LAWS = NEW JERSEY
1996

New Jersey State Library

ACTS

OF THE

First Annual Session

OF THE

Two Hundred and Seventh Legislature

OF THE

STATE OF NEW JERSEY

1996

New Jersey State Library

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

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of the
FIRST ANNUAL SESSION
of the
Two Hundred and Seventh Legislature

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(Part of Bergen)
GERALD CARDINALE

FORTIETH DISTRICT
(Parts of Bergen, Passaic)
HENRY P. McNAMARA

[1] Died 12/17/96.
[2] Sworn in 1/14/97.

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JOHN V. KELLY

THIRTY-SEVENTH DISTRICT
(Part of Bergen)
LORETTA WEINBERG
CHARLES "KEN" ZISA

THIRTY-EIGHTH DISTRICT
(Part of Bergen)
ROSE MARIE HECK
PATRICK J. ROMA[6]

THIRTY-NINTH DISTRICT
(Part of Bergen)
JOHN E. ROONEY
CHARLOTTE VANDERVALK

FORTIETH DISTRICT
(Parts of Bergen, Passaic)
NICHOLAS R. FELICE
DAVID C. RUSSO

[1] Resigned 1/14/97.
[2] Sworn in 1/14/97.
[3] Died 3/16/96.
[4] Sworn in 5/2/96.
[5] Resigned 1/6/97.
[6] Resigned 1/10/97.

LAWS

(13)

ACTS

ENACTED BY THE

First Annual Session

OF THE

Two Hundred and Seventh Legislature

CHAPTER 1

A SUPPLEMENT to "An Act making an appropriation for the support of State Government and the several public purposes for the fiscal year ending June 30, 1996 and regulating the disbursement thereof," approved June 30, 1995 (P.L.1995, c.164).

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

1. Upon certification by the Director of the Division of Budget and Accounting in the Department of the Treasury that federal funds to support the expenditures listed below are available, the following sum is appropriated:

FEDERAL FUNDS
66. DEPARTMENT OF LAW AND PUBLIC SAFETY
80. SPECIAL GOVERNMENT SERVICES
82. PROTECTION OF CITIZENS' RIGHTS

19-1440 Victims of Crime Compensation		$2,236,000
Special Purpose:		
Victims of Crime Compensation.....	($2,236,000)	

2. This act shall take effect immediately.

Approved February 22, 1996.

CHAPTER 2

AN ACT authorizing the Director of the Division of Taxation to establish a State tax payment system by credit card, debit card or electronic funds

transfer, providing for a State tax amnesty period, supplementing Title 54 of the Revised Statutes, and making an appropriation.

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

C.54:48-4.2 Definitions relative to establishment of automated State tax payment system.

1. As used in this act:

"Cardholder" means the person or organization named on the face of a credit card or debit card to whom or for whose benefit the credit card or debit card is issued by an issuer.

"Card payment system" means a technical procedure by which tax obligations owed the State may be paid by credit card or debit card.

"Credit card" means any instrument or device linked to an established line of credit, whether known as a credit card, charge card, credit plate, or by any other name, issued with or without fee by an issuer for the use of the cardholder in satisfying outstanding financial obligations, obtaining money, goods, services or anything else of value on credit.

"Debit card" means any instrument or device, whether known as a debit card, automated teller machine card, or by any other name, issued with or without fee by an issuer for the use of the cardholder in obtaining money, goods, services or anything else of value through the electronic authorization of a financial institution to debit the cardholder's account.

"Electronic funds transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, that is initiated through an electronic terminal, telephone, or computer or magnetic tape for the purpose of ordering, instructing or authorizing a financial institution to debit or credit an account.

"Electronic funds transfer system" means a technical procedure by which tax obligations owed the State may be paid by an electronic transaction between the financial institution of the person or organization owing the obligation and the financial institution of the State.

"Issuer" means the business organization or financial institution that issues a credit card or debit card, or its duly authorized agent.

"Service charge" means a mandatory fee to be charged by the Division of Taxation in excess of the total obligation under this act owed by a person or organization to offset processing charges or discount fees for the use of a card payment system or an electronic funds transfer system.

C.54:48-4.3 Establishment of card payment, electronic funds transfer system.

2. Subject to the provisions of section 3 of P.L.1996, c.2 (C.54:48-4.4), the director may establish a card payment system or electronic funds transfer system for payments of State taxes.

C.54:48-4.4 Assessment, collection of service charges.

3. Notwithstanding the provisions of any other law to the contrary and if not legally prohibited by an issuer or by an organization whose members are issuers, the director shall assess and collect service charges related to the payment of obligations owed to or collected by the Division of Taxation when credit cards, debit cards or electronic funds transfer systems are utilized.

C.54:53-17 Three month amnesty period; applicability, procedure.

4. a. In addition to the powers of the director prescribed under the State Tax Uniform Procedure Law, R.S.54:48-1 et seq., and notwithstanding the provisions of any other laws to the contrary, the director shall establish a period not to exceed three months in duration, which period shall end no later than one year after the date of enactment of this act, during which a taxpayer who has failed to pay any State tax on or before the day on which the tax is required to be paid may pay to the director on or before the last day of the period established by the director the amount of that tax, without any interest that may otherwise be due, without any costs of collection that may otherwise be due, and without the imposition of any civil or criminal penalties arising out of an obligation imposed under any State tax law. This section shall apply only to State tax liabilities for tax returns due on and after January 1, 1987 and prior to January 1, 1996 and shall not extend to any taxpayer who at the time of the payment is under criminal investigation or charge for any State tax matter, as certified by a county prosecutor or the Attorney General to the director.

b. There shall be imposed a 5% penalty, which shall not be subject to waiver or abatement, in addition to all other penalties, interest, or costs of collection otherwise authorized by law, upon any State tax liabilities eligible to be satisfied during the period established pursuant to subsection a. of this section that are not satisfied during the amnesty period.

c. Notwithstanding the provisions of any other law to the contrary, if a taxpayer elects to participate in the program established pursuant to this section, as that election shall be evidenced by full payment pursuant to this section of a State tax liability to which this section applies pursuant to subsection a. of this section, then that election shall constitute an express and absolute relinquishment of all administrative and judicial rights of appeal that have not run or otherwise expired as of the date payment is made. The relinquishment of rights of appeal pursuant to this subsection shall apply with respect to all rights of appeal established pursuant to the State Tax Uniform Procedure Law, R.S.54:48-1 et seq., and the specific statutory provisions of any State tax. No tax payment made pursuant to this section shall be eligible for refund or credit, whether claimed by administrative

protest or judicial appeal, except as may be permitted pursuant to R.S.54:49-16.

d. Notwithstanding the provisions of any other law to the contrary, no amnesty payment shall be accepted without the express approval of the director with respect to any State tax assessment which is the subject of any administrative or judicial appeal as of the effective date of this act.

e. Notwithstanding the provisions of any other law to the contrary, no taxpayer shall be entitled to the waiver of penalty, interest and cost of collection set forth in subsection a. of this section unless full payment of the tax due is made in accordance with the rules and procedures established by the director.

5. There is appropriated to the Division of Taxation in the Department of the Treasury a sum not to exceed $10,000,000 from the proceeds collected pursuant to subsection a. of section 4 of this act to carry out and administer the tax amnesty program established by that section.

6. This act shall take effect immediately.

Approved February 29, 1996.

CHAPTER 3

AN ACT concerning school elections and amending P.L.1995, c.278 and P.L.1994, c.170.

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

1. Section 3 of P.L.1995, c.278 (C.19:60-3) is amended to read as follows:

C.19:60-3 District board members to perform election duties; designation of polling place, voting equipment.

3. a. Notwithstanding the provisions of R.S.19:6-1, for school elections the county board of the county in which the election district is located shall designate two members of the district board of election to perform all the duties of the district board for that election, except that where electronic voting systems are in use in any election district in which there are more than 900 registered voters, the county board shall designate four members of the district board to perform all the duties of the district

board for that election. Notwithstanding the provisions of R.S.19:6-10, the county board shall appoint one of the persons so designated to serve as judge and the other or another, as the case may be, of those persons so designated to serve as inspector for school elections.

b. Notwithstanding the provisions of subsection a. or any other law to the contrary:

(1) Upon the request of a board of education or the clerk of a municipality in the county or upon its own initiative, the county board may designate the polling place and voting equipment of one election district to serve as the polling place and voting equipment for the voters of one or more other election districts for school elections. Such a designation shall be based on the casting of no more than 500 ballots during each of the two preceding annual school elections by the voters of the election districts for which that polling place is designated. If, at two consecutive annual school elections thereafter, the number of ballots cast by the voters in those election districts is more than 500, the county board shall effect an appropriate revision of the election districts using that polling place. If a request is from a municipal clerk, the request shall apply only to the election districts in that municipality.

(2) If one polling place is designated for two or more election districts, the county board shall designate at least two members from among the members of the district boards of election of those election districts to perform all the duties of the district board for the school election. The county board shall also appoint one of the persons so designated to serve as judge and another of those persons to serve as inspector for school elections.

2. Section 11 of P.L.1995, c.278 (C.19:60-11) is amended to read as follows:

C.19:60-11 Use of poll list in lieu of signature copy register.

11. The district board of election shall, for any school election, utilize a poll list instead of the signature copy register. The poll list shall be arranged in a column or columns appropriately headed so as to indicate the election, the date thereof, and the school district and election district in which the same is used, in such a manner that each voter voting in the polling place at the election may sign the voter's name and state the voter's address therein and the number of the voter's official ballot may be indicated opposite the signature. The district board shall compare the signature in the poll lists with that in the signature copy registers before accepting the ballot.

If one polling place is designated for two or more election districts pursuant to subsection b. of section 3 of P.L.1995, c.278 (C.19:60-3), the provisions of this section shall apply to the members of the district boards of

election designated to serve as the election officers at the polling place for those election districts. The signature copy registers for those election districts shall be provided to those election officers.

3. Section 12 of P.L.1995, c.278 (C.19:60-12) is amended to read as follows:

C.19:60-12 Expenses; mandated expenditures.

12. All costs, charges and expenses, including the compensation of the members of the district boards and the compensation and expenses of the county board of elections, the county superintendent of elections, the clerk of the county, and the municipal clerks for any school election shall be paid by the board of education of the school district. All costs, charges and expenses submitted to the board of education for payment shall be itemized and shall include the separate identification of costs to prepare, print and distribute sample ballots. Amounts expended by a county or a municipality in the conduct of school elections for which the board of education shall make payment shall be considered mandated expenditures exempt from the limitations on the county tax levy and from the limitations on final municipal appropriations imposed pursuant to P.L.1976, c.68 (C.40A:4-45.1 et seq.), and any costs to the board of education which exceed the amount of the costs to that board for the annual school election immediately preceding the enactment of P.L.1995, c.278 (C.19:60-1 et seq.) shall not be included for the purpose of calculating a school district's maximum permissible net budget pursuant to section 85 of P.L.1990, c.52 (C.18A:7D-28).

4. R.S.19:15-2 is amended to read as follows:

Operation hours of polls; members present.

19:15-2. The district boards shall open the polls for such election at seven o'clock in the morning and close them at eight o'clock in the evening, and shall keep them open during the whole day of election between these hours; except that for a school election the polls shall be open between the hours of five and nine P.M. and during any additional time which the school board may designate between the hours of seven A.M. and nine P.M.

The board may allow one member thereof at a time to be absent from the polling place and room for a period not exceeding one hour between the hours of one o'clock and five o'clock in the afternoon or for such shorter time as it shall see fit.

At no time from the opening of the polls to the completion of the canvass shall there be less than a majority of the board present in the polling room or place, except that during a school election there shall always be at least one member of each district election board present or if more than two

district board members are designated to serve at the polling place, at least two members present.

5. Section 2 of P.L.1994, c.179 (C.19:31-3.3) is amended to read as follows:

C.19:31-3.3 Digitalized images of signatures, use.

2. In those counties in which the commissioner of registration employs data processing equipment capable of creating or receiving, storing, and printing a digitalized image of the signature of a person registered to vote, the commissioner may eliminate the use of the duplicate permanent registration binders and may authorize and direct the use at the polls in place of such a binder, as a signature copy register for the purposes of this Title and Title 40 of the Revised Statutes, of a polling record which identifies on each page the election at which the record is used, which indicates for each registrant the name and address of the registrant and identifies the municipality and the particular election district therein from which the person is registered, and which includes adjacent to the registrant's name and address an imprint of the digitalized image of the registrant's signature and sufficient space, immediately to the left or right of that imprint, for the registrant to sign the record, which imprint and signature shall be used as the signature comparison record as prescribed by this Title. The polling record shall also include for each registrant sufficient space for the notation of remarks as provided by R.S.19:15-23 and for the recording of any challenge and the determination thereof by the district board as provided by R.S.19:15-24, or by other elections officials charged with the same duties as the district board in connection with the conduct of an election. In the case of a primary election, the polling record shall also indicate for each registrant the political party, if any, of which the registrant is a member for the purpose of voting at that primary election.

Polling records for each election shall be prepared by the commissioner of registration not later than the 14th day preceding the election. At each election, the delivery of the polling records to the municipal clerk and to the district boards or other elections officials charged with the same duties as the district board in connection with the conduct of an election, and the return of those records by the district boards or such other elections officials to the commissioner of registration, shall be made in the manner and in accordance with the schedule prescribed by law for the delivery and return at that election of the signature copy registers.

The commissioner of registration shall retain the polling records for any election for a period of not less than six years following that election.

6. After the first annual school election conducted pursuant to P.L.1995, c.278 (C.19:60-1 et seq.), the Secretary of State shall conduct a survey of each school district to compare the costs of conducting the school election pursuant to that law with the costs of conducting school elections previously under Title 18A of the New Jersey Statutes. The survey shall be based on an examination of the same items with respect to each such election. The secretary shall report the findings of the survey to the Governor and the Legislature no later than October 1, 1996.

7. This act shall take effect immediately.

Approved February 29, 1996.

CHAPTER 4

AN ACT concerning certain joint insurance funds and amending P.L.1967, c.283 and P.L.1983, c.372.

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

1. Section 1 of P.L.1967, c.283 (C.40A:5-34.1) is amended to read as follows:

C.40A:5-34.1 Blanket bond coverage provided for certain county, municipal officers, employees; evidence.

1. The board of chosen freeholders of any county or the governing body of any municipality, as the case may be, may provide by blanket bond for the bonding of certain county or municipal officers and employees for faithful performance and discharge of their duties. Blanket bond coverage may be by one or more blanket bonds issued by a surety company or companies or one or more underwriters or by a joint insurance fund established pursuant to P.L.1983, c.372 (C.40A:10-36 et seq.) of which the county or municipality is a member. Blanket bond coverage may be provided in lieu of an individual bond as to any officer or employee required by law to be bonded, except treasurers and tax collectors, by whatever title known, provided the blanket bond meets the requirements for the individual bond in amount, rights of cancellation, and the governmental agencies in whose favor it runs.

Whenever a copy of an individual bond is required by law to be filed with or supplied to specified officers, evidence of blanket bond coverage

filed with or supplied to such officers by the board of chosen freeholders or governing body shall be compliance with such requirement.

2. Section 1 of P.L.1983, c.372 (C. 40A:10-36) is amended to read as follows:

C.40A:10-36 Joint insurance fund; definitions.

1. a. The governing body of any local unit, including any contracting unit as defined in section 2 of P.L.1971, c.198 (C.40A:11-2), may by resolution agree to join together with any other local unit or units to establish a joint insurance fund for the purpose of insuring against liability, property damage, and workers' compensation as provided in Articles 3 and 4 of chapter 10 of Title 40A of the New Jersey Statutes, insuring against loss or theft of moneys or securities, providing blanket bond coverage of certain county or municipal officers and employees for faithful performance and discharge of their duties as provided under section 1 of P.L.1967, c.283 (C.40A:5-34.1), and providing contributory or non-contributory group health insurance or group term life insurance, or both, to employees or their dependents or both, through self insurance, the purchase of commercial insurance or reinsurance, or any combination thereof, and may appropriate such moneys as are required therefor. The maximum risk to be retained for group term life insurance by a joint insurance fund on a self-insured basis shall not exceed a face amount of $5,000 per covered employee or dependent or more if approved by the Commissioners of Insurance and Community Affairs. As used in this subsection: (1) "life insurance" means life insurance as defined pursuant to N.J.S.17B:17-3; (2) "health insurance" means health insurance as defined pursuant to N.J.S.17B:17-4 or service benefits as provided by health service corporations, hospital service corporations or medical service corporations authorized to do business in this State; and (3) "dependent" means dependent as defined pursuant to N.J.S.40A:10-16.

b. The governing body of any local unit, including any contracting unit as defined in section 2 of P.L.1971, c.198 (C.40A:11-2), may by resolution agree to join together with any other local unit or units to establish a joint insurance fund for the sole purpose of insuring against bodily injury and property damage claims arising from environmental impairment liability and legal representation therefor to the extent and for coverages approved by the Commissioner of Insurance.

3. This act shall take effect immediately.

Approved March 5, 1996.

CHAPTER 5

AN ACT increasing the membership of the Governor's Council on Alcoholism and Drug Abuse and amending P.L.1989, c.51.

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

1. Section 2 of P.L.1989, c.51 (C.26:2BB-2) is amended to read as follows:

C.26:2BB-2 Governor's Council on Alcoholism and Drug Abuse.

2. There is created a 25-member council in, but not of, the Department of the Treasury which shall be designated as the Governor's Council on Alcoholism and Drug Abuse. For the purposes of complying with the provisions of Article V, Section IV, paragraph 1 of the New Jersey Constitution, the Governor's Council on Alcoholism and Drug Abuse is allocated to the Department of the Treasury, but, notwithstanding the allocation, the office shall be independent of any supervision or control by the department or by any board or officer thereof.

The council shall consist of 11 ex officio members and 14 public members.

a. The ex officio members of the council shall be: the Attorney General, the Commissioners of the Departments of Labor, Education, Human Services, Health, Community Affairs, Personnel and Corrections, the chair of the executive board of the New Jersey Presidents' Council, the Administrative Director of the Administrative Office of the Courts and the Adjutant General. An ex officio member may designate an officer or employee of the department or office which he heads to serve as his alternate and exercise his functions and duties as a member of the Governor's Council on Alcoholism and Drug Abuse.

b. The 14 public members shall be residents of the State who are selected for their knowledge, competence, experience or interest in connection with alcoholism or drug abuse. They shall be appointed as follows: two shall be appointed by the President of the Senate, two shall be appointed by the Speaker of the General Assembly and 10 shall be appointed by the Governor, with the advice and consent of the Senate. At least two of the public members appointed by the Governor shall be rehabilitated alcoholics and at least two of the public members appointed by the Governor shall be rehabilitated drug abusers.

c. The term of office of each public member shall be three years; except that of the first members appointed, four shall be appointed for a term

of one year, five shall be appointed for a term of two years and five shall be appointed for a term of three years. Each member shall serve until his successor has been appointed and qualified, and vacancies shall be filled in the same manner as the original appointments for the remainder of the unexpired term. A public member is eligible for reappointment to the council.

d. The chairman of the council shall be appointed by the Governor from among the public members of the council and shall serve at the pleasure of the Governor during the Governor's term of office and until the appointment and qualification of the chairman's successor. The members of the council shall elect a vice-chairman from among the members of the council. The Governor may remove any public member for cause, upon notice and opportunity to be heard.

e. The council shall meet at least monthly and at such other times as designated by the chairman. Fourteen members of the council shall constitute a quorum. The council may establish any advisory committees it deems advisable and feasible.

f. The chairman shall be the request officer for the council within the meaning of such term as defined in section 6 of article 3 of P.L.1944, c.112 (C.52:27B-15).

g. The public members of the council shall receive no compensation for their services, but shall be reimbursed for their expenses incurred in the discharge of their duties within the limits of funds appropriated or otherwise made available for this purpose.

2. This act shall take effect immediately.

Approved March 11, 1996.

CHAPTER 6

AN ACT appropriating a portion of the moneys repaid to the "Water Supply Fund" created pursuant to the "Water Supply Bond Act of 1981," P.L.1981, c.261, as amended by P.L.1983, c.355, as repayments of principal on loans for local projects made available from the "Water Supply Fund," and amounts heretofore appropriated to the Department of Environmental Protection for rehabilitation loans pursuant to section 1 of P.L.1982, c.131, section 1 of P.L.1985, c.99, section 1 of P.L.1987, c.309 and section 1 of P.L.1991, c.351, and authorizing the utilization of the unexpended balances from prior appropriations to the department for loans for local projects made pursuant to the aforemen-

tioned acts, for loans for local projects to rehabilitate, repair or consolidate antiquated, damaged or inadequately operating water supply facilities.

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

1. a. There is appropriated to the Department of Environmental Protection from the "Water Supply Fund" created pursuant to the "Water Supply Bond Act of 1981," P.L.1981, c.261, as amended by P.L.1983, c.355, the sum of $20,000,000, which constitutes a portion of the moneys repaid to the "Water Supply Fund" as repayments of principal on loans for local projects funded under the "Water Supply Bond Act of 1981," P.L.1981, c.261, as amended by P.L.1983, c.355, and the unexpended balances of amounts heretofore appropriated to the department pursuant to section 1 of P.L.1982, c.131, section 1 of P.L.1985, c.99, section 1 of P.L.1987, c.309 and section 1 of P.L.1991, c.351, for loans for local projects to rehabilitate, repair or consolidate antiquated, damaged or inadequately operating water supply facilities, as recommended in the New Jersey Statewide Water Supply Plan.

b. The following applicants shall be eligible for placement on the priority list for receipt of a loan pursuant to subsection a. of this section:

Ogdensburg Borough	Replace water mains, meters and water tank, and loop water mains	$500,000
East Hanover Township	Replace water mains and rehabilitate water tank	500,000
Aberdeen Township	Replace water mains, rehabilitate water tanks loop water mains	500,000
Elmwood Park Borough	Rehabilitate water tank and replace pumps	768,000
Perth Amboy City	Clean, line and rehabilitate water mains	1,000,000

Sparta Township	Replace water mains and water tanks	1,000,000
Newark City	Clean, line and rehabilitate water mains	3,000,000
Camden City	Rehabilitate water tank and water mains	3,000,000
Bayonne City	Rehabilitate water mains	1,200,000
Franklin Township (Somerset County)	Clean, line and rehabilitate water mains	1,000,000
Highland Park Borough	Clean, line and rehabilitate water mains	1,000,000
Mahwah Township	Replace water mains, and loop water mains	1,000,000
Gloucester City	Replace water mains	1,000,000
North Brunswick Township	Clean, line and rehabilitate water mains, and loop water mains	1,000,000
Manchester Township	Rehabilitate water tanks and water mains	1,000,000
Millville City	Replace water mains and hydrants	1,000,000
Wallington Borough	Rehabilitate water mains	1,000,000
Milford Borough	Replace pumping station, water meters, and rehabilitate water tank	500,000
Waldwick Borough	Rehabilitate water tanks	327,950
Hopatcong Borough	Replace water mains and water tank	500,000

Aberdeen Township	Replace water meters	500,000
Mine Hill Township	Replace water mains and loop water mains	500,000
Hammonton Town	Replace water mains	1,000,000
Haledon Borough	Rehabilitate and loop water mains	500,000
Atlantic Highlands Borough	Replace water mains	500,000

2. The expenditure of the sums appropriated by this act is subject to the provisions and conditions of P.L.1981, c.261, as amended by P.L.1983, c.355, and any regulations adopted by the department pursuant thereto.

3. From the sums appropriated by this act, the commissioner may allocate funds for personal services by contract, or, in lieu thereof, by State employees for the purpose of planning, engineering, design, research, construction, property acquisition, or other costs related to construction. The expenditure of any of these funds for personal services is subject to written approval as a transfer by the Director of the Division of Budget and Accounting in the Department of the Treasury and by the Joint Budget Oversight Committee or its successor. Upon such approval, the director shall make the transfer as provided by law.

4. Any funds made available to local water supply purveyors or municipalities shall be in the form of loans with principal payments due to be repaid to the "Water Supply Fund," and interest payments due to be repaid into the General Fund in accordance with the terms of a written loan agreement. The form of the loan agreement shall be specified by the State Treasurer.

5. This act shall take effect immediately.

Approved March 15, 1996.

CHAPTER 7

AN ACT concerning the collection of child support payments, amending P.L.1981, c.417 and supplementing chapter 17 of Title 2A of the New Jersey Statutes.

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

1. Section 2 of P.L.1981, c.417 (C.2A:17-56.8) is amended to read as follows:

C.2A:17-56.8 Enforcement of child support orders.

2. Every complaint, notice or pleading for the entry or modification of an order of a court which includes child support shall include a written notice to the obligor stating that the child support provision of the order shall, and the medical support provision may, as appropriate, be enforced by an income withholding upon the current or future income due from the obligor's employer or successor employers and upon the unemployment compensation benefits due the obligor and against debts, income, trust funds, profits or income from any other source due the obligor except as provided in section 3 of P.L.1981, c.417 (C.2A:17-56.9). The written notice shall also state that the driver's license and professional or occupational licenses held or applied for by the obligor may be denied, suspended or revoked if: the child support arrearage is equal to or exceeds the amount of child support payable for six months; the obligor fails to provide health insurance for the children as ordered by the court for six months; or a warrant for the obligor's arrest has been issued by the court due to failure to pay child support as ordered, failure to appear at a hearing to establish paternity or child support, or failure to appear at a hearing to enforce a child support order and said warrant remains outstanding. The written notice shall also state that the amount of a IV-D child support order and the provisions for medical support coverage shall be reviewed and updated, as necessary, at least every three years.

The court shall ensure that in the case of each obligor against whom a support order is or has been issued or modified, the obligor's income shall be withheld to comply with the order. An amount shall be withheld to pay the support obligation and it shall include an amount to be applied toward liquidation of arrearages reduced to judgments, payments for paternity testing procedures and provisions for medical support coverage when applicable. These provisions shall also be applicable to all orders issued on or before the effective date of this act.

C.2A:17-56.40 Definitions relative to child support.

2. As used in sections 2 through 13 of this act:

"Appropriate enforcement methods" means mechanisms such as income withholding, withholding of civil lawsuits, and execution of the assets of the obligor which can result in immediate payment of the child support arrearage when available. In appropriate cases, the license revocation process may be used as an alternative to Rule 5:7-5 of the Rules Governing the Courts of the State of New Jersey.

"Child support" means the periodic payment of support for dependents in accordance with a court order or judgment. Child support may include spousal support or alimony if those amounts are unallocated in the order or judgment. Child support also includes the health insurance provisions of a court order or judgment.

"Child support- related warrant" means an outstanding warrant for the arrest of a child support obligor or putative father issued by the court for failure to pay child support as ordered, failure to appear at a hearing to establish paternity or child support, or failure to appear at a hearing to enforce a child support order.

"Court" means the Family Part of the Superior Court of New Jersey.

"License" means any license, registration or certificate issued by the State of New Jersey or its agencies or boards that is directly necessary to provide a product or service for compensation, or to operate a motor vehicle.

"Licensing authority" means any department, division, board, agency or other instrumentality of State government that issues a license, registration, certificate or other authorization to provide goods or services for compensation, to operate a motor vehicle.

"Obligee" means any person to whom a child support obligation is payable including, but not limited to, the custodian of the child who is the subject of the order or a county welfare agency that is providing benefits under the program of aid to families with dependent children to the custodian of the child.

"Obligor" means any person who owes child support in accordance with an order issued by the Superior Court of New Jersey or a foreign order registered in this State under P.L.1981, c.243 (C.2A:4-30.24 et seq.). "Obligor" may include a putative father if the basis of a license suspension or revocation action is a warrant for failure to appear at a hearing to establish paternity.

"Probation Division" means the Probation Division of the Superior Court which is responsible for enforcing child support orders in New Jersey.

"State IV-D agency" means the Division of Family Development in the Department of Human Services.

C.2A:17-56.41 Consequences of obligor's noncompliance, license suspension, revocation; hearing.

3. a. If the child support arrearage equals or exceeds the amount of child support payable for six months or court-ordered health insurance for the child is not provided for six months or a child support-related warrant exists, and the obligor is found to possess a license in the State and all appropriate enforcement methods to collect the child support arrearage, as defined in section 2 of P.L.1996, c.7 (C.2A:17-56.40) have been exhausted, the Probation Division shall send a written notice to the obligor, by certified and regular mail, return receipt requested, at the obligor's last-known address or place of business or employment, advising the obligor that the obligor's license shall be revoked or suspended unless, within 30 days of the postmark date of the notice, the obligor pays the full amount of the child support arrearage, or provides proof that health insurance for the child has been obtained, or makes a written request for a court hearing to the Probation Division. If a child support- related warrant for the obligor exists, the license revocation or suspension process shall be terminated if the obligor pays the full amount of the child support arrearage, provides proof that health insurance for the child has been obtained as required by the court order, or surrenders to the county sheriff or the Probation Division.

b. If the obligor fails to take one of the actions in subsection a. of this section within 30 days of the postmark date of the notice and there is proof that service on the obligor was effective, the Probation Division shall file a certification with the court setting forth the obligor's non-compliance with the support order and the obligor's failure to respond to the written notice of the potential license suspension or revocation. If, based on the papers filed by the Probation Division, the court is satisfied that service on the obligor was effective as set forth in this section, it shall without need for further due process or hearing, enter a court order suspending or revoking all licenses held by the obligor. Upon the entry of the order, the Probation Division shall forward a copy to the obligor and all appropriate licensing authorities.

Simultaneous certified and regular mailing of the written notice shall constitute effective service unless the United States Postal Service returns the mail to the Probation Division within the 30-day response period marked "moved, unable to forward," "addressee not known," "no such number/street," "insufficient address," or "forwarding order expired." If the certified mail is returned for any other reason without the return of the

regular mail, the regular mail service shall constitute effective service. If the mail is addressed to the obligor at the obligor's place of business or employment, with postal instructions to deliver to addressee only, service will be deemed effective only if the signature on the return receipt appears to be that of the obligor. Acceptance of the certified mail notice signed by the obligor, the obligor's attorney, or a competent member of the obligor's household above the age of 14 shall be deemed effective service.

c. If the obligor requests a hearing, the Probation Division shall file a petition for a judicial hearing in accordance with section 5 of P.L.1996, c.7 (C.2A:17-56.43). The hearing shall occur within 45 days of the obligor's request. If, prior to the hearing, the obligor pays the full amount of the child support arrearage or provides health insurance as ordered, the license revocation process shall be terminated. No license revocation action shall be initiated if the Probation Division has received notice that the obligor has pending a motion to modify the child support order if that motion was filed prior to the date that the notice of the license suspension or revocation was sent by the Probation Division. The court shall consider the Probation Division's petition to revoke or suspend a license in accordance with section 5 of P.L.1996, c.7 (C.2A:17-56.43).

C.2A:17-56.42 Payments made through Probation Division.

4. Child support payments not presently made through the Probation Division shall be so made, upon the application of the obligee to the Probation Division and prior to the application of the provisions of this act.

C.2A:17-56.43 Suspension, revocation of license.

5. The court shall suspend or revoke a license if it finds that: a. all appropriate enforcement methods as defined in section 2 of P.L.1996, c.7 (C.2A:17-56.40) have been exhausted, b. the obligor is the holder of a license, c. the requisite child support arrearage amount exists or health insurance for the child has not been provided as ordered pursuant to section 3 of P.L.1996, c.7 (C.2A:17-56.41), d. no motion to modify the child support order, filed prior to the date that the notice of the license suspension or revocation was sent by the Probation Division, is pending before the court, and e. there is no equitable reason, such as involuntary unemployment, disability, or compliance with a court-ordered plan for the periodic payment of the child support arrearage amount, for the obligor's non-compliance with the child support order.

If the court is satisfied that these conditions exist, it shall first consider suspending or revoking a driver's license prior to a professional license. If the obligor fails to appear at the hearing after being properly served with notice, the court shall order the suspension or revocation of all licenses held by the obligor. In the case of a driver's license, if the court finds that the

license revocation or suspension will result in a significant hardship to the obligor, to the obligor's legal dependents under 18 years of age living in the obligor's household, to the obligor's employees, or to persons, businesses or entities to whom the obligor provides goods or services, the court may allow the obligor to pay 25% of the past-due child support amount within three working days of the hearing, establish a payment schedule to satisfy the remainder of the arrearages within one year, and require that the obligor comply with any current child support obligation. If the obligor agrees to this arrangement, no suspension or revocation of any licenses shall be ordered. Compliance with the payment agreement shall be monitored by the Probation Division. If the obligor has good cause for not complying with the payment agreement within the time permitted, the obligor shall immediately file a motion with the court and the Probation Division requesting an extension of the payment plan. The court may extend the payment plan if it is satisfied that the obligor has made a good faith effort to comply with the plan and is unable to satisfy the full amount of past-due support within the time permitted due to circumstances beyond the obligor's control. In no case shall a payment plan extend beyond the date the dependent child reaches the age of 18. If the obligor fails to comply with the court-ordered payment schedule, the court shall, upon receipt of a certification of non-compliance from the obligee or Probation Division, and without further hearing, order the immediate revocation or suspension of all licenses held by the obligor. If required by existing law or regulation, the court shall order that the obligor surrender the license to the issuing authority within 30 days of the date of the order.

C.2A:17-56.44 Suspension, revocation procedures.

6. a. The Probation Division shall provide the licensing authority with a copy of the order requiring the suspension or revocation of a license. Upon receipt of an order requiring the suspension or revocation of a license for non-payment of child support, the licensing authority shall immediately notify the licensee of the effective date of the suspension or revocation, which shall be 20 days after the postmark of the notice, direct the licensee to refrain from engaging in the activity associated with the license, surrender any license as required by law, and inform the licensee that the license shall not be reinstated until the court or Probation Division certifies that all child support arrearage is satisfied. The Probation Division and the State IV-D agency in association with the affected licensing authorities may develop electronic or magnetic tape data transfers to notify licensing authorities of restrictions, suspensions, revocations and reinstatements. No liability shall be imposed on a licensing authority for suspending or revoking a license if the action is in response to a court order issued in accordance with

P.L.1996, c.7 (C.2A:17-56.40 et al.). Licensing authorities shall not have jurisdiction to modify, remand, reverse, vacate or stay a court order to restrict, suspend or revoke a license for non-payment of child support.

b. If a licensee, upon receipt of the notice of suspension or revocation from the licensing authority, disputes that he is an obligor, the licensee shall notify the licensing authority and the Probation Division by registered mail within 20 days of the postmark of the notice and request a hearing. Upon receipt of the licensee's request for a hearing, the Probation Division shall determine if the licensee is an obligor. If the Probation Division determines that the licensee is an obligor, the Probation Division shall file a petition for a judicial hearing on the issue of whether the licensee is an obligor. The hearing shall occur within 30 days. If the Probation Division determines that the licensee is not an obligor, the Probation Division shall so notify the licensee and the licensing authority. The licensing authority shall not suspend or revoke a person's license, if the licensing authority received proper notice of the licensee's request for a hearing pursuant to this subsection, until the court finds that the licensee is an obligor. The Probation Division shall notify the licensing authority of the court's finding. Upon receipt of the court's finding that the licensee is an obligor, the licensing authority shall immediately suspend or revoke the obligor's license without additional review or hearing.

c. The revocation or suspension of a license ordered by the court in accordance with P.L.1996, c.7 (C.2A:17-56.40 et al.) shall continue until the obligor files with the licensing authority either a court order restoring the license or a Probation Division certification attesting to the full satisfaction of the child support arrearage.

d. Each licensing authority shall require license applicants to certify on the license application form, under penalty of perjury, that the applicant does not have a child support obligation, the applicant does have such an obligation but the arrearage amount does not equal or exceed the amount of child support payable for six months, or the applicant is not the subject of a child-support related warrant. A license shall not be granted to an obligor who applies for a license if there is an arrearage equal to or exceeding the amount of child support payable for six months or who is the subject of a child support-related warrant. The application form shall state that making a false statement may subject the applicant to contempt of court. It shall also state that if the applicant's certification is found to be false, the licensing authority shall take disciplinary action including, but not limited to, immediate revocation or suspension of the license.

e. For all licenses issued or renewed in the State after the effective date of P.L.1996, c.7 (C.2A:17-56.40 et al.), the licensing authority shall record the full name, mailing address, Social Security number and date of birth of

the applicant or licensee. All affected licensing authorities shall cooperate and enter into agreements with the Probation Division and the State IV-D agency to exchange information to effectuate the purposes of P.L.1996, c.7 (C.2A:17-56.40 et al.). The Division of Motor Vehicles in the Department of Transportation and other appropriate licensing agencies shall amend their regulations and public notices to permit Social Security numbers collected by those agencies to be used for child support enforcement purposes. License information obtained through data matches with licensing authorities shall be maintained on the Automated Child Support Enforcement System in the Department of Human Services for future use.

C.2A:17-56.45 Payment of fees.

7. The obligor shall pay all fees associated with the revocation, suspension or reinstatement of a license. Any fees paid by the obligor to the licensing authority to issue, renew or maintain a license shall not be refunded if the license is suspended or revoked in accordance with P.L.1996, c.7 (C.2A:17-56.40 et al.).

C.2A:17-56.46 Information on driver's license suspension to insurers.

8. Information regarding driver's licenses suspended or revoked in accordance with P.L.1996, c.7 (C.2A:17-56.40 et al.) shall be made available by the Division of Motor Vehicles to insurance companies that issue motor vehicle policies. Insurance companies are prohibited from increasing a policyholder's rates solely because a license was suspended or revoked in accordance with P.L.1996, c.7 (C.2A:17-56.40 et al.).

C.2A:17-56.47 Due process, service.

9. All actions taken to suspend or revoke a license in accordance with P.L.1996, c.7 (C.2A:17-56.40 et al.) shall be carried out in full compliance with due process laws and the Rules Governing the Courts of the State of New Jersey. Service of process shall be made in accordance with applicable New Jersey court rules and statutes. For the purposes of P.L1996, c.7 (C.2A:17-56.40 et al.), service of process may be effected by an employee of the Probation Division.

C.2A:17-56.48 Cooperative agreements.

10. The State IV-D agency shall enter into cooperative agreements for federal IV-D funding with the Department of Law and Public Safety and any other appropriate licensing authority that is responsible for administering license suspensions and revocations in accordance with P.L.1996, c.7 (C.2A:17-56.40 et al.) to the extent that the costs are eligible for federal financial participation under section 451 of Title IV, Part D of the federal Social Security Act (42 U.S.C.§651 et seq.).

C.2A:17-56.49 Applicability of act.

11. The license revocation provisions of P.L.1996, c.7 (C.2A:17-56.40 et al.) apply to all orders issued before or after the effective date of P.L.1996, c.7 (C.2A:17-56.40 et al.). All child support arrearage and health insurance provisions in existence on or before the effective date of P.L.1996, c.7 (C.2A:17-56.40 et al.) shall be included in determining whether a case is eligible for enforcement in accordance with P.L.1996, c.7 (C.2A:17-56.40 et al.). This act applies to all child support obligations ordered by any state, territory or district of the United States that are being enforced by the Probation Division, that are payable directly to the obligee, or have been registered in this State in accordance with P.L.1981, c.243 (C.2A:4-30.24 et seq.).

C.2A:17-56.50 Annual report.

12. The Administrative Office of the Courts shall submit an annual report to the Governor and the Legislature regarding the number and type of licenses suspended or revoked in accordance with P.L.1996, c.7 (C.2A:17-56.40 et al.) and the total amount of child support collected due to P.L.1996, c.7 (C. 2A:17-56.40 et al.).

C.2A:17-56.51 Rules, procedures, regulations.

13. The Supreme Court may adopt rules and procedures for the implementation and administration of P.L.1996, c.7 (C.2A:17-56.40 et al.). The State IV-D agency and licensing authorities may adopt regulations to implement P.L.1996, c.7 (C.2A:17-56.40 et al.) pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).

14. This act shall take effect immediately.

Approved March 15, 1996.

CHAPTER 8

AN ACT concerning health care benefits and certain other benefits for public employees, amending P.L.1961, c.49 and P.L.1964, c.125, and supplementing Title 52 of the Revised Statutes.

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

1. Section 2 of P.L.1961, c.49 (C.52:14-17.26) is amended to read as follows:

C.52:14-17.26 Definitions relative to health care benefits for public employees.

2. As used in this act:

(a) The term "State" means the State of New Jersey.

(b) The term "commission" means the State Health Benefits Commission, created by section 3 of this act.

(c) The term "employee" means an appointive or elective officer or full-time employee of the State of New Jersey. For the purposes of this act an employee of Rutgers, The State University of New Jersey, shall be deemed to be an employee of the State, and an employee of the New Jersey Institute of Technology shall be considered to be an employee of the State during such time as the Trustees of the Institute are party to a contractual agreement with the State Treasurer for the provision of educational services. For the purposes of this act the term "employee" shall not include persons employed on a short-term, seasonal, intermittent or emergency basis, persons compensated on a fee basis, persons having less than two months of continuous service or persons whose compensation from the State is limited to reimbursement of necessary expenses actually incurred in the discharge of their official duties. An employee paid on a 10-month basis, pursuant to an annual contract, will be deemed to have satisfied the two-month waiting period if the employee begins employment at the beginning of the contract year. The term "employee" shall also not include retired persons who are otherwise eligible for benefits under this act but who, although they meet the age eligibility requirement of Medicare, are not covered by the complete federal program. A determination by the commission that a person is an eligible employee within the meaning of this act shall be final and shall be binding on all parties.

(d) The term "dependents" means an employee's spouse and the employee's unmarried children under the age of 23 years who live with the employee in a regular parent-child relationship. "Children" shall include stepchildren, legally adopted children and foster children provided they are reported for coverage and are wholly dependent upon the employee for support and maintenance. A spouse or child enlisting or inducted into military service shall not be considered a dependent during the military service. The term "dependents" shall not include spouses of retired persons who are otherwise eligible for the benefits under this act but who, although they meet the age eligibility requirement of Medicare, are not covered by the complete federal program.

(e) The term "carrier" means a voluntary association, corporation or other organization, including a health maintenance organization as defined in section 2 of the "Health Maintenance Organizations Act," P.L.1973, c.337 (C.26:2J-2), which is lawfully engaged in providing or paying for or

reimbursing the cost of, personal health services, including hospitalization, medical and surgical services, under insurance policies or contracts, membership or subscription contracts, or the like, in consideration of premiums or other periodic charges payable to the carrier.

(f) The term "hospital" means (1) an institution operated pursuant to law which is primarily engaged in providing on its own premises, for compensation from its patients, medical diagnostic and major surgical facilities for the care and treatment of sick and injured persons on an inpatient basis, and which provides such facilities under the supervision of a staff of physicians and with 24 hour a day nursing service by registered graduate nurses, or (2) an institution not meeting all of the requirements of (1) but which is accredited as a hospital by the Joint Commission on Accreditation of Hospitals. In no event shall the term "hospital" include a convalescent nursing home or any institution or part thereof which is used principally as a convalescent facility, residential center for the treatment and education of children with mental disorders, rest facility, nursing facility or facility for the aged or for the care of drug addicts or alcoholics.

(g) The term "State managed care plan" means a health care plan under which comprehensive health care services and supplies are provided to eligible employees, retirees, and dependents: (1) through a group of doctors and other providers employed by the plan; or (2) through an individual practice association, preferred provider organization, or point of service plan under which services and supplies are furnished to plan participants through a network of doctors and other providers under contracts or agreements with the plan on a prepayment or reimbursement basis and which may provide for payment or reimbursement for services and supplies obtained outside the network. The plan may be provided on an insured basis through contracts with carriers or on a self-insured basis, and may be operated and administered by the State or by carriers under contracts with the State.

(h) The term "Medicare" means the program established by the "Health Insurance for the Aged Act," Title XVIII of the "Social Security Act," Pub.Law 89-97 (42 U.S.C.§1395 et seq.), as amended, or its successor plan or plans.

(i) The term "traditional plan" means a health care plan which provides basic benefits, extended basic benefits and major medical expense benefits as set forth in section 5 of P.L.1961, c.49 (C.52:14-17.29) by indemnifying eligible employees, retirees, and dependents for expenses for covered health care services and supplies through payments to providers or reimbursements to participants.

2. Section 3 of P.L.1961, c.49 (C.52:14-17.27) is amended to read as follows:

C.52:14-17.27 State Health Benefits Commission.

3. There is hereby created a State Health Benefits Commission, consisting of the State Treasurer, the Commissioner of Insurance, and the Commissioner of Personnel. The treasurer shall be chairman of the commission and the health benefits program authorized by this act shall be administered in the Treasury Department. The Director of the Division of Pensions and Benefits shall be the secretary of the commission. The commission shall establish a health benefits program for the employees of the State, the cost of which shall be paid as specified in section 6 of this act. The commission shall establish rules and regulations as may be deemed reasonable and necessary for the administration of this act.

The Attorney General shall be the legal advisor of the commission.

The commission shall publish annually a report showing the fiscal transactions of the program for the preceding year and stating other facts pertaining to the plan. The commission shall submit the report to the Governor and furnish a copy to every employer for use of the participants and the public.

3. Section 6 of P.L.1961, c.49 (C.52:14-17.30) is amended to read as follows:

C.52:14-17.30 State payment of premium.

6. (A) For each active covered State employee and for the eligible dependents the employee may have enrolled at the employee's option the State, from funds appropriated therefor, shall pay the premium or periodic charges for the benefits provided under the contract in amounts equal to the premium or periodic charges for the benefits provided under such a contract covering the employee and the employee's enrolled dependents.

(B) An employee may, on an optional basis, enroll the employee's dependents for coverage under the contract subject to such regulations and conditions as the commission and the carrier may prescribe. There is hereby created a health benefits fund. Said fund shall be used to pay the premiums or periodic charges for which the State is responsible under this act.

4. Section 7 of P.L.1964, c.125 (C.52:14-17.38) is amended to read as follows:

C.52:14-17.38 Certification of premium rates, charges; Medicare premiums.

7. The Division of Pensions and Benefits shall certify to the certifying agent of each employer electing participation under the program the premium rates and periodic charges applicable to the coverage provided for employees and dependents. The participating employer shall remit to the

division all contributions to premiums and periodic charges in advance of their due dates, subject to the rules and regulations of the commission.

From funds allocated therefor, the employer other than the State may pay the premium or periodic charges for the benefits provided to a retired employee and the employee's dependents covered under the program, if such employee retired from a State or locally-administered retirement system 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 disability pension based on fewer years of service credited in such retirement system, and may also reimburse such retired employee for the employee's premium charges under Part B of Medicare covering the retired employee and the employee's spouse. "Retired employee and the employee's dependents" may, upon adoption of an appropriate resolution therefor by the participating employer, also include otherwise eligible employees, and their dependents, who retired from a State or locally-administered retirement system prior to the date that the employer became a participating employer in the New Jersey State Health Benefits Program. The term may also, upon adoption of an appropriate resolution therefor by the participating employer, include otherwise eligible employees, and their dependents, who did not elect to continue coverage in the program during such time after the employer became a participating employer that the employer did not pay premium or periodic charges for benefits to retired employees and their dependents pursuant to this section. Eligibility and enrollment of such employees and dependents shall be in accordance with such rules and regulations as may be adopted by the State Health Benefits Commission.

The employer other than the State may, by resolution, pay the premium or periodic charges for the benefits provided to the surviving spouse of a retired employee and the employee's dependents covered under the program as provided in this section.

5. Section 7 of P.L.1961, c.49 (C.52:14-17.31) is amended to read as follows:

C.52:14-17.31 Effective date of coverage; rules and regulations; furnishing of information to Division of Pensions and Benefits.

7. The coverage provided solely for employees shall, subject to the provisions below, automatically become effective for all eligible employees from the first day on or after the effective date of the program on which they satisfy the definition of "employee" contained in this act. The commission shall establish the rules and regulations governing the enrollment and effective dates of coverage of dependents of employees it deems necessary

or desirable. The rules and regulations shall not defer coverage with respect to any qualified dependent an employee has on the date the employee's employer becomes a participating employer, provided the employee was, immediately prior to the date, insured with respect to the dependent under a group major medical insurance plan of the employer which was in effect immediately prior to the date. Under the rules and regulations established by the commission, each employee shall be given the opportunity to enroll for coverage for dependents as of the earliest date the employee becomes eligible for enrollment. An employee may elect to enroll dependents for both basic coverage and major medical expense coverage but may not enroll for either coverage alone.

If, on the date coverage for an employee would become effective, the employee is not actively at work full-time at the customary place of employment or other location to which the employment requires the employee to travel, the employee shall not be covered until the employee is so actively at work, except the employee shall be covered, if on the date the employee's employer becomes a participating employer, the employee was, immediately prior to that date, insured under a group major medical insurance plan of the employer which was in effect immediately prior to that date.

In the event that the group major medical plan which covered an employee or dependents immediately prior to the date the employee's employer becomes a participating employer provides, after termination of coverage thereunder, any continuation of benefits for medical expenses for hospitalization, surgery, medical treatment or any related service or supply, or would so provide in the absence of coverage pursuant to this act, no coverage shall be afforded pursuant to this act for any such expenses (i) which are covered, or which would be covered in the absence of coverage pursuant to this act, in whole or in part, by the prior insurance plan or (ii) which may be used in satisfaction of any deductible requirement under the prior insurance plan to establish entitlement to the continuation of benefits.

Each employee shall furnish the Division of Pensions and Benefits, in the prescribed form, the information necessary on account of the employee's own coverage and necessary to enroll dependents. Any employee not desiring coverage at the time the employee first becomes eligible, shall give the division written notice of that fact in the form prescribed by the division. The employee may not enroll thereafter except at the times and under the conditions prescribed by the commission.

If an employee of an employer other than the State eligible for coverage has a spouse who is also an employee of an employer other than the State eligible for coverage, the spouse may elect single coverage as an employee and to enroll as a dependent, in which event no coverage shall be provided

for such spouse as an employee while covered as a dependent. The employee of an employer other than the State, who has enrolled such spouse, and who is required to pay the full cost of dependent coverage, may receive a refund from the State Division of Pensions and Benefits equivalent in amount to the employer's cost for an employee's coverage. When both husband and wife are covered as employees, only one may enroll for their children as dependents.

A similar refund shall be authorized pursuant to such rules and regulations as the commission deems necessary or desirable in the case of an employee of an employer other than the State who is paying the full cost of dependent coverage for a spouse who is an employee of the State and eligible for coverage.

If a husband and wife are both eligible for coverage under the program as employees:

a. each may elect coverage for himself or herself as an employee and for their qualified dependents, including the spouse, under the traditional plan or the State managed care plan, but only one may elect coverage for himself or herself and for their qualified dependents, including the spouse, in a participating health maintenance organization; and

b. each may elect single coverage in any participating health maintenance organization, provided that he or she is not covered under the participating health maintenance organization as a dependent of his or her spouse.

Any person employed as a substitute teacher by a school district and who provides evidence of coverage under another health benefits program may waive coverage for the current school year on or after the date on which the person becomes an employee eligible for coverage.

C.52:14-17.28b Determination of obligation of State, agencies to pay premium, periodic charges.

6. a. Notwithstanding the provisions of any other law to the contrary, the obligations of the State or an independent State authority, board, commission, corporation, agency, or organization to pay the premium or periodic charges for health benefits coverage provided under P.L.1961, c.49 (C.52:14-17.25 et seq.) may be determined by means of a binding collective negotiations agreement, including any agreements in force at the time of the adoption of P.L.1996, c.8. With respect to State employees for whom there is no majority representative for collective negotiations purposes, the commission may, in its sole discretion, modify the respective payment obligations set forth in P.L.1961, c.49 for the State and such employees in a manner consistent with the terms of any collective negotiations agreement binding on the State. With respect to employees of an independent State authority, board, commission, corporation, agency, or organization for

whom there is no majority representative for collective negotiations purposes, the employer may, in its sole discretion, modify the respective payment obligations set forth in P.L.1961, c.49 for such employer and such employees in a manner consistent with the terms of any collective negotiations agreement binding on such employer. The provisions of this subsection shall also apply to employees deemed or considered to be employees of the State pursuant to subsection (c) of section 2 of P.L.1961, c.49 (C.52:14-17.26).

b. (1) Notwithstanding the provisions of any other law to the contrary, for each State employee who accrues 25 years of service credit in a State-administered retirement system before July 1, 1997, excepting the employee who elects deferred retirement, the State, upon the employee's retirement, shall pay the full cost of the premium or periodic charges for the health benefits provided to a retired State employee and dependents covered under the State Health Benefits Program, but not including survivors, and shall also reimburse the retired employee for premium charges under Part B of Medicare covering the retired employee and the employee's spouse.

(2) Notwithstanding the provisions of any other law to the contrary, for each State employee who accrues 25 years of service credit in a State-administered retirement system on or after July 1, 1997, excepting the employee who elects deferred retirement, the State, upon the employee's retirement, shall pay the premium or periodic charges for the health benefits provided to a retired State employee and dependents covered under the State Health Benefits Program, but not including survivors, and shall reimburse the retired employee for premium charges under Part B of Medicare covering the retired employee and the employee's spouse: (a) in accordance with the provisions, if any, concerning health benefits coverage in retirement which are in the collective negotiations agreement applicable to the employee at the time of the employee's accrual of 25 years of service credit in the retirement system, or (b) if the employee has no majority representative for collective negotiations purposes, in a manner consistent with the terms, if any, concerning health benefits coverage in retirement which are in any collective negotiations agreement deemed applicable by the State Health Benefits Commission to that employee at the time of the employee's accrual of 25 years of service credit in the retirement system.

C.52:14-15.1a Establishment of cafeteria plan; payroll deductions.

7. Notwithstanding the provisions of any other law to the contrary, the State Treasurer on behalf of the State, and the governing body of an independent State authority, board, commission, corporation, agency or organization may establish as an employer a cafeteria plan for its employees pursuant to section 125 of the federal Internal Revenue Code, 26

U.S.C.§125. The plan may provide for a reduction in an employee's salary, through payroll deductions or otherwise, in exchange for payment by the employer of medical or dental expenses not covered by a health benefits plan, and dependent care expenses as provided in section 129 of the code, 26 U.S.C.§129, and such other benefits as are consistent with section 125 which are included under the plan. The amount of any reduction in an employee's salary for the purpose of contributing to the plan shall continue to be treated as regular compensation for all other purposes, including the calculation of pension contributions and the amount of any retirement allowance, but, to the extent permitted by the federal Internal Revenue Code, shall not be included in the computation of federal taxes withheld from the employee's salary.

8. This act shall take effect immediately.

Approved March 21, 1996.

CHAPTER 9

AN ACT to extend emergency powers with regard to prison overcrowding.

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

1. The Legislature finds and declares that State prisons and other penal and correctional institutions of the New Jersey Department of Corrections continue to house populations of inmates in excess of their capacities and remain seriously overcrowded. These conditions continue to endanger the safety, welfare, and resources of the State and cannot be handled effectively through regular State and municipal corrections operations. The Legislature therefore declares that the state of emergency in the State prisons and other penal and correctional institutions of the New Jersey Department of Corrections, which was declared pursuant to P.L.1994, c.12, continues. The purpose of this act is to extend the Governor's authority to issue executive orders to alleviate the state of emergency existing in the penal and correctional institutions of the New Jersey Department of Corrections.

2. There is hereby declared a continuing state of emergency in connection with the overcrowding in State prisons and other penal and correctional institutions of the New Jersey Department of Corrections.

3. In order to address the effects of the continuing state of emergency declared herein, the Governor is authorized to issue such executive orders pursuant to this act as the Governor deems necessary and appropriate to respond to the overcrowding problem in the State prisons and other penal and correctional institutions of the New Jersey Department of Corrections to ensure the safety, welfare and resources of the residents of the State for such period or periods designated by the Governor, but not to extend beyond the date the Legislature determines the state of emergency no longer exists.

4. This act shall take effect immediately, and shall remain in effect for a period of time not to exceed two years from the date of enactment, at which time the Legislature may continue the state of emergency for prison overcrowding by subsequent legislative action.

Approved March 28, 1996.

CHAPTER 10

AN ACT concerning taxpayers' signature requirements on gross income tax returns, amending N.J.S.54A:8-1.

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

1. N.J.S.54A:8-1 is amended to read as follows:

Payment of tax; returns; extension of time.

54A:8-1. Payment of tax; returns; extension of time. With respect to each taxpayer, the tax imposed by this act shall be due and payable annually, hereafter, in the manner provided in this section:

a. Every taxpayer shall annually pay the tax imposed by this act with respect to all or any part of each of his fiscal or calendar accounting years beginning on and after July 1, 1976, to be computed as in this act provided, for such fiscal or calendar accounting year or part thereof, on a return which shall be filed, in the case of a taxpayer reporting on a calendar year basis, on or before April 15 following the close of such calendar year, or, in the case of a taxpayer reporting on a fiscal year basis, on or before the fifteenth day of the fourth month following the close of such fiscal year, and the full amount of the tax shall be due and payable on or before the date prescribed herein for the filing of the return.

In the case of a taxable year which ends on or after July 1, 1976, and prior to December 31, 1976, an income tax return for such taxable year shall be filed on or before April 15, 1977.

b. Each return shall carry a signature by the taxpayer certifying that all statements contained therein are true, under the same penalties as for perjury committed. The director is authorized to promulgate regulations and procedures setting forth the manner in which a taxpayer may satisfy the signature requirement. Blank forms of return shall be furnished on application, but failure to secure the form shall not relieve any taxpayer of the obligation of making any return herein required. Subject to regulations under this act and in such form as may be indicated thereby, taxpayers whose net income taxable under this act is or may be subject to tax under a similar law of another jurisdiction may be permitted to file a simple, short form return attached to a copy of his return as filed or about to be filed by him in such other jurisdiction.

Subject to regulations under this act, reasonable extensions of time for good cause shown, may be granted for not more than six months unless exceptional circumstances justify a longer period, within which returns may be filed.

In addition, persons in active service with the Armed Forces of the United States, who may be prevented by distance or injury or hospitalization arising out of such service, may be allowed such extension of time for the filing of returns, without interest or penalty, as may be fixed by regulations under this act.

2. This act shall take effect immediately and apply to returns filed on and after January 1, 1996 .

Approved March 28, 1996.

CHAPTER 11

AN ACT concerning civil actions by inmates of correctional facilities and supplementing Title 30 of the Revised Statutes.

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

C.30:4-16.2 Frivolous lawsuits filed by inmates; determination, recovery of costs, fees; forfeiture of time credits.

1. a. In any civil action filed by an inmate in which the defendant is represented by the Attorney General or county counsel and the Attorney General or county counsel believes the lawsuit is frivolous, the Attorney General or county counsel shall move to recover costs and fees.

b. The commissioner shall promulgate regulations providing for the forfeiture of progressive time credits authorized pursuant to R.S.30:4-140 when an inmate's lawsuit:

(1) was filed to harass or retaliate against another individual, to disrupt or interfere with the operation of the correctional institution, or for some other malicious purpose, and

(2) has been determined by a court to be frivolous.

C.30:4-16.3 Waiver of filing fee; part payment.

