution .....	3,000,000
All other major taxes, same as Sen- ate Bill No. 3200 .....	430,300,000

Total, Major Taxes ..... \$2,582,900,000

Miscellaneous Taxes and Other Revenues:

Division of Consumer Affairs— General .....	\$1,250,000
Professional examining board fees ..	3,100,000
Board of patients, residents, other income .....	96,371,000
All other items, same as Senate Bill No. 3200 .....	185,005,448

Total, Miscellaneous Taxes and Other  
Revenues ..... \$285,726,448

Interfund Transfers:	
State lottery fund .....	\$77,000,000
Transportation Benefit Fund .....	800,000
Transportation Fund .....	29,200,000
All other interfund transfers, same as Senate Bill No. 3200 .....	97,147,499
	<hr/>
Total, Interfund Transfers .....	\$204,147,499
	<hr/>
Total Resources, General State Fund .....	\$3,162,949,961
	<hr/>
<i>Less:</i>	
<i>Reserve for Commuter Taxes:</i>	
<i>Emergency Transportation Tax .....</i>	<i>\$29,200,000</i>
<i>Transportation Benefits Tax .....</i>	<i>800,000</i>
	<hr/>
<i>Net General State Fund Anticipated Resources .....</i>	<i>\$3,132,949,961</i>
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## PROPERTY TAX RELIEF FUND

Surplus—Estimated Balance July 1, 1977 .....	\$146,500,000
Gross income tax .....	792,000,000
	<hr/>
Total Resources, Property Tax Relief Fund .....	\$938,500,000
	<hr/> <hr/>

This bill provides, in the main, for programs which are essential to the welfare and prosperity of our State, and which deserve our support in the coming budget year and in future years.

It provides \$1.321 billion in State aid to local governments, including aid for schools, for safe and clean streets, for community colleges and mental health facilities, for senior citizens and veterans property tax relief, and for public assistance and child care programs. These are necessary and productive programs, and I approve their continued funding.

It provides \$154.1 million for law enforcement, corrections, and consumer protection. These programs can be cut back only at our peril.

\$482 million is provided for health service, drug treatment, mental retardation care, and medicaid. I support these vital programs.

We will spend \$18.9 million on youth and family service programs—on foster care and delinquency prevention.

From the General State Fund, we will spend \$356.5 million for education, for support of State colleges and for scholarship and aid programs.

These programs are investments in New Jersey's future. They must be supported.

We will spend \$29.3 million on environmental protection and community development—on operations of State parks, on plant and animal disease control, on pollution abatement and on housing and community planning.

We will spend \$34.9 million to stimulate jobs and economic development and \$176.6 million on transportation improvement.

\$316.3 million is allocated for pension payments, and for interest and principal due on State bonds.

These are essential programs—vital to the State's growth and prosperity.

Each of these expenditures is necessary, each is prudent; each has been painstakingly reviewed and justified. We have trimmed where possible. We have sought savings wherever we could. But we have stood up for the legitimate needs of the people of New Jersey, for education, health care, transportation, law enforcement, job development and environmental improvements. We have not compromised the interests of our citizens or the prospects for our future.

The Appropriations bill allocates \$200,000 as start up costs for the Energy Finance Authority and \$400,000 for operation of a New Jersey Conservation Corps. These appropriations should be considered when the specific legislative bills are approved and the departments involved have had an opportunity to study the final legislative provisions and respond with their recommendations. These could become significantly new endeavors for the State; the impact of each should be fully explored in the context of the specific legislation creating the program.

In view of the fact that receipts from fees are appropriated for the use of Thomas A. Edison College, I am reducing the appropriation by \$104,278 to the amount of my recommendation in the 1978 Budget.

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The Agriculture Experiment Station is reduced by \$140,000 to the amount requested by the Board of Higher Education for the Experiment Station in the 1978 Budget.

The special reserve funds provided for the Housing Finance Agency for bond security which are not required after December 31, 1977, should lapse into the General Treasury in accordance with the original intent expressed in the Budget. I do not recommend that these funds be used in the middle of Fiscal Year 1978 to generate or to expand programs significantly which may then require full year funding in Fiscal Year 1979. Therefore, I have eliminated the language which makes 3.3 million of these funds available for selected Department of Community Affairs' activities. The priorities in the 1979 Budget should be determined when this Budget is considered next year.

The State Employees Health Benefits account is reduced from \$46 million to \$41 million, as recommended by the Division of Pensions. The health benefits rates from the carriers, as approved by the Department of Insurance, are substantially less than were reflected in the original estimate at the time the Budget was submitted.

Payments to municipalities for services to State-owned property has been recommended by various groups for many years. The Appropriations bill includes \$9 million for this desirable purpose; however, this is reduced by \$1 million to take into consideration some refinement of the calculations which may now be necessary as a result of the most recent municipal tax rate reductions.

In accordance with the recent legislation introduced with respect to the bank corporation taxes made available to municipalities and counties, I have corrected the language in the Appropriations Act in order to make these tax payments during Fiscal Year 1978.

I have deleted the language requiring the Department of Education to round off per pupil expenditure to the nearest whole cent because I am advised by the State Department of Education that this would be very costly and effect no real return to the State.

The National Guard Cooperative Education Program is reduced by \$125,000 to maintain the same level or program activity as at present. Federal law now requires a 50% State match.

The aid to counties for county college over enrollments—\$2,790,952— is deleted. This is the amount I also vetoed in the

Fiscal Year 1977 supplemental appropriation act. A sum of \$2.0 million will remain in this account for distribution to counties based upon a determination to be made by the Department of Higher Education. It should be pointed out that counties will benefit through this Appropriations Bill and the enabling legislation to the extent of \$5.0 million for a county revenue sharing program; and also Chapter 133 of the Laws of 1977, which I signed on June 29 to raise the reimbursement by the State to \$700 per student enrolled in a county college at a total cost of \$6,850,000.

The Appropriations Bill designates some specific projects to be financed from appropriations to the Department of Transportation and, in other cases, prohibits the use of any appropriation for other projects. While these projects may or may not prove ultimately to be meritorious, the Appropriations Bill is an inappropriate vehicle through which to direct their initiation or termination. As in prior years, I am vetoing this appropriation language. 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.

The Business Personal Property Replacement Tax, a dedicated fund in Fiscal Year 1977, will have a balance at year end which is more than sufficient to make the August payment in connection with this replacement tax program. A balance of \$31.7 million in this dedicated fund will be obligated at June 30, 1977 to make this payment. Therefore, the appropriation in the Property Tax Relief Fund in the Business Personal Property Replacement Tax—State Aid—account can be reduced by this \$31.7 million, since this August payment need not be made from this account.

Respectfully,

/s/ BRENDAN BYRNE,  
*Governor.*

## CHAPTER 138

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 from the Transportation Benefit Fund or the Transportation Fund, as may be applicable, for appropriations for the several purposes herein specified:

CAPITAL CONSTRUCTION	
DEPARTMENT OF TRANSPORTATION	
CONSTRUCTION OF TRANSPORTATION FACILITIES	
61100-612. STATE HIGHWAY FACILITIES—STATE HIGHWAY CONSTRUCTION—CAPITAL	
Construction of Route 81—Newark Airport Interchange (Essex) .....	\$7,000,000
Improvements to Route 1 (Middlesex) .....	1,500,000
Improvements to Routes 1 and 9, Pulaski Skyway Project (Hudson) .....	2,598,000
Improvements to Routes 1 and 9, from route 3 to Route 93 (Hudson) .....	780,000
Improvements to Routes 1 and 9, North Avenue to Port Street (Essex) .....	900,000
Improvements and right-of-way acquisition for Route 23 (Passaic) .....	2,000,000
Federal Aid Urban System Highway construction projects: local share for projects eligible for support from the Transportation Benefit Fund and/or the Transportation Fund .....	2,000,000
Other highway improvements .....	3,250,000
Total Appropriation—State Highway Facilities	\$20,028,000

Any appropriation herein or heretofore made for projects and programs within the purview of C. 54:8A-1 et seq. (Emergency Transportation Tax Act), shall first be charged to the Transportation Fund established in such act.

Any appropriation herein or heretofore made for projects and programs within the purview of C. 54:8A-58 et seq. (Transportation Benefits Tax Act), shall first be charged to the Transportation Fund established in such act.

61200-612. PUBLIC TRANSPORTATION FACILITIES—CAPITAL

Rail property acquisition, under 900—Day option, exclusively for sections currently having branch service .....	\$10,400,000
PATCO cars, Woodcrest Line: local match for purchase of new cars .....	2,200,000
PATCO high speed line extension: local match for first phase of design and engineering .....	1,000,000
Camden Transportation Center: local match for design, engineering and construction .....	3,000,000
New York and Long Branch railroad line: deferred maintenance and rehabilitation .....	1,250,000
New York and Long Branch railroad line: Manasquan River Bridge rehabilitation .....	2,000,000
New York and Long Branch railroad line: standby electrification facilities at Bay Head .....	300,000
Pennsylvania-Reading Seashore Line: Atlantic City station rehabilitation, other station improvements, and other rail line improvements .....	1,200,000
Raritan River Bridge: engineering .....	200,000
McClellan Street station in Elizabeth: engineering, study of Newark Airport connection, and partial construction .....	1,500,000
West Shore Line right-of-way acquisition .....	1,400,000
Hackensack Meadowlands transit line (Erie-Lackawanna-Harrison branch) .....	750,000
Erie-Lackawanna railroad: deferred maintenance and rehabilitation .....	500,000
Erie-Lackawanna railroad: additional engineering, electrification .....	1,500,000

Newark City Subway engineering and rehabilitation . . . . .	1,800,000
Rail car modification and refurbishing . . . . .	2,730,000
Other public transportation projects . . . . .	3,000,000
Total Appropriation—Public Transportation	
Facilities . . . . .	\$34,730,000

Any appropriation herein or heretofore made for projects and programs within the purview of C. 54:8A-1 et seq. (Emergency Transportation Tax Act), shall first be charged to the Transportation Fund established in such act.

Any appropriation herein or heretofore made for projects and programs within the purview of C. 54:8A-58 et seq. (Transportation Benefits Tax Act), shall first be charged to the Transportation Benefits Fund established in such act.

Total Appropriation . . . . .	\$54,758,000
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2. This act shall take effect immediately and be retroactive to July 1, 1976.

Approved June 30, 1977.

CHAPTER 139

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. There is hereby appropriated out of the General Treasury, the following:

DEPARTMENT OF ENVIRONMENTAL PROTECTION  
 41300. Resource Management  
 41320-400-100. Forest Resource Management

Extraordinary:

Supplemental requirement for firefighting costs for fiscal year 1976-77 . . . . .	\$300,000.00
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2. This act shall take effect immediately.

Approved June 30, 1977.

## CHAPTER 140

AN ACT authorizing the sale of surplus real property owned by the Department of Higher Education.

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

1. The Department of Treasury, Division of Purchase and Property, acting on behalf of the Department of Higher Education is hereby authorized to sell and convey all of the State's interest in surplus real property known as the Chancellor's Residence, 142 Hodge Road, Princeton Borough, Mercer County.

2. The sale shall be upon such terms and conditions as are approved by the State House Commission, and subject to approval under the State Real Property Review system.

3. This act shall take effect immediately.

Approved June 30, 1977.

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CHAPTER 141

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. 1976, chapter 48, as amended, may anticipate in the municipal budget prepared for the year 1977 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.

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2. In the event that any funds remain unappropriated 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, 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.

3. 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.

4. 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.) as amended. 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 1977.

5. 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 \$150,000.00 for the administration of this act.

6. Any determination of the Commissioner of the Department of Community Affairs pursuant to this act as to the amount of matching funds 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.

7. This act shall take effect immediately.

Approved June 30, 1977.

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CHAPTER 142

AN ACT to amend “An act subjecting banking corporations to the provisions of the ‘Corporation Business Tax Act (1945),’ (P. L. 1945, c. 162) and the ‘Business Personal Property Tax Act’ (P. L. 1966, c. 136), amending and supplementing the ‘Corporation Business Tax Act (1945)’ and repealing sections 54:9-1 through 54:9-18 of the Revised Statutes and section 13 of P. L. 1970, c. 8 (C. 54:9-19),” approved August 4, 1975 (P. L. 1975, c. 170).

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

1. Section 2 of P. L. 1975, c. 170 (C. 54:10A-33) is amended to read as follows:

**C. 54:10A-33 Banking corporations; collected business corporation and business personal property taxes; apportionment; certification; payment.**

2. The taxes collected from banking corporations pursuant to the Corporation Business Tax Act (P. L. 1945, c. 162) and the Business Personal Property Tax Act (P. L. 1966, c. 136) shall be apportioned one-half thereof to the State, one-quarter thereof to the several counties of the State, and one-quarter thereof to the several local taxing districts of the State in which one or more banking corporations have one or more offices. Each county shall be paid by the State a sum equal to that proportion of one-quarter of the total tax collected by the State pursuant to this act from each banking corporation having one or more offices in such county, which the total deposit balances at all offices of such banking corporation in such county at the close of business on the day preceding the assessment date bear to the total deposit balances of such banking corporation in the State at the close of business on the day preceding the assessment date. Each local taxing district in which one or more banking corporations have one or more offices

shall be paid by the State a sum equal to that proportion of one-quarter of the total tax collected by the State pursuant to this act from each such banking corporation, which the total deposit balances at all offices of such banking corporation in such district at the close of business on the day preceding the assessment date bear to the total deposit balances at all offices of such banking corporation in the county where such district is located, as such deposit balances stood at the close of business on the day preceding the assessment date. The amount due to each county and each local taxing district shall be annually certified by the Director, Division of Taxation on or before June 1, and shall be paid annually on or before July 10, by the State Treasurer to the counties and to the local taxing districts entitled thereto, setting forth in detail the amount of the tax received, the names of the banking corporations from which the tax was received, the aggregate amount thereof, and the basis of apportionment.

2. This act shall take effect immediately and shall be applicable with respect to apportionment certifications of collected taxes required to be made on and after June 1, 1977.

Approved June 30, 1977.

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#### CHAPTER 143

AN ACT to amend "An act concerning public support for railroad and bus services and supplementing Title 27 of the Revised Statutes," approved November 18, 1976 (P. L. 1976, c. 119, C. 27:1A-28.7 et seq.).

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

1. Section 9 of P. L. 1976, c. 119 is amended to read as follows:

9. This act shall take effect immediately but shall terminate on July 1, 1978.

2. This act shall take effect **immediately**.

Approved June 30, 1977.

## CHAPTER 144

AN ACT to regulate the practice of public accounting in this State and repealing “An act to regulate the practice of the profession of certified public accounting in this State and repealing chapter 2 of Title 45 of the Revised Statutes,” approved June 15, 1965 (P. L. 1965, c. 99).

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

**C. 45:2B-1 Short title.**

1. Short title. This act shall be known and may be cited as the “Public Accounting Act of 1977.”

**C. 45:2B-2 Declaration of policy.**

2. Declaration of policy. The Legislature hereby finds and declares that it is the policy of this State and the purpose of this act to promote the dependability of information which is used for guidance in financial transactions or for accounting for or assessing the status or performance of commercial and noncommercial enterprises, whether public or private. The public interest requires that persons attesting, as experts in accounting, to the reliability or the fairness of presentation, of such information be qualified in fact to do so; that a public authority competent to prescribe and assess the qualifications of public accountants be established; and that the attestation of financial information by persons professing expertise in accounting be reserved to persons who demonstrate their ability and fitness to observe and apply the standards of the accounting profession.

**C. 45:2B-3 Definitions.**

3. Definitions. As used in this act:

“Board” means the New Jersey State Board of Certified Public Accountants; and

“State” includes any state, territory or insular possession of the United States or the District of Columbia.

**C. 45:2B-4 New Jersey State Board of Certified Public Accountants.**

4. New Jersey State Board of Certified Public Accountants. The New Jersey State Board of Public Accountants created and established by P. L. 1904, c. 230 as amended and supplemented, continued by R. S. 45:2-1 and further continued and constituted as the New

Jersey State Board of Certified Public Accountants by P. L. 1965, c. 99 is further continued and the members and officers of said board as presently constituted shall continue to hold office until the expiration of their terms.

**C. 45:2B-5 Membership of board; appointments; terms; vacancies.**

5. Membership of board; appointments; terms; vacancies. The board shall consist of nine members, five of whom shall have been engaged in practice as certified public accountants and two of whom shall have been engaged in practice as a public accountant in this State for at least 5 years, one of whom shall be a public member and one of whom shall be a State executive department member. Each certified public accountant member and public accountant member shall be appointed by the Governor for a term of 3 years and shall hold office until his successor is appointed and qualified. Any vacancy on the board, however created, shall be filled by the Governor for the unexpired term only.

The public member and the State executive department member shall be appointed by the Governor in accordance with and subject to the provisions of P. L. 1971, c. 60 (C. 45:1-2.1 et seq.).

No certified public accountant or public accountant member may serve more than two successive terms in addition to any unexpired term to which he has been appointed, provided, that any member who has served two such successive terms may be reappointed after an intervening period of 1 year.

The Governor may remove a certified public accountant member, public accountant member or the public member from office, for cause, upon notice and opportunity to be heard.

**C. 45:2B-6 Oath; organization; officers; quorums; compensation; expenditures.**

6. Oath; organization; officers, quorums; compensation; expenditures.

a. Before entering upon the discharge of their duties, the members of the board shall take and subscribe an oath for the faithful performance of their duties before the Attorney General or any officer authorized to administer oaths in this State and file the same with the Secretary of State.

b. Subject to the approval of the Attorney General, the members of the board shall annually elect a president and a vice-president from their number. Upon the approval of the election of each officer, the board shall file in the office of the Secretary of State the name and post-office address of such officer.

c. Notwithstanding the provisions of any other law, the Attorney General shall appoint, as chief administrative officer of the board, an executive secretary who shall not be a member of the board and who shall serve at the pleasure of the Attorney General. The duties of the executive secretary shall be determined by the Attorney General. No such executive secretary shall engage in the practice of public accounting.

d. A majority of the members of the board shall constitute a quorum and no action of the board shall be taken except upon the affirmative vote of a majority of the members of the entire board.

e. Members of the board shall be reimbursed for actual expenses reasonably incurred in the performance of their official duties and shall receive such compensation as determined by the Attorney General. The executive secretary shall receive such compensation as shall be determined by the Attorney General.

f. Expenditures of the board in any fiscal year shall not exceed board revenues and all expenditures shall be in accordance with the provisions of the annual appropriations act.

g. Subject to the approval of the Attorney General, the board may adopt such rules and regulations as may be necessary to implement the provisions of this act, including, without limitation, rules and regulations governing professional conduct.

**C. 45:2B-7 Examination for certificate; necessity; time.**

7. Examination for certificate; necessity; time. Except as hereinafter otherwise provided, no person shall be issued a certificate by the board to practice as a certified public accountant unless he shall have passed a written examination in accounting and auditing and such related subjects as the board shall determine, and shall have applied for such examination at least 60 days prior thereto. Examinations shall be given by the board at least twice a year. The board may make use of the uniform certified public accountants' examinations and of the advisory grading service of the American Institute of Certified Public Accountants as it deems appropriate in performing its duties in respect to examinations.

**C. 45:2B-8 Application; requirements.**

8. Application; requirements. Every applicant for a certificate shall present to the board a written application for such certificate on a form to be provided by the board, together with the required fee, and satisfactory proof of the following:

- a. That the applicant is at least 18 years of age;
- b. That the applicant is of good moral character; and

c. That the applicant is a resident of this State or maintains an office in this State for the regular practice of public accounting or is employed in this State by a certified public accountant or firm of certified public accountants having an office in this State for the practice of public accounting;

d. That the applicant has a baccalaureate degree or its equivalent as determined by the New Jersey Department of Higher Education including such courses in accounting and related professional courses as the board may require, provided, that the board shall admit to the examination an individual who demonstrates to the board's satisfaction that he has acquired through experience and substantial formal higher education the equivalent of such baccalaureate degree;

e. That the applicant has had in the aggregate the following experience:

(1) At least 2 years in public accounting work in the office of a certified public accountant or a firm of certified public accountants; or

(2) At least 4 years in the general practice of public accounting; or

(3) At least 4 years accounting work in the employ of some state or any political subdivision thereof or of the United States; or

(4) At least 4 years in comparable accounting activity.

The board may accept teaching experience or graduate or other study in courses related to accounting in lieu of the required experience.

Evidence of such experience or study shall be submitted to the board in detail for its review and evaluation. Such evidence must demonstrate preparation for practice requiring the intensive, diversified application of accounting and auditing principles and procedures.

The board may accept service in the Armed Forces of the United States for experience credit on the basis of 1 month's credit for each 6 months' service, with a maximum credit of 8 months.

**C. 45:2B-9 Fees.**

9. Fees. The board may by rule or regulation establish fees for examination, certification, registration or other services it performs in accordance with and subject to the provisions of P. L. 1974, c. 46 (C. 45:1-3.1 et seq.).

**C. 45:2B-10 Reexamination.**

10. Reexamination. The board may by regulation prescribe the terms and conditions under which a candidate who has passed any part or parts of the examination may be reexamined in only the remaining parts. A candidate shall be entitled to an unlimited number of reexaminations.

**C. 45:2B-11 Candidates licensed by other states.**

11. Candidates licensed by other states. The board may waive the examination of and issue a certificate to any person who is of good moral character and who, at the time of his application, holds a valid and unrevoked certificate as a certified public accountant issued by or under the authority of any state which has education and experience requirements which are substantially equivalent to the requirements of this act for the issuance of a certificate as a certified public accountant. Any candidate for endorsement pursuant to this section, upon filing his completed application with the board, shall be deemed qualified to practice in this State for a period of 90 days or until the board has acted on his application, whichever is sooner.

**C. 45:2B-12 Certificate as certified public accountant.**

12. Certificate as certified public accountant. Any person who has received from the board a certificate as a certified public accountant which is in full force and effect, shall be styled and known as a "certified public accountant" and may also use the abbreviation "CPA." The board shall maintain a roster of certified public accountants. Any certified public accountant may also be known as a public accountant.

**C. 45:2B-13 Public accountants; registration.**

13. Public accountants; registration. Any person:

- a. Who is a resident of this State or has a place of business herein;
- b. Who is at least 18 years of age;
- c. Who is of good moral character; and
- d. Who held himself out continuously to the public as a public accountant and who was engaged as a principal, as distinguished from an employee, within this State in the full-time practice of public accounting for not less than 12 months prior to the effective date of this act or who held himself out continuously to the public as a public accountant and who was engaged as an employee within this State in the full-time practice of public accounting for not less than 30 months prior to the effective date of this act, may apply

for registration with the board as a public accountant on or before the one hundred and eightieth day following the effective date of this act.

The board shall register as a "public accountant" any person serving in the Armed Forces of the United States on the effective date of this act who for 12 months immediately prior to entering such service held himself out to the public as a public accountant and was engaged as a principal, as distinguished from an employee, within this State in the practice of public accounting, or who, as an employee, for 30 months immediately prior to entering such service continuously held himself out to the public as a public accountant within this State in the full-time practice of public accounting. In the case of any such person, the time for application for registration shall be extended for a period of 180 days from the time such person is separated from active duty.

The board shall in each case determine whether the applicant is eligible for registration.

Any person who is so registered shall be styled and known as a "public accountant."

**C. 45:2B-14 Professional service corporations; partnerships; registration.**

**14. Professional service corporations; partnerships; registration.**

a. One or more persons may organize a corporation for the practice of public accounting under "The Professional Service Corporation Act" (P. L. 1909, c. 232, C. 14A:17-1 et seq.) and shall register such corporation with the board.

b. A partnership engaged in this State in the practice of public accounting shall register with the board as a partnership of certified public accountants provided it meets the following requirements:

(1) At least one general partner thereof must be a certified public accountant of this State in good standing;

(2) Each partner thereof must be a certified public accountant of some state in good standing; and

(3) Each resident manager in charge of an office of a firm in this State and each partner thereof personally engaged within this State in the practice of public accounting as a member thereof must be a certified public accountant of this State in good standing.

Application for registration must be made upon the affidavit of a general partner or shareholder who is a certified public accountant of this State in good standing. The board shall in each case determine whether the applicant is eligible for registration. A partnership or corporation which is so registered may use the

words "certified public accountants" or the abbreviation "CPAs" in connection with its partnership or corporate name. Notification shall be given the board within 90 days after the admission or withdrawal of a partner or shareholder from any partnership or corporation so registered.

**C. 45:2B-15 Partnerships and corporations composed of public accountants; registration.**

15. Partnerships and corporations composed of public accountants; registration. A partnership engaged in this State in the practice of public accounting may register with the board as a partnership of public accountants provided it meets the following requirements:

a. Each partner thereof engaged in the practice of public accounting as a member thereof must be a certified public accountant or a public accountant of this State in good standing; and

b. Each resident manager in charge of an office of a firm in this State must be a certified public accountant or a public accountant of this State in good standing.

Application for registration must be made upon the affidavit of a general partner or shareholder who holds a permit to practice in this State as a certified public accountant or as a public accountant. The board shall in each case determine whether the applicant is eligible for registration. A partnership or corporation which is so registered may use the words "public accountants" in connection with its partnership or corporate name. Notification shall be given the board within 90 days after the admission to or withdrawal of a partner or shareholder from any partnership or corporation so registered.

**C. 45:2B-16 Offices; registration.**

16. Offices; registration. Each office established or maintained in this State for the practice of public accounting in this State by a certified public accountant, a partnership or professional corporation of certified public accountants, or by a public accountant, or a partnership or professional corporation of public accountants shall be registered biennially with the board. Each such office shall be under the direct supervision of a resident manager who may be either a principal, shareholder or a staff employee registered under this act.

**C. 45:2B-17 Biennial registration.**

17. Biennial registration. Every person, partnership or professional corporation certified or registered to practice certified public

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accounting or public accounting within this State shall biennially register with and pay to the board a biennial registration fee.

Notice of the failure to pay such biennial registration fee shall be given to the person so failing, which notice shall state that, upon the continued failure to pay such fee, the certificate or registration issued to such person will be declared forfeited by the board at the time and place stated therein unless such fee is sooner paid. The board may make rules and regulations regarding the reissuance of a certificate or registration to any person whose certificate or registration has been forfeited under this section and fixing the fee to be paid for same.

Unless he has given notice thereof in some previous application to the board, an individual paying his biennial registration fee, in addition to any other information which the board may require, shall state in his application whether any certificate as a certified public accountant or any charter as a chartered accountant or any license to practice or registration or enrollment as a public accountant ever issued to or made for him by any state or political subdivision of the United States or by any foreign country or political subdivision of the United States or by an accounting society of a foreign country has been revoked or suspended, and, if so, such facts relating to such revocation or suspension as the board may require.

No certified public accountant or public accountant of this State, who has not registered pursuant to the requirements of this section for a particular biennial registration period, shall, during such period, hold himself out to be engaged in practice as a certified public accountant or public accountant within this State, or use in connection with his name any title or designation tending to imply that he is engaged in practice as a certified public accountant or public accountant within this State.

**C. 45:2B-18 Refusal to admit to examination or to issue, suspend or revoke a certificate or registration; imposition of civil penalties; other remedies; grounds.**

18. Refusal to admit to examination or to issue, suspend or revoke a certificate or registration; imposition of civil penalties; other remedies; grounds. The board may refuse to admit to the examination or may refuse to issue or may suspend or revoke any certificate or registration or censure the holder thereof or may assess civil penalties or may order restitution paid to any person aggrieved by an unlawful act or practice in an amount not greater than the dollar amount received, or any combination of same, upon

proof that the applicant or certificate or registration holder, whether an individual, a corporation or a partnership, including a registered municipal accountant or public school accountant, as the case may be:

a. Has obtained a certificate or registration as a certified public accountant, public accountant, registered municipal accountant or public school accountant as the case may be, through misrepresentation, fraud or deceit; or

b. Has violated any of the provisions of this act or any rule, regulation or order promulgated or issued pursuant to this act; or

c. Has engaged in dishonesty, fraud, deception or gross negligence, or has committed professional misconduct in the practice of public accounting; or

d. Has been convicted of a crime involving moral turpitude or any other crime relating adversely to the practices regulated herein; or

e. Has failed to pay his biennial registration fee; or

f. Has had his authority to practice as a certified public accountant or public accountant revoked or suspended by any other state for any cause other than failure to pay an annual or biennial registration fee in such other state; or

g. Has had his right to practice before any state or Federal agency suspended or revoked.

**C. 45:2B-19 Revocation or suspension of partnership or corporation registration.**

19. Revocation or suspension of partnership or corporation registration. After notice and hearing, the board may revoke the registration and permit to practice of a partnership or corporation if at any time it does not have all the qualifications prescribed by the section of this act under which it qualified for registration, including:

a. The revocation or suspension of the certificate or registration to practice of any partner or shareholder; or

b. The revocation or suspension of the authority of the partnership or corporation, or any partner or shareholder thereof, to practice public accounting in any other state for any cause other than failure to pay an annual or biennial registration fee in such other state.

**C. 45:2B-20 Hearings.**

20. Hearings. Hearings before the board shall be conducted in conformity with the provisions of the "Administrative Procedure Act" (P. L. 1968, c. 410, C. 52:14B-1 et seq.) and such rules and

regulations as may be promulgated by the board or by the Director of the Division of Consumer Affairs.

**C. 45:2B-21 Subpena; administration of oaths.**

21. Subpena; administration of oaths. In connection with any hearing or investigation, the board or the Attorney General shall have the power to issue subpoenas to compel the production of any records, books or documents or the attendance of witnesses to testify before it, and any member of the board shall have the power to administer oaths in taking testimony in any matter pertaining to the board's duties.

In addition thereto, the board may require any person to file a statement or report in writing under oath or otherwise as to the facts and circumstances concerning any matter which is the subject of a board investigation or hearing.

If any person shall fail or refuse to file any statement or report or obey any subpoena issued by the board or the Attorney General, the board or the Attorney General may apply to the Superior Court and obtain an order adjudging such person in contempt of court.

The board shall furnish subpoenas upon request to persons entitled to a hearing as provided in this act.

**C. 45:2B-22 Reinstatement.**

22. Reinstatement. Upon application in writing, and for good cause shown, the board may reinstate a certificate to a certified public accountant or the registration of a public accountant whose certificate or registration has been revoked or suspended.

**C. 45:2B-23 Acts declared unlawful.**

23. Acts declared unlawful. a. No person shall assume or use the title or designation "certified public accountant" or the abbreviation "CPA" or any other title, designation, words, letters, abbreviation, sign, card or device tending to indicate that such person is a certified public accountant, unless such person holds a current certificate as a certified public accountant under this act provided, however that a foreign accountant who holds a current registration under this act may use the title under which he is generally known in his country, followed by the name of the country from which he received his certificate, license or degree.

b. No partnership or corporation shall assume or use the title or designation "certified public accountant" or the abbreviation "CPA" or any other title, designation, words, letters, abbreviation, sign, card or device tending to indicate that such partnership or corporation is composed of certified public accountants unless

such partnership or corporation is currently registered as a partnership or corporation of certified public accountants under this act.

c. No person shall assume or use the title or designation "public accountant" or any other title, designation, words, letters, abbreviation, sign, card or device tending to indicate that such person is a public accountant, unless such person is registered as a public accountant or holds a current certificate as a certified public accountant under this act.

d. No partnership or corporation shall assume or use the title or designation "public accountant" or any other title, designation, words, letters, abbreviation, sign, card or device tending to indicate that such partnership or corporation is composed of public accountants, unless such partnership or corporation is currently registered as a partnership or corporation of public accountants or as a partnership or corporation of certified public accountants under this act.

e. No person, partnership or corporation shall assume or use the title or designation "certified accountant", "chartered accountant", "enrolled accountant", "licensed accountant", "registered accountant" or any other title or designation likely to be confused with "certified public accountant" or "public accountant", or any of the abbreviations "CA", "PA", "EA", "RA", "LPA", "LA" or similar abbreviations likely to be confused with "CPA"; provided, however, that anyone who holds a current certificate or registration under this act may hold himself out to the public as an "accountant" or "auditor".

f. No person shall sign or affix his name or any trade or assumed name used by him in his profession or business with any wording indicating that he is an accountant or auditor, or with any wording indicating that he has expert knowledge in accounting or auditing, to any opinion or certificate attesting in any way to the reliability of any representation or estimate in regard to any person or organization embracing (1) financial information or (2) facts respecting compliance with conditions established by law or contract, including but not limited to statutes, ordinances, regulations, grants, loans and appropriations, unless he holds a current certificate or registration under this act; provided, however, that the provisions of this subsection shall not prohibit any officer, employee, partner or principal of any organization from affixing his signature to any statement or report in reference to the affairs of said organization with any wording designating the position, title or office which he holds in said organization, nor shall the provisions

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of this subsection prohibit any act of a public official or public employee in the performance of his duties as such.

g. No person shall sign or affix a partnership or corporate name with any wording indicating that it is a partnership or corporation composed of accountants or auditors or persons having expert knowledge in accounting or auditing, to any opinion or certificate attesting in any way to the reliability of any representation or estimate in regard to any person or organization embracing (1) financial information or (2) facts respecting compliance with conditions established by law or contract, including but not limited to statutes, ordinances, regulations, grants, loans and appropriations, unless the partnership or corporation holds a current certificate or registration issued under this act.

h. No person or partnership or corporation not currently certified or registered under this act shall hold himself or itself out to the public as an "accountant" or "auditor" by use of either or both of such words on any sign, card, letterhead or in any advertisement or directory, without clearly indicating thereon or therein that such person, partnership or corporation does not currently hold such certificate or registration; provided, that this subsection shall not prohibit any officer, employee, partner or principal of any organization from describing himself by the position, title or office he holds in such organization; nor shall this subsection prohibit any act of public official or public employee in the performance of his duties as such.

i. No person shall assume or use the title or designation "certified public accountant" or "public accountant" in conjunction with names indicating or implying that there is a partnership or corporation, or in conjunction with the designation "and Company" or "and Co." or a similar designation if, in any such case, there is in fact no bona fide partnership or corporation registered under this act. A practitioner shall not practice in the name of another unless he is in partnership with him or in his employ, nor shall he allow any person to practice in his name who is not in partnership with him or in his employ. This provision shall not prevent a partnership or its successors from continuing to practice under a firm name which consists of or includes the name or names of one or more former partners, nor shall it prevent the continuation of a partnership name for a reasonable period of time by the remaining partner practicing as sole proprietor after the withdrawal or death of one or more partners.

**C. 45:2B-24 Exceptions, acts not prohibited.**

24. Exceptions, acts not prohibited. a. Nothing contained in this act shall prohibit any person not a certified public accountant or public accountant from serving as an employee of, or an assistant to, a certified public accountant or public accountant or partnership or corporation composed of certified public accountants or public accountants holding a current certification or registration under this act; provided that such employee or assistant shall not issue any accounting or financial statement over his name.

b. Except as otherwise provided in this act, nothing contained in this act shall affect the practice as a "registered municipal accountant" or "public school accountant".

**C. 45:2B-25 Injunction against unlawful acts.**

25. Injunction against unlawful acts. Whenever it shall appear that any person has engaged, is engaged or is about to engage in any acts or practices which constitute, or will constitute, a violation of this act, or any rule or regulation promulgated pursuant to this act, the board may order such person to cease and desist from such acts or practices, or the Attorney General may make application to the Superior Court for an order enjoining such acts or practices.

**C. 45:2B-26 Penalty for violations.**

26. Penalty for violations. Any person, corporation or partnership violating a provision of the within act or any rule or regulation promulgated thereunder, shall, in addition to any other sanction or remedy provided herein, be liable to a civil penalty of not more than \$2,500.00 for each offense. Such penalty may be imposed by the board or sued for and recovered by and in the name of the board in any municipal or county district court pursuant to the "Penalty Enforcement Law" (N. J. S. 2A :58-1 et seq.).

Upon the failure of any person, corporation or partnership to comply within 10 days after service of any board order directing payment of penalties or restitution moneys, the secretary of the board shall issue a certificate to the Clerk of the Superior Court that such person, partnership or corporation is obligated in accordance with the board's order for the payment of such penalties and restitution moneys as the case may be. A copy of such certificate shall be served upon the person against whom the order was entered. Thereupon the clerk shall immediately enter upon his record of docketed judgments the name of the person so indebted and of the board, a designation of the statute under which the

penalty is imposed, the amount of the penalty imposed, and the amount of moneys ordered restored, a listing of property ordered restored, 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 order of the board.