2. a. If an inmate files an action or proceeding in any court of this State and requests a waiver of filing fees on the grounds of indigency the inmate shall attach to the filing a certified copy of the prisoner's fund account statement from the appropriate correctional institution for the six months immediately preceding the filing of the complaint or petition. If any filing fee is waived, the inmate shall pay a partial filing fee that is 20% of the greater of:

(1) the average monthly balance in the inmate's account;

(2) the average deposits to the inmate's account;

for the six months immediately preceding the filing of the complaint or petition. However, the partial fee may not exceed the full filing fee for the commencement of the action or proceeding.

b. If an inmate claims exceptional circumstances that render the offender unable to pay the partial filing fee required by this section, in addition to the statement of account required by subsection a. the inmate shall submit an affidavit of special circumstances setting forth the reasons and circumstances that justify relief from the partial filing fee requirement.

c. If the court approves the application to waive all fees, the court shall give written notice to the inmate that all fees and costs relating to the filing and service will be waived. If the court denies the application to waive all fees, the court shall give written notice to the inmate that the offender's case will be dismissed if the partial filing fee is not paid within 45 days after the date of the order, or within an additional period that the court may, upon request, allow. Process in an action filed by an inmate shall not be served until the fee is paid.

C.30:4-16.4 Disposition of monies derived from judgment.

3. If an inmate is awarded a money judgment as the result of a civil action, the monies derived from that judgment shall be deposited in the inmate's account at the correctional institution in which the inmate is confined. These monies shall be used to satisfy any court-imposed fines, restitution or penalties which the inmate has not met. These monies may also be used to meet any claims for reimbursement for medical treatment sought by the State or a county pursuant to the provisions of P.L.1995, c.254 (C.30:7E-1 et seq.).

C.30:4-16.5 Definitions relative to civil actions by inmates.

4. As used in this act:

"Commissioner" means the Commissioner of Corrections.

"Inmate" means a person sentenced to imprisonment, or ordered to pretrial or investigative detention, in a State prison or county jail.

5. This act shall take effect on the 90th day after enactment.

Approved March 28, 1996.

CHAPTER 12

AN ACT concerning the office of register of deeds and mortgages in certain counties and amending N.J.S.40A:9-80.

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

1. N.J.S.40A:9-80 is amended to read as follows:

Existing offices of register of deeds and mortgages, confirmed, continued; exceptions.

40A:9-80. The office of register of deeds and mortgages heretofore established and now in existence in any county is confirmed and shall be continued until altered or abolished as provided by law, except that:

a. in a county in which the office of register of deeds and mortgages initially was established pursuant to P.L.1875, c.CXXXV (c.135), the office of register of deeds and mortgages shall be consolidated with the office of county clerk, and

b. in a county of the second class with a population density greater than 4,500 persons per square mile and a population between 490,000 and 505,000 according to the most recent federal decennial census, the office of

register of deeds and mortgages shall be consolidated with the office of county clerk upon the expiration of the term of office of the current register of deeds and mortgages or the occurrence of a vacancy prior to the expiration of the term of the current register of deeds and mortgages, whichever occurs first.

Upon the consolidation of the office of register of deeds and mortgages as provided herein, the office of register of deeds and mortgages in those counties shall be abolished, and the powers, functions, and duties of the register of deeds and mortgages shall pertain to the county clerk.

2. This act shall take effect immediately.

Approved April 2, 1996.

CHAPTER 13

AN ACT concerning the appointment of certain law enforcement officers and amending P.L.1991, c.299.

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

1. Section 1 of P.L.1991, c.299 (C.40A:14-180) is amended to read as follows:

C.40A:14-180 Appointments to county or municipal police force of certain law enforcement officers.

1. a. The provisions of any other law to the contrary notwithstanding, the appointing authority of a county or municipality which, pursuant to N.J.S.40A:14-106, in the case of a county, or N.J.S.40A:14-118, in the case of a municipality, has established and maintains a police force may appoint as a member or officer of the county or municipal police department any person who:

(1) was serving as a law enforcement officer in good standing in any State, county or municipal law enforcement department or agency; and

(2) satisfactorily completed a working test period in a State law enforcement title or in a law enforcement title in a county or municipality which has adopted Title 11A, Civil Service, of the New Jersey Statutes or satisfactorily completed a comparable, documented probationary period in a law enforcement title in a county or municipality which has not adopted Title 11A, Civil Service; and

(3) was, for reasons of economy, terminated as a law enforcement officer within 60 months prior to the appointment.

b. A county or municipality may employ such a person notwithstanding that:

(1) Title 11A, Civil Service, of the New Jersey Statutes is operative in that county or municipality;

(2) the county or municipality has available to it an eligible or regular reemployment list of persons eligible for such appointments; and

(3) the appointed person is not on any eligible list. A county or municipality which has adopted Title 11A, Civil Service, may not employ such a person if a special reemployment list is in existence for the law enforcement title to be filled.

c. If a county determines to appoint a person pursuant to the provisions of this act, it shall give first priority in making such appointments to residents of the county. A municipality making such an appointment shall give first priority to residents of the municipality and second priority to residents of the county not residing in the municipality.

d. The seniority, seniority-related privileges and rank a law enforcement officer possessed with the employer who terminated the officer's employment for reasons of economy shall not be transferable to a new position when the officer is appointed to a law enforcement position pursuant to the provisions of this section.

2. This act shall take effect immediately.

Approved April 2, 1996.

CHAPTER 14

AN ACT concerning law enforcement officers and supplementing chapter 12 of Title 2C of the New Jersey Statutes.

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

C.2C:12-11 Disarming a law enforcement, corrections officer; crime; degrees.

1. a. A person who knowingly takes or attempts to exercise unlawful control over a firearm or other weapon in the possession of a law enforcement or corrections officer when that officer is acting in the performance of his duties, and either is in uniform or exhibits evidence of his authority, is guilty of a crime of the second degree.

b. A person violating the provisions of subsection a. of this section shall be guilty of a crime of the first degree if:

(1) The person fires or discharges the firearm;

(2) The person uses or threatens to use the firearm or weapon against the officer or any other person; or

(3) The officer or another person suffers serious bodily injury.

2. This act shall take effect immediately.

Approved April 11, 1996.

CHAPTER 15

AN ACT concerning boating and amending P.L.1987, c.453.

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

1. Section 2 of P.L.1987, c.453 (C.12:7-61) is amended to read as follows:

C.12:7-61 Operation of power vessels, personal watercraft; boat safety course requirements; violations.

2. a. A person who is under 16 years of age shall not operate a power vessel on the waters of this State, except that:

(1) a person who is under 16 years of age but at least 13 years of age and possesses a certificate certifying that person's successful completion of a boat safety course approved by the Superintendent of State Police in the Department of Law and Public Safety may operate:

(a) a power vessel powered solely by a motor of less than one horsepower or an electric motor of 12 volts or less; or

(b) a power vessel which is 12 feet or greater in length and powered by a motor, or combination of motors, of less than 10 horsepower;

(2) A person who is under 16 years of age and has successfully completed an approved boat safety course prior to July 1, 1996 may operate a power vessel on the tidal waters of this State, provided that the person complies with all other requirements of law, rule and regulation; and

(3) A person who is under 16 years of age and was issued an operator's license pursuant to section 7 of P.L.1954, c.236 (C.12:7-34.7) before July 1, 1996 may operate a power vessel equipped with an outboard motor until the expiration date of that license.

b. A person who is 16 years of age or older and was born after December 31, 1978 shall not operate a power vessel on the waters of this

State without having completed a boat safety course approved by the Superintendent of State Police in the Department of Law and Public Safety.

c. Except as provided pursuant to section 17 and section 18 of P.L.1995, c.401 (T & E and C.12:7-86), a person shall not operate a personal watercraft on the waters of this State without having completed a boat safety course approved by the Superintendent of State Police in the Department of Law and Public Safety.

d. Whenever a person who is required by this section or by section 7 of P.L.1995, c.401 (C.12:7-76), section 3 or 4 of P.L.1952, c.157 (C.12:7-46 or C.12:7-47), or section 9 of P.L.1986, c.39 (C.12:7-57) to have completed a boat safety course operates a power vessel or personal watercraft, as appropriate, on the waters of this State, that person shall have in possession a certificate certifying that person's successful completion of a boat safety course approved by the superintendent and shall, when requested to do so, exhibit the certificate to a law enforcement or peace officer of this State. Failure of the person to exhibit the certificate is presumptive evidence that the person has not completed an approved boat safety course.

e. A person who violates subsection a., b., c. or d. of this section or who exhibits to a law enforcement or peace officer a certificate of completion of an approved boat safety course of another person is subject to a fine of not less than $100 nor more than $500.

f. A person who owns or has control or custody of a power vessel and allows the power vessel to be operated on the waters of this State by a person who is required pursuant to the provisions of this section to possess a certificate certifying successful completion of a boat safety course but who does not possess such certificate is subject to a fine of not more than $100.

g. A person making application to the Director of the Division of Motor Vehicles for a power vessel operator's license issued pursuant to section 3 of P.L.1995, c.401 (C.12:7-72) who is required pursuant to the provisions of this section to possess a certificate certifying successful completion of a boat safety course shall submit the original or a copy of the certificate with the application. The director shall not issue a power vessel operator's license to such person who fails to submit the original or a copy of the certificate.

2. Section 17 of P.L.1995, c.401 is amended to read as follows:

17. a. The Superintendent of State Police shall develop, and the superintendent, or his designee, shall administer, a written test for experienced boaters which shall be issued in lieu of completing the boat safety course required pursuant to subsection c. of section 2 of P.L.1987, c.453

(C.12:7-61). Upon successful completion of the test, the person shall be given a certificate which shall fulfill the requirements of subsection c. of section 2 of P.L.1987, c.453 (C.12:7-61). A person who fails the test shall be subject to all requirements of subsection c. of section 2 of P.L.1987, c.453 (C.12:7-61). A person may only take one test pursuant to this subsection.

b. A person who takes a test pursuant to subsection a. of this section shall pay such fee as determined by the superintendent to defray the costs of developing and administering the test and issuing the certificates to persons who successfully complete the test.

c. In addition to all other penalties provided by law, a person who provides false information on an application for a written test issued pursuant to subsection a. of this section shall be subject to a fine of $100.

d. The superintendent shall determine the qualifications for application and all other requirements for applicants under this section.

e. The superintendent shall be exempt from the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), in performing the requirements of this section.

3. This act shall take effect immediately.

Approved April 11, 1996.

CHAPTER 16

AN ACT concerning the purchase of goods and services by the State and other contracting entities, supplementing P.L.1954, c.48 (C.52:34-6 et seq.), and amending P.L.1971, c.198, P.L.1977, c.114, P.L.1986, c.43, and P.L.1982, c.189.

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

C.52:34-6.1 Purchase of goods, services from Federal Supply Schedules for State agencies.

1. Notwithstanding the provisions of P.L.1954, c.48 (C.52:34-6 et seq.) to the contrary, and as an alternative to the procedures concerning the awarding of public contracts pursuant to that act, the Director of the Division of Purchase and Property in the Department of the Treasury may purchase goods and services, for State agencies and for the entities defined in section 1 of P.L.1959, c.40 (C.52:27B-56.1), from the Federal Supply Schedules of the Federal General Services Administration as permitted by the "Federal Acquisition Streamlining Act of 1994," Pub.L.103-355, and

regulations adopted pursuant to that law and by the rules and regulations which the director may promulgate pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).

C.52:34-6.3 Purchase of goods, services by certain State authorities from Federal Supply Schedules.

2. Notwithstanding the provisions of any other law to the contrary, and as an alternative to the procedures concerning the awarding of public contracts pursuant to the applicable statutes, the State authorities authorized to contract independently under various provisions of State law may, without advertising for bids, or having rejected all bids obtained pursuant to advertising, purchase goods and services from the Federal Supply Schedules of the Federal General Services Administration as permitted by the "Federal Acquisition Streamlining Act of 1994," Pub.L.103-355, and regulations adopted pursuant to that law and by the rules and regulations which the authority may adopt.

3. Section 12 of P.L.1971, c.198 (C.40A:11-12) is amended to read as follows:

C.40A:11-12 Contracting unit purchases through State agency; procedure.

12. a. Any contracting unit under this act may without advertising for bids, or having rejected all bids obtained pursuant to advertising therefor, purchase any materials, supplies, goods, services or equipment under any contract or contracts for such materials, supplies, goods, services or equipment entered into on behalf of the State by the Division of Purchase and Property in the Department of the Treasury.

b. A contracting unit may also use, without advertising for bids, or having rejected all bids obtained pursuant to advertising, the Federal Supply Schedules of the General Services Administration as permitted by the "Federal Acquisition Streamlining Act of 1994," Pub.L. 103-355, and federal regulations adopted thereunder.

c. Whenever a purchase is made, the contracting unit shall place its order with the vendor offering the lowest price, including delivery charges, that best meets the requirements of the contracting unit. Prior to placing such an order, the contracting unit shall document with specificity that the materials, supplies, goods, services or equipment selected best meet the requirements of the contracting unit.

4. N.J.S.18A:18A-10 is amended to read as follows:

Board of education purchases through State agency; procedure.

18A:18A-10. a. A board of education, without advertising for bids, or after having rejected all bids obtained pursuant to advertising therefor, may purchase any materials, supplies, goods, services or equipment pursuant to a contract or contracts for such materials, supplies , goods, services or equipment entered into on behalf of the State by the Division of Purchase and Property.

b. A board of education may also use, without advertising for bids, or having rejected all bids obtained pursuant to advertising, the Federal Supply Schedules of the General Services Administration as permitted by the "Federal Acquisition Streamlining Act of 1994," Pub.L. 103-355, and federal regulations adopted thereunder.

c. Whenever a purchase is made, the board of education shall place its order with the vendor offering the lowest price, including delivery charges, that best meets the requirements of the board of education. Prior to placing such an order, the board of education shall document with specificity that the materials, supplies, goods, services or equipment selected best meet the requirements of the board of education.

5. Section 9 of P.L.1986, c.43 (C.18A:64-60) is amended to read as follows:

C.18A:64-60 State college purchases through State agency; procedure.

9. a. Any State college, without advertising for bids, or after having rejected all bids obtained pursuant to advertising therefor, may purchase any materials, supplies, goods, services or equipment pursuant to a contract or contracts for those materials, supplies, goods, services or equipment entered into on behalf of the State by the Division of Purchase and Property.

b. A State college may also use, without advertising for bids, or having rejected all bids obtained pursuant to advertising, the Federal Supply Schedules of the General Services Administration as permitted by the "Federal Acquisition Streamlining Act of 1994," Pub.L. 103-355, and federal regulations adopted thereunder.

c. Whenever a purchase is made, the State college shall place its order with the vendor offering the lowest price, including delivery charges, that best meets the requirements of the State college. Prior to placing such an order, the State college shall document with specificity that the materials, supplies, goods, services or equipment selected best meet the requirements of the State college.

6. Section 9 of P.L.1982, c.189 (C.18A:64A-25.9) is amended to read as follows:

C.18A:64A-25.9 County college purchases through State agency; procedure.

9. a. Any county college, without advertising for bids, or after having rejected all bids obtained pursuant to advertising therefor, may purchase any materials, supplies, goods, services or equipment pursuant to a contract or contracts for such materials, supplies , goods, services or equipment entered into on behalf of the State by the Division of Purchase and Property.

b. A county college may also use, without advertising for bids, or having rejected all bids obtained pursuant to advertising, the Federal Supply Schedules of the General Services Administration as permitted by the "Federal Acquisition Streamlining Act of 1994," Pub.L. 103-355, and federal regulations adopted thereunder.

c. Whenever a purchase is made, the county college shall place its order with the vendor offering the lowest price, including delivery charges, that best meets the requirements of the county college. Prior to placing such an order, the county college shall document with specificity that the materials, supplies, goods, services or equipment selected best meet the requirements of the county college.

C.52:34-6.2 Cooperative purchasing agreements with other states for purchase of goods, services; rules, regulations.

7. a. Notwithstanding the provisions of any other law to the contrary except the provisions of R.S.30:4-95, and as an alternative to the procedures concerning the awarding of public contracts provided in P.L.1954, c.48 (C.52:34-6 et seq.), the Director of the Division of Purchase and Property in the Department of the Treasury may enter into cooperative purchasing agreements with one or more other states, or political subdivisions thereof, for the purchase of goods and services. A cooperative purchasing agreement shall allow the jurisdictions which are parties thereto to standardize and combine their requirements for the purchase of a particular good or service into a single contract solicitation which shall be competitively bid and awarded by one of the jurisdictions on behalf of jurisdictions participating in the contract.

b. The director may elect to purchase goods or services through a contract awarded pursuant to a cooperative purchasing agreement whenever the director determines this to be the most cost-effective method of procurement. Prior to entering into any contract to be awarded through a cooperative purchasing agreement, the director shall review and approve the specifications and proposed terms and conditions of the contract.

c. The director may solicit bids and award contracts on behalf of this State and other jurisdictions which are parties to a cooperative purchasing agreement provided that the agreement specifies that each jurisdiction participating in a contract is solely responsible for the payment of the

purchase price and cost of purchases made by it under the terms of any contract awarded pursuant to the agreement.

d. The director may promulgate rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), which are necessary to effectuate the purposes of this section.

8. This act shall take effect immediately, however, sections 1 through 6 shall remain inoperative until promulgation of the federal General Services Administration regulations.

Approved April 11, 1996.

CHAPTER 17

AN ACT concerning banking and revising parts of the statutory law.

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

1. Section 1 of P.L.1970, c.236 (C.17:9-41) is amended to read as follows:

C.17:9-41 Definitions.

1. In this act, unless the context otherwise requires:

"Association" means any State or federally chartered savings and loan association;

"Capital funds" means (a) in the case of a State bank or national bank or capital stock savings bank, the aggregate of the capital stock, surplus and undivided profits of the bank or savings bank; (b) in the case of a mutual savings bank, the aggregate of the capital deposits, if any, and the surplus of the savings bank; and (c) in the case of an association, the aggregate of all reserves required by any law or regulation, and the undivided profits, if any, of the association;

"Commissioner" means the Commissioner of Banking;

"Defaulting depository" means a public depository as to which an event of default has occurred;

"Eligible collateral" means:

(a) Obligations of any of the following:

(1) The United States;

(2) Any agency or instrumentality of the United States, including, but not limited to, the Student Loan Marketing Administration, the Government

National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Federal Housing Administration and the Small Business Administration;

(3) The State of New Jersey or any of its political subdivisions;

(4) Any other governmental unit; or

(b) Obligations guaranteed or insured by any of the following, to the extent of that insurance or guaranty:

(1) The United States;

(2) Any agency or instrumentality of the United States, including, but not limited to, the Student Loan Marketing Administration, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Federal Housing Administration and the Small Business Administration;

(3) The State of New Jersey or any of its political subdivisions; or

(c) Obligations now or hereafter authorized by law as security for public deposits;

(d) Obligations in which the State, political subdivisions of the State, their officers, boards, commissions, departments and agencies may invest pursuant to an express authorization under any law authorizing the issuance of those obligations; or

(e) Any other obligations as may be approved by the commissioner by regulation or by specific approval;

"Event of default" means issuance of an order of a supervisory authority or of a receiver restraining a public depository from making payments of deposit liabilities;

"Governmental unit" means any county, municipality, school district or any public body corporate and politic created or established under any law of this State by or on behalf of any one or more counties or municipalities, or any board, commission, department or agency of any of the foregoing having custody of funds;

"Maximum liability" of a public depository means, with respect to any event of default, a sum equal to 5% of the average daily balance of collected public funds held on deposit by the depository during the six-month period ending on the last day of the month next preceding the occurrence of such event of default;

"Net deposit liability" means the deposit liability of a defaulting depository to a governmental unit after deduction of any deposit insurance with respect thereto;

"Obligations" means any bonds, notes, capital notes, bond anticipation notes, tax anticipation notes, temporary notes, loan bonds, mortgage related securities, or mortgages;

"Public depository" means a State or federally chartered bank, savings bank or an association located in this State or a state or federally chartered bank, savings bank or an association located in another state with a branch office in this State, the deposits of which are insured by the Federal Deposit Insurance Corporation and which receives or holds public funds on deposit;

"Public funds" means the funds of any governmental unit, but does not include deposits held by the State of New Jersey Cash Management Fund;

"Valuation date" means December 31 and June 30.

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

C.17:9A-1 Definitions.

1. As used in this act, and except as otherwise expressly provided in this act:

(1) "Bank" shall include the following:

(a) Every corporation heretofore organized pursuant to the act entitled "An act concerning banks and banking (Revision of 1899)," approved March 24, 1899;

(b) Every corporation heretofore organized pursuant to the act entitled "An act concerning trust companies (Revision of 1899)," approved March 24, 1899;

(c) Every corporation heretofore organized pursuant to chapter 4 of Title 17 of the Revised Statutes;

(d) Every corporation, other than a savings bank, heretofore authorized by any general or special law of this State to transact business as a bank or as a trust company, or as both;

(e) Every corporation hereafter organized pursuant to article 2 of this act;

(2) "Banking institution" shall mean a bank, an out-of-State bank having a branch office in this State, an out-of-country bank having a branch office in this State, savings bank, and a national banking association having its principal or a branch office in this State;

(3) "Board of managers" of a savings bank shall include the board of trustees of a savings bank;

(4) "Capital stock" shall include both common stock and preferred stock;

(5) "Certificate of incorporation," unless the context requires otherwise, shall mean:

(a) The certificate of incorporation, together with all amendments thereto, of every bank and savings bank organized pursuant to any general law of this State;

(b) The charter, together with all amendments thereto, of every bank and savings bank organized pursuant to any special law of this State;

(6) "Commissioner" shall mean the Commissioner of Banking of New Jersey;

(7) "Department" shall mean the Department of Banking of New Jersey;

(8) "Fiduciary" shall include trustee, executor, administrator, receiver, guardian, assignee, and every other person occupying any other lawful office or employment of trust;

(9) "Manager" of a savings bank shall include a trustee of a savings bank;

(10) "Municipality" shall mean a city, town, township, village, and borough of this State;

(11) "Population" shall mean the population as determined by the latest federal census or as determined by the commissioner from other information which he may deem reliable;

(12) "Qualified bank" shall mean:

(a) A bank or an out-of-State bank with a branch office in New Jersey which has heretofore been authorized or which shall hereafter be authorized to exercise any of the powers authorized by section 28 of P.L.1948, c.67 (C.17:9A-28);

(b) A savings bank which has heretofore been authorized or which shall hereafter be authorized to exercise any of the powers authorized by section 28 of P.L.1948, c.67 (C.17:9A-28); and

(c) A national banking association having its principal or a branch office in this State authorized to act as a fiduciary;

(13) "Savings bank" shall include the following:

(a) Every corporation heretofore organized pursuant to the act entitled "An act concerning savings banks," approved April 12, 1876;

(b) Every corporation heretofore organized pursuant to the act entitled "An act concerning savings banks," approved May 2, 1906;

(c) Every corporation heretofore organized pursuant to chapter 6 of Title 17 of the Revised Statutes;

(d) Every corporation, other than a bank, authorized by any general or special law of this State to carry on the business of a savings bank or institution or society for savings;

(e) Every corporation hereafter organized pursuant to article 3 of P.L.1948, c.67 (C.17:9A-7 and 17:9A-8) or P.L.1982, c.9 (C.17:9A-8.1 et seq.);

(14) "Branch office" of a bank or savings bank shall mean an office, unit, station, facility, terminal, space or receptacle at a fixed location other than a principal office, however designated, at which any business that may be conducted in a principal office of a bank or savings bank may be transacted.

"Branch office" includes full branch offices, minibranch offices and communication terminal branch offices;

(15) "Full branch office" means a branch office of a bank or savings bank not subject to the limitations or restrictions imposed upon minibranch offices or communication terminal branch offices;

(16) "Minibranch office" means a branch office of a bank or savings bank which does not occupy more than 500 square feet of floor space and which does not contain more than four teller stations, manned by employees of the bank or savings bank;

(17) "Communication terminal branch office" means a branch office of a bank or savings bank which is either manned by a bona fide third party under contract to a bank or savings bank or unmanned and which consists of equipment, structures or systems, by means of which information relating to financial services rendered to the public is transmitted and through which transactions with banks and savings banks are consummated, either instantaneously or otherwise;

(18) "Secondary mortgage loan" means a loan made to an individual, association, joint venture, partnership, limited partnership association, or any other group of individuals however organized, except a corporation, which is secured in whole or in part by a lien upon any interest in real property, including, but not limited to, shares of stock in a cooperative corporation, created by a security agreement, including a mortgage indenture, or any other similar instrument or document, which real property is subject to one or more prior mortgage liens and which is used as a dwelling, including a dual purpose or combination type dwelling which is also used as a business or commercial establishment, and has accommodations for not more than six families, except that a loan which: (a) is to be repaid in 90 days or less; (b) is taken as security for a home repair contract executed in accordance with the provisions of P.L.1960, c.41 (C.17:16C-62 et seq.); or (c) is the result of the private sale of a dwelling, if title to the dwelling is in the name of the seller and the seller has resided in said dwelling for at least one year, if the buyer is purchasing said dwelling for his own residence and, as part of the purchase price, executes a secondary mortgage in favor of the seller, shall not be included within the definition of "secondary mortgage loan";

(19) With respect to savings banks, "director" and "board of directors" may be used to mean "manager" and "board of managers," respectively;

(20) "Foreign bank" means a company, other than a banking institution, organized under the laws of the United States, another state, or a foreign government, which is authorized by the laws under which it is organized to exercise some or all of the powers specified in paragraph (4) of section 24 of P.L.1948, c.67 (C.17:9A-24), paragraphs (4), (5) and (13) of section 25

of P.L.1948, c.67 (C.17:9A-25), and paragraphs (3) through (9), inclusive, of section 28 of P.L.1948, c.67 (C.17:9A-28);

(21) "Home state" means:

(a) with respect to a national bank, the state in which the main office is located; and

(b) with respect to a state bank, the state by which the bank is chartered;

(22) "Host state" means, with respect to a bank, a state, other than the home state of the bank, in which the bank maintains, or seeks to establish and maintain, a branch office.

For purposes of this subsection and subsection (21), "bank" means a bank as defined in the Federal Deposit Insurance Act, 12 U.S.C. §1813(a)(2);

(23) "Out-of-State bank" means a state bank, as defined in the Federal Deposit Insurance Act, 12 U.S.C. §1813(a)(2), with a home state other than New Jersey;

(24) "Out-of-country bank" means a bank chartered under the laws of a country other than the United States;

(25) "Interstate merger transaction" means:

(1) The merger or consolidation of banks with different home states, and the conversion of branches of any bank involved in the merger or consolidation into branches of the resulting bank; or

(2) The purchase of all or substantially all of the assets, the assumption of all or substantially all of the liabilities, or both, including all or substantially all of the branches, of a bank whose home state is different from the home state of the acquiring bank;

(26) "State" means any state of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands and the Northern Mariana Islands;

(27) "Resulting bank" means a state or federally chartered bank or state chartered savings bank that has resulted from an interstate merger transaction pursuant to P.L.1948, c.67 (C.17:9A-1 et seq.).

3. Section 19 of P.L.1948, c.67 (C.17:9A-19) is amended to read as follows:

C.17:9A-19 Branch offices; capital requirements.

19. A. Any bank or savings bank may, pursuant to a resolution of its board of directors or board of managers, establish and maintain branch offices, subject to the conditions and limitations of this article.

B. (Deleted by amendment, P.L.1996, c.17.)

(3) (Deleted by amendment.)

C. No bank shall hereafter establish a full branch office unless its capital shall equal or exceed the minimum capital established by the commissioner by regulation.

D. No savings bank shall hereafter establish a full branch office unless its capital shall equal or exceed the minimum capital established by the commissioner by regulation.

E. (Deleted by amendment.)

F. (Deleted by amendment.)

G. (Deleted by amendment.)

H. (Deleted by amendment.)

I. (Deleted by amendment.)

J. (Deleted by amendment.)

K. A bank or savings bank may establish a full branch office, a minibranch office, or communications terminal branch office anywhere in this State.

L. Except as otherwise provided by law, no foreign bank shall establish, operate or maintain in this State any full branch office, minibranch office or communication terminal branch office.

4. Section 1 of P.L.1989, c.245 (C.17:9A-19.2) is amended to read as follows:

C.17:9A-19.2 Authority for insured depository institution to act as agent for affiliate; construction of "control"; authority of commissioner.

1. a. An insured depository institution located in this State may accept deposits and conduct other banking business as agent for any affiliate, without being required to obtain a license as a branch office of the affiliate or foreign bank; and may provide customer information to any affiliate solely for use in conducting business with the customer. For purposes of this section, "control" shall be construed consistently with the provisions of paragraph (2) of subsection (a) of section 2 of the "Bank Holding Company Act of 1956," 12 U.S.C. §1841(a)(2); "insured depository institution" shall have the same meaning as set forth in the "Federal Deposit Insurance Act," 12 U.S.C. §1813; "foreign bank," "agency," and "branch" shall have the same meaning as set forth in the "International Banking Act of 1978," 12 U.S.C. §3101 et seq.; and "affiliate" means a company which controls, is controlled by or under common control with another company, and includes a United States branch or agency of a foreign bank.

b. The commissioner shall have the authority to request from any insured depository institution information with respect to its activities as an agent, including a request for a copy of any agreement of an insured depository institution to act as an agent for an affiliate.

5. Section 20 of P.L.1948, c.67 (C.17:9A-20) is amended to read as follows:

C.17:9A-20 Application for establishment of full branch office, minibranch office, communication terminal branch office.

20. A. (1) Before any full branch office shall be established, the bank or savings bank shall file written application in the department for the commissioner's approval thereof. If, after such investigation or hearings, or both, as the commissioner may determine to be advisable, the commissioner shall find:

(a) That the bank or savings bank has complied with the requirements of section 19 of P.L.1948, c.67 (C.17:9A-19);

(b) That the interests of the public will be served to advantage by the establishment of such full branch office;

(c) That conditions in the locality in which the proposed full branch office is to be established afford reasonable promise of successful operation; and

(d) That the applicant has achieved sufficient compliance, as defined by the commissioner by regulation, with the "Community Reinvestment Act of 1977," 12 U.S.C. §2901 et seq.; the commissioner shall, within 90 days after the filing of the application, approve such application.

(2) To determine if an applicant meets the requirements of subparagraph (c) of paragraph (1) of this subsection A., the commissioner shall consider only the costs of purchasing, constructing, leasing or otherwise establishing the proposed office including the costs for staffing, furniture and equipment needed therefor and the effect of these costs on the operations of the applicant as a whole.

(3) The applicant need not demonstrate an ability to operate the proposed office at a profit within a definable period of time based on the generation of new deposits from the market area to be entered except to the extent that losses suffered at the proposed office could affect the safety and soundness of the applicant's overall operations.

B. Before any minibranch office shall be established, the bank or savings bank shall file a written application on forms supplied by the commissioner. A duly adopted resolution of the board of directors or managers authorizing such application shall accompany the application. Notice of such application shall be published in accordance with procedural rules and regulations of the department. Within 20 days after said notice is published, any person or banking institution having objections to the application shall submit detailed written factual and legal grounds for the objection to the commissioner. There shall be no hearing required to be held by the commissioner in connection with such application. The commis-

sioner, after considering the application and written objections and such investigation as the commissioner deems advisable, shall approve the application, if the commissioner shall find

(1) That the convenience and needs of the public will be served to advantage by the establishment of such minibranch office; and

(2) That the costs of establishing such minibranch office, including (a) construction and alteration costs; (b) the cost of real property to be acquired in connection therewith or rental to be paid for space to be occupied by such office; (c) the cost of purchasing or renting and installing the equipment to be used in the operation of such office; and (d) the cost of manning such office, shall not in the aggregate exceed such sum as the commissioner shall deem reasonable, taking into consideration the capital and surplus of the bank, or the surplus of the savings bank.

C. Before any communication terminal branch office shall be established, the bank or savings bank shall file in the department written notice of the proposed establishment and such other information as the commissioner shall require.

D. Any bank or savings bank may participate in the establishment, maintenance or use of one or more communication terminal branch offices with one or more financial institutions whose deposits are insured by the Federal Deposit Insurance Corporation. The commissioner may require a bank or savings bank to participate with one or more insured financial institutions, at a reasonable cost, if the institution requesting participation maintains a principal, full branch or minibranch office located within five miles of the proposed site.

E. A bank or savings bank shall provide insurance protection under its bonding program for transactions involving such communication terminal branch offices.

F. (Deleted by amendment, P.L.1996, c.17.)

G. The commissioner shall have the power to make, amend and repeal rules and regulations concerning the establishment, maintenance and operation of full branch offices, minibranch offices and communication terminal branch offices not inconsistent with the provisions of this act. The regulations so made shall also be directed toward the creation, operation and maintenance of a substantial competitive parity between banking institutions and other financial institutions in all matters relating to the establishment, operation, and maintenance of branch offices.

6. Section 21 of P.L.1948, c.67 (C.17:9A-21) is amended to read as follows:

C.17:9A-21 Termination of right to open, operate branch office; discontinuance.

21. A. The failure of a bank, out-of-State bank or savings bank to open and operate a branch office within one year after the commissioner approves the application therefor shall automatically terminate the right of the bank, out-of-State bank or savings bank to open the branch office, and it shall make no further application to establish a branch office at such location, or in the area which would be served by a bank, out-of-State bank or savings bank doing business at such location, until after the expiration of one year from the date of such approval; except that, for good cause shown, the commissioner may, in the commissioner's discretion, on application of the bank, out-of-State bank or savings bank made before the expiration of the one-year period, extend for additional periods, not in excess of six months each, the time within which such branch office may be opened.

B. A bank, out-of-State bank or savings bank may discontinue a branch office upon resolution of its board of directors or board of managers. Upon the adoption of such a resolution, the bank, out-of-State bank or savings bank shall file a certificate in the department specifying the location of the branch office to be discontinued, and the date upon which the discontinuance shall be effective.

C. Whenever the commissioner shall find that a branch office is not open for the transaction of business during such hours or days as the commissioner shall determine are reasonably necessary for the banking needs of the area served by such branch office, the commissioner may, by order, direct the bank, out-of-State bank or savings bank to keep such branch office open during such hours or days, and, upon the failure of the bank, out-of-State bank or savings bank to comply with such order, the commissioner may, after giving the bank, out-of-State bank or savings bank reasonable opportunity to be heard, make an order forfeiting the right of the bank, out-of-State bank or savings bank to maintain the branch office, and, upon the service of the order upon the bank, out-of-State bank or savings bank, it shall cease to maintain such branch office. An order of the commissioner made pursuant to this subsection shall be subject to review, hearing and relief in the Superior Court, in a proceeding in lieu of prerogative writ.

7. Section 22 of P.L.1948, c.67 (C.17:9A-22) is amended to read as follows:

C.17:9A-22 Changing location of office.

22. A. Upon filing an application therefor in the department, and upon obtaining the approval of the commissioner thereto a bank or savings bank may change the location of its principal office or of a branch office located

in this State to another location in this State. Upon filing an application therefor in the department, and upon obtaining the approval of the commissioner thereto, an out-of-State bank with a branch office located in this State may change the location of a branch office in this State to another location in this State, and a bank or savings bank with a branch office located outside this State may change the location of a branch office to another location in that state.

B. If it shall appear from the application, or if the commissioner shall find from such proof as the commissioner may require, or from such investigation as the commissioner may cause to be made, that the area which would be served by such office after its change in location would not be substantially different from the area theretofore served by such office, the commissioner shall approve the application.

C. If it shall appear to the commissioner, from the application, or from such proof as the commissioner may require, or from such investigation as the commissioner may cause to be made, that the proposed location will be so far removed from the place then occupied by such principal office or by such branch office that the area which would be served by such office after its change in location would be substantially different from the area theretofore served by it, the commissioner shall not approve such application unless, after such investigation or hearing, or both, as the commissioner may determine to be advisable, the commissioner shall find that the interests of the public will be served to advantage by such change in location, and that conditions in the locality to which removal is proposed afford reasonable promise of successful operation.

D. No savings bank shall change the location of its principal office pursuant to subsection C. of this section unless, prior to making application to the commissioner for his approval, the change in location is approved by a vote of two-thirds of its board of managers then in office.

8. Section 23 of P.L.1948, c.67 (C.17:9A-23) is amended to read as follows:

C.17:9A-23 Change of location from principal to branch office.

23. A bank or savings bank may, without satisfying the requirements of section 22 of P.L.1948, c.67 (C.17:9A-22), change the location of its principal office to a location in this State then occupied by a branch office maintained by it. After such a change, the bank or savings bank may maintain a branch office at the location formerly occupied by its principal office, or it may discontinue business at such location. Such bank or savings bank shall file a certificate of such change in the department within one week from the date such change is made. A change in location effected pursuant

to this section shall not be subject to the limitations imposed by subsection C. or D. of section 19 of P.L.1968, c.67 (C.17:9A-19). No change in location shall be made under this section without prior written approval of the commissioner which the commissioner shall not withhold unless the commissioner shall find that such change will not be in the public interest.

9. Section 2 of P.L.1952, c.179 (C.17:9A-23.2) is amended to read as follows:

C.17:9A-23.2 Auxiliary office, establishment, location.

2. No auxiliary office shall be established or maintained at a location which is outside this State or more than one mile from the office of the bank or savings bank to which such auxiliary office is an adjunct; nor shall any such auxiliary office be established within 1,000 feet of the principal office or a branch office of another banking institution without the written consent of such other banking institution. Such consent, once given, shall thereafter be irrevocable, regardless whether it was given gratuitously or for a valuable consideration. No bank or savings bank shall be required to discontinue an auxiliary office for the reason that, after its establishment pursuant to this act, another banking institution has established its main office or a branch office within 1,000 feet of such auxiliary office.

10. Section 3 of P.L.1961, c.67 (C.17:9A-23.11) is amended to read as follows:

C.17:9A-23.11 Branch offices, location, removal, interchange.

3. a. A branch office established pursuant to this act may be located anywhere in this State.

b. No branch office established pursuant to this act shall be removed to a location outside the installation on which it has been established.

c. The principal office of the bank may not be interchanged with any branch office established pursuant to this act.

d. (Deleted by amendment, P.L.1996, c.17.)

e. The right to maintain a branch office established pursuant to this act shall cease and the branch office shall be discontinued when the authority to maintain it under federal law or regulation ceases.

f. A branch office maintained pursuant to this act shall not be deemed to be a branch as an adjunct of which an auxiliary office may be established.

C.17:9A-20.1 Establishment, maintenance of out-of-State branch offices.

11. a. A bank or savings bank may, pursuant to a resolution of its board of directors, establish and maintain a branch office or branch offices outside

this State, subject to the conditions and limitations of sections 19 and 20 of P.L.1948, c.67 (C.17:9A-19 and 17:9A-20).

b. No bank or savings bank shall establish a branch office outside this State unless the laws of the jurisdiction where the branch is to be established do not prohibit the establishment of the branch.

c. A bank or savings bank which establishes a branch office outside this State shall have such additional powers in that state as permitted to banks or savings banks, as applicable, in the state in which the branch is located.

C.17:9A-20.2 Powers of out-of-State banks operating branch office in State.

12. An out-of-State bank that opens, occupies or maintains a branch office in this State shall have in this State only the powers a bank chartered in this State has.

C.17:9A-20.3 Out-of-State, national bank; establishment, maintenance of additional branch office.

13. a. An out-of-State bank with at least one branch office in this State, and a national bank with at least one branch office in this State, may establish and maintain additional branch offices in this State as long as the out-of-State bank or national bank is adequately capitalized as of the date of the application, will be adequately capitalized and managed after the branch is established, and has achieved sufficient compliance with the "Community Reinvestment Act of 1977," 12 U.S.C. §2901 et seq.

b. An out-of-State bank or national bank branching in New Jersey pursuant to this section, shall publish notice of the application in New Jersey in the appropriate trade journals.

14. Section 1 of P.L.1968, c.149 (C.17:9A-23.50) is amended to read as follows:

C.17:9A-23.50 Definitions relative to emergency banking.

1. As used in this act unless the context requires otherwise,

(a) "Commissioner" means the Commissioner of Banking and any other person lawfully exercising the powers of such commissioner;

(b) "Bank" includes banks, out-of-State banks and savings banks, and, to the extent the provisions hereof are not inconsistent with and do not infringe upon paramount federal law governing national banks, "bank" also includes national banks;

(c) "Officers" means the person or persons designated by the board of directors of a bank or the board of managers or trustees of a savings bank or the board of directors or managers or trustees of an out-of-State bank, as appropriate, to act for the bank, out-of-State bank or savings bank in carrying out the provisions of this act;

(d) "Emergency" means any condition which interferes with the conduct of normal business operations at one or more or all offices of a bank or banks, or which poses an imminent or existing threat to the safety and security of persons or property, or both. Without limiting the generality of the foregoing, an emergency may arise as a result of any one or more of the following: fire; flood; wind, rain or snow storms; labor disputes; power failures; transportation failures; war; and riots, civil commotions, and other acts of lawlessness or violence;

(e) "Office" means any place at which a bank transacts business or conducts operations related to the transaction of business;

(f) "Person" includes natural persons, corporations, partnerships and associations.

15. Section 9 of P.L.1981, c.153 (C.17:9A-24a) is amended to read as follows:

C.17:9A-24a Powers of commissioner.

9. The commissioner shall have the power to make, amend, and repeal regulations permitting banks to exercise any power, right, benefit, or privilege permitted to national or state banks, provided that such power, right, benefit, or privilege is not contrary to law. Such regulations shall be in substantial conformity with similar rules or regulations of the Comptroller of the Currency, the Federal Reserve Board, and the Federal Deposit Insurance Corporation, as applicable.

C.17:9A-133.1 Interstate merger transactions.

16. a. One or more banks or savings banks may, with the approval of the commissioner, enter into an interstate merger transaction with an out-of-State bank or banks pursuant to section 11 of P.L.1982, c.9 (C.17:9A-8.11), article 21 of "The Banking Act of 1948," P.L.1948, c.67 (C.17:9A-132 et seq.) or article 31 of "The Banking Act of 1948," P.L.1948, c.67 (C.17:9A-199 et seq.), as applicable.

b. Except as otherwise expressly provided in this subsection b., an interstate merger transaction shall not be permitted if, upon consummation of the transaction, the resulting state or federally chartered bank or savings bank, including all federally insured depository institutions that would be affiliates as defined in subsection (k) of section (2) of the federal "Bank Holding Company Act of 1956," 12 U.S.C. 1841(k), would control 30 percent or more of the total amount of deposits held by insured depository institutions in this State. The commissioner may by regulation adopt a procedure whereby the foregoing limitation on control of deposits may be waived for good cause.

c. The commissioner shall not permit before June 1, 1997, an interstate merger transaction involving one or more banks or savings banks and an out-of-State bank or banks unless the home state of each bank involved in the transaction has in effect, as of the date of the approval of such transaction, a law that applies equally to all out-of-state banks and expressly permits interstate merger transactions with all out-of-state banks.

d. The commissioner shall not permit on or after June 1, 1997, an interstate merger transaction involving one or more banks or savings banks and an out-of-State bank or banks if the home state of any bank or savings bank involved in the merger transaction has enacted a law after September 29, 1994, and before June 1, 1997, that applies equally to all out-of-State banks and expressly prohibits merger transactions involving out-of-State banks.

e. An out-of-State bank may, with the approval of the commissioner, acquire a branch office of a bank, out-of-State bank, national bank or savings bank, and the branch shall be treated, for purposes of this section, as a bank or savings bank, as appropriate.

f. A bank or savings bank may, with the approval of the commissioner, acquire an out-of-State branch office of a bank, savings bank or an out-of-State bank, and the branch shall be treated, for purposes of this section, as an out-of-State bank.

g. Any out-of-State bank which shall be the resulting bank in an interstate merger transaction shall file with the commissioner in a manner consistent with regulations promulgated by the commissioner for this purpose.

17. Section 148 of P.L.1948, c.67 (C.17:9A-148) is amended to read as follows:

C.17:9A-148 "Applicable federal law" defined; merger, consolidation of banks, national banking associations.

148. A. As used in subsection B. of this section, "applicable federal law" means the laws of the United States, as presently enacted and as hereafter from time to time supplemented or amended, governing the merger or consolidation of a bank organized under State laws into a national banking association, under the charter of such association; and, as used in subsection C. of this section, "applicable federal law" means the laws of the United States, as presently enacted and as hereafter from time to time supplemented or amended, governing the merger or consolidation of a national banking association into a bank organized under State laws, under the charter of such bank.

B. One or more banks may, without the approval of the commissioner or of any other officer, department, board or agency of this State, merge into or consolidate with a national banking association under the charter of such association, with the approval of the holders of at least 2/3 of the capital stock of each such bank entitled to vote. A majority of the directors of each such bank shall, within 10 days after such approval has been given, file in the department a certificate over their signatures that such approval has been given, and that the bank intends to act in pursuance thereof. Except as otherwise provided in subsection D. of this section, a merger or consolidation authorized by this subsection shall be effected solely in the manner and with the effect provided by applicable federal law, and no such merger or consolidation shall be subject to sections 132 through 147 of P.L.1948, c.67 (C.17:9A-132 through 17:9A-147) or to any other law of this State; but a copy of the agreement or merger or consolidation certified by the comptroller of the currency shall be evidence, and may be recorded, as provided by section 138 of P.L.1948, c.67 (C.17:9A-138). Upon the taking effect of the merger or consolidation, the bank shall be deemed to have surrendered its charter.

C. One or more national banking associations, or one or more national banking associations together with one or more banks may, with the approval of the commissioner as provided by section 136 of P.L.1948, c.67 (C.17:9A-136), merge into a bank, or may consolidate with a bank under the charter of such bank. Each bank which is a party to such a merger or consolidation as a merging bank or as the receiving bank shall, in all respects, comply with and be subject to the provisions of sections 134 through 147 of P.L.1948, c.67 (C.17:9A-134 through 17:9A-147), in the same manner and with the same effect as if all the parties to such merger or consolidation were banks; the rights, duties, obligations, powers and privileges of each such bank, whether such bank is a merging bank or the receiving bank, and of its or their depositors, other creditors, stockholders and all other persons in interest, shall be as prescribed and defined by sections 134 through 137 of P.L.1948, c.67 (C.17:9A-134 through 17:9A-137); and except as in this subsection otherwise provided in respect to national banking associations, every provision contained in sections 134 through 137 of P.L.1948, c.67 (C.17:9A-134 through 17:9A-137) shall be applicable to a merger or consolidation effected pursuant to this subsection, notwithstanding that a national banking association is a party to such a merger or consolidation. Each national banking association which is a party to a merger or consolidation authorized by this subsection shall comply with and be subject to the provisions of applicable federal law, and the rights, duties, obligations, powers and privileges of such national banking association, and of its depositors, other creditors, stockholders and all other

persons in interest, shall be as prescribed and defined by such applicable federal law.

D. National banking associations may, under the laws of the United States, merge into or consolidate with a bank organized under State laws, without approval by any United States authority other than an authority empowered by United States law to approve or disapprove of a merger between, or a consolidation of, State-chartered banks.

E. Except as otherwise expressly provided in this subsection E., an interstate merger transaction shall not be permitted if, upon consummation of the transaction, the resulting state or federally chartered bank or savings bank, including all federally insured depository institutions that would be affiliates as defined in subsection (k) of section (2) of the federal "Bank Holding Company Act of 1956," 12 U.S.C. 1841(k), would control 30 percent or more of the total amount of deposits held by insured depository institutions in this State. The commissioner may by regulation adopt a procedure whereby the foregoing limitation on control of deposits may be waived for good cause.

F. Before June 1, 1997, a merger involving a bank and a national banking association without a branch office in New Jersey shall not be permitted unless the home state of each institution involved in the transaction has in effect, as of the date of the approval of that transaction, a law that applies equally to all out-of-state banks and expressly permits interstate merger transactions with all out-of-state banks. On or after June 1, 1997, a merger involving a bank and a national banking association without a branch office in New Jersey, shall not be permitted if the home state of any institution involved in the transaction has enacted a law after September 29, 1994 and before June 1, 1997, that applies equally to all out-of-State banks and expressly prohibits merger transactions involving out-of-State banks.

G. A national banking association without a principal or branch office in New Jersey may acquire a branch office of a bank, and the branch shall be treated, for the purposes of this section, as a bank. A bank may acquire an out-of-State branch office of a national banking association, and the branch shall be treated, for purposes of this section, as a national banking association.

18. Section 256 of P.L.1948, c.67 (C.17:9A-256) is amended to read as follows:

C.17:9A-256 Reports to commisioner.

256. A. Every bank and out-of-State bank with a branch office in this State shall make and file in the department, not less than two reports during each year, in the form prescribed by the commissioner.

B. Every report filed pursuant to subsection A of this section shall state in detail and under appropriate heads the assets and liabilities of the bank or out-of-State bank at the close of business on any day specified by the commissioner, and shall be filed in the department within ten days after the receipt by the bank or out-of-State bank of a request therefor. The report shall be attested by the signatures of at least three directors who are not officers of the bank or out-of-State bank, and shall be verified by the oaths of at least two officers of the bank or out-of-State bank. The commissioner may extend for not more than ten days the time within which such report shall be filed.

C. The commissioner shall have power to call for special reports from a bank or out-of-State bank when, in the commissioner's judgment, such special reports are necessary in order to obtain a full and complete knowledge of its condition.

D. A bank or out-of-State bank which fails to make and transmit a report required by this section shall be subject to a penalty of $100 for each day during which such failure continues, to be recovered with costs by the State in any court of competent jurisdiction in a civil action prosecuted by the Attorney General.

E. The commissioner may waive the requirements of this section if the bank or out-of-State bank files a similar report with federal regulators and adequate provision is made for the commissioner to have access to that filing.

19. Section 258 of P.L.1948, c.67 (C.17:9A-258) is amended to read as follows:

C.17:9A-258 Report of assets, liability; availability.

258. A summary of the report of assets and liabilities as of the end of the most recent fiscal year, required to be submitted to the department pursuant to section 256 of P.L.1948, c.67 (C.17:9A-256), shall be readily available to customers of the bank.

20. Section 260 of P.L.1948, c.67 (C.17:9A-260) is amended to read as follows:

C.17:9A-260 Banks, examination by commissioner; cooperative exams.

260. A. The commissioner shall, whenever and as often as the commissioner shall deem it advisable, cause the affairs of every bank, and every out-of-State bank with a branch office in New Jersey, to be examined to determine whether the bank or out-of-State bank is conducting its business in conformity with the laws of this State and its certificate of incorporation, and with safety to its depositors, other creditors and the public.

B. The officers and employees of every bank and out-of-State bank being examined shall exhibit to the examiners all its securities, books, records and accounts and shall otherwise facilitate the examination so far as it may be in their power.

C. The commissioner, a deputy commissioner, and every examiner assigned by the commissioner or by a deputy commissioner to examine the affairs of a bank or out-of-State bank may administer an oath to any person whose testimony is required for the purposes of the examination. The commissioner or deputy commissioner may compel the appearance of any person for the purposes of examination, by subpoena ad testificandum and the production of books, papers, documents, or other records by subpoena duces tecum.

D. For banks or out-of-State banks with branches in New Jersey and one or more other states, the commissioner may contract with the state banking regulator in the other state or states where branch offices are located to conduct cooperative exams. Pursuant to those agreements, examiners of the department may examine branch offices of banks and out-of-State banks both in New Jersey and in other states, and examiners of other state banking regulators may examine branch offices of banks and out-of-State banks both in New Jersey and in other states. The fees for these examinations may be shared pursuant to a contract or agreement among the regulators.

21. Section 264 of P.L.1948, c.67 (C.17:9A-264) is amended to read as follows:

C.17:9A-264 Confidentiality of report of examination.

264. Every report and copy of a report of examination of a bank or out-of-State bank made by or under the supervision of the commissioner, and every report and copy thereof made by a bank or out-of-State bank pursuant to subsection C. of section 256 of P.L.1948, c.67 (C.17:9A-256) shall be confidential, and shall not be made public by any officer, director or employee of a bank, and shall not be subject to subpoena or to admission into evidence in any action or proceeding in any court, except pursuant to an order of the court made upon notice to the commissioner and after affording the commissioner an opportunity to advise the court of reasons for excluding from evidence such report or any portion thereof. The court shall order the issuance of a subpoena for the production or admission into evidence of any such report or portion thereof, only if it is satisfied that (1) it is material and relevant to the issues in the proceedings, and (2) the ends of justice and public advantage will be subserved thereby. This section shall not prohibit the commissioner from sharing a report of examination with

another state or federal regulator so long as provision is made for retaining the confidentiality of the report. This section shall not apply to any action or proceeding instituted by the commissioner or Attorney General pursuant to any law of this State.

22. Section 267 of P.L.1948, c.67 (C.17:9A-267) is amended to read as follows:

C.17:9A-267 Violations, authority of commissioner; review.

267. A. If the commissioner finds that a bank, or an out-of-State bank with a branch in this State, is violating the provisions of its certificate of incorporation, or is conducting its business in violation of any law of this State or another state where it is transacting business, or in an unsafe manner, the commissioner shall order the bank to cease its ultra vires, unlawful or unsafe practices, as the case may be.

B. An order of the commissioner made pursuant to subsection A of this section shall be subject to review, hearing and relief in the Superior Court by a proceeding in lieu of prerogative writ. The institution of proceedings for review in the Superior Court shall suspend the accrual of the penalties provided for by section 268 of P.L.1948, c.67 (C.17:9A-268) until the final determination of such proceedings.

23. Section 268 of P.L.1948, c.67 (C.17:9A-268) is amended to read as follows:

C.17:9A-268 Continued violation; $1,000 penalty.

268. A bank, or out-of-State bank with a branch in this State, which continues to violate the provisions of its certificate of incorporation or which continues to conduct its business in violation of any law of this State, or another state where it is transacting business, or in an unsafe manner, after having been ordered by the commissioner to cease such practices, shall be liable to a penalty of $1,000 to be recovered with costs by the State in any court of competent jurisdiction in a civil action prosecuted by the Attorney General, and it shall be liable to a like penalty for each day's additional default from and after the time specified in the order. The penalty provided by this section shall be in addition to and not in lieu of any other provision of law applicable upon a bank's or out-of-State bank's failure to comply with an order of the commissioner.

24. Section 316 of P.L.1948, c.67 (C.17:9A-316) is amended to read as follows:

C.17:9A-316 Limitations on transaction of business by foreign banks in this State.

316. A. Except as otherwise provided pursuant to section 1 of P.L.1989, c.245 (C.17:9A-19.2) and sections 37 through 86 of P.L.1996, c.17 (C.17:9A-418 through C.17:9A-467), no foreign bank organized under the laws of a foreign government shall transact any business in this State.

B. A foreign bank, other than one excluded by subsection A of this section, may transact business in this State only as executor or as testamentary trustee or guardian, and then only when named in a decedent's will or codicil thereto. Before transacting such business in this State, a foreign bank shall secure from the commissioner a certificate of authority to transact such business. The commissioner shall not issue a certificate of authority to a foreign bank unless a qualified bank is permitted to transact business as executor, or as testamentary trustee or guardian, when named in a will or codicil thereto, in the jurisdiction in which the foreign bank has its principal office.

C. No foreign bank shall maintain an office in this State, except that a foreign bank may maintain one or more service facilities in this State, provided that the foreign bank performs only back office operations at the service facility and does not transact business with its customers or the public at the service facility. Prior to opening a service facility in this State, a foreign bank shall register the service facility with the commissioner, which registration shall include the address of the proposed service facility and the name and address of the foreign bank's agent in this State for service of process. No foreign bank organized under the laws of a foreign government which has an office licensed as a representative office pursuant to sections 55 and 56 of P.L.1996, c.17 (C.17:9A-436 and C.17:9A-437), shall be required to register under this subsection as a service facility. Each service facility shall comply with the requirements and pay the fees that the commissioner establishes by regulation. Each service facility shall be subject to examination by the department to determine whether the foreign bank has operated the service facility in accordance with the provisions of this subsection, the costs of which examination shall be paid by the foreign bank at the department's per diem rate for examinations of depository institutions. The commissioner may, upon notice and a hearing, order a foreign bank to close any service facility operated in violation of the provisions of this subsection or of other any law. Any entity acting as an agent pursuant to section 1 of P.L.1989, c.245 (C.17:9A-19.2) shall not be required to register and be regulated pursuant to this subsection C.

D. For the purposes of this section, the term "transact business" shall not include back office operations and the term "back office operations" shall include the following activities: data processing, record-keeping,

accounting, check and deposit sorting and posting, computation and posting of interest, other similar clerical and statistical functions, producing and mailing correspondence or documents and such other similar activities that the commissioner approves.

E. (1) For the purposes of Article 44 of "The Banking Act of 1948," P.L.1948, c.67 (C.17:9A-315 through 17:9A-332), a foreign bank, including one organized under the laws of a foreign country, shall not be deemed to transact business or maintain an office in this State by virtue of conducting business in this State through an agent in this State which is an insured depository institution affiliate or other agent.

(2) Nothing in this section or in the "Banking Act of 1948," P.L.1948, c.67 (C.17:9A-1 et seq.) shall prohibit a foreign bank, including one organized under the laws of a foreign country, from owning and operating in this State, as a subsidiary, a State or federally chartered bank and the ownership and operation of, and the sharing of directors, officers and employees with that subsidiary shall not constitute transacting business in this State.

25. Section 334 of P.L.1948, c.67 (C.17:9A-334) is amended to read as follows:

C.17:9A-334 Fees payable by foreign banks.

334. A foreign bank shall pay to the commissioner for the use of the State a fee, to be prescribed by the commissioner by regulation, in an amount not less than or not more than, the following minimum and maximum amounts:

	Minimum	Maximum
(1) For filing a copy of its certificate of incorporation or amendment thereof or other change therein	$50.00	$250.00
(2) For filing a statement of its financial condition	50.00	250.00
3) For filing a power of attorney	25.00	75.00
(4) For each substitution of securities pursuant to subsection B of section 320 of P.L.1948, c.67 (C.17:9A-320)	25.00	100.00

(5) For registering a back office 500.00

The commissioner shall charge for the issuance of a certificate of authority or a certificate of renewal of a certificate of authority such fee as the commissioner shall prescribe by rule or regulation, not to exceed $1,500.00. The certificate shall run from the date of issuance to the end of the biennial period. When the initial certificate is issued in the second year of the biennial certification period, the certificate fee shall be an amount equal to one-half of the fee for the biennial certification period.

The commissioner may by rule or regulation adopted pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) impose other fees and charges, including assessments and fees for application and examinations, on out-of-State banks establishing branch offices or agency offices in this State.

26. Section 2 of P.L.1969, c.118 (C.17:9A-356) is amended to read as follows:

C.17:9A-356 Bank shares; acquisition by corporations.

2. (1) An acquiring corporation may acquire ownership of all the outstanding shares of the capital stock of one or more banks in the manner provided by this act.