Any action brought to enforce a board order as embodied within a certificate of debt may be brought in either the Superior Court or the county district court in summary manner and shall be governed by those rules of court dealing with the collection of civil penalties. Process in such cases may be either in the nature of a summons or warrant and shall issue in the name of the State upon the complaint of the board or the Attorney General.

**C. 45:2B-27 Single act as evidence of unlawful practice.**

27. Single act as evidence of unlawful practice. The display or uttering by a person of a card, sign, advertisement or other printed, engraved or written instrument or device bearing a person's name in conjunction with the words "certified public accountant" or any abbreviation thereof, or "public accountant" or any abbreviation thereof, shall be prima facie evidence in any action brought under this act that the person whose name is so displayed caused or procured the display or uttering of such card, sign, advertisement or other printed, engraved or written instrument or device and that such person is holding himself out to be a certified public accountant or a public accountant certified or registered under this act. In any such action evidence of the commission of a single act prohibited by this act shall be sufficient to justify an injunction or a penalty without evidence of a general course of conduct.

**C. 45:2B-28 Rights and privileges of certificate holders on effective date of act.**

28. Rights and privileges of certificate holders on effective date of act. Any person legally authorized to practice as a certified public accountant in this State at the time this act takes effect shall thereafter possess the same rights and privileges as persons to whom certificates of certified public accountant shall be issued pursuant to this act, subject, however, to the power of the board, as provided in this act, to suspend or revoke the certificate of any such person for any causes set forth in this act, and subject to the power of the board to provide for and require the payment of biennial registration fees.

**C. 45:2B-29 Equivalency.**

29. Equivalency. Whenever any statute, rule, or regulation heretofore or hereafter enacted specifically requires professional services to be performed by a certified public accountant, such requirement shall be construed to mean certified public accountant or public accountant.

**C. 45:2B-30 Effect on prior orders, rules and regulations.**

30. Effect on prior orders, rules and regulations. This act shall not affect the orders, rules and regulations heretofore made or promulgated by The New Jersey State Board of Certified Public Accountants, but such orders, rules and regulations consistent with the purposes and provisions of this act shall continue with full force and effect until amended, modified or repealed by the board established pursuant to this act.

**C. 45:2B-31 Severability.**

31. Severability. The provisions of this act are severable and if any provision of this act, or any part thereof, or the application thereof to any person or circumstances is held unconstitutional, the remaining provisions, and parts thereof, and application of such provisions, or part thereof, to other persons or circumstances shall not be affected thereby.

**C. 45:2B-32 Repealer.**

32. Repealer. P. L. 1965, c. 99 (C. 45:2A-1 et seq.) is hereby repealed.

33. Effective date. This act shall take effect on the thirtieth day after enactment, except that any person, partnership or professional corporation required to register with the board pursuant to sections 14, 15 or 16 shall apply for such registration on or before 180 days following the effective date of this act.

Approved July 5, 1977.

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## CHAPTER 145

AN ACT concerning elections in relation to State conventions of the political parties, and amending R. S. 19:5-6.

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

1. R. S. 19:5-6 is amended to read as follows:

**Annual convention; membership; time and place of holding; platforms; resolutions committee; adjournments.**

19:5-6. There shall be held in each year in which all members of the General Assembly are to be elected a State convention of each of the political parties.

Such State convention of each party shall consist of the following members:

(1) The party candidates for the following officers:

(a) Members of the Senate or House of Representatives of the United States from this State, nominated at the party primaries held for the nomination of candidates for any of said offices immediately preceding the convention.

(b) State Senator nominated, in each county, at the party primaries, held for the nomination of a candidate for said office, immediately preceding the convention, and

(c) Members of the General Assembly, nominated in each county, at the party primaries immediately preceding the convention, if the convention is to be held in a year in which all of the members of the General Assembly are to be elected; or all of the party candidates for said offices, in each county, who were voted upon and were not elected at the general election held in the year immediately preceding the convention, if the convention is to be held in a year other than one in which all of the members of the General Assembly are to be elected, except that any candidates nominated for the filling of vacancies, in said offices, at the party primaries held in the year in which the convention is held, shall replace, to an equal number, the candidates so voted upon and not elected at the general election held in the preceding year, who received the least number of votes in said general election;

(2) The candidate of the party for Governor nominated at the primaries in said year;

(3) Members of the State Senate and of the General Assembly belonging to the party who are holding office at the time of the State convention and whose successors are not to be chosen at the ensuing general election;

(4) Members of the State Committee chosen as herein provided;

(5) Members of the Senate and House of Representatives of the United States from this State, belonging to such party, who are holding office at the time of the holding of the State convention and whose successors are not to be chosen at the ensuing general election;

(6) Members of the National Committee from this State; and

(7) The county chairperson and vice chairperson of the several county committees.

The convention of each party shall be held at the city of Trenton on the second Thursday after the primary election for the general election in each year in which all members of the General Assembly are to be elected. When the day prescribed by law for holding State conventions of political parties, or any adjournment thereof, falls on a legal holiday, the convention or adjournment thereof, as the case may be, shall be held on the day preceding such legal holiday. The place and the hour at which the convention shall meet shall be fixed by call of the existing State Committee to be issued at least 5 days prior to the date of meeting. If no call is issued by the State Committee, any person qualified to sit in the convention may issue a call.

The convention of each party shall have power to adopt and promulgate a party platform for its party, and to transact such other business as may properly come before it. The convention of each political party, in this Title authorized, upon convening, shall appoint a committee on resolutions consisting of 5 members. The convention shall then be open for the reception of all proposed planks for the party platform, which planks shall be referred to the committee on resolutions, whose duty it shall be to prepare a tentative party platform and furnish to each member of the convention within 3 weeks thereafter a copy of the same and of all other planks submitted to it which have not been incorporated in the tentative party platform, together with the names and addresses of the delegates proposing the same. After the introduction of all proposed planks and the reference thereof to the committee on resolutions, the convention shall adjourn to meet again 4 weeks later at its originally set meeting place. At the adjourned meeting the respective conventions shall consider and

may adopt the draft of the platform so prepared by the committee on resolutions with such amendments as shall be suggested and adopted in the conventions as a whole. The voting on the adoption of the party platform shall be on the entire platform as reported by the committee on resolutions, unless there be an objection to any separate plank or planks or to any amendment thereto, in which case the voting on such plank or planks or amendment shall be by the "ayes" and "nays" of the members of the convention present and voting.

The provisions of this section shall not preclude the holding of additional State conventions of the political parties at such times as the State Committees of the parties shall determine.

2. This act shall take effect immediately and shall be retroactive to June 23, 1977.

Approved July 7, 1977.

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## CHAPTER 146

AN ACT concerning the production, distribution, conservation, and consumption of energy, establishing a Department of Energy as a principal department in the Executive Branch of State Government and repealing parts of the statutory law.

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

**C. 52:27F-1 Short title.**

1. This act shall be known and may be cited as the "Department of Energy Act."

**C. 52:27F-2 Legislature's findings and determination.**

2. The Legislature hereby finds and determines that a secure, stable, and adequate supply of energy at reasonable prices is vital to the State's economy and to the public health, safety, and welfare; that this State is threatened by the prospect of both near- and long-term energy shortages; that the existing dispersion of responsibilities with respect to energy and energy-related matters among various State departments, divisions, agencies, and commissions inhibits comprehensive and effective planning for our future energy needs; and that the State government does not now

possess either sufficient information or adequate authority to provide for and insure the wise and efficient production, distribution, use, and conservation of energy.

The Legislature further finds and determines that only an agency with comprehensive powers can collect, collate, and analyze the information necessary to determine the amount of energy that is or may be available; develop mechanisms to insure a fair and equitable distribution of existing supplies; conduct the long-term planning and management needed to eliminate or alleviate the potential adverse effects of a supply of energy insufficient to meet legitimate needs or from practices of production, distribution, and consumption detrimental to the quality of life or the environment; contribute to the proper siting of energy facilities necessary to serve the public interest; coordinate New Jersey's energy policies and actions with Federal energy policies; and secure for New Jersey the maximum amount of Federal funding available for energy related research, development, and demonstration projects.

The Legislature further finds and determines that shortages of energy have the potential at certain times and in certain places to so seriously affect the public interest that it is necessary for State government to possess emergency powers sufficient to prevent or minimize health disasters and grave economic disruptions which could occur during said times.

The Legislature, therefore, declares it to be in the best interest of the citizens of this State to establish a principal department in the Executive Branch of State Government to coordinate authority, regulation and planning by the State in energy related matters.

**C. 52:27F-3 Definitions.**

3. As used in this act:

a. "Commissioner" means the Commissioner of the Department of Energy;

b. "Department" means the Department of Energy established by this act;

c. "Distributor" means and includes each person, wherever resident or located, who imports into this State fuels for use, distribution, storage, or sale in this State after the same shall reach this State; and also each person who produces, refines, manufactures, blends, or compounds fuels and sells, uses, stores, or distributes the same within this State. In no case, however, shall a retail dealer be construed to be a distributor;

d. "Energy" means all power derived from, or generated by, any natural or man-made agent, including, but not limited to, petroleum products, gases, solar radiation, atomic fission or fusion, mineral formations, thermal gradients, wind, or water.

e. "Energy facility" means any plant or operation which produces, converts, distributes or stores energy or converts one form of energy to another; in no case, however, shall an operation conducted by a person acting only as a retail dealer be construed as an energy facility;

f. "Energy information" means any statistic, datum, fact, or item of knowledge and all combinations thereof relating to energy;

g. "Energy information system" means the composite of energy information collected by the office;

h. "Energy industry" means any person, company, corporation, business, institution, establishment or other organization of any nature engaged in the exploration, extraction, transportation, transmission, refining, processing, generation, distribution, sale or storage of energy;

i. "Fuel" means coal, petroleum products, gases and nuclear fuel, including enriched uranium, U235 and U238, and plutonium, U239;

j. "Gases" means natural gas, methane, liquefied natural gas, synthetic natural gas, coal gas and other manufactured gases;

k. "Person" means natural persons, partnerships, firms, associations, joint stock companies, syndicates and corporations, and any receiver, trustee, conservator or other officer appointed pursuant to law or by any court, State or Federal; "person" also means the State of New Jersey, counties, municipalities, authorities, other political subdivisions, and all departments and agencies within the aforementioned governmental entities;

l. "Petroleum products" means and includes motor gasoline, middle distillate oils, residual fuel oils, aviation fuel, propane, butane, natural gasoline, naphtha, gas oils, lubricating oils and any other similar or dissimilar liquid hydrocarbons;

m. "Public building" means any building, structure, facility or complex used by the general public, including, but not limited to, theaters, concert halls, auditoriums, museums, schools, libraries, recreation facilities, public transportation terminals and stations, factories, office buildings, business establishments, passenger vehicle service stations, shopping centers, hotels or motels and public eating places, owned by any State, county or municipal

government agency or instrumentality or any private individual, partnership, association or corporation;

n. "Purchase" means and includes, in addition to its ordinary meaning, any acquisition of ownership or possession, including, but not limited to, condemnation by eminent domain proceedings;

o. "Retail dealer" means any person who engages in the business of selling fuels from a fixed location such as a service station, filling station, store, or garage directly to the ultimate users of said fuel;

p. "Sale" means and includes, in addition to its ordinary meaning, any exchange, gift, theft, or other disposition. In such case where fuels are exchanged, given, stolen, or otherwise disposed of, they shall be deemed to have been sold;

q. "Supplier of fuel" means any refiner, importer, marketer, jobber, distributor, terminal operator, firm, corporation, wholesaler, broker, cooperative or other person who supplies, sells, consigns, transfers, or otherwise furnishes fuel. In no case, however, shall a retail dealer be construed to be a supplier of fuel;

r. "Trade secret" means the whole or any portion or phase of any scientific, technical or otherwise proprietary information, design, process, procedure, formula or improvement which is used in one's business and is secret and of value; and a trade secret shall be presumed to be secret when the owner takes measures to prevent it from becoming available to persons other than those selected by the owner to have access thereto for limited purposes;

s. "Wholesale dealer" means any person who engages in the business of selling fuels to other persons who resell the said fuel. In no case shall a retail dealer be considered as a wholesale dealer.

**C. 52:27F-4 Department of energy; establishment.**

4. There is hereby established in the Executive Branch of the State Government a principal department which shall be known as the Department of Energy.

**C. 52:27F-5 Commissioner; appointment; term; compensation; vacancy.**

5. The administrator and chief executive officer of the department shall be a commissioner who shall be a person qualified by training and experience to perform the duties of his office. 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 and until the appointment and qualification of the commissioner's successor. He shall devote his entire time to the duties of

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his office and shall receive such salary as shall be provided by law. Any vacancy occurring in the office of the commissioner shall be filled in the same manner as the original appointment.

**C. 52:27F-6 Board of public utilities; establishment; department of public utilities abolished; positions of president and commissioners continued; functions, powers and duties; references to department or board of public utilities commissioners to mean board of public utilities.**

5.1.a. There is hereby established in the department the Board of Public Utilities; provided, however, that such board shall be independent of any supervision or control by the department or by any officer or employee thereof, except as otherwise expressly provided in this act.

b. The Department of Public Utilities is abolished and its functions, powers and duties are hereby transferred to the Board of Public Utilities, except as provided in section 25 of this act.

c. The Board of Public Utility Commissioners and the positions of president and commissioners thereof shall be continued as the Board of Public Utilities and the president and commissioners thereof in the Board of Public Utilities. This act shall not affect the terms of office of, nor the salaries received by, the present members of the Board of Public Utility Commissioners, or of any officers or employees thereof. The Department of Civil Service shall not reclassify any title or position transferred from the Department of Public Utilities pursuant to this act without the approval of the board. The President and Commissioners of the Board of Public Utilities shall be appointed in the manner provided by existing law for the appointment of the President and Commissioners of the Board of Public Utility Commissioners, and shall receive such salaries as shall be provided by law.

d. All functions, powers and duties now vested in the Board of Public Utility Commissioners and in the positions of president and commissioners thereof are hereby transferred to and assumed by the Board of Public Utilities and the president and commissioners thereof.

e. Whenever in any law, rule, regulation, order, contract, document, judicial or administrative proceeding or otherwise, reference is made to the Department of Public Utilities or the Board of Public Utility Commissioners, the same shall mean and refer to the Board of Public Utilities.

**C. 52:27F-7 Division of energy planning and conservation; director.**

5.2.a. There is hereby established in the department the Division of Energy Planning and Conservation.

b. The Division of Energy Planning and Conservation shall be under the immediate supervision of a director who shall be appointed by the Governor, with the advice and consent of the Senate, and who 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 director shall receive such salary as shall be provided by law.

**C. 52:27F-8 Organization of department; rules and regulations; delegation of powers.**

6. The commissioner shall organize the work of the department and establish therein such administrative subdivisions as he may deem necessary, proper and expedient. He may formulate and adopt rules and regulations and prescribe duties for the efficient conduct of the business, work and general administration of the department. He may delegate to subordinate officers or employees in the department such of his powers as he may deem desirable to be exercised under his supervision and control.

**C. 52:27F-9 Appointment of officers and employees.**

7. Subject to the provisions of Title 11 of the Revised Statutes, and within the limits of funds appropriated or otherwise made available, the commissioner may appoint such officers and employees of the department as he may deem necessary for the performance of its duties, fix and determine their qualifications, duties, and compensation and retain or employ engineers and private consultants on a contract basis or otherwise for rendering professional or technical assistance.

**C. 52:27F-10 Annual and other reports.**

8. a. The commissioner shall make an annual report to the Legislature and the Governor of the department's operations and render such other reports as they shall from time to time request or as may be required by law. These reports shall include, but not be limited to, an analysis of existing problems and guidelines relating to future energy use and availability.

b. Within 6 months of the effective date of this act, the commissioner, after consultation with the Director of the Division of Energy Planning and Conservation, the Board of Public Utilities, the Attorney General, and the commissioners of appropriate executive departments, including but not necessarily limited to the Departments of Environmental Protection and Transportation, shall prepare and submit a report to the Legislature and the Governor identifying (1) those functions and duties currently exercised by

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other departments, divisions, agencies, commissions, councils, boards, or bureaus of State Government relating to energy that might be appropriately transferred to the department; and (2) those functions and duties transferred to the department pursuant to the provisions of this act that might be appropriately transferred to other departments. Such transfers may be effectuated by executive order or law, as the case may be.

**C. 52:27F-11 Commissioner's powers and duties.**

9. The commissioner shall, on behalf of the department through the Division of Energy Planning and Conservation:

a. Manage the department as the central repository within the State Government for the collection of energy information;

b. Collect and analyze data relating to present and future demands and resources for all forms of energy;

c. Have authority to require all persons, firms, corporations or other entities engaged in the production, processing, distribution, transmission or storage of energy in any form to submit reports setting forth such information as shall be required to carry out the provisions of this act;

d. Have authority to require any person to submit information necessary for determining the impact of any construction or development project on the energy and fuel resources of this State;

e. Charge other State Government departments and agencies involved in energy-related activities, including the Board of Public Utilities, with specific information gathering goals and require that said goals be fulfilled;

f. Establish an energy information system which will provide all data necessary to insure a fair and equitable distribution of available energy, to permit a more efficient and effective use of available energy, and to provide the basis for long-term planning related to energy needs;

g. Design, implement, and enforce a program for the conservation of energy in commercial, industrial, and residential facilities, which program shall provide for the evaluation of energy systems as they relate to lighting, heating, refrigeration, air-conditioning, building design and operation, and appliance manufacturing and operation; and may include, but shall not be limited to, the requiring of an annual inspection and adjustment, if necessary, of oil-fired heating systems in residential, commercial and industrial buildings so as to bring such systems into conformity with efficiency standards therefor prescribed by the department; the setting of lighting efficiency standards for public buildings; the establishment of

mandatory thermostat settings and the use of seven-day, day-night thermostats in public buildings; the development of standards for efficient boiler operation; and, the preparation of a plan to insure the phased retrofitting of existing gas furnaces with electric ignition systems and to require that new gas ranges and dryers be equipped with electric ignition systems, and new gas furnaces with electric ignition systems and automatic vent-dampers;

h. Conduct and supervise a State-wide program of education including the preparation and distribution of information relating to energy conservation;

i. Monitor prices charged for energy within the State, evaluate policies governing the establishment of rates and prices for energy, and make recommendations for necessary changes in such policies to other concerned Federal and State agencies, including the Board of Public Utilities, and to the Legislature;

j. Have authority to conduct and supervise research projects and programs for the purpose of increasing the efficiency of energy use, developing new sources of energy, evaluating energy conservation measures, and meeting other goals consistent with the intent of this act;

k. Have authority to distribute and expend funds made available for the purpose of research projects and programs;

l. Have authority to enter into interstate compacts in order to carry out energy research and planning with other states or the Federal Government where appropriate;

m. Have authority to apply for, accept, and expend grants-in-aid and assistance from private and public sources for energy programs; notwithstanding any other law to the contrary, the commissioner is designated as the State official to apply for, receive, and expend Federal and other funding made available to the State for the purposes of this act;

n. Require the annual submission of energy utilization reports and conservation plans by State Government departments and agencies, including the Board of Public Utilities, evaluate said plans and the progress of the departments and agencies in meeting these plans, and order changes in the plans or improvement in meeting the goals of the plans;

o. Carry out all duties given him under other sections of this act or any other acts;

p. Have authority to conduct hearings and investigations in order to carry out the purposes of this act and to issue subpoenas in furtherance of such power. Said power to conduct investigations

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shall include, but not be limited to, the authority to enter without delay and at reasonable times the premises of any energy industry in order to obtain or verify any information necessary for carrying out the purposes of this act;

q. Have authority to adopt, amend or repeal, pursuant to the "Administrative Procedure Act" (C. 52:14B-1 et seq.) such rules and regulations necessary and proper to carry out the purposes of this act;

r. Administer such Federal energy regulations as are applicable to the states, including, but not limited to, the mandatory petroleum allocation regulations and State energy conservation plans.

s. Have authority to sue and be sued;

t. Have authority to acquire by purchase, grant, contract or eminent domain title to real property for the purpose of demonstrating facilities which improve the efficiency of energy use, conserve energy or generate energy in new and efficient ways;

u. Have authority to construct and operate, on an experimental or demonstration basis, facilities which improve the efficiency of energy use, conserve energy or generate power in new and efficient ways;

v. Have authority to contract with any other public agency or corporation incorporated under the laws of this or any other state for the performance of any function under this act;

w. Determine the effect of energy and fuel shortages upon consumers, and formulate proposals designed to encourage the lowest possible cost of energy and fuels consumed in the State consistent with the conservation and efficient use of energy;

x. Keep complete and accurate minutes of all hearings held before the commissioner or any member of the Division of Energy Planning and Conservation pursuant to the provisions of this act. All such minutes shall be retained in a permanent record and shall be available for public inspection at all times during the office hours of the department.

**C. 52:27F-12 Advisory council on energy planning and conservation; creation; membership; appointment; terms; compensation; meetings.**

10. There is created in the Division of Energy Planning and Conservation an Advisory Council on Energy Planning and Conservation which shall consist of 15 members representing the following: the natural gas industry, the bottle gas industry, the home heating oil and coal industry, terminal operators, oil refiners, gasoline retailers, electrical utilities, nuclear fuel suppliers, environmental organizations, the solar energy industry, manufactur-

ing industrial consumers, commercial consumers, residential consumers, the transportation industry and the academic community. Members shall be appointed by the Governor, with the advice and consent of the Senate, and as practicably as possible represent the several geographical areas of the State.

The council shall elect a chairman, vice chairman and secretary from its membership. Of the members first appointed, five shall serve for terms of 2 years, five for terms of 3 years and five for terms of 4 years. Thereafter all appointments shall be made for terms of 4 years. Members shall serve after the expiration of their terms until their respective successors are appointed and shall qualify, and any vacancy occurring in the membership of the council by expiration of term or otherwise, shall be filled in the same manner as the original appointment for the unexpired term only.

Members of the council shall serve without compensation but shall be reimbursed for expenses actually incurred in attending meetings of the council and in performance of their duties as members thereof. The council shall meet at least four times each year, at the call of its chairman, and at such other times, at the call of the commissioner, as he deems necessary.

**C. 52:27F-13 Powers of advisory council.**

11. The Advisory Council on Energy Planning and Conservation is empowered to:

a. Request from the commissioner and from the Director of the Division of Energy Planning and Conservation such energy information as it may deem necessary;

b. Consider any matter relating to the production, distribution, consumption or conservation of energy;

c. From time to time submit to the commissioner any recommendations which it deems necessary for the long-term planning and management of energy;

d. Study energy programs and make its recommendations thereon to the commissioner;

e. Review, prior to their promulgation, proposed rules and regulations, of the department, and make its recommendations thereupon, except such rules and regulations determined by the commissioner to be emergency measures essential to preserve the public health, safety, or welfare.

f. Hold public hearings in regard to existing statutes and regulations governing the production, distribution, consumption or conservation of energy.

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**C. 52:27F-14 Master plan.**

12. a. The department, through the Division of Energy Planning and Conservation, within 1 year of the effective date of this act, shall prepare or cause to be prepared, and, after public hearings as hereinafter provided, adopt a master plan for a period of 10 years on the production, distribution, consumption and conservation of energy in this State. Such plan shall be revised and updated at least once every 3 years. The plan shall include long-term objectives but shall provide for the interim implementation of measures consistent with said objectives. The department may from time to time and after public hearings amend the master plan. In preparing the master plan or any portion thereof or amendment thereto the department shall give due consideration to the energy needs and supplies in the several geographic areas of the State, and shall consult and cooperate with any Federal or State agency having an interest in the production, distribution, consumption or conservation of energy.

b. Upon preparation of such master plan, and each revision thereof, the department shall cause copies thereof to be printed, shall transmit sufficient copies thereof to the Governor and the Legislature, for the use of the members thereof, and shall advertise, in such newspapers as the commissioner determines appropriate to reach the greatest possible number of citizens of New Jersey, the existence and availability of such draft plan from the offices of the department for the use of such citizens as may request same. In addition, the department shall:

(1) Fix dates for the commencement of a series of public hearings, at least one of which shall be held in each geographical area delineated in the master plan. Each such public hearing shall concern the overall content of the plan and those aspects thereof that have relevance to the specific geographical area in which each such public hearing is being held;

(2) At least 60 days prior to each public hearing held pursuant to this section, notify each energy industry and each State department, commission, authority, council, agency, or board charged with the regulation, supervision or control of any business, industry or utility engaged in the production, processing, distribution, transmission, or storage of energy in any form of the time and place for the hearing and shall publish such notice in a newspaper of general circulation in the region where the hearing is to be held, and in such newspapers of general circulation in the State as the commissioner determines appropriate to reach the greatest possible number of citizens of New Jersey.

c. Upon the completion of the requirements of subsection b. of this section, the department shall consider the testimony presented at all such public hearings and adopt the energy master plan, together with any additions, deletions, or revisions it shall deem appropriate.

d. Upon the adoption of the energy master plan, and upon each revision thereof, the department shall cause copies thereof to be printed and shall transmit sufficient copies thereof to the Governor and the Legislature, for the use of the members thereof, and to each State department, commission, authority, council, agency, or board charged with the regulation, supervision or control of any business, industry or utility engaged in the production, processing, distribution, transmission, or storage of energy in any form. In addition, the department shall advertise in the manner provided in subsection b. of this section the existence and availability of the energy master plan from the offices of the department for the use of such citizens of New Jersey as may request same; provided, however, that the department may charge a fee for such copies of the energy master plan sufficient to cover the costs of printing and distributing same.

**C. 52:27F-15 Powers of division of energy planning and conservation; powers and responsibilities of department.**

13. a. The Division of Energy Planning and Conservation is empowered and directed to intervene in any proceedings before, and appeals from, any State department, division, commission, authority, council, agency or board (hereinafter referred to as "State instrumentalities") including the Board of Public Utilities charged with the regulation, supervision or control of any business, industry or utility engaged in the production, processing, distribution, transmission or storage of energy in any form, when, in the discretion of the commissioner, such intervention is necessary to insure the proper consideration by such State instrumentalities of the State energy master plan, or any part or aspect thereof, adopted by the department pursuant to section 12 of this act, or any rule or regulation promulgated by the department pursuant to the provisions of this act. To facilitate the intervention provisions of this section, each such State instrumentality shall consider the department a party of interest in any proceedings before such instrumentality with respect to energy and shall give the same notice to the department as is given to every other party of interest in such proceedings of any meeting, public hearing or other proceeding of such instrumentality in implementing its regulatory, supervisory

or control powers, responsibilities and duties with respect to such businesses, industries or utilities.

b. It being the intention of the Legislature that the actions, decisions, determinations and rulings of the State Government with respect to energy shall to the maximum extent practicable and feasible conform with the energy master plan adopted by the department pursuant to section 12 of this act, the department shall prepare, periodically revise and distribute to each State instrumentality charged with the regulation, supervision or control of any business, industry or utility engaged in the production, processing, distribution, transmission or storage of energy in any form, such guidelines as the department determines to be relevant to assist each such instrumentality in conforming with said energy master plan in implementing its regulatory, supervisory or control powers, responsibilities and duties with respect to such businesses, industries or utilities.

c. With respect to the siting of any energy facility in any part of New Jersey, the department shall, the provisions of any law to the contrary notwithstanding, have jurisdiction coextensive with that of any other State instrumentality, and to that end, no State instrumentality with the power to grant or deny any permit for the construction or location of any energy facility shall exercise its powers without referring to the Division of Energy Planning and Conservation, for its review and comments, a copy of such application and all papers, documents and materials appurtenant thereto filed by the applicant with such State instrumentality. Prior to making a final decision with respect to any such application, the State instrumentality with power of approval over such application shall solicit the views of the department thereupon. Such views shall be communicated to the State instrumentality with the power of approval over such application in the form of a report describing the findings of the department with respect to such application. Such report shall be prepared by the Director of the Division of Energy Planning and Conservation and shall be signed by said director and by the commissioner. In the event that such report is not prepared and transmitted to the State instrumentality with power of approval over such application within 90 days after the department's receipt of such application, such State instrumentality shall act upon such application pursuant to the law providing its power of approval thereof. In the event that the views of the department, as contained in its report, with respect to any such application differ from the views of the State instrumentality with

the power of approval over such application, there shall be established an Energy Facility Review Board which shall consist of the Director of the Division of Energy Planning and Conservation, the director or chief executive officer of the State instrumentality with the power of approval over such application, and a designee of the Governor. The decision of the Energy Facility Review Board created with respect to a specific energy facility application shall be binding with respect to such facility and shall be implemented forthwith by the State instrumentality with the power of approval over such application.

In implementing its responsibilities pursuant to this subsection, the department shall have the power to adopt, by regulation, a fee schedule for reviewing applications for the construction or location of energy facilities; provided, however, that fees shall be charged to applicants for permits to construct or locate energy facilities only in those instances where the nature and extent of the proposed energy facility are such as to necessitate the employment of consultants or other expert personnel from without the department before the department can make its determination with respect to any such application, and that such fees shall in any event be the minimum amount necessary to permit the department to fulfill its responsibilities under this section.

The provisions of this section shall not be regarded as to be in derogation of any powers now existing and shall be regarded as supplemental and in addition to powers conferred by other laws, including municipal zoning authority.

**C. 52:27F-16 Emergency allocation plan; contingency plans.**

14. The commissioner shall prepare and adopt an emergency allocation plan specifying actions to be taken in the event of an impending serious shortage of energy which poses grave threats to the public health, safety, or welfare. The commissioner shall direct all State Government departments and agencies, including the Board of Public Utilities, to develop, subject to his approval, contingency plans for dealing with said emergencies.

**C. 52:27F-17 Energy emergency; commissioner's powers; suspension of laws, rules, regulations or orders of departments by Governor; review of orders; assistance from other State departments; powers additional; duration of emergency.**

15. a. Upon a finding by the commissioner that there exists or impends an energy supply shortage of a dimension which endangers the public health, safety, or welfare in all or any part of the State, the Governor is authorized to proclaim by executive order

a state of energy emergency for a period of up to 6 months. The Governor may limit the applicability of any such state of emergency to specific kinds of energy forms or to specific areas of the State in which such a shortage exists or impends.

b. During the duration of a state of energy emergency the commissioner to the extent not in conflict with applicable Federal law or regulation but notwithstanding any State or local law or contractual agreement, shall be empowered to:

(1) Order any person to reduce by a specified amount the use of any energy form; to make use of an alternate energy form, where possible; or to cease the use of any energy form;

(2) Order any person engaged in the distribution of any energy form to reduce or increase by a specified amount or to cease the distribution of such energy form; to distribute a specified amount and type of energy form to certain users as specified by the commissioner; or to share supplies of any energy form with other distributors thereof;

(3) Establish priorities for the distribution of any energy form;

(4) Regulate and control the distribution and sale of any energy form by:

(a) Establishing such limitations, priorities, or rationing procedures as shall be necessary to insure a fair and equitable distribution of available supplies;

(b) Establishing minimum and maximum quantities to be sold to any purchaser;

(c) Fixing the days and hours of access to retail dealers;

(d) Compelling sales to members of the general public during times when a retail dealer is open for the sale of an energy form;

(e) Establishing methods for notifying the public by flags, symbols, or other appropriate means whether such retail dealers are open and selling the subject energy form;

(5) Direct the heads of those departments and agencies within State Government that were ordered to develop contingency plans pursuant to section 14 of this act to implement said plans;

(6) Adopt and promulgate such rules and regulations as are necessary and proper to carry out the purposes of this section.

c. During the existence of a state of energy emergency, the Governor may order the suspension of any laws, rules, regulations, or orders of any department or agency in State Government or within any political subdivision which deal with or affect energy and

which impede his ability to alleviate or terminate a state of energy emergency.

d. Any aggrieved person, upon application to the commissioner shall be granted a review of whether the continuance of any order issued by the commissioner pursuant to this section is unreasonable in light of then prevailing conditions of emergency.

e. During a state of energy emergency the commissioner may require any other department or other agency within State Government to provide such information, assistance, resources, and personnel as shall be necessary to discharge his functions and responsibilities under this act, rules and regulations adopted hereunder, or applicable Federal law and regulations.

f. The powers granted to the Governor and the commissioner under this section shall be in addition to and not in limitation of any emergency powers now or hereafter vested in the Governor, the commissioner, or any other State Government department or agency pursuant to any other laws, including but not limited to any power vested in the Board of Public Utilities to require utility companies to allocate available supplies of energy; provided, however, that upon declaring a state of energy emergency, the Governor may supersede any other such emergency powers.

g. The state of energy emergency declared by the Governor pursuant to this section shall remain in effect until the Governor declares by a subsequent executive order that the state of energy emergency has terminated.

**C. 52:27F-18 Rules and regulations requiring reporting of energy information; annual report; energy information obtained from affiliate, association or organization; trade secrets; disclosure of energy information.**

16. a. The commissioner shall adopt rules and regulations requiring the periodic reporting by energy industries of energy information which shall include but not be limited to the following:

(1) Electrical generating capacity in the State; long-range plans for additions to said capacity; efficiency of electrical generation; price and cost factors in electrical generation; types and quantities of fuels used; projections of future demand, consumption of electricity by sectors; times, duration, and levels of peak demand;

(2) Petroleum refining capacity; amount and type of fuel produced; amount and type of fuel sold; interstate transfers of fuel; price and cost factors in refining, production, and sale; long-term plans for alterations or additions to refining capacity; location, amount, and type of fuel storage;

(3) Storage capacity for gases; amount and end uses of gases sold; price and cost factors in the sale and use of gases; and

(4) Such other information as the commissioner may determine necessary for carrying out the purposes of this act.

b. The commissioner shall at least annually publish a report analyzing all energy information collected.

c. The commissioner shall have the discretion to obtain energy information from an affiliate of any energy industry or from an association or organization of industries of which any such energy industry is a member. Whenever energy information supplied by an energy industry is so obtained by the commissioner, the energy industry to which such information pertains shall be promptly notified of the energy information so obtained and shall be given an opportunity to correct or amplify such information.

d. Trade secrets collected under this section shall be exempt from the requirements of P. L. 1963, c. 73 (C. 47:1A-1 et seq.). The commissioner shall promulgate rules and regulations for the conduct of administrative hearings on the issue of whether certain energy information should not be disclosed to the public.

**C. 52:27F-19 Conflict of interest.**

17. No person who is an official or employee of the department shall participate in any manner in any decision or action of the department wherein he has a direct or indirect financial interest.

**C. 52:27F-20 Issuance of subpoenas; court order; failure to obey.**

18. The commissioner may issue subpoenas requiring the attendance and testimony of witnesses and the production of books, documents, papers, statistics, data, information, and records for the purpose of carrying out any of his responsibilities under this act. Whenever there arises a refusal to honor his subpoena, the commissioner may petition a court of competent jurisdiction for an order requiring the attendance and testimony of a witness or the production of the requested books, documents, papers, statistics, data, information, and records. Any failure to obey such an order issued by a court shall be punished by the court as a contempt thereof.

**C. 52:27F-21 Violation of act or rules, regulations or orders.**

19. Upon a violation of this act or of any rules, regulations, or orders promulgated hereunder, the commissioner, the county prosecutor of the county in which the violation occurs if he has the approval of the commissioner, or any aggrieved person shall be entitled to institute a civil action in a court of competent juris-

diction for injunctive relief to restrain such violation and for such other relief as the court shall deem proper. The court may proceed in a summary manner. Neither the institution of such action, nor any of the proceedings therein shall relieve any party to such proceedings from other fines or penalties prescribed for such a violation by this act or by any rule, regulation or order adopted hereunder.

**C. 52:27F-22 Failure to provide energy information; penalty.**

20. Any person who fails to provide energy information in his official custody when so required by the commissioner shall be liable for a penalty of not more than \$3,000.00 for each offense. If the violation is of a continuing nature, each day during which it continues shall constitute an additional and separate offense. Penalties shall be collected in a civil action by a summary proceeding under the Penalty Enforcement Law (N. J. S. 2A:58-1 et seq.).

**C. 52:27F-23 Unauthorized release of confidential energy information; penalty.**

21. Any officer or employee of the State who, having obtained by reason of his employment and for official use, any confidential energy information, publishes or communicates such information for reasons not authorized by this or any other act shall be fined not more than \$2,000.00 or imprisoned not more than 2 years or both.