(2) Shares of capital stock of an acquiring corporation, or other securities convertible into such shares, may be issued or delivered in exchange for shares of capital stock of one or more participating banks pursuant to a plan of acquisition without first being offered to existing shareholders of the acquiring corporation, (i) except, in the case of an acquiring corporation organized on or after January 1, 1969, as otherwise provided in its certificate of incorporation, or (ii) if, in the case of an acquiring corporation organized prior to January 1, 1969, its certificate of incorporation, as amended, so provides.

(3) The method of acquiring bank shares authorized by this act is not exclusive, but is in addition to any other lawful methods for the acquisition of bank shares by corporations.

C.17:9A-2.1 Authority of commisioner relative to out-of-State supervisor.

27. The commissioner is authorized to enter into contracts with bank supervisors of other states for the purpose of establishing effective and efficient supervisory and regulatory structures and practices with respect to the provisions of sections 1 through 26 of this 1996 amendatory and supplementary act.

C.17:9A-409 Definitions relative to acquisitions.

28. As used in sections 28 through 36 of P.L.1996, c.17 (C.17:9A-409 through C.17:9A-417):

"Acquire" means:

(1) That a company merges or consolidates with a bank holding company;

(2) That a company assumes direct or indirect ownership or control of:

(a) more than 25 percent of any class of voting shares of a bank holding company or a bank, if the acquiring company was not a bank holding company prior to that acquisition;

(b) more than 5 percent of any class of voting shares of a bank holding company or a bank, if the acquiring company was a bank holding company prior to that acquisition;

(c) all or substantially all of the assets of a bank holding company or a bank; or

(3) That a company takes any other action that results in the direct or indirect acquisition or control by that company of a bank holding company or a bank.

"Affiliate," "bank," "company," and "subsidiary" have the meanings set forth in section 2 of the federal "Bank Holding Company Act of 1956," 12 U.S.C. §1841.

"Bank holding company" has the meaning set forth in subsection (a) of section 2 of the federal "Bank Holding Company Act of 1956," 12 U.S.C. §1841(a) and, unless the context requires otherwise, includes a New Jersey bank holding company, an out-of-State bank holding company and a foreign bank holding company.

"Bank supervisory agency" means any of the following:

(1) The Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, and any successor to these agencies; and

(2) Any agency of another state with primary responsibility for chartering and supervising banks.

"Branch" has the meaning set forth in section 1 of P.L.1948, c.67 (C.17:9A-1).

"Control" shall be construed consistently with the provisions of paragraph (2) of subsection (a) of section 2 of the "Bank Holding Company Act of 1956," 12 U.S.C. §1841(a)(2).

"Commissioner" means the Commissioner of Banking.

"Deposit" has the meaning set forth in the "Federal Deposit Insurance Act," 12 U.S.C. §1813.

"Depository institution" means any institution included for any purpose within the definitions of "insured depository institution" as set forth in the "Federal Deposit Insurance Act," 12 U.S.C. §1813(c)(2) and (3).

"Foreign bank holding company" means a bank holding company that is organized under the laws of a country other than the United States, including any territory or possession thereof.

"New Jersey bank" means a bank that is:

(1) organized under P.L.1948, c.67 (C.17:9A-1 et seq.); or

(2) organized under federal law and having its principal place of business in this State.

"New Jersey bank holding company" means a bank holding company that:

(1) has its principal place of business in this State; and

(2) is not controlled by a bank holding company other than a New Jersey bank holding company.

"Out-of-State bank holding company" means:

(1) a bank holding company that is not a New Jersey bank holding company; and

(2) unless the context requires otherwise, includes a foreign bank holding company.

"Person" has the meaning given it pursuant to R.S.1:1-2.

"Principal place of business" of a bank holding company means the state in which the total deposits of its bank subsidiaries are the greatest.

"State" means any state, territory, or other possession of the United States, including the District of Columbia.

C.17:9A-410 Acquisition of New Jersey bank, bank holding company.

29. Sections 28 through 36 of P.L.1996, c.17 (C.17:9A-409 through C.17:9A-417) set forth the conditions under which a person may acquire a New Jersey bank or New Jersey bank holding company. Sections 28 through 36 are intended not to discriminate against out-of-State bank holding companies or against foreign bank holding companies in any manner that would violate subsection (d) of section 3 of the federal "Bank Holding Company Act of 1956," 12 U.S.C. §1842(d), as amended effective September 29, 1995.

C.17:9A-411 Approval of commissioner required for acquisition of New Jersey bank holding company, bank.

30. a. Except as otherwise expressly permitted by federal law, no person may acquire a New Jersey bank holding company or a New Jersey bank without the prior approval of the commissioner.

b. The prohibitions in subsection a. of this section shall not apply if the acquisition is made:

(1) in a transaction arranged by the commissioner or another bank supervisory agency to prevent the insolvency or closing of the acquired bank; or

(2) in a transaction in which a bank forms its own bank holding company, if the ownership rights of the former bank shareholders are substantially similar to those of the shareholders of the new bank holding company.

c. In a transaction for which the commissioner's approval is not required under this section, the parties shall give written notice to the commissioner at least 15 days before the effective date of the acquisition, unless a shorter period of notice is required under applicable federal law.

C.17:9A-412 Procedure for acquisition.

31.a. A person that proposes to make an acquisition under sections 28 through 36 of P.L.1996, c.17 (C.17:9A-409 through C.17:9A-417) shall:

(1) file with the commissioner an application in the form that the commissioner requires; and

(2) pay to the commissioner an application fee prescribed by the commissioner.

b. To the extent consistent with the effective discharge of the commissioner's responsibilities, the forms established under sections 28 through 36 of P.L.1996, c.17 (C.17:9A-409 through C.17:9A-417) for application and reporting shall conform to those established by the Board of Governors of the Federal Reserve System under the federal "Bank Holding Company Act of 1956," 12 U.S.C. §1841 et seq.

c. In connection with an application received under this section, the commissioner shall:

(1) require that prior notice of the application be published in a daily newspaper of general circulation and provide an opportunity for public comment; and

(2) make the application available for public inspection to the extent required or permitted under applicable State or federal law.

d. If the applicant is an out-of-State bank holding company it shall submit with the application proof that the applicant has complied with or is exempted from the requirements of N.J.S.14A:13-3 and N.J.S.14A:13-4, requiring registration by foreign corporations doing business in this State.

C.17:9A-413 Approval of application for proposed acquisition.

32. a. In deciding whether to approve an application for a proposed acquisition under sections 28 through 36 of P.L.1996, c.17 (C.17:9A-409 through C.17:9A-417), the commissioner shall consider whether the acquisition may:

(1) be detrimental to the safety and soundness of the New Jersey bank or New Jersey bank holding company to be acquired;

(2) result in an undue concentration of resources or a substantial reduction of competition in this State; or

(3) have a significantly adverse impact on the convenience and needs of the community or communities in this State that are served by the New Jersey bank or New Jersey bank holding company.

b. Except as otherwise provided in this section, the commissioner shall not approve an acquisition under sections 28 through 36 of P.L.1996, c.17 (C.17:9A-409 through C.17:9A-417) if upon consummation of the transaction, the applicant, including any depository institution affiliated with the applicant, would control 30 percent or more of the total amount of deposits held by depository institutions in this State.

c. The commissioner may by regulation adopt a procedure whereby the limitation on control of deposits set forth in subsection b. of this section may be waived for good cause shown.

C.17:9A-414 Approval of acquisition.

33. a. The commissioner shall decide whether to approve an acquisition under sections 28 through 36 of P.L.1996, c.17 (C.17:9A-409 through C.17:9A-417) within 60 days after receipt of a completed application, provided, that if the commissioner requests additional information from the applicant following receipt of a completed application, the time limit for decision by the commissioner shall be the later of:

(1) the date set forth above in this subsection, or

(2) 30 days after the commissioner's receipt of the requested additional information.

b. The commissioner may in the commissioner's discretion hold a public hearing in connection with an application.

c. If the commissioner holds a public hearing in connection with an application, the time limits specified in subsection a. of this section shall be extended to 30 days after the conclusion of the public hearing.

d. An application shall be deemed approved if the commissioner takes no action on the application within the time limits specified in this section.

C.17:9A-415 Submission of report to commissioner.

34. a. To the extent specified by the commissioner by regulation, order or written request:

(1) each bank holding company or person that controls a New Jersey bank or a New Jersey bank holding company shall submit to the commissioner one or more copies of each report filed with any bank supervisory agency, except for any report the disclosure of which would be prohibited

by applicable federal or state law, within 15 days after the filing thereof with that agency; and

(2) each person that controls a New Jersey bank or a New Jersey bank holding company that does not file a report with any other bank supervisory agency shall file an annual report with the commissioner.

b. At the request of the commissioner, to the extent permitted by applicable state and federal law, each bank holding company or person that controls a New Jersey bank or a New Jersey bank holding company shall provide to the commissioner copies of the reports of examination of any New Jersey bank or New Jersey bank holding company.

C.17:9A-416 Enforcement of C.17:9A-409 through C.17:9A-417.

35. The commissioner may enforce the provisions of sections 28 through 36 of P.L.1996, c.17 (C.17:9A-409 through C.17:9A-417) by any appropriate action in the Superior Court of this State, including an action for civil money penalties, injunctive relief or divestment.

C.17:9A-417 Powers of commissioner relative to C.17:9A-409 through C.17:9A-417.

36. In order to carry out the purposes of sections 28 through 36 of P.L.1996, c.17 (C.17:9A-409 through C.17:9A-417) the commissioner may:

a. Adopt regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.);

b. Enter into cooperative, coordinating or information-sharing agreements with any other bank supervisory agency or any organization affiliated with or representing one or more bank supervisory agencies;

c. Accept any report of examination or investigation by another bank supervisory agency having concurrent jurisdiction over a New Jersey bank holding company or any New Jersey bank in lieu of conducting the commissioner's own examination or investigation of that bank holding company or bank;

d. Enter into joint examinations or joint enforcement actions with any other bank supervisory agency having concurrent jurisdiction over any New Jersey bank holding company or New Jersey bank; provided, however, that the commissioner may take any such action independently if the commissioner determines that the action is necessary or appropriate to carry out the commissioner's responsibilities under sections 28 through 36 of P.L.1996, c.17 (C.17:9A-409 through C.17:9A-417) and to ensure compliance with the laws of this State; and

e. May assess supervisory and examination fees that shall be payable by New Jersey banks and New Jersey bank holding companies in connection with the commissioner's performance of the commissioner's duties under sections 28 through 36 of P.L.1996, c.17 (C.17:9A-409 through C.17:9A-

417) and in accordance with regulations adopted by the commissioner. These fees may be shared with other bank supervisory agencies or any organizations affiliated with or representing one or more bank supervisory agencies in accordance with agreements between them and the commissioner.

C.17:9A-418 Law, definitions, standards applicable to foreign banks.

37. a. Sections 37 through 86 of P.L1996, c.17 (C.17:9A-418 through C.17:9A-467) shall govern the establishment and operation in New Jersey of offices and certain commercial lending company affiliates of banks organized under the laws of a foreign country except that the operation of such foreign banks through subsidiary banks or depository institutions organized under the laws of the United States or any state of the United States, the deposits of which are insured by the Federal Deposit Insurance Corporation or any successor thereto, shall be governed by the other provisions of "The Banking Act of 1948," P.L.1948, c. 67 (C. 17:9A-1 et seq.).

b. For purposes of sections 37 through 86 of P.L.1996, c.17 (C.17:9A-418 through C.17:9A-467), unless the context clearly requires otherwise, the following terms shall be interpreted and applied in the same manner as the Federal Reserve interprets and applies the terms with respect to foreign banks and foreign banking organizations: "agency;" "branch;" "commercial lending company;" "to establish;" "foreign bank;" "foreign banking organization;" "office or office of a foreign bank;" "representative office;" and "subsidiary."

c. The provisions of sections 37 through 86 of P.L.1996, c.17 (C.17:9A-418 through C.17:9A-467) are intended to authorize foreign banks to establish and operate branches, agencies, commercial lending company affiliates and representative offices in this State and generally to ensure that interstate branches of foreign banks may be established and operated in this State to the extent consistent with the provisions of section 5 of the "International Banking Act of 1978," 12 U.S.C. §3103, and the regulations of the Federal Reserve promulgated thereunder, 12 CFR §211.20 et seq., and under terms and conditions that are generally comparable to and no less favorable than those applicable to the establishment of interstate federal branches in this State by foreign banks.

d. As provided in subsection e. of this section, a foreign bank may establish a branch or agency in this State in the same manner (including by merger or other transactions under the Federal Deposit Insurance Act, 12 U.S.C. §1831u, and comparable provisions of the laws of this State, with New Jersey banks or other institutions) as, and subject generally to the same criteria, standards, conditions, requirements and procedures applicable to the

establishment of interstate branches in this State by an out-of-State bank having the same home state in the United States as the foreign branch or agency, notwithstanding any provisions of the laws or regulations of this State to the contrary.

e. In interpreting the provisions of sections 37 through 86 of P.L.1996, c.17 (C.17:9A-418 through C.17:9A-467), the commissioner:

(1) generally shall apply to the establishment of an initial office of a foreign bank whether or not the initial office is an interstate branch, and any subsequent intrastate offices of a foreign bank, the same criteria, standards, conditions, requirements and procedures applicable to the establishment of an initial branch in New Jersey by an out-of-State bank, and of subsequent intrastate branches in this State by an out-of-State bank;

(2) may apply any other criterion, standard, condition, requirement or provision of the laws or regulations of this State that is determined by the commissioner to be substantially equivalent to or consistent with a criterion, standard, condition, requirement or provision of federal law or regulation generally applicable to the establishment of offices in the United States by foreign banks or specifically applicable to the establishment of an office in the United States by the applicant foreign bank;

(3) may by regulation or order allow a foreign bank:

(a) to acquire an individual branch of any "insured bank," as that term is defined in the "Federal Deposit Insurance Act," 12 U.S.C. §1813(h), or of any other depository institution, including another foreign bank, without acquiring the entire bank or other institution;

(b) to acquire or merge with another foreign bank maintaining a branch or agency in this State and thereafter continue each operation as its own; or

(c) to acquire or establish an interstate office through any other means not inconsistent with section 5 of the "International Banking Act of 1978," 12 U.S.C. §3103.

For purposes of this section, "out-of-State bank" shall have the meaning given that term pursuant to section 1 of P.L.1948, c.67 (C.17:9A-1).

C.17:9A-419 Definitions relative to foreign banks.

38. As used in sections 37 through 86 of P.L.1996, c.17 (C.17:9A-418 through C.17:9A-467):

"Agency" means any place of business of a foreign bank at which credit balances are maintained, checks are paid, money is lent, or, to the extent not prohibited by federal law, deposits are accepted from a person or entity that is not a citizen or resident of the United States. Obligations shall not be considered credit balances unless they are:

(1) Incidental to, or arise out of the exercise of, other lawful banking powers;

(2) To serve a specific purpose;

(3) Not solicited from the general public;

(4) Not used to pay routine operating expenses such as salaries, rent, or taxes in the United States;

(5) Withdrawn within a reasonable period of time after the specific purpose for which they were placed has been accomplished; and

(6) Drawn upon in a manner reasonable in relation to the size and nature of the account.

"Banking Act" means "The Banking Act of 1948," P.L.1948, c.67 (C.17:9A-1 et seq.).

"Banking subsidiary," with respect to a specified foreign bank, means a bank that is a subsidiary as the terms "bank" and "subsidiary" are defined in section 2 of the federal "Bank Holding Company Act of 1956," 12 U.S.C. §1841.

"Branch" means any place of business of a foreign bank at which deposits are received and that is not an agency, as that term is defined in this section.

"Business in this State," when used with respect to a foreign bank which is licensed to establish one or more agencies or branch offices, includes, without limitation, the aggregate business of all those offices and agencies.

"Change the status of an office" means convert a representative office into a branch or agency, or an agency into a branch, or the reverse of the foregoing, but does not include renewal of the license of an existing office.

"Commercial lending company" means any organization, other than a bank or an organization operating under section 25 of the Federal Reserve Act, 12 U.S.C. 601-604a, organized under the laws of any state of the United States or a foreign country, that maintains credit balances permissible for an agency and engages in the business of making commercial loans. "Commercial lending company" includes any company chartered under Article XII of the banking law of the State of New York.

"Commissioner" means the Commissioner of Banking of New Jersey.

"Controlling person," when used with respect to a foreign bank, means any person who, directly or indirectly, controls that bank.

"Department" means the Department of Banking of New Jersey.

"To establish" or "establish" means to:

(1) Open and conduct business through an office;

(2) Acquire directly, through merger, consolidation, or similar transaction with another foreign bank, the operations of an office that is open and conducting business;

(3) Acquire an office through the acquisition of a foreign bank subsidiary that will cease to operate in the same corporate form following the acquisition;

(4) Change the status of an office; or

(5) Relocate an office from one physical location to another, unless the new office is in the same building as the existing office.

"Executive officer," when used with respect to a foreign bank or a controlling person of a foreign bank, means the chief executive officer, the chief operating officer, the chief financial officer, and any other person who participates or has authority to participate in major policy-making functions of such bank or controlling person. "Executive officer," when used with respect to a foreign bank, includes the head of the international division, or, if there is no such division, the closest equivalent division or unit of that bank.

"Federal agency" has the meaning set forth in section 1(b) of the "International Banking Act of 1978," 12 U.S.C. §3101.

"Federal branch" has the meaning set forth in section 1(b) of the "International Banking Act of 1978," 12 U.S.C. §3101.

"FDIC" means the Federal Deposit Insurance Corporation established pursuant to "Federal Deposit Insurance Act," 12 U.S.C. §1811 et seq.

"Federal Reserve" means the Board of Governors of the Federal Reserve System.

"Foreign country" means any nation other than the United States, including, without limitation, any subdivision, territory, trust territory, dependency, or possession of any such nation. With respect to banks which do not have deposit insurance with the FDIC, "foreign country" also includes Puerto Rico, Guam, American Samoa, the Virgin Islands, and any territory, trust territory, dependency, or insular possession of the United States.

"Foreign bank" means an organization that is organized under the laws of a foreign country and that engages directly in the business of banking outside of the United States. The term "foreign bank" does not include a central bank of a foreign country that does not engage in a commercial banking business in the United States through an office.

"Foreign banking organization" means a foreign bank that operates a branch, agency or commercial lending company subsidiary in the United States or that controls a bank in the United States and any company of which such foreign bank is a subsidiary.

"License" means a license issued under sections 37 through 86 of P.L.1996, c.17 (C.17:9A-418 through C.17:9A-467), authorizing a foreign bank or a commercial lending company to establish and to maintain an office; to be "licensed" means to be issued or to hold a license; and to be "licensed to transact business in this State," when used with respect to a foreign bank or a commercial lending company, means that the bank is

licensed to establish an agency or branch office or commercial lending company.

"Loans and extensions of credit" means all direct and indirect advances of funds to a person made on the basis of any obligation of that person to repay funds.

"Office" or "office of a foreign bank" means any branch, agency, representative office, or commercial lending company subsidiary of a foreign bank in the United States.

"Organization" means a corporation, government, partnership, association, or any other entity.

"Person" means an individual or an organization.

"Primary office," when used with respect to a foreign bank which is licensed to establish a single office, means that office and, when used with respect to a foreign bank which is licensed to establish two or more offices, means one of those offices which that bank has designated as its primary office in accordance with section 51 of P.L.1996, c.17 (C.17:9A-432).

"Representative office" means any place of business of a foreign bank that is not a branch, agency, or subsidiary of the foreign bank.

"State of the United States" means any state of the United States or the District of Columbia.

"Subsidiary" means an organization, 25 percent or more of whose voting shares is directly or indirectly owned, controlled, or held with the power to vote by a company, including a foreign bank or foreign banking organization, or any organization that is otherwise controlled or capable of being controlled by a foreign bank or foreign banking organization.

C.17:9A-420 Foreign bank offices; division into classes, ranking.

39. a. For purposes of sections 37 through 86 of P.L.1996, c.17 (C.17:9A-418 through C.17:9A-467), offices of foreign banks are divided into classes and ranked in ascending order, as follows:

(1) Representative office.

(2) Commercial lending company.

(3) Agency.

(4) Branch.

b. For purposes of sections 37 through 86 of P.L.1996, c.17 (C.17:9A-418 through C.17:9A-467):

(1) Changing a lower class office into a higher class office shall be treated as establishing the higher class office, but not as closing the lower class office.

(2) Changing a higher class office into a lower class office shall be treated as closing the higher class office, but not as establishing the lower class office.

c. In the case of changing a higher class office into a lower class office, when the application for approval to close the higher class office has been approved and all conditions precedent to the closing have been fulfilled, the foreign bank may change the higher class office into the lower class office, and the commissioner shall issue a license authorizing the bank to establish the lower class office.

C.17:9A-421 Fees relative to foreign banks.

40. Fees shall be paid to, and collected by, the commissioner as follows:

a. The fee for filing with the commissioner an application by a foreign bank which is not licensed to transact business in this State for approval to establish a branch office shall be $3,000.

b. The fee for filing with the commissioner an application by a foreign bank or commercial lending company which is not licensed to transact business in this State for approval to establish an agency or an office of a commercial lending company shall be $2,500.

c. The fee for filing with the commissioner an application by a foreign bank which is licensed to transact business in this State for approval to establish a branch office shall be $2,000.

d. The fee for filing with the commissioner an application by a foreign bank or commercial lending company which is licensed to transact business in this State for approval to establish an agency or an office of a commercial lending company shall be $1,500.

e. The fee for filing with the commissioner an application by a foreign bank for approval to establish a representative office shall be $1,500.

f. The fee for filing with the commissioner an application by a foreign bank or commercial lending company which is licensed to establish an agency, branch or commercial lending company office for approval to relocate or to close that office shall be $1,000.

g. The fee for filing with the commissioner an application by a foreign bank which is licensed to establish a representative office for approval to relocate or to close that representative office shall be $500.

h. The fee for issuing a license shall be $300.

i. The commissioner, by regulation, shall have the power to increase the fees set forth above and to set and to charge additional fees, including but not limited to, annual assessment fees.

C.17:9A-422 Application procedure.

41. a. Each application filed with the commissioner under sections 37 through 86 of P.L.1996, c.17 (C.17:9A-418 through C.17:9A-467) or under any regulation or order issued under sections 37 through 86 of P.L.1996, c.17 (C.17:9A-418 through C.17:9A-467) shall be in such form, shall contain the information, be signed in the manner, and, if the commissioner

so requires, be verified in the manner the commissioner may by regulation or order require.

b. Without limiting the foregoing, the commissioner shall require as part of the application all of the information submitted to the Federal Reserve in connection with any application and may require only the information in the form submitted to the Federal Reserve as these are required pursuant to the "Bank Holding Company Act of 1956," 12 U.S.C. §1841 et seq., the "International Banking Act of 1978," 12 U.S.C. §3101 et seq. and regulation K, 12 CFR §211.20 et seq., issued by the Federal Reserve.

C.17:9A-423 "Act" defined, commissioner's findings relative to application.

42. a. In this section, "act" includes, without limitation, omission.

b. For purposes of making findings on an application by a foreign bank or commercial lending company for approval to establish an office:

(1) The commissioner may, in the absence of credible evidence to the contrary, find that the directors, executive officers, and any controlling person of the bank and the directors and executive officers of any controlling person of the bank are each of good character and sound financial standing.

(2) The commissioner may find that the bank, a director, executive officer, or a controlling person of the bank, or director or executive officer of a controlling person of the bank is not of good character if that person:

(a) Has been convicted of, or has pleaded nolo contendere to, any crime involving an act of fraud or dishonesty;

(b) Has consented to or suffered a judgment in any civil action based upon conduct involving an act of fraud or dishonesty;

(c) Has consented to or suffered the suspension or revocation of any professional, occupational, or vocational license based upon conduct involving an act of fraud or dishonesty;

(d) Has willfully made or caused to be made in any application or report filed with the commissioner or in any proceeding before the commissioner, any statement which was at the time and in the light of the circumstances under which it was made false or misleading with respect to any material fact, or has willfully omitted to state in any such application or report any material fact which was required to be stated therein; or

(e) Has willfully committed any violation of, or has willfully aided, abetted, counseled, commanded, induced, or procured the violation by any other person of, any provision of this section or of any regulation or order issued under this section.

c. Paragraph (2) of subsection b. of this section shall not be deemed to be an exclusive list of the grounds upon which the commissioner may find, for purposes of making findings on an application by a foreign bank or

commercial lending company for approval to establish an office, that such bank or company, a director, executive officer, or controlling person of the bank, or a director or executive officer of a controlling person of the bank or company, is not of good character.

C.17:9A-424 Reports filed by foreign bank, commercial lending company.

43. a. Each foreign bank and commercial lending company which is licensed to establish an office shall file with the commissioner reports as and when the commissioner may by regulation or order require.

b. Each report filed with the commissioner under sections 37 through 86 of P.L.1996, c.17 (C.17:9A-418 through C.17:9A-467) or under any regulation or order issued thereunder shall be in the form, contain the information, be signed in the manner, and, if the commissioner so requires, be verified in the manner the commissioner may by regulation or order require.

C.17:9A-425 Books, accounts, records of foreign bank, commercial lending company.

44. Each foreign bank and commercial lending company which is licensed to establish an office shall make, keep, and preserve at an office or at any other place as the commissioner may by regulation or order approve, the books, accounts, and other records relating to the business of the office, in the form, manner, and for the time the commissioner may by regulation or order provide.

C.17:9A-426 Prohibition on concurrent establishment of federal and State branch office.

45. a. No foreign bank which is licensed to establish an agency or branch office shall concurrently establish a federal agency or federal branch in this State.

b. No foreign bank which establishes a federal agency or federal branch in this State shall concurrently be licensed to establish an agency or branch office in this State.

C.17:9A-427 Opening, maintenance of offices.

46. A foreign bank or commercial lending company may open one or more offices in this State. Each office shall be separately licensed and each office of a separate class shall be separately maintained.

C.17:9A-428 Requirement that commissioner be appointed as attorney to receive service of process; service.

47. a. (1) No foreign bank, other than a foreign bank which is licensed to establish an agency or branch office, shall be issued a license to establish a representative office or commercial lending company unless it shall have first filed with the commissioner, in the form as the commissioner may by regulation or order require, an appointment irrevocably appointing the

commissioner to be the bank's or commercial lending company's attorney to receive service of any lawful process in any noncriminal judicial or administrative proceeding against the bank or any of its successors which arises out of the activities in this State of the representative office or commercial lending company after the appointment has been filed, with the same force and validity as if served personally on the bank or its successor, as the case may be.

(2) Any foreign bank, other than a foreign bank which is licensed to establish an agency or branch office or which establishes a federal agency or federal branch in this State, which establishes a representative office or commercial lending company and which has not filed with the commissioner an appointment pursuant to paragraph (1) of this subsection a., shall be deemed by the establishment of that office to have appointed the commissioner as its attorney to receive service of any lawful process in any noncriminal judicial or administrative proceeding against the bank or any of its successors which arises out of the activities in this State of the representative office or commercial lending company with the same force and validity as if served personally on the bank or its successor, as the case may be.

b. (1) No foreign bank shall be issued a license to establish an agency or branch office unless it shall have first filed with the commissioner, in a form as the commissioner may by regulation or order require, an appointment irrevocably appointing the commissioner to be the bank's attorney to receive service of any lawful process in any noncriminal judicial or administrative proceeding against the bank or any of its successors which arises after the appointment has been filed, with the same force and validity as if served personally on the bank or its successor, as the case may be.

(2) Any foreign bank which establishes an agency or branch office, other than a federal agency or federal branch, and which has not filed with the commissioner an appointment pursuant to paragraph (1) of this subsection b. shall be deemed by the establishment of that office to have appointed the commissioner as its attorney to receive service of any lawful process in any noncriminal judicial or administrative proceeding against the bank or any of its successors with the same force and validity as if served personally on the bank or its successor, as the case may be.

c. Service may be made on a foreign bank which has appointed or is deemed to have appointed the commissioner as its attorney for service of process by leaving a copy of the process at any office of the commissioner. However, this service is not effective unless (1) the party making the service, who may be the commissioner, forthwith sends notice of the service and a copy of the process by registered or certified mail to the foreign bank at its last address on file with the commissioner at any of its offices in this State or at its primary office wherever located, and (2) an affidavit of

compliance with this subsection c. by the party making service is filed in the case on or before the return date, if any, or within such further time as the court, in the case of a judicial proceeding, or the administrative agency, in the case of an administrative proceeding, allow.

C.17:9A-429 License not transferable, assignable.

48. No license shall be transferable or assignable.

C.17:9A-430 Posting of license.

49. Each foreign bank and commercial lending company which is licensed to establish an office shall post its license in a conspicuous place at that office.

C.17:9A-431 Popular name assigned to foreign bank, commercial lending company.

50. a. Each foreign bank and commercial lending company which is licensed to establish an office shall assign to that office a popular name which consists of a specific designation by name, number or both, and shall post the popular name and the name of the bank in a conspicuous place at the office.

b. The popular name that a foreign bank assigns to a representative office which it is licensed to establish shall include the term "representative office."

c. The popular name that a foreign bank assigns to an agency which it is licensed to establish shall not include the term "branch" unless that term is modified by the word "foreign" or "overseas" or by a similar word.

d. Each foreign bank which is licensed to establish a commercial lending company shall select a popular name that includes the term "commercial lending company" and shall post with that popular name a clear expression of whether the foreign bank is liable for the debts and obligations of the commercial lending company.

C.17:9A-432 Designation of primary office.

51. Whenever a foreign bank is licensed to establish two or more offices it shall designate one of those offices as its primary office.

C.17:9A-433 Conduct of business in single building, adjoining buildings; exceptions.

52. Each foreign bank and commercial lending company which is licensed to establish an office shall conduct all of the business of that office in a single building or in a single building and adjoining buildings. However, for good cause and with the approval of the commissioner, the bank may conduct part of the business of the office elsewhere in the same vicinity.

C.17:9A-434 Examination of licensed office.

53. a. The department shall have the right to examine each office which the commissioner licenses under sections 37 through 86 of P.L.1996, c.17

(C.17:9A-418 through C.17:9A-467). The department shall insure that each office which is licensed hereunder is examined by either the Federal Reserve or the department as often as the commissioner deems it advisable. The costs of any examination by the department shall be assessed to the bank or commercial lending company which is the holder of the license. The examination fees shall be assessed in the same manner and on the same basis as examination fees are assessed for banks or trust companies organized under the Banking Act.

b. The commissioner may contract with the Federal Reserve or the bank examination officials in any other state of the United States or in any other foreign country to conduct cooperative examinations. Every report and copy of a report of examination of a foreign bank or office of a foreign bank made by or under the supervision of the commissioner, and every report and copy thereof made by a bank pursuant to the requirement of the commissioner, shall be confidential, and shall not be made public by any officer, director or employee of a foreign bank, and shall not be subject to subpoena or to admission into evidence in any action or proceeding in any court, except pursuant to an order of the court made upon notice to the commissioner and after affording the commissioner an opportunity to advise the court of reasons for excluding from evidence that report or any portion thereof. The court shall order the issuance of a subpoena for the production or admission into evidence of any report or portion thereof, only if it is satisfied that (1) it is material and relevant to the issues in the proceedings, and (2) the ends of justice and public advantage will be subserved thereby. This section shall not prohibit the commissioner from sharing a report of examination with another state or federal regulator or a bank regulator from a foreign country, or other person, so long as provision is made for retaining the confidentiality of the report. This section shall not apply to any action or proceeding instituted by the commissioner or Attorney General pursuant to any law of this State.

C.17:9A-435 Compliance with applicable interest rate limitations.

54. A foreign bank or commercial lending company which makes a loan or extends credit from an office in this State, or books a loan or extension of credit in this State, shall comply with any applicable interest rate limitations imposed by the laws of this State or the United States which would be applicable to that loan if made by a commercial bank organized under the Banking Act. When transacting business in this State, an office of a foreign bank shall comply with all other laws and regulations of the State governing the business in which the office is engaged, unless the commissioner, for good cause shown, exempts the office by regulation or order from compliance.

C.17:9A-436 License required for establishment of representative office.

55. a. No foreign bank shall establish a representative office in this State unless it is licensed to establish a representative office at that place.

b. (1) No person shall establish a representative office in this State as representative of a foreign bank unless that bank is licensed to establish the office as a representative office.

(2) For purposes of sections 37 through 86 of P.L.1996, c.17 (C.17:9A-418 through C.17:9A-467), if any person establishes an office in this State as representative of a foreign bank, that foreign bank shall be deemed to establish the office as a representative office.

c. Neither subsection a. nor subsection b. of this section shall prohibit a foreign bank which establishes a federal agency or federal branch in this State from establishing one or more representative offices in this State.

C.17:9A-437 Approval for foreign bank to establish representative office.

56. a. (1) No foreign bank shall establish a representative office unless the commissioner shall have first approved the establishment of that office and issued a license authorizing the foreign bank to establish the office.

(2) Paragraph (1) of this subsection a. shall not prohibit a foreign bank which establishes a federal agency or federal branch in this State from establishing one or more representative offices in this State.

b. If the commissioner finds the following with respect to an application by a foreign bank to establish a representative office, the commissioner shall approve the application:

(1) That the bank, any controlling person of the bank, the directors and executive officers of the bank or of any controlling person of the bank, and the proposed management of the office are each of good character and sound financial standing;

(2) That the financial history and condition of the bank are satisfactory;

(3) That the management of the bank and the proposed management of the office are adequate;

(4) That it is reasonable to believe that, if licensed to establish the office, the bank will operate the office in compliance with all applicable laws, regulations, and orders;

(5) That the bank's establishment of the office will promote the public convenience and advantage; and

(6) Such other standards as the commissioner may by regulation require.

If the commissioner finds otherwise, the commissioner shall deny the application.

c. Whenever an application by a foreign bank to establish a representative office has been approved and all conditions precedent to the issuance of

a license authorizing the foreign bank to establish the representative office have been fulfilled, the commissioner shall issue the license.

C.17:9A-438 Approval for relocation of representative office of foreign bank.

57. a. No foreign bank which is licensed to establish a representative office shall relocate its office unless the commissioner shall have first approved the relocation and issued a license authorizing the foreign bank to establish the office at the new site.

b. If the commissioner finds the following with respect to an application by a foreign bank to relocate a representative office, the commissioner shall approve the application:

(1) If the new site of the office is in the same vicinity as the old site, that the relocation of the office will not be substantially detrimental to the public convenience and advantage; or

(2) If the new site of the office is not in the same vicinity as the old site:

(a) that the relocation of the office from the old site will not be substantially detrimental to the public convenience and advantage in the area which is primarily served by the office at the old site; and

(b) that the relocation of the office to the new site will promote the public convenience and advantage.

If the commissioner finds otherwise, the commissioner shall deny the application.

c. Whenever an application by a foreign bank to relocate a representative office has been approved and all conditions precedent to the issuance of a license authorizing such bank to establish the office at the new site have been fulfilled, the commissioner shall issue the license.

d. Promptly after a foreign bank which is licensed to establish a representative office relocates its office, the bank shall surrender to the commissioner the license which authorized it to establish the office at the old site.

C. 17:9A-439 Restrictions upon representative office.

58. A foreign bank which is licensed to establish a representative office may, subject to regulations the commissioner may prescribe, engage in representational functions at that office but shall not solicit or accept deposits or credit balances or otherwise transact business at the office.

C.17:9A-440 Approval for closing representative office of foreign bank.

59. a. (1) No foreign bank which is licensed to establish a representative office shall close its office unless the commissioner shall have first approved the closing.

(2) Paragraph (1) of this subsection a. shall not prohibit a foreign bank which is licensed to establish a representative office from closing the office

in accordance with sections 79 through 85 of P.L.1996, c.17 (C.17:9A-460 through C.17:9A-466).

b. If the commissioner finds, with respect to an application by a foreign bank to close a representative office, that the closing of that office will not be substantially detrimental to the public convenience and advantage, the commissioner shall approve the application. If the commissioner finds otherwise, the commissioner shall deny the application.

c. Whenever an application by a foreign bank to close a representative office has been approved and all conditions precedent to the closing have been fulfilled, that bank may close the office and shall promptly thereafter surrender to the commissioner the license which authorized it to establish the office.

C.17:9A-441 Existing office granted license.

60. Any office of a foreign bank existing in this State on the effective date of sections 37 through 86 of P.L.1996, c.17 (C.17:9A-418 through C.17:9A-467) which had been previously approved by the commissioner shall be granted a license by the commissioner as a representative office for purposes of that act.

C.17:9A-442 Transaction of business limited to licensed agency, branch office.

61. a. No foreign bank shall transact business in this State except at an agency or branch office which it is licensed to establish and at which it is permitted by sections 37 through 86 of P.L.1996, c.17 (C.17:9A-418 through C.17:9A-467) to transact that business.

b. Subsection a. of this section shall not be deemed to prohibit:

(1) Any foreign bank which establishes a federal agency or federal branch in this State from transacting at that federal agency or federal branch such business as it may be authorized to transact under applicable federal laws and regulations;

(2) Any foreign bank from carrying on the activities described in paragraph (2) of N.J.S. 14A:13-3;

(3) Any foreign bank which does not establish an agency or branch office from making, in this State, loans secured by liens on real or personal property located in this State or enforcing those loans in this State; or

(4) Any foreign bank which does not establish an agency or branch office from transacting trust business in this State if the trust business is not conducted from an office or location in this State and that trust business is limited to trust business permitted by, and conducted pursuant to a certificate of authority issued by the commissioner in accordance with subsection B. of section 316 of P.L.1948, c.67 (C.17:9A-316).

C.17:9A-443 Approval, license required for establishment of agency, branch office of foreign bank.

62. a. (1) No foreign bank shall establish an agency or branch office unless the commissioner shall have first approved the establishment of that office and issued a license authorizing the bank to establish the office.

(2) Paragraph (1) of this subsection a. shall not prohibit a foreign bank from establishing a federal agency or federal branch in this State.

b. If the commissioner finds the following with respect to an application by a foreign bank to establish an agency or branch office, the commissioner shall approve that application:

(1) That the bank, any controlling person of the bank, the directors and executive officers of the bank or of any controlling person of the bank, and the proposed management of the office are each of good character and sound financial standing;

(2) That the financial history and condition of the bank are satisfactory;

(3) That the management of the bank and the proposed management of the office are adequate;

(4) That it is reasonable to believe that, if licensed to establish the office, the bank will operate the office in a safe and sound manner and in compliance with all applicable laws, regulations, and orders;

(5) That the bank's plan to establish and to operate the office affords reasonable promise of successful operation; and

(6) That the bank's establishment of the office will promote the public convenience and advantage.

If the commissioner finds otherwise, the commissioner shall deny the application.

c. Whenever an application by a foreign bank to establish an agency or branch office has been approved and all conditions precedent to the issuance of a license authorizing the bank to establish the office have been fulfilled, the commissioner shall issue the license.

C.17:9A-444 Approval for relocation of agency, branch office of foreign bank.

63. a. No foreign bank which is licensed to establish an agency or branch office shall relocate that office unless the commissioner shall have first approved the relocation and issued a license authorizing the bank to establish the office at the new site.

b. If the commissioner finds the following with respect to an application by a foreign bank to relocate any agency or branch office, the commissioner shall approve the application:

(1) If the new site of the office is in the same vicinity as the old site:

(a) That it will not be unsafe or unsound for the bank to relocate the office; and

(b) That the relocation of the office will not be substantially detrimental to the public convenience and advantage, or that the relocation is necessary in the interests of the safety and soundness of the bank; or

(2) If the new site of the office is not in the same vicinity as the old site:

(a) That the bank's plan to relocate the office and to establish the office at the new site affords reasonable promise of successful operation;

(b) That the relocation of the office from the old site will not be substantially detrimental to the public convenience and advantage in the area which is primarily served by the office at the old site, or that the relocation is necessary in the interests of the safety and soundness of the bank; and

(c) That the relocation of the office to the new site will promote the public convenience and advantage.

If the commissioner finds otherwise, the commissioner shall deny the application.

c. Whenever an application by a foreign bank to relocate an agency or branch office has been approved and all conditions precedent to the issuance of a license authorizing the bank to establish the office at the new site have been fulfilled, the commissioner shall issue the license.

d. Promptly after a foreign bank which is licensed to establish an agency or branch office relocates the office, the bank shall surrender to the commissioner the license which authorized it to establish the office at the old site.

C.17:9A-445 Transaction of business by foreign bank at agency or branch office.

64. a. A foreign bank which is licensed to establish an agency or branch office may transact banking business at that office, subject to the following:

(1) If the office is an agency, the bank shall not transact the business of accepting deposits, other than deposits of: (a) a foreign nation; (b) an agency or instrumentality of a foreign nation; or (c) a person which resides, is domiciled, and maintains its principal place of business in a foreign nation. For purposes of this paragraph "person" means any individual, proprietorship, joint venture, partnership, trust, business trust, syndicate, association, joint stock company, corporation, or any other organization or any branch or division thereof.

(2) If the office is a branch office, the bank shall not transact the business of accepting any deposits other than: (a) deposits of the kind described in paragraph (1) of this subsection a.; (b) deposits of $100,000 or more; (c) deposits of less then $100,000 which the branch is permitted to accept under applicable federal law; or (d) deposits the acceptance of which the commissioner determines by regulation or order does not constitute engaging in domestic retail deposit activities requiring deposit insurance protection.

(3) If the office is an agency or branch office or commercial lending company, the bank or lending company may maintain credit balances as those obligations are defined under the term "agency" in section 38 of P.L.1996, c.17 (C.17:9A-419).

(4) In any case, the bank or commercial lending company shall not transact any business which it is not authorized to transact or is prohibited from transacting under the laws of its domicile or which banks organized under the laws of this State are not authorized to transact or are prohibited from transacting.

b. No foreign bank which is licensed to establish an agency or branch office shall transact any trust business at that office unless the commissioner expressly authorizes the trust business by order upon a finding by the commissioner that the agency or branch is qualified to transact such business under standards similar to those required to obtain a charter for a trust company under the Banking Act.

c. All provisions of the Banking Act shall apply to any foreign bank or commercial lending company licensed to transact business in this State, unless the commissioner by regulation or order otherwise specifies.

d. (1) Any provisions of the Banking Act which are applicable to or with respect to foreign banks licensed to transact business in this State, whether by law, regulation or order, shall be applied with any changes in interpretation or application as may be necessary or appropriate.

(2) Without limiting the provisions of paragraph (1) of this subsection d., for purposes of any provision of the Banking Act, which are applicable to or with respect to a foreign bank or commercial lending company licensed to transact business in this State:

(a) "Approved by, or approval of, the board" means approved or ratified by the board of the bank, by a committee of the board authorized to exercise the powers of the board with respect to the particular matter, or by an officer of the bank who is assigned to the head office of the bank and who has authority over the bank's business in this State, including authority to approve or ratify the particular matter.

(b) "Principal office" means the primary office of the bank.

(c) "Shareholders' equity" means the shareholders' equity of the bank or, if the bank has no shareholders' equity, the closest equivalent account or accounts.

e. Whenever any provision of the Banking Act, which is applicable to or with respect to a foreign bank or commercial lending company licensed to transact business in this State limits the amount of any assets or liabilities of the bank, including, by way of example, the amount of borrowings of, obligations to, or investment of the bank or commercial lending company, for purposes of calculating the amount of such assets or liabilities, only

assets or liabilities of the agencies or branch offices of the bank or commercial lending company shall be included, and the assets and liabilities of offices of the bank or commercial lending company outside this State shall be excluded.

C.17:9A-446 Report of condition, income.

65. a. Whenever the commissioner calls for a report of condition or income from commercial banks organized under the laws of this State, the commissioner shall call for a like report from each foreign bank which is licensed to transact business in this State.

b. Whenever a foreign bank which is licensed to transact business in this State files with the commissioner a report called for under subsection a. of this section, that report shall be readily available to the customers of the office of the bank.

c. The statement of condition shall be in the form, contain the information, and be signed in the manner, and, if the commissioner so requires by regulation or order, be verified in the manner the commissioner may by regulation or order require.

C.17:9A-447 Notice of noninsurance of deposits.

66. Each foreign bank which is licensed to establish an agency or branch office shall, in accordance with the regulations the commissioner may prescribe, give notice that deposits in that office are not insured by the Federal Deposit Insurance Corporation.

C.17:9A-448 Compliance with regulations by foreign bank.

67. a. If a foreign bank is licensed to establish a depository agency or branch office and such office is not subject to the regulations of the Depository Institutions Deregulation Committee established pursuant to the "Depository Institutions Deregulation Act of 1980," 12 U.S.C. §3501 et seq., Regulation Q of the Federal Reserve, 12 CFR §217 et seq., or Part 329 of the regulations of the Federal Deposit Insurance Corporation, 12 CFR §329 et seq., the bank shall, with respect to deposits accepted at the office, comply with the regulations regarding maximum interest rates on deposits, prepayment of time deposits, and related matters the commissioner may prescribe as being necessary and appropriate to establish competitive equality between foreign banks and banks organized under the laws of this State which are subject to the regulations of the Depository Institutions Deregulation Committee, Regulation Q of the Federal Reserve, or Part 329 of the regulations of the Federal Deposit Insurance Corporation.

b. Whenever the commissioner adopts a regulation or order of repeal of a regulation under subsection a. of this section, the commissioner may,

without describing specific facts showing the need for immediate action, make the regulation or order of repeal effective immediately.

C.17:9A-449 Assets kept separate, apart; priority of creditors.

68. a. Each foreign bank which is licensed to transact business in this State shall keep the assets of that business separate and apart from the assets of its business outside this State.

b. The creditors of the business in this State of a foreign bank which is licensed to transact business in this State shall be entitled to priority over other creditors with respect to the assets of the foreign banks's business in this State.

C.17:9A-450 Definitions of adjusted liabilities and eligible assets relative to foreign banks.

69. a. In this section:

(1) "Adjusted liabilities," when used with respect to a foreign bank, means the liabilities of the bank's business in this State, excluding: (a) accrued expenses; (b) any liability to an office, whether in or outside of this State, or subsidiary of the bank; and (c) such other liabilities as the commissioner may by regulation or order exclude.

(2) "Applicable minimum," when used with respect to eligible assets deposited or to be deposited with an approved depository by a foreign bank, means the amount as the commissioner may from time to time by regulation or order determine to be necessary for the establishment of sound financial condition, for the protection of the interests of creditors of the bank's business in this State, or for the protection of the public interest.

However, in the case of a foreign bank which is licensed to establish an agency or a branch office, the applicable minimum shall in no event be less than the greater of (a) 5 percent of the adjusted liabilities of the bank or (b) $1,000,000.

(3) "Approved depository," when used with respect to a foreign bank, means a bank organized under the laws of this State or a national bank headquartered in this State which has been selected by such foreign bank and approved by the commissioner for the purpose of acting as the approved depository of the foreign bank and which has filed with the commissioner, in the form as the commissioner may by regulation or order prescribe, an agreement to comply with all applicable provisions of this section and of any regulation or order issued under this section.

(4) "Eligible assets" when used with respect to a foreign bank, means any of the following:

(a) Cash.

(b) Any investment security which by regulation is eligible for investment by a commercial bank organized under the Banking Act.

(c) Any negotiable certificate of deposit which: (i) has a maturity of not more than one year, (ii) is payable in the United States, and (iii) is issued by a bank organized under the laws of a state of the United States, by a national bank, or by a branch office of a foreign bank which is located in the United States.

(d) Any commercial paper which is payable in the United States and which is rated P-1 or its equivalent by a nationally recognized rating service; provided, however, that any conflict in rating shall be resolved in favor of the lower rating.

(e) Any banker's acceptance which is payable in the United States and which is eligible for discount with a Federal Reserve bank.

(f) Any other asset which the commissioner by regulation or order determines to be eligible.

Notwithstanding the foregoing provisions of this paragraph, "eligible asset," when used with respect to a foreign bank, does not include any instrument the issuer of which: (i) is, or is affiliated with, the foreign bank; (ii) is domiciled in, or controlled by a bank or other person domiciled in, the same foreign nation as the foreign bank; or (iii) is, or is controlled by, the foreign nation. For purposes of the foregoing provision, to be "affiliated" means to control, to be controlled by, or to be under common control with.

b. For purposes of this section:

(1) The amount of adjusted liabilities of a foreign bank's business in this State shall be computed for the period, in the manner, and on the basis as the commissioner may by regulation or order prescribe.

(2) Any eligible asset shall be valued at the lesser of market or par.

c. (1) Before any foreign bank is licensed to transact business in this State, the bank shall deposit, and each foreign bank which is licensed to transact business in this State shall maintain on deposit, with an approved depository, eligible assets having a value in an amount not less than the applicable minimum.

(2) Whenever a foreign bank which is licensed to transact business in this State ceases to be so licensed, the bank shall thereafter establish on deposit, with an approved depository, eligible assets having a value in an amount not less than the applicable minimum for the period of time the commissioner may determine to be necessary for the protection of creditors of the bank's business in this State or for the protection of the public interest.

d. (1) No foreign bank which establishes eligible assets on deposit with an approved depository pursuant to this section shall withdraw any of those eligible assets except with the prior approval of the commissioner.

(2) No approved depository which holds eligible assets on deposit from a foreign bank pursuant to this section shall release any of those eligible

assets except with the prior approval of the commissioner or as otherwise provided in subsection h. of this section.

e. Any foreign bank which establishes eligible assets on deposit with an approved depository pursuant to this section shall be entitled to receive any income paid on such eligible assets, unless the commissioner shall have suspended or revoked its license to transact business in this State or taken possession of its property and business in this State.

f. (1) Whenever a foreign bank deposits eligible assets with, or withdraws eligible assets from, an approved depository pursuant to this section, the bank shall do so in accordance with the procedures and requirements the commissioner may by regulation or order prescribe.

(2) Whenever an approved depository receives, holds, or releases eligible assets pursuant to this section, the approved depository shall do so in accordance with the procedures and requirements the commissioner may by regulation or order prescribe and shall file with the commissioner reports as and when the commissioner may by regulation or order require.

g. Whenever a foreign bank establishes eligible assets on deposit with an approved depository pursuant to this section:

(1) The eligible assets shall be deemed to be pledged to the commissioner for the benefit of the creditors of the bank's business in this State; and, notwithstanding any provision of the Uniform Commercial Code, N.J.S.12A:1-101 et seq., to the contrary, the commissioner, for the benefit of the creditors, shall be deemed to have a security interest in those eligible assets.

(2) The eligible assets shall be free from any lien, charge, right of setoff, credit, or preference in connection with any claim of the approved depository against the bank.

h. (1) If the commissioner takes possession of the property and business of a foreign bank which establishes eligible assets on deposit with an approved depository pursuant to this section, the approved depository shall, upon order of the commissioner, release those eligible assets to the commissioner, as liquidator of the property and business of the bank.

(2) If a foreign bank which establishes eligible assets on deposit with an approved depository pursuant to this section fails to pay any judgment creditor of its business in this State and the commissioner has not taken possession of the property and business of the bank, the approved depository shall release the eligible assets to the commissioner, and the commissioner shall make the disposition of the eligible assets, as a court of competent jurisdiction of this State or of the United States may order for the benefit of that judgment creditor. For purposes of this paragraph, "judgment creditor of its business in this State" means a person to whom the bank is required to pay money under a judgment which: (a) arose out of the bank's business in this State; (b) has been entered by a court of competent

jurisdiction of this State or of the United States; (c) has become final, in that all possibility of direct attack on that judgment by way of appeal, motion for new trial, motion to vacate, or petition for extraordinary writ has been exhausted; and (d) has remained unpaid for a period of not less than 60 days after becoming final.

C.17:9A-451 Definitions of adjusted liabilities, eligible assets relative to agency or branch offices.

70. a. In this section:

(1) "Adjusted liabilities," when used with respect to a foreign bank which is licensed to establish an agency or a branch office this State, means the liabilities of that bank's business in this State, excluding: (a) accrued expenses; (b) any liability to an office, whether in or outside of this State, or majority-owned subsidiary of the bank; and (c) such other liabilities as the commissioner may by regulation or order exclude.

(2) "Eligible assets" means any asset which the commissioner by regulation or order determines to be eligible for purposes of this section. However, "eligible asset," when used with respect to a foreign bank which is licensed to establish an agency or a branch office, includes: (a) any asset which the bank establishes on deposit pursuant to section 69 of P.L.1996, c.17 (C.17:9A-450); and (b) any reserves which the bank establishes with respect to its business in this State in accordance with requirements prescribed by the Federal Reserve.

b. For purposes of this section, the amount of eligible assets and the amount of adjusted liabilities of a foreign bank which is licensed to establish an agency or a branch office in this State shall each be computed for the period, in the manner, and on the basis as the commissioner may by regulation or order prescribe.

c. A foreign bank licensed to establish an agency or a branch office in this State shall hold at its agency or branch offices in this State or at such other places as the commissioner may approve, eligible assets in the amount, if any, as the commissioner may from time to time by regulation or order determine to be necessary for the interests of creditors of the bank's business in this State, or for the protection of the public interest. However, in no event shall the amount exceed 108 percent of the adjusted liabilities of the bank's business in this State.

d. If the commissioner finds, with respect to a foreign bank licensed to establish an agency or a branch office in this State, that such action is necessary for the establishment of sound financial condition, for the protection of the public interest, the commissioner may order the bank to place all or part of the eligible assets which the bank is required to hold under subsection c. of this section in the custody of a bank organized under

the laws of this State or a national bank headquartered in this State that the commissioner may designate.

C.17:9A-452 Approval required for closing of office of foreign bank.

71. a. (1) No foreign bank which is licensed to establish an agency or branch office shall close its office unless the commissioner shall have first approved the closing.

(2) Paragraph (1) of this subsection a. shall not prohibit a foreign bank which is licensed to establish an agency or branch office from closing that office in accordance with sections 79 through 85 of P.L.1996, c.17 (C.17:9A-460 through C.17:9A-466).

b. If the commissioner finds the following with respect to an application by a foreign bank to close an agency or branch office, the commissioner shall approve the application:

(1) That it will not be unsafe or unsound for the bank to close the office; and

(2) That the closing of the office will not be substantially detrimental to the public convenience and advantage or that the closing of the office is necessary in the interests of the safety and soundness of the bank.

If the commissioner finds otherwise, the commissioner shall deny the application.

c. Whenever an application by a foreign bank to close an agency or branch office has been approved and all conditions precedent to the closing have been fulfilled, the bank may close the office and shall promptly thereafter surrender to the commissioner the license which authorized it to establish the office.

C.17:9A-453 Transaction of business by commercial lending company.

72. a. No commercial lending company shall transact business in this State except at an office it is licensed to establish and at which it is permitted by sections 72 through 78 of P.L.1996, c.17 (C.17:9A-453 through C.17:9A-459) to transact such business.

b. Subsection a. of this section shall not prohibit:

(1) Any commercial lending company from carrying on the activities described in paragraph (2) of N.J.S.14A:13-3;

(2) Any commercial lending company from making in this State loans secured by liens on real or personal property located in this State or enforcing those loans in this State; or

(3) Any commercial lending company from transacting trust business in this State so long as the trust business is not conducted from any office or location in this State and that trust business is limited to trust business permitted by, and conducted pursuant to a certificate of authority issued by

the commissioner in accordance with subsection B. of section 316 of P.L.1948, c.67 (C.17:9A-316).

c. No person shall establish an office in this State for a commercial lending company unless the commercial lending company is licensed to transact business in this State. For purposes of this section, if anyone establishes an office to act on behalf of or solicit business for a commercial lending company in this State, the office shall be deemed to be the office of the commercial lending company regardless of whether the business of the commercial lending company is transacted at that office.

C.17:9A-454 Approval for establishment of office of foreign bank, commercial lending company.

73. a. No foreign bank and no commercial lending company shall establish an office of a commercial lending company in this State unless the commissioner shall have first approved the establishment of that office and issued a license authorizing the commercial lending company to maintain the office.

b. If the commissioner finds the following with respect to an application by a commercial lending company to establish a commercial lending company, the commissioner shall approve that application:

(1) That the commercial lending company, any controlling person of the commercial lending company, the directors and executive officers of the commercial lending company or of any controlling person of the commercial lending company, and the proposed management of the office are each of good character and sound financial standing;

(2) That the financial history and condition of the commercial lending company are satisfactory;

(3) That the management of the commercial lending company and the proposed management of the office are adequate;

(4) That it is reasonable to believe that, if licensed to establish the office, the commercial lending company will operate the office in a safe and sound manner and in compliance with all applicable laws, regulations, and orders; and

(5) That the commercial lending company's establishment of the office will promote the public convenience and advantage.

If the commissioner finds otherwise, the commissioner shall deny the application. The commissioner may, in approving any application, condition the issuance of the license upon the compliance by the commercial lending company with any provisions of sections 61 through 71 or sections 79 through 85 of P.L.1996, c.17 (C.17:9A-442 through C.17:9A-452 or C.17:9A-460 through C.17:9A-466) applicable to branches and agencies.

C.17:9A-455 Relocation of commercial lending company.

74. a. No commercial lending company which is licensed to establish a commercial lending office shall relocate that office unless the commissioner

shall have first approved that relocation and issued a license authorizing the commercial lending company to establish the office at the new site.

b. If the commissioner finds the following with respect to an application by a commercial lending company to relocate a commercial lending office, the commissioner shall approve the application

(1) If the new site of the office is in the same vicinity as the old site, that the relocation of the office will not be substantially detrimental to the public convenience and advantage; or

(2) If the new site of the office is not in the same vicinity as the old site:

(a) That the relocation of the office from the old site will not be substantially detrimental to the public convenience and advantage in the area which is primarily served by the office at the old site; and

(b) That the relocation of the office to the new site will promote the public convenience and advantage.

If the commissioner finds otherwise, the commissioner shall deny the application.

c. Whenever an application by a commercial lending company for approval to relocate a commercial lending office has been approved and all conditions precedent to the issuance of a license authorizing the commercial lending company to establish an office at the new site have been fulfilled, the commissioner shall issue the license.

d. Promptly after a commercial lending company which is licensed to establish a commercial lending office relocates its office, that commercial lending company shall surrender to the commissioner the license which authorized it to establish an office at the old site.

C.17:9A-456 Commercial lending company, functions permitted.

75. A commercial lending company which is licensed to establish a commercial lending office may, subject to such regulations or orders as the commissioner may prescribe, engage in representational functions at the commercial lending office for a foreign bank but shall not solicit or accept deposits or credit balances or otherwise transact business at the office on behalf of a foreign bank.

C.17:9A-457 Approval for commercial lending company to close office.

76. a. (1) No commercial lending company which is licensed to establish a commercial lending office shall close its office unless the commissioner shall have first approved the closing.

(2) Paragraph (1) shall not prohibit a commercial lending company which is licensed to establish a commercial lending office from closing its office in accordance with sections 79 through 85 of P.L.1996, c.17 (C.17:9A-460 through C.17:9A-466).

b. If the commissioner finds, with respect to an application by a commercial lending company to close a commercial lending office, that the closing of the office will not be substantially detrimental to the public convenience and advantage, the commissioner shall approve the application. If the commissioner finds otherwise, the commissioner shall deny the application.

c. Whenever an application by a commercial lending company to close a commercial lending office has been approved and all conditions precedent to that closing have been fulfilled, the commercial lending company may close its office and shall promptly thereafter surrender to the commissioner the license which authorized it to establish the office.