**C. 52:27F-24 Violations of section 15; penalties; recommendation to suspend or revoke license; collection of penalties.**

22. a. Any person purchasing or attempting to purchase energy in violation of section 15 of this act or any rules, regulations, or orders promulgated thereunder, shall be subject to a penalty of not more than \$25.00 for the first offense, not more than \$100.00 for the second offense, and not more than \$200.00 for the third offense or subsequent offenses.

b. Any retail dealer who violates section 15 of this act or any rules, regulations, or orders promulgated thereunder, shall be subject to a penalty of not more than \$25.00 for the first offense, not more than \$200.00 for the second offense, and not more than \$400.00 for the third offense or subsequent offenses.

c. Any distributor or any other supplier of energy who violates any of the provisions of section 15 of this act or of any rules, regulations, or orders promulgated thereunder, shall be subject to a penalty of not more than \$1,000.00 for the first offense, not more than \$5,000.00 for the second offense, and not more than \$10,000.00 for the third offense or subsequent offenses.

d. In addition to any other penalties provided under this or any other act, the commissioner may recommend to the appropriate agency the suspension or revocation of the license of any retail dealer, gasoline jobber, wholesale dealer, distributor, or supplier of fuel, who has violated this act or any rules, regulations, or orders promulgated hereunder.

e. All penalties imposed pursuant to this section shall be collected in a civil action by a summary proceeding under the Penalty Enforcement Law (N. J. S. 2A:58-1 et seq.). If the violation is of a continuing nature, each day during which it continues shall constitute an additional and separate offense.

**C. 52:27F-25 Transmission of proposed rules and regulations to Legislature; effective date.**

22.1 The department shall transmit copies of all rules and regulations proposed pursuant to this act by or on behalf of the Division of Energy Planning and Conservation to the Senate and General Assembly on a day on which both Houses shall be meeting in the course of a regular or special session. The provisions of the "Administrative Procedure Act" or any other law to the contrary notwithstanding, no such rule or regulation, except a rule or regulation adopted pursuant to an energy emergency declared by the Governor, shall take effect if, within 60 days of the date of its transmittal to the Senate and General Assembly, the Legislature shall pass a concurrent resolution stating in substance that the Legislature does not favor such proposed rule or regulation.

**C. 52:27F-26 State energy office transferred to department of energy.**

23. a. All appropriations, grants, and other moneys available to the State Energy Office are hereby transferred to the department created hereunder and shall remain available for the objects and purposes for which appropriated, subject to any terms, restrictions, limitations or other requirements imposed by Federal or State law.

b. The employees of the State Energy Office are hereby transferred to the department created hereunder. Nothing in this act shall be construed to deprive said employees of any rights or protections provided them by the civil service, pension, or retirement laws of this State.

c. All files, books, paper, records, equipment, and other property of the State Energy Office are hereby transferred to the department created hereunder.

d. The rules, regulations, and orders of the State Energy Office shall continue with full force and effect as the rules, regulations,

and orders of the department created hereunder until further amended or repealed.

e. Except as otherwise provided by this act, all the functions, powers, and duties of the existing State Energy Office and its administrator are hereby continued in the department and the Director of the Division of Energy Planning and Conservation created hereunder.

f. This act shall not affect actions or proceedings, civil or criminal, brought by or against the State Energy Office and pending on the effective date of this act, but such actions or proceedings may be further prosecuted or defended in the same manner and to the same effect by the department created hereunder.

g. Whenever in any law, rule, regulation, order, contract, document, judicial or administrative proceedings, or otherwise, reference is made to the State Energy Office or the administrator thereof, the same shall be considered to mean and refer to the State Department of Energy and the Director of the Division of Energy Planning and Conservation created hereunder.

**C. 52:27F-27 Transfer of functions, powers and duties relating to energy subcode to department of energy.**

24. All the functions, powers and duties heretofore exercised by the Department of Community Affairs and the Commissioner thereof relating to the adoption, amendment and repeal of the energy subcode of the State Uniform Construction Code pursuant to P. L. 1975, c. 217 (C. 52:27D-119 et seq.) are hereby transferred to, and vested in the Department of Energy and the Commissioner of the Department of Energy; provided, however, that nothing in this section shall be construed so as to interfere with the enforcement of such energy subcode by the Commissioner of the Department of Community Affairs pursuant to the aforesaid P. L. 1975, c. 217; provided further, however, that this section shall not take effect until 90 days after the effective date of this act, and any energy subcode adopted by the Department of Community Affairs within said 90 days shall continue in force and effect until amended or repealed by the department as herein provided.

**C. 52:27F-28 Transfer of bureau of energy resources to division of energy planning and conservation.**

25. The Bureau of Energy Resources in the Department of Public Utilities, together with all of its functions, powers and duties, is hereby transferred to the Division of Energy Planning and Conservation in the Department of Energy established pursuant to this act.

**C. 52:27F-29 Applicability of State agency transfer act.**

26. The transfer of responsibilities directed by this act, except as otherwise provided herein, shall be made in accordance with the "State Agency Transfer Act," P. L. 1971, c. 375 (C. 52:14D-1 et seq.).

**C. 52:27F-30 Inconsistent acts repealed.**

27. 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.

**C. 52:27F-31 Partial invalidity.**

28. If any section, part, phrase, or provision of this act or the application thereof to any person be adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the section, part, phrase, provision, or application directly involved in the controversy in which such judgment shall have been rendered and it shall not affect or impair the validity of the remainder of this act or the application thereof to other persons.

**C. 52:27F-32 Construction of act.**

29. The object and design of this act being the protection of the public health, safety and welfare by means of the coordination of State planning, regulation and authority in energy related matters, this act shall be liberally construed.

30. This act shall take effect immediately.

Approved July 11, 1977.

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**CHAPTER 147**

AN ACT concerning funeral directors and amending R. S. 26:6-6.

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

1. R. S. 26:6-6 is amended to read as follows:

**Execution of death certificate; filing in exchange for burial, removal or transit permit.**

26:6-6. The funeral director in charge of the funeral or disposition of the body of any person dying in this State shall be responsible for the proper execution of a death certificate, which shall

be filled out in durable black or blue ink, in a legible manner, and filed in exchange for a burial or removal or transit permit with the local registrar of the district in which the death occurred or the body was found or with the registrar of the district in which the funeral director has his funeral home or where the burial or other disposition is to take place. In the event the death certificate is filed with the registrar of a district other than that in which the death took place or the body was found, such registrar shall, within 24 hours after issuing the permit, sign and forward the certificate of death to the registrar of the district where the death took place or the body was found, with a statement that the permit was issued. In case the death certificate is filed with the deputy registrar or subregistrar he shall within 12 hours forward such certificate to his own registrar, who in turn shall forward the certificate as heretofore directed.

Any funeral director filing a death certificate in a registration district other than that in which the death occurred or the body was found shall immediately send the State registrar written notice by first class mail. The notice shall contain the name of the deceased, the place and date of death, the date the certificate was filed, the name and address of the registrar with whom the certificate was filed, and the name and address of the funeral director. Failure of the State registrar to receive such notice shall be considered as failure of the funeral director to have sent it. In such case, the funeral director shall be subject to a penalty of \$25.00 and the State registrar shall notify the State Board of Mortuary Science of the facts in the matter.

2. This act shall take effect immediately.

Approved July 11, 1977.

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#### CHAPTER 148

A SUPPLEMENT to "An act making an appropriation for the support of the State Government and the several public purposes for the fiscal year ending June 30, 1978 and regulating the disbursement thereof," now pending before the Legislature as Senate Bill No. 3200.

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

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1. The following sum is hereby appropriated out of the General Treasury for the purposes hereinafter specified:

500. DEPARTMENT OF EDUCATION		
DEPARTMENT PLANNING, MANAGEMENT AND GENERAL SUPPORT		
32500. DEPARTMENT PLANNING AND MANAGEMENT		
32520-500-100-000 .....	\$78,146	
32540-500-100-000 .....	46,083	
32500. Technology for Children, Total Appropriation		\$124,229

2. This act shall take effect immediately.

Approved July 11, 1977.

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### CHAPTER 149

AN ACT to amend the "Public 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 24 of P. L. 1975, c. 212 (C. 18A:7A-24) is amended to read as follows:

**C. 18A:7A-24 State support for county vocational school districts; calculations.**

24. State support for county vocational school districts shall be paid in accordance with the following calculations:

a. Divide the county equalized valuations per pupil by the guaranteed valuation per pupil and subtract the quotient from 1.0000 to obtain the county vocational school's State support ratio.

b. Multiply the State support ratio by the smaller of (1) the net current expense budget for the prebudget year or (2) the product of the resident enrollment multiplied by 175% of the State-wide sixty-fifth percentile net current budget per pupil for the prebudget year when all district figures are ranked from low to high. The amount obtained is the current expense equalization support.

c. Debt service and budgeted capital outlay support for county vocational schools shall be calculated in accordance with section 19 of this act.

d. Notwithstanding any other provision of this section, no county vocational school district shall receive less in current expense equalization support than 10% of 175% of the Statewide sixty-fifth percentile net current expense budget per pupil for the prebudget year when all district figures are ranked from low to high.

2. This act shall take effect immediately.

Approved July 11, 1977.

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## CHAPTER 150

AN ACT to amend the "Optional County Charter Law," approved September 19, 1972 (P. L. 1972, c. 154).

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

1. Section 101 of P. L. 1972, c. 154 (C. 40:41A-101) is amended to read as follows:

**C. 40:41A-101 Ordinances.**

101. Ordinances.

a. An ordinance shall mean any act or regulation of the board, except an expense budget or capital budget, required to be reduced to writing, published after introduction, and considered for final passage after public hearing at a meeting subsequent to the meeting at which it was introduced;

b. Except as otherwise provided by general law the procedure for the passage of ordinances shall be as follows:

(1) Every ordinance after being introduced and having passed a first reading, which first reading may be by title, shall be published at least once in the manner provided by section 142 of this act, together with a notice of the introduction thereof and the time and place when and where it will be further considered for final passage. If there be only one such publication the same shall be at least 1 week prior to the time fixed for further consideration for final passage. If there be more than one publication, the first shall be at least 1 week prior to the time fixed for further consideration for final passage. A copy of the proposed ordinance shall also be sent by regular mail to the clerk of each municipality in the county not less than 1 week prior to the date of hearing.

(2) At the time and place so stated in such publication, or at any time and place to which the meeting for the further consideration of the ordinance shall from time to time be adjourned, all persons interested shall be given an opportunity to be heard concerning the ordinance. Final passage thereof shall be at least 10 days from the first reading.

(3) Upon the opening of the hearing, the ordinance shall be given a second reading, which reading may be by title, and thereafter, it may be passed by a majority of the whole number of the board, with or without amendments, or rejected. Prior to the said second reading, a copy of the ordinance shall be posted on the bulletin board or other place upon which public notices are customarily posted in the building in which the board regularly meets, and copies of the ordinance shall be made available to members of the general public who shall request such copies. If any amendment be adopted, altering the ordinance, the ordinance as so amended shall not be finally adopted until at least 1 week thereafter, and the ordinance as amended shall be read at a meeting of the board, which reading may be by title, and shall be published, together with a notice of the introduction, and the time and place when and where the amended ordinance will be further considered for final passage, at least 2 days prior to the time so fixed. At the time and place so fixed, or at any other meeting to which the further consideration of the amended ordinance may be adjourned, the board may proceed to pass the ordinance, as amended, or again amend it in the same manner.

(4) Upon passage, every ordinance, or the title, together with a notice of the date of passage or approval, or both, shall be published at least once in the manner provided by section 142 of this act.

(5) One certified copy of the full text of every ordinance so adopted shall be filed with the clerk of each municipality within the county not later than 10 days after the date of final passage.

(6) The board may enact, amend or supplement ordinances establishing, amending or supplementing a code or any parts thereof, not inconsistent with law, by reference to such code in any such ordinance and without inclusion of the text thereof in such ordinance if the code to be adopted and any related documents are printed in book form and a copy of such printed code and related documents so marked as to indicate plainly what portion thereof, if less than the whole, is intended to be adopted, is annexed to such ordinance and if such code and related documents or such portion thereof as is intended to be adopted is so described in said

ordinance as to identify them and there is indicated in said description the common or trade name, if any, of such code and related documents and it is stated in the ordinance that one copy of said code and said related documents, similarly marked, have been placed on file in the office of the clerk of said board, upon the introduction of said ordinance and will remain on file there until final action is taken on said ordinance, for the use and examination of the public.

It shall not be necessary to publish any such code or related documents, so to be adopted, as part of any such ordinance notwithstanding that a printed copy thereof is annexed thereto, either before or after the final passage of such ordinance, if said printed copy is filed as aforesaid. The board of freeholders however may order the publication of said code or a synopsis in the manner provided by section 142 of this act if it is deemed that such procedure will be in the public interest because of the content and importance of the provisions of the code.

If any such ordinance is adopted, the said copy of said code and related documents shall remain on file in said office, so long as said ordinance is in effect, and one certified copy shall be placed on file and shall remain on file in the office of each clerk of each municipality within the county, for the use and examination of the public so long as said ordinance is in effect and printed copies of said ordinance and said code and related documents shall be made available to citizens on request and for which a reasonable fee may be charged.

For the purpose of proof of any such ordinance or receipt thereof in evidence in all courts and places, such copy of such code and related documents, so marked and annexed to such ordinance, shall be construed to be part of said ordinance, as fully as though it had been set forth at length therein.

(7) The board may prescribe penalties for the violation of ordinances it may have authority to pass, either by imprisonment in the county jail for any term not exceeding 90 days, or by a fine not exceeding \$500.00, or both. The court before which any person is convicted of violating any such ordinance shall have power to impose any fine or term of imprisonment not exceeding the maximum fixed in such ordinance.

Any person convicted of the violation of any ordinance may, in the discretion of the court by which he was convicted, and in default of the payment of any fine imposed therefor, be imprisoned in the county jail for any term not exceeding 90 days for such default.

c. No ordinance shall take effect less than 20 days after its final passage by the board and approval by the county executive, or supervisor or board chairman or president, where such approval is required, unless the board shall adopt a resolution declaring an emergency and at least two-thirds of all the members of the board vote in favor of such resolution.

2. Section 102 of P. L. 1972, c. 154 (C. 40:41A-102) is amended to read as follows:

**C. 40:41A-102 Recording of ordinances and resolutions.**

102. Recording of ordinances and resolutions. The clerk to the board of freeholders shall record all ordinances and resolutions adopted by board and at the close of each year, with the advice and assistance of the county counsel shall bind, compile or codify true copies of all the ordinances and resolutions adopted during that year, properly indexed. He shall cause sufficient copies thereof to be printed to enable him to file one copy with the clerk of each municipality within the county, without charge, and also to make copies available to the general public, at cost.

3. This act shall take effect immediately.

Approved July 11, 1977.

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CHAPTER 151

AN ACT concerning unemployment compensation and extended benefits, and amending section 5 of P. L. 1970, c. 324.

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

1. Section 5 of P. L. 1970, c. 324 (C. 43:21-24.11) is amended to read as follows:

**C. 43:21-24.11 Definitions.**

5. Definitions. For the purposes of the extended benefit program and as used in this act, unless the context clearly requires otherwise:

a. "Extended benefit period" means a period which

(1) Begins with the third week after whichever of the following weeks occurs first:

**New Jersey State Library**

- (a) A week for which there is a national "on" indicator, or
  - (b) A week for which there is a state "on" indicator; and
- (2) Ends with either of the following weeks, whichever occurs later:
- (a) The third week after the first week for which there is both a national "off" indicator and a state "off" indicator; or
  - (b) The thirteenth consecutive week of such period;

Provided, that no extended benefit period may begin by reason of a state "on" indicator before the fourteenth week after the close of a prior extended benefit period which was in effect with respect to this State; and

Provided further, that no extended benefit period may become effective in this State prior to the effective date of this act, and that, within the period beginning on the effective date of this act and ending on December 31, 1971, an extended benefit period shall be determined solely by reason of a state "on" and a state "off" indicator.

b. There is a "national 'on' indicator" for a week if the United States Secretary of Labor determines that for the period consisting of such week and the immediately preceding 12 weeks, the rate of insured unemployment (seasonally adjusted) for all states equaled or exceeded 4.5% (determined by reference to the average monthly covered employment for the first 4 of the most recent 6 calendar quarters ending before the close of such period).

c. There is a "national 'off' indicator" for a week if the United States Secretary of Labor determines that for the period consisting of such week and the immediately preceding 12 weeks, the rate of insured unemployment (seasonally adjusted) for all states was less than 4.5% (determined by reference to the average monthly covered employment for the first 4 of the most recent 6 calendar quarters ending before the close of such period).

d. There is a "state 'on' indicator" for this State for a week if the division determines, in accordance with the regulations of the United States Secretary of Labor, that for the period consisting of such week and the immediately preceding 12 weeks, the rate of insured unemployment (not seasonally adjusted) under the Unemployment Compensation Law (R. S. 43:21-1 et seq.)

(1) Equaled or exceeded 120% of the average of such rates for the corresponding 13-week period ending in each of the preceding 2 calendar years, and equaled or exceeded 4%; or

(2) With respect to benefits for weeks of unemployment beginning after March 30, 1977, equaled or exceeded 5%.

e. There is a "state 'off' indicator" for this State for a week if the division determines, in accordance with the regulations of the United States Secretary of Labor, that for the period consisting of such week and the immediately preceding 12 weeks, neither subparagraph (1) or (2) of paragraph d. was satisfied.

f. "Rate of insured unemployment," for purposes of subsections d. and e. means the percentage derived by dividing

(1) The average weekly number of individuals filing claims in this State for weeks of unemployment with respect to the most recent 13-consecutive-week period, as determined by the division on the basis of its reports to the United States Secretary of Labor, by

(2) The average monthly covered employment for the specified period.

g. "Regular benefits" means benefits payable to an individual under the Unemployment Compensation Law (R. S. 43:21-1 et seq.) or under any other State law (including benefits payable to Federal civilian employees and to ex-servicemen pursuant to 5 U.S.C. chapter 85) other than extended benefits.

h. "Extended benefits" means benefits (including benefits payable to Federal civilian employees and to ex-servicemen pursuant to 5 U.S.C. chapter 85) payable to an individual under the provisions of this act for weeks of unemployment in his eligibility period.

i. "Eligibility period" of an individual means the period consisting of the weeks in his benefit year which begin in an extended benefit period and, if his benefit year ends within such extended benefit period, any weeks thereafter which begin in such period.

j. "Exhaustee" means an individual who, with respect to any week of unemployment in his eligibility period:

(1) Has received prior to such week, all of the regular benefits that were available to him under the Unemployment Compensation Law or any other State law (including dependents' allowances and benefits payable to Federal civilian employees and ex-servicemen under 5 U.S.C. chapter 85) in his current benefit year that includes such week;

Provided, that for the purposes of this subparagraph, an individual shall be deemed to have received all of the regular benefits that were available to him although as a result of a pending appeal with respect to wages and/or employment that were not considered in the original monetary determination in his benefit year, he may

subsequently be determined to be entitled to added regular benefits;  
or

(2) His benefit year having expired prior to such week, has no, or insufficient, wages and/or employment on the basis of which he could establish a new benefit year that would include such week; and

(3) (a) Has no right to unemployment benefits or allowances, as the case may be, under the Railroad Unemployment Insurance Act, the Trade Expansion Act of 1962, the Automotive Products Trade Act of 1965 and such other Federal laws as are specified in regulations issued by the United States Secretary of Labor; and

(b) Has not received and is not seeking unemployment benefits under the unemployment compensation law of the Virgin Islands or of Canada; but if he is seeking such benefits and the appropriate agency finally determines that he is not entitled to benefits under such law he is considered an exhaustee.

k. "State law" means the unemployment insurance law of any state approved by the United States Secretary of Labor under section 3304 of the Internal Revenue Code of 1954.

2. This act shall take effect immediately and shall apply to benefits for weeks of unemployment beginning after March 30, 1977.

Approved July 11, 1977.

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## CHAPTER 152

AN ACT permitting expenditures by school boards to eliminate deficits in summer payment plans 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:29-3.1 Expenditures by boards to pay contractual obligations under certain circumstances.**

1. Any local board of education which is unable to meet contractual obligations to make payments pursuant to a summer payment plan authorized by N. J. S. 18A:29-3, may, for a period not exceeding 5 years, expend moneys from the appropriations of

a subsequent year to meet these obligations; provided all such expenditures are approved by the Commissioner of Education and are subject to his ongoing supervision.

**C. 18A:29-3.2 Compliance with requirements of N. J. S. 18A:29-3.**

2. Nothing herein shall relieve local boards of education from strict compliance with all requirements of N. J. S. 18A:29-3 and any regulation adopted thereunder.

3. This act shall take effect immediately and shall expire 5 years from the effective date.

Approved July 11, 1977.

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CHAPTER 153

AN ACT concerning the appointment of county court judges in certain counties and supplementing article 2 of chapter 3 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:3-13.16 Appointment of one additional county court judge in certain counties.**

1. In counties of the third class having a population of more than 50,000 but less than 65,000 according to the 1970 census, there shall be one judge of the county court in addition to the judge of the county court provided by Article VI, Section V, paragraph 2 of the Constitution, making two in all in each of said counties, to be nominated and appointed by the Governor with the advice and consent of the Senate.

2. This act shall take effect immediately.

Approved July 14, 1977.

## CHAPTER 154

AN ACT to amend the "county improvement authorities law," approved January 18, 1961 (P. L. 1960, c. 183).

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

1. Section 47 of P. L. 1960, c. 183 (C. 40:37A-90) is amended to read as follows:

**C. 40:37A-90 Construction of act.**

47. This act shall be construed liberally to effectuate the legislative intent and as complete and independent authority for the performance of each and every act and thing herein authorized, and an authority shall not constitute or be deemed to be a county or municipality or agency or component of a municipality for the purposes of any other law; provided, however, that no authority, other than an authority created in a county of the second class having a population in excess of 265,000, but less than 350,000 inhabitants, in a county of the third class having a population not in excess of 65,000 inhabitants, or in a county of the fifth class having a population in excess of 150,000, but less than 300,000 inhabitants, shall exercise the powers of a common carrier, and, except as hereinabove in this section set forth, nothing contained in this act shall in any way affect or limit the jurisdiction, rights, powers or duties of any State regulatory agencies.

2. This act shall take effect immediately.

Approved July 14, 1977.

## CHAPTER 155

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, 1978 and regulating the disbursement thereof," approved . . . . ., 1977 (P. L. 1977, c. . . . .) (now pending before the Legislature as Senate Bill No. 3200).

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, 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:

## DEPARTMENT OF HIGHER EDUCATION

## 39920. SCHOLARSHIPS AND LOANS

39920-540-100-508. Funding for Veterans Education Benefits under P. L. 1975, c. 356 .....	\$4,000,000
<b>Total Appropriation .....</b>	<b>\$4,000,000</b>

## INTERDEPARTMENTAL ACCOUNTS

## 78200. INTERDEPARTMENTAL SERVICE APPROPRIATIONS

78240. Salary and other benefits .....	\$14,331,000
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Extraordinary:

To the Director of the Division of Budget and Accounting for allotment to the various agencies for normal merit salary increments. . (\$14,331,000)

<b>Total Appropriation .....</b>	<b>\$14,331,000</b>
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<b>Grand Total, Supplemental Appropriation ...</b>	<b>\$18,331,000</b>
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2. This act shall take effect July 1, 1977 and if said act is approved after July 1, 1977, it shall be retroactive to July 1, 1977.

Approved July 14, 1977.

## CHAPTER 156

AN ACT concerning workmen's compensation and amending R. S. 34:15-29.

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

1. R. S. 34:15-29 is amended to read as follows:

**Compensation preferential lien; claims not assignable; right of compensation not to be set off against retirement pension benefits.**

34:15-29. The right of compensation granted by this chapter shall have the same preference against the assets of the employer as is now or may hereafter be allowed by law for a claim for unpaid wages for labor. Claims or payments due under this chapter shall not be assignable, and shall be exempt from all claims of creditors and from levy, execution or attachment. The right of compensation granted by this chapter may be set off against disability pension benefits or payments but shall not be set off against employees' retirement pension benefits or payments.

2. This act shall take effect immediately.

Approved July 14, 1977.

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## CHAPTER 157

AN ACT concerning the contents of any deed conveying real property and supplementing chapter 4 of Title 46 of the Revised Statutes.

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

**C. 46:15-2.1 Inclusion of lot and block numbers in deeds conveying real property.**

1. All deeds conveying real property shall contain therein a reference to the lot and block number of said real property, as said real property is designated in the year of conveyance on the tax map of the municipality wherein said real property is situated, or the account number of said real property. If the real property has been subdivided the reference shall be preceded by the words "part of."

Where the real property does not appear upon the tax assessor's list, the deed shall contain therein a statement that no property tax identification number was available at the time of the conveyance.

References in deeds to lot and block or account numbers shall not be in any way descriptive, except for tax purposes, of the property conveyed, nor shall they establish legal boundaries.

2. This act shall take effect immediately.

Approved July 14, 1977.

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## CHAPTER 158

AN ACT concerning the preparation of certain fiscal reports by the Director of the Division of Budget and Accounting and amending section 37 of article 3 of P. L. 1944, c. 112.

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

1. Section 37 of article 3 of P. L. 1944, c. 112 (C. 52:27B-46) is amended to read as follows:

**C. 52:27B-46 Report by director; contents; distribution of copies; summarized monthly report of general State fund.**

37. The Director of the Division of Budget and Accounting shall prepare, within 60 days following December 31 and 90 days following the last day in which annual appropriations are available for expenditure during each fiscal year, a complete report showing:

- a. Balance sheet of all assets and liabilities for all State funds.
- b. Statement of General State Fund accrued revenues as compared with anticipated revenues.
- c. Summary report of the General State Fund showing the condition of the appropriations, which shall reflect the original appropriation, supplemental appropriations, appropriated revenue, reappropriations, transfers to and from, allotments from the emergency fund and expenditures made against such appropriations.
- d. Such other information as he may deem necessary and proper.

Such statement, certified by the director, shall be transmitted forthwith to the Governor, and shall be and remain a public document on file in the office of the director, subject to inspection by any citizen of the State, who shall have the right to make or obtain copies thereof under such reasonable regulations as the director may prescribe. Copies of said statement shall be transmitted at the same time to the President of the Senate, the Speaker of the General Assembly, the chairman of the respective appropriation committees, the State Treasurer and the State Auditor. In addition the director shall prepare a summarized monthly report of the General State Fund no later than 30 days following the end of each month which shall reflect the accrued revenues as compared with anticipated revenues, itemized by revenue source for major taxes, by department for miscellaneous revenues, by department for major sources of Federal aid budgeted and with

information on income to the General State Fund from the major dedicated and trust funds. The report shall reflect the condition of the appropriations and other such data which the director shall determine.

2. This act shall take effect immediately.

Approved July 14, 1977.

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#### CHAPTER 159

AN ACT concerning bee diseases and the regulation of apiaries, amending sections 4:6-5, 4:6-12, 4:6-13, 4:6-14, 4:6-15, 4:6-16, 4:6-17 of the Revised Statutes and supplementing chapter 6 of Title 4 of the Revised Statutes.

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

1. R. S. 4:6-5 is amended to read as follows:

**Inspection of apiaries raising queen bees for sale; penalty.**

4:6-5. A person in this State engaged in the rearing of queen bees for sale shall have his apiary inspected at least twice during each summer and a person who shall fail to comply with this requirement shall be liable to a penalty of \$200.00. The department shall inspect all such apiaries at least twice each season, when requested by the owner.

2. R. S. 4:6-12 is amended to read as follows:

**Keeping of infested bees; penalty.**

4:6-12. No person shall have or keep in his possession or in an apiary, a colony of bees infested by the diseases known as American foulbrood or European foulbrood or by any other disease which is contagious or infectious in its nature and injurious to honey bees in their egg, larvae, pupal or adult stages, and a person who shall have or keep in his possession any colony of bees so infested, after notice of the existence of the disease given as provided in sections 4:6-7 to 4:6-9 of this Title, shall be liable to a penalty of \$200.00.

3. R. S. 4:6-13 is amended to read as follows:

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**Sale or removal of infested bees or materials; penalty.**

4:6-13. No owner or other person having diseased bees or their larvae, or infested hives, combs or other appliances or utensils for keeping bees, shall expose, sell, barter or give away or permit the removal thereof until after treatment has been administered as prescribed by the department, and such bees, larvae, hives, combs or other appliances or utensils shall not be exposed, sold, bartered or given away after treatment until they are declared safe and written permission is given by the department.

A person who shall violate this section shall be liable to a penalty of \$200.00.

4. R. S. 4:6-14 is amended to read as follows:

**Shipment or delivery of queen bees without certificate attached; penalty.**

4:6-14. No package or parcel containing queen bees shall be shipped or delivered from an apiary where queen bees are raised for sale without having attached to it a certificate from the department, giving the date of the last inspection, and containing the statement that the apiary in which the bees were reared was, at the time of the inspection, free from disease as defined in section 4:6-1 of this Title.

A person who shall violate the provisions of this section shall be liable to a penalty of \$200.00.

5. R. S. 4:6-15 is amended to read as follows:

**Requirements in connection with importation of bees or used supplies; penalty.**

4:6-15. No colony or nucleus of bees or used apiary supplies coming from a state or country having apiary inspection service shall be accepted by any person or common carrier for transportation to a point within this State unless accompanied by a valid certificate of inspection stating that the colony or supplies are free from infectious or contagious bee diseases.

A colony or nucleus of bees or used apiary supplies coming into this State from a state or country having no apiary inspection service shall be immediately reported by the consignee and by the person or carrier delivering them in this State, giving the name and address of the consignee, to the department, which shall cause the shipment to be inspected at such time as shall be expedient.

This section shall not apply to the delivery of queen bees when not accompanied by brood or comb, or to bees shipped in wire cages when not accompanied by brood or comb.

A person who shall violate this section shall be liable to a penalty of \$100.00 for each offense.

6. R. S. 4:6-16 is amended to read as follows:

**Statement indicating number and location of colonies; penalty.**

4:6-16. A person having one or more colonies of bees in his possession or management shall within 8 days after a written request from the department furnish a statement of the number of colonies and the exact location thereof.

A person who shall fail to comply with the request or who shall make a false statement as to the number and location of colonies shall be subject to a penalty of \$200.00.

7. R. S. 4:6-17 is amended to read as follows:

**Penalty enforcement; hearing.**

4:6-17. Any penalty imposed by this act shall be collected or enforced in a summary manner, without a jury, in any court of competent jurisdiction according to the procedure provided by the Penalty Enforcement Law (N. J. S. 2A:58-1 et seq.). The Superior Court, County Court, county district court and municipal court shall have jurisdiction to enforce the provisions of this act.

Any violation of this chapter or any of the orders or rules or regulations of the department made pursuant to this act may be restrained by the Superior Court in an action brought for such purpose by the department.

The State Police, county and municipal law enforcement officers are authorized and directed to assist in the enforcement of the provisions of this chapter upon request by the department.

Any person aggrieved by an order of this department pursuant to this act shall have 15 days from the date of delivery of said order to petition the department for administrative hearing. The department shall, within 30 days of such petition, schedule said hearing in accordance with the Administrative Procedure Act, P. L. 1968, c. 410 (C. 52:14B-1 et seq.).

**C. 4:6-19 Abandoned apiary; notice to owner or operator; removal or destruction.**

8. (New section) When an apiary is deemed to be an abandoned apiary, written notice shall be given by certified mail to the owner or operator thereof, if he can be located, that the apiary is an abandoned apiary. If he cannot be located, such notice shall be served on the owner of the land on which the apiary is located. If such apiary continues to be so abandoned for 60 days thereafter, the agent may take whatever steps are necessary to protect the

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welfare of neighboring apiaries, including the removal or destruction of apiaries deemed abandoned.

**C. 4:6-20 Rules and regulations.**

9. (New section) The State Board of Agriculture shall have the power to promulgate and enforce rules and regulations to implement the provisions of this act.

10. This act shall take effect immediately.

Approved July 14, 1977.

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CHAPTER 160

A SUPPLEMENT to "An act providing for leave of absence to persons holding office, position or employment, other than for a fixed term or period, in the classified service of any county, municipality or school district in certain cases," passed June 16, 1942 (P. L. 1942, c. 253, C. 11:24A-7).

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

**C. 11:24A-8 Promotion while on leave of absence to fill elective public office.**

1. Notwithstanding any law, rule or regulation to the contrary, a leave of absence granted pursuant to P. L. 1942, c. 253 (C. 11:24A-7) shall not disqualify an applicant for a promotional appointment if such applicant has taken a promotional examination prior to the granting of the leave of absence to fill an elective office and subsequently appears on an eligible list resulting from said promotional examination and is appointed therefrom prior to the expiration of said list.

**C. 11:24A-9 Eligibility and return to position in promoted capacity.**

2. Any person holding office, position or employment, other than for a fixed term or period, in the classified service of any county, municipality or school district operating under Title 11 of the Revised Statutes, who would otherwise receive a promotion except for his leave of absence granted pursuant to P. L. 1942, c. 253 (C. 11:24A-7), shall be eligible to receive and permitted to accept such promotion while on leave of absence. Said person shall return to office, position or employment pursuant to P. L. 1942, c. 253 (C. 11:24A-7) in his promoted capacity and said appointment

shall be subject to the satisfactory completion of a working test period.

3. This act shall take effect immediately.

Approved July 14, 1977.

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## CHAPTER 161

AN ACT to amend and supplement "An act concerning education and supplementing 'An act concerning education and providing for continued employment of nontenure teaching staff members and supplementing Title 18A of the New Jersey Statutes,' approved February 10, 1972 (P. L. 1971, c. 436)," approved June 30, 1975 (P. L. 1975, c. 132).

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

1. Section 1 of P. L. 1975, c. 132 (C. 18A:27-3.1) is amended to read as follows:

**C. 18A:27-3.1 Non-tenured teaching staff; observation and evaluation; conference; purpose of procedure.**

1. Every board of education in this State shall cause each non-tenure teaching staff member employed by it to be observed and evaluated in the performance of her or his duties at least three times during each school year but not less than once during each semester. Said evaluations are to take place before April 30 each year. The evaluations may cover that period between April 30 of one year and April 30 of the succeeding year excepting in the case of the first year of employment where the three evaluations must have been completed prior to April 30. The number of required observations and evaluations may be reduced proportionately when an individual teaching staff member's term of service is less than one academic year. Each evaluation shall be followed by a conference between that teaching staff member and his or her superior or superiors. The purpose of this procedure is to recommend as to reemployment, identify any deficiencies, extend assistance for their correction and improve professional competence.

**C. 18A:27-3.4 Act inapplicable.**

2. (New section) Notwithstanding the provisions of N. J. S. 18A:64A-13, the provisions of the act hereby supplemented shall

be inapplicable to teaching staff employees and administrative officers of county colleges.

3. This act shall take effect July 1 of the year next following enactment.

Approved July 18, 1977.

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CHAPTER 162

AN ACT to repeal sections 11 through 16 of the "New Jersey Meat and Poultry Inspection Act," approved June 24, 1968 (P. L. 1968, c. 105).

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

**C. 24:16B-11 to 24:16B-16 Repealed.**

1. Sections 11 through 16 of P. L. 1968, c. 105 (C. 24:16B-11 to 24:16B-16) are repealed.

2. This act shall take effect immediately, and be retroactive to July 1, 1976.

Approved July 18, 1977.

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CHAPTER 163

AN ACT to amend "An act to limit and regulate child labor in this State; to provide for examinations and inspections under the provisions of this act; to provide for the enforcement of this act and regulations made thereunder; to prescribe penalties for the violation thereof; and to repeal other acts," approved June 25, 1940 (P. L. 1940, c. 153).