C.17:9A-458 Powers of commercial lending company limited.

77. The powers of a commercial lending company in this State shall be limited as provided in section 64 and elsewhere in sections 37 through 86 of P.L.1996, c.17 (C.17:9A-418 through C.17:4A-467).

C.17:9A-459 Granting of right to operate as commercial lending company.

78. The commissioner shall have the power to grant to any organization which is organized under the laws of this State, including but not limited to a corporation, limited partnership, limited liability company, joint venture or partnership, the right to operate as a commercial lending company if the commercial lending company: will be licensed under sections 72 through 77 of P.L.1996, c.17 (C.17:9A-453 through C.17:9A-458); is a subsidiary of a foreign bank; and agrees in its certificate of incorporation or organization or similar document to limit its activities to those permitted to a commercial lending company under sections 37 through 86 of P.L.1996, c.17 (C.17:9A-418 through C.17:9A-467) and Regulation K promulgated by the Federal Reserve, 12 CFR §211 et seq. Any such grant shall be issued in connection with and as part of a license for a commercial lending office hereunder.

C.17:9A-460 Voluntary surrender of license.

79. a. Except as provided in subsection b. of this section, any foreign bank which holds a license to establish an office may voluntarily surrender that license by filing the license and a report with the commissioner. However, any foreign bank which holds licenses to establish two or more offices may not voluntarily surrender less than all of those licenses.

b. If the commissioner has reason to doubt a foreign bank's ability or willingness to pay in full the claims of its creditors, the commissioner shall take action as provided pursuant to section 85 of P.L.1996, c.17 (C.17:9A-466).

c. (1) Except as otherwise provided in paragraph (2) of this subsection c., a voluntary surrender of a license shall be effective on the 30th day after

that license and the report called for in subsection a. of this section are filed with the commissioner or on such earlier date as the commissioner may by order specify.

(2) If a proceeding to revoke or suspend a license is pending at the time when that license and the report called for in subsection a. of this section are filed with the commissioner or if a proceeding to revoke or suspend a license or to impose conditions upon the surrender of a license is instituted before the 30th day after the license and the report called for in subsection a. of this section are filed with the commissioner, the voluntary surrender of the license shall become effective at the time and upon the conditions as the commissioner may by order specify.

C.17:9A-461 Violations, penalties.

80. If, after notice and a hearing, the commissioner finds that any person has violated any provision of sections 37 through 86 of P.L.1996, c.17 (C.17:9A-418 through C.17:9A-467) or of any regulation or order issued thereunder, the commissioner may order that person to pay to the commissioner a civil penalty in an amount as the commissioner may specify; except that the amount of the civil penalty shall not exceed $100,000 for each violation or, in the case of a continuing violation, $100,000 for each day for which the violation continues.

C.17:9A-462 Suspension, revocation of license of bank, commercial lending company.

81. If, after notice and a hearing, the commissioner finds any of the following with respect to a foreign bank or commercial lending company which is licensed to establish an office, the commissioner may issue an order suspending or revoking the license of the bank or commercial lending company:

a. That the bank or commercial lending company has violated any provision of sections 37 through 86 of P.L.1996, c.17 (C.17:9A-418 through C.17:9A-467) or of any regulation or order issued thereunder or any provision of any other applicable law, regulation, or order;

b. That the bank or commercial lending company, in case it is licensed to transact business in this State, is transacting that business in an unsafe or unsound manner or, in any case, is transacting business elsewhere in an unsafe or unsound manner;

c. That the bank or commercial lending company is in unsafe or unsound condition;

d. That the bank or commercial lending company has ceased to operate its office;

e. That the bank or commercial lending company is insolvent in that it has ceased to pay its debts in the ordinary course of business, it cannot pay its debts as they become due, or its liabilities exceed its assets;

f. That the bank or commercial lending company has suspended payment of its obligations, has made an assignment for the benefit of its creditors, or has admitted in writing its inability to pay its debts as they become due;

g. That the bank or commercial lending company has applied for an adjudication of bankruptcy, reorganization, arrangement, or other relief under any bankruptcy, reorganization, insolvency, or moratorium law, or that any person has applied for any such relief under any such law against the bank or commercial lending company and the bank or commercial lending company has by any affirmative act approved of or consented to the action or the relief has been granted;

h. That a receiver, liquidator, or conservator has been appointed for the bank or commercial lending company or that any proceeding for such an appointment or any similar proceeding has been initiated in the place where the bank or commercial lending company is domiciled;

i. That the existence of the bank or commercial lending company or the authority of the bank or commercial lending company to transact banking business or lending under the laws of the place where the bank or commercial lending company is domiciled has been suspended or terminated; or

j. That any fact or condition exists which, if it had existed at the time when the bank or commercial lending company applied for its license to transact business in this State, would have been grounds for denying the application.

C.17:9A-463 Issuance of order suspending, revoking license of bank, commercial lending company, hearing.

82.a. If the commissioner finds that any of the factors set forth in section 81 of P.L.1996, c.17 (C.17:9A-462) is true with respect to any foreign bank or commercial lending company which is licensed to establish an office and that it is necessary, for the protection of the interests of creditors of the bank's or company's business in this State, or for the protection of the public interest, that the commissioner immediately suspend or revoke the license of the bank or commercial lending company, the commissioner may issue an order suspending or revoking the license of the bank or commercial lending company.

b. (1) Within 30 days after an order is issued pursuant to subsection a. of this section, the foreign bank or commercial lending company to which the order is issued may file with the commissioner an application for a hearing on the order. If the commissioner fails to commence that hearing within 15 business days after that application is filed with the commissioner, or within such longer period to which the bank consents, the order shall be

deemed rescinded. Within 30 days after the hearing, the commissioner shall affirm, modify, or rescind the order; otherwise, the order shall be deemed rescinded.

(2) The right of any foreign bank or commercial lending company to which an order is issued under subsection a. of this section to petition for judicial review of that order shall not be affected by the failure of the bank or company to apply to the commissioner for a hearing on the order pursuant to paragraph (1) of this subsection b.

C.17:9A-464 Surrender of suspended, revoked license.

83. Any foreign bank or commercial lending company whose license to establish an office is suspended or revoked shall immediately surrender its license to the commissioner.

C.17:9A-465 Application to modify, rescind order.

84. a. Any foreign bank or commercial lending company to which an order is issued under section 81 or 82 of P.L.1996, c.17 (C.17:9A-462 or C.17:9A-463), may apply to the commissioner to modify or rescind the order. The commissioner shall not grant the application unless he finds that it is in the public interest to do so and that it is reasonable to believe that the bank or commercial lending company will, if and when it is again licensed to establish an office, comply with all applicable provisions of sections 79 through 85 of P.L.1996, c.17 (C.17:9A-460 through C.17:9A-466) and of any regulation or order issued thereunder.

b. The right of any foreign bank or commercial lending company to which an order is issued under section 81 or 82 of P.L.1996, c.17 (C.17:9A-462 or C.17:9A-463) to petition for judicial review of that order shall not be affected by the failure of that bank or commercial lending company to apply to the commissioner pursuant to subsection a. of this section to modify or rescind the order.

C.17:9A-466 Possession of property, business of bank by commissioner.

85.a. If the commissioner finds that any of the factors set forth in section 81 of P.L.1996, c.17 (C.17:9A-462) or in subsection b. of section 79 of P.L.1996, c.17 (C.17:9A-460) is true with respect to any foreign bank which is licensed to transact business in this State and that it is necessary for the protection of the interests of the creditors of the bank's business in this State or for the protection of the public interest that the commissioner take immediate possession of the property and business of the bank, the commissioner may by order forthwith take possession of the property and business of the bank and retain possession until the bank resumes business in this State or is finally liquidated. The bank may, with the consent of the

commissioner, resume business in this State upon such conditions as the commissioner may prescribe.

b. (1) Whenever the commissioner takes possession of the property and business of a foreign bank pursuant to subsection a. of this section, that bank may, within 10 days apply to the Superior Court in the county in which the primary office of the bank is located to enjoin further proceedings. The court may, after ordering the commissioner to show cause why further proceedings should not be enjoined and after a hearing, dismiss the application or enjoin the commissioner from further proceedings and order him to surrender the property and business of the bank to the bank or make such further order as may be just.

(2) The judgment of the court may be appealed by the commissioner or by the bank in the manner provided by law for appeals from the judgment of a Superior Court. In case the commissioner appeals the judgment of the court, an appeal shall operate as a stay of the judgment, and the commissioner shall not be required to post any bond.

c. Whenever the commissioner takes possession of the property and business of a foreign bank pursuant to subsection a. of this section, the commissioner shall conserve or liquidate the property and business of that bank pursuant to the receivership provisions of the Banking Act, including Article 42 of "The Banking Act of 1948," P.L.1948, c.67 (C.17:9A-266 et seq.), and these provisions shall apply as if the bank were a bank organized under the Banking Act.

d. When the commissioner has completed the liquidation of the property and business of a foreign bank, the commissioner shall transfer any remaining assets to the bank in accordance with the orders the court may issue. However, if the bank has an office in another state of the United States which is in liquidation and the assets of that office appear to be insufficient to pay in full the creditors of the office, the court shall order the commissioner to transfer to the liquidator of the office that amount of any such remaining assets as appears to be necessary to cover the insufficiency; if there are two or more such offices and the amount of remaining assets is less than the aggregate amount of insufficiencies with respect to the offices, the court shall order the commissioner to distribute the remaining assets among the liquidators of those offices in any manner the court finds equitable.

e. The commissioner may apply the provisions of this section to a commercial lending company, in which case these provisions shall take precedence over any other provisions of state law applying to the commercial lending company.

C.17:9A-467 Rules, regulations, orders.

86. The commissioner shall, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), issue the rules, regulations and orders the commissioner deems necessary in order to perform the commissioner's duties and functions under sections 37 through 86 of P.L.1996, c.17 (C.17:9A-418 through C.17:9A-467).

87. Section 5 of P.L.1963, c.144 (C.17:12B-5) is amended to read as follows:

C.17:12B-5 Definitions.

5. The following words and phrases as used in this act, unless a different meaning is plainly required by the context, shall have the following meaning:

(1) "State association" shall mean any savings and loan association, building and loan association, or any corporation, however named, now or hereafter operating pursuant to the provisions of this act.

(2) "Federal association" shall mean a savings and loan association organized pursuant to an Act of Congress approved June 30, 1933, entitled "Home Owners' Loan Act of 1933" or any subsequent Act of Congress.

(3) "Association" shall mean a State association, a federal association having its principal office or a branch office in this State, and an out-of-State association having a branch office in this State.

(4) "Insured association" shall mean an association whose savings members' accounts or savings deposits are insured by the Federal Deposit Insurance Corporation.

(5) "Board" shall mean the board of directors of any association.

(6) "Commissioner" shall mean the Commissioner of Banking of the State of New Jersey, or such other official as may hereafter be charged by State law with the supervision of State associations.

(7) "Member" shall mean a person who holds an account or a savings deposit in a mutual association as a savings member or as a borrowing member.

(8) "Savings member" shall mean a member who holds an account or a savings deposit representing savings in an association.

(9) "Borrowing member" shall mean a member to whom money of the association is loaned or one who is the owner of property upon which the association holds a mortgage.

(10) "Account" shall mean the record of the financial transactions of a member or depositor as shown on the books of the association.

(11) "Direct reduction loan" shall mean a loan the principal of which is repayable in periodical installments.

(12) "Sinking fund loan" shall mean a loan, the principal of which is contracted to be repaid with the participation value of an installment account pledged as collateral security for the payment of the loan.

(13) "Straight mortgage loan" shall mean a loan, the principal of which is repayable upon a fixed day and upon which no interim amortization is required.

(14) "Account loan" shall mean a loan secured by the pledge of an account and the shares, if any, issued in connection therewith.

(15) "Capital" of a mutual State association shall mean the aggregate participation value of all savings members' accounts. It shall not be limited and shall be accumulated only by payments by savings members, plus dividends credited to their accounts.

(16) "Participation value" of an account shall mean the amount paid by a savings member on such account, plus dividends or interest credited thereto, less payments of withdrawals and retirements therefrom and any other amounts lawfully deductible therefrom.

(17) "Withdrawal value" of an account shall mean the participation value of such an account, at the time application for withdrawal of the account is filed, less such part, if any, of the dividends or interest then credited to such account as the association is authorized to retain upon withdrawal.

(18) "Gross income" shall have the meaning ascribed to it in section 6 of this act.

(19) "Net income" shall have the meaning ascribed to it in section 7 of this act.

(20) "Federal Savings and Loan Insurance Corporation" shall mean the corporation so named, organized pursuant to an Act of Congress, or any federal corporation, instrumentality or agency which succeeds to the powers and functions of the Federal Savings and Loan Insurance Corporation or undertakes to discharge the purposes for which said corporation was created.

(21) "Federal Home Loan Bank Board" shall mean the board so named, organized pursuant to an Act of Congress, or any federal corporation, instrumentality or agency which succeeds to the powers and functions of the Federal Home Loan Bank Board, or which is formed to carry out the purposes for which such board was created.

(22) "Change in the bylaws" includes new bylaws and revisions, amendments, supplements and repealers of existing bylaws.

(23) "Principal office," "branch office" and "auxiliary office" shall have the meanings ascribed to them in section 8 of this act.

(24) "Agency" shall have the meaning ascribed to it in section 9 of this act.

(25) "Per capita assets" shall have the meaning ascribed to it in section 10 of this act.

(26) "Population." Where in this act the population of a municipality, a county, or the State is mentioned, the population figure shall be the last current population estimate as furnished to the commissioner by any official agency of the State or federal government.

(27) "Municipality." The word municipality shall include cities, towns, townships, villages and boroughs.

(28) "First lien" shall have the meaning ascribed to it in section 11 of this act.

(29) "Foreign association" shall mean any association or corporation conducting the business of a savings and loan association, however designated, except an association.

(30) "Department" shall mean the Department of Banking of New Jersey.

(31) "Mutual association" shall mean any State association organized pursuant to the provisions of this act without capital stock.

(32) "Capital stock association" shall have the meaning ascribed to it in section 15 of P.L.1974, c.137 (C.17:12B-244).

(33) "Capital stock" shall have the meaning ascribed to it in section 15 of P.L.1974, c.137 (C.17:12B-244).

(34) "Stockholder" shall have the meaning ascribed to it in section 15 of P.L.1974, c.137 (C.17:12B-244).

(35) "Secondary mortgage loan" means a loan made to an individual, association, joint venture, partnership, limited partnership association, or any other group of individuals however organized, except a corporation, which is secured in whole or in part by a lien upon any interest in real property created by a security agreement, including a mortgage, indenture, or any other similar instrument or document, which real property is subject to one or more prior mortgage liens and which is used as a dwelling, including a dual purpose or combination type dwelling which is also used as a business or commercial establishment, and has accommodations for not more than six families, except that a loan which: (a) is to be repaid in 90 days or less; (b) is taken as security for a home repair contract executed in accordance with the provisions of P.L.1960, c.41 (C.17:16C-62 et seq.); or (c) is the result of the private sale of a dwelling if title to the dwelling is in the name of the seller and the seller has resided in said dwelling for at least one year if the buyer is purchasing said dwelling for his own residence and, as part of the purchase price, executes a secondary mortgage in favor of the seller, shall not be included within the definition of "secondary mortgage loan."

(36) "Federal Deposit Insurance Corporation" means the corporation so named, organized pursuant to an Act of Congress, or any federal corpora-

tion, instrumentality or agency which succeeds to the powers and functions of the Federal Deposit Insurance Corporation or undertakes to discharge the purposes for which said corporation was created.

(37) "Home state" with respect to an out-of-State association means the state by which the association is chartered. "Home state" with respect to a federal association means the state in which the principal office is located.

(38) "Out-of-State association" means a savings and loan association or building and loan association insured by the Federal Deposit Insurance Corporation and chartered under the laws of a state other than New Jersey, but not a bank as defined in 12 U.S.C. §1813(a)(2).

(39) "State" means any state of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands and the Northern Mariana Islands.

(40) "Resulting association" means a state or federally chartered association that has resulted from an interstate merger transaction pursuant to P.L.1963, c.144 (C.17:12B-1 et seq.).

88. Section 24 of P.L.1963, c.144 (C.17:12B-24) is amended to read as follows:

C.17:12B-24 Establishment, operation of branch offices by State association.

24. A. No State association shall hereafter establish or operate a branch office or offices, other than as provided by the conditions and limitations of sections 24 through 27 of this act without the prior written approval of the commissioner; provided, however, that any association operating an authorized branch office at the effective date of this act may continue to do so.

(1) An association operating a branch office approved prior to the effective date of this act with conditions or restrictions imposed on its operation may upgrade such office by notifying the commissioner at least 30 days before such upgrading. A branch office is considered upgraded if the association is relieved of any of the conditions or restrictions imposed on operation of the office when it opened. If within 30 days of receipt of the notice, the commissioner does not notify the association of his objection which would require the association to submit an application or additional information before upgrading, the association may upgrade the office.

(2) An approved, but unopened branch office as of the effective date of this amendatory act may open and operate in the same manner as a branch office approved subsequent to the effective date of this amendatory act.

(3) Any application which deals with offices of a State association filed with the commissioner prior to the effective date of this amendatory act shall

continue to be processed as any application filed subsequent to the effective date of this amendatory act; however, the commissioner may request such additional information as may be necessary to comply with the requirements of this amendatory act.

B. An association may apply for a branch office regardless of the number of branch applications it has pending before the commissioner. Within 15 days after submission of any branch application to the commissioner, the applying State association shall give notice of such application by publication of a notice of such application in a newspaper published within the municipality in which it is proposed to locate the branch office if there be one or, if there be no such newspaper, in a newspaper published in the county and having a substantial circulation in the municipality. The notice shall be in a form approved by the commissioner, and shall include the name of the applying association and the location, as precisely as possible, in the municipality where such branch office is to be located. For good cause, the commissioner may dispense with the notice requirements of this section.

No less than 30 days after filing with the commissioner the proof of publication of the aforementioned notice within 90 days thereafter, the commissioner shall announce his decision upon such application and file in his office a written memorandum stating the reasons therefor, which shall be open to public inspection; and he shall forthwith thereafter give written notice thereof to the applicant.

C. The commissioner shall approve the application if the commissioner finds that:

(1) the State association's capital equals or exceeds the minimum capital established by the commissioner by regulation;

(2) the interests of the public will be served to advantage by the establishment of the full branch office;

(3) conditions in the locality in which the proposed full branch office is to be established afford reasonable promise of successful operation. To determine if an applicant meets this requirement, the commissioner shall consider only the costs of purchasing, constructing, leasing or otherwise establishing the proposed office, including the costs for staffing, furniture and equipment needed therefor and the effect of these costs on the operations of the applying institution as a whole. The applicant need not demonstrate an ability to operate the proposed office at a profit within a definable period of time based on the generation of new deposits from the market area to be entered except to the extent that losses suffered at the proposed office could affect the safety and soundness of the applicant's overall operations; and

(4) that the applicant has achieved sufficient compliance as defined by the commissioner by regulation with the provisions of the "Community Reinvestment Act of 1977," 12 U.S.C. §2901 et seq.

D. (Deleted by amendment, P.L.1996, c.17.)

E. The commissioner shall conduct such investigation or hearing, or both, as the commissioner may deem advisable. The commissioner may adopt, amend, alter or rescind regulations prescribing the form of protest to applications and the procedures to be followed in the event that the commissioner elects to hold a hearing in connection with an application for a branch office, and such other regulations as the commissioner may deem necessary with respect to the provisions of this section.

C.17:12B-24.1 Change of location of office of State association.

89.a. Upon filing an application therefor in the department, and upon obtaining the approval of the commissioner thereto a State association may change the location of its principal office or of a branch office located in this State to another location in this State. Upon filing an application therefor in the department, and upon obtaining the approval of the commissioner thereto, an out-of-State association with a branch office located in this State may change the location of a branch office in this State to another location in this State, and an association with a branch office located outside this State may change the location of a branch office to another location in that State.

b. If it shall appear from the application, or if the commissioner shall find from such proof as the commissioner may require, or from such investigation as the commissioner may cause to be made, that the area which would be served by the principal or branch office after its change in location would not be substantially different from the area theretofore served by that office, the commissioner shall approve the application.

c. If it shall appear to the commissioner, from the application, or from such proof as the commissioner may require, or from such investigation as the commissioner may cause to be made, that the proposed location will be so far removed from the place then occupied by the principal office or by the branch office that the area which would be served by that office after its change in location would be substantially different from the area theretofore served by it, the commissioner shall not approve the application unless, after an investigation or hearing, or both, as the commissioner may determine to be advisable, the commissioner shall find that the interests of the public will be served to advantage by the change in location, and that conditions in the locality to which removal is proposed afford reasonable promise of successful operation.

d. The failure to open and operate a relocated office within 12 months after the commissioner approves the application therefor, shall automatically terminate the right to open the relocated office, except that, for good cause shown, the commissioner may, at the commissioner's discretion, extend for additional periods, not to exceed 12 months each time, the time within which the relocated office may be opened, provided that the initial application shall be made before the expiration of 12 months from the date authority is granted to relocate the principal office and any subsequent application shall be made before the expiration of any subsequent period for which permission to extend has been granted by the commissioner.

90. Section 30 of P.L.1963, c.144 (C.17:12B-30) is amended to read as follows:

C.17:12B-30 Auxiliary office, establishment, location.

30. No auxiliary office shall be established or operated at a location which is outside this State or more than one mile from the office of the State association to which such auxiliary office is an adjunct; nor shall any such auxiliary office be established within 1,000 feet of the principal office or a branch office of another association, without the written consent of such association. Such consent, once given, shall thereafter be irrevocable, regardless whether it was given gratuitously or for a valuable consideration. No State association shall be required to discontinue an auxiliary office for the reason that, after its establishment pursuant to this act, another association has established its principal office or a branch office within 1,000 feet of such auxiliary office.

91. Section 31 of P.L.1963, c.144 (C.17:12B-31) is amended to read as follows:

C.17:12B-31 Auxiliary office, permitted business transactions.

31. No business shall be transacted at an auxiliary office other than

(a) the receipt of payments, deposits of currency, checks and other items;

(b) the payment of withdrawals;

(c) the cashing of checks, drafts and other items; and

(d) the issuance of money orders or travelers' checks.

92. Section 1 of P.L.1968, c.150 (C.17:12B-46.1) is amended to read as follows:

C.17:12B-46.1 Definitions relative to emergency closings.

1. A. The following words as used in this act, unless a different meaning is plainly required by the context, shall have the following meaning:

(1) "Commissioner" means the Commissioner of Banking or any other person lawfully exercising the powers of such commissioner;

(2) "Association" means any State savings and loan association operating pursuant to the "Savings and Loan Act (1963)" P.L.1963, c.144 (C.17:12B-1 et seq.) and any out-of-State association with a branch office in this State;

(3) "Officers" means the person or persons designated by the board of directors of an association to act for the association in carrying out the provisions of this act;

(4) "Emergency" means any condition which makes the transaction of business, at one or more or all of the offices of an association or associations, contrary to the welfare and security of such office or offices or contrary to the health, safety or security of persons working in or making use of such office or offices. Without limiting the generality of the foregoing, an emergency may arise when any condition poses an imminent or existing threat to the welfare, safety or security of persons or property or both, such as any one or more of the following: forces of the natural elements, fire, explosions, epidemics, power failures, labor disputes, transportation failures, war, riots, civil commotions, and other acts of lawlessness or violence;

(5) "Office" means any place at which an association transacts business or conducts operations related to the transaction of business;

(6) "Person" includes natural persons, corporations, partnerships and associations.

B. This act shall apply to federal savings and loan associations having their principal offices or a branch office in this State to the extent that the provisions of this act are not inconsistent with and do not infringe upon federal laws, rules or regulations.

C.17:12B-24.2 Powers of out-of-State, State association.

93. a. An out-of-State association that opens, occupies or maintains a branch office in this State shall have in this State only the powers a State association has in this State.

b. A State association that owns, occupies or maintains a branch office outside this State shall have in that state such additional powers as permitted to associations chartered in the state in which the branch is located.

94. Section 170 of P.L.1963, c.144 (C.17:12B-170) is amended to read as follows:

C.17:12B-170 Report of financial condition available to members.

170. Every State association shall make available to its members annually, upon request, a report of its financial condition as of the end of its fiscal year.

95. Section 172 of P.L.1963, c.144 (C.17:12B-172) is amended to read as follows:

C.17:12B-172 Examination, inspection, supervision of associations.

172. Every State association and every out-of-State association with a branch office in this State shall be subject to the examination, inspection and supervision of the department. The commissioner shall, either personally or by a person appointed by the commissioner, visit and examine every State association at least once every two years, or more often if deemed expedient. When deemed advisable, the examiner shall verify the liabilities of the State association to its members by an inspection and verification of their accounts. The commissioner shall promptly communicate the result of every examination to the president of the State association examined, who shall present the same to the board at the next regular meeting, or a special meeting, if deemed advisable, or if so directed by the commissioner. The action taken thereon by the board shall thereupon be promptly communicated by the president to the commissioner.

Every report and copy of a report of examination of a State association and out-of-State association made by or under the supervision of the commissioner, shall be confidential, and shall not be made public by any officer, director or employee of a State association or out-of-State association, and shall not be subject to subpoena or to admission into evidence in any action or proceeding in any court, except pursuant to an order of the court made upon notice to the commissioner an opportunity to advise the court of reasons for excluding from evidence such report or any portion thereof. The court shall order the issuance of a subpoena for the production or admission into evidence of any such report or portion thereof, only if it is satisfied that (1) it is material and relevant to the issues in the proceedings, and (2) the ends of justice and public advantage will be subserved thereby. This section shall not apply to any action or proceeding instituted by the commissioner or Attorney General pursuant to any law of this State.

For State associations or out-of-State associations with branch offices in this State and also in one or more other states, the commissioner may contract with the state regulator in the other state or states where branch offices are located to conduct cooperative examinations. Pursuant to those agreements, examiners of the department may examine branch offices of

State associations and out-of-State associations in New Jersey and in other states, and examiners of other state regulators may examine branch offices of State associations and out-of-State associations in New Jersey and other states. The fees for these examinations may be shared pursuant to a contract or agreement among the regulators.

96. Section 173 of P.L.1963, c.144 (C.17:12B-173) is amended to read as follows:

C.17:12B-173 Exhibition of books, papers, securities, oaths; subpoena.

173. The officers, directors and employees of the State association or an out-of-State association shall exhibit its books, papers and securities to the commissioner or the person appointed by him to conduct the examination, and otherwise facilitate the same so far as it may be in their power so to do. The commissioner and every examiner may administer an oath or affirmation to any person whose testimony is required on any examination, and compel the appearance of any person for the purpose of examination, and the production of books, papers and documents, by subpoena.

If any person shall fail to obey the subpoena, give testimony, answer questions or produce any books, papers or documents as required, the Superior Court may, upon ex parte application, make an order compelling him to do so.

97. Section 178 of P.L.1963, c.144 (C.17:12B-178) is amended to read as follows:

C.17:12B-178 Order to continue illegal, unsafe practices; violations, penalty.

178. If it shall appear to the commissioner that a State association or an out-of-State association has violated any law of this State or of its home state, or any of its bylaws, or is conducting its business in an unsafe or unauthorized manner, he may order it in writing to discontinue its illegal or unsafe practices. Such order shall be sent to the State association's president, who shall present it to the board at its next regular meeting, or at a special meeting, if he deems it advisable, or if the commissioner so directs. The board's action thereon shall be promptly communicated by the president to the commissioner.

A State association or out-of-State association which fails or refuses to comply with an order of the commissioner issued pursuant to this section within the time limited in such order, shall be liable to a penalty of $500.00 to be recovered with costs by the State in any court of competent jurisdiction in a civil action prosecuted by the Attorney General.

C.17:12B-198.1 Merger between State, out-of-State associations.

98. a. One or more State associations may, with the approval of the commissioner, merge with an out-of-State association or associations, or with a federal association or associations, each with their principal office outside of this State, pursuant to sections 198 through 212 of P.L.1963, c.144 (C.17:12B-198 through 17:12B-212).

b. The commissioner may not permit a merger involving an association and an out-of-State association or federal association unless the home state of each out-of-State association and federal association involved in the transaction has in effect, as of the date of the approval of such transaction, a law that permits interstate merger transactions with associations whose home state is this State.

c. A resulting association that is an out-of-State association shall file with the commissioner in a manner which is consistent with regulations adopted by the commissioner for this purpose.

99. Section 214 of P.L.1963, c.144 (C.17:12B-214) is amended to read as follows:

C.17:12B-214 Business prohibited within State, exceptions.

214. a. Foreign associations shall not transact the business of a savings and loan association within this State, or maintain an office within this State, except as authorized pursuant to subsection b. of this section, for the purpose of transacting such business. It shall be unlawful for any person to transact business within this State on behalf of such associations; provided, however, the purchase, acquisition, holding, sale, assignment, transfer, servicing, collecting and enforcement of obligations or any interest therein secured by real estate mortgages or other instruments in the nature of a mortgage, covering real property located in this State, or the foreclosure of such instruments, or the acquisition of title to such property by foreclosure, or otherwise, as a result of default under such instruments, or the holding, protection, rental, maintenance and operation of said property so acquired, or the disposition thereof by a foreign association, or back office operations shall not be considered as transacting business within the meaning of this article.

b. A foreign association may maintain one or more service facilities in this State, provided that the foreign association performs only back office operations at the service facility and does not transact business with its customers or the public at the service facility. Prior to opening a service facility in this State, a foreign association shall register the service facility with the commissioner, which registration shall include the address of the proposed service facility and the name and address of the foreign associa-

tion's agent in this State for service of process. Each service facility shall comply with the requirements and pay the fees that the commissioner establishes by regulation. Each service facility shall be subject to examination by the department to determine whether the foreign association has operated the service facility in accordance with the provisions of this subsection, the costs of which examination shall be paid by the foreign association at the department's per diem rate for examinations of depository institutions. The commissioner may, upon notice and a hearing, order a foreign association to close any service facility operated in violation of the provisions of this subsection or of any other law. An entity which is affiliated, either directly or indirectly, with a foreign association and intends to engage in back office operations in this State shall register and be regulated pursuant to this subsection as if it were a foreign association.

c. For the purposes of this section, the term "transact business" shall not include back office operations and the term "back office operations" shall include the following activities: data processing, record-keeping, accounting, check and deposit sorting and posting, computation and posting of interest, other similar clerical and statistical functions, producing and mailing correspondence or documents and such other activities as the commissioner approves.

d. For the purposes of this section, a foreign association shall not be deemed to transact business or maintain an office in this State based solely on the activities of an agent in this State.

100. Section 226 of P.L.1963, c.144 (C.17:12B-226) is amended to read as follows:

C.17:12B-226 Fees, charges.

226. A. Every State association shall pay to the commissioner for the use of the State a fee, to be prescribed by the commissioner by regulation in an amount not less than or not more than, the following minimum and maximum amounts:

	Minimum	Maximum
(1) Annual report or certificates where required	$50.00	$100.00
(2) Dissolution proceedings	250.00	1,500.00
(3) Any new corporation filing		
(a) mutual association	5,000.00	10,000.00
(b) stock association	10,000.00	20,000.00

(4) Any proceeding under section 204 of P.L.1963, c.144 (C.17:12B-204), pertainingto bulk sales	500.00	1,500.00
(5) Any proceeding under section 198 of P.L.1963,c.144 (C.17:12B-198), pertaining to mergers, per association	1,500.00	4,000.00
(6) Any application for a branch office, except that no fee shall be paid under this paragraph with respect to a branch office acquired as a result of a merger or bulk purchase	1,000.00	3,000.00
(7) Application to interchange a principal and branch office when such interchange involves two separate municipalities	500.00	1,500.00
(8) Application for change of name	50.00	250.00
(9) Certifications by the commissioner, of papers or records on file with the department, plus $2.00 per page for each certification	25.00	100.00
(10) Application to interchange a principal and a branch office within the same municipality	250.00	1,000.00
(11) Application to change location of principal office pursuant to subsection (2) of section 40 of P.L.1963, c.144 (C.17:12B-40)	500.00	2,000.00
(12) Application to change location of branch office beyond 1,500 feet and in same municipality pursuant to subsection (1) of section 4 of P.L.1965, c.127 (C.17:12B-27.1)	250.00	1,000.00

(13) Application to change location of branch office pursuant to subsection (2) of section 4 of P.L.1965, c.127 (C.17:12B-27.1)	500.00	2,000.00
(14) Conversions	3,500.00	10,000.00
(15) Sharing Facilities	100.00	500.00
(16) Application for approval of savings and loan holding company	2,000.00	5,000.00
(17) Filing of any other certificate	50.00	250.00
(18) For issuance of any other approval by the commissioner, plus a per diem	100.00	250.00
(19) For filing plans of acquisition, stock, savings and loan and existing holding companies.	1,500.00	4,000.00
(20) In addition to the above fees, a per diem charge may be assessed when a special investigation of a filing is required.		

B. Every State association shall defray all expenses incurred in making an examination of its affairs as provided in this act, and the commissioner may maintain an action, in the name of the State, against the association, for the recovery of such expenses, in a court of competent jurisdiction.

C. The commissioner may by rule or regulation adopted pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) impose other fees and charges, including assessments and fees for applications and examinations, on out-of-State associations establishing and operating a branch office in this State.

C.17:12B-3.1 Contracts with association supervisors of other states.

101. The Commissioner is authorized to enter into contracts with association supervisors of other states for the purpose of establishing effective and efficient supervisory and regulatory structures and practices

with respect to the provisions of sections 87 through 100 of this 1996 amendatory and supplementary act.

102. The following are repealed:

Repealer.

Section 1 of P.L.1963, c.88 (C.17:9A-22.1);
Section 1 of P.L.1971, c.26 (C.17:9A-23.14);
Sections 259 and 315 of P.L.1948, c.67 (C.17:19A-259 and 17:9A-315);
Sections 1 through 3, 6 and 11 of P.L.1957, c.70 (C.17:9A-344 through 17:9A-346; 17:9A-349; and 17:9A-354);
Section 3 of P.L.1981, c.484 (C.17:9A-345a);
Section 2 of P.L.1968, c.426 (C.17:9A-345.2);
Section 5 of P.L.1986, c.4 (C.17:9A-348.1);
P.L.1986, c.5 (C.17:9A-370 et seq.);
P.L.1986, c.6 (C.17:9A-373 et seq.); and
Section 4 of P.L.1965, c.127 (C.17:12B-27.1).

103. This act shall take effect immediately .

Approved April 17, 1996.

CHAPTER 18

AN ACT requiring a study of rail passenger service.

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

1. The New Jersey Transit Corporation shall study the feasibility and cost of instituting rail passenger service from the City of Camden to the City of Trenton, making use of existing rail freight lines or rights-of-way, with stops at intermediate points in municipalities bordering, or adjacent to, the Delaware River.

The study shall include, but not be limited to, an examination of the cost of using or modifying existing rail freight lines or rights-of-way for both conventional and light rail passenger service, the feasibility and cost of entering into an agreement with the Consolidated Rail Corporation for the use of the existing rail freight lines or rights-of-way and the location and cost

of stations at the proposed intermediate stops. The study shall be completed not more than six months following the effective date of this act.

2. This act shall take effect immediately.

Approved April 17, 1996.

CHAPTER 19

An Act concerning expenditures from the revenues and other funds of the New Jersey Transportation Trust Fund.

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

1. From funds authorized by the Legislature to be appropriated from the revenues and other funds of the New Jersey Transportation Trust Fund Authority for the FY 1995 and the FY 1996 transportation capital construction programs, the Commissioner of Transportation may allocate and transfer $15,000,000 from a part or all of any item or items to the Betterments account for extraordinary road maintenance and repairs on the State highway system.

2. From funds authorized by the Legislature to be appropriated from the revenues and other funds of the New Jersey Transportation Trust Fund Authority for the FY 1995 and the FY 1996 transportation capital construction programs, the Commissioner of Transportation may allocate and transfer $4,000,000 from a part or all of any item or items to the State Aid, Discretionary aid account for grants to counties to be used for extraordinary road maintenance and repairs.

Grants to counties for extraordinary road maintenance and repairs shall be allocated based on a formula which gives equal consideration to population, local jurisdiction road mileage, and winter weather conditions, all as determined by the commissioner.

3. From funds authorized by the Legislature to be appropriated from the revenues and other funds of the New Jersey Transportation Trust Fund Authority for the FY 1995 and the FY 1996 transportation capital construction programs, the Commissioner of Transportation may allocate and transfer $6,000,000 from a part or all of any item or items to the State Aid,

Discretionary aid account for grants to municipalities to be used for extraordinary road maintenance and repairs.

Grants to municipalities for extraordinary road maintenance and repairs shall be allocated based on a formula which gives equal consideration to population, local jurisdiction road mileage, and winter weather conditions, all as determined by the commissioner.

4. The allocations and transfers permitted pursuant to sections 2 and 3 of this act shall be submitted to the Joint Budget Oversight Committee and shall take effect 15 days after such submission unless disapproved in writing by that committee. The submission shall contain the names of the counties and municipalities to receive grants pursuant to those sections and the amount each grantee is to receive.

5. This act shall take effect immediately.

Approved April 17, 1996.

CHAPTER 20

AN ACT concerning the certification of tree experts, amending and supplementing P.L.1940, c.100, and repealing parts of the statutory law.

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

1. Section 3 of P.L.1940, c.100 (C.45:15C-3) is amended to read as follows:

C.45:15C-3 Board of tree experts, established.

3. The Department of Environmental Protection shall establish a board of tree experts consisting of three members who shall be skilled in the knowledge, science and practice of tree care and shall have been certified tree experts for a period of at least five years prior to their selection. Members of the board shall hold office for a term of three years, and thereafter until their successors are appointed by the department. Vacancies shall be filled for the unexpired terms only. The department shall make all rules and regulations necessary to carry into effect the provisions of this act.

2. Section 4 of P.L.1940, c.100 (C.45:15C-4) is amended to read as follows:

C.45:15C-4 "Certified tree expert," qualifications.

4. The certificate of "certified tree expert" shall be granted by the board upon application by any natural person who is (a) a citizen of the United States or has duly declared his or her intention of becoming a citizen, and (b) who is over the age of 21 years, and (c) who is of good moral character, and (d) who has graduated from a four-year college with a degree in forestry, arboriculture, ornamental horticulture, landscape architecture, or the equivalent, or (e) who , for at least five years immediately preceding the date of his application, has been continuously employed in the practice of arboriculture, or (f) who has completed two years of college and passed courses in the theory and practice of tree care, including botany, plant physiology, dendrology, entomology, plant pathology, and soils, or their equivalent, and has been continuously employed in the practice of arboriculture for a period of at least three years preceding the date of his application or entry into college, and (g) who has passed the examination provided for in section 5 of P.L.1940, c.100 (C.45:15C-5). Upon satisfaction of the qualifications specified in this section, the board shall issue the successful applicant a wall certificate evidencing the applicant's certification. The determination of the board as to an applicant's qualifications shall constitute final agency action.

3. Section 5 of P.L.1940, c.100 (C.45:15C-5) is amended to read as follows:

C.45:15C-5 Examination requirements.

5. New applicants who have never been certified or who have not held a certificate for three years previously shall take an examination , unless the board in its discretion waives this requirement. All examinations provided for herein shall be conducted by the board. The examinations shall take place as often as may be necessary in the opinion of the board but not less frequently than once each year. A candidate who has taken the examination and failed any subject or subjects thereof, may , at the discretion of the board, be reexamined in that subject or those subjects only, at subsequent examinations held by the board, and if he passes in that subject or those subjects he shall be considered to have passed the examination. Nothing in this act shall be construed as prohibiting the reexamination in all subjects of a candidate who has failed any subject or subjects in a prior examination.

4. Section 6 of P.L.1940, c.100 (C.45:15C-6) is amended to read as follows:

C.45:15C-6 Revocation, suspension, reissuance of certificate.

6. The board of tree experts by majority vote thereof may permanently revoke or temporarily suspend the effect of a certificate of any certified tree expert who has been convicted of a crime in the courts of this State, or has been guilty of any fraud or deceit in obtaining a certificate, or who has been guilty of negligence or wrongful conduct in the practice of professional tree care. The board may promulgate and may amend from time to time canons of professional ethics and may temporarily suspend for a period not exceeding two years the certificate of any certified tree expert who violates the canons of professional ethics, this power of suspension being in addition to and not in limitation of the power to revoke or suspend heretofore provided in this section. Notice of and the date of hearing of any action pursuant to this section by the board shall be mailed to the holder of the certificate at that person's registered address at least 20 days before the hearing. No certificate issued under this act shall be revoked or suspended until the board has had a hearing, but the nonappearance of the holder of any certificate after notice has been provided shall not prevent the hearing. By majority vote the board may reissue the certificate of any certified tree expert whose certificate has been revoked and may modify the suspension of any certificate which has been suspended.

5. Section 8 of P.L.1940 c.100 (C.45:15C-8) is amended to read as follows:

C.45:15C-8 Violations of act.

8. a. No person shall represent himself or herself to the public as having received a certificate as provided for in this act, or shall practice as a certified tree expert without having received a certificate, and no person who, having received a certificate and thereafter lost the same by revocation or had the certificate suspended as provided for in this act, shall continue to practice as a certified tree expert, and no person shall use the title of certified tree expert, or the abbreviation "C.T.E." or any other words, letters or abbreviations tending to indicate that the person is a certified tree expert without having received a certificate or if their certificate has been revoked or suspended.

b. Any person who violates this section shall be subject to a fine not exceeding $1,000.

6. Section 9 of P.L.1940, c.100 (C.45:15C-9) is amended to read as follows:

C.45:15C-9 Certification of nonresidents.

9. The board may in its discretion grant certification to any person who is not a resident of this State and who is the lawful holder of a substantially equivalent certification issued under the laws of another state which extends similar privileges to certified tree experts of this State; provided, the requirements for certification in that state are, in the opinion of the board, substantially equivalent to those herein provided.

C.45:15C-2.1 "Certified tree expert" defined.

7. "Certified tree expert" means a natural person who has satisfied the requirements of P.L.1940, c.100 (C.45:15C-1 et seq.) and who has been authorized by the board to present himself to the public as a certified tree expert. Nothing in this act shall be construed to restrict or otherwise affect the right of any person to engage in the practice of arboriculture, but a person shall not hold himself out as, or use the title of, a certified tree expert unless he has been, and continues to be, so authorized by the board.

C.45:15C-7.1 Fees.

8. All applicants for certification or renewals for certification under this act shall pay a fee for the issuance or renewal. Fees shall be determined by the board. The revenue generated from these fees shall not exceed the operating costs incurred by the board under this act.

Repealer.

9. Sections 2, 7 and 10 of P.L.1940, c.100 (C.45:15C-2, 45:15C-7 and 45:15C-10) are repealed.

10. This act shall take effect immediately.

Approved April 26, 1996.

CHAPTER 21

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:

Lobster restrictions.

23:5-9. a. A person shall not take from the marine waters of this State by any means, import, export, have in his possession, buy, sell or offer to

buy or sell, any lobster of the genus and species Homarus americanus, which when 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 is less than three and one-quarter inches in length.

b. A person shall not take from the marine waters of this State by any means, import, export, have in his possession, buy, sell or offer to buy or sell, any lobster of the genus and species Homarus americanus, which is damaged or mutilated to the extent that its length cannot be determined under subsection a. of this section; except that this subsection shall not apply to: (1) any detached lobster claws, if these are together with detached lobster tails of the type exempted under subparagraph (2) of this subsection and the number of these detached lobster claws does not exceed twice the number of these detached lobster tails; or (2) any detached lobster tail which is composed of six abdominal segments and the fan of the tail, if the sixth abdominal segment, when measured along its dorsal center line with the tail flexed, is no less than one and one-sixteenth inches in length.

c. A person shall not take from the marine waters of this State by any means, import, export, have in his possession, buy, sell or offer to buy or sell, any lobster of the genus and species Homarus americanus, with eggs attached, or from which the eggs have been removed.

d. Subsections a. through c. of 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.

e. The Department of Environmental Protection shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations providing for the taking and management of the lobster of the genus and species Homarus americanus in and upon the marine waters of the State according to this section.

2. This act shall take effect immediately.

Approved April 26, 1996.

CHAPTER 22

An Act concerning the statute of limitations and amending N.J.S.2C:1-6.

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

1. N.J.S.2C:1-6 is amended to read as follows:

Time limitations.

2C:1-6. Time Limitations. a. A prosecution for any offense set forth in N.J.S.2C:11-3, N.J.S.2C:11-4 or N.J.S.2C:14-2 may be commenced at any time.

b. Except as otherwise provided in this section, prosecutions for other offenses are subject to the following periods of limitations:

(1) A prosecution for a crime must be commenced within five years after it is committed;

(2) A prosecution for a disorderly persons offense or petty disorderly persons offense must be commenced within one year after it is committed;

(3) A prosecution for any offense set forth in N.J.S.2C:27-2, N.J.S.2C:27-4, N.J.S.2C:27-6, N.J.S.2C:27-7, N.J.S.2C:29-4, N.J.S.2C:30-2, N.J.S.2C:30-3, or any attempt or conspiracy to commit such an offense, must be commenced within seven years after the commission of the offense;

(4) A prosecution for an offense set forth in N.J.S.2C:14-3 or N.J.S.2C:24-4, when the victim at the time of the offense is below the age of 18 years, must be commenced within five years of the victim's attaining the age of 18 or within two years of the discovery of the offense by the victim, whichever is later.

c. An offense is committed either when every element occurs or, if a legislative purpose to prohibit a continuing course of conduct plainly appears, at the time when the course of conduct or the defendant's complicity therein is terminated. Time starts to run on the day after the offense is committed.

d. A prosecution is commenced for a crime when an indictment is found and for a nonindictable offense when a warrant or other process is issued, provided that such warrant or process is executed without unreasonable delay. Nothing contained in this section, however, shall be deemed to prohibit the downgrading of an indictable offense to a nonindictable offense at any time if the indictable offense was filed within the statute of limitations applicable to indictable offenses.

e. The period of limitation does not run during any time when a prosecution against the accused for the same conduct is pending in this State.

f. The limitations in this section shall not apply to any person fleeing from justice.

g. Except as otherwise provided in this code, no civil action shall be brought pursuant to this code more than five years after such action accrues.

2. This act shall take effect immediately and shall be applicable to all offenses not yet barred from prosecution under the statute of limitations as of the effective date.

Approved May 1, 1996.

CHAPTER 23

An Act concerning the statute of limitations in certain civil actions and supplementing chapter 14 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:14-26.1 Findings, declarations relative to statute of limitations regarding hemophiliacs infected with HIV, AIDS; accrual of actions.

1. a. The Legislature finds and declares:

(1) Over one-half of the people with hemophilia in this country were infected with the human immunodeficiency virus (HIV) in the early 1980's from contaminated blood products.

(2) AIDS, unlike any other disease, stigmatizes and isolates its victims. Victims, their families and survivors have been reluctant to step forward and seek compensation for their injuries through the legal system because of their legitimate fear of attendant publicity.

(3) Because of this fear, many did not seek timely redress. They also were unaware that blood product manufacturers may have had the technical capacity at the time to address the situation and may have been responsible for their injuries. It is only very recently that a government-sponsored report was issued indicating that the blood products could have been virally inactivated prior to the advent of the AIDS epidemic among blood product recipients.

(4) The scientific complexity of the issue, the compelling psychological and emotional trauma associated with the disease, the lack of publicly available information and the lack of definitive studies at the time combined to create a singular, unique circumstance which existing limitations principles are ill-suited to address.

(5) This act will provide a remedy for the bar which may be imposed by the statute of limitations in these cases by setting a date certain for the accrual of the cause of action.

(6) The Legislature expresses no opinion as to whether any blood product manufacturers may, or may not, have actually been at fault for the

contracting of HIV and AIDS among blood product recipients. It is simply the intent of the Legislature to allow these particular victims "their day in court" in light of the unique and extraordinary circumstances of their plight.

b. Notwithstanding the provisions of any other law to the contrary, no action for damages based upon personal injury, survivorship or wrongful death brought against a proprietary manufacturer of blood products based on infusion of a blood product resulting in contracting human immunodeficiency virus (HIV) or acquired immunodeficiency syndrome (AIDS) shall be deemed to accrue prior to July 13, 1995.

c. The provisions of this act shall apply to all pending claims, including any action which has been filed with a court but not yet dismissed or finally adjudicated.

C.2A:14-26.2 Inapplicability of act.

2. The provisions of this act shall be inapplicable to any civil action governed by the statute of limitations of another jurisdiction.

3. This act shall take effect immediately.

Approved May 8, 1996.

CHAPTER 24

An Act municipalities and school districts, creating a Council on Local Mandates, supplementing Title 52 of the Revised Statutes and making an appropriation.

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

C.52:13H-1 Findings, declarations relative to State-imposed mandates.

1. The Legislature finds and declares that:

a. at the November 1995 general election, the people of this State approved an amendment to the New Jersey Constitution providing that, in certain cases, new statutes and new administrative rules and regulations promulgated by State agencies shall not impose unfunded mandates on counties, municipalities or school districts;

b. the purpose of this constitutional provision is to prevent the State government from requiring units of local government to implement additional or expanded activities without providing funding for those activities;

c. the long-standing, prior practice of State-imposed, unfunded mandates has contributed to the rise in local property taxes which has increasingly burdened New Jersey's property owners;

d. the constitutional amendment also directs the Legislature to create a Council on Local Mandates to resolve disputes regarding whether a law or a rule or regulation, covered by the amendment, constitutes an unfunded State mandate; and

e. it is, therefore, the purpose of this act to effectuate the will of the people of this State and to fulfill the Legislature's responsibility to establish the Council on Local Mandates.

C.52:13H-2 Unfunded mandate; mandatory status ceased, expiration.

2. Except as provided in section 3 of this act, any provision of a law enacted on or after January 17, 1996, or any part of a rule or regulation originally adopted after July 1, 1996 pursuant to a law regardless of when that law was enacted, which is determined in accordance with the provisions of this act to be an unfunded mandate upon boards of education, counties, or municipalities because it does not authorize resources to offset the additional direct expenditures required for the implementation of the law or the rule or regulation, shall cease to be mandatory in its effect and shall expire. A law or a rule or regulation which is determined to be an unfunded mandate shall not be considered to establish a standard of care for the purpose of civil liability.

C.52:13H-3 Laws, rules, regulations, not unfunded mandates.

3. Notwithstanding the provisions of any other law to the contrary, the following categories of laws and rules or regulations shall not be unfunded mandates:

a. those which are required to comply with federal laws or rules or to meet eligibility standards for federal entitlements;

b. those which are imposed on both government and non-government entities in the same or substantially similar circumstances;

c. those which repeal, revise or ease an existing requirement or mandate or which reapportion the costs of activities between boards of education, counties, and municipalities;

d. those which stem from failure to comply with previously enacted laws or rules or regulations issued pursuant to a law;

e. those which implement the provisions of the New Jersey Constitution; and

f. laws which are enacted after a public hearing, held after public notice that unfunded mandates will be considered, for which a fiscal analysis is available at the time of the public hearing and which, in addition to complying with all other constitutional requirements with regard to the

enactment of laws, are passed by 3/4 affirmative vote of the members of each House of the Legislature.

C.52:13H-4 Council on Local Mandates created.

4. Pursuant to Article VIII, Section II, paragraph 5(b) of the New Jersey Constitution, there is created a Council on Local Mandates. The council shall consist of nine public members. The Governor shall appoint four members, at least two of whom shall be appointed from a list of six willing nominees submitted by the chair of the State committee of the political party the gubernatorial candidate of which received the second largest number of votes cast in the most recent general election for Governor. The President of the Senate, the Minority Leader of the Senate, the Speaker of the General Assembly, the Minority Leader of the General Assembly and the Chief Justice of the New Jersey Supreme Court shall each appoint one member.

C.52:13H-5 Member qualifications.

5. A member of the council shall be a citizen of the United States and a resident of New Jersey at the time of appointment and while serving on the council. Each appointee shall demonstrate to the satisfaction of the official making the appointment that the appointee possesses knowledge of, and familiarity with, the legislative process, the regulatory functions of the Executive Branch, or the procedures and operations of counties, municipalities or school districts; except that in the case of a person appointed by the Governor from a list of six willing nominees submitted by the chair of the State committee of the political party the gubernatorial candidate of which received the second largest number of votes cast in the most recent general election for Governor the appointee shall demonstrate such knowledge and familiarity to the satisfaction of that chair.

C.52:13H-6 Members' selection; terms.

6. a. Within 30 days of the effective date of this act, the chair of the State committee of the political party the gubernatorial candidate of which received the second largest number of votes cast in the most recent general election for Governor shall submit to the Governor a list of names of six nominees willing to serve on the council. Within 45 days of the effective date, the Governor shall appoint four members of the council, two of whom shall be selected from that list. The terms of the members initially appointed by the Governor shall expire on February 1, 1999. Thereafter, members appointed by the Governor shall serve terms of four years beginning on the expiration date of the prior members' terms and ending on February 1st four years later. At least 45 days prior to the expiration of the term of the gubernatorial appointees, the chair of the State committee of the political

party the gubernatorial candidate of which received the second largest number of votes cast in the most recent general election for Governor shall submit a list of names of six nominees willing to serve on the council. Two of the four members appointed by the Governor shall be selected from that list.

b. Within 45 days of the effective date of this act, the President of the Senate, the Minority Leader of the Senate, the Speaker of the General Assembly and the Minority Leader of the General Assembly shall each appoint one member of the council. The terms of the members initially appointed by these officials shall expire on February 1, 1998. Thereafter, such members shall serve terms of two years beginning on the expiration date of the preceding members' terms and ending on February 1st two years later.

c. Within 45 days of the effective date of this act, the Chief Justice of the New Jersey Supreme Court shall appoint one member of the council. The term of the member initially appointed by the Chief Justice shall expire on February 1, 2001. Thereafter, the member appointed by the Chief Justice shall serve a term of five years beginning on the expiration of the preceding member's term and ending on February 1st five years later.

d. A member of the council shall not continue to serve in a hold-over capacity upon the expiration of the member's term. The officials responsible for making appointments to the council pursuant to this section shall do so in a timely manner in order to ensure that vacancies do not occur when terms expire.

C.52:13H-7 Vacancies.

7. A vacancy in the membership of the council shall be filled in the same manner in which the original appointment was made, but for the unexpired term only. When a vacancy occurs among one of the gubernatorial appointees who is a member of the same political party as the Governor then in office, the Governor shall appoint a replacement of the Governor's choice. When a vacancy occurs among one of the gubernatorial appointees who is a member of a political party which is different from that of the Governor, the Governor shall appoint a replacement from a list of three nominees submitted by the chair of the State committee of that political party.

C.52:13H-8 Monetary compensation.

8. A member of the council shall receive compensation in the amount of $150 per day for each day that the member attends a meeting of the council and shall be reimbursed for necessary expenses incurred in the performance of the member's duties.

C.52:13H-9 Organization of council.

9. The council shall organize as soon as possible after the appointment of its members. The first chair of the council shall be appointed by the Governor from among the members thereof. At the first meeting of the council held after February 1st in each subsequent year, the members shall choose one of their number to serve as chair of the council. While any one of the council's nine members may be chosen by the Governor as the council's first chair, subsequent chairs shall be chosen by the members in a manner which ensures that the chair rotates annually among the legislative, gubernatorial and judicial appointees. At least five members of the council shall be present in order for the council to conduct its business. A ruling of the council shall require at least five votes.

C.52:13H-10 Council plan, rules, staffing.

10. The council shall establish, and revise from time to time, a plan for its organization and may incur expenses within the limits of funds available to it. The council may adopt rules governing its procedures. The council shall employ, pursuant to Title 11A of the New Jersey Statutes, such clerical and secretarial staff as it deems necessary. In addition, each member of the council may employ one professional employee who shall directly serve the member for a period not to exceed one year. Upon completion of one year of service a professional employee shall not again be employed in that capacity by any member of the council. Professional employees of the council shall be deemed confidential employees for purposes of the "New Jersey Employer-Employee Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.). Employees and members of the council shall be enrolled in the Public Employees' Retirement System. The council may employ legal counsel, on a temporary basis, to represent it in any proceeding to which it is a party. The council may contract for the services of other professional, technical and operational personnel and consultants as may be necessary for the performance of its responsibilities under this act. Nothing contained in this section shall be construed as authorizing the council to employ an executive director, director, or other permanent employee, other than permanent secretarial or clerical personnel.

C.52:13H-11 Conflicts law, code of ethics; public employment restricted.

11. The members and employees of the council shall be subject to the provisions of the "New Jersey Conflicts of Interest Law," P.L.1971, c.182 (C.52:13D-12 et seq.), except that in addition to the requirements of that act, a member of the council, while serving on the council and for a period of two years thereafter, shall not hold any other State or local office or employment. The council shall adopt a code of ethics to govern the conduct

of its members and employees. The Executive Commission on Ethical Standards shall have jurisdiction to consider complaints regarding violations of P.L.1971, c.182 (C.52:13D-12 et seq.) or of the code of ethics by any member or employee of the council.

C.52:13H-12 Duties of council.

12. a. It shall be the duty of the council to review, and issue rulings upon, complaints filed with the council by a county, municipality or school district that any provision of a statute enacted on or after January 17, 1996 and any part of a rule or regulation originally adopted after July 1, 1996 pursuant to a law regardless of when that law was enacted constitutes an unfunded mandate upon the county, municipality or school district because it does not authorize resources to offset the additional direct expenditures required for the implementation of the statute or the rule or regulation. A complaint filed with the council shall be in the form of a resolution passed by the governing body of a county or municipality or by a local board of education. A county executive or a mayor who has been directly elected by the voters of the municipality may also file a written complaint with the council, after the mayor or county executive has provided the governing body with written notice of intention to file a complaint with the council. A complaint may be accompanied by supportive evidence. The council shall review each complaint and, when necessary, interview witnesses and examine documents. The council, by majority vote of its membership, shall issue a written ruling, accompanied by any concurring or dissenting opinions, as to whether or not a statute or a rule or regulation constitutes an unfunded State mandate and an explanation of the reasons for its determination. If the council determines that any provision of a statute or any part of a rule or regulation constitutes an unfunded State mandate which is prohibited by Article VIII, Section II, paragraph 5 of the New Jersey Constitution and this act, that provision of the law or that part of the rule or regulation shall cease to be mandatory in its effect and shall expire. A ruling of the council shall be restricted to the specific provision of a law or the specific part of a rule or regulation which constitutes an unfunded mandate and shall, as far as possible, leave intact the remainder of a statute or a rule or regulation. The council shall not have the authority to determine whether the funding of any statute or any rule or regulation is adequate.

b. The council shall have the authority to consolidate complaints filed by more than one governing body, mayor, county executive or local board in regard to the same provision of a statute or the same part of a rule or regulation.

c. Any group or individual may file a written request with the council to appear in the capacity of an amicus curiae in regard to a complaint. The

request shall state the identity of the group or individual, the issue it wishes to address, the nature of the public interest therein and the nature of the requestor's interest, involvement or expertise with respect thereto. The council shall grant the request if it is determined by a majority vote of the council's membersthat the request is timely, that participation by the group or individual will assist in the resolution of the matter and that no interested party will be prejudiced thereby. In granting permission, the council shall specifically define the extent of the requestor's participation in the matter.