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

1. Section 7 of P. L. 1940, c. 153 (C. 34:2-21.7) is amended to read as follows:

**C. 34:2-21.7 Employment certificate or special permit from issuing officer of school district.**

7. Except as permitted under section 15, no minor under 18 years of age shall be employed, permitted, or suffered to work in, about, or in connection with any gainful occupation, unless and until the person employing such minor shall procure and keep on file an employment certificate or special permit for such minor, issued by the issuing officer of the school district in which the child resides, or of the district in which the child has obtained a promise of employment if the child is a nonresident of the State; provided, that no certificate or special permit shall be required for any child 16 years of age or over employed in agricultural pursuits or for any child 14 years of age or over employed at such times as the schools of his district are not in session at any agricultural fair, horse, dog, or farm show the duration of which does not exceed 10 days, upon condition that such employment does not require or involve work in, about, or in connection with employments prohibited by P. L. 1970, c. 115 (C. 34:2-21.15) and P. L. 1973, c. 204 (C. 34:2-21.17) of the child labor laws. Such certificate or special permit shall be issued in triplicate in such form and in accordance with such instructions as may be prescribed by the Commissioner of Education. The Commissioner of Education shall supply to the issuing officers all blank forms to be used in connection with the issuance of such certificates, and special permits as provided for in section 15.

Employment certificates shall be of two kinds, regular certificates permitting employment during school hours, and vacation certificates permitting employment during the school vacation and during the school term at such times as the public schools are not in session.

The original copy of the employment certificate shall be mailed by the issuing officer to the prospective employer of the minor for whom it is issued; a duplicate copy shall be mailed to the Department of Labor and Industry in Trenton as provided in section 12, and a triplicate copy shall be kept in the files of the issuing officer. The issuing officer may refuse to grant a certificate, if in his judgment, the best interests of the minor would be served by such refusal and he shall keep a record of such refusals, and the reasons therefor.

2. This act shall take effect immediately.

Approved July 18, 1977.

## CHAPTER 164

AN ACT concerning the Local Budget Law, amending N. J. S. 40A:4-57 and repealing R. S. 40:50-6.

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

1. N. J. S. 40A:4-57 is amended to read as follows:

**Expenditures void without appropriations.**

40A:4-57. No officer, board, body or commission shall, during any fiscal year, expend any money (except to pay notes, bonds or interest thereon), incur any liability, or enter into any contract which by its terms involves the expenditure of money for any purpose for which no appropriation is provided, or in excess of the amount appropriated for such purpose.

Any contract made in violation hereof shall be null and void, and no moneys shall be paid thereon.

Nothing in this section contained, however, shall prevent the making of contracts or the spending of money for

a. Capital projects to be financed in whole or in part by the issuance of notes or bonds;

b. Contracts or leases the terms of which exceed the fiscal year in which such contracts are made, when provided by law;

c. The purchase of the right, title and interest in the right-of-way of any street railway company in the municipality, when said right-of-way extends in, over and along any public street or highway in this State and the improving or paving of said right-of-way after the same has been acquired.

Nothing in this section shall apply to the use of funds of departments, for the operation of which budget appropriations are not made, nor to contracts for professional services for the liquidation or foreclosure of tax title liens in such municipalities wherein it is agreed that the cost of the services are to be paid, in all or in part, from the funds derived, or to be derived from the redemption of lien property or the sale of foreclosed property. The use of funds of such departments and for such service contracts shall be subject to approval of the Director of the Division of Local Government Services in the Department of Community Affairs.

**Repealer.**

2. R. S. 40:50-6 is repealed.
3. This act shall take effect immediately.

Approved July 19, 1977.

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CHAPTER 165

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. There is hereby appropriated from the General Treasury for the expenses of the AMVETS 1977 National Convention to be convened in Atlantic City, the sum of \$15,000.00.

2. This act shall take effect immediately.

Approved July 29, 1977.

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CHAPTER 166

AN ACT to amend the title of "An act to protect the deaf and to create within the Department of Labor a division to be known as the Division of the Deaf; and to prescribe its powers and duties; supplementing Title 34 of the Revised Statutes," approved June 14, 1941 (P. L. 1941, c. 197), so that the same shall read "An act to protect the deaf and to create within the Department of Labor and Industry a division to be known as the Division of the Deaf; and to prescribe its powers and duties; supplementing Title 34 of the Revised Statutes," and to amend and supplement the body of said act.

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

**Title amended.**

1. The Title of P. L. 1941, c. 197 is amended to read as follows: An act to protect the deaf and to create within the Department of Labor and Industry a division to be known as the Division of the Deaf; and to prescribe its powers and duties; supplementing Title 34 of the Revised Statutes.

2. Section 1 of P. L. 1941, c. 197 (C. 34:1-69.1) is amended to read as follows:

**C. 34:1-69.1 Division of the deaf; creation.**

1. There is hereby created in the Department of Labor and Industry a division to be devoted to the interests of the deaf.

3. Section 2 of P. L. 1941, c. 197 (C. 34:1-69.2) is amended to read as follows:

**C. 34:1-69.2 Director; appointment; qualifications.**

2. The Commissioner of Labor and Industry shall appoint a competent person to have charge of such division of the deaf, who shall be fully conversant with the sign language of the deaf as ascertained by at least three certified members of the New Jersey Registry of Interpreters for the Deaf; such appointee to be known as Director of the Division of the Deaf, and to be subject to the regular rules and regulations of the Department of Labor and Industry.

4. Section 3 of P. L. 1941, c. 197 (C. 34:1-69.3) is amended to read as follows:

**C. 34:1-69.3 Powers and duties of director.**

3. The director of such division shall collect and tabulate statistics pertaining to the deaf, their employment and welfare; shall ascertain primarily by annual review of the New Jersey job market, by reference to occupational information publications of the United States Department of Labor as well as other sources herein identified what trades or occupations are most suitable for them; shall arrange for Statewide vocational retraining when necessary; shall endeavor to create new fields of employment to which they may adapt themselves, and to place them in such various lines of employment; may file a complaint with the Division on Civil Rights on behalf of any deaf persons and assist them in any subsequent proceedings involving any, and all acts of discrimination against them by specific employers, industries, corporations or organizations with whom they may seek employment including the State and shall use his best efforts for the general welfare of all the deaf within the State. He shall develop field contacts to increase the employability of deaf persons and seek the cooperation of all State

departments, officers and State agencies and minor governmental bodies to the end that deaf persons may be employed in such capacities in the government of the State, or any subdivision thereof, as they may fill as efficiently as other persons. He shall make such reports and recommendations to his superior as may be requested or as may be required by law, or otherwise, and issue such reports in pamphlet form, or otherwise, as may be necessary or desirable to advance the best interests of the division and the deaf people of the State in general.

5. Section 4 of P. L. 1941, c. 197 (C. 34:1-69.4) is amended to read as follows:

**C. 34:1-69.4 Employment of additional assistants.**

4. The Commissioner of Labor and Industry shall employ additional assistants who are competent and experienced in working and communicating with the deaf at such compensation as is required to effectively carry out the provisions of this act.

6. Section 5 of P. L. 1941, c. 197 (C. 34:1-69.5) is amended to read as follows:

**C. 34:1-69.5 Director's compensation.**

5. The Director of the Division of the Deaf shall receive such compensation as shall be determined by the Commissioner of Labor and Industry and such actual and necessary expenses as shall be incurred in the performance of their official duties, to be paid in the same manner as the compensation and expenses of other employees of the Department of Labor and Industry.

7. Section 6 of P. L. 1941, c. 197 (C. 34:1-69.6) is amended to read as follows:

**C. 34:1-69.6 "Deaf" defined.**

6. The term "deaf", for purposes of the Division of the Deaf and as used in this act, means those persons in whom the sense of hearing is nonfunctional for ordinary purposes of life and includes two distinct classes based on the time of the loss of hearing: a. the congenitally deaf, those who were born deaf and, b. the adventitiously deaf, those who were born with normal hearing but in whom the sense of hearing becomes nonfunctional through illness, accident, etc. In clinical terms deaf means a hearing loss above 25 db ISO in the 500-2,000 frequency Hz range unaided in the better ear, and so designated by a certified audiologist.

**C. 34:1-69.1a Advisory council on the deaf; membership; terms; compensation; vacancies.**

8. (New section) a. There shall be within the Division of the Deaf an Advisory Council on the Deaf which shall consist of 14

members. One representative from each of the following shall be ex-officio members: Department of Education, Department of Higher Education, Department of Health, Department of Human Services, Division of Vocational Rehabilitation Services in the Department of Labor and Industry, Division of Human Resources in the Department of Community Affairs and the Marie Katzenbach School for the Deaf. Seven members shall be appointed by the Governor: one shall be a businessman selected from a list of candidates supplied by the New Jersey State Chamber of Commerce, one lay citizen born of deaf parents, five citizens who are deaf, two of whom shall be chosen from the professions and three to be lay persons. In considering the appointment of the five citizens who are deaf the Governor shall give appropriate consideration to persons recommended by profoundly deaf adults represented by the New Jersey Association of the Deaf, Incorporated. Each appointive member shall serve for a term of 3 years and until his successor is appointed and qualifies, except that of the seven members first appointed the Governor shall designate the appointee's terms so that two shall be appointed for terms of 1 year, two for terms of 2 years and three for terms of 3 years.

b. Members of the Advisory Council on the Deaf shall serve without compensation but shall be entitled to reimbursement for expenses incurred in performance of their duties. Vacancies on the council shall be filled for the unexpired term. Members may be removed by the Governor for cause.

**C. 34:1-69.3a Annual report to Legislature; contents.**

9. (New section) The Director of the Division of the Deaf shall report annually to the Legislature. Such report shall include, but not be limited to, a review of the status of services to deaf persons within the State, recommended priorities for development and coordination of such services, evaluation of achievements resulting from recommendations made in the preceding annual report, and a statement of the division's goals for the next year and the programs planned to achieve them.

10. The sum of \$200,000.00 is hereby appropriated to the Department of Labor and Industry for the fiscal year ending June 30, 1978 to effectuate the purposes of this act.

11. This act shall take effect immediately.

Approved July 31, 1977.

## CHAPTER 167

AN ACT concerning the law enforcement officers of the Division of Fish, Game and Shell Fisheries and the Division of Parks and Forestry in the Department of Environmental Protection, amending R. S. 23:2-11 and supplementing Title 13 of the Revised Statutes.

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

**C. 13:1A-6.1 Powers of law enforcement officers.**

1. The Commissioner of the Department of Environmental Protection shall have the power to vest in the conservation officers of the Division of Fish, Game and Shell Fisheries and the park rangers, park superintendents and law enforcement operation officers of the Division of Parks and Forestry, while such personnel are on duty, the power to arrest without warrant any person violating any law of this State committed in their presence and bring the offender before any court having jurisdiction to receive the complaint of such violation. The Department of Environmental Protection, with the approval of the Attorney General, shall establish and maintain a suitable law enforcement training program for such personnel.

2. R. S. 23:2-11 is amended to read as follows:

**Power and authority of deputy conservation officers.**

R. S. 23:2-11. The deputy conservation officers shall have the power and authority of conservation officers to enforce Title 23 and the Fish and Game Code, and shall be subject to the regulations provided by law for the enforcement of the Title and Code, but shall receive no salary or other compensation from the State for the performance of duties of law enforcement.

3. This act shall take effect immediately.

Approved July 31, 1977.

## CHAPTER 168

AN ACT appropriating \$30,000,000.00 from the State Recreation and Conservation Land Acquisition and Development Fund for State funding of local programs to acquire and develop lands for recreation and conservation purposes and authorizing local units to utilize the fair market value of donations of lands in determining the local share of the cost of acquisition.

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 established pursuant to the "New Jersey Green Acres and Recreation Opportunities Bond Act of 1974" (P. L. 1974, c. 102) the sum of \$30,000,000.00 for the purpose of acquisition and development of lands by the State for recreation and conservation purposes, to be allocated as follows:

- a. \$15 million for State grants to assist local units to acquire lands which shall include administrative costs;
- b. \$15 million for State grants to assist local units to develop lands which shall include administrative costs.

2. A local unit may accept by gift, devise or otherwise all or part of any lands to be acquired under this act. The local share of the cost of acquisition shall be reduced by the fair market value of said donated lands, as determined by the commissioner. Any acquisition or development under this act shall be consistent with and subject to the provisions of P. L. 1974, c. 102 and P. L. 1975, c. 155.

3. This act shall take effect immediately.

Approved August 4, 1977.

## CHAPTER 169

AN ACT to amend the "State Lottery Law," approved February 16, 1970 (P. L. 1970, c. 13).

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

1. Section 7 of P. L. 1970, c. 13 (C. 5:9-7) is amended to read as follows:

**C. 5:9-7 Powers and duties of commission.**

7. The commission shall have the power, and it shall be its duty:

a. After full and thorough study of the report and recommendations of the State Lottery Planning Commission established pursuant to Joint Resolution Number 11, approved November 20, 1969, and such other pertinent information as may be available, to promulgate such rules and regulations governing the establishment and operation of a State lottery as it deems necessary and desirable in order that the mandate of the people expressed in their approval of the amendment to Article IV, Section VII, paragraph 2, of the Constitution in the general election of November, 1969, may be fully implemented, in order that such a lottery shall be initiated at the earliest feasible and practicable time, and in order that such lottery shall produce the maximum amount of net revenues for State institutions and State aid for education consonant with the dignity of the State and the general welfare of the people. Such rules and regulations may include, but shall not be limited to, the following:

- (1) The type of lottery to be conducted.
  - (2) The price, or prices, of tickets or shares in the lottery.
  - (3) The numbers and sizes of the prizes on the winning tickets or shares.
  - (4) The manner of selecting the winning tickets or shares.
  - (5) The manner of payment of prizes to the holders of winning tickets or shares, including, subject to the approval of the State Treasurer, provision for payment of prizes not to exceed \$599.00 by agents licensed hereunder out of moneys received from sales of tickets or shares.
  - (6) The frequency of the drawings or selections of winning tickets or shares, without limitation.
  - (7) Without limit as to number, the type or types of locations at which tickets or shares may be sold.
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(8) The method to be used in selling tickets or shares.

(9) The licensing of agents to sell tickets or shares, provided that no person under the age of 21 shall be licensed as an agent.

(10) The manner and amount of compensation, if any, to be paid licensed sales agents necessary to provide for the adequate availability of tickets or shares to prospective buyers and for the convenience of the public.

(11) The apportionment of the total revenues accruing from the sale of lottery tickets or shares and from all other sources among (a) the payment of prizes to the holders of winning tickets or shares, (b) the payment of costs incurred in the operation and administration of the lottery, including the expenses of the division and the costs resulting from any contract or contracts entered into for promotional, advertising or operational services or for the purchase or lease of lottery equipment and materials, (c) for the repayment of the moneys appropriated to the State Lottery Fund pursuant to section 23 of this act, and (d) for transfer to the general fund for State institutions and State aid for education; provided, however, that no less than 30% of the total revenues accruing from the sale of lottery tickets or shares shall be dedicated to (d), above.

(12) Such other matters necessary or desirable for the efficient and economical operation and administration of the lottery and for the convenience of the purchasers of tickets or shares and the holders of winning tickets or shares.

b. To amend, repeal, or supplement any such rules and regulations from time to time as it deems necessary or desirable.

c. To advise and make recommendations to the director regarding the operation and administration of the lottery.

d. To report monthly to the Governor and the Legislature the total lottery revenues, prize disbursements and other expenses for the preceding month, and to make an annual report, which shall include a full and complete statement of lottery revenues, prize disbursements and other expenses, to the Governor and the Legislature, and including such recommendations for changes in this act as it deems necessary or desirable.

e. To report immediately to the Governor and the Legislature any matters which shall require immediate changes in the laws of this State in order to prevent abuses and evasions of this act or rules and regulations promulgated thereunder or to rectify undesirable conditions in connection with the administration or operation of the lottery.

f. To carry on a continuous study and investigation of the lottery throughout the State (1) for the purpose of ascertaining any defects in this act or in the rules and regulations issued thereunder by reason whereof any abuses in the administration and operation of the lottery or any evasion of this act or the rules and regulations may arise or be practiced, (2) for the purpose of formulating recommendations for changes in this act and the rules and regulations promulgated thereunder to prevent such abuses and evasions, (3) to guard against the use of this act and the rules and regulations issued thereunder as a cloak for the carrying on of organized gambling and crime, and (4) to insure that said law and rules and regulations shall be in such form and be so administered as to serve the true purposes of this act.

g. To make a continuous study and investigation of (1) the operation and the administration of similar laws which may be in effect in other states or countries, (2) any literature on the subject which from time to time may be published or available, (3) any Federal laws which may affect the operation of the lottery, and (4) the reaction of New Jersey citizens to existing and potential features of the lottery with a view to recommending or effecting changes that will tend to serve the purposes of this act.

2. This act shall take effect immediately.

Approved August 10, 1977.

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## CHAPTER 170

AN ACT to amend "An act to provide for the election of commissioners in water districts and defining their powers and duties," approved June 25, 1951 (P. L. 1951, c. 280).

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

1. Section 30 of P. L. 1951, c. 280 (C. 40:62-105.30) is amended to read as follows:

**C. 40:62-105.30 Acquisition and construction of water accumulation, supply, or distribution facilities.**

30. The water commissioners in any water district created by the township committee may acquire and construct any reservoirs, basins, dams, canals, aqueducts, standpipes, conduits, pipelines,

mains, pumping stations, water distribution systems, compensating reservoirs, waterworks or sources of water supply, wells, purification or filtration plants or other plants and works, connections, rights of flowage or diversion, and other plants, structures, boats, conveyances, and other real and personal property, and rights therein, and appurtenances necessary or useful and convenient for the accumulation, supply or distribution of water; provided, however, that such water accumulation, supply, or distribution facilities are authorized and financed as provided in sections 31 to 34 of this act.

2. Section 31 of P. L. 1951, c. 280 (C. 40:62-105.31) is amended to read as follows:

**C. 40:62-105.31 Resolution authorizing issuance of bonds; time and place of meeting; notices.**

31. The water commissioners shall cause a resolution authorizing the issuance of bonds for the purposes specified in section 30 of this act to be submitted to the legal voters of such water district. Such resolution shall be written or printed on notices together with a statement of the time and place where the meeting of such legal voters will be held and the purpose and object thereof. The time and place for the holding of such election shall be the same as the annual election of water commissioners and for the appropriation of moneys for water purposes in said district, or a special election may be called for the purpose. Not less than 10 notices of such meeting shall be posted by the clerk of the water commissioners at least 10 days before the date thereof in such manner and in such public places as he shall deem best for the purpose of giving notice of said meeting, and the board of water commissioners and the clerk shall also cause notices to be printed as an advertisement in a paper published in the district if there be one, and if not, in a paper published within the county where the district is located and circulating in said district. In case a special election is called, at least 10 notices of such election shall be posted at least 21 days before the date of such election, and in addition the clerk shall cause said notice to be published at least twice before said election is held, in a newspaper published in the district, if there be one, and if not, in a newspaper published in the township or county where the district is located and circulating in said district.

3. Section 33 of P. L. 1951, c. 280 (C. 40:62-105.33) is amended to read as follows:

**C. 40:62-105.33 Issuance of bonds; form.**

33. The legal voters of any such water district may, at the election at which such proposition is submitted, by the vote of a majority of those voting, authorize the board of water commissioners to issue bonds for the purpose set forth in section 30 of this act. Such bonds shall be serial bonds and shall be issued in the corporate name of such water district for such sums not exceeding the sum voted as aforesaid, and in such amounts and payable at such times as the legal voters so voting shall direct, with interest at a rate as such resolution or resolutions authorizing the issuance of such bonds shall provide, payable half-yearly. Said bonds shall not be issued for a longer period than 30 years. Such bonds shall be signed by the president of the board of water commissioners and attested by the secretary of the board who shall affix the seal of said commissioners. Said bonds shall have coupons attached for the payment of interest, which coupons shall be signed by the clerk of the board of water commissioners, and shall be numbered to correspond to the several bonds to which they shall be severally attached. Bonds so issued shall be numbered and the proper registry thereof shall be kept by the clerk of said board of water commissioners. Such bonds may be sold at public or private sale for the best obtainable price, but not less than par and accrued interest.

4. This act shall take effect immediately.

Approved August 10, 1977.

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CHAPTER 171

A SUPPLEMENT to "An act concerning pensioners in public employment and repealing chapter 3 of Title 43 of the Revised Statutes," approved April 26, 1968 (P. L. 1968, c. 23).

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

**C. 43:3C-3 Pensioners; reenrollment not permitted in system; termination; refund.**

1. Notwithstanding any other law to the contrary, if a former member of any pension fund or retirement system, contributory or noncontributory, established under any law of this or any other

state, who has been granted a pension or retirement allowance for any cause other than vesting or deferred retirement, becomes employed again in an elected public office, other than the same or a comparable position to that from which he was retired, which makes him eligible to be a member of the same or any other pension fund or retirement system established under any law of this State, such person shall not be reenrolled in the same fund or system or enrolled in such other pension fund or retirement system if he is eligible to receive such pension or retirement allowance, but rather such person shall be entitled to receive said pension or retirement allowance and any death benefit as a result of his former membership irrespective of his position as an elected public officer.

If such a former member has been reenrolled or enrolled in any such pension fund or retirement system as of the effective date of this act, his membership in such fund or system shall be hereby terminated and he or his beneficiary shall be permitted to receive a refund of his contributions to such fund or system upon the filing of a proper application therefor.

2. This act shall take effect immediately.

Approved August 10, 1977.

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## CHAPTER 172

AN ACT concerning the appointment of municipal treasurers 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:*

**C. 40A:9-1.2 Appointment of nonresident municipal treasurer.**

1. Notwithstanding the provisions of N. J. S. 40A:9-1 or any other law to the contrary, the governing body of any municipality may, by ordinance, appoint to the office of municipal treasurer a nonresident of said municipality.

2. This act shall take effect immediately.

Approved August 10, 1977.

## CHAPTER 173

AN ACT designating the horse as the New Jersey State Animal.

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

**C. 52:9AAAA-1 State animal.**

1. The horse (*Equus Caballus*) is designated as the New Jersey State Animal.

2. This act shall take effect immediately.

Approved August 14, 1977.

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CHAPTER 174

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*:

**C. 40:55D-54.1 Subdivision or resubdivision of land; notice to tax assessor.**

1. Upon the filing of a plat showing the subdivision or resubdivision of land, the county recording officer shall, at the same time that notification is given to the planning board of the municipality pursuant to section 42 of the act to which this act is a supplement, send a copy of such notification to the tax assessor of the municipality in which such land is situated of the filing of said plat.

2. This act shall take effect immediately.

Approved August 16, 1977.

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## CHAPTER 175

AN ACT concerning county and municipal fire and police departments, repealing N. J. S. 40A:14-8, 40A:14-119, 40A:14-120 and 40A:14-121.

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

**Repealer.**

1. N. J. S. 40A:14-8, 40A:14-119, 40A:14-120 and 40A:14-121 are repealed.

2. This act shall take effect immediately.

Approved August 16, 1977.

## CHAPTER 176

AN ACT concerning municipal accountants, supplementing Title 45 of the Revised Statutes and repealing sundry statutory provisions relating thereto.

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

**C. 45:2B-33 Declaration by municipal accountant.**

1. Before any person shall undertake the work of auditing the accounts of any municipality or county he shall qualify as municipal accountant for New Jersey by subscribing to the following declaration:

a. That he is fully acquainted with the laws controlling and governing the finances of municipalities and counties of New Jersey and is a competent and experienced auditor of public accounts.

b. That he will honestly and faithfully audit the books and accounts of a municipality or county when engaged to do so, and report any error, omission, irregularity, violation of law, discrepancy or other nonconformity to the law, together with his recommendations to the governing body of such municipality or county.

Source: R. S. 40:4-6.

**C. 45:2B-34 Rules and regulations.**

2. The New Jersey State Board of Certified Public Accountants shall make all rules and regulations governing examinations and the issue of licenses to registered municipal accountants.

Source: R. S. 40:4-7.

**C. 45:2B-35 License fee.**

3. The license fee for the registration of any accountant who shall apply for a license to practice as a municipal accountant for New Jersey as herein described shall be established by the New Jersey State Board of Certified Public Accountants. Licenses shall be issued biennially thereafter and the same fee imposed for each biennial registration or renewal. All registration licenses shall date from June 1 preceding the date of application.

Source: R. S. 40:4-10.

**C. 45:2B-36 Violation of act's provisions; penalty.**

4. Any person who shall make, or begin to make, any audit of accounts of any municipality or county as required by this chapter, contrary to the provisions hereof, or without a license therefor in full force and effect, shall be liable to a penalty of \$100.00 for every audit of account so made, to be recovered in an action at law instituted by the New Jersey State Board of Certified Public Accountants in any court having jurisdiction.

Source: R. S. 40:4-11.

**C. 45:2B-37 Signature by auditor or accountant; employment when license revoked.**

5. All reports of audit of accounts of municipalities or counties shall be signed by the auditor or accountant making the audit or in charge of the same, holding a license as herein provided, whether such audit or statement of account is made by any person employing such auditor or accountant, or otherwise, and the licensing or the revocation of the license of any such auditor shall not be construed to affect the contracting with any municipality or county by any person employing auditors or accountants; but upon the revocation of the license of an auditor or accountant for the purposes herein specified and authorized, such person shall not employ in such work such auditors or accountants but only such persons as may be licensed as herein required, except that the auditor or accountant whose license may have been revoked may be employed in a subordinate capacity.

If any person shall willfully employ any person not holding a license in full force and effect as auditor or accountant in municipal

work within the purview of this chapter and other laws in which audits shall be subject to the supervision and orders of the Bureau of Financial Regulation and Assistance in the Department of the Treasury, the said bureau may direct the municipalities or counties to refuse to employ such person in such work during the continuance of such violation.

Source: R. S. 40:4-12 amended 1947, c. 117, s. 10.

**Repealer.**

6. Sections 40:4-6, 40:4-7 and 40:4-10 to 40:4-12, inclusive, of the Revised Statutes are repealed.

7. This act shall take effect immediately.

Approved August 16, 1977.

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## CHAPTER 177

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:20-37 Purchase of certain types of securities.**

1. When authorized by resolution adopted by a majority vote of all its members the board of education of any school district may use moneys, which may be in hand, for the purchase of the following types of securities which, if suitable for registry, may be registered in the name of the school district:

a. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America,

b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal Land Bank, Federal National Mortgage Associates or of any United States Bank for Cooperatives which have a maturity date not greater than 12 months from the date of purchase, or

c. Bonds or other obligations of the school district.

Source: C. 40:5-7.1 (1953, c. 328, s. 1 amended 1953, c. 452, s. 2; 1959, c. 160, s. 2).

**C. 18A:20-38 Recording of securities; written report to board; filing.**

2. When said securities are received by the school district, the secretary shall duly record the receiving thereof in an appropriate manner and at the next regular or special meeting after such receipt, he shall transmit a written report to the board of education, setting forth the amount of securities so received, the series, date and the numbers and interest periods, if any, thereof and at the same time, transmit said securities to such depository, person or persons as the board of education shall direct for safekeeping. Such written report shall be recorded in the minutes at such meeting, and a certified copy of such minute record shall forthwith be filed with the Bureau of Financial Regulation and Assistance in the Department of the Treasury.

Source: C. 40:5-7.2 (1953, c. 328, s. 2).

**C. 18A:20-39 Sale of securities.**

3. Securities of a school district, purchased by it, shall not be canceled but may be sold as and when directed by resolution adopted by a majority vote of all the members of the board of education.

Source: C. 40:5-7.3 (1953, c. 328, s. 3).

4. This act shall take effect immediately.

Approved August 16, 1977.

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**CHAPTER 178**

AN ACT to amend and supplement "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 plate may be marketed by the

New Jersey Bicentennial Celebration Commission as merchandise for sale or the commission may otherwise dispose of such plates in a manner prescribed by law. The proceeds from the sale of such plates or from their disposition prescribed by law are hereby appropriated to the commission.

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 December 31, 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. Section 2 of P. L. 1975, c. 102 is amended to read as follows:

2. This act shall take effect immediately, and shall expire December 31, 1977.

3. (New section) Any motorist who due to continued display of such bicentennial commemorative license plates and against whom a complaint has been filed under R. S. 39:3-33, and who has not been convicted as of the effective date of this act shall not be further prosecuted.

4. This act shall take effect immediately.

Approved August 16, 1977.

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## CHAPTER 179

AN ACT to amend the "Urban Renewal Corporation and Association Law of 1961," approved June 19, 1967 (P. L. 1967, c. 114).

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

1. Section 13 of P. L. 1967, c. 114 (C. 40:55C-55.1) is amended to read as follows:

**C. 40:55C-55.1 Operation; provisions.**

13. Any two or more persons, may qualify to operate as a partnership, limited partnership, limited partnership association or other unincorporated association or entity by filing such certificate or statement as may be required by any statute governing the form selected and in addition to any other requirement contained therein incorporate the following provisions:

(a) The name of the association or the trade name under which the association shall conduct its business shall include the words "urban renewal."

(b) The object for which it is formed shall be to operate under this act or the act to which this is a supplement and to initiate and conduct projects for the clearance, replanning, development and redevelopment of blighted areas in municipalities and, when so authorized by financial agreement with a municipality pursuant to this act or the act to which this is a supplement, to acquire, plan, develop, construct, alter, maintain or operate housing, business, industrial, commercial, cultural or recreational project or any combination of any 2 or more such types of improvement in a single project, under such conditions as to use, ownership, management and control as shall be regulated pursuant to this act or the act to which this is a supplement.

(c) A provision that so long as the association is obligated under a financial agreement with a municipality made pursuant to this act or the act to which this is a supplement, it shall engage in no business other than the ownership, operation and management of a single project.

(d) A declaration that the association has been organized to serve a public purpose, that its operations shall be directed toward providing for and making possible the clearance, replanning, development or redevelopment of blighted areas or the acquisition, management and operation of a project hereunder; and that it shall, as provided herein, be subject to regulation by the municipality in which its project is situated, and to a limitation on profits for so long as it remains the owner of a project subject to the provisions of this act or the act to which this is a supplement.

(e) A provision that the association shall not voluntarily transfer the project undertaken by it under the terms of this act or the act to which this is a supplement, until it has first removed both itself and the project from all restrictions hereunder in the manner hereinafter set forth; but with a proviso that the foregoing restriction shall not be applied to prevent the transfer of a project

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to another urban renewal association or corporation which, with the consent of the municipality in which the project is located, shall assume all the contractual obligations of the transferor association or corporation under its financial agreement with the said municipality.

If the association shall not by reason of any other law be required to file a certificate or statement, then the said association in addition to the requirements set forth above shall file a certificate in the office of the clerk of the county in which its principal place of business is located setting forth its full name and the name under which it shall do business, its duration, the location of its principal offices and the name of a person or persons upon whom service may be effected and the name and address and extent of each person having any ownership or proprietary interest therein.

2. This act shall take effect immediately.

Approved August 18, 1977.

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## CHAPTER 180

AN ACT concerning education and amending N. J. S. 18A:24-32.

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

1. N. J. S. 18A:24-32 is amended to read as follows:

**Form and execution; type II districts.**

18A:24-32. All obligations of a type II school district, issued in accordance with this chapter, shall be issued in the corporate name of the district and shall be executed by the manual or facsimile signature of the president or vice president of the board of education of the district and attested by the manual signature of the secretary or assistant secretary thereof and shall bear the seal of the district affixed, imprinted, or reproduced thereon, and any bonds so issued shall be numbered and a proper registry thereof shall be kept by said secretary and if such bonds are in coupon form they shall have coupons attached for current payment of interest which shall be authenticated by the manual or facsimile signature of the secretary or assistant secretary and numbered to correspond to the several bonds to which they are severally attached.

2. This act shall take effect immediately.

Approved August 18, 1977.

## CHAPTER 181

AN ACT to amend "A supplement to 'An act authorizing the State of New Jersey to participate in a Federal program of flood control, making an appropriation for the same purpose,' approved September 8, 1948 (P. L. 1948, c. 351)," approved June 5, 1957 (P. L. 1957, c. 67).

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

1. Section 1 of P. L. 1957, c. 67 (C. 58:16A-17) is amended to read as follows:

**C. 58:16A-17 Moneys received pursuant to Federal Flood Control Act of 1938; disbursement; expenditures.**

1. Whenever, pursuant to the Federal Flood Control Act of 1938 as supplemented by the Act of August 18, 1941 as amended, the State Treasurer has received or shall receive from the Federal Government all or any part of the moneys received and deposited in the Treasury of the United States on account of the leasing of lands acquired by the United States for flood control, navigation and allied purposes, the State Treasurer shall forthwith pay over said funds to the county or counties in which such property is situate, in proportion to the receipts obtained from the leases of the properties in the respective counties, to be expended by said county or counties for the benefit of any of the public schools and public roads either under the jurisdiction of the county or of the municipality in which any of the aforesaid properties may lie, or for defraying the expenses of county government in such county; provided, that when such property is situated in more than one county, the distributive share to each county from the proceeds of such property shall be proportional to its area therein; and all of said moneys received by the State Treasurer as aforesaid are hereby appropriated to the several counties as hereinbefore provided for the purposes set forth herein.

2. This act shall take effect immediately.

Approved August 18, 1977.

## CHAPTER 182

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 10 of P. L. 1971, c. 198 (C. 40A:11-10) is amended to read as follows:

**C. 40A:11-10 Joint agreements for purchase of work, materials, supplies; authorization.**

10. Joint agreements for purchase of work, materials, supplies; authorization.

(a) The governing bodies of two or more contracting units within the same county, or adjoining counties, may provide by joint agreement for the purchase of work, materials and supplies for use by their respective jurisdictions.

(b) The governing body of any county or municipality may provide by joint agreement with the board of education of any school district located wholly or partially within the geographic boundaries of the county or municipality for the purchase of work, materials and supplies for use by their respective jurisdictions.

(c) Such agreement shall be entered into by resolution or ordinance, as the case may be, adopted by each of the participating bodies and boards; which shall set forth the categories of work, materials and supplies to be purchased, the manner of advertising for bids and of awarding of contracts, the method of payment by each participating body and board, and other matters deemed necessary to carry out the purposes of the agreement.

(d) Each participating body's and board's share of expenditures for purchases under any such agreement shall be appropriated and paid in the manner set forth in the agreement and in the same manner as for other expenses of the participating body and board.

2. This act shall take effect immediately.

Approved August 22, 1977.

## CHAPTER 183

AN ACT to provide a special charter for the township of South Orange village in the county of Essex and repealing P. L. 1872, c. 527.

WHEREAS, The board of trustees of the village of South Orange in the county of Essex has petitioned the Legislature for the passage of a special law to provide a new charter for the village, pursuant to Article IV, Section VII, paragraph 10 of the Constitution of 1947, and 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 proof of publication of the ordinance before adoption and proof of publication after adoption have been duly presented and filed; now, therefore

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

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## SECTION 1. THE CHARTER.

## ARTICLE I. GENERAL PROVISIONS AND POWERS.

1.1. Short Title. This act shall be known and may be cited as the Charter of the Township of South Orange Village (1977).

1.2. Incorporation. The inhabitants of The Village of South Orange, in the County of Essex, within the boundaries heretofore established by law or as may be hereafter amended, shall be and remain a municipal body corporate and politic with perpetual succession and shall be designated as the Township of South Orange Village.

1.3. Definitions. For the purposes of this act, and for the interpretation of any law, ordinance or resolution applicable to the Village, unless the context otherwise requires:

(a) "Charter" means this act and all statutory provisions of the State of New Jersey which by their terms are now or may here-

after be applicable to the Village and which are not inconsistent with this act.

(b) "Board of Trustees" or "Board" means the governing body of the Village, constituted and elected pursuant to the Charter.

(c) "President" means the Village President duly elected pursuant to the Charter.

(d) "Ordinance" means any act of local legislation heretofore or hereafter adopted pursuant to law.

(e) "Month" means a calendar month unless otherwise specifically provided.

(f) "Person" means any corporation, firm partnership, association, organization or other entity, as well as an individual.

(g) "Village" means the Township of South Orange Village within the boundaries now existing or which may be hereafter established pursuant to law.

(h) "Year" means a calendar year unless otherwise specifically provided.

1.4. Construction. For the purposes of the Charter, administrative code and other ordinances heretofore or hereafter adopted, except as the context may otherwise require:

(a) The present tense includes the past and future tenses and the future, the present.

(b) The masculine gender includes the feminine and neuter.

(c) The singular number includes the plural and the plural, the singular.

(d) The time within which an act is to be done shall be computed by excluding the first and including the last day, and if the last day be a Saturday, Sunday or a legal holiday, that day shall be excluded.

(e) "Writing" and "written" includes printing, typewriting and any other mode of communication using paper or similar material which is in general use, as well as legible handwriting.