C.52:13H-13 Complaints considered.

13. The council shall not consider complaints concerning pending legislation or proposed rules or regulations and shall not issue advisory rulings or opinions on any matter. The fact that the council may have previously issued a ruling in regard to a particular statute or rule or regulation shall not prevent the council from reconsidering its ruling upon receipt of a valid complaint and in response to changed circumstances such as discontinuance of funding.

C.52:13H-14 Public meetings.

14. The council shall not be subject to the provisions of the "Open Public Meetings Act," P.L.1975, c.231 (C.10:4-6 et seq.). The council shall conduct proceedings at which it examines witnesses and receives evidence in public. However, the members of the council may meet on all other matters in closed session.

C.52:13H-15 Rules rendered, published.

15. A ruling issued by the council shall be in writing and shall set forth the reasons for the council's determination. The council shall cause its rulings, together with any concurring or dissenting opinions of council members, to be published in a suitable form and made available to members of the public. The rulings of the council, as well as any record of its proceedings conducted in public, shall be public records pursuant to P.L.1963, c.73 (C.47:1A-1 et seq.).

C.52:13H-16 Preliminary rulings.

16. The council shall have the authority to issue a preliminary ruling enjoining enforcement of a statute or a rule or regulation pending the council's consideration of whether the statute or the rule or regulation constitutes an unfunded mandate whenever a complaint filed with the council by a county, municipality or school district demonstrates, to the satisfaction of the council, that significant financial hardship to the county, municipality or school district would result from compliance and there is a substantial likelihood that the statute or the rule or regulation is, in fact, an impermissible, unfunded State mandate.

C.52:13H-17 Request for assistance.

17. The council may request from any State agency or any county, municipality or school district cooperation and assistance in the performance of its duties.

C.52:13H-18 Rulings as political determinations.

18. Pursuant to Article VIII, Section II, paragraph 5(b) of the New Jersey Constitution, rulings of the council shall be political determinations and shall not be subject to judicial review.

C.52:13H-19 Annual report.

19. The council shall submit a report to the Governor and the Legislature prior to December 31 of each year setting forth the names and salaries of: the professional employees of council members, individuals employed by the council on a temporary or permanent basis, and personnel and consultants for whose service the council has contracted.

C.52:13H-20 Appropriations.

20. The Legislature shall annually appropriate to the council from the General Fund of the State such amounts as may be necessary for the council to effectively carry out its responsibilities under this act.

21. There is appropriated to the Council on Local Mandates $350,000 from the general fund to effectuate the purposes of this act.

22. This act shall take effect immediately.

Approved May 8, 1996.

CHAPTER 25

AN ACT creating the "Business Relocation Assistance Grant Program" and making an appropriation therefor.

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

C.34:1B-112 Short title.

1. This act shall be known and may be cited as the "Business Relocation Assistance Act."

C.34:1B-113 Definitions relative to business relocation assistance.

2. As used in this act:

"Business relocation grant" or "grant" means a grant provided to fund a portion of relocation costs pursuant to this act;

"Commissioner" means the Commissioner of the Department of Commerce and Economic Development;

"Department" means the Department of Commerce and Economic Development;

"Business" means any employer subject to the provisions of R.S.43:21-1 et seq. and may include a sole proprietorship, a partnership, or a corporation that has made an election under Subchapter S of Chapter One of Subtitle A of the Internal Revenue Code of 1986, or any other business entity through which income flows as a distributive share to its owners, limited liability company, nonprofit corporation, or any other form of business organization located either within or outside the State, including a cooperative association. A grant received under this act by a partnership, Subchapter S-Corporation, or other such business entity shall be apportioned among the persons to whom the income or profit of the partnership, Subchapter S-Corporation, or other entity is distributed, in the same proportions as those in which the income or profit is distributed. "Cooperative association" shall include financial, stock or commodities exchanges;

"Full-time employee" means a person who is employed for consideration for at least thirty-five hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time employment, provided that a person shall be determined by the department to be employed in a permanent position in accordance with criteria developed by the department . In determining if employees are full-time, the commissioner shall give greater consideration to employees who earn an average of at least 1.5 times the minimum hourly wage;

"New business location" means the premises that the business has either purchased or built or for which the business has entered into a written lease for a period of no less than eight years from the date of relocation;

"New full-time job" means a job held by a full-time employee that did not exist in this State prior to the business relocating to the new business location;

"New income tax revenue" means the total amount withheld by the business during the taxable year from the wages of employees in new full-time jobs pursuant to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., as certified by the Director of the Division of Taxation;

"Program" means the Business Relocation Assistance Grant Program created pursuant to this act;

"Relocation costs" means the costs incurred by the business in moving and installing furniture, files, office equipment or other machinery or equipment in the new business location; the cost of installation of telephones and other communication equipment; and the cost incurred in the purchase of office furniture and fixtures; and

"Total allowable relocation costs" means the lesser of total relocation costs or $400 times the number of new full-time jobs created.

C.34:1B-114 Business Relocation Assistance Grant Program established.

3. The Business Relocation Assistance Grant Program is hereby established in the Department of Commerce and Economic Development and shall be administered by the Commissioner of the Department of Commerce and Economic Development. The purpose of the program is to encourage economic development and job creation. To implement that purpose, and to the extent that funding for the program is available, the program may provide grants in an amount up to and including 50% of the total allowable relocation costs, but in no case shall the amount of an individual grant exceed 80% of the projected new income tax revenues from the new jobs created by a grant applicant.

C.34:1B-115 Grant qualifications.

4. To qualify for a grant, a business shall:

a. relocate a minimum of 25 new full-time jobs to this State; or

b. move to expanded facilities within the State and create a minimum of 25 new full-time jobs in the State.

C.34:1B-116 Grant application.

5. Each business seeking a grant shall submit an application to the commissioner in a form and manner prescribed in regulations adopted by the commissioner. The application must be submitted to the department for approval at least 45 days prior to moving to the new business location. The application shall include:

a. A schedule of short-term and long-term employment projections of the business in the State based upon the relocation;

b. An estimate of the projected relocation costs;

c. Terms of any lease agreements or details of the purchase or building of the new business location;

d. An estimate of the projected new income tax revenues resulting from the relocation;

e. A description of the type of contribution the business can make to the long-term growth of the State's economy; and

f. Any other necessary and relevant information as determined by the commissioner.

The commissioner may provide whatever assistance deemed appropriate in the preparation of an application and may issue grants at the commissioner's discretion subject to the provisions of this act.

A cooperative association may apply, in one consolidated application on a form and in a manner determined by the commissioner, for a grant on its

own behalf as a business and for grants on behalf of the members of the association who may qualify under this act. If a cooperative association is applying for grants on behalf of its members, the members for whom the application is submitted shall assign to the association any claim of right the members may have under this act to apply for grants individually, and shall agree to cooperate with the association in providing to the commissioner all the information required for the initial application and any other information the commissioner may require for the purposes of this act. If a cooperative association applies for a grant on behalf of its members, the members included in the application may be permitted to meet the qualifications for a grant collectively, the amount of a grant for the members shall be calculated as if the members included in the application are one business entity, and any restrictions on the qualification for a grant shall apply to each member for whom an application for a grant is submitted. The grants awarded shall be paid in a lump sum to the cooperative association. A grant received under this act by a cooperative association may be apportioned to the members of the association in a manner determined by the association.

C.34:1B-117 Disbursement conditions.

6. No amount shall be disbursed to a recipient as a grant under this act in any year until the State Treasurer has certified that the amount of new income tax revenue received in that year by the Division of Taxation from the business equals or exceeds the amount of the grant.

C.34:1B-118 Grant limitations.

7. a. A business that is receiving a business employment incentive grant pursuant to the provisions of P.L.1996, c.26 (C.34:1B-124 et al.) shall not be eligible to receive a grant under this act except upon the approval of the State Treasurer.

b. A business that is receiving any other grant by operation of State law shall not receive an amount as a grant pursuant to this act which, when combined with such other grants, exceeds 80% of the new income tax revenue generated by employees in new full-time jobs, except upon the approval of the State Treasurer. Amounts received as grants from the Office of Customized Training pursuant to the "1992 New Jersey Employment and Workforce Development Act," P.L.1992, c.43 (C.34:15D-1 et seq.), shall be excluded from the calculation of the total amount permitted under this subsection.

C.34:1B-119 Rules, regulations relative to business relocation.

8. The commissioner shall, after consultation with the Division of Taxation, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), adopt rules and regulations necessary to govern the

proper conduct and operation of the program consistent with the provisions of this act including, but not limited to, a procedure for recapturing relocation grants awarded pursuant to this act in those cases in which the commissioner determines that the business receiving the grant fails to meet or comply with any condition or requirement attached by the commissioner to the receipt of the grant or included in rules and regulations adopted by the commissioner governing the implementation of the program. The rules also shall include the procedures to clarify the application of the various provisions of this act to cooperative associations that submit applications on behalf of their members. The Director of the Division of Taxation is authorized to promulgate such rules and regulations as may be necessary to effect the tax related provisions of the program.

C.34:1B-120 Submission of State tax returns.

9. As determined by the commissioner, a business which is awarded a grant under this act shall submit a copy of the State tax return for the business showing business income or activity, appropriate to its form of ownership, to the commissioner. Failure to submit a copy of this document may result in the suspension or termination of a grant.

C.34:1B-121 Annual report.

10. The commissioner shall prepare and transmit to the Governor and the Legislature on or before November 1st of each year, a report concerning the impact of the program on job creation in the State.

C.34:1B-122 Implementation study.

11. The department shall conduct a study to determine the minimum funding level required to successfully implement this program. The study shall fully consider the rate of return for each job relocation in the State as a result of the relocation grants.

C.34:1B-123 Appropriation capped by new tax revenue.

12. There is appropriated to the Department of Commerce and Economic Development from the General Fund such sums as may be necessary, as certified by the Commissioner and the Director of the Division of Budget and Accounting, to fund business relocation grants made under this act, the amount of which shall not exceed the new income tax revenues as defined in section 2 of this act.

13. This act shall take effect immediately.

Approved May 9, 1996.

CHAPTER 26

AN ACT creating business employment incentives through a grant agreement program and an exemption under the sales and use tax for certain sales of machinery, apparatus and equipment used in the production or transmission of radio or television information, amending and supplementing P.L.1974, c.80, amending P.L.1980, c.105, and making an appropriation therefor..

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

C.34:1B-124 Short title.

1. Sections 1 through 17 of this act shall be known and may be cited as the "Business Employment Incentive Program Act."

C.34:1B-125 Definitions relative to business employment incentives.

2. As used in sections 1 through 17 of this act, unless a different meaning clearly appears from the context:

"Authority" means the New Jersey Economic Development Authority created pursuant to P.L.1974, c.80 (C.34:1B-1 et seq.);

"Base years" means the first two complete calendar years following the effective date of an agreement;

"Business" means a corporation; sole proprietorship; partnership; corporation that has made an election under Subchapter S of Chapter One of Subtitle A of the Internal Revenue Code of 1986, or any other business entity through which income flows as a distributive share to its owners; limited liability company; nonprofit corporation; or any other form of business organization located either within or outside this State, including a cooperative association . A grant received under this act by a partnership, Subchapter S-Corporation, or other such business entity shall be apportioned among the persons to whom the income or profit of the partnership, Subchapter S-Corporation, or other entity is distributed, in the same proportions as those in which the income or profit is distributed. "Cooperative association" shall include financial, stock or commodities exchanges;

"Business employment incentive agreement" or "agreement" means the written agreement between the authority and a business proposing a project in this State in accordance with the provisions of this act which establishes the terms and conditions of a grant to be awarded pursuant to this act;

"Department" means the Department of Commerce and Economic Development;

"Director" means the Director of the Division of Taxation;

"Division" means the Division of Taxation in the Department of the Treasury;

"Eligible position" is a new full-time position created by a business in New Jersey or transferred from another state by the business under the terms and conditions set forth in this act during the base years or in subsequent years of a grant. In determining if positions are eligible positions, the authority shall give greater consideration to positions that average at least 1.5 times the minimum hourly wage during the term of an agreement authorized pursuant to this act;

"Employment incentive" means the amount of a grant determined pursuant to subsection a. of section 6 of this act;

"Full-time employee" means a person who is employed for consideration for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time employment, whose wages are subject to withholding as provided in the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., and who is determined by the authority to be employed in a permanent position according to criteria it develops. "Full-time employee" shall not include any person who works as an independent contractor or on a consulting basis for the business;

"Grant" means a business employment incentive grant as established in this act;

"New employee" means a full-time employee first employed in an eligible position on the project which is the subject of an agreement. An out-of-State resident or a resident of New Jersey who is employed outside New Jersey by the business and whose position is relocated to New Jersey after the execution of the agreement may be classified as a new employee when his position is relocated to New Jersey and his wages are subject to withholding as provided in the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq.; except that such a New Jersey resident shall not be classified as a "new employee" unless his wages, prior to the relocation, were subject to income taxes imposed by the state or municipality in which the position was previously located. "New employee" may also include an employee rehired or called back from a layoff during or following the base years to a vacant position previously held by that employee or to a new position established during or following the base years. "New employee" shall not include any employee who was previously employed in New Jersey by the business or by a related person as defined in section 2 of P.L.1993, c.170 (C.54:10A-5.5) if the employee is transferred to the business which is the subject of an agreement unless the employee's position at his previous employer is filled by a new employee. "New employee" also shall not include a child, grandchild, parent or spouse of an individual associated with

the business who has direct or indirect ownership of at least 15% of the profits, capital, or value of the business;

"Targeted area" means a qualifying municipality as defined in P.L.1978, c.14 (C.52:27D-178); and

"Withholdings" means the amount withheld by a business from the wages of new employees pursuant to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq.

C.34:1B-126 Business Employment Incentive Program established.

3. There is established the Business Employment Incentive Program to be administered by the New Jersey Economic Development Authority. In order to foster job creation in this State, the authority may enter into agreements with businesses to provide business employment incentive grants in accordance with the provisions of this act if it finds that:

a. The project proposed by the business will create, during the term of the agreement, a net increase in employment by the business and its related persons, as defined in section 2 of P.L.1993, c.170 (C.54:10A-5.5), in the State as provided in section 4 of this act;

b. The project is economically sound and will benefit the people of New Jersey by increasing opportunities for employment and by strengthening New Jersey's economy; and

c. The authority determines that the receipt of the business employment incentive grant will be a material factor in the business' decision to go forward with the project.

C.34:1B-127 Project requirements.

4. a. A business may apply to the authority for a grant for any project which:

(1) Will create at least 75 eligible positions in the base years; or

(2) Will create at least 25 eligible positions in a targeted area in the base years.

b. In the case of a business which is a landlord, the business may apply to the authority for a grant for any project in which:

(1) (a) At least 75 eligible positions are created in the base years; or

(b) At least 25 eligible positions are created in a targeted area in the base years; and

(2) The tenants or proposed tenants have agreed to assign to the landlord any claim of right that they may have to a grant provided by this act; and

(3) The tenant or proposed tenants have agreed to cooperate with the landlord in annually providing to the authority the number of new employees in eligible positions, the withholdings and any other information which may be required by the authority.

c. A project which consists solely of point-of-final-purchase retail facilities shall not be eligible for a grant under this act. If a project consists of both point-of-final-purchase retail facilities and non-retail facilities, only the portion of the project consisting of non-retail facilities shall be eligible for a grant, and only the withholdings from new employees which are employed in the portion of the project which represents non-retail facilities shall be used to determine the amount of the grant. If a warehouse facility is part of a point-of-final-purchase retail facility and supplies only that facility, the warehouse facility shall not be eligible for a grant. For the purposes of this act, catalog distribution centers shall not be considered point-of-final-purchase retail facilities.

C.34:1B-128 Grant application.

5. A business shall apply to the authority for a grant on a form prescribed by the authority which shall include:

a. The name of the business, the proposed location of the project, and the type of activity which will be engaged in at the project site;

b. The names and addresses of the principals or management of the business, and the nature of the form of business organization under which it is operated;

c. The most recent financial statement of the business;

d. The number of eligible positions proposed to be created during the base years and thereafter; and

e. An estimate of the total withholdings.

A cooperative association may apply, in one consolidated application in a form and manner determined by the authority, for a grant on its own behalf as a business and for grants on behalf of the members of the association who may qualify under this act.

If a cooperative association is applying for grants on behalf of its members, the members for whom the application is submitted shall assign to the association any claim of right the members may have under this act to apply for grants individually during the term of the business employment incentive agreement, and agree to cooperate with the association in providing to the authority all the information required for the initial application, the business employment incentive agreement, and any other information the authority may require for the purposes of this act. The cooperative association shall be responsible for providing to the authority all the information required under this act.

If a cooperative association applies for a grant on behalf of its members, the members included in the application may be permitted to meet the qualifications for a grant collectively by participating in a project that will meet the requirements of sections 3 and 4 of this act, the amount of a grant

shall be calculated under the terms of this act as if the members are all collectively one business entity, and any restrictions on the qualification for a grant shall apply to each member who is listed in the application as participating in the project. The grants awarded shall be paid to the cooperative association. A grant received under this act by a cooperative association may be apportioned to the members of the association in a manner determined by the association. Each member included in the application shall be required to sign the business employment incentive agreement and shall abide by its terms.

C.34:1B-129 Employment incentive grant criteria.

6. a. The amount of the employment incentive awarded as a grant in each case shall be not less than 10% and not more than 80% of the withholdings of the business, and shall be subject to the provisions of sections 10 and 11 of this act. The employment incentive shall be based on criteria developed by the authority after considering the following:

(1) The number of eligible positions to be created;

(2) The expected duration of those positions;

(3) The type of contribution the business can make to the long-term growth of the State's economy;

(4) The amount of other financial assistance the business will receive from the State for the project; and

(5) The total dollar investment the business is making in the project.

b. The term of the grant shall not exceed 10 years.

c. At the discretion of the authority, the grant may apply only to new employees in eligible positions created during the base years, or to additional new employees in eligible positions created during the remainder of the term of the grant.

C.34:1B-130 Incentive agreement.

7. The business employment incentive agreement shall include, but shall not be limited to, the following:

a. A detailed description of the proposed project which will result in job creation, and the number of new employees to be hired in the base years;

b. The term of the grant, and the first year for which the grant may be claimed;

c. The new employees whose positions are subjects of the grant, pursuant to subsection c. of section 6 of this act;

d. A requirement that the applicant maintain the project at a location in New Jersey for at least 1.5 times the number of years of the term of the grant, with at least the number of eligible positions as required by section 4 of this act;

e. The employment incentive, as determined pursuant to subsection a. of section 6 of this act;

f. A method for determining the number of new employees who are employed during a grant year;

g. A method for the business to report annually to the authority the number of new employees for which the grant is to be made;

h. A requirement that the business report to the authority annually the aggregate amount of withholdings during the grant year;

i. A provision permitting an audit of the payroll records of the business by the authority from time to time, as the authority deems necessary;

j. A provision which permits the authority to amend an agreement pursuant to section 9 of this act;

k. A provision which requires the business to maintain operations at the project location or another location approved by the authority for at least 1.5 times the term of the grant, and a provision to permit the authority to recapture all or part of the grant at its discretion if the business does not remain at the site for the required term; and

l. A provision establishing the conditions under which the grant agreement may be terminated and grant funds recaptured by the authority.

C.34:1B-131 Submission of NJ tax return, other information; audit.

8. a. No later than February 1 of each year, for the preceding grant year, every business which is awarded a grant under this act shall submit to the authority a copy of its applicable New Jersey tax return showing business income and withholdings as a condition of its continuation in the grant program, together with an annual payroll report showing (1) the eligible positions which are created during the base years and (2) the new eligible positions created during each subsequent year of the grant.

b. The division may require by regulation any information which it deems necessary to effectuate the provisions of this act.

c. The authority may cause an audit of any business receiving a grant to be conducted at any time.

C.34:1B-132 Failure of business to comply, circumstances.

9. a. If the business receiving a grant fails to meet or comply with any condition or requirement set forth in a grant agreement or in rules and regulations of the authority or the division, the authority may amend the agreement to reduce the amount of the employment incentive or the term of the grant agreement. The reduction of the employment incentive shall be applicable to the grant year immediately following the grant year in which the authority amends the agreement.

b. If a business fails to maintain employment at the levels stipulated in the agreement or otherwise fails to comply with any condition of the grant

agreement for any two consecutive years, the authority may terminate the agreement.

C.34:1B-133 Disbursement conditions.

10. No amount shall be disbursed to a recipient business as a grant under this act in any year until the State Treasurer has certified that the amount of withholdings received in that year by the division from the business equals or exceeds the amount of the grant.

C.34:1B-134 Grant limitations.

11. a. A business that is receiving a business relocation grant pursuant to the provisions of P.L.1996, c.25 (C.34:1B-112 et seq.) shall not be eligible to receive a grant under this act except upon the approval of the State Treasurer.

b. A business that is receiving any other grant by operation of State law shall not receive an amount as a grant pursuant to this act which, when combined with such other grants, exceeds 80% of its withholdings, except upon the approval of the State Treasurer. Amounts received as grants from the Office of Customized Training pursuant to the "1992 New Jersey Employment and Workforce Development Act," P.L.1992, c.43 (C.34:15D-1 et seq.) shall be excluded from the calculation of the total amount permitted under this subsection.

C.34:1B-135 Implementation, study.

12. The department shall conduct a study to determine the minimum funding level required to implement the Business Employment Incentive Program successfully. Major consideration shall be given to the rate of return for each job created as a result of business employment incentive grants.

C.34:1B-136 Fees.

13. The authority shall establish an application fee for a grant application and service fees payable by each business which is a grant recipient to pay the costs of the administration of the program.

C.34:1B-137 Rules.

14. The New Jersey Economic Development Authority, after consultation with the Department of Commerce and Economic Development and the Division of Taxation, shall, in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), adopt rules necessary to implement the provisions of the Business Employment Incentive Program not related to the collection or determination of taxes and tax withholding. The rules shall provide for the recipients of business employment incentive grants to be charged an initial application fee, and

ongoing service fees, to cover the administrative costs related to the program. The rules also shall include the procedures to clarify the application of the various provisions of this act to cooperative associations that submit applications on behalf of their members. The Director of the Division of Taxation is authorized to promulgate those rules necessary to effectuate the tax related provisions of the Business Employment Incentive Program.

C.34:1B-138 Annual report.

15. The Department of Commerce and Economic Development shall submit a report on the Business Employment Incentive Program to the Governor, President of the Senate, and Speaker of the General Assembly on or before October 31 of each year. The report shall include information on the number of agreements entered into during the preceding fiscal year, a description of the project under each agreement, the number of jobs created, new income tax revenue received from withholdings, amounts awarded as grants and an update on the status of projects under agreement before the preceding fiscal year. After the program's fifth year, the department, in conjunction with the State Treasurer, shall assess the effectiveness of the program in creating new jobs in New Jersey and the impact on State revenues. The department shall submit a final report to the Governor, Senate President, and Speaker of the General Assembly on or before January 1, 2000.

16. Section 5 of P.L.1974, c.80 (C.34:1B-5) is amended to read as follows:

C.34:1B-5 Powers.

5. The authority shall have the following powers:

a. To adopt bylaws for the regulation of its affairs and the conduct of its business;

b. To adopt and have a seal and to alter the same at pleasure;

c. To sue and be sued;

d. To acquire in the name of the authority by purchase or otherwise, on such terms and conditions and such manner as it may deem proper, or by the exercise of the power of eminent domain in the manner provided by the Eminent Domain Act of 1971, P.L.1971, c.361 (C.20:3-1 et seq.), any lands or interests therein or other property which it may determine is reasonably necessary for any project; provided, however, that the authority shall not take by exercise of the power of eminent domain any real property except upon consent thereto given by resolution of the governing body of the municipality in which such real property is located; and provided further that the authority shall be limited in its exercise of the power of eminent domain

to municipalities receiving State aid under the provisions of P.L.1978, c.14 (C.52:27D-178 et seq.), or to municipalities which had a population, according to the latest federal decennial census, in excess of 10,000;

e. To enter into contracts with a person upon such terms and conditions as the authority shall determine to be reasonable, including, but not limited to, reimbursement for the planning, designing, financing, construction, reconstruction, improvement, equipping, furnishing, operation and maintenance of the project and to pay or compromise any claims arising therefrom;

f. To establish and maintain reserve and insurance funds with respect to the financing of the project;

g. To sell, convey or lease to any person all or any portion of a project, for such consideration and upon such terms as the authority may determine to be reasonable;

h. To mortgage, pledge or assign or otherwise encumber all or any portion of a project or revenues, whenever it shall find such action to be in furtherance of the purposes of this act;

i. To grant options to purchase or renew a lease for any of its projects on such terms as the authority may determine to be reasonable;

j. To contract for and to accept any gifts or grants or loans of funds or property or financial or other aid in any form from the United States of America or any agency or instrumentality thereof, or from the State or any agency, instrumentality or political subdivision thereof, or from any other source and to comply, subject to the provisions of the act, with the terms and conditions thereof;

k. In connection with any application for assistance under this act or commitments therefor, to require and collect such fees and charges as the authority shall determine to be reasonable;

l. To adopt, amend and repeal regulations to carry out the provisions of this act;

m. To acquire, purchase, manage and operate, hold and dispose of real and personal property or interests therein, take assignments of rentals and leases and make and enter into all contracts, leases, agreements and arrangements necessary or incidental to the performance of its duties;

n. To purchase, acquire and take assignments of notes, mortgages and other forms of security and evidences of indebtedness;

o. To purchase, acquire, attach, seize, accept or take title to any project by conveyance or by foreclosure, and sell, lease, manage or operate any project for a use specified in this act;

p. To borrow money and to issue bonds of the authority and to provide for the rights of the holders thereof, as provided in this act;

q. To extend credit or make loans to any person for the planning, designing, acquiring, constructing, reconstructing, improving, equipping and furnishing of a project, which credits or loans may be secured by loan and security agreements, mortgages, leases and any other instruments, upon such terms and conditions as the authority shall deem reasonable, including provision for the establishment and maintenance of reserve and insurance funds, and to require the inclusion in any mortgage, lease, contract, loan and security agreement or other instrument, such provisions for the construction, use, operation and maintenance and financing of a project as the authority may deem necessary or desirable;

r. To guarantee up to 90% of the amount of a loan to a person, if the proceeds of the loan are to be applied to the purchase and installation, in a building devoted to industrial or commercial purposes, or in an office building, of an energy improvement system;

s. To employ consulting engineers, architects, attorneys, real estate counselors, appraisers, and such other consultants and employees as may be required in the judgment of the authority to carry out the purposes of the act, and to fix and pay their compensation from funds available to the authority therefor, all without regard to the provisions of Title 11A of the New Jersey Statutes;

t. To do and perform any acts and things authorized by this act under, through or by means of its own officers, agents and employees, or by contract with any person;

u. To procure insurance against any losses in connection with its property, operations or assets in such amounts and from such insurers as it deems desirable;

v. To do any and all things necessary or convenient to carry out its purposes and exercise the powers given and granted in the act;

w. To construct, reconstruct, rehabilitate, improve, alter, equip, maintain or repair or provide for the construction, reconstruction, improvement, alteration, equipping or maintenance or repair of any development property and lot, award and enter into construction contracts, purchase orders and other contracts with respect thereto, upon such terms and conditions as the authority shall determine to be reasonable, including, but not limited to, reimbursement for the planning, designing, financing, construction, reconstruction, improvement, equipping, furnishing, operation and maintenance of any such development property and the settlement of any claims arising therefrom and the establishment and maintenance of reserve funds with respect to the financing of such development property;

x. When authorized by the governing body of a municipality exercising jurisdiction over an urban growth zone, to construct, cause to be constructed or to provide financial assistance to projects in an urban growth

zone which shall be exempt from the terms and requirements of the land use ordinances and regulations, including, but not limited to, the master plan and zoning ordinances, of such municipality; and

y. To enter into business employment incentive agreements as provided in the "Business Employment Incentive Program Act," P.L.1996, c.26 (C.34:1B-124 et al.)

C.34:1B-139 Appropriation capped by new revenues.

17. There is appropriated to the New Jersey Economic Development Authority from the General Fund such sums as may be necessary to fund the Business Employment Incentive Program established by this act, the amount of which shall not exceed the total amount of revenues received as withholdings, as defined in section 2 of P.L.1996, c.26 (C.34:1B-125) from all businesses receiving grants pursuant to this act, as certified by the Director of the Division of Taxation.

18. Section 25 of P.L.1980, c.105 (C.54:32B-8.13) is amended to read as follows:

C.54:32B-8.13 Sales, use tax exempt, machinery, apparatus, etc.

25. Receipts from the following are exempt from the tax imposed under the Sales and Use Tax Act:

a. 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;

b. 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;

c. Sales of telephones, telephone lines, cables, central office equipment or station apparatus, or other machinery, equipment or apparatus, or comparable telegraph equipment to a service provider subject to the jurisdiction of the Board of Public Utilities or the Federal Communications Commission, for use directly and primarily in receiving at destination or initiating, transmitting and switching telephone, telegraph or interactive telecommunications service for sale to the general public;

d. Sales of machinery, apparatus, equipment, building materials, or structures or portions thereof, used directly and primarily for cogeneration in a cogeneration facility. As used in this subsection, "cogeneration facility" means a facility the primary purpose of which is the sequential production of electricity and steam or other forms of useful energy which are used for industrial or commercial heating or cooling purposes and which is designated by the Federal Energy Regulatory Commission, or its successor, as a

"qualifying facility" pursuant to the provisions of the "Public Utility Regulatory Policies Act of 1978," Pub. L. 95-617. The Director of the Office of Energy in the Department of Environmental Protection, in consultation with the Director of the Division of Taxation, shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations establishing technical specifications for eligibility for the exemption provided in this subsection;

e. Sales of machinery, apparatus or equipment,including transponders, earth stations, microwave dishes, transmitters and receivers which have a useful life exceeding one year, other than that used in the construction or operation of towers, to a commercial broadcaster operating under a broadcasting license issued by the Federal Communications Commission or to a provider of cable/satellite television program services who may or may not operate under a broadcasting license issued by the Federal Communications Commission for use or consumption directly and primarily in the production or transmission of radio or television information transmitted, delivered or archived through any medium or method.

The exemptions granted under this section shall not be construed to apply to sales, otherwise taxable, of machinery, equipment or apparatus whose use is incidental to the activities described in subsections a., b., c., d. and e. of this section.

The exemptions granted in this section shall not apply to motor vehicles or to parts with a useful life of one year or less or tools or supplies used in connection with the machinery, equipment or apparatus described in this section.

19. This act shall take effect immediately, provided however that section 18 shall remain inoperative until the first day of the first month following enactment.

Approved May 9, 1996.

CHAPTER 27

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

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

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 requisite number of election workers were not present at each polling place as required by the provisions of N.J.S.18A:14-6; and notwithstanding that the election officers failed to comply with the provisions of N.J.S.18A:14-57 and N.J.S.18A:14-61; provided however, that no action, suit or other proceeding has heretofore been instituted prior to the date on which this act takes effect and within the time fixed therefor by or pursuant to law or rule of court, or when such time has not heretofore expired, is instituted within 30 days after the effective date of this act.

2. This act shall take effect immediately.

Approved May 14, 1996.

CHAPTER 28

AN ACT concerning the provision of health care services to low income persons and revising parts of statutory law.

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

1. Section 2 of P.L.1992, c.160 (C.26:2H-18.52) is amended to read as follows:

C.26:2H-18.52 Definitions relative to provision of health care services to low income persons.

2. As used in sections 1 through 17 of P.L.1992, c.160 (C.26:2H-18.51 through 26:2H-18.67), sections 12 through 15 of P.L.1995, c.133 (C.26:2H-18.59a through C.26:2H-18.59d) and sections 7 through 12 of P.L.1996, c.28 (C.26:2H-18.59e et al.):

"Administrator" means the administrator of the Health Care Subsidy Fund appointed by the commissioner.

"Charity care" means care provided at disproportionate share hospitals that may be eligible for a charity care subsidy pursuant to this act.

"Charity care subsidy" means the component of the disproportionate share payment that is attributable to care provided at a disproportionate share hospital to persons unable to pay for that care, as provided in this act.

"Commission" means the New Jersey Essential Health Services Commission established pursuant to section 4 of this act.

"Commissioner" means the Commissioner of Health.

"Department" means the Department of Health.

"Disproportionate share hospital" means a hospital designated by the Commissioner of Human Services pursuant to Pub.L.89-97 (42 U.S.C.§1396a et seq.) and Pub.L.102-234.

"Disproportionate share payment" means those payments made by the Division of Medical Assistance and Health Services in the Department of Human Services to hospitals defined as disproportionate share hospitals by the Commissioner of Human Services in accordance with federal laws and regulations applicable to hospitals serving a disproportionate number of low income patients.

"Fund" means the Health Care Subsidy Fund established pursuant to section 8 of this act.

"Hospital" means an acute care hospital licensed by the Department of Health pursuant to P.L.1971, c.136 (C.26:2H-1 et al.).

"Medicaid" means the New Jersey Medical Assistance and Health Services Program in the Department of Human Services established pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.).

"Medicare" means the program established pursuant to Pub.L.89-97 (42 U.S.C. §1395 et seq.).

"Other uncompensated care" means all costs not reimbursed by hospital payers excluding charity care, graduate medical education, discounts, bad debt and reduction in Medicaid payments.

"Poverty level" means the official poverty level based on family size established and adjusted under Section 673(2) of Subtitle B, the "Community Services Block Grant Act," Pub.L. 97-35 (42 U.S.C. §9902(2)).

"Preliminary cost base" means the preliminary cost base defined in section 2 of P.L.1971, c.136 (C.26:2H-2), as determined by the Hospital Rate Setting Commission.

2. Section 5 of P.L.1992, c.160 (C.26:2H-18.55) is amended to read as follows:

C.26:2H-18.55 Duties of commissioner.

5. The commissioner shall:

a. Administer the fund and establish a mechanism to allocate monies received from the Commissioner of Labor pursuant to section 29 of P.L.1992, c.160 (C.43:21-7b) to the appropriate accounts in the fund as specified in this act;

b. Establish eligibility determination and claims pricing systems for the charity care component of the disproportionate share subsidy, including the development of uniform forms for determining eligibility and submitting claims. The commissioner may contract with a private claims administrator or processor for the purpose of processing hospital claims for charity care pursuant to this act;

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c. Establish and implement by January 1, 1997, a schedule of payments for reimbursement of the charity care component of the disproportionate share payment for services provided to emergency room patients who do not require those services on an emergency basis;

d. In cooperation with the Departments of Insurance and Human Services, develop and provide for the implementation of the Health Access New Jersey program pursuant to section 15 of P.L.1992, c.160 (C.26:2H-18.65);

e. Study and, if feasible, establish hospital cost and outcome reports to provide assistance to consumers of health care in this State in making prudent health care choices;

f. Compile demographic information on recipients of, and types of services paid for by, the charity care component of the disproportionate share payment and periodically report a summary of this information to the Governor and Legislature. The demographic information shall include, at a minimum, the recipient's age, sex, marital status, employment status, type of health insurance coverage, if any, and if the recipient is a child under 18 years of age who does not have health insurance coverage or a married person who does not have health insurance coverage, whether the child's parent or the married person's spouse, as the case may be, has health insurance;

g. (Deleted by amendment, P.L.1995, c.133.)

h. (Deleted by amendment, P.L.1995, c.133.)

i. (Deleted by amendment, P.L.1995, c.133.)

j. (Deleted by amendment, P.L.1995, c.133.)

k. (Deleted by amendment, P.L.1995, c.133.)

l. Encourage the use of centralized data storage and transmission technology that utilizes personal and image identification systems as well as identity verification technology for the purposes of enabling a hospital to access medical history, insurance information and other personal information, as appropriate;

m. (Deleted by amendment, P.L.1995, c.133.)

n. (Deleted by amendment, P.L.1995, c.133.)

o. Take such other actions as the commissioner deems necessary and appropriate to carry out the provisions of P.L.1992, c.160 (C.26:2H-18.51 et al.); and

p. Report annually, by December 1 of each year, to the Governor and the Senate and General Assembly standing reference committees on budget and appropriations on the status of the fund.

3. Section 8 of P.L.1992, c.160 (C.26:2H-18.58) is amended to read as follows:

C.26:2H-18.58 Health Care Subsidy Fund.

8. There is established the Health Care Subsidy Fund in the Department of Health.

a. The fund shall be comprised of revenues from employee and employer contributions made pursuant to section 29 of P.L.1992, c.160 (C.43:21-7b), revenues from the hospital assessment made pursuant to section 12 of P.L.1992, c.160 (C.26:2H-18.62), revenues pursuant to section 11 of P.L.1996, c.28 (C.26:2H-18.58c), revenues from interest and penalties collected pursuant to this act and revenues from such other sources as the Legislature shall determine. Interest earned on the monies in the fund shall be credited to the fund. The fund shall be a nonlapsing fund dedicated for use by the State to: (1) distribute charity care and other uncompensated care disproportionate share payments to hospitals and other eligible providers, and provide subsidies for the Health Access New Jersey program established pursuant to section 15 of P.L.1992, c.160 (C.26:2H-18.65); and (2) assist hospitals and other health care facilities in the underwriting of innovative and necessary health care services.

b. The fund shall be administered by a person appointed by the commissioner.

The administrator of the fund is responsible for overseeing and coordinating the collection and reimbursement of fund monies. The administrator is responsible for promptly informing the commissioner if monies are not or are not reasonably expected to be collected or disbursed.

c. The commissioner shall adopt rules and regulations to ensure the integrity of the fund, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).

d. The administrator shall establish separate accounts for the charity care component of the disproportionate share hospital subsidy, other uncompensated care component of the disproportionate share hospital subsidy, hospital and other health care initiatives funding and the payments for subsidies for insurance premiums to provide care in disproportionate share hospitals, known as the Health Access New Jersey subsidy account, respectively.

e. In the event that the charity care component of the disproportionate share hospital subsidy account has a surplus in a given year after payments are distributed pursuant to the methodology established in section 13 of P.L.1995, c.133 (C.26:2H-18.59b) and section 7 of P.L.1996, c.28 (C.26:2H-18.59e) and within the limitations provided in subsection e. of section 9 of P.L.1992, c.160 (C.26:2H-18.59), the surplus monies in calendar years 1996 and 1997 shall lapse to the unemployment compensation fund established pursuant to R.S.43:21-9, and each year thereafter shall

lapse to the charity care component of the disproportionate share hospital subsidy account for distribution in subsequent years.

4. Section 9 of P.L.1992, c.160 (C.26:2H-18.59) is amended to read as follows:

C.26:2H-18.59 Allocation of funds.

9. a. The commissioner shall allocate such funds as specified in subsection e. of this section to the charity care component of the disproportionate share hospital subsidy account. In a given year, the department shall transfer from the fund to the Division of Medical Assistance and Health Services in the Department of Human Services such funds as may be necessary for the total approved charity care disproportionate share payments to hospitals for that year.

b. For the period January 1, 1993 to December 31, 1993, the commission shall allocate $500 million to the charity care component of the disproportionate share hospital subsidy account. The Department of Health shall recommend the amount that the Division of Medical Assistance and Health Services shall pay to an eligible hospital on a provisional, monthly basis pursuant to paragraphs (1) and (2) of this subsection. The department shall also advise the commission and each eligible hospital of the amount a hospital is entitled to receive.

(1) The department shall determine if a hospital is eligible to receive a charity care subsidy in 1993 based on the following:

$$\frac{\text{Hospital Specific Approved Uncompensated Care-1991}}{\text{Hospital Specific Preliminary Cost Base-1992}}$$

$$= \text{Hospital Specific \% Uncompensated Care (\%UC)}$$

A hospital is eligible for a charity care subsidy in 1993 if, upon establishing a rank order of the %UC for all hospitals, the hospital is among the 80% of hospitals with the highest %UC.

(2) The maximum amount of the charity care subsidy an eligible hospital may receive in 1993 shall be based on the following:

$$\frac{\text{Hospital Specific Approved Uncompensated Care-1991}}{\text{Total approved Uncompensated Care All Eligible Hospitals-1991}} \times \$500 \text{ million}$$

$$= \text{Maximum Amount of Hospital Specific Charity Care Subsidy for 1993}$$

(3) A hospital shall be required to submit all claims for charity care cost reimbursement, as well as demographic information about the persons who

qualify for charity care, to the department in a manner and time frame specified by the Commissioner of Health, in order to continue to be eligible for a charity care subsidy in 1993 and in subsequent years.

The demographic information shall include the recipient's age, sex, marital status, employment status, type of health insurance coverage, if any, and if the recipient is a child under 18 years of age who does not have health insurance coverage or a married person who does not have health insurance coverage, whether the child's parent or the married person's spouse, as the case may be, has health insurance.

(4) A hospital shall be reimbursed for the cost of eligible charity care at the same rate paid to that hospital by the Medicaid program; except that charity care services provided to emergency room patients who do not require those services on an emergency basis shall be reimbursed at a rate appropriate for primary care, according to a schedule of payments developed by the commission.

(5) The department shall provide for an audit of a hospital's charity care for 1993 within a time frame established by the department.

c. For the period January 1, 1994 to December 31, 1994, a hospital shall receive disproportionate share payments from the Division of Medical Assistance and Health Services based on the amount of charity care submitted to the commission or its designated agent, in a form and manner specified by the commission. The commission or its designated agent shall review and price all charity care claims and notify the Division of Medical Assistance and Health Services of the amount it shall pay to each hospital on a monthly basis based on actual services rendered.

(1) (Deleted by amendment, P.L.1995, c.133.)

(2) If the commission is not able to fully implement the charity care claims pricing system by January 1, 1994, the commission shall continue to make provisional disproportionate share payments to eligible hospitals, through the Division of Medical Assistance and Health Services, based on the charity care costs incurred by all hospitals in 1993, until such time as the commission is able to implement the claims pricing system.

If there are additional charity care balances available after the 1994 distribution based on 1993 charity care costs, the department shall transfer these available balances from the fund to the Division of Medical Assistance and Health Services for an approved one-time additional disproportionate share payment to hospitals according to the methodology provided in section 12 of P.L.1995, c.133 (C.26:2H-18.59a). The total payment for all hospitals shall not exceed $75.5 million.

(3) A hospital shall be reimbursed for the cost of eligible charity care at the same rate paid to that hospital by the Medicaid program; except that charity care services provided to emergency room patients who do not

require those services on an emergency basis shall be reimbursed at a rate appropriate for primary care, according to a schedule of payments developed by the commission.

(4) (Deleted by amendment, P.L.1995, c.133.)

d. (Deleted by amendment, P.L.1995, c.133.)

e. The total amount allocated for charity care subsidy payments shall be: in 1994, $450 million ; in 1995, $400 million; in 1996, $310 million; and in 1997, $300 million. Total payments to hospitals shall not exceed the amount allocated for each given year.

f. Beginning January 1, 1995:

(1) The charity care subsidy shall be determined pursuant to section 13 of P.L.1995, c.133 (C.26:2H-18.59b).

(2) A charity care claim shall be valued at the same rate paid to that hospital by the Medicaid program, except that charity care services provided to emergency room patients who do not require those services on an emergency basis shall be valued at a rate appropriate for primary care according to a schedule of payments adopted by the commissioner.

(3) The department shall provide for an audit of a hospital's charity care within a time frame established by the commissioner.

5. Section 14 of P.L.1995, c.133 (C.26:2H-18.59c) is amended to read as follows:

C.26:2H-18.59c Submission of financial and demographic data.

14. All acute care hospitals licensed pursuant to P.L.1971, c.136 (C.26:2H-1 et al.) shall submit to the department all demographic and financial data specified in this section, in a manner and time frame specified by the commissioner.

a. A hospital shall submit demographic information about the persons who qualify for charity care or to whom the hospital provides uncompensated care, which includes, at a minimum: the individual's age, sex, marital status, employment status, type of health insurance coverage, if any, and if the individual is a child under 18 years of age who does not have health insurance coverage or a married person who does not have health insurance coverage, whether the child's parent or the married person's spouse, as the case may be, has health insurance.

b. A hospital shall submit all financial data required by the department for the purposes of calculating the payer mix factor as defined in sections 12 and 13 of P.L.1995, c.133 (C.26:2H-18.59a and C.26:2H-18.59b) and section 7 of P.L.1996, c.28 (C.26:2H-18.59e).

c. A hospital which fails to provide the information required pursuant to this section in a manner and time frame specified by the commissioner, shall be liable to a civil penalty not to exceed $1,000 for each day in which

the hospital is not in compliance. The commissioner shall recover the penalty in an administrative proceeding held pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).

6. Section 13 of P.L.1992, c.160 (C.26:2H-18.63) is amended to read as follows:

C.26:2H-18.63 Civil penalties for false statement, misrepresentation.

13. a. Any person or entity who makes a false statement or misrepresentation of a material fact in order to qualify any person or entity for any benefits to which he is not entitled under this act or P.L.1996, c.28 (C.26:2H-18.59e et al.), shall be liable to civil penalties of:

(1) payment of interest on the amount of the excess benefits or subsidy payments at the maximum legal rate in effect on the date the benefits were provided to the person or payment was made to the person or entity, for the period from the date upon which benefits were provided or payment was made to the date upon which repayment is made to the department; and

(2) payment of an amount not to exceed three times the amount of the excess benefit or subsidy payment.

b. A hospital which, without intent to violate this act, obtains a subsidy payment in excess of the amount to which it is entitled, shall be liable to a civil penalty of payment of interest on the amount of the excess payment at the maximum legal rate in effect on the date the payment was made to the hospital, from the date upon which payment was made to the date upon which repayment is made to the department, except that a hospital shall not be liable to the civil penalty when an excess subsidy payment is obtained by the hospital as a result of an error made by the department, as determined by the commissioner.

c. All interest and civil penalties provided for in this section shall be recovered in an administrative proceeding held pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).

d. In order to satisfy any recovery claim asserted against a hospital under this section, whether or not that claim has been the subject of final agency adjudication, the commissioner is authorized to withhold subsidy payments otherwise payable under this act to the hospital.

C.26:2H-18.59e Determination of charity care subsidy for 1996 and 1997.

7. a. Beginning January 1, 1996 through December 31, 1997, and except as provided in section 8 of P.L.1996, c.28 (C.26:2H-18.59f), the charity care subsidy shall be determined according to the following methodology.

If the Statewide total of adjusted charity care is less than available charity care funding, a hospital's charity care subsidy shall equal its adjusted charity care.

If the Statewide total of adjusted charity care is greater than available charity care funding, then the hospital-specific charity care subsidy shall be determined by allocating available charity care funds so as to equalize hospital-specific payer mix factors to the Statewide target payer mix factor. Those hospitals with a payer mix factor greater than the Statewide target payer mix factor shall be eligible to receive a subsidy sufficient to reduce their factor to that Statewide level; those hospitals with a payer mix factor that is equal to or less than the Statewide target payer mix factor shall not be eligible to receive a subsidy.

Charity care subsidy payments shall be based upon actual documented hospital charity care.

As used in this section:

(1) The hospital-specific "documented charity care" shall be equal to the dollar amount of charity care provided by the hospital that is verified in the department's most recent charity care audit conducted under the most recent charity care eligibility rules adopted by the department and valued at the same rate paid to that hospital by the Medicaid program.

For 1996, documented charity care shall equal the audited, Medicaid-priced amounts reported for the first three quarters of 1995. This amount shall be multiplied by 1.33 to determine the annualized 1995 charity care amount. For 1997, documented charity care shall be equal to the audited Medicaid-priced amounts for the last quarter two years prior to the payment period and the first three quarters of the year prior to the payment period;

(2) In 1996, the hospital-specific "operating margin" shall be equal to: the hospital's 1993 and 1994 income from operations minus its 1993 and 1994 charity care subsidies divided by its 1993 and 1994 total operating revenue minus its 1993 and 1994 charity care subsidies. After calculating each hospital's operating margin, the department shall determine the Statewide median operating margin.

In 1997, the hospital-specific "operating margin" shall be calculated in the same manner as for 1996, but on the basis of income from operations, total operating revenue and charity care subsidies data from the three most current years;

(3) The hospital-specific "profitability factor" shall be determined annually as follows. Those hospitals that are equal to or below the Statewide median operating margin shall be assigned a profitability factor of "1." For those hospitals that are above the Statewide median operating margin, the profitability factor shall be equal to:

$$1 - \frac{.75 \times (\text{hospital specific operating margin} - \text{Statewide median operating margin})}{\text{highest hospital specific operating margin} - \text{Statewide median operating margin}}$$

(4) The hospital-specific "adjusted charity care" shall be equal to a hospital's documented charity care times its profitability factor;

(5) The hospital-specific "revenue from private payers" shall be equal to the sum of the gross revenues, as reported to the department in the hospital's most recently available New Jersey Hospital Cost Reports for all non-governmental third party payers including, but not limited to, Blue Cross and Blue Shield plans, commercial insurers and health maintenance organizations;

(6) The hospital-specific "payer mix factor" shall be equal to a hospital's adjusted charity care divided by its revenue from private payers; and

(7) The "Statewide target payer mix factor" is the lowest payer mix factor to which all hospitals receiving charity care subsidies can be reduced by spending all available charity care subsidy funding for that year.

b. For the purposes of this section, "income from operations" and "total operating revenue" shall be defined by the department in accordance with financial reporting requirements established pursuant to N.J.A.C.8:31B-3.3.

c. Charity care subsidy payments shall commence on or after the date of enactment of P.L.1996, c.28 and the full calendar year 1996 allocation shall be disbursed by January 31, 1997.

C.26:2H-18.59f Implementation of health care program for low income residents.

8. Within 30 days of the date of enactment of P.L.1996, c.28, the Commissioner of Human Services, in consultation with the Commissioner of Health and the State Treasurer, shall pursue any necessary waivers from the federal Department of Health and Human Services in order to implement a health care program to provide low income residents of the State who qualify pursuant to section 10 of P.L.1992, c.160 (C.26:2H-18.60), with eligible charity care services on a managed care basis. The program shall be implemented by the Commissioner of Health in consultation with the Commissioner of Human Services and the State Treasurer.

a. The program shall be administered Statewide by one or more program administrators under contract with the State Treasurer pursuant to this section. For the purposes of this section, program administrator may include, but not be limited to, an acute care hospital which receives charity care reimbursements or a health maintenance organization.

b. The Commissioner of Health, in consultation with the Commissioner of Human Services and the State Treasurer, shall, within 30 days after approval of the federal waiver, and at appropriate intervals thereafter, solicit proposals from entities in the State interested in administering the health care program.

c. The contract shall include, but not be limited to, provisions for:

(1) providing charity care services on a managed care basis as specified by the Commissioner of Health, in consultation with the Commissioner of Human Services and the State Treasurer. An administrator shall be responsible for determining the most appropriate and cost-effective means of providing the health care services required by an eligible person and for directing the person to that means for receipt of the services;

(2) the determination of eligibility criteria for health care providers who choose to participate in the program;

(3) a methodology established by the Commissioner of Health for reimbursement of participating hospitals and other health care providers;

(4) the development and use of a uniform method for determining eligibility of State residents for health care services under the program; and

(5) the submission of quarterly reports to the Department of Health and the Department of the Treasury, in a form and manner required by the department, detailing expenditures of health care funds in the program.

The contract shall also provide that provider participation in the program shall ensure the maximum receipt by the State of federal disproportionate share monies pursuant to Pub.L.89-97 (42 U.S.C.§1396a et seq.) and Pub.L.102-234.

d. The Commissioner of Health shall report 12 months after the contract with the administrator or administrators is entered into by the State Treasurer and each year thereafter to the standing reference committees on health and appropriations of the Senate and General Assembly and the Governor on:

(1) expenditures related to the provision of health care services on a managed care basis, the number of persons served, the types of services provided, the hospitals participating in the program, the number and types of other health care providers participating in the program and such other information as may be required by the Legislature;

(2) the effectiveness of the program in containing or reducing costs for providing health care services to qualified low income residents of the State; and

(3) recommendations developed in consultation with the Commissioner of Human Services and the State Treasurer concerning additional cost containment actions that may be adopted for the provision of health care services to qualified low income persons.

e. Nothing in this section shall be construed to expand covered health care services to include services not covered by the charity care program in effect on the effective date of this act.

f. The implementation of the health care program pursuant to this section or other subsidies for charity care that affect the Medicaid State plan shall be contingent upon receipt of federal approvals that assure continuation of an acceptable level of federal Medicaid matching funds, including disproportionate share monies, as determined by the Director of the Division of Medical Assistance and Health Services in the Department of Human Services and the Director of the Division of Budget and Accounting in the Department of the Treasury.

C.26:2H-18.59g Establishment of technology infrastructure to support Statewide health care program.

9. The Commissioner of Health, in consultation with the State Treasurer, shall establish a technology infrastructure to support the Statewide health care program established pursuant to section 8 of P.L.1996, c.28 (C.26:2H-18.59f).

The State Treasurer, in consultation with the Commissioners of Health and Human Services may, if deemed to be in the State's best interests, include system features and provisions in the technology infrastructure to satisfy the requirements of multiple programs and purposes, including, but not limited to, programs such as, Medicaid, food stamps, public assistance, and purposes such as the exchange and consolidation of health care information permitted by law, eligibility and identity verification, claims processing, the use of electronic patient identification technology and electronic data interchange.

C.26:2H-18.58b Health Care Subsidy Fund payer of last resort; exemptions.

10. With the exception of the Catastrophic Illness in Children Relief Fund, established pursuant to P.L.1987, c.370 (C.26:2-148 et seq.) and the Victims of Crime Compensation Board established pursuant to section 3 of P.L.1971, c.317 (C.52:4B-3), the Health Care Subsidy Fund is the payer of last resort for persons who otherwise qualify for charity care or managed health care services pursuant to P.L.1992, c.160 (C.26:2H-18.51 et al.) and P.L.1996, c.28. A hospital or other health care provider shall not submit a claim for charity care or managed health care services reimbursement on behalf of any individual otherwise eligible for charity care or managed health care services for whom the hospital or other health care provider is eligible to receive reimbursement under any State or federal program not specifically exempted in this section or any other third party payer.

C.26:2H-18.58c Funding of Health Care Subsidy Fund.

11. a. The Health Care Subsidy Fund shall be funded with $15 million in General Fund revenues in calendar year 1996 and $41 million in General Fund revenues in calendar year 1997.

b. In calendar year 1998, the Health Care Subsidy Fund shall be supported with revenues derived from efficiencies achieved by State use of an electronic data interchange system for health care claims and related information, in amounts necessary to provide funding for the health care program pursuant to section 8 of P.L.1996, c.28 (C.26:2H-18.59f).

12. a. The Commissioner of Health shall transfer to the Hospital Health Care Subsidy account in the Division of Medical Assistance and Health Services of the Department of Human Services from the Health Care Subsidy Fund, $35 million in calendar year 1996 and $71 million in calendar year 1997, according to a schedule to be determined by the Commissioner of Health in consultation with the Commissioner of Human Services. These funds shall be distributed to eligible disproportionate share hospitals according to a methodology adopted by the Commissioner of Human Services pursuant to N.J.A.C.10:52-8.2, using hospital expenditure data for the most recent calendar year available for reimbursements from these funds.

b. In calendar years 1996 and 1997, the Governor shall recommend and the Legislature shall appropriate to the Hospital Health Care Subsidy account for distribution to disproportionate share hospitals which are eligible for reimbursement pursuant to subsection a. of this section, those federal funds received in connection with the provision of hospital reimbursements from that account.

13. R.S.43:21-7 is amended to read as follows:

Contributions.

43:21-7. Contributions. Employers other than governmental entities, whose benefit financing provisions are set forth in section 4 of P.L.1971, c.346 (C.43:21-7.3), and those nonprofit organizations liable for payment in lieu of contributions on the basis set forth in section 3 of P.L.1971, c.346 (C.43:21-7.2), shall pay to the controller for the unemployment compensation fund, contributions as set forth in subsections (a), (b) and (c) hereof, and the provisions of subsections (d) and (e) shall be applicable to all employers, consistent with the provisions of the "unemployment compensation law" and the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.).

(a) Payment.

(1) Contributions shall accrue and become payable by each employer for each calendar year in which he is subject to this chapter (R.S.43:21-1 et seq.), with respect to having individuals in his employ during that calendar year, at the

rates and on the basis hereinafter set forth. Such contributions shall become due and be paid by each employer to the controller for the fund, in accordance with such regulations as may be prescribed, and shall not be deducted, in whole or in part, from the remuneration of individuals in his employ.

(2) In the payment of any contributions, a fractional part of a cent shall be disregarded unless it amounts to $0.005 or more, in which case it shall be increased to $0.01.

(b) Rate of contributions. Each employer shall pay the following contributions:

(1) For the calendar year 1947, and each calendar year thereafter, 2 7/10% of wages paid by him during each such calendar year, except as otherwise prescribed by subsection (c) of this section.

(2) The "wages" of any individual, with respect to any one employer, as the term is used in this subsection (b) and in subsections (c), (d) and (e) of this section 7, shall include the first $4,800.00 paid during calendar year 1975, for services performed either within or without this State; provided that no contribution shall be required by this State with respect to services performed in another state if such other state imposes contribution liability with respect thereto. If an employer (hereinafter referred to as a successor employer) during any calendar year acquires substantially all the property used in a trade or business of another employer (hereinafter referred to as a predecessor), or used in a separate unit of a trade or business of a predecessor, and immediately after the acquisition employs in his trade or business an individual who immediately prior to the acquisition was employed in the trade or business of such predecessor, then, for the purpose of determining whether the successor employer has paid wages with respect to employment equal to the first $4,800.00 paid during calendar year 1975, any wages paid to such individual by such predecessor during such calendar year and prior to such acquisition shall be considered as having been paid by such successor employer.

(3) For calendar years beginning on and after January 1, 1976, the "wages" of any individual, as defined in the preceding paragraph (2) of this subsection (b), shall be established and promulgated by the Commissioner of Labor on or before September 1 of the preceding year and shall be 28 times the Statewide average weekly remuneration paid to workers by employers, as determined under R.S.43:21-3(c), raised to the next higher multiple of $100.00 if not already a multiple thereof, provided that if the amount of wages so determined for a calendar year is less than the amount similarly determined for the preceding year, the greater amount will be used; provided, further, that if the amount of such wages so determined does not equal or exceed the amount of wages as defined in subsection (b) of section 3306 of the Federal Unemployment Tax Act, Chapter 23 of the Internal

Revenue Code of 1986 (26 U.S.C.§3306(b)), the wages as determined in this paragraph in any calendar year shall be raised to equal the amount established under the Federal Unemployment Tax Act for that calendar year.

(c) Future rates based on benefit experience.