1.5. Powers. In addition to such powers as may otherwise be conferred by the Charter, and subject to the provisions of the Charter, the Village may:

(a) Organize and regulate its internal affairs, and establish, alter, and abolish offices, positions and employments, provide for their manner of appointment and removal, and define the functions, powers and duties thereof, and fix their terms, tenure and compensation;

(b) Adopt and enforce ordinances, subject to due process of law, to regulate persons and property, and to provide for the health, safety and general welfare of the inhabitants of the Village, and for the good government thereof;

(c) 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;

(d) Sue and be sued, have a corporate seal, contract and be contracted with, buy, sell, lease, hold and dispose of real and personal property, appropriate and expend moneys, and adopt, amend and repeal such ordinances and resolutions as may be required for the management of the Village and the good government thereof;

(e) Exercise powers of condemnation, borrowing and taxation in the manner provided by general law;

(f) Exercise all powers of local government in such manner as its governing body may determine, subject to the Charter.

1.6. Self-government generally. The general grants of municipal power contained in this article are intended to confer the greatest powers of local self-government consistent with the Constitution of this State. Any specific enumeration of municipal powers contained elsewhere in the Charter 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 power to the Village, 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 Village.

1.7. Charter review. The Board of Trustees or a committee designated by the board shall review this Charter at least once every 12 years and shall prepare a report on the functioning of the Charter including any suggested amendments to this Charter.

## ARTICLE II. THE GOVERNING BODY

2.1. Municipal power. The governing body of the Village shall be the Board of Trustees. It shall exercise all municipal powers except as otherwise specifically provided by this Charter. The Board of Trustees shall function primarily as a legislative body devoted to policy making and long-range planning.

2.2. Elections; Trustees and Village president. The Board of Trustees, consisting of six trustees, and a Village president, shall

be nominated and elected at-large, by a plurality of voters, in accordance with the provisions of Chapter 161 of Title 40 of the Revised Statutes. A municipal election shall be held biennially on the second Tuesday in May. Immediately following the election the results shall be certified to the Village clerk.

2.3. Qualification; term. (a) The Village president and each trustee shall be a resident and legal voter of the Village for at least 1 year preceding the election at which such person is chosen.

(b) The Village president and each trustee shall serve for a term of 4 years beginning at noon on the third Monday in May next following his or her election. Of the six trustees, three shall be elected biennially. The members of the Board of Trustees first to be elected under this Charter shall have such terms as shall be determined under Article VII hereof.

2.4. Vacancies. (a) A vacancy in the office of Village president or trustee occurring during a term shall be filled by the Board of Trustees, by the affirmative vote of at least four trustees, for the remainder of the unexpired term. In the event the Board of Trustees fails, for whatever reason, to fill the vacancy at its second regular meeting following its occurrence, the vacancy shall be filled by election in the same manner as provided by paragraph (b) hereof.

(b) If there shall be more than one vacancy in the office of trustee or if the offices of Village president and one or more trustees become vacant at the same time, the vacancies shall be filled by election at the next general or regular municipal election to be held not less than 60 nor more than 120 days after the occurrence of the last of such vacancies to occur. If no general or regular municipal election is to be held within such period, a special election within such period shall be called by the Village clerk.

2.5. Organization. The Board of Trustees shall provide for its organization and rules of procedure, not inconsistent with the Charter.

2.6. Meetings. The Board of Trustees shall hold an annual organizational meeting on the third Monday of May in each year and shall convene other meetings at such times and places as shall be fixed by the Board of Trustees. Special meetings may be called by the Village president whenever he deems necessary and shall be called by him upon written request signed by three members of the Board of Trustees. If by reason of absence, or from any other cause, the Village president does not call such meeting, the Village

clerk shall then issue the call for the same, upon receiving such written request signed by three members.

2.7. Procedures. (a) Generally. The procedures of the Board of Trustees shall be governed by or pursuant to the Charter. In the event of a conflict between any other applicable laws and this act, this act shall prevail.

(b) Voting; quorum. Four trustees shall constitute a quorum for the transaction of business. The vote upon every 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 clerk of the board.

(c) Village president; presiding officer. The Village president shall preside over meetings of the Board of Trustees and may participate in discussions at all meetings of the board, but shall have no vote except as provided in Article III.

2.8. Investigations; removals. (a) The Board of Trustees may make investigations into the affairs of the Village and the conduct of any Village department, office, commission or agency, and for this purpose may administer oaths, take testimony and require the production of evidence, as provided by general law.

(b) Except as otherwise provided by law, the Board of Trustees may remove any officer or employee, over whom it has the power of appointment, for cause, upon notice and opportunity to be heard.

2.9. Compensation. The Village president and trustees shall not receive any compensation or emoluments for their services, whether directly or indirectly.

2.10. Judge of qualifications; powers of expulsion. (a) The Board of Trustees shall be the judge of the election and qualifications of its members.

(b) The Board of Trustees by the affirmative vote of four trustees shall have the power to declare vacant the office of any trustee who fails to attend the regular monthly meeting of the board for 3 successive months.

2.11. Clerk of the board. The Village clerk shall serve as clerk of the Board of Trustees. The clerk shall attend meetings of the board and keep a journal of the proceedings of the Board of Trustees and record the minutes of every meeting.

2.12. Conflict of interest. No member of the governing body, under any pretense whatever, shall be interested in any way, in any work or contract, payment for which is to be made from the Village treasury. No officer or employee elected or appointed 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 Village; nor shall any member of the governing body participate in the appointment of any officer or employee of the Village in which appointment such member has any direct or indirect financial or personal interest.

#### ARTICLE III. ORDINANCES AND RESOLUTIONS

3.1. Form of action. The Board of Trustees may act either by ordinance or by resolution, except where an ordinance is required by the Charter or by general law.

3.2. Enacting clause; record book. The Board of Trustees shall act in relation to legislative matters by ordinance. The enacting clause of all ordinances shall be: "Be it ordained by the Board of Trustees of the township of South Orange Village:." The clerk of the board shall record all ordinances and resolutions adopted by the Board of Trustees in a book to be kept by him for that purpose.

3.3. Vote required. (a) No ordinance may be enacted without at least the affirmative vote of four trustees, or the affirmative vote of three trustees and the Village president.

3.4. Procedure for passage. Ordinances shall be prepared, introduced, considered and acted upon pursuant to general law.

3.5. Penalties for violating ordinances. As provided by general law, the Board of Trustees may prescribe penalties for the violation of ordinances it may have authority to pass, either by imprisonment in the county jail or in any place provided the Village for the detention of prisoners. The court before which any person is convicted of violating any Village ordinance, shall have power to impose any fine or term of imprisonment not exceeding the maximum fixed in such ordinance. Any person convicted of the violation of any Village ordinance, in default of the payment of any fine imposed therefor, may be imprisoned in the county jail or place of detention provided by the Village, for any term not exceeding ninety days, except as otherwise provided by law.

#### ARTICLE IV. EXECUTIVE AND ADMINISTRATIVE GENERALLY

4.1. Executive officer. The Village president shall be the chief executive officer of the Village, with ultimate responsibility for and authority over Village operations. To the extent permissible by law, the Village president shall exercise his authority to supervise and coordinate the activities of the various units of Village government,

directly or indirectly, through such administrative officer as may from time to time be authorized by ordinance.

4.2. Acting Village president; pro tempore officer. Whenever the Board of Trustees determines that the Village president is unable to attend to the duties of his office due to his absence from the Village, disability or other cause, the Board of Trustees may appoint one of its members to serve as acting Village president. Any person so appointed as acting Village president shall succeed to all of the rights, powers and duties of the Village president, until the Village president returns, the disability or other cause ceases. In the event that the Village president is merely absent from a meeting of the Board of Trustees, the clerk of the board shall call the meeting to order and the Board of Trustees shall designate one of its members to preside pro tempore.

4.3. Vacancy. In the event of the death, resignation, removal or disqualification of the Village president, or in the event the Village president is unable to attend to the duties of his office as provided in section 4.2 for a period of four consecutive calendar months, the Board of Trustees by the affirmative vote of four trustees shall have the power to declare vacant the office of Village president and in the event the office of Village president is declared vacant the office shall be filled as provided in section 2.4. The acting Village president shall serve until the vacancy is filled.

4.4. Powers and duties; generally. The Village president shall:

- (a) Report annually in writing to the Board of Trustees on the condition of the Village, and the work of the previous year;
- (b) Recommend to the Board of Trustees whatever action or programs he deems necessary or desirable for the Village and the welfare of its residents;
- (c) Have such other executive powers and duties as the Charter may provide or as the Board of Trustees may by ordinance prescribe.

4.5. Executive powers and duties. The Village president, as chief executive officer of the Village government, subject to the Charter and ordinances, shall:

- (a) Supervise and direct all subordinate officers and employees of the Village, and examine any complaints which may be lodged against any of them;
- (b) Cause the ordinances of the Village to be enforced;
- (c) Sign warrants for the withdrawal of moneys from the Village treasury;

- (d) Sign all notes, bonds or obligations of the Village;
- (e) Inspect the books and vouchers of the Village treasurer;
- (f) Appoint officers and employees as authorized by law, and for which no other provision for appointment may be made, and remove any such officers or employees as may be authorized by law.

4.6. Counsel. There shall be a Village counsel who shall be nominated and appointed by the Board of Trustees. The counsel shall serve for such term as may be fixed by ordinance, and until the appointment and qualification of his successor. He shall be the chief legal advisor to the Board of Trustees, and shall have such specific functions, powers and duties as may be provided by or pursuant to ordinance.

4.7. Village clerk. There shall be a Village clerk who shall be appointed by the Board of Trustees. The Village clerk shall serve for a term of 3 years beginning July 1 of the year in which he is appointed, subject to the tenure and removal provisions provided by law.

4.8. Village clerk; powers and duties. The Village clerk shall:

(a) Have the custody of the Village seal, and of all books and papers belonging to the Village, or which may be filed in his office; for which no other custody is provided by the Charter or administrative code;

(b) Countersign and keep an accurate record of all licenses, and of all warrants for the withdrawal of monies from the Village treasurer, and countersign and seal all bonds, notes or other obligations for the payment of monies by the Village under the direction of the board;

(c) Pay over unto the Village treasurer all monies belonging to the Village which may have come into his hands;

(d) Perform and discharge such other functions, powers and duties as may be required of him by the Board of Trustees or as provided by the Charter.

#### ARTICLE V. FINANCIAL ADMINISTRATION

5.1. Fiscal year. The fiscal year of the Village shall begin on the first day of January and end on the thirty-first day of December in each year, unless otherwise provided by law.

5.2. Budget preparation; current operations. The Board of Trustees shall establish a procedure for the preparation of the budget. Such procedure shall include provision for public participation in the formulation of the budget program of revenues and

expenditures, and for justification of budget requests by department heads.

5.3. Capital budget. The Board of Trustees may, and when required by law shall, approve and adopt a capital budget. The Board of Trustees shall provide for the manner of compiling the capital budget. The capital budget shall be adopted in accordance with the requirements of the local budget law.

5.4. The budget process. The Board of Trustees shall review the various budget requests, estimates of revenues, and related data, and shall, in the exercise of its discretion and judgment, cause the budget to be prepared in such form and with such explanatory statements and schedules, in addition to those required by the Charter, as the board may deem in the public interest.

5.5. Action by the Board of Trustees. The Board of Trustees shall make available for public distribution copies of the budget, and cause a budget resolution (ordinance) to be introduced, published and adopted pursuant to the Local Budget Law. Adoption of the budget shall require the affirmative vote of four trustees. The Village president shall have no right to vote on the adoption of the budget.

5.6. Budget operation. The adopted budget shall be administered in accordance with the requirements of general law, and pursuant to such procedures as may be established by ordinance.

5.7. Borrowing. The Village may borrow money pursuant to the Local Bond Law.

5.8. Fiscal procedures. The fiscal affairs of the Village shall be administered in accordance with the requirements of the Local Fiscal Affairs Law.

5.9. Tax collector. The Board of Trustees shall appoint a tax collector, who shall have a term of office of 4 years beginning the first day of January next following his appointment. The tax collector shall have the powers and duties prescribed by law, and shall be subject to the tenure and removal provisions as provided by law.

5.10. Tax Assessor. The Board of Trustees shall appoint a tax assessor, who shall have a term of office of 4 years beginning the first day of July of the year of his appointment. The tax assessor shall have the powers and duties prescribed by law, and shall be subject to the tenure and removal provisions as provided by law.

5.11. Village treasurer. The Board of Trustees shall appoint a Village treasurer who shall serve at its pleasure. The Village treasurer shall:

(a) Deposit and keep all monies received by him on behalf of the Village, in a depository to be designated by the Board of Trustees;

(b) Pay or expend Village monies only upon the warrant of the Village president, countersigned by the Village clerk, and made in pursuance of the order of the Board of Trustees;

(c) Keep an accurate account of his receipts and disbursements, and shall report the same to the Board of Trustees as often as they shall direct;

(d) Maintain his books and vouchers open to the inspection of the Village president, or any member of the Board of Trustees and at all reasonable hours to the inspection of any taxpayer;

(e) Have and perform such other powers and duties as may be prescribed by law.

5.12. Audit, warrant and payment of bills and claims. All bills, claims and demands against the Village shall be approved or disapproved by the Board of Trustees pursuant to law.

5.13. Taxes and assessments. The assessment and collection of property taxes and municipal assessments shall be in accordance with general law.

#### ARTICLE VI. RECALL ELECTIONS

6.1. In general. The members of the Board of Trustees and the Village president shall be subject to removal from office for cause connected with their office after having served at least one 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 twenty-five per centum (25%) of the registered voters of the Village, and shall be filed with the Village 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 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 Village clerk shall examine 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 Village 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 Village clerk shall within 2 days notify the trustee, trustees or Village president whose recall is sought thereby. If such notice cannot be served personally, 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 Village clerk the trustee, trustees or Village president sought to be recalled by such petition do not resign, or having tendered their resignation it shall not have been accepted by the Board of Trustees, the Village 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 Village clerk and he shall also insert the notice forthwith in a newspaper published in the Village, or if there be no such newspaper, then in a newspaper having general circulation in the Village.

6.5. Ballot specifications; question; directions. The ballots at the recall election shall conform to the requirements respecting the election of officers of the Village, as provided in Title 19 of the Revised Statutes (Elections), except that the words "recall election" shall appear on the ballot. The recall features of the ballot 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 the 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

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of these two phrases shall be printed a square, in which the voter may make a cross (×), or plus (+), or a check (√) mark. Immediately below the foregoing shall appear the following:

“Indicate your vote by placing a cross (×), or plus (+), or a check (√) 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 order of the filing of the petition with the Village clerk.

6.7. Voting for successor to recalled officer. The same ballot used for submitting the question or questions of recall shall be 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 or she 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 officers of the Village.

6.8. Provisions applicable to elections. The provisions of Title 19 of the Revised Statutes (Elections), concerning the nomination of Village officers, preparation of the ballot, election of Village 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 Village 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 officers of the Village.

6.10. Recall election results. (a) If a majority of votes in connection with the recall of any officers 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 Village clerk.

(b) If the results of such recall election shall, by the certificate of the Village clerk, be shown to be against the recall of the officer he or she shall continue in office as if no recall election had been held, and the vote for the election for the successor of such officers 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, the 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.

#### ARTICLE VII. TRANSITION

7.1. Ordinances, etc. Upon the taking effect of this Charter, all ordinances and resolutions, franchises, contracts, licenses and permits, theretofore existing shall remain in full force and effect according to their respective terms.

7.2. Personnel. Upon the taking effect of this Charter, all officers and employees shall be continued in their respective offices and employments, unaffected in term, tenure, compensation or otherwise.

7.3. Actions and proceedings. Upon the taking effect of this Charter, all legislative, executive and judicial actions and proceedings then pending shall continue unaffected.

7.4. First election of trustees. In the event that this Charter is adopted by favorable vote at referendum in November, 1977, the trustees and the Village president then in office shall remain in office for the remainder of their terms. The three trustees to be elected in May, 1978, shall be elected each for a term of 3 years. The three trustees and the Village president to be elected in May, 1979, shall be elected each for a term of 4 years, and thereafter the term of each trustee and the Village president shall be 4 years.

7.5. Effective date. This Charter shall take effect on the first day of January next following its approval by the legal voters pursuant to law.

#### 2. Charter election provisions.

a. Submission. The question of adoption of this act shall be submitted to the legal voters of the village of South Orange at the next general election to be held not less than 40 days following the effective date of this act.

b. Ballots. The referendum shall be conducted at such polling places as may be designated by the board of trustees by resolution. The board of trustees may provide for the use of either voting machines or paper ballots at such polling places. The public question to be submitted to the voters shall be in the following form:

	Yes.	“Shall ‘An act to provide a special charter for the township of South Orange Village in the county of Essex,’ known and designated as the charter of the township of South Orange Village (1977), be adopted?”
	No.	

c. Effective date. If a majority of all the valid votes cast for and against the adoption of this act at such election shall be cast in favor of the adoption thereof, this act shall take effect and become operative in accordance with its terms.

3. Validation. All proceedings of the board of trustees of the village of South Orange, in the county of Essex, including the elections and qualifications of its members, and all actions of the said board of trustees, 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. Upon the taking effect of the new charter, P. L. 1872, c. 527 shall be repealed.

5. Effective date. This act shall take effect immediately, subject to the results of the referendum herein provided. Following such referendum the village 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 on the first day of the year next following a favorable vote determined pursuant to section 2 of this act.

Approved August 22, 1977.

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CHAPTER 184

AN ACT concerning the appointment and qualification of municipal disaster control directors and amending section 8 of P. L. 1953, c. 438.

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

1. Section 8 of P. L. 1953, c. 438 (C. App. A:9-40.1) is amended to read as follows:

**C. App. A:9-40.1 Municipal disaster control director; appointment; term; requirements.**

8. In every municipality of this State the mayor shall appoint a municipal disaster control director from among the residents of the municipality. The municipal disaster control director, subject to fulfilling the requirements of this section, shall serve for a term of 3 years. As a condition of his appointment and his right to continue for the full term of his appointment, each municipal disaster control director shall have successfully completed at the time of his appointment or within 1 year immediately following his appointment or within 1 year immediately following his appointment or the effective date of this act, whichever is later, the current, approved, Civil Defense Director-Coordinator Course. The failure of any municipal disaster control director to fulfill such requirements within the period prescribed shall disqualify the director from continuing in the office of director and thereupon a vacancy in said office shall be deemed to have been created.

2. This act shall take effect immediately.

Approved August 22, 1977.

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CHAPTER 185

AN ACT to amend "An act concerning insurance, creating the 'New Jersey Insurance Underwriting Association,' prescribing the powers, duties and functions thereof and supplementing Title 17 of the Revised Statutes," approved July 2, 1968 (P. L. 1968, c. 129).

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

1. Section 18 of P. L. 1968, c. 129 (C. 17:37A-18) is amended to read as follows:

**C. 17:37A-18 New Jersey insurance development fund; creation; purpose; administration.**

18. There is hereby created a fund to be known as the "New Jersey Insurance Development Fund," for the purpose of providing

a financial backup for the plan of operation of the association as approved or issued by the commissioner pursuant to this act. The fund shall be used to reimburse any insurer or the association established pursuant to this act for losses sustained in excess of the amount of retention of such losses as shall be provided for by the commissioner; except that in any given calendar year the total amount of all such reimbursement shall not exceed 5% of the insurance premiums written on basic property insurance in this State in the most recent full calendar year. The fund shall consist of all payments made to the fund by insurers as hereinafter provided, of securities acquired by and through the use of moneys belonging to the fund, moneys appropriated to the fund as provided in this act, together with interest and accretions earned upon such payments or investments. The fund shall be administered by the commissioner and the State Treasurer in accordance with the provisions of this act.

2. Section 20 of P. L. 1968, c. 129 (C. 17:37A-20) is amended to read as follows:

**C. 17:37A-20 Establishment of fund; surcharge; maximum amount.**

20. For the purpose of providing the moneys necessary to establish the New Jersey Insurance Development Fund in an amount sufficient to meet the requirements of said fund pursuant to section 21 of this act, the commissioner shall establish a reasonable surcharge upon all basic property insurance premiums paid for policies of insurance written in this State; provided, however, that in any given calendar year the aggregate amount of such surcharges shall not exceed a sum equal to 5% of the insurance premiums written on basic property insurance in this State in the most recent full calendar year. The surcharge shall be a separate charge to the insured in addition to the premium to be paid and shall be reflected as such in the policy and commissions shall not be payable thereon. The insurer shall be prohibited from absorbing such surcharge as an inducement for insurance or for any other reason. In the event that pursuant to section 23 of this act the Legislature appropriates any moneys to the credit of such fund, the commissioner is hereby empowered to increase the surcharge so that the amount so appropriated may be returned to the State Treasury as provided by section 23 of this act.

3. Section 21 of P. L. 1968, c. 129 (C. 17:37A-21) is amended to read as follows:

**C. 17:37A-21 Determination of net value of fund; amount.**

21. The commissioner, on or before April 1, shall ascertain and determine the net value of the fund as of the next preceding December 31. The net value of the fund shall be determined by deducting from the value of the assets of the fund, the aggregate, actual, and estimated liabilities of the fund as determined by the commissioner. When the net value of the fund, as thus determined, reaches an amount equal to 5% of the premiums written on basic property insurance in this State in the most recent full calendar year, no further surcharge on said premiums and no further payments to said fund shall be made; provided, however, that whenever, thereafter, the net value of said fund shall be reduced below the aforesaid amount, by reason of payments from and known and estimated liabilities of such fund, then such surcharge and payments to said fund shall be received in the manner provided in section 19 of this act, and shall continue in such manner until said fund, over and above its sum and estimated liabilities, shall reach the aforesaid amount.

4. Section 23 of P. L. 1968, c. 129 (C. 17:37A--23) is amended to read as follows:

**C. 17:37A-23 Insufficiency of fund to pay claims; certification; appropriation.**

23. If in any year or at any time the fund as hereinabove established is insufficient to pay claims chargeable to the fund to the extent of 5% of the most recent full calendar year basic property insurance premiums written by authorized insurers in this State, the commissioners shall certify to the Governor the amount of such insufficiency and such amount shall be appropriated and paid to the fund, which said amount so paid shall be returned to the treasury of this State from proceeds of the surcharge collected pursuant to this act.

5. This act shall take effect immediately.

Approved August 22, 1977.

## CHAPTER 186

AN ACT concerning barbers, barber shops and barbering, amending P. L. 1938, c. 197, P. L. 1946, c. 133, P. L. 1963, c. 156, and repealing section 5 of P. L. 1946, c. 132.

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

1. Section 3 of P. L. 1938, c. 197 (C. 45:4-29) is amended to read as follows:

**C. 45:4-29 Practice of barbering by registered apprentices.**

3. (a) No registered apprentice shall independently practice barbering, but he may, as an apprentice, do any or all of the acts constituting the practice of barbering under the immediate supervision of a registered barber. Each apprentice shall be registered with the State Board of Barber Examiners by the master barber employing such apprentice. The apprentice certificate issued to such apprentice shall be valid for 18 months from the date of issue, except that the certificate issued upon failure of an examination shall be valid for 6 months. The apprentice shall pay the fee as hereinafter provided.

(b) A master barber may employ a registered apprentice for each registered barber working in a licensed barber shop.

2. Section 2 of P. L. 1963, c. 156 (C. 45:4-29.2) is amended to read as follows:

**C. 45:4-29.2 Qualifications for receiving certificate as registered apprentice.**

2. A person is qualified to receive a certificate as a registered apprentice barber if:

- (1) He has successfully completed eight grades of grammar school or its equivalent;
- (2) He is at least 16½ years of age;
- (3) He is of good moral and temperate habits;
- (4) He is a resident of New Jersey;
- (5) He has qualified under the provisions of section 3 of the act hereby supplemented; and
- (6) He has paid the required fee to the State Board of Barber Examiners.

3. Section 4 of P. L. 1938, c. 197, (C. 45:4-30) is amended to read as follows:

**C. 45:4-30 Persons exempt from provisions of act.**

4. The following persons are exempt from the provisions of this act while in the proper discharge of their professional duties:

- (a) Persons authorized by the law of this State to practice medicine and surgery;
- (b) Commissioned medical or surgical officers of the United States Army, Navy, Air Force or Marine Hospital Service;
- (c) Registered nurses;
- (d) Persons practicing hair and beauty culture in beauty shops;

However, the provisions of this section shall not be construed to authorize any of the persons to shave or trim the beard; provided, however, that any person holding a license from the New Jersey State Board of Beauty Culture Control shall have the right to cut the hair of any person in a beauty shop.

4. Section 5 of P. L. 1938, c. 197 (C. 45:4-31) is amended to read as follows:

**C. 45:4-31 Certificate of registration; qualifications.**

5. A person is qualified to receive a certificate of registration to practice barbering:

- (1) Who is qualified under the provisions of section 6 of this act; and
- (2) Who is at least 18 years of age; and
- (3) Who is of good moral character and temperate habits; and
- (4) Who has successfully completed eight grades of grammar school or its equivalent; and
- (5) Who has practiced as a registered apprentice for a period of 18 months under the immediate personal supervision of a registered barber in a licensed barber shop, or who has practiced as a registered barber in this State but who has not practiced barbering in this State for a period in excess of 2 years; and
- (6) Who has passed a satisfactory examination conducted by the State Board of Barber Examiners to determine his fitness to practice barbering.

A registered apprentice barber or any person who has practiced as a registered barber in this State but who has not practiced barbering in this State for a period in excess of 2 years, who is an applicant for a certificate of registration to practice as a registered barber and who fails to pass a satisfactory examination conducted by the State Board of Barber Examiners, must obtain an apprentice certificate valid for 6 months from the date of issue and must practice as a registered apprentice barber under the immediate personal supervision of a registered barber in a licensed

barber shop, before he is again entitled to take the examination for a registered barber.

A person who fails to pass an examination to qualify for a certificate of registration to practice barbering shall file a new application accompanied by the fee as required by this act before he may take another examination.

An apprentice barber or any person who has practiced as a registered barber in this State but who has not practiced barbering in this State for a period in excess of 2 years, who fails three consecutive times must cease to practice barbering.

5. Section 4 of P. L. 1963, c. 156 (C. 45:4-31.1) is amended to read as follows:

**C. 45:4-31.1 Applicants from another state or country; qualifications to take examination for certificate of registration.**

4. A person who has practiced barbering in another state or country, upon payment of the required fee, shall be granted permission to take an examination for a certificate of registration to practice barbering if he complies with each of the following:

(1) He is at least 18 years of age and of good moral character and temperate habits;

(2) He has successfully completed eight grades of grammar school and two grades of high school or their equivalents; and

(3) He presents to the board:

(a) A valid license or certificate of registration as a practicing barber from another state or country which has substantially the same requirements for licensing or registering barbers as required by this act; or if that state or country does not issue licenses to practice barbering.

(b) Affidavits from at least 2 persons stating that from their personal knowledge the applicant has practiced as a barber in another state or country for a period of at least 2 years within the 5-year period immediately prior to filing his application in this State.

If such an applicant fails to pass the examination, he may file a new application accompanied by the required fee and take another examination. In no event will he be permitted to practice barbering until such time that he satisfactorily passes an examination and receives a certificate of registration as a registered barber.

6. Section 14 of P. L. 1938, c. 197 (C. 45:4-40) is amended to read as follows:

**C. 45:4-40 Causes for refusal to issue or renew, or for suspension or revocation of certificate of registration.**

14. The State Board of Barber Examiners may either refuse to issue or renew or may suspend or revoke any certificate of registration for any one or combination of the following causes:

- (1) Conviction of a felony shown by a certified copy of the record of the court of conviction;
- (2) Gross malpractice or gross incompetency;
- (3) Continued practice by a person knowingly having an infectious or contagious disease;
- (4) Advertising by means of knowingly false or deceptive statements;
- (5) Habitual drunkenness or habitual addiction to the use of morphine, cocaine, or other habit-forming drugs;
- (6) Immoral or unprofessional conduct;
- (7) For repeated violation of sanitary rules or laws governing the practice of barbering in this State; and,
- (8) The commission of any of the offenses described in sections 15 and 16.

7. Section 2 of P. L. 1946, c. 133 (C. 45:4-50.2) is amended to read as follows:

**C. 45:4-50.2 Qualifications.**

2. No person shall receive a license to use or maintain any premises as a barber shop unless he has had at least 1 year of experience as a registered barber in this State immediately prior to his application for such license, or unless such barber shop shall be under the direct supervision of a registered barber who has had at least 1 year of experience as a registered barber in this State immediately prior to his application, or unless he is a veteran of World War II who was a member of the Armed Forces of the United States and who immediately prior to his entry into such service was a registered barber in this State and who is a registered barber at the time of his application for such license and who has been a registered barber for 1 year immediately prior to such application.

8. Section 26 of P. L. 1938, c. 197 (C. 45:4-52) is amended to read as follows:

**C. 45:4-52 Sanitary regulations.**

26. The following regulations pertaining to sanitation shall apply to all barber shops, barber schools and barber colleges in New Jersey and to the practice of barbering in this State. A copy of these regulations shall be furnished by the State Board of Barber

Examiners to the person in charge of each barber shop, barber school and barber college in the State and a copy shall be kept posted in a conspicuous place in each such establishment.

(1) All barber shops and barber schools or colleges shall be well lighted and ventilated, and all furniture, equipment, tools and utensils therein and the floors, walls and ceilings thereof, shall at all times be kept clean.

(2) It shall be unlawful to own, manage, operate or control any barber shop, barber school or barber college except under the following conditions:

(a) There shall be readily available at such shop, school or college an adequate supply of hot and cold water and where a public water supply under pressure and a sewerage system is available, there shall be provided in such shop, school or college, a supply of hot and cold running water under pressure. A barber shop owner shall provide at least one wash basin. The wash basin shall be so situated that the same is readily accessible to the operator of each barber chair.

(b) No towel shall be used on any patron which has been used upon another patron unless such towel shall have been relaundersed and thoroughly dried and no towel shall be used on any patron which has been placed in a steamer or sterilizer.

(c) The head rest of a barber chair shall be covered with a clean covering such as a towel or paper before used on any patron. Headrests shall not be placed on the floor at any time.

(d) There shall be placed about the neck of each patron served a clean towel or other clean material to prevent the hair cloth touching the skin of the patron.

(e) Any tool or part thereof which comes into contact with the head, face or neck of the patron such as razors, scissors, tweezers, combs and parts of vibrators shall be immersed in boiling water or in alcohol of a strength of 70% or higher or treated by some other equally effective method before being used on each patron. All tools or instruments when not in use shall be kept in a closed compartment and shall be disinfected before being used on a patron.

(f) Any shaving mug and shaving brush shall be thoroughly rinsed in hot water immediately before use in serving a patron.

(g) At least two receptacles for soiled towels and waste shall be provided. Only used towels shall be deposited in one and wastes such as used shaving paper shall be deposited in the other. All towels used on each patron must be deposited in

an enclosed towel receptacle. All laundered linen must be kept in a closed compartment at all times.

(h) No styptic pencil, finger bowl, sponge, lump alum or powder puff shall be used except of the individual applicator type.

(i) No room used as a barber shop or barber school or college shall be used as a sleeping room, and shall not be located in any sleeping room, feed store, restaurant or lunch room unless separated therefrom by a substantial partition extending from floor to ceiling.

(j) A sterilizer solution container for each chair adequate in size to immerse all instruments, tools and combs to be used on each patron. Such containers shall be kept filled at all times and shall be completely emptied and cleaned and refilled with prescribed solutions at least once each week.

(k) The use of cuspidors in a barber shop is prohibited.

(l) Each new barber shop shall have a minimum length of at least 10 feet for a one-chair shop, 15 feet for a two-chair shop, and 5 feet additional length for each additional chair and a minimum width of not less than 10 feet when waiting chairs are not opposite or in line with barber chairs. A minimum width of 12 feet when waiting chairs are opposite or in line with barber chairs.

(m) Every barber shop shall have the following fixtures, facilities and equipment:

- One barber pole or barber sign;
  - Stand and mirror;
  - One hand mirror;
  - Barber chair (revolving type);
  - Closed container for clean towels;
  - A waste container for each chair;
  - Running hot and cold water;
  - A supply cabinet for stock of towels and supplies;
  - Seating accommodations for not less than three persons;
  - A clothes tree or its equivalent to accommodate the wraps of at least three customers;
  - One cabinet or closet for mops, brooms and cleaning equipment;
  - A sufficient number of tools and instruments for each chair;
  - Freshly laundered face towels and turkish towels for each chair;
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Two clean haircloths for each chair;  
Neck strips and dispenser;  
Hair tonic, face lotion, cold cream and massage cream;  
Powder or styptic liquid;  
Provision for proper display of all licenses;  
Proper display of rules and regulations.

(n) Any person or persons proposing to open a barber shop in a new location, or to change the location of an existing shop, shall first make application to the State Board of Barber Examiners for its inspection and approval of the premises to be licensed at least 5 days in advance of opening of same.

(o) Any barber shop maintaining toilet facilities for public use shall maintain such facilities in a clean and sanitary condition.

(p) All new barber shops and barber shops for which a new shop license is required pursuant to subsection (b) of section 5 (C. 45:4-50.5) of P. L. 1946, chapter 133, shall be provided with lavatory facilities including hot and cold running water and a water flushed toilet. Office buildings and hotels are exempted as to the provision of toilet only.

q. The entrances to new barber shops located in private residences must permit patrons to enter the shop directly from the public thoroughfare without passing through any other portion of the building.

(r) Each barber shop shall display a sign, clearly legible, indicating that it is a barber shop.

(s) The sale in barber shops of items other than hair tonics, lotions, creams, cutlery, toilet articles, hair pieces, toupees, wigs, soft drinks, cigars and tobacco is hereby prohibited.

(t) Containers with covers must be provided for the storage of hair trimmings and other waste materials.

(u) Each barber, apprentice or student barber shall thoroughly wash his hands with soap and water immediately before serving a patron.

(v) All barbers, apprentices or student barbers while engaged in the practice of barbering shall wear clean outer garments.

(w) No barber, apprentice or student barber shall engage in barbering nor be employed in a barber shop or barber school who is affected with any contagious or infectious diseases in a communicable stage.

(x) No common drinking cup or glass shall be maintained, kept or used.

(y) No barber school shall be operated in connection with any other business.

(z) No barber shall smoke while serving a patron.

**Repealer.**

9. Section 5 of P. L. 1946, c. 132 (C. 45:4-35.3) is repealed.

10. This act shall take effect immediately.

Approved August 24, 1977.

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CHAPTER 187

AN ACT concerning education in relation to certain annuities, and amending N. J. S. 18A:66-127.

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

1. N. J. S. 18A:66-127 is amended to read as follows:

**Agreement for reduction in salary for purchase of annuity; contents; limitation; termination.**

18A:66-127. Any board of education may enter into an agreement with any of its employees whereby the employee agrees to take a reduction in salary with respect to amounts earned after the effective date of such agreement in return for the board's agreement to use a corresponding amount to purchase an annuity for such employee from any company authorized to transact the business of making insurance as specified in subsection c. of R. S. 17:17-1. Such annuity shall be purchased by means of an individual or group annuity contract which may provide for continuance of purchase payments during total disability, and under which the rights of such employee to such contract shall be nonforfeitable. Every such agreement shall specify the amount of such reduction, the effective date thereof, and shall be legally binding and irrevocable with respect to the amounts earned while the agreement is in effect. The total amount of the reductions in an employee's salary pursuant hereto, for any calendar year, shall not, when added to the contributions made in such year on behalf of such employee in accordance with section 7 of P. L. 1963, c. 123

(C. 52:18A-113), exceed the limitations set forth in P. L. 93-406 (Employment Retirement Income Security Act of 1974) and Section 415 (c) of the Internal Revenue Code of 1954 as amended for such year. Any such agreement may be terminated upon notice in writing by either party.

2. This act shall take effect immediately.

Approved August 24, 1977.

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## CHAPTER 188

AN ACT to amend and supplement 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 605 of P. L. 1948, c. 65 (C. 54:40A-28) is amended to read as follows:

**C. 54:40A-28 Sale of cigarettes without stamp; fine.**

605. Any person who sells cigarettes without the stamp or stamps required by this act being affixed thereto shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than \$1,000.00, or imprisoned for not more than 1 year, or both, at the discretion of the court.

**C. 54:40A-28.1 Unauthorized possession of unstamped cigarettes; fine.**

2. (New section) Any person, other than a licensee permitted under this act to possess any unstamped cigarettes, who possesses 2,000 but less than 20,000 cigarettes without the stamp or stamps required by this act being affixed thereto shall be a disorderly person, and upon conviction thereof, shall be fined not more than \$500.00 or imprisoned for not more than 6 months, or both, at the discretion of the court; and any such person who possesses 20,000 or more cigarettes without the stamp or stamps required by this act being affixed thereto shall be guilty of a misdemeanor, and upon conviction thereof, shall be fined not more than \$1,000.00 or imprisoned for not more than 1 year, or both, at the discretion of the court.

3. This act shall take effect immediately.

Approved August 24, 1977.

## CHAPTER 189

AN ACT requiring superintendents of State correctional institutions and wardens or keepers of county penal institutions, or their designees, to notify local police departments of the proposed release of inmates in their municipalities.

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

**C. 30:4-91.3a Notice of release to local police.**

1. Any superintendent, or his designee, of a State correctional institution or warden or keeper, or his designee, of a county penal institution, from which an inmate is released on an interim basis pursuant to P. L. 1969, c. 22 (C. 30:4-91.1 et seq.), or P. L. 1968, c. 372 (C. 30:8-44 et seq.) shall notify the local police department of the intention of the inmate to visit, study, work or reside in the respective municipality.

2. This act shall take effect immediately.

Approved August 24, 1977.

## CHAPTER 190

AN ACT concerning education and amending N. J. S. 18A:22-32; N. J. S. 18A:22-39 and N. J. S. 18A:24-10.

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

1. N. J. S. 18A:22-32 is amended to read as follows:

**Type II districts without board of school estimate; determination of amount of money to be voted upon.**

18A:22-32. At or after the public hearing on the budget but not later than on February 1, the board of education of each type II district having no board of school estimate shall fix and determine by a recorded roll call majority vote of its full membership the amount of money to be voted upon by the legal voters of the district at the annual election, which sum or sums shall be designated in the notice calling such election as required by law.

2. N. J. S. 18A:22-39 is amended to read as follows:

**Submission of capital projects.**

18A:22-39. Whenever the undertaking of any capital project or projects to be paid for from a special district tax or from the proceeds of an issue or issue of bonds is submitted to the voters of a type II district at an annual or special school election for their approval or disapproval, the board shall frame and adopt by a recorded roll call majority vote of its full membership the question or questions to be submitted so that each project is submitted in a separate question, or all or any number of them are submitted in one question, which shall state the project or projects so submitted and the amounts to be raised for each of the projects so separately submitted or for each or for all of the projects so jointly submitted, as the case may be, but any proposal for the purchase of land shall be sufficient to authorize the taking and condemning of such land.

3. N. J. S. 18A:24-10 is amended to read as follows:

**School bonds; when deemed to be authorized.**

18A:24-10. School bonds are deemed to be authorized by the fact, and at the time, that

a. an ordinance is finally adopted by the governing body of a municipality comprised within a type I district, or

b. a proposal is finally adopted by resolution by a recorded roll call majority vote of the full membership of the board of education of a type II district having a board of school estimate, or

c. a proposal is adopted by resolution by the board of education, by a recorded majority vote of its full membership and is also adopted by the legal voters, of any other type II district, including a regional district,

authorizing the issuance of such bonds by the municipality or the district, as the case may be, as provided in this article, except that if such issuance of bonds is not permissible under this article without the adoption of a proposition confirming such ordinance, or a proposal authorizing the issuance of such bonds, by the qualified voters of the municipality comprised within the type I district or the qualified voters of the district, as the case may be, then by the fact, and at the time, such proposition or proposal is so adopted by the voters.

4. This act shall take effect immediately.

Approved August 24, 1977.

## CHAPTER 191

AN ACT concerning student loans, and amending the "Higher Education Assistance Authority Law," sections 18A:72-2, 18A:72-9, 18A:72-10 and 18A:72-11 of the New Jersey Statutes and P. L. 1974, c. 157.

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

1. N. J. S. 18A:72-2 is amended to read as follows:

**Definitions.**

18A:72-2. As used in this chapter, unless the context indicates another or different meaning, the following words shall have the following meanings:

"Authority" means the higher education assistance authority created by this chapter, or any board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the authority by this chapter shall be given by law,

"Bond" means bonds or notes of the authority issued pursuant to this chapter,

"Lender" includes the authority and any institution authorized to make loans under section 18A:72-9,

"Fund" means higher education assistance fund,

"Other eligible institution" means a business or trade school, or technical institution or other technical or vocational school, in any State which (1) admits as regular students only persons who have completed or left elementary or secondary school and who have the ability to benefit from the training offered by such institution; (2) is legally authorized to provide, and provides within that State, a program of post-secondary vocation or technical education designed to fit individuals for useful employment in recognized occupations; (3) has been specially accredited by the Federal Commissioner of Education or by an accrediting agency recognized by him or has been approved by the authority.

"Post-secondary nondegree institution of higher education" means a county college or a junior college licensed or approved by the Department of Higher Education, operated in accordance with rules and regulations of the Board of Higher Education or a trade or business school otherwise licensed or approved and operated and

requiring a high school diploma or its equivalent for admission and offering a course or courses of study with a minimum length of 2 academic years and of not less than 1,800 hours in any one or more of the following fields:

- A. Accounting and finance,
- B. Airframe and power plant mechanics,
- C. Automotive mechanics,
- D. Commercial art,
- E. Drafting and design technology (aeronautical, architectural, electronic, mechanical, structural, tool and die),
- F. Economic engineering,
- G. Electronics,
- H. Fashion and textile design,
- I. Higher accounting and business administration,
- J. Industrial management technology,
- K. Medical and X-ray technology,
- L. Metallurgical technology,
- M. Secretarial (administrative, executive, legal, medical, data processing),
- N. Terminal courses or college credit transfer courses in liberal arts and sciences.

2. N. J. S. 18A:72-9 is amended to read as follows:

**Authorization to make loans.**

18A:72-9. The authority, or any financial or credit institution (including an insurance company) which is subject to the examination and supervision of the Department of Banking or the Department of Insurance of this State or by an agency of the United States, any Federal credit union, any any national bank organized under the acts of Congress of the United States and doing business in this State and any Federal savings and loan association having its principal office in New Jersey or any eligible educational institution located in New Jersey and having its principal office in New Jersey, and approved as a lender by the authority, may make loans under this chapter pursuant to such rules not inconsistent with this chapter and by the use of such forms, as the authority shall prescribe.

3. Section 2 of P. L. 1974, c. 157 (C. 18A:72-9.2) is amended to read as follows:

**C. 18A:72-9.2 Eligibility without demonstration of financial need; advertisement.**

2. In order to insure that the citizens of New Jersey are aware that loans may be obtained by eligible students under the provisions

of applicable Federal law and the "Higher Education Assistance Authority Law," N. J. S. 18A:72-1 et seq., without the necessity of demonstrating financial need necessary to qualify for interest subsidy benefits, the authority shall immediately and prior to each academic year hereafter take suitable action to inform and advise the public, through advertisement or any other means, of the criteria for and availability of loans for students under the provisions of said law.

4. N. J. S. 18A:72-10 is amended to read as follows:

**Powers of authority.**

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, or to persons who reside outside this State and who are enrolled in an eligible educational institution located within this State, 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 profes-

sional 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 approved 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.

5. N. J. S. 18A:72-11 is amended to read as follows:

**Application for loan; approval.**

18A:72-11. Any application for a loan under this chapter shall be submitted to the authority for its approval, and the authority shall approve the same only if it finds that the applicant;

a. (1) Has been a resident of New Jersey for a period of not less than 6 months immediately preceding the date of his application for such loan, and has demonstrated high moral character, good citizenship and dedication to American ideals, or

(2) Is a resident of a State other than this State, and has been admitted to, or is in regular attendance at and is in good standing in, an eligible educational institution located within this State; and

b. Intends to make application for admission to, or has been admitted to, or is in regular attendance at and is in good standing in, a qualified institution of collegiate grade approved by any regional accrediting association recognized by the national commission on accrediting, or approved by the board of higher education, a qualified post-secondary nondegree institution of higher education or any other eligible institution; and

c. Has demonstrated financial need for such loan as determined by the standards and procedures established by the authority

and has complied with all rules adopted by the authority pursuant to this chapter in connection with the granting of such loans.

6. This act shall take effect immediately.

Approved August 24, 1977.

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## CHAPTER 192

AN ACT providing certain auxiliary services to children in non-public schools 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:46A-1 Legislature's findings.**

1. The Legislature hereby finds and determines that the welfare of the State requires that present and future generations of school-age children be assured opportunity to develop to the fullest their intellectual capacities. It is the intent of this Legislature to insure that the State shall furnish on an equal basis auxiliary services to all pupils in the State in both public and nonpublic schools.

**C. 18A:46A-2 Definitions.**

2. As used in this act:

- a. "Commissioner" means the State Commissioner of Education.
  - b. "Nonpublic school" means an elementary or secondary school within the State, other than a public school, offering education for grades kindergarten through 12, or any combination of them, wherein any child may legally fulfill compulsory school attendance requirements and which complies with the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352).
  - c. "Auxiliary services" means compensatory education services; supportive services for acquiring communication proficiency in the English language for children of limited English-speaking ability; supplementary instruction services; and, home instruction services.
  - d. "Support limit" means the maximum amount which may be appropriated each year for the purposes of this act for each pupil enrolled in nonpublic schools of the State.
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**C. 18A:46A-3 Auxiliary services for children enrolled in nonpublic schools; age and residence.**

3. In the 1977-78 school year, and each school year thereafter, each board of education shall provide for the receipt of auxiliary services by children between the ages of 5 and 20 residing in the district and enrolled in the nonpublic schools of the State.

For the purposes of this act, a child who boards at a school in a district in which his parents do not maintain a residence shall not be considered a resident of the district.

**C. 18A:46A-4 Eligibility for auxiliary services.**

4. Auxiliary services shall be provided only to those children who would be eligible for such services and for the appropriate categorical program support if they were enrolled in the public schools of the State.

**C. 18A:46A-5 Consent of parent; location; exception.**

5. Auxiliary services shall be provided only upon the consent of the parent or guardian and shall be provided in a location determined by the local board of education, except that no such services shall be provided in a church or a sectarian school.

**C. 18A:46A-6 Transportation.**

6. If the provision of services pursuant to this act requires transportation, the board of education shall provide for such transportation, and the cost shall be paid from State aid received by the district pursuant to this act.

**18A:46A-7 Contract with certain agencies for provision of auxiliary services.**

7. Any board of education may contract with an educational improvement center, an educational service commission or other public or private agency, other than a church or sectarian school, approved by the commissioner for the provision of auxiliary services.

**C. 18A:46A-8 Limitations on certain expenditures.**

8. No more than 6% of the aid received by any district pursuant to this act shall be used by such district for administration of the act, and no more than 18% of such aid shall be used to rent facilities needed to implement the provisions of this act.

**C. 18A:46A-9 Apportionment of State aid; calculation.**

9. The apportionment of State aid among local school districts shall be calculated by the commissioner as follows:

a. The Statewide average cost of providing the equivalent service to children enrolled in the public schools, shall be determined.

b. The appropriate average cost shall then be multiplied by the number of pupils enrolled in the nonpublic schools who are expected to receive each auxiliary service, to obtain each district's State aid for the next school year.

10. Within 4 months of the effective date of this act, the State board of education shall promulgate rules and regulations for the provision of services pursuant to this act.

11. Within 5 months of the effective date of this act, each board of education shall file with the commissioner a report stating the number of children resident in the district and enrolled in the nonpublic schools of the State and expected to receive each of the auxiliary services provided pursuant to this act during the 1977-78 school year.

Within 6 months of the effective date of this act, the commissioner shall apportion any State aid appropriated for the 1977-78 school year for the purposes of this act on the basis of such report and each local board shall commence providing for the receipt of auxiliary services. Such aid shall be payable in equal amounts on the first day of the month in which services are first provided and on the first day of each month during the remainder of the school year.

12. By June 1, 1978, each school board shall report to the commissioner the number of children expected to require each auxiliary service during the 1978-79 school year.

State aid appropriated pursuant to this act for the 1978-79 school year shall be apportioned among local school districts on the basis of such report.

**C. 18A:46A-10 Annual report; contents.**

13. Annually by October 5, each board of education shall file with the commissioner a report stating the number of pupils residing in the district and enrolled in the nonpublic schools of the State on the last day of September. By October 5, 1978, and by each October 5 thereafter, each board shall also file a report on the number of such pupils expected to receive each auxiliary service during the next school year.

**C. 18A:46A-11 Support limit; determination of maximum appropriation.**

14. The support limit for the 1977-78 school year shall be \$45.00.

Annually, by November 1, the commissioner shall determine the support limit for the next school year by multiplying the support limit for the current school year times the percentage increase in the State average net current expense budget per pupil in the most

recent years available, and adding the product to the support limit for the current school year.

The commissioner shall then determine the maximum appropriation for the next school year for the purposes of this act by multiplying the support limit for the next school year times the pupil enrollment in the nonpublic schools of the State on the last school day in September of the current school year.

**C. 18A:46A-12 Notification to districts.**

15. By November 1, 1978 and by each November 1, thereafter, the commissioner shall notify each district of the amount of aid apportioned to it pursuant to this act for the next school year and each district shall include such amount in its budget for the next school year.

**C. 18A:46A-13 Payment of aid.**

16. In the 1978-79 school year and each year thereafter, aid pursuant to this act shall be payable in equal amounts beginning on the first day of September and on the first day of each month during the remainder of the school year.

**C. 18A:46A-14 Reduction in district's State aid.**

17. In the event the expenditure incurred by any district is less than the amount of State aid received, the district's State aid shall be reduced accordingly during the second year following the receipt of such aid.

**C. 18A:46A-15 Expenditures in excess of State aid not required.**

18. In any year, no district shall be required to make expenditures for the purposes of this act in excess of the amount of State aid received pursuant to this act for that year.

**C. 18A:46A-16 Apportionment of aid.**

19. If in any year the amount of State aid appropriated is insufficient to carry out in full the provisions of this act, the commissioner shall apportion such appropriation among the districts in proportion to the State aid each district would have been apportioned had the full amount of State aid been appropriated.

**C. 18A:46A-17 Severability.**

20. If any provision of this act or the application of such provision to any person or circumstance is declared invalid, such invalidity shall not affect other provisions of this act which may be given effect; and to this end, the provisions of this act are declared to be severable.

21. This act shall take effect immediately.

Approved August 25, 1977.

## CHAPTER 193

AN ACT providing certain services to handicapped children in the nonpublic schools, amending N. J. S. 18A:46-6 and 18A:48-8, 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:46-19.1 Legislature's findings.**

1. (New section) The Legislature hereby finds and determines that the security and welfare of the State require that all school-age children be assured the fullest possible opportunity to develop their intellectual capacities. In order to achieve this objective it is the intent of this Legislature to require that the State and local communities identify and provide remedial services for handicapped children in both public and nonpublic schools.

**C. 18A:46-19.2 Definitions.**

2. (New section) As used in this act:

- a. "Commissioner" means the State Commissioner of Education.
- b. "Nonpublic school" means an elementary or secondary school within the State, other than a public school, offering education for grades kindergarten through 12, or any combination of them, wherein any child may legally fulfill compulsory school attendance requirements and which complies with the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352).

3. N. J. S. 18A:46-6 is amended to read as follows:

**Identification of handicapped children in district.**

18A:46-6. Each board of education, according to uniform rules prescribed by the commissioner with the approval of the State board, shall provide for the identification of any children between the ages of 5 and 20 residing in the district and enrolled in the public or nonpublic schools of the State who cannot be properly accommodated through the school facilities usually provided because of handicaps.

For the purposes of this act, a child who boards at a school in a district in which his parents do not maintain a residence shall not be considered a resident of the district.

4. N. J. S. 18A:46-8 is amended to read as follows:

**Examination and classification of handicapped children.**

18A:46-8. Each board of education shall provide for the examination and classification of each child residing in the district and identified pursuant to N. J. S. 18A:46-6. Such examination and classification shall be accomplished according to procedures, prescribed by the commissioner and approved by the State board, under one of the following categories: mentally retarded, visually handicapped, auditorily handicapped, communication handicapped, neurologically or perceptually impaired, orthopedically handicapped, chronically ill, emotionally disturbed, socially maladjusted or multiply handicapped. The examination and classification of such nonpublic school children shall be in a location determined by the local board and approved by the commissioner pursuant to rules and regulations promulgated by the State board.

The classification of communication handicapped shall be made by the basic child study team and an approved speech correctionist or speech pathologist, except that the classification of articulation disorders may be made by an approved speech correctionist or speech pathologist without child study team consultation. Such children shall be reported to the basic child study team.

**C. 18A:46-19.3 Application of certain provisions of act.**

5. (New section) The provision of facilities and programs pursuant to chapter 46 of Title 18A of the New Jersey Statutes shall apply only to children enrolled in the public schools of the State except as specifically provided by law.

**C. 18A:46-19.4 Provision for speech correctionist.**

6. (New section) Each board of education shall provide for the services of a certified speech correctionist for each child residing in the district, attending a nonpublic school and classified pursuant to N. J. S. 18A:46-9 as having an articulation disorder requiring the services of a certified speech correctionist.

**C. 18A:46-19.5 Services for children enrolled in nonpublic schools; consent of parent; location of services.**

7. (New section) Services for children enrolled in nonpublic schools shall be provided only upon the consent of the parent or guardian and shall be provided in a location determined by the local board pursuant to rules and regulations of the State board, except that no such services shall be provided in a church or sectarian school.

**C. 18A:46-19.6 Provision of transportation.**

8. (New section) If the provision of services, pursuant to this act requires transportation, the board of education shall provide

for such transportation and the cost shall be paid from State aid received by the district pursuant to this act.

**C. 18A:46-19.7 Contract with another party.**

9. (New section) A board of education may contract with an educational improvement center, an educational services commission or other public or private agency approved by the commissioner other than a church or sectarian school, for the provision of examination, classification and speech correction services required by this act.

10. (New section) Within 4 months of the effective date of this act, the State board shall promulgate regulations for the identification, examination and classification of children enrolled in nonpublic schools and for the provision of required services to such children.

11. (New section) Within 6 months of the effective date of this act, each board of education shall report to the commissioner on the number of children enrolled in nonpublic schools expected to require examination and classification pursuant to N. J. S. 18A:46-8 and the number expected to require the services of a certified speech correctionist pursuant to section 6 of this act.

Within 7 months of the effective date of this act, the commissioner shall apportion among the districts on the basis of the pupil count in such report, the amount of State aid available pursuant to this act during the 1977-78 fiscal year, and shall pay to each board of education not more than 40% of its share of such aid. The remainder of a district's share shall be payable in equal amounts on the first day of each remaining month of the 1977-78 school year. In the event the expenditures incurred during that year are less than those for which aid is provided, the district's State aid pursuant to this act shall be reduced accordingly during the 1979-80 school year.

12. (New section) By June 1, 1978, each school board shall report to the commissioner the number of children expected to be enrolled in the nonpublic schools during 1978-79 school year and expected to require examination and classification pursuant to N. J. S. 18A:46-8 or the services of a certified speech correctionist pursuant to section 6 of this act.

The commissioner shall apportion among the districts on the basis of the pupil count in such report any State aid appropriated to implement this act for the 1978-79 school year.

On the first of September and on the first of each month thereafter of the 1978-79 school year, each board of education shall

receive one-tenth of its share of State aid. In the event the expenditures incurred during that year are less than those anticipated, the district's State aid pursuant to this act shall be reduced accordingly during the 1980-81 school year.

13. (New section) During the 1977-78 and 1978-79 school years, no district shall be required to make expenditures in excess of the amount of State aid which they receive pursuant to sections 11 and 12 of this act. The commissioner shall promulgate rules and regulations which shall apply in the event the aid received by any district pursuant to sections 11 and 12 of this act is insufficient to implement the provisions of this act.

**C. 18A:46-19.8 Estimated cost of services; inclusion in budget; State aid.**

14. (New section) On October 1, 1978 and each October 1 thereafter, each board of education shall forward to the commissioner an estimate of the cost of providing, during the next school year, examination, classification and speech correction services to nonpublic school children pursuant to this act.

In preparing the budget for the 1979-80 school year and each year thereafter, each board of education shall include as an expenditure the estimated cost of providing examination, classification and speech correction services to nonpublic school children pursuant to this act.

In preparing its budget for the 1979-80 school year and each year thereafter, each board of education shall include as a revenue State aid in an amount equal to such estimated cost of providing examination, classification and speech correction services to nonpublic school children pursuant to this act.

During the 1979-80 school year and each year thereafter, each district shall receive an amount of State aid equal to such estimated cost. In the event the expenditures incurred vary from those anticipated, the district's State aid shall be adjusted accordingly during the second year following the receipt of aid pursuant to this act.

15. (New section) Up to \$25,000.00 of the amount appropriated for the 1977-78 fiscal year for the purposes of this act may be used by the Department of Education to train school personnel in the identification of children pursuant to N. J. S. 18A:46-6.

Up to \$50,000.00 of the amount appropriated for the 1977-78 fiscal year for the purposes of this act may be used by the Department of Education for the administration of this act.

**C. 18A:46-19.9 Severability.**

16. (New section) If any provision of this act or the application of such provision to any person or circumstance is declared invalid, such invalidity shall not affect other provisions or applications of this act which can be given effect; and, to this end, the provisions of this act are declared to be severable.

17. This act shall take effect immediately.

Approved August 25, 1977.

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CHAPTER 194

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. Section 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 January 31, 1978. The task force shall be discharged upon submission of its report.

2. This act shall take effect immediately.

Approved August 29, 1977.

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CHAPTER 195

AN ACT concerning municipal industrial commissions and amending R. S. 40:55B-10.

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

1. R. S. 40:55B-10 is amended to read as follows:

**Limitations on powers; appropriations; records and reports.**

40:55B-10. No commission created under the authority of this chapter shall have any power of condemnation or eminent domain.

No commission created under the authority of this chapter shall have power to pledge the credit of the municipality by which it is created, or of any other municipality, or of the State of New Jersey, or to create any debt against or in any manner act as the agent of such municipality, or of the State of New Jersey.

Such commission shall have power and authority to make an economic survey, analyzing the present and potential possibilities of the municipality, with a view to ascertaining its industrial needs, determining its resources for efficient manufacture and exploring its probable sphere in the future development of the State and Nation. In carrying out such a survey, the commission shall study the needs of existing local industries so that means may be evolved to enable them to compete more successfully with competitors in other states; and more particularly how they might successfully round out and enlarge the products manufactured within the municipality with a view to diversifying local industry and stabilizing employment conditions. The commission may make any investigation deemed necessary to enable it effectually to carry out the provisions of this chapter and for that purpose the commission may take and hear proofs and testimony and compel the attendance of witnesses and the production of books, papers, records and documents, including public records, and its authorized agents may enter upon any lands as in its judgment may be necessary for the purpose of making surveys and examinations to accomplish any purpose authorized by this chapter.

Each commission shall make an annual report to the municipality by which it has been created, setting forth in detail its operations and transactions for the preceding 12 months.

Nothing in this chapter provided and no authority given to or exercised by any commission created under this chapter shall impair or invalidate in any way any funded indebtedness of the municipality by which it has been created, nor impair the provisions of law regulating the payment into sinking funds of revenues derived from municipal property, or dedicating the revenues derived from any municipal property to a specific purpose.

The creation of a commission by a municipality shall not be deemed to limit in any manner the municipality's right to deal with its vacant lands, or to sell or lease the same, independently of such commission, as heretofore, but the powers conferred upon such municipality and commission by this chapter shall be in addition to any rights or powers now possessed by such municipality with reference to its vacant lands or other properties.

The governing body of such municipality creating a commission under this chapter may appropriate annually, during the life of its commission, such sums as may be reasonably necessary to conduct the normal operations of the commission, but no moneys so appropriated shall be used by a commission for the construction of any building or to finance such construction. The commission shall annually present to the chief financial officer of the municipality its budget for operations for the ensuing year, reflecting therein all unexpended balances on hand from previous appropriations received from the municipality, at the same time and in the same manner and form as is required by several departments of the municipality's government, and the budget so submitted shall be acted upon as in the case of the budgets of such several municipal departments, and, being so acted upon, shall be made a part of the municipality's budget. Each commission shall keep complete and accurate records of its accounts, and separate accounts shall be kept for its normal functions. No commission shall exceed its budget, and moneys received from the municipality by which it has been created shall be expended only for the purposes for which they have been appropriated.

2. This act shall take effect immediately.

Approved August 29, 1977.

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## CHAPTER 196

AN ACT amending "The New Jersey Highway Authority Act," approved April 14, 1952 (P. L. 1952, c. 16, C. 27:12B-1 et seq.).

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

1. Section 20 of P. L. 1952, c. 16 (C. 27:12B-20) is amended to read as follows:

**C. 27:12B-20 "The Garden State Parkway" authorized.**

20. The authority, pursuant to the provisions of this act, is hereby authorized to construct, maintain, improve, repair and operate a project to be known as "The Garden State Parkway," consisting of a highway at the following location or such part or parts thereof as the authority may from time to time determine

to be suitable for a project as contemplated by this act: Beginning at such points as the authority may select as most feasible and practicable at Paterson and also at State Highway Route No. 17 in Paramus or Ridgewood and thence in a general southerly direction to a junction in Passaic county and thence generally along the State highway route referred to in section 21 hereof through Clifton, Passaic county, Essex county and Union county to Woodbridge and thence in a general southerly direction to the vicinity of the Edison bridge and thence over the Raritan river through Middlesex county and Monmouth county to Toms River and thence to a point at or near the city of Cape May; but, notwithstanding any of the prior provisions of this act, the authority: (1) shall exclude from any part of such highway situate more than 5 miles north of its intersection with northern line of Ocean county all traffic except passenger motor vehicles, hearses, funeral flower and service vehicles of types for which issuance of passenger car plates is authorized, campers, omnibusses, taxicabs, and panel vans, pickup trucks and similar vehicles having a gross weight not exceeding 6,999 pounds, and may further regulate the use thereof pursuant to the provisions of section 17(b) hereof; and (2) shall not fix, prescribe, charge or collect tolls or other charges for transit over or use of any part of said project which is or was a portion of a State highway route if such part was designated as toll-free by written certificate of the State Highway Department filed with the Secretary of State prior to October 1, 1952, unless and until such part has been acquired from the State pursuant to section 21 hereof; and (3) shall, with respect to any part of said project located in Essex county, provide connections therewith by means of parallel, marginal, connecting or other service roads or otherwise, to and from existing county highways intersecting such part of said project between and including Springfield avenue, Irvington, and Belleville avenue, Bloomfield, or such of said county highways as, prior to September 15, 1952 or such later date as may be fixed by the authority, shall be designated by certificate of the county engineer of Essex county, approved by resolution of the authority; and (4) unless and until the authority, pursuant to an agreement with the commissioner, shall have set aside in a special reserve fund to be held by it the sum of \$13,000,000.00 to be expended and used as hereinafter provided, shall not collect tolls on such project at Springfield avenue, Irvington, or Belleville avenue, Bloomfield, or at any point between said avenues, except with respect to vehicles entering or leaving the project south of said Springfield avenue or north of said Belle-

ville avenue. The moneys in said special reserve fund may be expended and used by the authority to make payments to the commissioner, pursuant to and as required by the aforementioned agreement, of the excess of the net cost to the State of the construction (generally as a depressed highway and underpassing intersecting roads, streets, highways and the Garden State Parkway, unless subsurface soil conditions are found to be unstable or drainage conditions of such a nature that underpassing the Parkway becomes unfeasible, as determined from engineering studies and reports, then the Freeway shall go over the Parkway) of the part of the public highway approved and designated by the commissioner as Highway Route I-280 and known as the East-West Freeway situate in Essex county between a point easterly of Prospect avenue, West Orange, and a point in Newark between First street and Sixth street, over the net cost to the State, as estimated by the commissioner, of the construction of said part of said public highway as an elevated highway, and no moneys in said fund shall be applied to any purpose except (1) payments to the commissioner as aforesaid, (2) temporary investment pending other authorized use in accordance herewith, or (3) use by the authority for any of its corporate purposes of any balance thereof remaining after payments therefrom to the commissioner aggregating the lesser of (a) \$13,000,000.00 or (b) such sum as the commissioner may certify to the authority as the total amount of the aforesaid excess cost of construction, provided, however, that at any time when the amount in said fund, valuing any temporary investments therein at cost or market value whichever is lower, together with the amount of all payments theretofore made therefrom to the commissioner shall exceed \$13,000,000.00, the amount of such excess may be withdrawn from said fund by the authority and deposited in the series one construction fund created under section 502 of the resolution of the authority entitled: "First Supplemental Junior Bond Resolution Authorizing \$40,000,000.00 Junior Bonds," adopted by the authority on July 7, 1962, and held or applied as other moneys in said construction fund. In the design, construction and operation of such parkway project, it shall be the duty of the authority, so far as may be deemed practicable by it and may be permitted by the terms of any agreement by it with the holders of its bonds or notes, to permit the largest possible toll-free use of the project by intracounty or short-haul traffic and provide the largest possible number of points of connection between public highways and the project consistent with safe and efficient

use of such project and public highways and safe and economical construction and operation of the project on a self-supporting basis.

2. This act shall take effect 90 days after enactment.

Approved August 29, 1977.

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CHAPTER 197

AN ACT concerning regular meetings of boards of commissioners of municipalities governed by the commission form of government and amending R. S. 40:72-13.

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

1. R. S. 40:72-13 is amended to read as follows:

**Regular and special meetings; open to public; minutes.**

40:72-13. The board of commissioners shall designate the time of holding regular meetings, which shall be at least once monthly, and special meetings may be called from time to time by the mayor or by two commissioners. All meetings of the commissioners, whether regular or special, shall be open to the public and any citizen may have access to the minutes upon application to the municipal clerk.

2. This act shall take effect immediately.

Approved August 29, 1977.

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CHAPTER 198

AN ACT to relocate, fix and establish a portion of the boundary line between the township of Blairstown and the township of Hardwick, in the county of Warren, State of New Jersey.

WHEREAS, The governing bodies of the township of Blairstown and the township of Hardwick, in the county of Warren, have determined, by resolution duly adopted by each governing body, that it is advisable and to the best interests of their respective

municipalities that a portion of their common boundary line be relocated; and

WHEREAS, Both municipalities have requested the Legislature to enact a statute to relocate a portion of their common boundary line, as set forth and described in section 1 of this act; and

WHEREAS, A proper public notice of intention to apply for the passage of this act has been given by publication as required by law; now, therefore

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

1. That a portion of the common boundary line between the township of Blairstown and the township of Hardwick, in the county of Warren be and the same is hereby relocated, fixed and established so that the following described line shall constitute such relocated boundary line:

DESCRIPTION OF BOUNDARY LINE  
BETWEEN

BLAIRSTOWN TOWNSHIP AND HARDWICK TOWNSHIP

ALL that certain tract or parcel of land and premises situate, lying and being in the Township of Blairstown and the Township of Hardwick, in the County of Warren, in the State of New Jersey.

BUTTED, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING at a set stone found at the ninth corner of a 10.7 acre tract of land as described in a Deed of Conveyance from Wilbur L. Hulse, Jr., and Eileen M. Hulse, his wife, to Heinz Woyzichowsky and Irmga D. Woyzichowski, his wife, dated January 15, 1971 and recorded in the Warren County Clerk's Office in Belvidere, New Jersey in Book 519 of Deeds on pages 231 etc., said point of beginning being located South 59 degrees 08 minutes 46 seconds West 345.36 feet from an iron pin found driven into the ground at the eighth corner of the aforesaid 10.7 acre tract of land, said set stone also being located south 89 degrees 44 minutes 13 seconds East 334.10 feet from a drill hole on a balanced rock found at the tenth corner of the aforesaid 10.7 acre tract of land; thence running from said beginning (1) North 4 degrees 14 minutes 14 seconds West 4,045.35 feet to a concrete monument set on the Blairstown Township Hardwick Township boundary line; thence (2) North 4 degrees 14 minutes 14 seconds West 35.97 feet to a concrete

monument set on the aforesaid boundary line on the north side of Maple Lane; thence (3) North 4 degrees 14 minutes 14 seconds West 4,051.75 feet to a monument set in the ground on the aforesaid boundary line on the south side of Maines Lane; thence (4) North 4 degrees 14 minutes 14 seconds West 34.96 feet to a monument set in the ground on the aforesaid boundary line on the north side of Maines Lane; thence (5) North 4 degrees 14 minutes 14 seconds West 820.95 feet to a concrete monument set in the ground on the aforesaid boundary line on the south side of Maines Lane; thence (6) North 4 degrees 14 minutes 14 seconds West 56.97 feet to a concrete monument set in the ground on the aforesaid boundary line on the north side of Maines Lane; thence (7) North 4 degrees 14 minutes 14 seconds West 1,174.25 feet to a concrete monument set in the ground on the aforesaid boundary line on the south-westerly side of Maines Lane; thence (8) North 4 degrees 14 minutes 14 seconds West 72.99 feet to a concrete monument set in the ground on the aforesaid boundary line on the northeast side of Maines Lane; thence (9) North 4 degrees 14 minutes 14 seconds West 823.00 feet to a concrete monument set in the ground on the aforesaid boundary line on the south side of Newman Road; thence (10) North 4 degrees 14 minutes 14 seconds West 36.96 feet to a concrete monument set in the ground on the aforesaid boundary line on the north side Newman Road; thence (11) North 4 degrees 14 minutes 14 seconds West 2,367.22 feet to a hub set in the ground on the aforesaid boundary line on the westerly side of a dwelling owned now or formerly by Lee W. Carroll; thence (12) North 4 degrees 14 minutes 14 seconds West 1,390.70 feet to a concrete monument set in the ground in the aforesaid boundary line on the south side of Gaisler Road; thence (13) North 4 degrees 14 minutes 14 seconds West 39.36 feet to a concrete monument set in the ground in the aforesaid boundary line on the north side of Gaisler Road; the location of the aforesaid monuments and the boundary line is shown in more detail on a map entitled "Map Showing Boundary Line Between Blairstown Township and Hardwick Township, Warren County, New Jersey, with a graphic scale on one inch equals four hundred feet, dated December 1974", as prepared by Harold E. Pellow and Associates, Incorporated, Consulting Engineer, R. D. #1, Box 2D, Augusta, New Jersey, said map is on file in the Blairstown Township Municipal Building and in the Hardwick Township Municipal Building, said boundary line is to be filed in the Warren County Clerk's Office.

This description written January 22, 1975 by Harold E. Pellow and Associates, Incorporated, Consulting Engineers, R. D. #1, Box 2D, Augusta, New Jersey.

The foregoing description is in accordance with a certain map entitled, "Map Showing Boundary Line Between BLAIRSTOWN TWP. & HARDWICK TWP., Warren County, New Jersey" dated December 1974, prepared by Harold E. Pellow & Associates, Inc., Consulting Engineers, Augusta, New Jersey, township engineer of the township of Blairstown, copies of which are on file in the office of the clerk of the township of Blairstown, and in the office of the clerk of the township of Hardwick.

2. That upon the effective date of this act, all lands now within the territorial limits of the township of Blairstown and the township of Hardwick shall become the boundary line between said townships as hereinabove established.

3. This act shall take effect immediately.

Approved August 30, 1977.

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#### CHAPTER 199

AN ACT to validate certain ordinances heretofore enacted by municipalities relating to municipal land use.

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

**Validating act.**

1. All ordinances enacted pursuant to the Municipal Land Use Law (P. L. 1975, c. 291, C. 40:55D-1 et seq.) and purporting to readopt any ordinance or section thereof adopted pursuant to an act repealed by the Municipal Land Use Law, shall not be deemed to be invalid by reason of the fact that the notice published after introduction of such ordinance, which notice was required by P. L. 1976, c. 115, section 1b, failed to state that three copies of the text or maps of the ordinance effectuating the adoption were on file in the office of the municipal clerk and were available for public inspection until final action was to be taken on the ordinance effectuating the readoption, provided, however, that three copies of the text or map of the ordinance were on file as aforesaid.