(1) A separate account for each employer shall be maintained and this shall be credited with all the contributions which he has paid on his own behalf on or before January 31 of any calendar year with respect to employment occurring in the preceding calendar year; provided, however, that if January 31 of any calendar year falls on a Saturday or Sunday, an employer's account shall be credited as of January 31 of such calendar year with all the contributions which he has paid on or before the next succeeding day which is not a Saturday or Sunday. But nothing in this chapter (R.S.43:21-1 et seq.) shall be construed to grant any employer or individuals in his service prior claims or rights to the amounts paid by him into the fund either on his own behalf or on behalf of such individuals. Benefits paid with respect to benefit years commencing on and after January 1, 1953, to any individual on or before December 31 of any calendar year with respect to unemployment in such calendar year and in preceding calendar years shall be charged against the account or accounts of the employer or employers in whose employment such individual established base weeks constituting the basis of such benefits. Benefits paid under a given benefit determination shall be charged against the account of the employer to whom such determination relates. When each benefit payment is made, either a copy of the benefit check or other form of notification shall be promptly sent to the employer against whose account the benefits are to be charged. Such copy or notification shall identify the employer against whose account the amount of such payment is being charged, shall show at least the name and social security account number of the claimant and shall specify the period of unemployment to which said check applies. If the total amount of benefits paid to a claimant and charged to the account of the appropriate employer exceeds 50% of the total base year, base week wages paid to the claimant by that employer, then such employer shall have canceled from his account such excess benefit charges as specified above.

Each employer shall be furnished an annual summary statement of benefits charged to his account.

(2) Regulations may be prescribed for the establishment, maintenance, and dissolution of joint accounts by two or more employers, and shall, in accordance with such regulations and upon application by two or more employers to establish such an account, or to merge their several individual accounts in a joint account, maintain such joint account as if it constituted a single employer's account.

(3) No employer's rate shall be lower than 5.4% unless assignment of such lower rate is consistent with the conditions applicable to additional credit allowance for such year under section 3303(a)(1) of the Internal Revenue Code of 1986 (26 U.S.C.§3303(a)(1)), any other provision of this section to the contrary notwithstanding.

(4) Employer Reserve Ratio. (A) Each employer's rate shall be 2 8/10%, except as otherwise provided in the following provisions. No employer's rate for the 12 months commencing July 1 of any calendar year shall be other than 2 8/10%, unless as of the preceding January 31 such employer shall have paid contributions with respect to wages paid in each of the three calendar years immediately preceding such year, in which case such employer's rate for the 12 months commencing July 1 of any calendar year shall be determined on the basis of his record up to the beginning of such calendar year. If, at the beginning of such calendar year, the total of all his contributions, paid on his own behalf, for all past years exceeds the total benefits charged to his account for all such years, his contribution rate shall be:

(1) 2 5/10%, if such excess equals or exceeds 4%, but less than 5%, of his average annual payroll (as defined in paragraph (2), subsection (a) of R.S.43:21-19);

(2) 2 2/10%, if such excess equals or exceeds 5%, but is less than 6%, of his average annual payroll;

(3) 1 9/10%, if such excess equals or exceeds 6%, but is less than 7%, of his average annual payroll;

(4) 1 6/10%, if such excess equals or exceeds 7%, but is less than 8%, of his average annual payroll;

(5) 1 3/10%, if such excess equals or exceeds 8%, but is less than 9%, of his average annual payroll;

(6) 1%, if such excess equals or exceeds 9%, but is less than 10%, of his average annual payroll;

(7) 7/10 of 1%, if such excess equals or exceeds 10%, but is less than 11%, of his average annual payroll;

(8) 4/10 of 1%, if such excess equals or exceeds 11% of his average annual payroll.

(B) If the total of an employer's contributions, paid on his own behalf, for all past periods for the purposes of this paragraph (4), is less than the total benefits charged against his account during the same period, his rate shall be:

(1) 4%, if such excess is less than 10% of his average annual payroll;

(2) 4 3/10%, if such excess equals or exceeds 10%, but is less than 20%, of his average annual payroll;

(3) 4 6/10%, if such excess equals or exceeds 20% of his average annual payroll.

(C) Specially assigned rates. If no contributions were paid on wages for employment in any calendar year used in determining the average annual payroll of an employer eligible for an assigned rate under this paragraph (4), the employer's rate shall be specially assigned as follows:

(i) if the reserve balance in its account is positive, its assigned rate shall be the highest rate in effect for positive balance accounts for that period, or 5.4%, whichever is higher, and (ii) if the reserve balance in its account is negative, its assigned rate shall be the highest rate in effect for deficit accounts for that period.

(D) The contribution rates prescribed by subparagraphs (A) and (B) of this paragraph (4) shall be increased or decreased in accordance with the provisions of paragraph (5) of this subsection (c) for experience rating periods through June 30, 1986.

(5) (A) Unemployment Trust Fund Reserve Ratio. If on March 31 of any calendar year the balance in the unemployment trust fund equals or exceeds 4% but is less than 7% of the total taxable wages reported to the controller as of that date in respect to employment during the preceding calendar year, the contribution rate, effective July 1 following, of each employer eligible for a contribution rate calculation based upon benefit experience, shall be increased by 3/10 of 1% over the contribution rate otherwise established under the provisions of paragraph (3) or (4) of this subsection. If on March 31 of any calendar year the balance of the unemployment trust fund exceeds 2 1/2% but is less than 4% of the total taxable wages reported to the controller as of that date in respect to employment during the preceding calendar year, the contribution rate, effective July 1 following, of each employer eligible for a contribution rate calculation based upon benefit experience, shall be increased by 6/10 of 1% over the contribution rate otherwise established under the provisions of paragraph (3) or (4) of this subsection.

If on March 31 of any calendar year the balance of the unemployment trust fund is less than 2 1/2% of the total taxable wages reported to the controller as of that date in respect to employment during the preceding calendar year, the contribution rate, effective July 1 following, of each employer (1) eligible for a contribution rate calculation based upon benefit experience, shall be increased by (i) 6/10 of 1% over the contribution rate otherwise established under the provisions of paragraph (3), (4)(A) or (4)(B) of this subsection, and (ii) an additional amount equal to 20% of the total rate established herein, provided, however, that the final contribution rate for each employer shall be computed to the nearest multiple of 1/10% if not already a multiple thereof; (2) not eligible for a contribution rate calculation based upon benefit experience, shall be increased by 6/10 of 1% over the contribution rate otherwise established under the provisions of paragraph (4)

of this subsection. For the period commencing July 1, 1984 and ending June 30, 1986, the contribution rate for each employer liable to pay contributions under R.S.43:21-7 shall be increased by a factor of 10% computed to the nearest multiple of 1/10% if not already a multiple thereof.

(B) If on March 31 of any calendar year the balance in the unemployment trust fund equals or exceeds 10% but is less than 12 1/2% of the total taxable wages reported to the controller as of that date in respect to employment during the preceding calendar year, the contribution rate, effective July 1 following, of each employer eligible for a contribution rate calculation based upon benefit experience, shall be reduced by 3/10 of 1% under the contribution rate otherwise established under the provisions of paragraphs (3) and (4) of this subsection; provided that in no event shall the contribution rate of any employer be reduced to less than 4/10 of 1%. If on March 31 of any calendar year the balance in the unemployment trust fund equals or exceeds 12 1/2% of the total taxable wages reported to the controller as of that date in respect to employment during the preceding calendar year, the contribution rate, effective July 1 following, of each employer eligible for a contribution rate calculation based upon benefit experience, shall be reduced by 6/10 of 1% if his account for all past periods reflects an excess of contributions paid over total benefits charged of 3% or more of his average annual payroll, otherwise by 3/10 of 1% under the contribution rate otherwise established under the provisions of paragraphs (3) and (4) of this subsection; provided that in no event shall the contribution rate of any employer be reduced to less than 4/10 of 1%.

(C) The "balance" in the unemployment trust fund, as the term is used in subparagraphs (A) and (B) above, shall not include moneys credited to the State's account under section 903 of the Social Security Act, as amended (42 U.S.C.§1103), during any period in which such moneys are appropriated for the payment of expenses incurred in the administration of the "unemployment compensation law."

(D) Prior to July 1 of each calendar year the controller shall determine the Unemployment Trust Reserve Ratio, which shall be calculated by dividing the balance of the unemployment trust fund as of the prior March 31 by total taxable wages reported to the controller by all employers as of March 31 with respect to their employment during the last calendar year.

(E)(i) With respect to experience rating years beginning on or after July 1, 1986 and before July 1, 1997, the new employer rate or the unemployment experience rate of an employer under this section shall be the rate which appears in the column headed by the Unemployment Trust Fund Reserve Ratio as of the applicable calculation date and on the line with the Employer Reserve Ratio, as defined in paragraph 4 of this subsection (R.S.43:21-7 (c)(4)), as set forth in the following table:

EXPERIENCE RATING TAX TABLE

Fund Reserve Ratio[1]

Employer Reserve Ratio[2]	10.00% and Over A	7.00% to 9.99% B	4.00% to 6.99% C	2.50% to 3.99% D	2.49% and Under E
Positive Reserve Ratio:					
17% and over	0.3	0.4	0.5	0.6	1.2
16.00% to 16.99%	0.4	0.5	0.6	0.6	1.2
15.00% to 15.99%	0.4	0.6	0.7	0.7	1.2
14.00% to 14.99%	0.5	0.6	0.7	0.8	1.2
13.00% to 13.99%	0.6	0.7	0.8	0.9	1.2
12.00% to 12.99%	0.6	0.8	0.9	1.0	1.2
11.00% to 11.99%	0.7	0.8	1.0	1.1	1.2
10.00% to 10.99%	0.9	1.1	1.3	1.5	1.6
9.00% to 9.99%	1.0	1.3	1.6	1.7	1.9
8.00% to 8.99%	1.3	1.6	1.9	2.1	2.3
7.00% to 7.99%	1.4	1.8	2.2	2.4	2.6
6.00% to 6.99%	1.7	2.1	2.5	2.8	3.0
5.00% to 5.99%	1.9	2.4	2.8	3.1	3.4
4.00% to 4.99%	2.0	2.6	3.1	3.4	3.7
3.00% to 3.99%	2.1	2.7	3.2	3.6	3.9
2.00% to 2.99%	2.2	2.8	3.3	3.7	4.0
1.00% to 1.99%	2.3	2.9	3.4	3.8	4.1
0.00% to 0.99%	2.4	3.0	3.6	4.0	4.3
Deficit Reserve Ratio:					
-0.00% to -2.99%	3.4	4.3	5.1	5.6	6.1
-3.00% to -5.99%	3.4	4.3	5.1	5.7	6.2
-6.00% to -8.99%	3.5	4.4	5.2	5.8	6.3
-9.00% to-11.99%	3.5	4.5	5.3	5.9	6.4
-12.00% to-14.99%	3.6	4.6	5.4	6.0	6.5
-15.00% to-19.99%	3.6	4.6	5.5	6.1	6.6
-20.00% to-24.99%	3.7	4.7	5.6	6.2	6.7
-25.00% to-29.99%	3.7	4.8	5.6	6.3	6.8
-30.00% to-34.99%	3.8	4.8	5.7	6.3	6.9
-35.00% and under	5.4	5.4	5.8	6.4	7.0
New Employer Rate	2.8	2.8	2.8	3.1	3.4

[1]Fund balance as of March 31 as a percentage of taxable wages in the prior calendar year.

[2]Employer Reserve Ratio (Contributions minus benefits as a percentage of employer's taxable wages).

(ii) With respect to experience rating years beginning on or after July 1, 1997, the new employer rate or the unemployment experience rate of an employer under this section shall be the rate which appears in the column headed by the Unemployment Trust Fund Reserve Ratio as of the applicable calculation date and on the line with the Employer Reserve Ratio, as defined in paragraph 4 of this subsection (R.S.43:21-7 (c)(4)), as set forth in the following table:

EXPERIENCE RATING TAX TABLE
Fund Reserve Ratio[1]

Employer Reserve Ratio[2]	6.00% and Over A	4.00% to 5.99% B	3.00% to 3.99% C	2.50% to 2.99% D	2.49% and Under E
Positive Reserve Ratio:					
17% and over	0.3	0.4	0.5	0.6	1.2
16.00% to 16.99%	0.4	0.5	0.6	0.6	1.2
15.00% to 15.99%	0.4	0.6	0.7	0.7	1.2
14.00% to 14.99%	0.5	0.6	0.7	0.8	1.2
13.00% to 13.99%	0.6	0.7	0.8	0.9	1.2
12.00% to 12.99%	0.6	0.8	0.9	1.0	1.2
11.00% to 11.99%	0.7	0.8	1.0	1.1	1.2
10.00% to 10.99%	0.9	1.1	1.3	1.5	1.6
9.00% to 9.99%	1.0	1.3	1.6	1.7	1.9
8.00% to 8.99%	1.3	1.6	1.9	2.1	2.3
7.00% to 7.99%	1.4	1.8	2.2	2.4	2.6
6.00% to 6.99%	1.7	2.1	2.5	2.8	3.0
5.00% to 5.99%	1.9	2.4	2.8	3.1	3.4
4.00% to 4.99%	2.0	2.6	3.1	3.4	3.7
3.00% to 3.99%	2.1	2.7	3.2	3.6	3.9
2.00% to 2.99%	2.2	2.8	3.3	3.7	4.0
1.00% to 1.99%	2.3	2.9	3.4	3.8	4.1
0.00% to 0.99%	2.4	3.0	3.6	4.0	4.3
Deficit Reserve Ratio:					
-0.00% to -2.99%	3.4	4.3	5.1	5.6	6.1
-3.00% to -5.99%	3.4	4.3	5.1	5.7	6.2
-6.00% to -8.99%	3.5	4.4	5.2	5.8	6.3
-9.00% to-11.99%	3.5	4.5	5.3	5.9	6.4
-12.00% to-14.99%	3.6	4.6	5.4	6.0	6.5
-15.00% to-19.99%	3.6	4.6	5.5	6.1	6.6

-20.00% to-24.99%	3.7	4.7	5.6	6.2	6.7
-25.00% to-29.99%	3.7	4.8	5.6	6.3	6.8
-30.00% to-34.99%	3.8	4.8	5.7	6.3	6.9
-35.00% and under	5.4	5.4	5.8	6.4	7.0
New Employer Rate	2.8	2.8	2.8	3.1	3.4

[1]Fund balance as of March 31 as a percentage of taxable wages in the prior calendar year.

[2]Employer Reserve Ratio (Contributions minus benefits as a percentage of employer's taxable wages).

(F)(i) With respect to experience rating years beginning on or after July 1, 1986 and before July 1, 1997, if the balance of the unemployment trust fund as of the prior March 31 is negative, the contribution rate for each employer liable to pay contributions, as computed under subparagraph E of this paragraph (5), shall be increased by a factor of 10% computed to the nearest multiple of 1/10% if not already a multiple thereof.

(ii) With respect to experience rating years beginning on or after July 1, 1997, if the fund reserve ratio, based on the fund balance as of the prior March 31, is less than 1.00%, the contribution rate for each employer liable to pay contributions, as computed under subparagraph E of this paragraph (5), shall be increased by a factor of 10% computed to the nearest multiple of 1/10% if not already a multiple thereof.

(G) On or after January 1, 1993, notwithstanding any other provisions of this paragraph (5), the contribution rate for each employer liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be decreased by 0.1%, except that, during any experience rating year in which the fund reserve ratio is equal to or greater than 7.00%, there shall be no decrease pursuant to this subparagraph (G) in the contribution of any employer who has a deficit reserve ratio of negative 35.00% or under.

(H) On or after January 1, 1993 until December 31, 1993, notwithstanding any other provisions of this paragraph (5), the contribution rate for each employer liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be decreased by a factor of 52.0% computed to the nearest multiple of 1/10%, except that, if an employer has a deficit reserve ratio of negative 35.0% or under, the employer's rate of contribution shall not be reduced pursuant to this subparagraph (H) to less than 5.4%. The amount of the reduction in the employer contributions stipulated by this subparagraph (H) shall be in addition to the amount of the reduction in the employer contributions stipulated by subparagraph (G) of this paragraph (5), except that the rate of contribution of an employer who has a deficit reserve ratio of negative 35.0% or under shall not be reduced pursuant to this

subparagraph (H) to less than 5.4% and the rate of contribution of any other employer shall not be reduced to less than 0.0%.

On or after January 1, 1994 until December 31, 1995, except as provided pursuant to subparagraph (I) of this paragraph (5), notwithstanding any other provisions of this paragraph (5), the contribution rate for each employer liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be decreased by a factor of 36.0% computed to the nearest multiple of 1/10%, except that, if an employer has a deficit reserve ratio of negative 35.0% or under, the employer's rate of contribution shall not be reduced pursuant to this subparagraph (H) to less than 5.4%. The amount of the reduction in the employer contributions stipulated by this subparagraph (H) shall be in addition to the amount of the reduction in the employer contributions stipulated by subparagraph (G) of this paragraph (5), except that the rate of contribution of an employer who has a deficit reserve ratio of negative 35.0% or under shall not be reduced pursuant to this subparagraph (H) to less than 5.4% and the rate of contribution of any other employer shall not be reduced to less than 0.0%.

On or after April 1, 1996 until December 31, 1996, the contribution rate for each employer liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be decreased by a factor of 25.0% computed to the nearest multiple of 1/10%, except that, if an employer has a deficit reserve ratio of negative 35.0% or under, the employer's rate of contribution shall not be reduced pursuant to this subparagraph (H) to less than 5.4%. The amount of the reduction in the employer contributions stipulated by this subparagraph (H) shall be in addition to the amount of the reduction in the employer contributions stipulated by subparagraph (G) of this paragraph (5), except that the rate of contribution of an employer who has a deficit reserve ratio of negative 35.0% or under shall not be reduced pursuant to this subparagraph (H) to less than 5.4% and the rate of contribution of any other employer shall not be reduced to less than 0.0%.

On or after January 1, 1997 until December 31, 1997, the contribution rate for each employer liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be decreased by a factor of 10.0% computed to the nearest multiple of 1/10%, except that, if an employer has a deficit reserve ratio of negative 35.0% or under, the employer's rate of contribution shall not be reduced pursuant to this subparagraph (H) to less than 5.4%. The amount of the reduction in the employer contributions stipulated by this subparagraph (H) shall be in addition to the amount of the reduction in the employer contributions stipulated by subparagraph (G) of this paragraph (5), except that the rate of contribution of an employer who has a deficit reserve ratio of negative 35.0% or under shall not be reduced pursuant to this subparagraph (H) to

less than 5.4% and the rate of contribution of any other employer shall not be reduced to less than 0.0%.

(I) If the fund reserve ratio decreases to a level of less than 4.00% on March 31 of calendar year 1994 or calendar year 1995, the provisions of subparagraph (H) of this paragraph (5) shall cease to be in effect as of July 1 of that calendar year.

If, upon calculating the unemployment compensation fund reserve ratio pursuant to R.S.43:21-7(c)(5)(D) prior to March 31, 1997, the controller finds that the fund reserve ratio has decreased to a level of less than 3.00%, the Commissioner of Labor shall notify the State Treasurer of this fact and of the dollar amount necessary to bring the fund reserve ratio up to a level of 3.00%. The State Treasurer shall, prior to March 31, 1997, transfer from the General Fund to the unemployment compensation fund, revenues in the amount specified by the commissioner and which, upon deposit in the unemployment compensation fund, shall result, upon recalculation, in a fund reserve ratio used to determine employer contributions beginning July 1, 1997, of at least 3.00%.

If, upon calculating the unemployment compensation fund reserve ratio pursuant to R.S.43:21-7(c)(5)(D) prior to March 31, 1998, the controller finds that the fund reserve ratio has decreased to a level of less than 3.00%, the Commissioner of Labor shall notify the State Treasurer of this fact and of the dollar amount necessary to bring the fund reserve ratio up to a level of 3.00%. The State Treasurer shall, prior to March 31, 1998, transfer from the General Fund to the unemployment compensation fund, revenues in the amount specified by the commissioner and which, upon deposit in the unemployment compensation fund, shall result, upon recalculation, in a fund reserve ratio used to determine employer contributions beginning July 1, 1998 of at least 3.00%.

(6) Additional contributions.

Notwithstanding any other provision of law, any employer who has been assigned a contribution rate pursuant to subsection (c) of this section for the year commencing July 1, 1948, and for any year commencing July 1 thereafter, may voluntarily make payment of additional contributions, and upon such payment shall receive a recomputation of the experience rate applicable to such employer, including in the calculation the additional contribution so made. Any such additional contribution shall be made during the 30-day period following the date of the mailing to the employer of the notice of his contribution rate as prescribed in this section, unless, for good cause, the time for payment has been extended by the controller for not to exceed an additional 60 days; provided that in no event may such payments which are made later than 120 days after the beginning of the year for which such rates are effective be considered in determining the experience rate for

the year in which the payment is made. Any employer receiving any extended period of time within which to make such additional payment and failing to make such payment timely shall be, in addition to the required amount of additional payment, a penalty of 5% thereof or $5.00, whichever is greater, not to exceed $50.00. Any adjustment under this subsection shall be made only in the form of credits against accrued or future contributions.

(7) Transfers.

(A) Upon the transfer of the organization, trade or business, or substantially all the assets of an employer to a successor in interest, whether by merger, consolidation, sale, transfer, descent or otherwise, the controller shall transfer the employment experience of the predecessor employer to the successor in interest, including credit for past years, contributions paid, annual payrolls, benefit charges, et cetera, applicable to such predecessor employer, pursuant to regulation, if it is determined that the employment experience of the predecessor employer with respect to the organization, trade, assets or business which has been transferred may be considered indicative of the future employment experience of the successor in interest. Unless the predecessor employer was owned or controlled (by legally enforceable means or otherwise), directly or indirectly, by the successor in interest, or the predecessor employer and the successor in interest were owned or controlled (by legally enforceable means or otherwise), directly or indirectly, by the same interest or interests, the transfer of the employment experience of the predecessor shall not be effective if such successor in interest, within four months of the date of such transfer of the organization, trade, assets or business, or thereafter upon good cause shown, files a written notice protesting the transfer of the employment experience of the predecessor employer.

(B) An employer who transfers part of his or its organization, trade, assets or business to a successor in interest, whether by merger, consolidation, sale, transfer, descent or otherwise, may jointly make application with such successor in interest for transfer of that portion of the employment experience of the predecessor employer relating to the portion of the organization, trade, assets or business transferred to the successor in interest, including credit for past years, contributions paid, annual payrolls, benefit charges, et cetera, applicable to such predecessor employer. The transfer of employment experience may be allowed pursuant to regulation only if it is found that the employment experience of the predecessor employer with respect to the portion of the organization, trade, assets or business which has been transferred may be considered indicative of the future employment experience of the successor in interest. Credit shall be given to the successor in interest only for the years during which contributions were paid by the

predecessor employer with respect to that part of the organization, trade, assets or business transferred.

(C) A transfer of the employment experience in whole or in part having become final, the predecessor employer thereafter shall not be entitled to consideration for an adjusted rate based upon his or its experience or the part thereof, as the case may be, which has thus been transferred. A successor in interest to whom employment experience or a part thereof is transferred pursuant to this subsection shall, as of the date of the transfer of the organization, trade, assets or business, or part thereof, immediately become an employer if not theretofore an employer subject to this chapter (R.S.43:21-1 et seq.).

(d) Contributions of workers to the unemployment compensation fund and the State disability benefits fund.

(1) (A) For periods after January 1, 1975, each worker shall contribute to the fund 1% of his wages with respect to his employment with an employer, which occurs on and after January 1, 1975, after such employer has satisfied the condition set forth in subsection (h) of R.S.43:21-19 with respect to becoming an employer; provided, however, that such contributions shall be at the rate of 1/2 of 1% of wages paid with respect to employment while the worker is in the employ of the State of New Jersey, or any governmental entity or instrumentality which is an employer as defined under R.S.43:21-19(h)(5), or is covered by an approved private plan under the "Temporary Disability Benefits Law" or while the worker is exempt from the provisions of the "Temporary Disability Benefits Law" under section 7 of that law, P.L.1948, c.110 (C.43:21-31).

(B) Effective January 1, 1978 there shall be no contributions by workers in the employ of any governmental or nongovernmental employer electing or required to make payments in lieu of contributions unless the employer is covered by the State plan under the "Temporary Disability Benefits Law" (C.43:21-37 et seq.), and in that case contributions shall be at the rate of 1/2 of 1%, except that commencing July 1, 1986, workers in the employ of any nongovernmental employer electing or required to make payments in lieu of contributions shall be required to make contributions to the fund at the same rate prescribed for workers of other nongovernmental employers.

(C) (i) Notwithstanding the above provisions of this paragraph (1), during the period starting July 1, 1986 and ending December 31, 1992, each worker shall contribute to the fund 1.125% of wages paid with respect to his employment with a governmental employer electing or required to pay contributions or nongovernmental employer, including a nonprofit organization which is an employer as defined under R.S.43:21-19(h)(6), regardless of whether that nonprofit organization elects or is required to finance its benefit costs with contributions to the fund or by payments in lieu of

contributions, after that employer has satisfied the conditions set forth in subsection R.S.43:21-19(h) with respect to becoming an employer. Contributions, however, shall be at the rate of 0.625% while the worker is covered by an approved private plan under the "Temporary Disability Benefits Law" while the worker is exempt under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or any other provision of that law; provided that such contributions shall be at the rate of 0.625% of wages paid with respect to employment with the State of New Jersey or any other governmental entity or instrumentality electing or required to make payments in lieu of contributions and which is covered by the State plan under the "Temporary Disability Benefits Law," except that, while the worker is exempt from the provisions of the "Temporary Disability Benefits Law" under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or any other provision of that law, or is covered for disability benefits by an approved private plan of the employer, the contributions to the fund shall be 0.125%.

(ii) (Deleted by amendment, P.L.1995, c.422.)

(D) Notwithstanding any other provisions of this paragraph (1), during the period starting January 1, 1993 and ending June 30, 1994, each worker shall contribute to the unemployment compensation fund 0.5% of wages paid with respect to the worker's employment with a governmental employer electing or required to pay contributions or nongovernmental employer, including a nonprofit organization which is an employer as defined under paragraph (6) of subsection (h) of R.S.43:21-19, regardless of whether that nonprofit organization elects or is required to finance its benefit costs with contributions to the fund or by payments in lieu of contributions, after that employer has satisfied the conditions set forth in subsection (h) of R.S.43:21-19 with respect to becoming an employer. No contributions, however, shall be made by the worker while the worker is covered by an approved private plan under the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.) or while the worker is exempt under section 7 of P.L.1948, c.110 (C.43:21-31) or any other provision of that law; provided that the contributions shall be at the rate of 0.50% of wages paid with respect to employment with the State of New Jersey or any other governmental entity or instrumentality electing or required to make payments in lieu of contributions and which is covered by the State plan under the "Temporary Disability Benefits Law," except that, while the worker is exempt from the provisions of the "Temporary Disability Benefits Law" under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or any other provision of that law, or is covered for disability benefits by an approved private plan of the employer, no contributions shall be made to the fund.

Each worker shall, starting on January 1, 1996 and ending March 31, 1996, contribute to the unemployment compensation fund 0.60% of wages paid with respect to the worker's employment with a governmental employer electing or required to pay contributions or nongovernmental employer, including a nonprofit organization which is an employer as defined under paragraph (6) of subsection (h) of R.S.43:21-19, regardless of whether that nonprofit organization elects or is required to finance its benefit costs with contributions to the fund or by payments in lieu of contributions, after that employer has satisfied the conditions set forth in subsection (h) of R.S.43:21-19 with respect to becoming an employer, provided that the contributions shall be at the rate of 0.10% of wages paid with respect to employment with the State of New Jersey or any other governmental entity or instrumentality electing or required to make payments in lieu of contributions.

Each worker shall, starting on January 1, 1998 contribute to the unemployment compensation fund 0.40% of wages paid with respect to the worker's employment with a governmental employer electing or required to pay contributions or nongovernmental employer, including a nonprofit organization which is an employer as defined under paragraph (6) of subsection (h) of R.S.43:21-19, regardless of whether that nonprofit organization elects or is required to finance its benefit costs with contributions to the fund or by payments in lieu of contributions, after that employer has satisfied the conditions set forth in subsection (h) of R.S.43:21-19 with respect to becoming an employer, provided that the contributions shall be at the rate of 0.10% of wages paid with respect to employment with the State of New Jersey or any other governmental entity or instrumentality electing or required to make payments in lieu of contributions.

(E) Each employer shall, notwithstanding any provision of law in this State to the contrary, withhold in trust the amount of his workers' contributions from their wages at the time such wages are paid, shall show such deduction on his payroll records, shall furnish such evidence thereof to his workers as the division or controller may prescribe, and shall transmit all such contributions, in addition to his own contributions, to the office of the controller in such manner and at such times as may be prescribed. If any employer fails to deduct the contributions of any of his workers at the time their wages are paid, or fails to make a deduction therefor at the time wages are paid for the next succeeding payroll period, he alone shall thereafter be liable for such contributions, and for the purpose of R.S.43:21-14, such contributions shall be treated as employer's contributions required from him.

(F) As used in this chapter (R.S.43:21-1 et seq.), except when the context clearly requires otherwise, the term "contributions" shall include the contributions of workers pursuant to this section.

(G) Each worker shall, starting on July 1, 1994, contribute to the State disability benefits fund an amount equal to 0.50% of wages paid with respect to the worker's employment with a government employer electing or required to pay contributions to the State disability benefits fund or nongovernmental employer, including a nonprofit organization which is an employer as defined under paragraph (6) of subsection (h) of R.S. 43:21-19, unless the employer is covered by an approved private disability plan or is exempt from the provisions of the "Temporary Disability Benefits Law," P.L.1948 c.110 (C.43:21-25 et seq.) under section 7 of that law (C.43:21-31) or any other provision of that law.

(2) (A) (Deleted by amendment, P.L.1984, c.24.)

(B) (Deleted by amendment, P.L.1984, c.24.)

(C) (Deleted by amendment, P.L.1994, c.112.)

(D) (Deleted by amendment, P.L.1994, c.112.)

(E) (i) (Deleted by amendment, P.L.1994, c.112.)

(ii) (Deleted by amendment, P.L.1996, c.28).

(iii) (Deleted by amendment, P.L.1994, c.112.)

(3) If an employee receives wages from more than one employer during any calendar year, and either the sum of his contributions deposited in and credited to the State disability benefits fund plus the amount of his contributions, if any, required towards the costs of benefits under one or more approved private plans under the provisions of section 9 of the "Temporary Disability Benefits Law" (C.43:21-33) and deducted from his wages, or the sum of such latter contributions, if the employee is covered during such calendar year only by two or more private plans, exceeds an amount equal to 1/2 of 1% of the "wages" determined in accordance with the provisions of R.S.43:21-7(b)(3) during the calendar years beginning on or after January 1, 1976, the employee shall be entitled to a refund of the excess if he makes a claim to the controller within two years after the end of the calendar year in which the wages are received with respect to which the refund is claimed and establishes his right to such refund. Such refund shall be made by the controller from the State disability benefits fund. No interest shall be allowed or paid with respect to any such refund. The controller shall, in accordance with prescribed regulations, determine the portion of the aggregate amount of such refunds made during any calendar year which is applicable to private plans for which deductions were made under section 9 of the "Temporary Disability Benefits Law," such determination to be based upon the ratio of the amount of such wages exempt from contributions to such fund, as provided in subparagraph (B) of paragraph (1) of this subsection with respect to coverage under private plans, to the total wages so exempt plus the amount of such wages subject to contributions to the disability benefits fund, as provided in subparagraph (G) of paragraph (1) of

this subsection. The controller shall, in accordance with prescribed regulations, prorate the amount so determined among the applicable private plans in the proportion that the wages covered by each plan bear to the total private plan wages involved in such refunds, and shall assess against and recover from the employer, or the insurer if the insurer has indemnified the employer with respect thereto, the amount so prorated. The provisions of R.S.43:21-14 with respect to collection of employer contributions shall apply to such assessments. The amount so recovered by the controller shall be paid into the State disability benefits fund.

(4) If an individual does not receive any wages from the employing unit which for the purposes of this chapter (R.S.43:21-1 et seq.) is treated as his employer, or receives his wages from some other employing unit, such employer shall nevertheless be liable for such individual's contributions in the first instance; and after payment thereof such employer may deduct the amount of such contributions from any sums payable by him to such employing unit, or may recover the amount of such contributions from such employing unit, or, in the absence of such an employing unit, from such individual, in a civil action; provided proceedings therefor are instituted within three months after the date on which such contributions are payable. General rules shall be prescribed whereby such an employing unit may recover the amount of such contributions from such individuals in the same manner as if it were the employer.

(5) Every employer who has elected to become an employer subject to this chapter (R.S.43:21-1 et seq.), or to cease to be an employer subject to this chapter (R.S.43:21-1 et seq.), pursuant to the provisions of R.S.43:21-8, shall post and maintain printed notices of such election on his premises, of such design, in such numbers, and at such places as the director may determine to be necessary to give notice thereof to persons in his service.

(6) Contributions by workers, payable to the controller as herein provided, shall be exempt from garnishment, attachment, execution, or any other remedy for the collection of debts.

(e) Contributions by employers to State disability benefits fund.

(1) Except as hereinafter provided, each employer shall, in addition to the contributions required by subsections (a), (b), and (c) of this section, contribute 1/2 of 1% of the wages paid by such employer to workers with respect to employment unless he is not a covered employer as defined in section 3 of the "Temporary Disability Benefits Law" (C.43:21-27 (a)), except that the rate for the State of New Jersey shall be 1/10 of 1% for the calendar year 1980 and for the first six months of 1981. Prior to July 1, 1981 and prior to July 1 each year thereafter, the controller shall review the experience accumulated in the account of the State of New Jersey and

establish a rate for the next following fiscal year which, in combination with worker contributions, will produce sufficient revenue to keep the account in balance; except that the rate so established shall not be less than 1/10 of 1%. Such contributions shall become due and be paid by the employer to the controller for the State disability benefits fund as established by law, in accordance with such regulations as may be prescribed, and shall not be deducted, in whole or in part, from the remuneration of individuals in his employ. In the payment of any contributions, a fractional part of a cent shall be disregarded unless it amounts to $0.005 or more, in which case it shall be increased to $0.01.

(2) During the continuance of coverage of a worker by an approved private plan of disability benefits under the "Temporary Disability Benefits Law," the employer shall be exempt from the contributions required by subparagraph (1) above with respect to wages paid to such worker.

(3) (A) The rates of contribution as specified in subparagraph (1) above shall be subject to modification as provided herein with respect to employer contributions due on and after July 1, 1951.

(B) A separate disability benefits account shall be maintained for each employer required to contribute to the State disability benefits fund and such account shall be credited with contributions deposited in and credited to such fund with respect to employment occurring on and after January 1, 1949. Each employer's account shall be credited with all contributions paid on or before January 31 of any calendar year on his own behalf and on behalf of individuals in his service with respect to employment occurring in preceding calendar years; provided, however, that if January 31 of any calendar year falls on a Saturday or Sunday an employer's account shall be credited as of January 31 of such calendar year with all the contributions which he has paid on or before the next succeeding day which is not a Saturday or Sunday. But nothing in this act shall be construed to grant any employer or individuals in his service prior claims or rights to the amounts paid by him to the fund either on his own behalf or on behalf of such individuals. Benefits paid to any covered individual in accordance with Article III of the "Temporary Disability Benefits Law" on or before December 31 of any calendar year with respect to disability in such calendar year and in preceding calendar years shall be charged against the account of the employer by whom such individual was employed at the commencement of such disability or by whom he was last employed, if out of employment.

(C) The controller may prescribe regulations for the establishment, maintenance, and dissolution of joint accounts by two or more employers, and shall, in accordance with such regulations and upon application by two or more employers to establish such an account, or to merge their several

individual accounts in a joint account, maintain such joint account as if it constituted a single employer's account.

(D) Prior to July 1 of each calendar year, the controller shall make a preliminary determination of the rate of contribution for the 12 months commencing on such July 1 for each employer subject to the contribution requirements of this subsection (e).

(1) Such preliminary rate shall be 1/2 of 1% unless on the preceding January 31 of such year such employer shall have been a covered employer who has paid contributions to the State disability benefits fund with respect to employment in the three calendar years immediately preceding such year.

(2) If the minimum requirements in (1) above have been fulfilled and the credited contributions exceed the benefits charged by more than $500.00, such preliminary rate shall be as follows:

(i) 2/10 of 1% if such excess over $500.00 exceeds 1% but is less than 1 1/4% of his average annual payroll (as defined in this chapter (R.S.43:21-1 et seq.));

(ii) 15/100 of 1% if such excess over $500.00 equals or exceeds 1 1/4% but is less than 1 1/2% of his average annual payroll;

(iii) 1/10 of 1% if such excess over $500.00 equals or exceeds 1 1/2% of his average annual payroll.

(3) If the minimum requirements in (1) above have been fulfilled and the contributions credited exceed the benefits charged but by not more than $500.00 plus 1% of his average annual payroll, or if the benefits charged exceed the contributions credited but by not more than $500.00, the preliminary rate shall be 1/4 of 1%.

(4) If the minimum requirements in (1) above have been fulfilled and the benefits charged exceed the contributions credited by more than $500.00, such preliminary rate shall be as follows:

(i) 35/100 of 1% if such excess over $500.00 is less than 1/4 of 1% of his average annual payroll;

(ii) 45/100 of 1% if such excess over $500.00 equals or exceeds 1/4 of 1% but is less than 1/2 of 1% of his average annual payroll;

(iii) 55/100 of 1% if such excess over $500.00 equals or exceeds 1/2 of 1% but is less than 3/4 of 1% of his average annual payroll;

(iv) 65/100 of 1% if such excess over $500.00 equals or exceeds 3/4 of 1% but is less than 1% of his average annual payroll;

(v) 75/100 of 1% if such excess over $500.00 equals or exceeds 1% of his average annual payroll.

(5) Determination of the preliminary rate as specified in (2), (3) and (4) above shall be subject, however, to the condition that it shall in no event be decreased by more than 1/10 of 1% of wages or increased by more than 2/10 of 1% of wages from the preliminary rate determined for the preceding

year in accordance with (1), (2), (3) or (4), whichever shall have been applicable.

(E) (1) Prior to July 1 of each calendar year the controller shall determine the amount of the State disability benefits fund as of December 31 of the preceding calendar year, increased by the contributions paid thereto during January of the current calendar year with respect to employment occurring in the preceding calendar year. If such amount exceeds the net amount withdrawn from the unemployment trust fund pursuant to section 23 of the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-47) plus the amount at the end of such preceding calendar year of the unemployment disability account (as defined in section 22 of said law (C.43:21-46)), such excess shall be expressed as a percentage of the wages on which contributions were paid to the State disability benefits fund on or before January 31 with respect to employment in the preceding calendar year.

(2) The controller shall then make a final determination of the rates of contribution for the 12 months commencing July 1 of such year for employers whose preliminary rates are determined as provided in (D) hereof, as follows:

(i) If the percentage determined in accordance with paragraph (E)(1) of this subsection equals or exceeds 1 1/4%, the final employer rates shall be the preliminary rates determined as provided in (D) hereof, except that if the employer's preliminary rate is determined as provided in (D)(2) or (D)(3) hereof, the final employer rate shall be the preliminary employer rate decreased by such percentage of excess taken to the nearest 5/100 of 1%, but in no case shall such final rate be less than 1/10 of 1%.

(ii) If the percentage determined in accordance with paragraph (E)(1) of this subsection equals or exceeds 3/4 of 1% and is less than 1 1/4 of 1%, the final employer rates shall be the preliminary employer rates.

(iii) If the percentage determined in accordance with paragraph (E)(1) of this subsection is less than 3/4 of 1%, but in excess of 1/4 of 1%, the final employer rates shall be the preliminary employer rates determined as provided in (D) hereof increased by the difference between 3/4 of 1% and such percentage taken to the nearest 5/100 of 1%; provided, however, that no such final rate shall be more than 1/4 of 1% in the case of an employer whose preliminary rate is determined as provided in (D)(2) hereof, more than 1/2 of 1% in the case of an employer whose preliminary rate is determined as provided in (D)(1) and (D)(3) hereof, nor more than 3/4 of 1% in the case of an employer whose preliminary rate is determined as provided in (D)(4) hereof.

(iv) If the amount of the State disability benefits fund determined as provided in paragraph (E)(1) of this subsection is equal to or less than 1/4 of 1%, then the final rate shall be 2/5 of 1% in the case of an employer

whose preliminary rate is determined as provided in (D)(2) hereof, 7/10 of 1% in the case of an employer whose preliminary rate is determined as provided in (D)(1) and (D)(3) hereof, and 1.1% in the case of an employer whose preliminary rate is determined as provided in (D)(4) hereof. Notwithstanding any other provision of law or any determination made by the controller with respect to any 12-month period commencing on July 1, 1970, the final rates for all employers for the period beginning January 1, 1971, shall be as set forth herein.

14. Section 29 of P.L.1992, c.160 (C.43:21-7b) is amended to read as follows:

C.43:21-7b Contributions to Health Care Subsidy Fund.

29. a. Beginning January 1, 1993 until December 31, 1995, except as provided pursuant to subsection b. of this section, each employee shall, in such a manner and at such times as determined by the commissioner, contribute to the fund an amount equal to 0.6% of the employee's taxable wages.

Beginning April 1, 1996 through December 31, 1996, each employee shall, in such a manner and at such times as determined by the commissioner, contribute to the fund an amount equal to 0.6% of the employee's taxable wages, except that the total amount contributed to the fund when combined with the employee's contribution made pursuant to R.S.43:31-7(d)(1)(D) for the period January 1, 1996 through March 31, 1996, shall not exceed 0.6% of the employee's taxable wages for the 1996 calendar year.

Beginning January 1, 1997 through December 31, 1997, each employee shall, in such a manner and at such times as determined by the commissioner, contribute to the fund an amount equal to 0.5% of the employee's taxable wages.

Also beginning on January 1, 1993 until December 31, 1995 and beginning April 1, 1996 until December 31, 1997, each employer shall, in such a manner and at such times as determined by the commissioner, contribute to the fund an amount equal to the amount that the employer's contribution to the unemployment compensation fund is decreased pursuant to subparagraph (H) of paragraph (5) of subsection (c) of R.S.43:21-7.

b. If the unemployment compensation fund reserve ratio, as determined pursuant to paragraph (5) of subsection (c) of R.S.43:21-7, decreases to a level of less than 4.00% on March 31 of calendar year 1994 or calendar year 1995, the provisions of subsection a. of this section shall cease to be in effect as of July 1 of that calendar year and each employer who would be subject to making the contributions pursuant to subsection a. of this section if that subsection were in effect shall, beginning on July 1 of that calendar year, contribute to the fund an amount equal to 0.62% of the total wages paid by

the employer and shall continue to contribute that amount until December 31, 1995.

c. If the total amount of contributions to the fund pursuant to this section during the calendar year 1993 exceeds $600 million, all contributions which exceed $600 million shall be deposited in the unemployment compensation fund. If the total amount of contributions to the fund pursuant to this section during calendar year 1994 or calendar year 1995 exceeds $500 million, all contributions which exceed $500 million shall be deposited in the unemployment compensation fund. If the total amount of contributions made to the fund pursuant to this section for the calendar year 1996 or 1997 exceeds $330 million, all contributions which exceed $330 million in calendar year 1996 or 1997 shall be deposited in the unemployment compensation fund.

d. All necessary administrative costs related to the collection of contributions pursuant to this section shall be paid from the contributions.

15. Section 32 of P.L.1992, c.160 (C.43:21-7e) is amended to read as follows:

C.43:21-7e Entitlement to refund or tax credit.

32. a. If an employee receives wages from more than one employer during any calendar year, and the sum of the employee's contributions deposited in the fund exceeds an amount equal to 0.6% of the wages determined in accordance with the provisions of paragraph (3) of subsection (b) of R.S.43:21-7 during calendar year 1993, calendar year 1994 or calendar year 1995, the employee shall be entitled to a refund of the excess if a claim establishing the employee's right to the refund is made within two years after the end of the respective calendar year in which the wages are received and are the subject of the claim. The commissioner shall refund any overpayment from the fund without interest.

If an employee receives wages from more than one employer during the calendar year 1996 and the sum of the employee's contributions deposited in the unemployment compensation fund during the period January 1, 1996 through March 31, 1996 and the employee's contributions deposited in the health care subsidy fund during the period April 1, 1996 through December 31, 1996 exceeds an amount equal to 0.6% of the wages determined in accordance with the provisions of paragraph (3) of subsection (b) of R.S.43:21-7 which wages are received during the period January 1, 1996 through December 31, 1996, the employee shall be entitled to a refund of the excess if a claim establishing the employee's right to the refund is made within two years after the end of the respective calendar year in which the wages are received and are the subject of the claim. The commissioner shall

refund any overpayment without interest from the unemployment compensation fund or the health care subsidy fund, or both, as appropriate.

If an employee receives wages from more than one employer during the calendar year 1997, and the sum of the employee's contributions deposited in the fund exceeds an amount equal to 0.5% of the wages determined in accordance with the provisions of paragraph (3) of subsection (b) of R.S.43:21-7 during calendar year 1997, the employee shall be entitled to a refund of the excess if a claim establishing the employee's right to the refund is made within two years after the end of the respective calendar year in which the wages are received and are the subject of the claim. The commissioner shall refund any overpayment from the fund without interest.

b. Any employee who is a taxpayer and entitled, pursuant to the provisions of subsection a. of this section, to a refund of contributions deducted during a tax year from his wages shall, in lieu of the refund, be entitled to a credit in the full amount thereof against the tax otherwise due on his New Jersey gross income for that tax year if he submits his claim for the credit and accompanies that claim with evidence of his right to the credit in the manner provided by regulation by the Director of the Division of Taxation. In any case in which the amount, or any portion thereof, of any credit allowed hereunder results in or increases an excess of income tax payment over income tax liability, the amount of the new or increased excess shall be considered an overpayment and shall be refunded to the taxpayer in the manner provided by subsection (a) of N.J.S.54A:9-7.

16. Section 4 of P.L.1971, c.346 (C.43:21-7.3) is amended to read as follows:

C.43:21-7.3 Governmental entities.

4. (a) Notwithstanding any other provisions of the "unemployment compensation law" for the payment of contributions, benefits paid to individuals based upon wages earned in the employ of any governmental entity or instrumentality which is an employer defined under R.S.43:21-19(h)(5) shall, to the extent that such benefits are chargeable to the account of such governmental entity or instrumentality in accordance with the provisions of R.S.43:21-1 et seq., be financed by payments in lieu of contributions.

(b) Any governmental entity or instrumentality may, as an alternative to financing benefits by payments in lieu of contributions, elect to pay contributions beginning with the date on which its subjectivity begins by filing written notice of its election with the department no later than 120 days after such subjectivity begins, provided that such election shall be effective for at least two full calendar years; or it may elect to pay contributions for a period of not less than two calendar years beginning January 1 of

any year if written notice of such election is filed with the department not later than February 1 of such year; provided, further, that such governmental entity or instrumentality shall remain liable for payments in lieu of contributions with respect to all benefits paid based on base year wages earned in the employ of such entity or instrumentality in the period during which it financed its benefits by payments in lieu of contributions.

(c) Any governmental entity or instrumentality may terminate its election to pay contributions as of January 1 of any year by filing written notice not later than February 1 of any year with respect to which termination is to become effective. It may not revert to a contributions method of financing for at least two full calendar years after such termination.

(d) Any governmental entity or instrumentality electing the option for contributions financing shall report and pay contributions in accordance with the provisions of R.S.43:21-7 except that, notwithstanding the provisions of that section, the contribution rate for such governmental entity or instrumentality shall be 1% for the entire calendar year 1978 and the contribution rate for any subsequent calendar years shall be the rate established for governmental entities or instrumentalities under subsection (e) of this section.

(e) On or before September 1 of each year, the Commissioner of Labor shall review the composite benefit cost experience of all governmental entities and instrumentalities electing to pay contributions and, on the basis of that experience, establish the contribution rate for the next following calendar year which can be expected to yield sufficient revenue in combination with worker contributions to equal or exceed the projected costs for that calendar year.

(f) Any covered governmental entity or instrumentality electing to pay contributions shall each year appropriate, out of its general funds, moneys to pay the projected costs of benefits at the rate determined under subsection (e) of this section. These funds shall be held in a trust fund maintained by the governmental entity for this purpose. Any surplus remaining in this trust fund may be retained in reserve for payment of benefit costs for subsequent years either by contributions or payments in lieu of contributions.

(g) Any governmental entity or instrumentality electing to finance benefit costs with payments in lieu of contributions shall pay into the fund an amount equal to all benefit costs for which it is liable pursuant to the provisions of the "unemployment compensation law." Each subject governmental entity or instrumentality shall require payments from its workers in the same manner and amount as prescribed under R.S.43:21-7(d) for governmental entities and instrumentalities financing their benefit costs with contributions. No such payment shall be used for a purpose other than to meet the benefits liability of such governmental entity or instrumentality. In addition, each subject governmental entity or instrumentality shall

appropriate out of its general funds sufficient moneys which, in addition to any worker payments it requires, are necessary to pay its annual benefit costs estimated on the basis of its past benefit cost experience; provided that for its first year of coverage, its benefit costs shall be deemed to require an appropriation equal to 1% of the projected total of its taxable wages for the year. These appropriated moneys and worker payments shall be held in a trust fund maintained by the governmental entity or instrumentality for this purpose. Any surplus remaining in this trust fund shall be retained in reserve for payment of benefit costs in subsequent years. If a governmental entity or instrumentality requires its workers to make payments as authorized herein, such workers shall not be subject to the contributions required in R.S.43:21-7(d).

(h) Notwithstanding the provisions of the above subsection (g), commencing July 1, 1986 worker contributions to the unemployment trust fund with respect to wages paid by any governmental entity or instrumentality electing or required to make payments in lieu of contributions, including the State of New Jersey, shall be made in accordance with the provisions of R.S.43:21-7(d)(1)(C) or R.S.43:21-7(d)(1)(D), as applicable, and, in addition, each governmental entity or instrumentality electing or required to make payments in lieu of contributions shall, except during the period starting January 1, 1993 and ending December 31, 1995 and the period starting April 1, 1996 and ending December 31, 1997 or, if the unemployment compensation fund reserve ratio, as determined pursuant to paragraph (5) of subsection (c) of R.S.43:21-7, decreases to a level of less than 4.00% on March 31 of calendar year 1994 or calendar year 1995, ending July 1 of that calendar year, require payments from its workers at the following rates of wages paid, which amounts are to be held in the trust fund maintained by the governmental entity or instrumentality for payment of benefit costs: for calendar year 1998 and each calendar year thereafter, 0.30%.

17. Section 1 of P.L.1944, c.81 (C.43:21-14.1) is amended to read as follows:

C.43:21-14.1 Refund of contributions; claim.

1. Any employee who is paid wages by two or more employers aggregating more than the amount of "wages" determined in accordance with the provisions of R.S.43:21-7(b)(3) shall be entitled to a refund of the amount of contributions deducted from such wages and paid to the Division of Employment Security in excess of the contribution which is determined pursuant to R.S.43:21-7(d)(1)(D) required on the amount of "wages" determined in accordance with the provisions of R.S.43:21-7(b)(3) except that no such refund shall be made unless the employee makes a claim, establishing his right thereto, within two years after the calendar year in

which the wages are paid with respect to which refund of contribution is claimed. No interest shall be allowed or paid with respect to any such refund.

18. This act shall take effect immediately and shall be retroactive to January 1, 1996.

Approved May 16, 1996.

CHAPTER 29

AN ACT concerning the Health Care Subsidy Fund and amending and supplementing P.L.1992, c.160.

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

1. Section 15 of P.L.1992, c.160 (C.26:2H-18.65) is amended to read as follows:

C.26:2H-18.65 Establishment of Health Access New Jersey program; regulations; administration.

15. There is established in the Department of Health the Health Access New Jersey program. The purpose of the program is to provide subsidies for health benefits coverage, in order to provide for health care for low income, uninsured children, working people and those temporarily unemployed, based on a sliding income scale with modest copayments. The program shall include the provision of early preventive and primary care.

The commissioner shall adopt regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) that determine eligibility for the program and the allocation of all funds in this account.

The commissioner shall contract with health insurance carriers, health maintenance organizations and other appropriate entities in the State to administer the program.

2. Section 16 of P.L.1992, c.160 (C.26:2H-18.66) is amended to read as follows:

C.26:2H-18.66 Allocation to Health Access New Jersey subsidy account.

16. The Health Access New Jersey subsidy account shall be allocated $50 million in 1995, $10 million in 1996, and $25 million in 1997.

3. The Health Access New Jersey subsidy account in the Health Care Subsidy Fund shall be funded with General Fund revenues in the following

amounts: in calendar year 1996, $10 million; and in calendar year 1997, $25 million.

C.26:2H-18.58a Funding of community-based drug abuse treatment programs.

4. The Commissioner of Health shall transfer to the Division of Alcoholism, Drug Abuse and Addiction Services in the Department of Health from the Health Care Subsidy Fund, $10 million in Fiscal Year 1997 and $20 million in Fiscal Year 1998 and each fiscal year thereafter, or such sums as are made available pursuant to section 5 of P.L.1996, c.29 (C.52:18A-2a), whichever amount is less, according to a schedule to be determined by the Commissioner of Health, to fund community-based drug abuse treatment programs in the following order of priority: residential, inpatient, intensive day and outpatient treatment.

C.52:18A-2a Transfer of revenues to Health Care Subsidy Fund.

5. The State Treasurer shall transfer to the Health Care Subsidy Fund established pursuant to section 8 of P.L.1992, c.160 (C.26:2H-18.58), revenues generated from third party liability recoveries by the State for the purposes provided in section 4 of P.L.1996, c.29 (C.26:2H-18.58a).

6. This act shall take effect immediately.

Approved May 16, 1996.

CHAPTER 30

AN ACT concerning unemployment insurance benefits, amending and supplementing chapter 21 of Title 43 of the Revised Statutes.

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

C.43:21-24.21 Definitions for purposes of Emergency Unemployment Benefits Program.

1. For the purposes of the Emergency Unemployment Benefits Program and as used in this act:

"Emergency unemployment benefits" means benefits financed entirely by the State and paid to exhaustees pursuant to this act.

"Emergency unemployment benefit period" means a period not within an extended benefit period which:

a. Begins on June 2, 1996, and

b. Ends upon the conclusion of the second week after the first week for which there is a State "on" indicator as defined in section 5 of P.L.1970,

c.324 (C.43:21-24.11) or other federally-financed supplemental benefits program, or

c. If there is no such "on" indicator, ends with the occurrence of either of the following:

(1) The third week after the first week for which there is a State emergency unemployment benefits "off" indicator; or

(2) The calendar week after the calendar week in which total expenditures of emergency unemployment compensation fund Statewide first exceed $350 million.

There is a State emergency unemployment benefits "off" indicator for any week in which it is determined by the division based on data reported by the U.S. Bureau of Labor Statistics that, for the prior four calendar months, the average total unemployment rate (seasonally adjusted) in this State is less than 6.0 percent.

Notwithstanding any other provision of this subsection c., no emergency unemployment benefits shall be paid after December 1, 1996, except that emergency benefits shall be paid to individuals who established emergency unemployment claims prior to that date. No emergency unemployment benefits shall be paid to any individual after March 1, 1997.

"Eligibility period" of an exhaustee means the period consisting of the weeks in the exhaustee's benefit year which begin in an emergency unemployment benefit period and, if that benefit year ends in the emergency unemployment benefit period, any weeks thereafter which begin in the period.

"Exhaustee" means an individual who exhausted all of the regular benefits that were available to the individual pursuant to the "unemployment compensation law," R.S.43:21-1 et seq., (including benefits payable to federal civilian employees and ex-service persons or payable under the combined wage program), after December 2, 1995 and before June 2, 1996, or during any calendar week of the emergency unemployment benefit period. No individual who exhausted all of the available regular benefits prior to December 3, 1995 shall be eligible for emergency unemployment benefits. An individual whose benefit year has expired prior to the beginning of the emergency unemployment benefit period shall not be eligible for such benefits.

C.43:21-24.22 Provision of weekly emergency unemployment benefits.

2. During an emergency unemployment benefit period exhaustees, who otherwise continue to meet the eligibility requirements for regular benefits pursuant to the provisions of the "unemployment compensation law," R.S.43:21-1 et seq., and who are not eligible for any other unemployment benefits, including benefits provided for by any federal law extending

benefits beyond those provided for as regular benefits or extended benefits, may receive weekly emergency unemployment benefits for weeks subsequent to June 2, 1996 in an amount equal to the weekly benefit amount of the individual's most recent regular unemployment benefit claim subject to the provisions of the "unemployment compensation law," R.S.43:21-1 et seq. The maximum emergency unemployment benefits an individual may receive pursuant to this act is 50 percent of the regular unemployment benefits which were payable to the individual pursuant to the "unemployment compensation law," R.S.43:21-1 et seq., (including benefits payable to federal civilian employees and ex-service persons or payable under the combined wage program) in the individual's applicable benefit year.

C.43:21-24.23 Employer's account not charged; exceptions.

3. No employer's account shall be charged for emergency unemployment benefits paid to an unemployed individual pursuant to this act, except for the account of an out-of-State employer who is liable for charges under the Combined Wage Program. However, nothing in this section shall be construed to relieve employers electing to make payments in lieu of contributions pursuant to section 3 or 4 of P.L.1971, c.346 (C.43:21-7.2 or C.43:21-7.3) from reimbursing the unemployment benefits paid to an unemployed individual pursuant to this act.

Emergency unemployment benefits paid to federal civilian employees shall be charged to the appropriate federal account. Emergency unemployment benefits paid to ex-service persons shall be charged to the unemployment compensation fund.

C.43:21-24.24 Conditions for payment.

4. Emergency unemployment benefits may be paid pursuant to the provisions of this act only with respect to weeks not within an extended benefit period, and not within a period covered by any federal law allowing the filing of new claims extending benefits beyond those provided for as regular or extended benefits. If a federal extended benefits period triggers "on," maximum benefits payable to an individual under the federal extended benefits program or any federal supplemental benefits program shall be reduced by an amount equal to that received by the individual under the emergency unemployment benefits program.

C.43:21-24.25 Administrative actions to ensure proper payment of emergency unemployment benefits.

5. Notwithstanding the provisions of any other law, the division shall use appropriate administrative means to insure that emergency unemployment benefits are paid only to individuals who meet the requirements of this act. These administrative actions may include, but shall not be limited to,

the following procedure: the division shall match the claimant's social security number against available wage records to insure that no earnings were reported for that claimant by employers under R.S.43:21-14 for periods in which emergency unemployment benefits were paid. All necessary administrative costs related to implementation of this act shall be paid from contributions made pursuant to section 29 of P.L.1992, c.160 (C.43:21-7b).

6. R.S.43:21-7 is amended to read as follows:

Contributions.