2. This act shall take effect immediately.

Approved August 30, 1977.

## CHAPTER 200

A SUPPLEMENT to “An act creating the New Jersey Racing Commission and defining its powers and duties; providing for the granting of permits and licenses for the operation of race meetings whereat the running, steeplechase racing or harness racing of horses only may be conducted; providing for the licensing of concessionaires and operators and their employees; regulating the system of parimutuel betting and fixing the license fees, taxes and revenues imposed hereunder and fixing penalties for violations of the provisions of this act,” approved March 18, 1940 (P. L. 1940, c. 17), as said title was amended by P. L. 1941, c. 137.

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

**C. 5:5-44.2 Allotment of additional racing day.**

1. Each holder of a permit to hold or conduct horse race meetings shall, with the approval of the New Jersey Racing Commission be allotted one racing day in addition to the days authorized by the New Jersey Racing Commission pursuant to P. L. 1940, c. 17 (C. 5:5-22 et seq.); provided, however, that should any permit holder reject the additional day, the commission may allot it among the remaining permit holders, and provided further that the provisions of this section shall not apply where to do so would require the breach of an agreement entered into by the commission. Said additional day shall be known as “Charity Racing Day for the Developmentally Disabled.”

**C. 5:5-44.3 Distribution of moneys received by commission.**

2. All moneys received by the commission, pursuant to section 46 of P. L. 1940, c. 71 (C. 5:5-66), as its share of the total contributions to all parimutuel pools conducted or made on the additional racing day hereinbefore provided for shall be distributed to the organizations and in the amounts designated by the New Jersey State Developmental Disabilities Council, created pursuant to Executive Order Number 20 of 1971 as modified pursuant to Executive Order Number 49 of 1973 and Executive Order Number 42 of 1976, as hereinafter prescribed.

**C. 5:5-44.4 Determination of organizations eligible to receive moneys; "developmentally disabled" defined.**

3. The New Jersey State Developmental Disabilities Council shall determine annually which organizations in New Jersey shall receive the moneys to be distributed pursuant to section 2 of this supplemental act; provided, however, that such organizations shall be nonprofit organizations which expend funds for direct services in full-time programs to New Jersey residents who are developmentally disabled, and provided further, however, that each such organization shall be affiliated with a national organization of the same type and purpose. As used herein, "developmentally disabled" means a disability of a person which (1) is attributable to:

(a) mental retardation, cerebral palsy, epilepsy or autism;

(b) any other condition found to be closely related to mental retardation because such condition results in impairment of general intellectual functioning or adaptive behavior similar to impairment resulting from mental retardation or which requires treatment and services similar to those required for mental retardation; or

(c) dyslexia resulting from a disability described in subparagraphs (a) and (b);

(2) originates before such person attains age 18;

(3) has continued or can be expected to continue indefinitely; and

(4) constitutes a substantial handicap to such person's ability to function normally in society.

**C. 5:5-44.5 Allocation of moneys to eligible organizations.**

4. The New Jersey State Developmental Disabilities Council shall allocate annually the amount each eligible organization shall receive. Such allocation shall be made in the following manner: one-half of the total amount available for distribution shall be distributed proportionally among the eligible organizations on the basis of the officially-accepted incident rate of each type of disability in relation to the total number of developmentally-disabled residents of this State; and one-half shall be distributed proportionally among the eligible organizations on the basis of the number of developmentally-disabled residents of this State who are served by each organization in relation to the total number of developmentally-disabled residents of this State who are served by all such organizations.

**C. 5:5-44.6 Books and records; audit; refund of excess amount.**

5. The New Jersey State Developmental Disabilities Council shall keep books and records to clearly show the number of children and

adults served by the organizations receiving moneys under the provisions of this act and shall submit no later than December 15 of each year said books and records to the Office of Fiscal Affairs for a complete audit by said office. The Office of Fiscal Affairs shall at all reasonable times have access to said books and records of the council for the purpose of examining and checking the same and ascertaining whether or not the bases prescribed in this supplemental act for the distribution of the moneys received pursuant to this supplemental act have been correctly applied. Any organization which has received more than the amount to which it is entitled shall refund the amount in excess, and said amount shall be distributed among the remaining eligible organizations in the manner prescribed in this supplemental act.

6. This act shall take effect January 1, 1977. However, the commission may take action in advance of said date for reviewing and approving applications for running race and harness racing dates for 1977.

Approved August 30, 1977.

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## CHAPTER 201

AN ACT concerning the selling of agricultural produce, and amending R. S. 51:1-17.

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

1. R. S. 51:1-17 is amended to read as follows:

**Foods sold only by weight or numerical count; exceptions; definitions; violations; penalty.**

51:1-17. All articles of food, other than liquids, which are capable of being measured by dry capacity measure and which heretofore have been sold by dry capacity measure in this State shall, except as hereinafter provided, be offered for sale or sold upon the basis of avoirdupois net weight or by numerical count only, and it shall be unlawful for anyone to use or employ any dry capacity measure, basket, barrel or container of any kind as a means of determining the amounts or quantities of any such articles of food offered for sale or sold. The provisions of this section shall not be construed to apply to:

a. Fruits and vegetables offered for sale or sold in closed or covered standard containers; or

b. Articles of food offered for sale by bona fide farmers in any farmers' public market, in open or uncovered standard containers, which articles may be transferred to a bag or other suitable receptacle when such transfer is agreeable to, and made in the presence of, the buyer; or

c. Vegetables which by common custom are offered for sale or sold by the bunch; or

d. Fresh berries and other small fruits, which are customarily offered for sale and sold by the box, basket or other receptacle, except, however, when such fresh berries and other small fruits are offered for sale or sold in bulk, in which case the provisions of this section shall apply to the extent that such fresh berries and other small fruits shall be offered for sale and sold by avoirdupois net weight only, but all fresh berries and such other small fruits, when offered for sale or sold shall be so offered for sale or sold in boxes, baskets or receptacles of uniform size to hold one quart or one pint dry measure only, uniformly and evenly filled throughout.

As used in this section:

“Dry capacity measure” means only bushel, half-bushel, peck, half-peck, quarter-peck, quart, pint, half-pint, and similar measures. “Standard container” means only barrels, boxes, baskets, hampers or similar containers, the dimensions or capacity of which is established by law of this State or by Act of Congress, and upon which is plainly and conspicuously marked the net quantity of contents thereof in terms of weight, measure or numerical count.

“Bona fide farmers” means agriculturists or growers of fruits and vegetables who actually produce the commodities they sell and who are registered as such either with the State Department of Agriculture or with any county agent or board of agriculture.

Any person violating any of the provisions of this section shall, for the first offense, be liable to a penalty of not less than \$50.00 nor more than \$100.00, for a second offense to a penalty of not less than \$100.00 nor more than \$250.00, and for each subsequent offense to a penalty of not less than \$250.00 nor more than \$500.00.

2. This act shall take effect immediately.

Approved August 30, 1977.

## CHAPTER 202

AN ACT authorizing municipalities to enact ordinances establishing restricted parking spaces for use by persons with special vehicle identification cards and supplementing Title 40 of the Revised Statutes.

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

**C. 39:4-197.5 Restricted parking spaces for use by persons with special vehicle identification cards.**

1. Any municipality may, by ordinance, establish restricted parking spaces in front of residences, schools, hospitals and other public buildings and in shopping and business districts for use by persons who have been issued special vehicle identification cards by the Division of Motor Vehicles pursuant to the provisions of section 2 of P. L. 1949, c. 280 (C. 39:4-205), when using a motor vehicle on which is displayed a certificate, for which a special vehicle identification card has been issued, pursuant to section 3 of said law (C. 39:4-206).

2. This act shall take effect immediately.

Approved August 30, 1977.

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CHAPTER 203

AN ACT concerning fees payable to constables or sergeants-at-arms of county district courts and amending N. J. S. 22A:2-38.

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

1. N. J. S. 22A:2-38 is amended to read as follows:

**Fees of constables or sergeants-at-arms.**

22A:2-38. From the fees mentioned in section 22A:2-37 of this Title, the clerk of the county district court shall pay to constables or sergeants-at-arms the following fees:

Serving summons or notice on one defendant, \$0.60.

Serving summons on every additional defendant, \$0.30.

Warrant to arrest, capias, or commitment, for each defendant served, \$0.75.

Serving writ and summons in replevin, taking bond and any inventory, against one defendant, \$2.50. Against each additional defendant, \$0.30.

Serving writ in replevin when issued subsequent to service of summons, \$1.50.

Every execution, or any order in the nature of an execution on a judgment or execution against the body, for each defendant, \$0.75.

Writ of attachment and making inventory, \$1.85.

Warrant for possession, \$2.00.

For every mile of travel in serving any summons or capias against the body, execution, subpoena, notice or order, the distance to be computed by counting the number of miles in and out, by the most direct route from the place where process is issued, at the same rate per mile set by the county board of chosen freeholders for other county employees.

In addition to the foregoing, the following fees for constables and sergeants-at-arms shall be taxed in the costs and collected on execution, writ of attachment or order in the nature of an execution on any final judgment, or on a valid and subsisting levy of an execution or attachment which may be the effective cause in producing payment or settlement of a judgment or attachment.

For advertising property under execution or any order, \$0.35.

For selling property under execution or any order, \$0.50.

On every dollar of the first \$1,000.00 collected on execution, writ of attachment or any order, \$0.10, and on every dollar of any amount in excess thereof, \$0.05.

2. This act shall take effect immediately.

Approved August 30, 1977.

## CHAPTER 204

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 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, 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, 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:

## CLAIMS

## 200. DEPARTMENT OF THE TREASURY\*

Township of Chatham, Township Hall, 24 Southern Boulevard, Chatham, New Jersey 07928, Attention: Ms. Alice B. Lundt, Township Clerk/Administrator, for refund of State gasoline taxes paid upon a timely claim, an award in the amount of \$477.00 be paid from Motor Fuel Tax revenues of 1976-77.

Kearny Fire Department, c/o Joseph W. Philips, Chief, Department of Fire, 109 Midland Avenue, Kearny, New Jersey 07032, for refund of State gasoline taxes paid upon a timely claim, an award in the amount of \$207.00 be paid from Motor Fuel Tax revenues of 1976-77.

Washington Township Board of Education, c/o Hyland, David & Reberkenny, Esquires, Box No. 459-460, 499 Cooper Landing Road, Cherry Hill, New Jersey 08002, Attention: William D. Hogan, Esq., for refund of State gasoline taxes paid upon a timely claim, an award in the amount of \$1,061.00 be paid from Motor Fuel Tax revenues of 1976-77.

400. DEPARTMENT OF ENVIRONMENTAL PROTECTION\*

Sandyston Township, Layton, New Jersey 07851, c/o Hixon Spangenberg, Township Clerk, Sandyston Township, Layton, New Jersey 07851, for payment in lieu of taxes for certain fish and game properties, an award in the amount of \$2,310.00 be made for 1977, \* for 1975 and \$5,670.00 for 1974 from funds appropriated for Public Shooting and Fishing grounds.

600. DEPARTMENT OF TRANSPORTATION\*

860. DEPARTMENT OF CORRECTIONS

Roberta Seefeldt, c/o Vaida & Miller, Counsellors at Law, 9 Main Street, Flemington, New Jersey 08822, Attention: Louis H. Miller, Esq., for the pain and suffering and the resultant consequences thereof as resulting from injury to the lower spinal area while working at the Correctional Institute for Women, an award be made payable, upon her release ..... \$2,750

MISCELLANEOUS EXECUTIVE COMMISSIONS

911. *Palisades Interstate Park Commission*

Borough of Alpine, c/o Schneider, Schneider & Behr, Counsellors at Law, 1029 Teaneck Road, Teaneck, New Jersey 07666, Attention: Michael P. Feltman, Esq.; Borough of Englewood Cliffs, c/o Mr. Richard E. Nordlinger, Councilman, Finance Chairman, Office of the Borough Clerk, Borough of Englewood Cliffs, Bergen County, New Jersey 07632; and, Borough of Fort Lee, c/o McCarter and English, Counsellors at Law, 550 Broad Street, Newark, New Jersey 07012, Attention: Armond Pohan, Esq., for payment of municipal taxes for land situated within their respective boroughs:

Borough of Alpine .....	\$19,300.00
Borough of Englewood Cliffs .....	26,200.00
Borough of Fort Lee .....	20,500.00

Payable by the Palisades Interstate Park Commission from the net share of revenues which it derives from the operations of gasoline stations on the New Jersey section of the Palisades Interstate Parkway, \$66,000.00.

## 970. THE JUDICIARY\*

Total Appropriation, Claims .....	\$2,750*
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2. This act shall take effect immediately.

Approved August 31, 1977.

## STATEMENT ON SENATE BILL No. 3201

To the Senate:

Pursuant to Article V, Section I, Paragraph 15 of the Constitution, I am appending to Senate Bill No. 3201 at the time of signing it, this statement of the items to which I object so that each item so objected to shall not take effect.

On page 1:

“Vernon Township, Route 515, Vernon, New Jersey 07462, Attention: Anna Edsall, Treasurer, for the refund of State gasoline taxes paid upon a timely claim, an award in the amount of \$1,295.00 be paid from Motor Fuel Tax revenues of 1976-77.”

This item is deleted in its entirety.

On page 2:

“Sandyston Township, Layton, New Jersey 07851, c/o Hixon Spangenberg, Township Clerk, Sandyston Township, Layton, New Jersey 07851, for payment in lieu of taxes for certain fish and game properties, an award in the amount of \$2,310.00 be made for 1977, \$6,450.00 for 1975 and \$5,670.00 for 1974 from funds appropriated for Public Shooting and Fishing grounds.”

This item is reduced by the amount of \$6,450.00.

On page 2:

“Borough of Netcong, c/o Borough Officials and Meyerson and Kron, Esquires, 46 Main Street, Netcong, New Jersey 07857, for drainage expenses resulting from flooding due to construction of Route 80, an award in the amount of \$35,000.00 be payable from funds appropriated to the Department.”

This item is deleted in its entirety.

On page 2:

“Township of Warren, c/o Mastro & Mastro, Attorneys at Law, 7 Morristown Road, Bernardsville, New Jersey 07924, Attention: J. Albert Mastro, Esq. for repair expenses necessary on Mountainview Road as a result of equipment used in conjunction with the construction of Route I-78, an award in the amount of \$30,000.00 be made payable from funds appropriated to the Department.”

This item is deleted in its entirety.

On page 3:

“County of Morris, Court House, Morristown, New Jersey 07960, c/o Robert T. Natoli, County Treasurer, for overtime expended by the Sheriff’s Office for security in the jury selection for the Squires and Chesimard Jury, \$7,491.”

This item is deleted in its entirety.

On page 3:

“Total Appropriation, Claims ..... \$10,241”

This amount is corrected and changed to \$2,750.

Senate Bill No. 3201 is a supplemental appropriations bill. Authorizations for the payment of certain claims filed against the State of New Jersey are included in the bill. I have decided, for the reasons stated below, to delete entirely the following claims.

Vernon Township seeks a refund of State gasoline taxes. Since the claimant has additional refund claims to make, I have vetoed the present claim so that the entire matter can be reviewed and a proper application filed for all outstanding claims next year.

The Sandyston Township claims involve payments, in lieu of taxes for certain fish and game properties. I am advised by the Treasurer that the payment of \$6,450.00 for 1975 has previously been appropriated, and is incorrectly included in this bill. I have accordingly reduced this item by this amount to avoid a double payment.

The Borough of Netcong matter involves a claim for upgrading storm drains along Route 46 which has been presented in prior years. The Borough contends that the Department of Transportation caused the flooding in the area when constructing Route 80.

This claim was vetoed in 1975 and in 1976 because the record indicated that the construction of Route 80 was only one of a series of contributing factors and indeed a very insignificant factor, since the Route 80 area covers only 6-7 percent of the watershed. At the Borough's request, this situation was reviewed again this year with an on-site inspection; as a result of this inspection, the Department of Transportation still believes that the flooding was not caused by the Route 80 construction, and that the proper correction would involve an extremely expensive and complex project. This claim clearly will not alleviate the situation.

The Township of Warren seeks an award to cover the cost of making repairs to a local road which was destroyed in 1964 by construction equipment used in the building of Route I-78.

The Township had sought and received funds for the preparation of a smaller section of the road prior to overlay from the Department of Transportation. However, the Department was not contacted prior to the overlay by the Township of the larger portion of the road. The overlay, as it was accomplished, was substandard in width, quality of material, safety, and drainage. The work did not meet minimum Department standards for such construction as set by statute. Moreover, the Township made no attempt to follow the procedure for obtaining State funds for such reconstruction projects as outlined by law. These statutes provide the only authorization for departmental participation in such projects. Therefore, I must veto the claim again.

The Morris County claim is for overtime expenses of the Sheriff's Office for providing security in jury selection. I vetoed this same claim in the past years and find no new justification which persuades me to alter that position. It is still my view that the expense of providing security through the Sheriff's Office in a particular county is not an appropriate expense for the Judiciary in the first instance. The mere fact that a case is transferred from one county to another is not justification for modifying this sound principle.

Respectfully,

[SEAL]  
Attest:

/s/ BRENDAN BYRNE,  
Governor.

/s/ JOHN J. DEGNAN,  
*Acting Executive Secretary to the Governor.*

## CHAPTER 205

AN ACT to amend "An act to revise the law relating to payment of wages, repealing sundry sections of, and supplementing article 1 of chapter 11 of Title 34 of the Revised Statutes," approved September 30, 1965 (P. L. 1965, c. 173).

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

1. Section 4 of P. L. 1965, c. 173 (C. 34:11-4.4) is amended to read as follows:

**C. 34:11-4.4 Withholding or diverting of employee's wages.**

4. No employer may withhold or divert any portion of an employee's wages unless:

a. The employer is required or empowered to do so by New Jersey or United States law; or

b. The amounts withheld or diverted are for:

(1) Contributions authorized either in writing by employees, or under a collective bargaining agreement, to employee welfare, insurance, hospitalization, medical or surgical or both, pension, retirement, and profit-sharing plans.

(2) Contributions authorized either in writing by employees, or under a collective bargaining agreement, for payment into company-operated thrift plans; or security option or security purchase plans to buy securities of the employing corporation, an affiliated corporation, or other corporations at market price or less, provided such securities are listed on a stock exchange or are marketable over the counter.

(3) Payments authorized by employees for payment into employee personal savings accounts, such as payments to a credit union, saving fund society, savings and loan or building and loan association; and payments to banks for Christmas, vacation, or other savings funds; provided all such deductions are approved by the employer.

(4) Payments for company products purchased in accordance with a periodic payment schedule contained in the original purchase agreement; payments for employer loans to employees; in accordance with a periodic payment schedule contained in the original loan agreement; payments for safety equipment; payments for the

purchase of United States Government bonds; and payments to correct payroll errors; provided all such deductions are approved by the employer.

(5) Contributions authorized by employees for organized and generally recognized charities, provided the deductions for such contributions are approved by the employer.

(6) Payments authorized by employees or their collective bargaining agents for the rental of work clothing or uniforms or for the laundering or dry cleaning of work clothing or uniforms; provided the deductions for such payments are approved by the employer.

(7) Labor organization dues and initiation fees, and such other labor organization charges permitted by law.

(8) Such other contributions, deductions and payments as the Commissioner of Labor and Industry may authorize by regulation as proper and in conformity with the intent and purpose of this act, if such deductions are approved by the employer.

2. This act shall take effect immediately.

Approved September 1, 1977.

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## CHAPTER 206

AN ACT concerning education and amending N. J. S. 18A:39-1.

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

1. N. J. S. 18A:39-1 is amended to read as follows:

**Transportation of pupils remote from schools.**

18A:39-1. Whenever in any district there are pupils residing remote from any schoolhouse, the board of education of the district may make rules and contracts for the transportation of such pupils to and from school, including the transportation of school pupils to and from school other than a public school, except such school as is operated for profit in whole or in part.

When any school district provides any transportation for public school pupils to and from school pursuant to this section, transportation shall be supplied to school pupils residing in such school district in going to and from any remote school other than a public

school, not operated for profit in whole or in part, located within the State not more than 20 miles from the residence of the pupil provided the per pupil cost of the lowest bid received does not exceed \$250.00 and if such bid shall exceed said cost then the parent, guardian or other person having legal custody of the pupil shall be eligible to receive said amount toward the cost of his transportation to a qualified school other than a public school regardless of whether such transportation is along established public school routes. It shall be the obligation of the parent, guardian or other person having legal custody of the pupil attending a remote school, other than a public school, not operating for profit in whole or in part, to register said pupil with the office of the secretary of the board of education at the time and in the manner specified by rules and regulations of the State board in order to be eligible for the transportation provided by this section. If the registration of any such pupil is not completed by September 1 of the school year and if it is necessary for the board of education to enter into a contract establishing a new route in order to provide such transportation, then the board shall not be required to provide it, but in lieu thereof the parent, guardian or other person having legal custody of the pupil shall be eligible to receive \$250.00 or an amount computed by multiplying \$1.388 times the number of school days remaining in the school year at the time of registration, whichever is the smaller amount. Whenever any regional school district provides any transportation for pupils attending schools other than public schools pursuant to this section, said regional district shall assume responsibility for the transportation of all such pupils, and the cost of such transportation for pupils below the grade level for which the regional district was organized, shall be prorated by the regional district among the constituent districts on a per pupil basis after approval of such costs by the county superintendent. This section shall not require school districts to provide any transportation to pupils attending a school other than a public school where the only transportation presently provided by said district is for school children transported pursuant to chapter 46 of this Title or for pupils transported to a vocational, technical or other public school offering a specialized program. Any transportation to a school, other than a public school, shall be pursuant to the same rules and regulations promulgated by the State board as governs transportation to any public school.

Nothing in this section shall be so construed as to prohibit a board of education from making contracts for the transportation of

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pupils to a school in an adjoining district when such pupils are transferred to the district by order of the county superintendent, or when any pupils shall attend school in a district other than that in which they shall reside by virtue of an agreement made by the respective boards of education.

Nothing herein contained shall limit or diminish in any way any of the provisions for transportation for children pursuant to chapter 46 of this Title.

2. This act shall take effect immediately.

Approved September 6, 1977.

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## CHAPTER 207

AN ACT to amend and supplement "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).

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

1. 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 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 enforce-

ment 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, 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, industrial trade instructor and identification officer in a county of the first class having a population of more than 925,000 inhabitants, 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 em-

ployees 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.

**C. 43:16A-62.1 Transfer of membership; requirement to enroll in system.**

2. a. (New section) Any officer eligible to become a member pursuant to the amendatory provisions of this act who is enrolled in the Public Employees' Retirement System or the county pension fund created under P. L. 1943, c. 160 (C. 43:10-18.1 et seq.), shall be permitted to transfer his membership from the aforementioned system or fund 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 from the effective date of this amendatory and supplementary act for the purposes hereof.

b. Each new officer who begins employment following the effective date of the amendatory and supplementary act, shall be required to enroll in the Police and Firemen's Retirement System of New Jersey as a condition of employment, provided he is otherwise eligible for membership by meeting the appointment, age, and health requirements prescribed of all members. As of the effective date of the amendatory and supplementary act, the eligibility for membership of such new officers in the Public Employees' Retirement System shall be terminated and membership requirements of such other system will be deemed satisfied by enrollment of such employees in the Police and Firemen's Retirement System.

3. This act shall take effect immediately.

Approved September 6, 1977.

**New Jersey State Library**

## CHAPTER 208

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 \$30,000,000.00 for the purposes of researching, planning, acquiring, developing, constructing and maintaining beach and harbor restoration, maintenance and protection facilities, projects and programs; 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 "Beaches and Harbors Bond Act of 1977."

2. The Legislature finds and determines that:

a. The restoration, maintenance and protection of our beaches and harbors are essential to the welfare, commerce and prosperity of the people of the State.

b. The State's growing population, expanding commercial development and tourist industry all require and should have a clean, adequate and accessible shoreline.

c. The restoration of our harbors will be a significant aid to navigation and commerce and will benefit the economy and the general safety and welfare of our citizens.

3. As used in this act unless the context indicates a 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. "Department" means the Department of Environmental Protection;

e. "Project" means any work relating to beach or harbor restoration, maintenance or protection;

f. "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 \$30,000,000.00 for the purposes of researching, planning, acquiring, developing, constructing and maintaining beach and harbor restoration, maintenance and protection facilities, projects and programs.

5. Said bonds shall be serial bonds and known as "Beaches and Harbors 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.

6. 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.

7. 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.

8. 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.

9. 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 "Beaches and Harbor Fund."

10. a. The moneys in said "Beaches and Harbor 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 "Beaches and Harbors 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 "Beaches and Harbors 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.

11. 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.

12. 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.

13. 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.

14. 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.

15. 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.

16. 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.

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17. 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.

18. 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.

19. 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.

20. 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, 1977 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.

21. 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, 1977 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 (V) mark in the square opposite the word "Yes."

If you disapprove the act entitled below, make a cross (X), plus (+), or check (V) 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;">BEACHES AND HARBORS BOND ISSUE</p> <p>Should the "Beaches and Harbors Bond Act of 1977" which authorizes the State to issue bonds in the amount of \$30,000,000.00 for the purposes of researching, planning, acquiring, developing, constructing and maintaining beach and harbor restoration, maintenance and protection facilities, projects and programs, 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 \$30,000,000.00 in bonds to be used for the development, construction, and maintenance of beach and harbor restoration, maintenance and protection 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.

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 this section.

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 Beaches and Harbors 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 "Beaches and Harbors Fund"; and an estimate of expenditures for the upcoming fiscal year.

22. Immediately following the submission to the Legislature of the Governor's Annual Budget Message the commissioner shall submit to 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 21 of this act, together with such changes therein as may have been required by the Governor's budget message.

23. 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.

24. This section and sections 21 of this act shall take effect immediately and the remainder of the act shall take effect as and when provided in section 21.

Approved September 3, 1977.

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## CHAPTER 209

AN ACT to amend "An act concerning the manner of disposition of cases of child abuse or neglect, revising parts of the statutory law and providing for an appropriation," approved October 10, 1974 (P. L. 1974, c. 119).

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

1. Section 1 of P. L. 1974, c. 119 (C. 9:6-8.21) is amended to read as follows:

**C. 9:6-8.21 Definitions.**

1. As used in this act, unless the specific context indicates otherwise:

a. "Parent or guardian" means any natural parent, adoptive parent, foster parent, stepparent, or any person, who has assumed responsibility for the care of a child or upon whom there is a legal duty for such care.

b. "Child" means any child alleged to have been abused or neglected.

c. "Abused or neglected child" means a child less than 18 years of age whose parent or guardian, as herein defined, (1) inflicts or allows to be inflicted upon such child physical injury by other than accidental means which causes or creates a substantial risk of death, or serious or protracted disfigurement, or protracted impairment of physical or emotional health or protracted loss or impairment of the function of any bodily organ; (2) creates or allows to be created a substantial or ongoing risk of physical injury to such child by other than accidental means which would be likely to cause death or serious or protracted disfigurement, or protracted loss or impairment of the function of any bodily organ; or (3) commits or allows to be committed an act of sexual abuse against the child; (4) or a child whose physical, mental, or emotional con-

dition has been impaired or is in imminent danger of becoming impaired as the result of the failure of his parent or guardian, as herein defined, to exercise a minimum degree of care (a) in supplying the child with adequate food, clothing, shelter, education, medical or surgical care though financially able to do so or though offered financial or other reasonable means to do so, or (b) in providing the child with proper supervision or guardianship, by unreasonably inflicting or allowing to be inflicted harm, or substantial risk thereof, including the infliction of excessive corporal punishment; or by any other acts of a similarly serious nature requiring the aid of the court; or (5) who has been willfully abandoned by his parent or guardian, as herein defined.

No child who in good faith is under treatment by spiritual means alone through prayer in accordance with the tenets and practices of a recognized church or religious denomination by a duly accredited practitioner thereof, shall for this reason alone be considered to be abused or neglected.

d. "Law guardian," means an attorney admitted to the practice of law in this State, regularly employed by the Department of the Public Advocate, and designated under this act to represent minors in alleged cases of child abuse or neglect. The Public Advocate may, by regulations, provide that certain classes of cases may be handled by the Office of the Public Defender.

e. "Attorney" means an attorney admitted to the practice of law in this State who shall be privately retained; or, in the instance of an indigent parent or guardian, an attorney from the Department of the Public Advocate who shall be appointed in order to avoid conflict between the interests of the child and the parent or guardian in regard to representation. The Public Advocate may, by regulation, provide that certain classes of cases may be handled by the Office of the Public Defender.

f. "Division" means the Division of Youth and Family Services in the Department of Institutions and Agencies unless otherwise specified.

2. Section 2 of P. L. 1974, c. 119 (C. 9:6-8.22) is amended to read as follows:

**C. 9:6-8.22 Jurisdiction of juvenile and domestic relations court.**

2. The juvenile and domestic relations court in each county shall have jurisdiction over all noncriminal proceedings involving alleged cases of child abuse or neglect, and shall be charged with the immediate protection of said children. All noncriminal cases in-

volving child abuse shall be commenced in or transferred to this court from other courts as they are made known to the other courts. Commencement of cases of child abuse or neglect must be the first order of priority in the juvenile and domestic relations court.

3. Section 4 of P. L. 1974, c. 119 (C. 9:6-8.24) is amended to read as follows:

**C. 9:6-8.24 Jurisdiction.**

4. Jurisdiction. a. Notwithstanding any other law to the contrary, the juvenile and domestic relations court has exclusive original jurisdiction over noncriminal proceedings under this act alleging the abuse or neglect of a child.

b. In determining the jurisdiction of the court under this act, the age of the child at the time the proceedings are initiated is controlling.

c. In determining the jurisdiction of the court under this act, the child need not be currently in the care or custody of his parent or guardian, as defined herein.

d. If the matter in regard to the parent or guardian is referred to the county prosecutor by the juvenile and domestic relations court or otherwise the juvenile and domestic relations court may continue the proceeding under this act in regard to the child after such referral. If the proceeding in regard to the child is continued, the juvenile and domestic relations court shall enter any preliminary order necessary to protect the interests of the child pending a final order from the criminal courts.

4. Section 5 of P. L. 1974, c. 119 (C. 9:6-8.25) is amended to read as follows:

**C. 9:6-8.25 Transfer to and from the domestic relations court; notice to the prosecutor.**

5. Transfer to and from the domestic relations court; a. Notice to the prosecutor. Immediately upon receipt of a complaint, the juvenile and domestic relations court shall forward a copy of such complaint to the county prosecutor, after which the prosecutor shall take whatever action he deems necessary under all of the circumstances.

b. Any criminal complaint charging facts amounting to abuse or neglect under this act may be transferred by the county prosecutor or the criminal court in which the complaint was made, to the juvenile and domestic relations court, in the county in which the former court is located. If any police officer, county prosecutor or criminal court receives a complaint which amounts to child abuse

or neglect, the police officer, county prosecutor or criminal court shall report to the division pursuant to P. L. 1971, c. 437, section 3 (C. 9:6-8.10). If any police officer, county prosecutor or the criminal court refers a matter with regard to the parent or guardian, or child, and there appears to be no basis for action in the juvenile and domestic relations court, the proceeding may be terminated. If the juvenile and domestic relations court determines a complaint should be filed, proceedings under this act shall be commenced immediately.

c. Nothing in this act shall be interpreted to preclude the county prosecutor from bringing criminal action against the parent or guardian or any other person even though the child involved is initially or ultimately the subject of proceedings in the juvenile and domestic relations court.

5. Section 6 of P. L. 1974, c. 119 (C. 9:6-8.26) is amended to read as follows:

**C. 9:6-8.26 Venue.**

6. Venue. Proceedings under this act shall be brought in accordance with the Rules of Court.

6. Section 7 of P. L. 1974, c. 119 (C. 9:6-8.27) is amended to read as follows:

**C. 9:6-8.27 Temporary removal with consent.**

7. Temporary removal with consent. a. A police officer or an agency or institution or individual may temporarily remove a child from the place where he is residing with the consent of his parent or other person legally responsible for his care, if there is reasonable cause to suspect that the child's life or health is in imminent danger. If the child is not returned within 3 working days from the date of removal, the procedure required pursuant to this act shall be applied immediately. b. However, if the Division of Youth and Family Services removes a child with the written consent of the parent or guardian, the proceedings under this act shall not apply, unless the division files a complaint to commence proceedings under this act.

7. Section 8 of P. L. 1974, c. 119 (C. 9:6-8.28) is amended to read as follows:

**C. 9:6-8.28 Preliminary orders of court before preliminary hearing held.**

8. Preliminary orders of court before preliminary hearing held. a. The juvenile and domestic relations court may enter an order

directing the temporary removal of a child from the place where he is residing before a preliminary hearing under this act, if (1) the parent or other person legally responsible for the child's care is absent or, though present, was asked and refused to consent to the temporary removal of the child and was informed of an intent to apply for any order under this section; and (2) the child appears so to suffer from the abuse or neglect of his parent or guardian that his immediate removal is necessary to avoid imminent danger to the child's life or health; and (3) there is not enough time to hold a preliminary hearing.

b. The order shall specify the facility to which the child is to be brought.

c. The juvenile and domestic relations court may enter an order authorizing a physician or hospital to provide emergency medical or surgical procedures before a preliminary hearing is held under this act if (1) such procedures are necessary to safeguard the life or health of the child; and (2) there is not enough time to hold a preliminary hearing under section 11 hereof.

d. Any person who originates a proceeding pursuant to section 14 of this act may apply for through the Division of Youth and Family Services or the court on its own motion may issue, an order of temporary removal. The division shall make every reasonable effort to inform the parent or guardian of any such application, confer with a person wishing to make such an application and make such inquiries as will aid the court in disposing of such application. Within 24 hours the Division of Youth and Family Services shall report such application to the central registry of the division.

e. Any person acting under the authority of this act may request and shall receive appropriate assistance from local and State law enforcement officials.

8. Section 9 of P. L. 1974, c. 119 (C. 9:6-8.29) is amended to read as follows:

**C. 9:6-8.29 Emergency removal without court order.**

9. Emergency removal without court order. a. A police officer or a designated employee of a county department of probation or a designated employee of the division may remove a child from the place where he is residing, or any such person or any physician treating such child may keep a child in his custody without an order pursuant to section 8 thereof and without the consent of the parent or guardian regardless of whether the parent or guardian is absent, if the child is in such condition that his con-

tinuance in said place or residence or in the care and custody of the parent or guardian presents an imminent danger to the child's life or health, and there is insufficient time to apply for a court order pursuant to section 8, or any physician or hospital treating such child may keep a child in custody pursuant to P. L. 1973, c. 147 (C. 9:6-8.16 et seq.), and

b. If a person authorized by this section removes or keeps custody of a child, he shall (1) inform the division immediately; (2) bring the child immediately to a place designated by the division for this purpose, and (3) make every reasonable effort to inform the parent or guardian of the facility to which he has brought the child.

c. Any person or institution acting in good faith in the removal or keeping of a child pursuant to this section shall have immunity from any liability, civil or criminal, that might otherwise be incurred or imposed as a result of such removal or keeping.

d. Any person acting under the authority of this act may request and shall receive appropriate assistance from local and State law enforcement officials.

9. Section 10 of P. L. 1974, c. 119 (C. 9:6-8.30) is amended to read as follows:

**C. 9:6-8.30 Action by the division upon emergency removal.**

10. Action by the division upon emergency removal. a. The division when informed that there has been an emergency removal of a child from his home without court order shall make every reasonable effort to communicate immediately with the child's parent or guardian that such emergency removal has been made and the location of the facility to which the child has been taken, and advise the parent or guardian to appear in the appropriate juvenile and domestic relations court on the next court day. The division shall also advise the party making the removal to appear. For the purposes of this section, "facility" means a hospital, shelter or child care institution in which a child may be placed for temporary care, but does not include a foster home.

b. The division shall cause a complaint to be filed under this act immediately or on the first court day after such removal takes place.

c. Whenever a child has been removed pursuant to section 7 or 9 of this act, the division shall arrange for immediate medical examination of the child and shall have legal authority to consent to such examination. Consent by the division pursuant to this subsection shall be deemed legal and valid for all purposes with respect

to any person, hospital or other health care facility examining such child in accordance with and in reliance upon such consent. Medical reports resulting from such examination shall be released to the division for the purpose of aiding in the determination of whether the child has been abused or neglected. Any person or health care facility acting in good faith in the examination of a child or in the release of medical records shall have immunity from any liability, civil or criminal, that might otherwise be incurred or imposed as a result of such act.

10. Section 11 of P. L. 1974, c. 119 (C. 9:6-8.31) is amended to read as follows:

**C. 9:6-8.31 Preliminary orders after filing of complaint.**

11. Preliminary orders after filing of complaint. a. In any case where the child has been removed without court order, except where action has been taken pursuant to P. L. 1973, c. 147 (C. 9:6-8.16 et seq.) the juvenile and domestic relations court shall hold a hearing on the next court day to determine whether the child's interests require protection pending a final order of disposition. In any other case under this act, any person who may originate a proceeding may apply for, or the court, on its own motion, may order a hearing at any time after the complaint is filed to determine whether the child's interests require protection pending a final order of disposition.

b. Upon such hearing, if the court finds that continued removal is necessary to avoid an ongoing risk to the child's life or health, it shall affirm the removal of the child to an appropriate place or place him in the custody of a suitable person.

c. Upon such hearing the court may, for good cause shown, issue a preliminary order of protection which may contain any of the provisions authorized on the making of an order of protection under section 35 hereof.

d. Upon such hearing, the court may, for good cause shown, release the child to the custody of his parent or guardian from whose custody or care the child was removed, pending a final order of disposition, in accord with section 33 hereof.

e. Upon such hearing, the court may authorize a physician or hospital to provide medical or surgical procedures if such procedures are necessary to safeguard the child's life or health.

f. If the court grants or denies a preliminary order requested pursuant to this section, it shall state the grounds for such decision.

g. In all cases involving abuse or neglect the court shall order an examination of the child by a physician appointed or designated for the purpose by the division. As part of such examination, the physician shall arrange to have color photographs taken as soon as practical of any areas of trauma visible on such child and may if indicated, arrange to have a radiological examination performed on the child. The physician, on the completion of such examination, shall forward the results thereof together with the color photographs to the court ordering such examination.

11. Section 12 of P. L. 1974, c. 119 (C. 9:6-8.32) is amended to read as follows:

**C. 9:6-8.32 Application to return child temporarily removed.**

12. Application to return child temporarily removed. Upon the application of the parent or guardian of a child temporarily removed under this act, the court shall hold a hearing to determine whether the child should be returned; a. if there has not been a hearing on the removal of the child at which the parent or guardian was present or had an adequate opportunity to be present; or b. upon good cause shown. Except for good cause shown, such hearing shall be held within 3 court days of the application. Upon such hearing, the court shall grant the application, unless it finds that such return presents an imminent risk to the child's life or health.

12. Section 13 of P. L. 1974, c. 119 (C. 9:6-8.33) is amended to read as follows:

**C. 9:6-8.33 Originating proceeding to determine abuse or neglect.**

13. Originating proceeding to determine abuse or neglect. a. A proceeding under this act is originated by the filing of a complaint in which facts sufficient to establish that a child is an abused or neglected child under this act are alleged.

b. Where more than one child is the responsibility of the parent or guardian it may be alleged in the same complaint that one or more children are abused or neglected children.

c. In cases of emergency, in addition to the removal of one child, any other child residing in the home may also be removed if his immediate removal is necessary to avoid imminent danger to his life or health.

13. Section 14 of P. L. 1974, c. 119 (C. 9:6-8.34) is amended to read as follows:

**C. 9:6-8.34 Persons who may originate proceedings.**

14. Persons who may originate proceedings. The following persons may originate a proceeding under this act:

- a. A parent or other person interested in the child.
- b. A duly authorized agency, association, society, institution or the division.
- c. A police officer.
- d. Any person having knowledge or information of a nature which convinces him that a child is abused or neglected.
- e. A person on the court's direction.
- f. The county prosecutor.
- g. In cases where a private individual is unwilling or reluctant to file a complaint, he may request the division to initiate a complaint in his stead.

14. Section 15 of P. L. 1974, c. 119 (C. 9:6-8.35) is amended to read as follows:

**C. 9:6-8.35 Preliminary procedure.**

15. Preliminary procedure. The division may:

- a. Confer with any person seeking to file a complaint, the potential respondent, and other interested persons concerning the advisability of filing a complaint under this act; and
- b. Attempt to adjust suitable cases before a complaint is filed over which the court apparently would have jurisdiction.
- c. The division shall not prevent any person or agency who wishes to file a complaint under this act from having access to the court for that purpose.
- d. Efforts at adjustment under this section may not extend for a period of more than 30 days without an order of a judge of the court, who may extend the period for an additional 30 days.
- e. Such adjustment may include a preliminary conference held by the division at its discretion upon written notice to the parent or guardian and the potential complainant for the purpose of attempting such adjustment, provided however that the division shall not be authorized under this section to compel any person to appear at any conference, produce any papers, or visit any place.
- f. The juvenile and domestic relations court and the division shall deal with cases involving imminent physical harm or actual physical harm on a priority basis.

15. Section 16 of P. L. 1974, c. 119 (C. 9:6-8.36) is amended to read as follows:

**C. 9:6-8.36 Admissibility of statements made during a preliminary conference.**

16. Admissibility of statements made during a preliminary conference. No statement made by the potential respondent during a preliminary conference held pursuant to section 15 hereof may be admitted into evidence at a fact-finding hearing under this act or in a court of criminal jurisdiction at any time prior to conviction.

16. Section 17 of P. L. 1974, c. 119 (C. 9:6-8.37) is amended to read as follows:

**C. 9:6-8.37 Issuance of summons.**

17. Issuance of summons. On the filing of a complaint involving abuse or neglect under this act, unless a warrant is issued pursuant to section 19 hereof, the court shall cause a copy of the complaint and a summons to be issued forthwith requiring the parent or guardian with whom the child is residing to appear at the court within 3 court days regarding the complaint. The court shall also, unless dispensed with for good cause shown, require the person thus summoned to produce the child at the time and place named.

17. Section 18 of P. L. 1974, c. 119 (C. 9:6-8.38) is amended to read as follows:

**C. 9:6-8.38 Service of summons.**

18. Service of summons. a. In cases involving abuse, or neglect the complaint and summons shall be served within 2 court days after their issuance. If they cannot be served within that time, such fact shall be reported to the court with the reasons therefor within 3 court days after their issuance and the court shall thereafter issue a warrant in accordance with the provisions of section 19 of this act. The court shall also, unless dispensed with for good cause shown, direct that the child be brought before the court.

b. Service of a summons and complaint shall be made by delivery of a true copy thereof to the person summoned at least 24 hours before the time stated therein for appearance.

c. If after reasonable effort, personal service is not made, the court may at any stage in the proceedings make an order providing for substituted service in the manner provided for substituted service in accordance with the Rules of Court.

18. Section 19 of P. L. 1974, c. 119 (C. 9:6-8.39) is amended to read as follows:

**C. 9:6-8.39 Issuance of warrant and reports.**

19. Issuance of warrant and reports. a. The court may issue a warrant directing the parent or guardian with whom the child is residing to be brought before the court, when a complaint is filed with the court under this act and it appears that (1) the summons cannot be served; or (2) the summoned person has refused to obey the summons; or (3) the parent or guardian is likely to leave the jurisdiction; or (4) a summons, in the court's opinion, would be ineffectual; or (5) the safety of the child is endangered.

b. When issuing a warrant under this section, the court may also direct that the child be brought before the court.

c. If a warrant is not executed within 2 court days of its issuance such fact shall be reported to the court within 3 court days of its issuance.

19. Section 20 of the P. L. 1974, c. 119 (C. 9:6-8.40) is amended to read as follows:

**C. 9:6-8.40 Records involving abuse or neglect.**

20. Records involving abuse or neglect. When the division receives a report or complaint that a child may be abused or neglected; or when the division receives a request from the juvenile and domestic relations court to investigate such allegations, the division may request of any and all public or private institutions, or agencies including law enforcement agencies, or any private practitioners, their records past and present pertaining to that child and other children under the same care, custody and control. Records kept pursuant to P. L. 1973, c. 306 (C. 2A:4-42 et seq.) may be obtained by the division, upon issuance by a court of an order on good cause shown directing these records to be released to the division for the purpose of aiding in evaluation to determine if the child is abused or neglected. In the release of the aforementioned records, the source shall have immunity from any liability, civil or criminal.

20. Section 22 of the P. L. 1974, c. 119 (C. 9:6-8.42) is amended to read as follows:

**C. 9:6-8.42 Effect of absence of parent or guardian.**

22. Effect of absence of parent or guardian. If the parent or guardian is not present, the court may proceed to hear a complaint under this act only if the child is represented by a law guardian. If the parent or guardian thereafter makes a motion to the court that a resulting disposition be vacated and asks for a

rehearing, the court shall grant the motion on an affidavit showing such relationship or responsibility unless the court finds that the parent or guardian willfully refused to appear at the hearing in which case the court may deny the motion.

21. Section 23 of the P. L. 1974, c. 119 (C. 9:6-8.43) is amended to read as follows:

**C. 9:6-8.43 Notice of rights.**

23. Notice of rights. a. The court shall advise the parent or guardian of his right to have an adjournment to retain counsel and consult with him. The court shall advise the respondent that if he is indigent, he may apply for an attorney through the Department of the Public Advocate. The court shall appoint a law guardian for the child as provided by this act.

b. The general public may be excluded from any hearing under this act, and only such persons and the representatives of authorized agencies may be admitted thereto as have an interest in the case.

22. Section 26 of the P. L. 1974, c. 119 (C. 9:6-8.46) is amended to read as follows:

**C. 9:6-8.46 Evidence.**

26. Evidence. a. In any hearing under this act (1) proof of the abuse or neglect of one child shall be admissible evidence on the issue of the abuse or neglect of any other child of, or the responsibility of, the parent or guardian and (2) proof of injuries sustained by a child or of the condition of a child of such a nature as would ordinarily not be sustained or exist except by reason of the acts or omissions of the parent or guardian shall be prima facie evidence that a child of, or who is the responsibility of such person is an abused or neglected child, and (3) any writing, record or photograph, whether in the form of an entry in a book or otherwise, made as a memorandum or record of any condition, act, transaction, occurrence or event relating to a child in an abuse or neglect proceeding of any hospital or any other public or private institution or agency shall be admissible in evidence in proof of that condition, act, transaction, occurrence or event, if the judge finds that it was made in the regular course of the business of any hospital or any other public or private institution or agency, and that it was in the regular course of such business to make it, at the time of the condition, act, transaction, occurrence or event, or within a reasonable time thereafter, shall be prima facie evidence

of the facts contained in such certification. A certification by someone other than the head of the hospital or agency shall be accompanied by a photocopy of a delegation of authority signed by both the head of the hospital or agency and by such other employees. All other circumstances of the making of the memorandum, record or photograph, including lack of personal knowledge of the making, may be proved to affect its weight, but they shall not affect its admissibility and (4) previous statements made by the child relating to any allegations of abuse or neglect shall be admissible in evidence; provided, however, that no such statement, if uncorroborated, shall be sufficient to make a fact finding of abuse or neglect.

b. In a fact-finding hearing (1) any determination that the child is an abused or neglected child must be based on a preponderance of the evidence and (2) only competent, material and relevant evidence may be admitted.

c. In a dispositional hearing and during all other stages of a proceeding under this act, only material and relevant evidence may be admitted.

23. Section 27 of P. L. 1974, c. 119 (C. 9:6-8.47) is amended to read as follows:

**C. 9:6-8.47 Sequence of hearings.**

27. Sequence of hearings. a. Upon completion of the fact-finding hearing, the dispositional hearing may commence immediately after the required findings are made.

b. Reports prepared by the probation department or the division for use by the court at any time for the making of an order of disposition shall be deemed confidential information furnished to the court which the court in a proper case may, in its discretion, disclose in whole or in part to the law guardian, attorney as defined herein, or other appropriate person. Such reports may not be furnished to the court prior to the completion of a fact-finding hearing, but may be used in a dispositional hearing.

24. Section 30 of P. L. 1974, c. 119 (C. 9:6-8.50) is amended to read as follows:

**C. 9:6-8.50 Sustaining or dismissing complaint.**

30. Sustaining or dismissing complaint. a. If facts sufficient to sustain the complaint are established, the court shall enter an order finding that the child is an abused or neglected child and shall state the grounds for said findings.

b. If the proof does not conform to the specific allegations of the complaint, the court may amend the allegations to conform to the proof; provided, however, that in such case the respondent shall be given reasonable time to prepare to answer the amended allegations.

c. If facts sufficient to sustain the complaint under this act are not established, or the court concludes that its assistance is not required on the record before it, the court shall dismiss the complaint and shall state the grounds for the dismissal.

d. If the court makes a finding of abuse or neglect, it shall determine, based upon the facts adduced during the fact-finding hearing, and upon any other facts presented to it, whether a preliminary order pursuant to section 11 hereof is required to protect the child's interests pending a final order of disposition. The court shall state the grounds for its determination. In addition, a child found to be abused or neglected may be removed and remanded to a place designated by the court or be placed in the custody of a suitable person, pending a final order of disposition, if the court finds that there is a substantial probability that the final order of disposition will be an order of placement under the section 34 hereof.

e. If the court finds that the child is an abused or neglected child as defined in this act, it may refer any aspect of the matter, including anything related to the child and the parent or guardian, to the division, ordering that the division provide such services as are deemed appropriate to the ends of protecting the child and rehabilitating and improving family life, wherever possible. In the event of such referral, the court may suspend any dispositional hearing indefinitely. The division shall report the status of the case so referred to the court annually in writing, a copy to be served upon the parent or guardian and the law guardian. The division shall also report its intent to terminate services in a case so referred to the court in writing.

25. Section 32 of P. L. 1974, c. 119 (C. 9:6-8.52) is amended to read as follows:

**C. 9:6-8.52 Suspended judgment.**

32. Suspended judgment. a. The court shall define permissible terms and conditions of a suspended judgment. These terms and conditions shall relate to the acts of commission or omission of the parent or guardian.

b. The maximum duration of any term or condition of a suspended judgment shall be 1 year, unless the court finds at the

conclusion of that period, upon a hearing, that exceptional circumstances required an extension thereof for an additional year.

26. Section 34 of P. L. 1974, c. 119 (C. 9:6-8.54) is amended to read as follows:

**C. 9:6-8.54 Placement.**

34. Placement. a. For the purpose of section 31 hereof, the court may place the child in the custody of a relative or other suitable person or the division for the placement of a child.

b. Placements under this section may be for an initial period of 18 months and the court, in its discretion, may at the expiration of that period, upon a hearing make successive extensions for additional periods of 1 year each. The place in which or the person with which the child has been placed under this section shall submit a report at the end of the term of placement, making recommendations and giving such supporting data as is appropriate. The court on its own motion may, at the conclusion of any period of placement, hold a hearing concerning the need for continuing the placement.

c. No placement may be made or continued under this section beyond the child's eighteenth birthday without his consent.

d. If the parent or person legally responsible for the care of any such child or with whom such child resides receives public assistance and care, any portion of which is attributable to such child, a copy of the order of the court providing for the placement of such child from his home shall be furnished to the appropriate county welfare board, which shall reduce the public assistance and care furnished to such parent or other person by the amount attributable to such child.

27. Section 36 of P. L. 1974, c. 119 (C. 9:6-8.56) is amended to read as follows:

**C. 9:6-8.56 Probation supervision.**

36. Probation supervision. The court may place the respondent under the supervision of the probation department and the court shall define permissible terms and conditions of said supervision. The maximum duration of any such term or condition shall not exceed a period of 2 years, unless the court finds at the conclusion of that period that exceptional circumstances require an extension thereof for an additional year.

28. Section 39 of P. L. 1974, c. 119 (C. 9:6-8.59) is amended to read as follows:

**C. 9:6-8.59 Staying, modifying, setting aside or vacating orders.**

39. Staying, modifying, setting aside or vacating orders. For good cause shown and after due notice, the court on its own motion, or that of the county prosecutor, the law guardian, the respondent's attorney, or the division may stay execution of arrest, set aside, modify or vacate any order issued in the course of a proceeding under this act. The court must state the grounds for this action.

29. Section 41 of P. L. 1974, c. 119 (C. 9:6-8.61) is amended to read as follows:

**C. 9:6-8.61 Service of petition; answer.**

41. Service of petition; answer. A copy of a petition under section 40 hereof shall promptly be served pursuant to the Rules of Court upon the division or the individual having custody of the child under section 34 whose duty it shall be to file an answer to the petition within 5 days.

30. Section 45 of P. L. 1974, c. 119 (C. 9:6-8.65) is amended to read as follows:

**C. 9:6-8.65 Custody of child.**

45. If under section 34, custody of the child is given to a party other than the division, and that party is no longer able to continue custody of the child, the court may authorize the division to arrange for the child's care by another person or assume custody of the child.

31. Section 50 of P. L. 1974, c. 119 (C. 9:6-8.70) is amended to read as follows:

**C. 9:6-8.70 Appealable orders.**

50. Appealable orders. An appeal may be taken as of right from any final order of disposition and from any other final order made pursuant to this act. An appeal from a final order or decision in a case involving child abuse may be taken as of right to the Appellate Division of the Superior Court. Pending the determination of such appeal, such order or decision shall be stayed where the effect of such order or decision would be to discharge the child, if the juvenile and domestic relations court or the court before which such appeal is pending finds that such a stay is necessary to avoid imminent risk to the child's life or health.

32. This act shall take effect immediately.

Approved September 7, 1977.

## CHAPTER 210

A SUPPLEMENT to "An act concerning the manner of disposition of cases of child abuse or neglect, revising parts of the statutory law and providing for an appropriation," approved October 10, 1974 (P. L. 1974, c. 119, C. 9:6-8.21 et seq.).

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

**C. 9:6-8.36a Report to county prosecutor; development and promulgation of regulations.**

1. The Division of Youth and Family Services shall immediately report all instances of suspected child abuse and neglect, as defined by regulations, to the county prosecutor of the county in which the child resides. Said regulations shall be developed jointly by the division and the county prosecutors, approved by the Attorney General, and promulgated by the Commissioner of the Department of Human Services.

2. This act shall take effect immediately.

Approved September 7, 1977.

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CHAPTER 211

AN ACT to amend "An act concerning the adoption of children, their custody, control and rights of inheritance, and repealing subtitle 2 of Title 9 of the Revised Statutes," approved July 23, 1953 (P. L. 1953, c. 264).

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

1. Section 8 of P. L. 1953, c. 264 (C. 9:3-24) is amended to read as follows:

**C. 9:3-24 Preliminary hearing.**

8. Preliminary hearing.

A. A preliminary hearing, when required by subsection A. of section 7, shall be in camera, and shall have for its purpose the

determination of: (1) the circumstances under which the child was received into the home of the plaintiff; (2) the status of the parents of the child with respect to further rights as to custody of the child; (3) the potential fitness of the child for adoption; and (4) the potential fitness of the plaintiff to adopt the child and to provide a home suitable for his rearing.

B. If in the course of the preliminary hearing the court shall determine that there is lack of jurisdiction, or that there is lack of qualification on the part of a plaintiff, or that the child is in the custody of an approved agency and such agency has not consented to the adoption, the action shall be dismissed forthwith.

C. If the court shall determine, from the report of the approved agency and the evidence presented at the preliminary hearing, that a parent of the child sought to be adopted is dead, or mentally incompetent, or has forsaken parental obligations, or has been divorced by the other parent on grounds of adultery or desertion or extreme cruelty, the court may declare that such parent has no further right to custody of the child. If the court shall determine that the child sought to be adopted is illegitimate, the court shall declare that the father, and the husband of the mother if she be married, has no right as to custody of the child. If the court shall determine that a custodian or guardian has been appointed for the child sought to be adopted, but that such custodian or guardian has willfully and continuously neglected or failed to discharge the responsibilities of such appointment, the court may declare that such custodian or guardian has no further control and authority over the person of the child.

D. If in the course of the preliminary hearing the court shall determine that there has not been a personal appearance by or personal service upon each person having custody of the child as required by subsection A. of section 7 hereof, or that the best interests of the child would not be promoted by the adoption, the court shall deny the adoption and make such further order concerning the custody of the child as may be deemed proper in the circumstances. However, the court shall not make any grant of custody unless it has considered and given due weight to the child's wishes as to custody, if the child is of sufficient age and capacity to form an intelligent preference concerning custody.

2. Section 11 of P. L. 1953, c. 264 (C. 9:3-27) is amended to read as follows:

**C. 9:3-27 Final hearing; judgment of adoption.**

## 11. Final hearing; judgment of adoption.

A. Upon the final hearing, the court shall proceed in camera; provided, however, that if there has been a preliminary hearing and the next friend shall have recommended the adoption, the final hearing may be dispensed with and judgment may be entered forthwith.

B. If a next friend shall have been appointed pursuant to subsection A. of section 9, such next friend shall be a necessary party at the final hearing, shall be entitled to present testimony and to cross-examine witnesses, and shall be subject to examination with respect to its report and recommendations in the matter. If the child sought to be adopted is of the age of 10 years or over, the appearance of such child shall be required at the final hearing, and the child's wishes concerning the adoption shall be solicited by the court and given consideration, if the child is of sufficient age and capacity to form an intelligent preference regarding adoption; provided that the court, in its discretion and for good cause shown, may waive the requirement that such child appear.

C. If, from the report and the evidence presented, the court shall be satisfied that the best interests of the child would be promoted by the adoption, the court shall enter a judgment of adoption.

D. If, from the evidence presented, the court shall be satisfied that the best interests of the child would not be promoted by the adoption, the court shall enter a judgment denying the adoption. If the child is not in the custody of an approved agency, such judgment shall contain such further provisions concerning the custody of the child as may be proper in the circumstances.

E. The clerk of each juvenile and domestic relations court and of each County Court shall promptly file with the Superior Court a copy of each judgment of adoption entered pursuant to this act. The Clerk of the Superior Court shall docket the copies of such judgments and shall maintain an alphabetical index of all judgments of adoption entered each year pursuant to this act in the juvenile and domestic relations courts and County Courts and the Superior Court of this State.

3. This act shall take effect immediately.

Approved September 7, 1977.

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## CHAPTER 212

AN ACT concerning the waiver of certain adoption requirements and amending N. J. S. 2A:22-2.

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

1. N. J. S. 2A:22-2 is amended to read as follows:

**Age of plaintiff; request by adoptee; waiver of requirements.**

2A:22-2. Such adoption shall not be granted unless the adopting parent or parents are at least 10 years older than the person to be adopted and the latter has, in writing acknowledged by him as deeds are required to be acknowledged, requested the adoption and, if desired, the change of name. The court, upon being satisfied that the best interests of the person to be adopted would be promoted by granting the adoption, may waive any and all of the above requirements. Every such waiver shall be recited in any judgment of adoption thereafter entered.

2. This act shall take effect immediately.

Approved September 7, 1977.

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CHAPTER 213

AN ACT prohibiting obstruction from view of cash register item cost indicators and providing penalties thereof.

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

**C. 46:30A-6 Cash registers with item cost indicators; visibility to customers; exceptions.**

1. In any individual business establishment which has one or more cash registers with item cost indicators, said indicators shall at all times remain visible to customers making payment for items purchased or services rendered; provided, however, that this act shall not apply to business establishments that provide cash registers in each department, or an itemized sales slip, receipt or similar document fully identifying each item and stating the price thereof.

**C. 46:30A-7 Violations.**

2. Violations of this act shall include situating the register or stacking merchandise near the register so as to make it impossible or difficult for customers to see the indicator.

**C. 46:30A-8 Violation of act; penalty enforcement.**

3. The owner or manager of any individual business establishment wherein this act is knowingly violated by said owner or manager shall be liable to a penalty of not more than \$50.00 for the first offense, not more than \$100.00 for the second offense and not more than \$250.00 for each subsequent 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 in which the business premises are located shall have jurisdiction over such proceedings. Process shall be in the nature of a summons or warrant, and shall issue upon the complaint of the Director of the Division of Consumer Affairs.

4. This act shall take effect 6 months after the date of its enactment.

Approved September 13, 1977.

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CHAPTER 214

AN ACT concerning certain crimes, amending sections 2A:85-6, 2A:93-4, 2A:93-5, 2A:93-6, 2A:97-1, 2A:105-1, 2A:105-2 and 2A:159-3 and supplementing Title 2A, of the New Jersey Statutes.

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

1. N. J. S. 2A:85-6 is amended to read as follows:

**High misdemeanors; punishment.**

2A:85-6. a. Any person found guilty of a crime which by statute is declared to be a high misdemeanor, and for which no punishment is specifically provided, shall be punished by a fine of not more than \$100,000.00 or by imprisonment for not more than 7 years, or both.

b. Any corporation found guilty of a crime which by statute is declared to be a high misdemeanor, and for which no punishment

is specifically provided, shall be punished by a fine of not more than \$100,000.00.

2. N. J. S. 2A:93-4 is amended to read as follows:

**Soliciting or receiving reward for vote.**

2A:93-4. Any member or officer of any State, county or municipal government, or member of any public authority, board, association, commission or committee, who solicits or receives, directly or indirectly, any money or valuable thing, reward or commission for his vote as a member thereof, is guilty of a misdemeanor, if the amount of money, or value of the thing, reward or commission is \$200.00 or less, and if the amount of money, or value of the thing, reward or commission is over \$200.00, such person is guilty of a high misdemeanor.

3. N. J. S. 2A:93-5 is amended to read as follows:

**Disqualification to hold office; ineligibility to conduct business with public entities; list of corporations barred from conducting business.**

2A:93-5. a. Any person convicted of an offense under sections 2A:93-2, 2A:93-4, 2A:93-6, 2A:97-1, 2A:105-1, or 2A:105-2 of this Title, or any judge or magistrate who receives or accepts a bribe, present or reward in violation of section 2A:93-1 of this Title, shall, in addition to the punishment prescribed for such offense, be forever disqualified from holding any office or position of honor, trust or profit under this State.

b. Except as may otherwise be ordered by the Attorney General as the public need may require, any person convicted of an offense under sections 2A:93-2, 2A:93-6, or 2A:97-1 of this Title shall be ineligible, either directly or indirectly, to submit a bid, enter into any contract, or to conduct any business with any board, agency, authority, department, commission, public corporation, or other body of this State, of this or one or more other states, or of one or more political subdivisions of this State for a period of, but not more than, 5 years from the date of conviction. It is the purpose of this section to bar any individual convicted of any of the above enumerated offenses and any business, including any corporation, partnership, association or proprietorship in which such individual is a principal, or with respect to which such individual owns, directly or indirectly, or controls 5% or more of the stock or other equity interest of such business, from conducting business with public entities pursuant to the provisions of this section.

The Secretary of State shall keep and maintain a list of all corporations barred from conducting such business pursuant to this section.

4. N. J. S. 2A:93-6 is amended to read as follows:

**Giving or accepting bribes in connection with government work, service, etc.**

2A:93-6. Any person who directly or indirectly gives or receives, offers to give or receive, or promises to give or receive any money, real estate, service or thing of value as a bribe, present or reward to obtain, secure or procure any work, service, license, permission, approval or disapproval, or any other act or thing connected with or appertaining to any office or department of the government of the State or of any county, municipality or other political subdivision thereof, or of any public authority, is guilty of a misdemeanor if the amount of money or value of the real estate, service or thing is \$200.00 or less, and if the amount of money or value of the real estate, service or thing is over \$200.00, such person is guilty of a high misdemeanor.

5. N. J. S. 2A:97-1 is amended to read as follows:

**Compounding of crimes.**

2A:97-1. Any person who takes any money, real estate, service, thing or other reward, or promise thereof, to compound, or upon agreement to compound, any offense indictable under the laws of this State, is guilty of a misdemeanor if the amount of money or value of the real estate, service, thing, or reward is \$200.00 or less, and if the amount of money or value of the real estate, service, thing or reward is over \$200.00, such person is guilty of a high misdemeanor, but in no case shall his punishment be greater than is provided for the offense compounded.

6. N. J. S. 2A:105-1 is amended to read as follows:

**Unlawful takings.**

2A:105-1. Any judge, magistrate or public officer who, by color of his office, receives or takes any fee or reward not allowed by law for performing his duties, is guilty of a misdemeanor if the amount of the fee or reward is \$200.00 or less, and if the amount of the fee or reward is over \$200.00, such person is guilty of a high misdemeanor.

7. N. J. S. 2A:105-2 is amended to read as follows:

**Soliciting or receiving fees in criminal cases.**

2A:105-2. Any public officer or employee, judge or magistrate who asks, demands or receives from any person, directly or in-

directly, any fee or reward for the performance of any service in a criminal case, is guilty of a misdemeanor if the amount of the fee or reward is \$200.00 or less, and if the amount of the fee or reward is over \$200.00, such person is guilty of a high misdemeanor.

8. N. J. S. 2A:159-3 is amended to read as follows:

**Prosecution and punishment of public officers, fiduciaries, etc.**

2A:159-3. Any person holding or having held, or who may hereafter hold, any public office, position or employment, either under this State or under any political subdivision or agency thereof, whether elective or appointive, or any person being or having been, or who may hereafter be, an executor, administrator, guardian, trustee or receiver, or any officer or director holding or having held, or who may hereafter hold, office, position or employment with any public, quasi-public or public quasi corporation or with any charitable, religious or fraternal organization or with any mutual benefit society or association for nonpecuniary benefit or with any bank or building and loan association or savings and loan association or with any trust, insurance, mortgage, guaranty, title or investment company, may be prosecuted, tried and punished for any offense committed in the exercise of the duties of such office, position or employment or while acting under color of such office, position or employment, where the indictment has been or may be found within 7 years from the time of committing such offense. This section shall not apply to any person fleeing from justice.

**C. 2A:93-5.1 Restitution to victim; hearing; "gain" and "loss" defined.**

9. (New section) A person who has been convicted of a violation of N. J. S. 2A:93-4, 2A:93-6, 2A:97-1, 2A:105-1 or 2A:105-2 from which there has occurred pecuniary gain to the offender or pecuniary loss to the victim may be ordered by the court to make restitution to the victim, in addition to paying any fine. In such a case the court shall, without a jury, conduct such hearing as is necessary to make findings as to the monetary amount of the pecuniary gain or pecuniary loss. For the purposes of this section, the term "gain" means the amount of money or the value of property derived by the offender, the term "loss" means the amount of money or the value of property separated from the victim, and the term "victim" includes the State or any of its political or administrative subdivisions. No restitution ordered paid to the victim shall exceed the victim's loss.

10. (New section) 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.

11. This act shall take effect immediately, but shall not affect any violation occurring before the effective date.

Approved September 13, 1977.

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## CHAPTER 215

AN ACT concerning certain civil 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:170-77.16 Sale of term paper, thesis, dissertation or other writing intended for submission to an academic institution under student's name.**

1. No person shall, for any fee, or other remuneration, prepare, offer to prepare, cause to be prepared, sell or offer for sale any term paper, thesis, dissertation, essay, report or other written, recorded, pictorial, artistic or other assignment knowing, or under the circumstances having reason to know, that said assignment is intended for submission either in whole or substantial part under a student's name in fulfillment of the requirements for a degree, diploma, certificate, course or courses of study at any university, college, academy, school or other educational institution.

**C. 2A:170-77.17 Exceptions.**

2. Nothing contained in this act shall prevent any person from providing tutorial assistance, research material, information or other assistance to persons enrolled in a university, college, academy, school or other educational institution, which is not intended for submission directly or in substantial part as an assignment under the student's name to such educational institution in fulfillment of the requirements for a degree, diploma, certificate or course of study. Nor shall any person be prevented by this act

from rendering services for a fee which include the typing, research, assembling, transcription, reproduction or editing of a manuscript or other assignment which he has not prepared at the request of or on behalf of the purchaser.

**C. 2A:170-77.18 Violation of act; penalty; actions for injunctions.**

3. Anyone convicted of violating any provision of this act shall be guilty of a civil offense which shall be enforced by summons and complaint as if it were a disorderly persons action and which shall be subject to a fine of up to \$1,000.00, which fine shall be collectible by any municipal court or any other court of competent jurisdiction. Any court of competent jurisdiction is hereby authorized to grant such further relief as is necessary to enforce the provisions of this act, including the issuance of an injunction.

Actions for injunction under the provisions of this act may be brought in the name of the people of this State upon their own complaint or upon the complaint of any person, or any public or private college, university, academy, school or other educational institution which is chartered, incorporated, licensed, registered or supervised by this State, acting for the interest of itself, its students, or the general public.

4. This act shall take effect immediately.

Approved September 13, 1977.

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CHAPTER 216

AN ACT concerning education and amending N. J. S. 18A:16-6.

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

1. 18A:16-6 is amended to read as follows:

**Indemnity of officers and employees against civil actions.**

18A:16-6. Whenever any civil action has been or shall be brought against any person holding any office, position or employment under the jurisdiction of any board of education, including any student teacher or person assigned to other professional pre-teaching field experience, for any act or omission arising out of and in the course of the performance of the duties of such office, position, employment or student teaching or other assignment to

professional field experience, the board shall defray all costs of defending such action, including reasonable counsel fees and expenses, together with costs of appeal, if any, and shall save harmless and protect such person from any financial loss resulting therefrom; and said board may arrange for and maintain appropriate insurance to cover all such damages, losses and expenses.

2. This act shall take effect immediately.

Approved September 13, 1977.

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## CHAPTER 217

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

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

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

**C. 54:32B-8 Exempt sales.**

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

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

(b) Sales of food, food products, beverages except alcoholic beverages, excluding draft beer sold by the barrel, as defined in the Alcoholic Beverage Tax Law, dietary foods and health supplements, sold for human consumption off the premises where sold but not including (i) candy and confectionery, and (ii) carbonated soft drinks and beverages all of which shall be subject to the retail sales and compensating use taxes, whether or not the item is sold in liquid form. Nothing herein shall be construed as exempting

food or drink from the tax imposed under subsection (c) of section 3;

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

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

(e) Sales of newspapers, magazines and periodicals;

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

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

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

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

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

(k) The transportation of persons or property;

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

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

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

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

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

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

(n) Sales of tangible personal property purchased for use or consumption directly and exclusively in research and development in the experimental or laboratory sense. Such research and development shall not be deemed to include the ordinary testing or inspection of materials or products for quality control, efficiency surveys, management studies, consumer surveys, advertising, promotions or research in connection with literary, historical or similar projects;

(o) Sales or use of wrapping paper, wrapping twine, bags, cartons, tape, rope, labels, nonreturnable containers, reusable milk containers and all other wrapping supplies when such use is incidental to the delivery of any personal property;

(p) Sales of tangible personal property (except automobiles, and except property incorporated in a building or structure) for use and consumption directly and exclusively in the production for sale of tangible personal property on farms, including stock, dairy, poultry, fruit, fur-bearing animals, and truck farms, ranches, nurseries, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards;

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

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

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

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

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

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

(w) Sales made to contractors, subcontractors or repairmen of materials, supplies or services for exclusive use in erecting structures, or building on, or otherwise improving, altering or repairing real property of organizations described in subsections (a) and (b) of section 9 of this act, provided any person seeking to qualify for this exemption shall do so pursuant to such rules and regulations and upon such forms as shall be prescribed by the director;

(x) The renting, leasing, licensing or interchanging of trucks, tractors, trailers or semitrailers by persons not engaged in a regular trade or business offering such renting, leasing, licensing or interchanging to the public, provided, that such renting, leasing, licensing or interchanging is carried on with persons engaged in a regular trade or business involving carriage of freight by such vehicles;

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

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

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

(bb) Sales of locomotives, railroad cars and other railroad rolling stock, including repair and replacement parts therefor, track materials, and communication, signal and power transmission equipment, to a railroad whose rates are regulated by the Interstate Commerce Commission or by the Board of Public Utility Commissioners of New Jersey;

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

(dd) Sales of newspaper production machinery, apparatus and equipment for use and consumption directly and primarily in the publication of newspapers in the production departments of a newspaper plant, including, but not limited to: engraving, enlarging and development equipment, internal process cameras and news transmission equipment, composing and pressroom apparatus and equipment, type fonts, lead, mats, ink, plats, conveyors, stackers, storing, bundling, stuffing, labeling and wrapping equipment and supplies for any of the foregoing except that sales of motor vehicles, typewriters, and other equipment and supplies otherwise taxable under this act are not exempt.

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

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

2. This act shall take effect January 1, 1978.

Approved September 13, 1977.

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