43:21-7. Contributions. Employers other than governmental entities, whose benefit financing provisions are set forth in section 4 of P.L.1971, c.346 (C.43:21-7.3), and those nonprofit organizations liable for payment in lieu of contributions on the basis set forth in section 3 of P.L.1971, c.346 (C.43:21-7.2), shall pay to the controller for the unemployment compensation fund, contributions as set forth in subsections (a), (b) and (c) hereof, and the provisions of subsections (d) and (e) shall be applicable to all employers, consistent with the provisions of the "unemployment compensation law" and the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.).

(a) Payment.

(1) Contributions shall accrue and become payable by each employer for each calendar year in which he is subject to this chapter (R.S.43:21-1 et seq.), with respect to having individuals in his employ during that calendar year, at the rates and on the basis hereinafter set forth. Such contributions shall become due and be paid by each employer to the controller for the fund, in accordance with such regulations as may be prescribed, and shall not be deducted, in whole or in part, from the remuneration of individuals in his employ.

(2) In the payment of any contributions, a fractional part of a cent shall be disregarded unless it amounts to $0.005 or more, in which case it shall be increased to $0.01.

(b) Rate of contributions. Each employer shall pay the following contributions:

(1) For the calendar year 1947, and each calendar year thereafter, 2 7/10% of wages paid by him during each such calendar year, except as otherwise prescribed by subsection (c) of this section.

(2) The "wages" of any individual, with respect to any one employer, as the term is used in this subsection (b) and in subsections (c), (d) and (e) of this section 7, shall include the first $4,800.00 paid during calendar year 1975, for services performed either within or without this State; provided that no contribution shall be required by this State with respect to services performed in another state if such other state imposes contribution liability

with respect thereto. If an employer (hereinafter referred to as a successor employer) during any calendar year acquires substantially all the property used in a trade or business of another employer (hereinafter referred to as a predecessor), or used in a separate unit of a trade or business of a predecessor, and immediately after the acquisition employs in his trade or business an individual who immediately prior to the acquisition was employed in the trade or business of such predecessor, then, for the purpose of determining whether the successor employer has paid wages with respect to employment equal to the first $4,800.00 paid during calendar year 1975, any wages paid to such individual by such predecessor during such calendar year and prior to such acquisition shall be considered as having been paid by such successor employer.

(3) For calendar years beginning on and after January 1, 1976, the "wages" of any individual, as defined in the preceding paragraph (2) of this subsection (b), shall be established and promulgated by the Commissioner of Labor on or before September 1 of the preceding year and shall be 28 times the Statewide average weekly remuneration paid to workers by employers, as determined under R.S.43:21-3(c), raised to the next higher multiple of $100.00 if not already a multiple thereof, provided that if the amount of wages so determined for a calendar year is less than the amount similarly determined for the preceding year, the greater amount will be used; provided, further, that if the amount of such wages so determined does not equal or exceed the amount of wages as defined in subsection (b) of section 3306 of the Federal Unemployment Tax Act, Chapter 23 of the Internal Revenue Code of 1986 (26 U.S.C.§3306(b)), the wages as determined in this paragraph in any calendar year shall be raised to equal the amount established under the Federal Unemployment Tax Act for that calendar year.

(c) Future rates based on benefit experience.

(1) A separate account for each employer shall be maintained and this shall be credited with all the contributions which he has paid on his own behalf on or before January 31 of any calendar year with respect to employment occurring in the preceding calendar year; provided, however, that if January 31 of any calendar year falls on a Saturday or Sunday, an employer's account shall be credited as of January 31 of such calendar year with all the contributions which he has paid on or before the next succeeding day which is not a Saturday or Sunday. But nothing in this chapter (R.S.43:21-1 et seq.) shall be construed to grant any employer or individuals in his service prior claims or rights to the amounts paid by him into the fund either on his own behalf or on behalf of such individuals. Benefits paid with respect to benefit years commencing on and after January 1, 1953, to any individual on or before December 31 of any calendar year with respect to unemployment in such calendar year and in preceding calendar years shall

be charged against the account or accounts of the employer or employers in whose employment such individual established base weeks constituting the basis of such benefits. Benefits paid under a given benefit determination shall be charged against the account of the employer to whom such determination relates. When each benefit payment is made, either a copy of the benefit check or other form of notification shall be promptly sent to the employer against whose account the benefits are to be charged. Such copy or notification shall identify the employer against whose account the amount of such payment is being charged, shall show at least the name and social security account number of the claimant and shall specify the period of unemployment to which said check applies. If the total amount of benefits paid to a claimant and charged to the account of the appropriate employer exceeds 50% of the total base year, base week wages paid to the claimant by that employer, then such employer shall have canceled from his account such excess benefit charges as specified above.

Each employer shall be furnished an annual summary statement of benefits charged to his account.

(2) Regulations may be prescribed for the establishment, maintenance, and dissolution of joint accounts by two or more employers, and shall, in accordance with such regulations and upon application by two or more employers to establish such an account, or to merge their several individual accounts in a joint account, maintain such joint account as if it constituted a single employer's account.

(3) No employer's rate shall be lower than 5.4% unless assignment of such lower rate is consistent with the conditions applicable to additional credit allowance for such year under section 3303(a)(1) of the Internal Revenue Code of 1986 (26 U.S.C.§3303(a)(1)), any other provision of this section to the contrary notwithstanding.

(4) Employer Reserve Ratio. (A) Each employer's rate shall be 2 8/10%, except as otherwise provided in the following provisions. No employer's rate for the 12 months commencing July 1 of any calendar year shall be other than 2 8/10%, unless as of the preceding January 31 such employer shall have paid contributions with respect to wages paid in each of the three calendar years immediately preceding such year, in which case such employer's rate for the 12 months commencing July 1 of any calendar year shall be determined on the basis of his record up to the beginning of such calendar year. If, at the beginning of such calendar year, the total of all his contributions, paid on his own behalf, for all past years exceeds the total benefits charged to his account for all such years, his contribution rate shall be:

(1) 2 5/10%, if such excess equals or exceeds 4%, but less than 5%, of his average annual payroll (as defined in paragraph (2), subsection (a) of R.S.43:21-19);

(2) 2 2/10%, if such excess equals or exceeds 5%, but is less than 6%, of his average annual payroll;

(3) 1 9/10%, if such excess equals or exceeds 6%, but is less than 7%, of his average annual payroll;

(4) 1 6/10%, if such excess equals or exceeds 7%, but is less than 8%, of his average annual payroll;

(5) 1 3/10%, if such excess equals or exceeds 8%, but is less than 9%, of his average annual payroll;

(6) 1%, if such excess equals or exceeds 9%, but is less than 10%, of his average annual payroll;

(7) 7/10 of 1%, if such excess equals or exceeds 10%, but is less than 11%, of his average annual payroll;

(8) 4/10 of 1%, if such excess equals or exceeds 11% of his average annual payroll.

(B) If the total of an employer's contributions, paid on his own behalf, for all past periods for the purposes of this paragraph (4), is less than the total benefits charged against his account during the same period, his rate shall be:

(1) 4%, if such excess is less than 10% of his average annual payroll;

(2) 4 3/10%, if such excess equals or exceeds 10%, but is less than 20%, of his average annual payroll;

(3) 4 6/10%, if such excess equals or exceeds 20% of his average annual payroll.

(C) Specially assigned rates. If no contributions were paid on wages for employment in any calendar year used in determining the average annual payroll of an employer eligible for an assigned rate under this paragraph (4), the employer's rate shall be specially assigned as follows:

(i) if the reserve balance in its account is positive, its assigned rate shall be the highest rate in effect for positive balance accounts for that period, or 5.4%, whichever is higher, and (ii) if the reserve balance in its account is negative, its assigned rate shall be the highest rate in effect for deficit accounts for that period.

(D) The contribution rates prescribed by subparagraphs (A) and (B) of this paragraph (4) shall be increased or decreased in accordance with the provisions of paragraph (5) of this subsection (c) for experience rating periods through June 30, 1986.

(5) (A) Unemployment Trust Fund Reserve Ratio. If on March 31 of any calendar year the balance in the unemployment trust fund equals or exceeds 4% but is less than 7% of the total taxable wages reported to the controller as of that date in respect to employment during the preceding calendar year, the contribution rate, effective July 1 following, of each employer eligible for a contribution rate calculation based upon benefit

experience, shall be increased by 3/10 of 1% over the contribution rate otherwise established under the provisions of paragraph (3) or (4) of this subsection. If on March 31 of any calendar year the balance of the unemployment trust fund exceeds 2 1/2% but is less than 4% of the total taxable wages reported to the controller as of that date in respect to employment during the preceding calendar year, the contribution rate, effective July 1 following, of each employer eligible for a contribution rate calculation based upon benefit experience, shall be increased by 6/10 of 1% over the contribution rate otherwise established under the provisions of paragraph (3) or (4) of this subsection.

If on March 31 of any calendar year the balance of the unemployment trust fund is less than 2 1/2% of the total taxable wages reported to the controller as of that date in respect to employment during the preceding calendar year, the contribution rate, effective July 1 following, of each employer (1) eligible for a contribution rate calculation based upon benefit experience, shall be increased by (i) 6/10 of 1% over the contribution rate otherwise established under the provisions of paragraph (3), (4)(A) or (4)(B) of this subsection, and (ii) an additional amount equal to 20% of the total rate established herein, provided, however, that the final contribution rate for each employer shall be computed to the nearest multiple of 1/10% if not already a multiple thereof; (2) not eligible for a contribution rate calculation based upon benefit experience, shall be increased by 6/10 of 1% over the contribution rate otherwise established under the provisions of paragraph (4) of this subsection. For the period commencing July 1, 1984 and ending June 30, 1986, the contribution rate for each employer liable to pay contributions under R.S.43:21-7 shall be increased by a factor of 10% computed to the nearest multiple of 1/10% if not already a multiple thereof.

(B) If on March 31 of any calendar year the balance in the unemployment trust fund equals or exceeds 10% but is less than 12 1/2% of the total taxable wages reported to the controller as of that date in respect to employment during the preceding calendar year, the contribution rate, effective July 1 following, of each employer eligible for a contribution rate calculation based upon benefit experience, shall be reduced by 3/10 of 1% under the contribution rate otherwise established under the provisions of paragraphs (3) and (4) of this subsection; provided that in no event shall the contribution rate of any employer be reduced to less than 4/10 of 1%. If on March 31 of any calendar year the balance in the unemployment trust fund equals or exceeds 12 1/2% of the total taxable wages reported to the controller as of that date in respect to employment during the preceding calendar year, the contribution rate, effective July 1 following, of each employer eligible for a contribution rate calculation based upon benefit experience, shall be reduced by 6/10 of 1% if his account for all past periods

reflects an excess of contributions paid over total benefits charged of 3% or more of his average annual payroll, otherwise by 3/10 of 1% under the contribution rate otherwise established under the provisions of paragraphs (3) and (4) of this subsection; provided that in no event shall the contribution rate of any employer be reduced to less than 4/10 of 1%.

(C) The "balance" in the unemployment trust fund, as the term is used in subparagraphs (A) and (B) above, shall not include moneys credited to the State's account under section 903 of the Social Security Act, as amended (42 U.S.C.§1103), during any period in which such moneys are appropriated for the payment of expenses incurred in the administration of the "unemployment compensation law."

(D) Prior to July 1 of each calendar year the controller shall determine the Unemployment Trust Reserve Ratio, which shall be calculated by dividing the balance of the unemployment trust fund as of the prior March 31 by total taxable wages reported to the controller by all employers as of March 31 with respect to their employment during the last calendar year.

(E)(i) With respect to experience rating years beginning on or after July 1, 1986 and before July 1, 1997, the new employer rate or the unemployment experience rate of an employer under this section shall be the rate which appears in the column headed by the Unemployment Trust Fund Reserve Ratio as of the applicable calculation date and on the line with the Employer Reserve Ratio, as defined in paragraph 4 of this subsection (R.S.43:21-7 (c)(4)), as set forth in the following table:

EXPERIENCE RATING TAX TABLE

Employer Reserve Ratio[2]	Fund Reserve Ratio[1] 10.00% and Over A	7.00% to 9.99% B	4.00% to 6.99% C	2.50% to 3.99% D	2.49% and Under E
Positive Reserve Ratio:					
17% and over	0.3	0.4	0.5	0.6	1.2
16.00% to 16.99%	0.4	0.5	0.6	0.6	1.2
15.00% to 15.99%	0.4	0.6	0.7	0.7	1.2
14.00% to 14.99%	0.5	0.6	0.7	0.8	1.2
13.00% to 13.99%	0.6	0.7	0.8	0.9	1.2
12.00% to 12.99%	0.6	0.8	0.9	1.0	1.2
11.00% to 11.99%	0.7	0.8	1.0	1.1	1.2
10.00% to 10.99%	0.9	1.1	1.3	1.5	1.6
9.00% to 9.99%	1.0	1.3	1.6	1.7	1.9
8.00% to 8.99%	1.3	1.6	1.9	2.1	2.3

7.00% to 7.99%	1.4	1.8	2.2	2.4	2.6
6.00% to 6.99%	1.7	2.1	2.5	2.8	3.0
5.00% to 5.99%	1.9	2.4	2.8	3.1	3.4
4.00% to 4.99%	2.0	2.6	3.1	3.4	3.7
3.00% to 3.99%	2.1	2.7	3.2	3.6	3.9
2.00% to 2.99%	2.2	2.8	3.3	3.7	4.0
1.00% to 1.99%	2.3	2.9	3.4	3.8	4.1
0.00% to 0.99%	2.4	3.0	3.6	4.0	4.3
Deficit Reserve Ratio:					
-0.00% to -2.99%	3.4	4.3	5.1	5.6	6.1
-3.00% to -5.99%	3.4	4.3	5.1	5.7	6.2
-6.00% to -8.99%	3.5	4.4	5.2	5.8	6.3
-9.00% to-11.99%	3.5	4.5	5.3	5.9	6.4
-12.00% to-14.99%	3.6	4.6	5.4	6.0	6.5
-15.00% to-19.99%	3.6	4.6	5.5	6.1	6.6
-20.00% to-24.99%	3.7	4.7	5.6	6.2	6.7
-25.00% to-29.99%	3.7	4.8	5.6	6.3	6.8
-30.00% to-34.99%	3.8	4.8	5.7	6.3	6.9
-35.00% and under	5.4	5.4	5.8	6.4	7.0
New Employer Rate	2.8	2.8	2.8	3.1	3.4

[1]Fund balance as of March 31 as a percentage of taxable wages in the prior calendar year.

[2]Employer Reserve Ratio (Contributions minus benefits as a percentage of employer's taxable wages).

(ii) With respect to experience rating years beginning on or after July 1, 1997, the new employer rate or the unemployment experience rate of an employer under this section shall be the rate which appears in the column headed by the Unemployment Trust Fund Reserve Ratio as of the applicable calculation date and on the line with the Employer Reserve Ratio, as defined in paragraph 4 of this subsection (R.S.43:21-7 (c)(4)), as set forth in the following table:

EXPERIENCE RATING TAX TABLE
Fund Reserve Ratio[1]

Employer Reserve Ratio[2]	6.00% and Over A	4.00% to 5.99% B	3.00% to 3.99% C	2.50% to 2.99% D	2.49% and Under E
Positive Reserve Ratio:					
17% and over	0.3	0.4	0.5	0.6	1.2

16.00% to 16.99%	0.4	0.5	0.6	0.6	1.2
15.00% to 15.99%	0.4	0.6	0.7	0.7	1.2
14.00% to 14.99%	0.5	0.6	0.7	0.8	1.2
13.00% to 13.99%	0.6	0.7	0.8	0.9	1.2
12.00% to 12.99%	0.6	0.8	0.9	1.0	1.2
11.00% to 11.99%	0.7	0.8	1.0	1.1	1.2
10.00% to 10.99%	0.9	1.1	1.3	1.5	1.6
9.00% to 9.99%	1.0	1.3	1.6	1.7	1.9
8.00% to 8.99%	1.3	1.6	1.9	2.1	2.3
7.00% to 7.99%	1.4	1.8	2.2	2.4	2.6
6.00% to 6.99%	1.7	2.1	2.5	2.8	3.0
5.00% to 5.99%	1.9	2.4	2.8	3.1	3.4
4.00% to 4.99%	2.0	2.6	3.1	3.4	3.7
3.00% to 3.99%	2.1	2.7	3.2	3.6	3.9
2.00% to 2.99%	2.2	2.8	3.3	3.7	4.0
1.00% to 1.99%	2.3	2.9	3.4	3.8	4.1
0.00% to 0.99%	2.4	3.0	3.6	4.0	4.3
Deficit Reserve Ratio:					
-0.00% to -2.99%	3.4	4.3	5.1	5.6	6.1
-3.00% to -5.99%	3.4	4.3	5.1	5.7	6.2
-6.00% to -8.99%	3.5	4.4	5.2	5.8	6.3
-9.00% to-11.99%	3.5	4.5	5.3	5.9	6.4
-12.00% to-14.99%	3.6	4.6	5.4	6.0	6.5
-15.00% to-19.99%	3.6	4.6	5.5	6.1	6.6
-20.00% to-24.99%	3.7	4.7	5.6	6.2	6.7
-25.00% to-29.99%	3.7	4.8	5.6	6.3	6.8
-30.00% to-34.99%	3.8	4.8	5.7	6.3	6.9
-35.00% and under	5.4	5.4	5.8	6.4	7.0
New Employer Rate	2.8	2.8	2.8	3.1	3.4

[1]Fund balance as of March 31 as a percentage of taxable wages in the prior calendar year.

[2]Employer Reserve Ratio (Contributions minus benefits as a percentage of employer's taxable wages).

(F)(i) With respect to experience rating years beginning on or after July 1, 1986 and before July 1, 1997, if the balance of the unemployment trust fund as of the prior March 31 is negative, the contribution rate for each employer liable to pay contributions, as computed under subparagraph E of this paragraph (5), shall be increased by a factor of 10% computed to the nearest multiple of 1/10% if not already a multiple thereof.

(ii) With respect to experience rating years beginning on or after July 1, 1997, if the fund reserve ratio, based on the fund balance as of the prior March 31, is less than 1.00%, the contribution rate for each employer liable

to pay contributions, as computed under subparagraph E of this paragraph (5), shall be increased by a factor of 10% computed to the nearest multiple of 1/10% if not already a multiple thereof.

(G) On or after January 1, 1993, notwithstanding any other provisions of this paragraph (5), the contribution rate for each employer liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be decreased by 0.1%, except that, during any experience rating year in which the fund reserve ratio is equal to or greater than 7.00%, there shall be no decrease pursuant to this subparagraph (G) in the contribution of any employer who has a deficit reserve ratio of negative 35.00% or under.

(H) On or after January 1, 1993 until December 31, 1993, notwithstanding any other provisions of this paragraph (5), the contribution rate for each employer liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be decreased by a factor of 52.0% computed to the nearest multiple of 1/10%, except that, if an employer has a deficit reserve ratio of negative 35.0% or under, the employer's rate of contribution shall not be reduced pursuant to this subparagraph (H) to less than 5.4%. The amount of the reduction in the employer contributions stipulated by this subparagraph (H) shall be in addition to the amount of the reduction in the employer contributions stipulated by subparagraph (G) of this paragraph (5), except that the rate of contribution of an employer who has a deficit reserve ratio of negative 35.0% or under shall not be reduced pursuant to this subparagraph (H) to less than 5.4% and the rate of contribution of any other employer shall not be reduced to less than 0.0%.

On or after January 1, 1994 until December 31, 1995, except as provided pursuant to subparagraph (I) of this paragraph (5), notwithstanding any other provisions of this paragraph (5), the contribution rate for each employer liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be decreased by a factor of 36.0% computed to the nearest multiple of 1/10%, except that, if an employer has a deficit reserve ratio of negative 35.0% or under, the employer's rate of contribution shall not be reduced pursuant to this subparagraph (H) to less than 5.4%. The amount of the reduction in the employer contributions stipulated by this subparagraph (H) shall be in addition to the amount of the reduction in the employer contributions stipulated by subparagraph (G) of this paragraph (5), except that the rate of contribution of an employer who has a deficit reserve ratio of negative 35.0% or under shall not be reduced pursuant to this subparagraph (H) to less than 5.4% and the rate of contribution of any other employer shall not be reduced to less than 0.0%.

On or after April 1, 1996 until December 31, 1996, the contribution rate for each employer liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be decreased by a factor of 25.0%

computed to the nearest multiple of 1/10%, except that, if an employer has a deficit reserve ratio of negative 35.0% or under, the employer's rate of contribution shall not be reduced pursuant to this subparagraph (H) to less than 5.4%. The amount of the reduction in the employer contributions stipulated by this subparagraph (H) shall be in addition to the amount of the reduction in the employer contributions stipulated by subparagraph (G) of this paragraph (5), except that the rate of contribution of an employer who has a deficit reserve ratio of negative 35.0% or under shall not be reduced pursuant to this subparagraph (H) to less than 5.4% and the rate of contribution of any other employer shall not be reduced to less than 0.0%.

On or after January 1, 1997 until December 31, 1997, the contribution rate for each employer liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be decreased by a factor of 10.0% computed to the nearest multiple of 1/10%, except that, if an employer has a deficit reserve ratio of negative 35.0% or under, the employer's rate of contribution shall not be reduced pursuant to this subparagraph (H) to less than 5.4%. The amount of the reduction in the employer contributions stipulated by this subparagraph (H) shall be in addition to the amount of the reduction in the employer contributions stipulated by subparagraph (G) of this paragraph (5), except that the rate of contribution of an employer who has a deficit reserve ratio of negative 35.0% or under shall not be reduced pursuant to this subparagraph (H) to less than 5.4% and the rate of contribution of any other employer shall not be reduced to less than 0.0%.

(I) If the fund reserve ratio decreases to a level of less than 4.00% on March 31 of calendar year 1994 or calendar year 1995, the provisions of subparagraph (H) of this paragraph (5) shall cease to be in effect as of July 1 of that calendar year.

If, upon calculating the unemployment compensation fund reserve ratio pursuant to R.S.43:21-7(c)(5)(D) prior to March 31, 1997, the controller finds that the fund reserve ratio has decreased to a level of less than 3.00%, the Commissioner of Labor shall notify the State Treasurer of this fact and of the dollar amount necessary to bring the fund reserve ratio up to a level of 3.00%. The State Treasurer shall, prior to March 31, 1997, transfer from the General Fund to the unemployment compensation fund, revenues in the amount specified by the commissioner and which, upon deposit in the unemployment compensation fund, shall result, upon recalculation, in a fund reserve ratio used to determine employer contributions beginning July 1, 1997, of at least 3.00%.

If, upon calculating the unemployment compensation fund reserve ratio pursuant to R.S.43:21-7(c)(5)(D) prior to March 31, 1998, the controller finds that the fund reserve ratio has decreased to a level of less than 3.00%,

the Commissioner of Labor shall notify the State Treasurer of this fact and of the dollar amount necessary to bring the fund reserve ratio up to a level of 3.00%. The State Treasurer shall, prior to March 31, 1998, transfer from the General Fund to the unemployment compensation fund, revenues in the amount specified by the commissioner and which, upon deposit in the unemployment compensation fund, shall result, upon recalculation, in a fund reserve ratio used to determine employer contributions beginning July 1, 1998 of at least 3.00%.

(6) Additional contributions.

Notwithstanding any other provision of law, any employer who has been assigned a contribution rate pursuant to subsection (c) of this section for the year commencing July 1, 1948, and for any year commencing July 1 thereafter, may voluntarily make payment of additional contributions, and upon such payment shall receive a recomputation of the experience rate applicable to such employer, including in the calculation the additional contribution so made. Any such additional contribution shall be made during the 30-day period following the date of the mailing to the employer of the notice of his contribution rate as prescribed in this section, unless, for good cause, the time for payment has been extended by the controller for not to exceed an additional 60 days; provided that in no event may such payments which are made later than 120 days after the beginning of the year for which such rates are effective be considered in determining the experience rate for the year in which the payment is made. Any employer receiving any extended period of time within which to make such additional payment and failing to make such payment timely shall be, in addition to the required amount of additional payment, a penalty of 5% thereof or $5.00, whichever is greater, not to exceed $50.00. Any adjustment under this subsection shall be made only in the form of credits against accrued or future contributions.

(7) Transfers.

(A) Upon the transfer of the organization, trade or business, or substantially all the assets of an employer to a successor in interest, whether by merger, consolidation, sale, transfer, descent or otherwise, the controller shall transfer the employment experience of the predecessor employer to the successor in interest, including credit for past years, contributions paid, annual payrolls, benefit charges, et cetera, applicable to such predecessor employer, pursuant to regulation, if it is determined that the employment experience of the predecessor employer with respect to the organization, trade, assets or business which has been transferred may be considered indicative of the future employment experience of the successor in interest. Unless the predecessor employer was owned or controlled (by legally enforceable means or otherwise), directly or indirectly, by the successor in interest, or the predecessor employer and the successor in interest were

owned or controlled (by legally enforceable means or otherwise), directly or indirectly, by the same interest or interests, the transfer of the employment experience of the predecessor shall not be effective if such successor in interest, within four months of the date of such transfer of the organization, trade, assets or business, or thereafter upon good cause shown, files a written notice protesting the transfer of the employment experience of the predecessor employer.

(B) An employer who transfers part of his or its organization, trade, assets or business to a successor in interest, whether by merger, consolidation, sale, transfer, descent or otherwise, may jointly make application with such successor in interest for transfer of that portion of the employment experience of the predecessor employer relating to the portion of the organization, trade, assets or business transferred to the successor in interest, including credit for past years, contributions paid, annual payrolls, benefit charges, et cetera, applicable to such predecessor employer. The transfer of employment experience may be allowed pursuant to regulation only if it is found that the employment experience of the predecessor employer with respect to the portion of the organization, trade, assets or business which has been transferred may be considered indicative of the future employment experience of the successor in interest. Credit shall be given to the successor in interest only for the years during which contributions were paid by the predecessor employer with respect to that part of the organization, trade, assets or business transferred.

(C) A transfer of the employment experience in whole or in part having become final, the predecessor employer thereafter shall not be entitled to consideration for an adjusted rate based upon his or its experience or the part thereof, as the case may be, which has thus been transferred. A successor in interest to whom employment experience or a part thereof is transferred pursuant to this subsection shall, as of the date of the transfer of the organization, trade, assets or business, or part thereof, immediately become an employer if not theretofore an employer subject to this chapter (R.S.43:21-1 et seq.).

(d) Contributions of workers to the unemployment compensation fund and the State disability benefits fund.

(1) (A) For periods after January 1, 1975, each worker shall contribute to the fund 1% of his wages with respect to his employment with an employer, which occurs on and after January 1, 1975, after such employer has satisfied the condition set forth in subsection (h) of R.S.43:21-19 with respect to becoming an employer; provided, however, that such contributions shall be at the rate of 1/2 of 1% of wages paid with respect to employment while the worker is in the employ of the State of New Jersey, or any governmental entity or instrumentality which is an employer as

defined under R.S.43:21-19(h)(5), or is covered by an approved private plan under the "Temporary Disability Benefits Law" or while the worker is exempt from the provisions of the "Temporary Disability Benefits Law" under section 7 of that law, P.L.1948, c.110 (C.43:21-31).

(B) Effective January 1, 1978 there shall be no contributions by workers in the employ of any governmental or nongovernmental employer electing or required to make payments in lieu of contributions unless the employer is covered by the State plan under the "Temporary Disability Benefits Law" (C.43:21-37 et seq.), and in that case contributions shall be at the rate of 1/2 of 1%, except that commencing July 1, 1986, workers in the employ of any nongovernmental employer electing or required to make payments in lieu of contributions shall be required to make contributions to the fund at the same rate prescribed for workers of other nongovernmental employers.

(C) (i) Notwithstanding the above provisions of this paragraph (1), during the period starting July 1, 1986 and ending December 31, 1992, each worker shall contribute to the fund 1.125% of wages paid with respect to his employment with a governmental employer electing or required to pay contributions or nongovernmental employer, including a nonprofit organization which is an employer as defined under R.S.43:21-19(h)(6), regardless of whether that nonprofit organization elects or is required to finance its benefit costs with contributions to the fund or by payments in lieu of contributions, after that employer has satisfied the conditions set forth in subsection R.S.43:21-19(h) with respect to becoming an employer. Contributions, however, shall be at the rate of 0.625% while the worker is covered by an approved private plan under the "Temporary Disability Benefits Law" while the worker is exempt under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or any other provision of that law; provided that such contributions shall be at the rate of 0.625% of wages paid with respect to employment with the State of New Jersey or any other governmental entity or instrumentality electing or required to make payments in lieu of contributions and which is covered by the State plan under the "Temporary Disability Benefits Law," except that, while the worker is exempt from the provisions of the "Temporary Disability Benefits Law" under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or any other provision of that law, or is covered for disability benefits by an approved private plan of the employer, the contributions to the fund shall be 0.125%.

(ii) (Deleted by amendment, P.L.1995, c.422.)

(D) Notwithstanding any other provisions of this paragraph (1), during the period starting January 1, 1993 and ending June 30, 1994, each worker shall contribute to the unemployment compensation fund 0.5% of wages paid with respect to the worker's employment with a governmental employer electing or required to pay contributions or nongovernmental employer, including a

nonprofit organization which is an employer as defined under paragraph (6) of subsection (h) of R.S.43:21-19, regardless of whether that nonprofit organization elects or is required to finance its benefit costs with contributions to the fund or by payments in lieu of contributions, after that employer has satisfied the conditions set forth in subsection (h) of R.S.43:21-19 with respect to becoming an employer. No contributions, however, shall be made by the worker while the worker is covered by an approved private plan under the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.) or while the worker is exempt under section 7 of P.L.1948, c.110 (C.43:21-31) or any other provision of that law; provided that the contributions shall be at the rate of 0.50% of wages paid with respect to employment with the State of New Jersey or any other governmental entity or instrumentality electing or required to make payments in lieu of contributions and which is covered by the State plan under the "Temporary Disability Benefits Law," except that, while the worker is exempt from the provisions of the "Temporary Disability Benefits Law" under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or any other provision of that law, or is covered for disability benefits by an approved private plan of the employer, no contributions shall be made to the fund.

Each worker shall, starting on January 1, 1996 and ending March 31, 1996, contribute to the unemployment compensation fund 0.60% of wages paid with respect to the worker's employment with a governmental employer electing or required to pay contributions or nongovernmental employer, including a nonprofit organization which is an employer as defined under paragraph (6) of subsection (h) of R.S.43:21-19, regardless of whether that nonprofit organization elects or is required to finance its benefit costs with contributions to the fund or by payments in lieu of contributions, after that employer has satisfied the conditions set forth in subsection (h) of R.S.43:21-19 with respect to becoming an employer, provided that the contributions shall be at the rate of 0.10% of wages paid with respect to employment with the State of New Jersey or any other governmental entity or instrumentality electing or required to make payments in lieu of contributions.

Each worker shall, starting on January 1, 1998 contribute to the unemployment compensation fund 0.40% of wages paid with respect to the worker's employment with a governmental employer electing or required to pay contributions or nongovernmental employer, including a nonprofit organization which is an employer as defined under paragraph (6) of subsection (h) of R.S.43:21-19, regardless of whether that nonprofit organization elects or is required to finance its benefit costs with contributions to the fund or by payments in lieu of contributions, after that employer has satisfied the conditions set forth in subsection (h) of R.S.43:21-19 with respect to becoming an employer, provided that the contributions shall be at the rate of 0.10% of wages paid with respect to employment with the

State of New Jersey or any other governmental entity or instrumentality electing or required to make payments in lieu of contributions.

(E) Each employer shall, notwithstanding any provision of law in this State to the contrary, withhold in trust the amount of his workers' contributions from their wages at the time such wages are paid, shall show such deduction on his payroll records, shall furnish such evidence thereof to his workers as the division or controller may prescribe, and shall transmit all such contributions, in addition to his own contributions, to the office of the controller in such manner and at such times as may be prescribed. If any employer fails to deduct the contributions of any of his workers at the time their wages are paid, or fails to make a deduction therefor at the time wages are paid for the next succeeding payroll period, he alone shall thereafter be liable for such contributions, and for the purpose of R.S.43:21-14, such contributions shall be treated as employer's contributions required from him.

(F) As used in this chapter (R.S.43:21-1 et seq.), except when the context clearly requires otherwise, the term "contributions" shall include the contributions of workers pursuant to this section.

(G) Each worker shall, starting on July 1, 1994, contribute to the State disability benefits fund an amount equal to 0.50% of wages paid with respect to the worker's employment with a government employer electing or required to pay contributions to the State disability benefits fund or nongovernmental employer, including a nonprofit organization which is an employer as defined under paragraph (6) of subsection (h) of R.S. 43:21-19, unless the employer is covered by an approved private disability plan or is exempt from the provisions of the "Temporary Disability Benefits Law," P.L.1948 c.110 (C.43:21-25 et seq.) under section 7 of that law (C.43:21-31) or any other provision of that law.

(2) (A) (Deleted by amendment, P.L.1984, c.24.)

(B) (Deleted by amendment, P.L.1984, c.24.)

(C) (Deleted by amendment, P.L.1994, c.112.)

(D) (Deleted by amendment, P.L.1994, c.112.)

(E) (i) (Deleted by amendment, P.L.1994, c.112.)

(ii) (Deleted by amendment, P.L.1996, c.28).

(iii) (Deleted by amendment, P.L.1994, c.112.)

(3) If an employee receives wages from more than one employer during any calendar year, and either the sum of his contributions deposited in and credited to the State disability benefits fund plus the amount of his contributions, if any, required towards the costs of benefits under one or more approved private plans under the provisions of section 9 of the "Temporary Disability Benefits Law" (C.43:21-33) and deducted from his wages, or the sum of such latter contributions, if the employee is covered during such calendar year only by two or more private plans, exceeds an amount equal

to 1/2 of 1% of the "wages" determined in accordance with the provisions of R.S.43:21-7(b)(3) during the calendar years beginning on or after January 1, 1976, the employee shall be entitled to a refund of the excess if he makes a claim to the controller within two years after the end of the calendar year in which the wages are received with respect to which the refund is claimed and establishes his right to such refund. Such refund shall be made by the controller from the State disability benefits fund. No interest shall be allowed or paid with respect to any such refund. The controller shall, in accordance with prescribed regulations, determine the portion of the aggregate amount of such refunds made during any calendar year which is applicable to private plans for which deductions were made under section 9 of the "Temporary Disability Benefits Law," such determination to be based upon the ratio of the amount of such wages exempt from contributions to such fund, as provided in subparagraph (B) of paragraph (1) of this subsection with respect to coverage under private plans, to the total wages so exempt plus the amount of such wages subject to contributions to the disability benefits fund, as provided in subparagraph (G) of paragraph (1) of this subsection. The controller shall, in accordance with prescribed regulations, prorate the amount so determined among the applicable private plans in the proportion that the wages covered by each plan bear to the total private plan wages involved in such refunds, and shall assess against and recover from the employer, or the insurer if the insurer has indemnified the employer with respect thereto, the amount so prorated. The provisions of R.S.43:21-14 with respect to collection of employer contributions shall apply to such assessments. The amount so recovered by the controller shall be paid into the State disability benefits fund.

(4) If an individual does not receive any wages from the employing unit which for the purposes of this chapter (R.S.43:21-1 et seq.) is treated as his employer, or receives his wages from some other employing unit, such employer shall nevertheless be liable for such individual's contributions in the first instance; and after payment thereof such employer may deduct the amount of such contributions from any sums payable by him to such employing unit, or may recover the amount of such contributions from such employing unit, or, in the absence of such an employing unit, from such individual, in a civil action; provided proceedings therefor are instituted within three months after the date on which such contributions are payable. General rules shall be prescribed whereby such an employing unit may recover the amount of such contributions from such individuals in the same manner as if it were the employer.

(5) Every employer who has elected to become an employer subject to this chapter (R.S.43:21-1 et seq.), or to cease to be an employer subject to this chapter (R.S.43:21-1 et seq.), pursuant to the provisions of

R.S.43:21-8, shall post and maintain printed notices of such election on his premises, of such design, in such numbers, and at such places as the director may determine to be necessary to give notice thereof to persons in his service.

(6) Contributions by workers, payable to the controller as herein provided, shall be exempt from garnishment, attachment, execution, or any other remedy for the collection of debts.

(e) Contributions by employers to State disability benefits fund.

(1) Except as hereinafter provided, each employer shall, in addition to the contributions required by subsections (a), (b), and (c) of this section, contribute 1/2 of 1% of the wages paid by such employer to workers with respect to employment unless he is not a covered employer as defined in section 3 of the "Temporary Disability Benefits Law" (C.43:21-27 (a)), except that the rate for the State of New Jersey shall be 1/10 of 1% for the calendar year 1980 and for the first six months of 1981. Prior to July 1, 1981 and prior to July 1 each year thereafter, the controller shall review the experience accumulated in the account of the State of New Jersey and establish a rate for the next following fiscal year which, in combination with worker contributions, will produce sufficient revenue to keep the account in balance; except that the rate so established shall not be less than 1/10 of 1%. Such contributions shall become due and be paid by the employer to the controller for the State disability benefits fund as established by law, in accordance with such regulations as may be prescribed, and shall not be deducted, in whole or in part, from the remuneration of individuals in his employ. In the payment of any contributions, a fractional part of a cent shall be disregarded unless it amounts to $0.005 or more, in which case it shall be increased to $0.01.

(2) During the continuance of coverage of a worker by an approved private plan of disability benefits under the "Temporary Disability Benefits Law," the employer shall be exempt from the contributions required by subparagraph (1) above with respect to wages paid to such worker.

(3) (A) The rates of contribution as specified in subparagraph (1) above shall be subject to modification as provided herein with respect to employer contributions due on and after July 1, 1951.

(B) A separate disability benefits account shall be maintained for each employer required to contribute to the State disability benefits fund and such account shall be credited with contributions deposited in and credited to such fund with respect to employment occurring on and after January 1, 1949. Each employer's account shall be credited with all contributions paid on or before January 31 of any calendar year on his own behalf and on behalf of individuals in his service with respect to employment occurring in preceding calendar years; provided, however, that if January 31 of any

calendar year falls on a Saturday or Sunday an employer's account shall be credited as of January 31 of such calendar year with all the contributions which he has paid on or before the next succeeding day which is not a Saturday or Sunday. But nothing in this act shall be construed to grant any employer or individuals in his service prior claims or rights to the amounts paid by him to the fund either on his own behalf or on behalf of such individuals. Benefits paid to any covered individual in accordance with Article III of the "Temporary Disability Benefits Law" on or before December 31 of any calendar year with respect to disability in such calendar year and in preceding calendar years shall be charged against the account of the employer by whom such individual was employed at the commencement of such disability or by whom he was last employed, if out of employment.

(C) The controller may prescribe regulations for the establishment, maintenance, and dissolution of joint accounts by two or more employers, and shall, in accordance with such regulations and upon application by two or more employers to establish such an account, or to merge their several individual accounts in a joint account, maintain such joint account as if it constituted a single employer's account.

(D) Prior to July 1 of each calendar year, the controller shall make a preliminary determination of the rate of contribution for the 12 months commencing on such July 1 for each employer subject to the contribution requirements of this subsection (e).

(1) Such preliminary rate shall be 1/2 of 1% unless on the preceding January 31 of such year such employer shall have been a covered employer who has paid contributions to the State disability benefits fund with respect to employment in the three calendar years immediately preceding such year.

(2) If the minimum requirements in (1) above have been fulfilled and the credited contributions exceed the benefits charged by more than $500.00, such preliminary rate shall be as follows:

(i) 2/10 of 1% if such excess over $500.00 exceeds 1% but is less than 1 1/4% of his average annual payroll (as defined in this chapter (R.S.43:21-1 et seq.));

(ii) 15/100 of 1% if such excess over $500.00 equals or exceeds 1 1/4% but is less than 1 1/2% of his average annual payroll;

(iii) 1/10 of 1% if such excess over $500.00 equals or exceeds 1 1/2% of his average annual payroll.

(3) If the minimum requirements in (1) above have been fulfilled and the contributions credited exceed the benefits charged but by not more than $500.00 plus 1% of his average annual payroll, or if the benefits charged exceed the contributions credited but by not more than $500.00, the preliminary rate shall be 1/4 of 1%.

(4) If the minimum requirements in (1) above have been fulfilled and the benefits charged exceed the contributions credited by more than $500.00, such preliminary rate shall be as follows:

(i) 35/100 of 1% if such excess over $500.00 is less than 1/4 of 1% of his average annual payroll;

(ii) 45/100 of 1% if such excess over $500.00 equals or exceeds 1/4 of 1% but is less than 1/2 of 1% of his average annual payroll;

(iii) 55/100 of 1% if such excess over $500.00 equals or exceeds 1/2 of 1% but is less than 3/4 of 1% of his average annual payroll;

(iv) 65/100 of 1% if such excess over $500.00 equals or exceeds 3/4 of 1% but is less than 1% of his average annual payroll;

(v) 75/100 of 1% if such excess over $500.00 equals or exceeds 1% of his average annual payroll.

(5) Determination of the preliminary rate as specified in (2), (3) and (4) above shall be subject, however, to the condition that it shall in no event be decreased by more than 1/10 of 1% of wages or increased by more than 2/10 of 1% of wages from the preliminary rate determined for the preceding year in accordance with (1), (2), (3) or (4), whichever shall have been applicable.

(E) (1) Prior to July 1 of each calendar year the controller shall determine the amount of the State disability benefits fund as of December 31 of the preceding calendar year, increased by the contributions paid thereto during January of the current calendar year with respect to employment occurring in the preceding calendar year. If such amount exceeds the net amount withdrawn from the unemployment trust fund pursuant to section 23 of the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-47) plus the amount at the end of such preceding calendar year of the unemployment disability account (as defined in section 22 of said law (C.43:21-46)), such excess shall be expressed as a percentage of the wages on which contributions were paid to the State disability benefits fund on or before January 31 with respect to employment in the preceding calendar year.

(2) The controller shall then make a final determination of the rates of contribution for the 12 months commencing July 1 of such year for employers whose preliminary rates are determined as provided in (D) hereof, as follows:

(i) If the percentage determined in accordance with paragraph (E)(1) of this subsection equals or exceeds 1 1/4%, the final employer rates shall be the preliminary rates determined as provided in (D) hereof, except that if the employer's preliminary rate is determined as provided in (D)(2) or (D)(3) hereof, the final employer rate shall be the preliminary employer rate decreased by such percentage of excess taken to the nearest 5/100 of 1%, but in no case shall such final rate be less than 1/10 of 1%.

(ii) If the percentage determined in accordance with paragraph (E)(1) of this subsection equals or exceeds 3/4 of 1% and is less than 1 1/4 of 1%, the final employer rates shall be the preliminary employer rates.

(iii) If the percentage determined in accordance with paragraph (E)(1) of this subsection is less than 3/4 of 1%, but in excess of 1/4 of 1%, the final employer rates shall be the preliminary employer rates determined as provided in (D) hereof increased by the difference between 3/4 of 1% and such percentage taken to the nearest 5/100 of 1%; provided, however, that no such final rate shall be more than 1/4 of 1% in the case of an employer whose preliminary rate is determined as provided in (D)(2) hereof, more than 1/2 of 1% in the case of an employer whose preliminary rate is determined as provided in (D)(1) and (D)(3) hereof, nor more than 3/4 of 1% in the case of an employer whose preliminary rate is determined as provided in (D)(4) hereof.

(iv) If the amount of the State disability benefits fund determined as provided in paragraph (E)(1) of this subsection is equal to or less than 1/4 of 1%, then the final rate shall be 2/5 of 1% in the case of an employer whose preliminary rate is determined as provided in (D)(2) hereof, 7/10 of 1% in the case of an employer whose preliminary rate is determined as provided in (D)(1) and (D)(3) hereof, and 1.1% in the case of an employer whose preliminary rate is determined as provided in (D)(4) hereof. Notwithstanding any other provision of law or any determination made by the controller with respect to any 12-month period commencing on July 1, 1970, the final rates for all employers for the period beginning January 1, 1971, shall be as set forth herein.

7. Section 4 of P.L.1971, c.346 (C.43:21-7.3) is amended to read as follows:

C.43:21-7.3 Governmental entities.

4. (a) Notwithstanding any other provisions of the "unemployment compensation law" for the payment of contributions, benefits paid to individuals based upon wages earned in the employ of any governmental entity or instrumentality which is an employer defined under R.S.43:21-19(h)(5) shall, to the extent that such benefits are chargeable to the account of such governmental entity or instrumentality in accordance with the provisions of R.S.43:21-1 et seq., be financed by payments in lieu of contributions.

(b) Any governmental entity or instrumentality may, as an alternative to financing benefits by payments in lieu of contributions, elect to pay contributions beginning with the date on which its subjectivity begins by filing written notice of its election with the department no later than 120 days after such subjectivity begins, provided that such election shall be

effective for at least two full calendar years; or it may elect to pay contributions for a period of not less than two calendar years beginning January 1 of any year if written notice of such election is filed with the department not later than February 1 of such year; provided, further, that such governmental entity or instrumentality shall remain liable for payments in lieu of contributions with respect to all benefits paid based on base year wages earned in the employ of such entity or instrumentality in the period during which it financed its benefits by payments in lieu of contributions.

(c) Any governmental entity or instrumentality may terminate its election to pay contributions as of January 1 of any year by filing written notice not later than February 1 of any year with respect to which termination is to become effective. It may not revert to a contributions method of financing for at least two full calendar years after such termination.

(d) Any governmental entity or instrumentality electing the option for contributions financing shall report and pay contributions in accordance with the provisions of R.S.43:21-7 except that, notwithstanding the provisions of that section, the contribution rate for such governmental entity or instrumentality shall be 1% for the entire calendar year 1978 and the contribution rate for any subsequent calendar years shall be the rate established for governmental entities or instrumentalities under subsection (e) of this section.

(e) On or before September 1 of each year, the Commissioner of Labor shall review the composite benefit cost experience of all governmental entities and instrumentalities electing to pay contributions and, on the basis of that experience, establish the contribution rate for the next following calendar year which can be expected to yield sufficient revenue in combination with worker contributions to equal or exceed the projected costs for that calendar year.

(f) Any covered governmental entity or instrumentality electing to pay contributions shall each year appropriate, out of its general funds, moneys to pay the projected costs of benefits at the rate determined under subsection (e) of this section. These funds shall be held in a trust fund maintained by the governmental entity for this purpose. Any surplus remaining in this trust fund may be retained in reserve for payment of benefit costs for subsequent years either by contributions or payments in lieu of contributions.

(g) Any governmental entity or instrumentality electing to finance benefit costs with payments in lieu of contributions shall pay into the fund an amount equal to all benefit costs for which it is liable pursuant to the provisions of the "unemployment compensation law." Each subject governmental entity or instrumentality shall require payments from its workers in the same manner and amount as prescribed under R.S.43:21-7(d) for governmental entities and instrumentalities financing their benefit costs with contributions. No such payment shall be used for a purpose other than

to meet the benefits liability of such governmental entity or instrumentality. In addition, each subject governmental entity or instrumentality shall appropriate out of its general funds sufficient moneys which, in addition to any worker payments it requires, are necessary to pay its annual benefit costs estimated on the basis of its past benefit cost experience; provided that for its first year of coverage, its benefit costs shall be deemed to require an appropriation equal to 1% of the projected total of its taxable wages for the year. These appropriated moneys and worker payments shall be held in a trust fund maintained by the governmental entity or instrumentality for this purpose. Any surplus remaining in this trust fund shall be retained in reserve for payment of benefit costs in subsequent years. If a governmental entity or instrumentality requires its workers to make payments as authorized herein, such workers shall not be subject to the contributions required in R.S.43:21-7(d).

(h) Notwithstanding the provisions of the above subsection (g), commencing July 1, 1986 worker contributions to the unemployment trust fund with respect to wages paid by any governmental entity or instrumentality electing or required to make payments in lieu of contributions, including the State of New Jersey, shall be made in accordance with the provisions of R.S.43:21-7(d)(1)(C) or R.S.43:21-7(d)(1)(D), as applicable, and, in addition, each governmental entity or instrumentality electing or required to make payments in lieu of contributions shall, except during the period starting January 1, 1993 and ending December 31, 1995 and the period starting April 1, 1996 and ending December 31, 1997 or, if the unemployment compensation fund reserve ratio, as determined pursuant to paragraph (5) of subsection (c) of R.S.43:21-7, decreases to a level of less than 4.00% on March 31 of calendar year 1994 or calendar year 1995, ending July 1 of that calendar year, require payments from its workers at the following rates of wages paid, which amounts are to be held in the trust fund maintained by the governmental entity or instrumentality for payment of benefit costs: for calendar year 1998 and each calendar year thereafter, 0.30%.

8. Section 1 of P.L.1944, c.81 (C.43:21-14.1) is amended to read as follows:

C.43:21-14.1 Refund of contributions; claim.

1. Any employee who is paid wages by two or more employers aggregating more than the amount of "wages" determined in accordance with the provisions of R.S.43:21-7(b)(3) shall be entitled to a refund of the amount of contributions deducted from such wages and paid to the Division of Employment Security in excess of the contribution which is determined pursuant to R.S.43:21-7(d)(1)(D) required on the amount of "wages" determined in accordance with the provisions of R.S.43:21-7(b)(3) except

that no such refund shall be made unless the employee makes a claim, establishing his right thereto, within two years after the calendar year in which the wages are paid with respect to which refund of contribution is claimed. No interest shall be allowed or paid with respect to any such refund.

9. This act shall take effect immediately.

Approved May 16, 1996.

CHAPTER 31

AN ACT exempting certain farm tractors from motor vehicle registration and amending R.S.39:3-24.

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

1. R.S.39:3-24 is amended to read as follows:

Farm tractors, traction equipment; registration; operation; fee.

39:3-24. (a) The director shall register farm tractors and traction equipment used for farm operation to travel upon the public highways. The fee for such registration shall be $5 per annum, whether the registration is issued for the yearly period or only a portion thereof. Such traction equipment or farm tractors may draw farm machinery and implements while in transit from one farm to another without additional registration therefor.

(b) The director may register motor vehicles, not for hire, used exclusively as farm machinery or farm implements, to travel upon the public highways, from one farm, or portion thereof, to another farm, or portion thereof, both owned or managed by the registered owner of the vehicle or vehicles. The fee for such registration shall be $5 per annum, whether the registration is issued for a yearly period or only a portion thereof. Any vehicle so registered and any truck registered pursuant to the provisions of 39:3-25 of this Title may draw not more than one vehicle used exclusively on the farm and a vehicle so drawn need not be registered.

(c) No vehicle registered pursuant to this section shall be operated on a public highway at any time from sunset to sunrise. Every such vehicle when operated on a public highway shall have means adequate to control the movement of and to stop and hold such vehicle on any up or down grade and shall be operated in accordance with uniform rules and regulations prescribed by the Director of the Division of Motor Vehicles. Such rules

and regulations shall specify the coverings that may be used on the wheels of such vehicles, the days, hours and conditions under which such vehicles can be operated, the circumstance under which escort vehicles shall be required, the distance that may be traveled upon the public highways and such vehicle equipment or other requirements or restrictions as may be necessary to protect the safety of the users of the public highways.

Motor vehicles, not for hire, which are used exclusively as farm tractors, traction equipment, farm machinery or farm implements which cannot be operated at a speed in excess of 20 miles per hour shall not be required to be registered under this section.

2. This act shall take effect immediately.

Approved June 6, 1996.

CHAPTER 32

AN ACT concerning child abuse and neglect and amending P.L.1977, c.102.

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

1. Section 1 of P.L.1977, c.102 (C.9:6-8.10a) is amended to read as follows:

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 or the Office of Administrative Law, upon its finding that access to such records may be necessary for determination of an issue before it, and such records may be disclosed by the court or the Office of Administrative Law 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 or the Office of Administrative Law;

(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;

(10) A family day care sponsoring organization for the purpose of providing information on child abuse or neglect allegations involving prospective or current providers or household members pursuant to P.L.1993, c.350 (C.30:5B-25.1 et al.) and as necessary, for use in administrative appeals related to information obtained through a central registry search;

(11) The Victims of Crime Compensation Board, for the purpose of providing services available pursuant to the "Criminal Injuries Compensation Act of 1971," P.L.1971, c.317 (C.52:4B-1 et seq.) to a child victim who is the subject of such report;

(12) Any person appealing a division service or status action or a substantiated finding of child abuse or neglect and his attorney or authorized lay representative upon a determination by the division or the presiding

Administrative Law Judge that such disclosure is necessary for a determination of the issue on appeal;

(13) Any person or entity mandated by statute to consider child abuse or neglect information when conducting a background check or employment-related screening of an individual employed by or seeking employment with an agency or organization providing services to children;

(14) Any person or entity conducting a disciplinary, administrative or judicial proceeding to determine terms of employment or continued employment of an officer, employee, or volunteer with an agency or organization providing services for children. The information may be disclosed in whole or in part to the appellant or other appropriate person only upon a determination by the person or entity conducting the proceeding that the disclosure is necessary to make a determination.

Any individual, agency, board, 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.

2. This act shall take effect immediately.

Approved June 6, 1996.

CHAPTER 33

AN ACT extending the expiration date and limiting the enactment of certain local payroll taxes, and amending P.L.1970, c.326.

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

1. Section 19 of P.L.1970, c.326 (C.40:48C-19) is amended to read as follows:

C.40:48C-19 Municipal payroll tax, imposition.

19. No tax shall be imposed under any ordinance adopted pursuant to this article with respect to services performed prior to January 1, 1971, or in a calendar quarter prior to that in which the ordinance is adopted, or in a municipality that has not within two years prior to July 1, 1995 collected taxes or enacted an ordinance imposing a tax, or on or after December 31, 1999; but any such ordinance shall remain in effect with respect to the right of the municipality to receive reports and enforce and collect taxes due thereunder for any period prior to December 31, 1999.

2. This act shall take effect immediately and be retroactive to January 1, 1996.

Approved June 17, 1996.

CHAPTER 34

AN ACT concerning landscape irrigation contractors and amending P.L.1991, c.27.

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

1. Section 12 of P.L.1991, c.27 is amended to read as follows:

12. This act shall take effect immediately except that section 3 shall remain inoperative until January 1, 1997. Notwithstanding subsection b. of section 7 of P.L.1991, c.27 (C.45:5AA-7), all certificates issued prior to January 1, 1997 shall expire on January 31, 1999.

2. This act shall take effect immediately and shall be retroactive to February 19, 1991.

Approved June 18, 1996.

CHAPTER 35

AN ACT concerning drug testing by boards of education and amending N.J.S.18A:16-2.

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

1. N.J.S.18A:16-2 is amended to read as follows:

Physical examinations; requirements.

18A:16-2. a. Every board of education shall require all of its employees, and may require any candidate for employment, to undergo a physical examination, the scope whereof shall be determined under rules of the State board, at least once in every year and may require additional individual

psychiatric or physical examinations of any employee, whenever, in the judgment of the board, an employee shows evidence of deviation from normal, physical or mental health.

Any such examination may, if the board so requires, include laboratory tests or fluoroscopic or X-ray procedures for the obtaining of additional diagnostic data.

b. A board of education may include testing for usage of controlled dangerous substances as they are defined in N.J.S.2C:35-2 as part of any physical examination which is required of a candidate for employment who has received a conditional offer of employment. Any testing shall be conducted by a physician or institution designated by the board of education and the costs shall be paid by the board.

The Department of Education, in consultation with the Department of Health, shall develop guidelines for school boards which elect to require the testing.

2. This act shall take effect immediately.

Approved June 18, 1996.

CHAPTER 36

AN ACT concerning raffles, and amending and supplementing P.L.1954, c.5.

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

1. Section 13 of P.L.1954, c.5 (C.5:8-62) is amended to read as follows:

C.5:8-62 Limitations on prizes.

13. No prize shall be offered and given in cash except as authorized by regulation promulgated by the control commission.

a. The aggregate retail value of all prizes to be offered and given by raffles held, operated and conducted under any license issued under P.L.1954, c.5 (C.5:8-50 et seq.) in any calendar year shall not exceed $500,000.00, but the limit so fixed shall not apply to any raffle with respect to which all tickets, shares or rights to participate are sold only to persons present, the winners determined, and the prizes awarded, on the same occasion or if the prizes are wholly donated.

b. Notwithstanding the provisions of subsection a. of this section, the maximum prize that may be offered and awarded in a golf hole-in-one contest shall not exceed $1,000,000. Any prizes above $25,000 shall be

offered and awarded only when the entire amount is insured by a company licensed to conduct business in this State and approved by the control commission. The prize shall be paid as an annuity with a payout over a maximum period of 20 years. Ancillary prizes awarded shall have an aggregate retail value no greater than that provided by subsection a. of this section and shall also be subject to the provisions of subsection c. of this section.

c. No prize having a retail value greater than that prescribed by regulation promulgated by the control commission shall be awarded in any raffle conducted by a drawing, or for each spin of the wheel or other allotment by chance.

2. Section 14 of P.L.1954, c.5 (C.5:8-63) is amended to read as follows:

C.5:8-63 Advertising of games prohibited, exceptions.

14. No game of chance to be conducted under any license issued under this act shall be advertised as to its location, the time when it is to be or has been played, or the prizes awarded or to be awarded, by means of newspapers, radio, television or sound truck, or by means of billboards, posters or handbills or any other means addressed to the general public in any municipality in which the majority of voters voting therein have not voted in favor of the adoption of the provisions of P.L.1954, c.5 (C.5:8-50 et seq.) or in any municipality in which the majority of voters voting therein have voted in favor of rescinding the adoption of the provisions of this act.

C.5:8-63.1 Regulations governing advertising of game of chance.

3. The Legalized Games of Chance Control Commission shall promulgate regulations to govern the advertising of any game of chance occurring in any municipality in which the majority of voters voting therein have voted in favor of the adoption of the "Raffles Licensing Law," P.L.1954, c.5 (C.5:8-50 et seq.) and in which the game of chance is held, operated or conducted under any license issued by the control commission pursuant to the provisions of that act.

The regulations shall prohibit:

a. any advertisement from containing any false, deceptive, misleading or fraudulent statement regarding the holding, operation or conduct of a game of chance;

b. any advertisement from causing undue or unfair competition between organizations registered with the control commission that are holding competing games of chance; and

c. the use, to an extent deemed excessive, of the proceeds derived from the conduct of any individual game of chance for advertising subsequent games of chance.

4. This act shall take effect immediately.

Approved June 18, 1996.

CHAPTER 37

AN ACT establishing an entrepreneurial assistance network in the Division of Development for Small Businesses and Women's and Minority Businesses and supplementing Title 52 of the Revised Statutes.

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

C.52:27H-21.14a Toll-free telephone information line providing assistance to small businesses.

1. a. The Division of Development for Small Businesses and Women's and Minority Businesses in the Department of Commerce and Economic Development, in consultation with the New Jersey small business development centers, shall establish a toll-free telephone information line which shall be readily accessible to the public and shall provide information regarding entrepreneurial or business assistance programs available to small businesses, including sources of financing for training, micro-loans and venture capital, from the following entities:

(1) The Department of Commerce and Economic Development;

(2) The New Jersey Economic Development Authority;

(3) The Department of Labor;

(4) The New Jersey small business development centers; and

(5) Private organizations, individuals or corporations that provide technical assistance and services to small businesses in this State.

b. The telephone information line shall provide information regarding the nature of the assistance and benefits available from the programs provided by the entities set forth in subsection a. of this section, and shall provide information on how to access and apply for these programs.

c. To pay for the assistance provided to small businesses pursuant to this act the division shall make use of any available State or federal funding and shall solicit contributions from any private business organizations, individuals or corporations that provide technical assistance or services to small businesses.

d. The division may assess a fee, to be determined by the division, upon any private business organization, individual or corporation that wishes to have information regarding its small business assistance programs available through the telephone information line. The fee shall not exceed the cost of providing the information regarding the business organization, individual or corporation to the public through the telephone information line. The fees collected pursuant to this subsection shall be used to pay for the services provided pursuant to this act.

2. This act shall take effect immediately.

Approved June 18, 1996.

CHAPTER 38

AN ACT concerning real estate brokers and real estate salespersons and amending various parts of the statutory law.

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

1. R.S.45:15-10 is amended to read as follows:

Examination required for initial issuance of real estate license; term, renewal.

45:15-10. Before any such license shall be granted the applicant, and in the case of a partnership, association or corporation the partners, directors or officers thereof actually engaged in the real estate business as a broker, broker-salesperson or salesperson, shall submit to an examination to be conducted under the supervision of the commission which examination shall test the applicant's general knowledge of the statutes of New Jersey concerning real property, conveyancing, mortgages, agreements of sale, leases and of the provisions of this article, the rules and regulations of the commission and such other subjects as the commission may direct. The commission may make rules and regulations for the conduct of such examinations. Upon satisfactorily passing such examination and fulfilling all other qualifications a license shall be granted by the commission to the successful applicant therefor as a real estate broker, broker-salesperson or salesperson, and the applicant upon receiving the license is authorized to conduct in this State the business of a real estate broker, broker-salesperson or salesperson, as the case may be. Such license shall expire on the last day of a two-year license term as established by the commission; such license shall be renewed, without examination, biennially thereafter, upon the payment of the fee fixed by R.S.45:15-15.

2. R.S.45:15-11 is amended to read as follows:

Disabled war veterans; granting of licenses.

45:15-11. Any citizen of New Jersey who has served in the armed forces of the United States or who served as a member of the American Merchant Marine during World War II and is declared by the United States Department of Defense to be eligible for federal veterans' benefits, who has been honorably discharged, and who, having been wounded or disabled in the line of duty, has completed a program of courses in real estate approved by the New Jersey Real Estate Commission, and who has successfully passed an examination conducted by said commission qualifying him to operate as a real estate broker, broker-salesperson or salesperson, may, upon presentation of a certificate certifying that he has completed such program of courses as aforesaid, obtain without cost from the commission and without qualification through experience as a salesperson, a license to operate as a real estate broker, broker-salesperson or a real estate salesperson, as the case may be, which licenses shall be the same as other licenses issued under this article. Renewal of licenses may be granted under this section for each ensuing license term, upon request, without fees therefor.

3. R.S.45:15-15 is amended to read as follows:

License fees.

45:15-15. The biennial fee for each real estate broker's license shall be $100, the biennial fee for each real estate broker-salesperson's license shall be $100 and the biennial fee for each real estate salesperson's license shall be $50. The biennial fee for a branch office license shall be $50. Each license granted under this article shall entitle the licensee to perform all of the acts contemplated herein during the period for which the license is issued, as prescribed by this article. If a licensee fails to apply for a renewal of his license prior to the date of expiration of such license, the commission may refuse to issue a renewal license except upon the payment of a late renewal fee in the amount of $10 for a salesperson or broker-salesperson and $20 for a broker; provided, however, the commission may, in its discretion, refuse to renew any license upon sufficient cause being shown. The commission shall refuse to renew the license of any licensee convicted of any offense enumerated in section 6 of P.L.1953, c.229 (C.45:15-19.1) during the term of the last license issued by the commission unless the conviction was previously the subject of a revocation proceeding. Renewed licenses may be granted for each ensuing two years upon request of licensees and the payment of the full fee therefor as herein required. Upon application and payment of the fees provided herein, initial licenses and licenses reinstated pursuant to R.S.45:15-9 may be issued, but the commission may, in its

discretion, refuse to grant or reinstate any license upon sufficient cause being shown. The license fees for initial or reinstated licenses shall be determined based upon the biennial fees established herein, with a full biennial fee payable for the license term in which application is received. The revocation or suspension of a broker's license shall automatically suspend every real estate broker-salesperson's and salesperson's license granted to employees of the broker whose license has been revoked or suspended, pending a change of employer and the issuance of a new license. The new license shall be issued without additional charge, if the same is granted during the license term in which the original license was granted.

A real estate broker who maintains a main office or branch office licensed by the commission which is located in another state shall maintain a valid real estate broker's license in good standing in the state where the office is located and shall maintain a real estate license in that other state for each office licensed by the commission. Upon request, the real estate broker shall provide a certification of his license status in the other state to the commission. Any license issued by the commission to a real estate broker for a main or branch office located outside this State shall be automatically suspended upon the revocation, suspension or refusal to renew the real estate broker's license issued by the state where the office is located. The licenses issued by the commission to every broker-salesperson or salesperson employed by the broker shall be automatically suspended pending a change of employer and the issuance of a new license. The new license shall be issued without additional charge if granted during the license term in which the original license was granted.

4. Section 2 of P.L.1976, c.112 (C.45:15-35) is amended to read as follows:

C.45:15-35 Additional amount payable upon initial issuance of license.

2. Upon the initial issuance of a biennial license as a real estate broker, broker-salesperson or salesperson the licensee shall pay to the commission, in addition to the license fee fixed by R.S.45:15-15, an additional amount to be forwarded by the commission to the State Treasurer and accounted for and credited by him to the real estate guaranty fund. The additional amount payable by a broker or broker-salesperson shall be $20 and by a salesperson, $10.

5. This act shall take effect six months after enactment.

Approved June 18, 1996.

CHAPTER 39

AN ACT concerning stalking, amending P.L.1992, c.209 and N.J.S.2C:44-6 and supplementing Title 2C of the New Jersey Statutes.

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

1. Section 1 of P.L.1992, c.209 (C.2C:12-10) is amended to read as follows:

C.2C:12-10 Definitions; stalking designated a crime.

1. a. As used in this act:

(1) "Course of conduct" means repeatedly maintaining a visual or physical proximity to a person or repeatedly conveying verbal or written threats or threats implied by conduct or a combination thereof directed at or toward a person.

(2) "Repeatedly" means on two or more occasions.

(3) "Immediate family" means a spouse, parent, child, sibling or any other person who regularly resides in the household or who within the prior six months regularly resided in the household.

b. A person is guilty of stalking, a crime of the fourth degree, if he:

(1) Purposefully engages in a course of conduct directed at a specific person that would cause a reasonable person to fear bodily injury to himself or a member of his immediate family or to fear the death of himself or a member of his immediate family; and

(2) Knowingly, recklessly or negligently places the specific person in reasonable fear of bodily injury to himself or a member of his immediate family or in reasonable fear of the death of himself or a member of his immediate family.

c. A person is guilty of a crime of the third degree if he commits the crime of stalking in violation of an existing court order prohibiting the behavior.

d. A person who commits a second or subsequent offense of stalking against the same victim is guilty of a crime of the third degree.

e. This act shall not apply to conduct which occurs during organized group picketing.

2. N.J.S.2C:44-6 is amended to read as follows:

Procedure on sentence; presentence investigation and report.

2C:44-6. Procedure on Sentence; Presentence Investigation and Report.

a. The court shall not impose sentence without first ordering a presentence investigation of the defendant and according due consideration

to a written report of such investigation when required by the Rules of Court. The court may order a presentence investigation in any other case.

b. The presentence investigation shall include an analysis of the circumstances attending the commission of the offense, the defendant's history of delinquency or criminality, family situation, financial resources, including whether or not the defendant is an enrollee or covered person under a health insurance contract, policy or plan, debts, including any amount owed for a fine, assessment or restitution ordered in accordance with the provisions of Title 2C, employment history, personal habits, the disposition of any charge made against any codefendants and may include a report on his physical and mental condition and any other matters that the probation officer deems relevant or the court directs to be included. In any case involving a conviction of N.J.S.2C:24-4, endangering the welfare of a child; N.J.S.2C:18-3, criminal trespass, where the trespass was committed in a school building or on school property; section 1 of P.L.1993, c.291 (C.2C:13-6), attempting to lure or entice a child with purpose to commit a criminal offense; or N.J.S.2C:13-1, kidnapping, where the victim of the offense is a child under the age of 18, the investigation shall include a report on the defendant's mental condition unless the court directs otherwise. In any case involving a conviction of stalking, the investigation shall include a report on the defendant's mental condition.

The presentence report shall also include a report on any compensation paid by the Victims of Crime Compensation Board as a result of the commission of the offense and, in any case where the victim chooses to provide one, a statement by the victim of the offense for which the defendant is being sentenced. The statement may include the nature and extent of any physical harm or psychological or emotional harm or trauma suffered by the victim, the extent of any loss to include loss of earnings or ability to work suffered by the victim and the effect of the crime upon the victim's family. The probation department shall notify the victim or nearest relative of a homicide victim of his right to make a statement for inclusion in the presentence report if the victim or relative so desires. Any such statement shall be made within 20 days of notification by the probation department.

The presentence report shall specifically include an assessment of the gravity and seriousness of harm inflicted on the victim, including whether or not the defendant knew or reasonably should have known that the victim of the offense was particularly vulnerable or incapable of resistance due to advanced age, disability, ill-health, or extreme youth, or was for any other reason substantially incapable of exercising normal physical or mental power of resistance.

c. If, after the presentence investigation, the court desires additional information concerning an offender convicted of an offense before imposing

sentence, it may order that he be examined as to his medical or mental condition, except that he may not be committed to an institution for such examination.

d. Disclosure of any presentence investigation report or psychiatric examination report shall be in accordance with law and the Rules of Court, except that information concerning the defendant's financial resources shall be made available upon request to the Victims of Crime Compensation Board or to any officer authorized under the provisions of section 3 of P.L.1979, c.396 (C.2C:46-4) to collect payment on an assessment, restitution or fine and that information concerning the defendant's coverage under any health insurance contract, policy or plan shall be made available, as appropriate to the Commissioner of the Department of Corrections and to the chief administrative officer of a county jail in accordance with the provisions of P.L.1995, c.254 (C.30:7E-1 et al.).

e. The court shall not impose a sentence of imprisonment for an extended term unless the ground therefor has been established at a hearing after the conviction of the defendant and on written notice to him of the ground proposed. The defendant shall have the right to hear and controvert the evidence against him and to offer evidence upon the issue.

f. (Deleted by amendment, P.L.1986, c.85).

C.2C:12-10.1 Conviction for stalking, permanent restraining order.

3. a. A judgment of conviction for stalking shall operate as an application for a permanent restraining order limiting the contact of the defendant and the victim who was stalked.

b. A hearing shall be held on the application for a permanent restraining order at the time of the verdict or plea of guilty unless the victim requests otherwise. This hearing shall be in Superior Court. A permanent restraining order may grant the following specific relief:

(1) An order restraining the defendant from entering the residence, property, school, or place of employment of the victim and requiring the defendant to stay away from any specified place that is named in the order and is frequented regularly by the victim.

(2) An order restraining the defendant from making contact with the victim, including an order forbidding the defendant from personally or through an agent initiating any communication likely to cause annoyance or alarm including, but not limited to, personal, written, or telephone contact with the victim, the victim's employers, employees, or fellow workers, or others with whom communication would be likely to cause annoyance or alarm to the victim.

c. The permanent restraining order entered by the court subsequent to a conviction for stalking as provided in this act may be dissolved upon the application of the stalking victim to the court which granted the order.

d. Notice of permanent restraining orders issued pursuant to this act shall be sent by the clerk of the court or other person designated by the court to the appropriate chiefs of police, members of the State Police and any other appropriate law enforcement agency or court.

e. Any permanent restraining order issued pursuant to this act shall be in effect throughout the State, and shall be enforced by all law enforcement officers.

f. A violation by the defendant of an order issued pursuant to this act shall constitute an offense under subsection a. of N.J.S.2C:29-9 and each order shall so state. Violations of these orders may be enforced in a civil or criminal action initiated by the stalking victim or by the court, on its own motion, pursuant to applicable court rules. Nothing in this act shall preclude the filing of a criminal complaint for stalking based on the same act which is the basis for the violation of the permanent restraining order.

4. This act shall take effect immediately.

Approved June 20, 1996.

CHAPTER 40

AN ACT concerning certain corrections officers and amending N.J.S.2A:154-3.

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

1. N.J.S.2A:154-3 is amended to read as follows:

Court attendants, sheriff's officers and county correction officers as peace officers, power of arrest, immunity, benefits for county correction officers.

2A:154-3. a. All court attendants, sheriff's officers and county correction officers in the competitive class of civil service who have been or who may hereafter be appointed by the sheriff or board of chosen freeholders of any county in this State shall, by virtue of such appointment and in addition to any other power or authority, be empowered to act as officers for the detection, apprehension, arrest and conviction of offenders against the law.

b. In addition to the powers set forth in subsection a. of this section, any county correction officer who has satisfactorily completed a basic training course approved by the Police Training Commission, as provided by P.L.1961, c.56 (C.52:17B-66 et seq.), shall have full power of arrest for any crime committed in his presence anywhere within the territorial limits of the State of New Jersey.

c. A county correction officer who has full power of arrest pursuant to subsection b. of this section, and is acting under lawful authority beyond the territorial limits of his employing county, shall have all of the immunities from tort liability and shall have all of the pension, relief, disability, workers' compensation, insurance, and other benefits enjoyed while performing duties within the employing county.

2. This act shall take effect immediately.

Approved June 20, 1996.

CHAPTER 41

AN ACT concerning the limits on certain trustees' powers of distribution and supplementing Title 3B of the New Jersey Statutes.

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

C.3B:11-4.1 Limitations on powers of trustees; applicability; "interested party" defined.

1. a. The following powers conferred by a governing instrument upon a trustee in his or her capacity as a trustee shall not be exercised by that trustee:

(1) The power to make discretionary distributions of either principal or income to or for the benefit of the trustee, the trustee's estate, or the creditors of either, unless either:

(a) limited by an ascertainable standard relating to the trustee's health, education, support or maintenance, within the meaning of 26 U.S.C. §§2041 and 2514; or

(b) exercisable by the trustee only in conjunction with another person having a substantial interest in the property subject to the power which is adverse to the interest of the trustee within the meaning of 26 U.S.C. §2041(b) (1) (C) (ii);

If a trustee is prohibited by paragraph (1) of this subsection from exercising a power conferred upon the trustee, the trustee nevertheless may

exercise that power but shall be limited to distributions for the trustee's health, education, support or maintenance to the extent otherwise permitted by the terms of the trust.

(2) The power to make discretionary distributions of either principal or income to satisfy any of the trustee's personal legal obligations for support or other purposes;

(3) The power to make discretionary allocations in the trustee's personal favor of receipts or expenses as between income and principal, unless such trustee has no power to enlarge or shift any beneficial interest except as an incidental consequence of the discharge of such trustee's fiduciary duties;

(4) The power to exercise any of the powers proscribed in this subsection with regard to an individual other than the trustee to the extent that such individual could exercise a similar prohibited power in connection with a trust that benefits the trustee.

b. Unless otherwise prohibited by the provisions of subsection a. of this section, a trustee may exercise a power described in that subsection in favor of someone other than the trustee, the trustee's estate, or the creditors of either.

c. If a governing instrument contains a power proscribed under subsection a. of this section the following shall apply:

(1) If the power is conferred on two or more trustees, it may be exercised by the trustee or trustees who are not so prohibited as if they were the only trustee or trustees; or

(2) If there is no trustee in office who can exercise such power upon application of any interested party, a court of competent jurisdiction shall appoint a trustee to exercise such power or, except as provided in subsection d. of this section, a successor trustee who would not be disqualified shall be appointed to exercise the power that the other trustees cannot exercise in accordance with the provisions of the trust instrument as if the office of trustee were vacant.

d. No beneficiary of a trust, in an individual, trustee or other capacity, may appoint, or remove and appoint, a trustee who is related or subordinate to the beneficiary within the meaning of 26 U.S.C.§ 672 (c) unless:

(1) the trustee's discretionary power to make distributions to or for such beneficiary is limited by an ascertainable standard relating to the beneficiary's health, education, support or maintenance as set forth in subsection a. of this section;

(2) the trustee's discretionary power may not be exercised to satisfy any of such beneficiary's legal obligations for support or other purposes; and

(3) the trustee's discretionary power may not be exercised to grant to such beneficiary a general power to appoint property of the trust to the

beneficiary, the beneficiary's estate or the creditors thereof within the meaning of 26 U.S.C. §2041.

This subsection d. shall not apply if the appointment of the trustee by the beneficiary may be made only in conjunction with another person having a substantial interest in the property of the trust, subject to the power, which is adverse to the exercise of the power in favor of the beneficiary within the meaning of 26 U.S.C. §2041(b) (1) (C) (ii).

e. The provisions of this section shall not apply during the time that a trust remains revocable or amendable by the grantor.

f. This section applies to:

(1) Any trust created under a governing instrument executed 90 days or more after the effective date of this act, unless the governing instrument expressly provides that this act does not apply; and

(2) Any trust created under a governing instrument executed before 90 days after the effective date of this act, unless all interested parties affirmatively elect on or before three years after the effective date by a written declaration signed by or on behalf of each interested party and delivered to the trustee, not to be subject to the application of this act. In the case of a testamentary trust, such declarations shall be filed with the clerk of the court in which the will was admitted to probate.

g. In this section the term "interested party" means:

(1) Each trustee then serving; and

(2) Each person having an interest in income or principal whom it would be necessary to join as a party in a proceeding for the judicial settlement of a trustee's account or, if such a person has not attained majority or is otherwise incapacitated, the person's legal representative under applicable law or the person's agent under a durable power of attorney that is sufficient to grant such authority.

2. This act shall take effect immediately.

Approved June 26, 1996.

CHAPTER 42

Note: In approving the following act, certain items were deleted or reduced by the Governor. For a statement of those items see the Governor's statement appended to Senate Bill No. 3, dated June 28, 1996.

AN ACT making appropriations for the support of the State Government and the several public purposes for the fiscal year ending June 30, 1997 and regulating the disbursement thereof.

ANTICIPATED RESOURCES
FOR THE FISCAL YEAR 1996-1997
GENERAL FUND

Undesignated Fund Balance, July 1, 1996	$471,193,000
Major Taxes	
Sales	$4,325,000,000
Corporation Business	1,075,000,000
Motor Fuels	490,000,000
Motor Vehicle Fees	427,000,000
Transfer Inheritance	305,000,000
Insurance Premiums	295,000,000
Cigarette	250,000,000
Petroleum Products Gross Receipts	200,000,000
Public Utility Excise	127,000,000
Corporation Banks and Financial Institutions	80,000,000
Alcoholic Beverage Excise	77,000,000
Realty Transfer	47,000,000
Savings Institutions	16,000,000
Motor Fuel Use – Motor Carrier	18,000,000
Tobacco Products Wholesale Sales	6,000,000
Total – Major Taxes	$7,738,000,000
Miscellaneous Taxes, Fees, Revenues	
Executive Branch –	
Department of Agriculture:	
Fertilizer Inspection Fees	$181,000
Miscellaneous Revenue	1,000
Other Animal, Plant Disease and Pest Control Fees	5,000
Subtotal, Department of Agriculture	$187,000
Department of Banking and Insurance:	
Actuarial Services	$5,000
Bank Assessments	2,739,000
Banking –Examination Fees	2,644,000
Banking – Licenses and Other Fees	2,782,000
FAIR Act Administration	11,500,000

Insurance – Special Purpose Assessment	11,235,000
Insurance Examination Billings	2,000,000
Insurance Fraud Prevention	9,047,000
Insurance Licenses and Other Fees	8,730,000
Real Estate Commission	3,532,000
Subtotal, Department of Banking and Insurance	$54,214,000
Department of Community Affairs:	
Affordable Housing and Neighborhood Preservation – Fair Housing	$18,325,000
Boarding Home Fees	258,000
Construction Fees	5,375,000
Fire Safety	13,105,000
Hackensack Meadowlands Development Commission	4,000,000
Housing Inspection Fees	6,330,000
Planned Real Estate Development Fees	828,000
Subtotal, Department of Community Affairs	$48,221,000
Department of Education:	
Academy for the Advancement of Teaching and Administration	$275,000
Audit Recoveries	1,900,000
Audit of Enrollments	18,000,000
Local School District Loan Recoveries – NJEDA	20,500,000
Miscellaneous Revenue	110,000
Non-Public Schools Textbook Recoveries	500,000
School Construction Inspection Fees	924,000
State Board of Examiners	1,900,000
Subtotal, Department of Education	$44,109,000
Department of Environmental Protection:	
Air Pollution Fees and Fines	$13,260,000
Clean Water Enforcement Act	1,750,000
Coastal Area Development Review Act	800,000
Endangered Species Tax Check-Off	312,000
Excess Diversion	250,000
Freshwater Wetlands – Fees	1,800,000
Freshwater Wetlands – Fines	10,000
Hazardous Waste – Fees	5,500,000
Hazardous Waste – Fines	400,000
Hunters' and Anglers' Licenses	10,945,000
Industrial Site Recovery Act	1,500,000
Laboratory Certification Fees	1,800,000
Laboratory Certification Fines	188,000
Marina Rentals	840,000
Marine Lands – Preparation and Filing Fees	120,000

Medical Waste	3,600,000
Miscellaneous Revenue	25,000
New Jersey Pollutant Discharge Elimination System	10,600,000
New Jersey Water Supply Authority Debt Service Repayments	770,000
Parks Management Fees and Permits	4,200,000
Parks Management Fines	155,000
Pesticide Control Fees	4,000,000
Pesticide Control Fines	50,000
Radiation Protection Fees	3,610,000
Radiation Protection Fines	43,000
Radon Testers Certification	250,000
Recycling Fees	400,000
Shellfish and Marine Fisheries	14,000
Solid Waste -- Utility Regulation Assessments	3,200,000
Solid Waste -- Utility Regulation Fines	135,000
Solid Waste Fines -- DEP	500,000
Solid Waste Management Fees -- DEP	7,600,000
Solid and Hazardous Waste Disclosure	3,900,000
Spring Meadow Golf Course	500,000
Stormwater Permits	1,700,000
Stream Encroachment	1,430,000
Toxic Catastrophe Prevention Fees	1,420,000
Toxic Catastrophe Prevention Fines	150,000
Treatment Works Approval	850,000
Underground Storage Tanks	2,500,000
Water Allocation	2,100,000
Water Supply Management Regulations	800,000
Water/Wastewater Operators Licenses	275,000
Waterfront Development Fees	1,100,000
Waterfront Development Fines	15,000
Well Permits/Well Drillers/Pump Installers Licenses	1,100,000
Wetlands	50,000
Worker and Community Right to Know-Fines	100,000
Subtotal, Department of Environmental Protection	$96,617,000
Department of Health:	
Animal Control Act	$550,000
Consumer Health Penalties	640,000
New Jersey Essential Health Services Commission	1,200,000
Rabies Control	453,000
Vital Statistics Registration	150,000
Subtotal, Department of Health	$2,993,000
Department of Human Services	
Child Care Licensing/Adoption Law	$120,000

Marriage License Fees	1,409,000
Medicaid Uncompensated Care – Acute	150,000,000
Medicaid Uncompensated Care – Mental Health	15,000,000
Medicaid Uncompensated Care – Psychiatric	163,161,000
Medicaid Uncompensated Care – UMDNJ	39,489,000
Patients' and Residents' Cost Recoveries:	
Developmental Disability	19,028,000
Psychiatric Hospitals	42,891,000
Special Residential Services	9,219,000
Sale of Garden State Health Plan	3,000,000
School Based Medicaid	26,000,000
Subtotal, Department of Human Services	$469,317,000
Department of Labor:	
Special Compensation Fund	$1,540,000
Workers' Compensation Assessment	11,694,000
Workplace Standards – Licenses, Permits and Fines	2,238,000
Subtotal, Department of Labor	$15,472,000
Department of Law and Public Safety:	
Beverage Licenses	$2,000,000
Division of Consumer Affairs:	
General Revenues:	
Charities Registration Section	695,000
Consumer Affairs	2,000
Controlled Dangerous Substances	100,000
Legalized Games of Chance Control	1,390,000
Private Employment Agencies	258,000
Weights and Measures – General	2,612,000
Professional Examining Board Fees:	
State Board of Architects	504,000
State Board of Audiology and Speech – Language Pathology Advisory	86,000
State Board of Certified Public Accountants	623,000
State Board of Chiropractors	393,000
State Board of Cosmetology and Hairstyling	1,903,000
State Board of Dentistry	854,000
State Board of Electrical Contractors	440,000
State Board of Marriage Counselor Examiners	129,000
State Board of Master Plumbers	301,000
State Board of Medical Examiners	3,857,000
State Board of Mortuary Science	211,000

State Board of Nursing	2,860,000
State Board of Occupational Therapists and Assistants	95,000
State Board of Opthalmic Dispensers and Opthalmic Technicians	137,000
State Board of Optometrists	345,000
State Board of Orthotics and Prosthesis	34,000
State Board of Pharmacy	1,164,000
State Board of Physical Therapy	228,000
State Board of Professional Engineers and Land Surveyors	788,000
State Board of Professional Planners	161,000
State Board of Psychological Examiners	391,000
State Board of Public Movers and Warehousemen	238,000
State Board of Real Estate Appraisers	320,000
State Board of Respiratory Care	183,000
State Board of Shorthand Reporting	81,000
State Board of Social Workers	401,000
State Board of Veterinary Medical Examiners	164,000
New Jersey Cemetery Board	150,000
Escheated Estates	1,500,000
Escheats Settlement Recoveries	700,000
Other Boating Fees	1,000
Pleasure Boat Licenses	2,200,000
Racing Licenses and Fees	2,160,000
Securities Enforcement	5,398,000
State Police – Fingerprint Fees	1,014,000
State Police – Other Licenses	184,000
State Police – Private Detective Licenses	220,000
Violent Crime Compensation	3,500,000
Subtotal, Department of Law and Public Safety	$40,975,000
Department of Military and Veterans' Affairs:	
Soldiers' Homes	$18,864,000
Subtotal, Department of Military and Veterans' Affairs	$18,864,000
Department of State:	
Commercial Recording – Expedited	$2,700,000
Commissions	1,100,000
General Revenue – Fees	21,101,000
Subtotal, Department of State	$24,901,000
Department of Transportation:	
Air Safety Fund	$850,000
Applications and Highway Permits	1,700,000

Auto Body Repair Shop Licensing	600,000
Autonomous Transportation Authorities	24,500,000
Drunk Driving Fines	962,000
Federal Commercial Driver License Program	1,000,000
Good Driver	65,000,000
Interest on Purchase of Right-of-Way	63,000
Logo Sign Program Fees	595,000
Motor Vehicle Security – Responsibility Law Administration	9,663,000
Outdoor Advertising	740,000
Parking Offenses	360,000
Petitions and Motor Carrier Inspections	145,000
Photo Licensing	1,000,000
Sale of Motor Vehicle Database	11,000,000
Salvage Title Program	527,000
Uninsured Motorists Program	3,386,000
Subtotal, Department of Transportation	$122,091,000
Department of the Treasury:	
Assessments – Cable TV	$3,121,000
Assessments – Public Utility	18,061,000
Casino Fines	135,000
Coin Operated Telephones	6,000,000
Equipment Leasing Fund – Debt Service Recovery	4,825,000
Escrow Interest – Construction Accounts	30,000
Higher Education Bond Interest Recoveries	273,000
Investment Earnings	10,000,000
Nuclear Emergency Response Assessment	3,911,000
Public Utility Receipts	275,000
Public Utility Gross Receipts and Franchise Taxes	250,000,000
Public Utility Tax – Administration	250,000
Railroad Tax – Class II	4,765,000
Railroad Tax – Franchise	3,250,000
Rate Payer Advocate	4,000,000
Sales and Leaseback	40,000,000
Surplus Property	1,000,000
Subtotal, Department of the Treasury	$349,896,000
Other Sources:	
Miscellaneous Revenue	$500,000
Subtotal, Other Sources	$500,000
Inter-Departmental Accounts:	
Administration and Investment of Pension Funds – Recoveries	$36,170,000
Employee Maintenance Deductions	850,000

Fringe Benefit Recoveries from Colleges and Universities	68,900,000
Fringe Benefit Recoveries from Federal and Other Funds	96,000,000
Fringe Benefit Recoveries from School Districts	21,000,000
Indirect Cost Recovery –DEP Other Funds	15,745,000
Indirect Cost Recovery – Federal	8,000,000
MTF Revenue Fund	137,099,000
Rent of State Building Space	1,064,000
Social Security Recoveries from Federal and Other Funds	35,300,000
Subtotal, Inter-Departmental Accounts	$420,128,000
Judicial Branch –	
County Court Escheats	$15,000,000
Court Fees	52,119,000
Court Unification County Reimbursements	119,312,000
Subtotal, Judicial Branch	$186,431,000
Total – Miscellaneous Taxes, Fees, Revenues	$1,894,916,000

Interfund Transfers

Beaches and Harbor Fund	$110,000
Child Support and Paternity Fund	1,250,000
Clean Communities Account Fund	725,000
Clean Waters Fund	103,000
Community Development Bond Fund	75,000
Correctional Facilities Construction Fund	6,000
Correctional Facilities Construction Fund (Act of 1987)	1,575,000
Cultural Center and Historic Preservation Fund 1987	375,000
Emergency Flood Control Fund	288,000
Emergency Service Fund	1,200,000
Energy Conservation Fund	250,000
Farmland Preservation Fund	90,000
Farmland Preservation Fund (1992)	629,000
Fund for the Support of Free Public Schools	5,700,000
General Trust Funds	1,000
Hazardous Discharge Fund	50,000
Hazardous Discharge Fund of 1986	5,377,000
Hazardous Discharge Site Cleanup Fund	14,428,000
Health Care Subsidy Fund	300,000
Historic Preservation Fund (1992)	420,000
Housing Assistance Fund	82,000
Institutional Construction Fund	4,000
Institutions Construction Fund	1,000
Jobs, Science and Technology Fund	3,000

Judiciary Bail Fund	1,800,000
Judiciary Probation Fund	125,000
Judiciary Special Civil Fund	110,000
Judiciary Superior Court Miscellaneous Fund	530,000
Mortgage Assistance Fund	3,055,000
Motor Vehicle Security Responsibility Fund	7,000
Natural Resources Fund	656,000
New Home Warranty Security Fund	4,250,000
New Jersey Bridge Rehabilitation and Improvement Fund	700,000
New Jersey Green Acres Fund (1983)	800,000
New Jersey Green Acres Fund (1992)	1,924,000
New Jersey Green Trust Fund (1992)	1,924,000
New Jersey Spill Compensation Fund Administrative Costs	12,977,000
Pollution Prevention Fund	1,565,000
Public Purpose Buildings Construction Fund	215,000
Resource Recovery Investment Fund	365,000
Resource Recovery and Solid Waste Disposal Facility Fund	224,000
Safe Drinking Water Fund	1,936,000
Sanitary Landfill Facility Contingency Fund	11,729,000
School Fund Investment Account	2,481,000
Shore Protection Fund	585,000
Solid Waste Services Tax Fund	70,000
State Disability Benefits Fund General Account	274,767,000
State Lottery Fund	675,500,000
State Lottery Fund Administration	14,166,000
State Recreation and Conservation Land Acquisition Fund (Act of 1971)	4,000
State Recreation and Conservation Land Acquisition and Development	19,000
State Recycling Fund	919,000
State of New Jersey Cash Management Fund	1,750,000
Stormwater Management and Combined Sewer Overflow Abatement Fund	340,000
Unclaimed Personal Property Trust Fund	42,700,000
Unemployment Compensation Auxiliary Fund	21,070,000
Unsatisfied Claim and Judgment Fund	1,965,000
Wage and Hour Trust Fund	75,000
Water Conservation Fund	635,000
Water Supply Fund	10,192,000
Worker and Community Right to Know Fund	2,546,000
Workforce Development Partnership Fund	6,451,000
Total – Interfund Transfers	$1,134,169,000
Total State Revenues, General Fund	$10,767,085,000
Less: Transfer to Gubernatorial Elections Fund	**($1,603,000)**
Total Resources, General Fund	$11,236,675,000

Surplus Revenue Fund	
Undesignated Fund Balance, July 1, 1996	$263,257,000
Total Resources, Surplus Revenue Fund	$263,257,000
Property Tax Relief Fund	
Undesignated Fund Balance, July 1, 1996	$120,989,000
Gross Income Tax	4,510,000,000
Total Resources, Property Tax Relief Fund	$4,630,989,000
Casino Control Fund	
Undesignated Fund Balance, July 1, 1996	($2,339,000)
License Fees	54,000,000
Total Resources, Casino Control Fund	$51,661,000
Casino Revenue Fund	
Undesignated Fund Balance, July 1, 1996	$17,026,000
Boarding House Rental Assistance Fund	375,000
Gross Revenue Tax	321,000,000
Investment Earnings	2,500,000
Total Resources, Casino Revenue Fund	$340,901,000
Gubernatorial Elections Fund	
Undesignated Fund Balance, July 1, 1996	$2,597,000
Transfer from General Fund	1,603,000
Taxpayers' Designations	1,500,000
Total Resources, Gubernatorial Elections Fund	$5,700,000
Total Resources, All State Funds	$16,529,183,000
Federal Revenue	
Department of Agriculture:	
Cooperative Gypsy Moth Suppression	$425,000
Fish Inspection Services	96,000
Jobs Bill	914,000
Various Federal Programs	210,000
Subtotal, Department of Agriculture	$1,645,000
Department of Commerce and Economic Development:	
Public Broadcasting Services	$125,000
Subtotal, Department of Commerce and Economic Development	$125,000
Department of Community Affairs:	
CSBG Discretionary Grant	$250,000

Community Food and Nutrition Program	102,000
Community Services Block Grant – HHS	11,494,000
Emergency Shelter Grants Program	1,545,000
HOPE 3 Implementation Grant	1,500,000
HOPE for Elderly Independence Demonstration Program	1,300,000
Intermediary Technical Assistance Grant	773,000
Moderate Rehabilitation Housing Assistance	11,609,000
National Affordable Housing – HOME Investment Partnerships	11,000,000
Permanent Housing for the Handicapped Homeless	3,000,000
Public Housing Drug Elimination Technical Assistance Grant	10,000
Rental Rehabilitation Assistance Program	500,000
Rural Rental Rehabilitation Demonstration Program	100,000
Section 8 Community Investment	501,000
Section 8 Existing Housing Rental Assistance	68,835,000
Section 8 Housing Voucher Program	41,680,000
Small Cities Block Grant Program	11,500,000
Supplemental Assistance for Facilities to Assist the Homeless	650,000
Transitional Housing – Homeless	2,200,000
Weatherization Assistance Program	4,896,000
Youthbuild Implementation Grant	700,000
Subtotal, Department of Community Affairs	$174,145,000

Department of Education:	
AIDS Prevention Education – Administration	$822,000
Adult Basic Education – Administration/ Discretionary	7,442,000
Adult Education Resource Center (Academy)	402,000
Bilingual and Compensatory Education – Homeless Children and Youth	500,000
Byrd Scholarship Program	785,000
Child Nutrition – Administration	3,205,000
Child Nutrition – School Lunch	184,656,000
Civil Rights – Technical Assistance and Training	403,000
Disability Funds NCS	125,000
Drug-Free Schools and Communities – Administration	8,127,000
EESA, Title II – Math/Science Training, Exemplary	5,275,000
Eisenhower Math/Science Grant – Critical Skills	1,045,000

Emergency Immigrants Education Assistance – Administration	27,000
Even Start Family Literacy Grant – Discretionary	1,900,000
GOALS 2000	8,289,000
IASA Title I – Capital Expenses	125,294,000
IDEA (State Institutions), Handicapped	916,000
IDEA – Handicapped	85,559,000
Migrant Education – Administration/ Discretionary	2,520,000
National Community Service – Americorps	8,026,000
New Jersey Partnership for Transition	524,000
Pre-School Incentive Grant – Administration/ Discretionary	11,600,000
Program Development Assistance Training	115,000
Safe & Drug-Free Schools – Governor's Portion Discretionary	2,140,000
School Breakfast – Administration	130,000
School to Work Opportunities	12,000,000
Statewide Systemic Initiative – Administration/ Discretionary	2,000,000
Technology	3,717,000
Title I – Part D, Neglected & Delinquent	2,275,000
Title VI – Innovative Program Strategies	7,266,000
Various Federal Programs	567,000
Vocational Education – Basic Grants, Administration	22,786,000
Subtotal, Department of Education	$510,438,000
Department of Environmental Protection:	
Air Pollution Maintenance Program	$7,000,000
Appalachian Trail Viewshed Acquisition (ISTEA)	500,000
Artificial Reef Program	160,000
Biodiversity Project	100,000
CERCLA Grants	1,000,000
Cape May Point State Park Bikeway (ISTEA)	200,000
Clean Lakes Program	1,500,000
Clean Vessels	3,500,000
Coastal Mapping	100,000
Coastal Oceans Program	250,000
Coastal Zone Management Implementation	3,000,000
Consolidated Forest Management	1,042,000
Construction Grants Program	95,000,000
Delaware and Raritan Canal State Park Multi-Purpose Trail – Phase II (ISTEA)	400,000
Delaware and Raritan Canal State Park Multi-Purpose Trail – Phase III (ISTEA)	500,000
Delaware and Raritan Canal State Park Old Rose to Mulberry Street (ISTEA)	250,000
Endangered Species E-1-6	110,000

Environmental Justice	100,000
Environmental Technology Initiative	800,000
Estuary Program	1,240,000
Forest Legacy Administration	5,000
Forest Resource Management – Cooperative Forest Fire Control	340,000
GIS Database Development	300,000
Global Positioning System	150,000
Hazardous Waste – Resource Conservation Recovery Act	4,281,000
Historic Preservation Survey & Planning	1,425,000
Hunters' and Anglers' License Fund	4,800,000
Island Beach State Park Bikeway Extension (ISTEA)	500,000
Land and Water Conservation Fund	5,000,000
Liberty State Park Ferry Slip Restoration	1,000,000
Liberty State Park Train Sheds – Structural Report (ISTEA)	350,000
Liberty State Park – Bus Terminal (ISTEA)	400,000
Marine Fisheries Investigation and Management	1,200,000
Maurice River II	1,200,000
NPDES Implementation Support Program	2,000,000
National Coastal Wetlands Conservation	1,275,000
National Geologic Mapping Program	200,000
National Recreational Trails	642,000
Non-Point Source Implementation (319H)	2,000,000
Nursery – Cm - 4	24,000
Paulins Kill Valley Trail Improvements (ISTEA)	550,000
Pesticide Technology	553,000
Pinelands Grant – Acquisition	6,000,000
Pollution Prevention Incentive	100,000
Preliminary Assessments/Site Inspections	3,000,000
Radon Program	600,000
Rural Forestry Assistance	60,000
Safe Drinking Water Act	13,800,000
Salem River Meadows	2,000,000
State Wetlands Conservation Plan	300,000
State/EPA Data Management Grant	500,000
Stock Assessment of New Jersey Offshore Fisheries	350,000
Superfund Grants	100,000,000
Sussex Branch Trail Connector (ISTEA)	75,000
Toxic Substances Control Act Grant	500,000
US DOE Site Cleanups	550,000
Underground Injection Control	100,000
Underground Storage Tanks	3,300,000
Various Federal Programs	1,636,000
Water Monitoring and Planning	1,600,000
Water Pollution Control Program	3,100,000
Subtotal, Department of Environmental Protection	$282,518,000

Department of Health:	
American Stop Smoking Intervention Study	$1,321,000
Childhood Lead Poisoning	1,525,000
Clinical Laboratory Improvement Amendments Program	625,000
Comprehensive AIDS Resources Grant	16,000,000
Comprehensive Breast and Cervical Cancer	2,000,000
Coordination of Home Visits to Families with Children in New Jersey	260,000
Counseling on Health Insurance for Medicare Enrollees	250,000
Criminal Justice Treatment Network	1,114,000
Demonstration Program to Conduct Health Assessments	650,000
Demonstration Program -- Residential Treatment for Women and their Children	1,507,000
Domestic Violence in Women Associated with Partner Notification	250,000
Early Intervention Program for Infants and Toddlers with Disabilities (Part H)	9,059,000
Education of Health Professionals	120,000
Epidemiology 2000 -- Electronic Surveillance	236,000
Essex County Healthy Start Initiative	1,300,000
Evaluation of STD Professional Education	350,000
Family Planning Program -- Title X	3,400,000
Federal Civil Monetary Penalties	500,000
Federal Lead Abatement Program	650,000
Food Inspection	248,000
HIV/AIDS Prevention and Education Grant	12,000,000
HIV/AIDS Surveillance Grant	4,100,000
Housing Opportunities for Persons with AIDS	1,174,000
Immunization Project	14,723,000
Injury Demonstration Projects for Evaluation of Youth Violence Prevention	396,000
Lyme Disease Research	124,000
Maternal and Child Health Block Grant	12,700,000
Medicare/Medicaid Inspections of Nursing Facilities	8,099,000
New Jersey Project: Providing a MED Home in a Neighborhood of Services	116,000
National Council on Aging -- Senior Employment Services Project	3,000,000
National Program of Cancer Registries	700,000
New Jersey WIN Initiative Project	240,000
Newark Targeted Cities Project -- Substance Abuse	3,730,000
Occupational Related Tuberculosis Among Health Care Workers	200,000
Older Americans Act -- Title III	27,698,000
Older Americans Act -- Title IV	600,000
Pediatric AIDS Health Care Demonstration Project	1,400,000
Preventative Health and Health Services Block Grant	6,181,000
Primary Care Service and Management Planning	325,000
Public Employees Occupational Safety and Health -- State Plan	863,000

Residential Substance Abuse Treatment for Pregnant/ Postpartum Women	2,665,000
Sentinel Event Notification System – Occupational Risks	280,000
State Based Diabetes Program	295,000
State-Based Birth Defects Surveillance Demonstration Projects	43,000
Substance Abuse Block Grant	38,007,000
Supplemental Food Program – W.I.C.	77,000,000
Toxic Substances Control Act	200,000
Tuberculosis Control Program	6,575,000
USDA Older Americans Act – Title III	3,900,000
Various Federal Programs	595,000
Venereal Disease Project	2,250,000
Vital Statistics Component	685,000
WIC Farmer's Market Nutrition Program	203,000
Subtotal, Department of Health	$272,432,000
Department of Human Services:	
Aid for Dependent Children – Title IV-A	$339,395,000
Automated Child Support Enforcement Program	89,217,000
Block Grant Mental Health Services	8,167,000
Challenge Grant (Children's Trust Fund)	557,000
Child Care Development Block Grant	17,071,000
Community Care Waiver	81,639,000
Community Service Waiting List Reduction Initiatives	5,600,000
Developmental Disabilities Council	1,566,000
Federal Independent Living	478,000
Federal Title IV-F	25,412,000
Food Stamp Program	62,334,000
Foster Grandparents Program	824,000
Low Income Energy Assistance Block Grant	50,908,000
Office of Prevention	525,000
Projects for Assistance in Transition from Homelessness (PATH)	448,000
Refugee Resettlement Program	5,543,000
Restricted Grants	2,845,000
Social Services Block Grant	84,653,000
Supplemental Security Income – Title XIV	150,000
Title IV-A At Risk Child Care	8,323,000
Title IV-B Child Welfare Services	13,470,000
Title IV-E Foster Care	36,329,000
Title IV-E Foster Care Independent Living	2,298,000
Title XIX DYFS	31,833,000
Title XIX ICF/MR	184,811,000
Title XIX Medical Assistance	1,854,436,000
Title XX Urban Empowerment Zone	10,418,000
Various Federal Programs	1,431,000
Vocational Rehabilitation Act – Section 120	8,516,000
Subtotal, Department of Human Services	$2,929,197,000

Department of Labor:	
Comprehensive Services for Independent Living	$550,000
Current Employment Statistics	2,143,000
DVRS Transportation Services Grant	375,000
Disabled Veterans' Outreach Program	2,626,000
Employment Services	24,828,000
Employment Services – One Stop Shopping	5,000,000
Employment Services Cost Reimbursable Grants – Migrant Housing	50,000
Employment Services Cost Reimbursable Grants – Targeted Jobs Tax Credit	500,000
Employment Services Grants – Alien Labor Certification	3,139,000
JTPA Title III D Discretionary Funding	3,011,000
Job Training Partnership Act	48,103,000
JTPA Title III – Dislocated Workers	36,503,000
Local Veteran's Employment Representatives	1,265,000
Newark Collaborative	220,000
OSHA Data Collection Survey	75,000
Occupational Informational Coordinating Program	199,000
Occupational Safety Health Act – On-Site Consultation	1,378,000
Old Age and Survivors insurance – Disability Determination	39,775,000
One Stop LMI	464,000
Redesigned Occupational Safety and Health (ROSH)	335,000
Rehabilitation of Supplemental Security Income Beneficiaries	1,500,000
Supported Employment	1,000,000
Technology Related Assistance Project	550,000
Trade Adjustment Assistance Project	9,096,000
Transition Services for Youths with Disabilities	25,000
Unemployment Insurance	92,000,000
Vocational Rehabilitation Act of 1973	36,750,000
Various Federal Programs	532,000
Subtotal, Department of Labor	$311,992,000
Department of Law and Public Safety:	
Alcohol Education Materials	$600,000
Alcohol Incentive Program 5th Year Supplemental	25,000
Challenge Grant	259,000
Community Policing Initiative Grant – Part I	200,000
Community Policing Initiative Grant – Part II	200,000
Cops MORE Grant	432,000
Criminal Justice	300,000
Department of Defense Funding (CFDA 12.607)	300,000
Drug Enforcement Administration Grants	18,000,000
DrugFire Program	315,000
Drunk Driver Prevention	1,000,000

Emergency Management Training and Education	200,000
Federal Highway Safety Program – State Match	2,948,000
Firearms Unit, National Criminal History Program	1,500,000
Forensic DNA Lab	1,200,000
Hazardous Materials Transportation Uniform Safety Act	275,000
High Intensity Drug Trafficking Area (HIDTA)	1,100,000
Juvenile Boot Camp Renovation Grant	1,000,000
Juvenile Justice Delinquency Prevention	2,280,000
Juvenile Monitoring Unit	193,000
Local Law Enforcement Block Grant	1,200,000
Medicaid Fraud Unit	2,100,000
Motorcycle Occupant	250,000
NHTSA 402 – Youthful Driver	250,000
NHTSA Funding Title 23 – High Risk Driver	1,000,000
National Criminal History Program – OAG	3,000,000
New Charge Resolution Project	623,000
Northern New Jersey Herion and Money Laundering	200,000
Nuclear Civil Protection Planning	4,332,000
OP Special Traffic Safety Programs	225,000
Recreational Boating Safety Financial Assistance	1,000,000
Residential Treatment for Substance Abuse	600,000
Safe Communities Program	150,000
Survival Crisis Management Grant	575,000
Title III/Hazardous Materials	232,000
Title V Funding	540,000
Traffic Engineering Services Project – FHWA Section 402	175,000
Truth In Sentencing Incentive Grant	7,000,000
Unemployment Fraud	500,000
Urban Research and Rescue	400,000
Various Federal Programs	1,353,000
Victim Assistance Grants	4,000,000
Victim Compensation Award	3,100,000
Violence Against Women Act	4,100,000
Youth Gun Violence Initiative Grant	250,000
Subtotal, Department of Law and Public Safety	$69,482,000

Department of Military and Veterans' Affairs:	
Air National Guard – Service Contracts	$887,000
Armory Renovations and Improvements	200,000
Army Facilities – Service Contracts	1,400,000
Army National Guard Statewide Security Agreement	631,000
Atlantic City Airbase – Service Contracts	1,863,000
Facilities Management Support Contract	924,000
Fire Fighter/Crash Rescue Service Cooperative Funding Agreement	928,000
Hazardous Waste Environmental Protection Program	711,000
McGuire Air Force Base – Service Contracts	1,578,000
National Guard Communications Agreement	415,000

New Jersey National Guard Challenge Youth Program	2,756,000
Reefex Environmental Program	350,000
Training and Equipment Pool Sites	682,000
Transitional Housing	350,000
Veterans' Education Monitoring	485,000
Various Federal Programs	155,000
Subtotal, Department of Military and Veterans' Affairs	$14,315,000
Department of State:	
Arts Programs	$133,000
Basic Block Grant	373,000
Cultural Diversity, Southern New Jersey	51,000
Folk Apprenticeships	30,000
Library Services and Construction Act, Title I – Administration	2,335,000
Library Services and Construction Act, Title II – Programmatic	400,000
Library Services and Construction Act, Title III – Interlibrary Cooperation	550,000
National Endowment for the Humanities	100,000
Various Federal Programs	173,000
Subtotal, Department of State	$4,145,000
Department of Transportation:	
Airport Fund	$8,000,000
Federal Highway Safety Program – State Match	194,000
Highway Planning and Research	10,500,000
Metropolitan Planning Funds	6,500,000
Motor Carrier Safety Assistance Program	4,000,000
New Jersey Transportation Planning Assistance	3,000,000
Rail Freight Capital Projects	1,000,000
Interstate Program	30,450,000
Demonstration Program	60,594,000
Congestion Mitigation and Air Quality	56,310,000
National Highway System	85,381,000
Surface Transportation Program	202,022,000
Bridge Program	129,811,000
Federal Transit Administration	278,230,000
Subtotal, Department of Transportation	$875,992,000
Department of the Treasury:	
Division of Gas Expansion	$600,000
Institutional Conservation Program – Schools and Hospitals	500,000
National Health Service Corporation – State Loan Repayment Program	425,000
State Energy Conservation Program	925,000

State Student Incentive Grant Program	822,000
Student Loan Administrative Cost Deduction and Allowance	12,390,000
Subtotal, Department of the Treasury	$15,662,000
Total – Federal Revenue	$5,462,088,000
Grand Total Resources, All Funds	$21,991,271,000

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

1. The appropriations herein or so much thereof as may be necessary are hereby appropriated out of the General 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, 1997. Unless otherwise provided, the appropriations herein made shall be available during said fiscal year and for a period of one month thereafter for expenditures applicable to said fiscal year. Unless otherwise provided, at the expiration of said one-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 encumbrances on file as of June 30, 1997 with the Director of the Division of Budget and Accounting or held by pre-encumbrances on file as of June 30, 1997 as determined by the Director of the Division of Budget and Accounting. The Director of the Division of Budget and Accounting shall provide the Legislative Budget and Finance Officer with a listing of all pre-encumbrances outstanding as of July 31, 1997 together with an explanation of their status. Nothing contained in this section or in this act shall be construed to prohibit the payment due upon any encumbrance or pre-encumbrance made under any appropriation contained in any appropriation act of the previous year or years. Furthermore, balances held by pre-encumbrances as of June 30, 1996 are available for payments applicable to fiscal year 1996 as determined by the Director of the Division of Budget and Accounting. The Director of the Division of Budget and Accounting shall provide the Legislative Budget and Finance Officer with a listing of all pre-encumbrances outstanding as of July 31, 1996 together with an explanation of their status. On or before December 1, 1996, the State Treasurer, in accordance with the provisions of section 37 of article 3 of P.L.1944, c.112 (C.52:27B-46), shall transmit to the Legislature the Annual Financial Report of the State of New Jersey for the fiscal year ending June 30, 1996, depicting the financial condition of the State and the results of operation for the fiscal year ending June 30, 1996.

DIRECT STATE SERVICES
LEGISLATIVE BRANCH
01 LEGISLATURE

70 Government Direction, Management and Control
71 Legislative Activities
0001 Senate

01-0001 Senate	$9,534,000
Total Appropriation, Senate	$9,534,000

Personal Services:		
Senators (40)	($1,412,000)	
Salaries and Wages	(3,400,000)	
Members' Staff Services	(3,600,000)	
Materials and Supplies	(141,000)	
Services Other Than Personal	(856,000)	
Maintenance and Fixed Charges	(76,000)	
Additions, Improvements and Equipment	(49,000)	

The unexpended balance as of June 30, 1996 in this account is appropriated.

0002 General Assembly

02-0002 General Assembly		$15,152,000
Total Appropriation, General Assembly		$15,152,000
Personal Services:		
Assemblypersons (80)	($2,812,000)	
Salaries and Wages	(4,100,000)	
Members' Staff Services	(7,260,000)	
Materials and Supplies	(130,000)	
Services Other Than Personal	(730,000)	
Maintenance and Fixed Charges	(90,000)	
Additions, Improvements and Equipment	(30,000)	

The unexpended balance as of June 30, 1996 in this account is appropriated.

From the amounts appropriated hereinabove, there shall be allocated to each Assembly District Office an amount received by each Senate District Office.

Total Appropriation, Senate and General Assembly	$24,686,000

0003 Office of Legislative Services

03-0003 Legislative Support Services		$20,656,000
Total Appropriation, Office of Legislative Services		$20,656,000
Personal Services:		
Salaries and Wages	($13,965,000)	
Materials and Supplies	(1,209,000)	
Services Other Than Personal	(2,777,000)	
Maintenance and Fixed Charges	(2,577,000)	
Special Purpose:		
Affirmative Action and Equal Employment Opportunity	(23,000)	
Additions, Improvements and Equipment	(105,000)	

The unexpended balance as of June 30, 1996 in this account is appropriated.

Such sums as may be required for the cost of information system audits performed by the State Auditor are funded from the departmental data processing accounts of the department in which the audits are performed.

In addition to the amounts appropriated hereinabove, there is appropriated an amount not to exceed $1,100,000, as determined by the Computer Executive Group of

the Legislative Information Systems Committee of the Legislative Services Commission, for the continuation and expansion of data processing systems for the Legislature in order to plan, acquire and install a comprehensive electronic data processing system, including software acquisition and training in connection with the system. No amounts so determined shall be obligated, expended or otherwise made available without the written prior authorization of the Senate President and the Speaker of the General Assembly.

Receipts derived from fees and charges for public access to legislative information systems, and the unexpended balance as of June 30, 1996 of such receipts are appropriated and shall be credited to a non-lapsing revolving fund established in and administered by the Office of Legislative Services for the purpose of continuing to modernize, maintain and expand the dissemination and availability of legislative information.

Such sums as are required for master lease payments are appropriated, subject to the approval of the Director of the Division of Budget and Accounting and the Legislative Budget and Finance Officer.

09 Legislative Commissions
0010 Intergovernmental Relations Commission

09-0010 Intergovernmental Relations Commission		$321,000
Total Appropriation, Intergovernmental Relations Commission		$321,000
Special Purpose:		
The Council of State Governments	($130,000)	
Advisory Commission on Intergovernmental Relations	(9,000)	
National Conference of State Legislatures	(139,000)	
Northeast-Midwest Research Institute	(43,000)	

The unexpended balance as of June 30, 1996 in this account is appropriated.

0014 Joint Committee on Public Schools

09-0014 Joint Committee on Public Schools		$250,000
Total Appropriation, Joint Committee on Public Schools		$250,000
Special Purpose:		
Expenses of the Committee	($250,000)	

The unexpended balance as of June 30, 1996 in this account is appropriated.

0018 State Commission of Investigation

09-0018 State Commission of Investigation		$2,016,000
Total Appropriation, State Commission of Investigation		$2,016,000
Special Purpose:		
Expenses of the Commission	($2,016,000)	

The unexpended balance as of June 30, 1996 in this account is appropriated.

0026 Commission on Business Efficiency in the Public Schools

09-0026 Commission on Business Efficiency in the Public Schools		$63,000
Total Appropriation, Commission on Business Efficiency in the Public Schools		$63,000

Special Purpose:

Expenses of the Commission ..... ($63,000)

The unexpended balance as of June 30, 1996 in this account is appropriated.

0053 New Jersey Law Revision Commission

09-0053 New Jersey Law Revision Commission $277,000

Total Appropriation, New Jersey Law Revision Commission $277,000

Special Purpose:

Expenses of the Commission ..... ($277,000)

The unexpended balance as of June 30, 1996 in this account is appropriated.

0058 State Capitol Joint Management Commission

09-0058 State Capitol Joint Management Commission $1,701,000

Total Appropriation, State Capitol Joint Management Commission $1,701,000

Special Purpose:

Expenses of the Commission ..... ($1,701,000)

The unexpended balance as of June 30, 1996 in this account is appropriated.

0060 New Jersey Information Resources Management Commission

09-0060 New Jersey Information Resources Management Commission $25,000

Total Appropriation, New Jersey Information Resources Management Commission $25,000

Special Purpose:

Expenses of the Commission ..... ($25,000)

The unexpended balance as of June 30, 1996 in this account is appropriated.

Total Appropriation, Legislative Commissions $4,653,000

Total Appropriation, Legislature $49,995,000

EXECUTIVE BRANCH
06 OFFICE OF THE CHIEF EXECUTIVE
70 Government Direction, Management and Control
76 Management and Administration
0300 Chief Executive's Office

01-0300 Executive Management $5,003,000

Total Appropriation, Chief Executive's Office $5,003,000

Personal Services:

Salaries and Wages ..... ($3,688,000)

Materials and Supplies ..... (113,000)

Services Other Than Personal ..... (625,000)

Maintenance and Fixed Charges ..... (136,000)

Special Purpose:

National Governors' Association ..... (169,000)

Coalition of Northeastern Governors	(46,000)	
Education Commission of the States	(80,000)	
National Conference of Commissioners On Uniform State Laws	(29,000)	
Brian Stack Intern Program	(10,000)	
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	(75,000)	
Additions, Improvements and Equipment	(32,000)	

The unexpended balance as of June 30, 1996 in this account is appropriated.

Total Appropriation, Office of the Chief Executive		$5,003,000

10 DEPARTMENT OF AGRICULTURE

40 Community Development and Environmental Management
49 Agricultural Resources, Planning, and Regulation

01-3310 Animal Disease Control		$865,000
02-3320 Plant Pest and Disease Control		1,732,000
03-3330 Resource Development Services		1,221,000
04-3340 Dairy and Commodity Regulation		786,000
06-3360 Marketing Services		2,446,000
99-3370 Management and Administrative Services		1,270,000
Total Appropriation, Agricultural Resources, Planning, and Regulation		$8,320,000
Personal Services:		
Salaries and Wages	($5,355,000)	
Materials and Supplies	(222,000)	
Services Other Than Personal	(388,000)	
Maintenance and Fixed Charges	(324,000)	
Special Purpose:		
Agricultural Right-To-Farm Program	(100,000)	
Agricultural Economic Analysis and Development Program	(40,000)	
Agricultural Regulatory Mitigation/ Mediation Program	(100,000)	
Fish and Seafood Development and Promotion	(100,000)	
Future Farmers' Youth Development	(45,000)	
Promotion/Market Development	(1,166,000)	
Wine Promotion Program	(30,000)	
Temporary Emergency Food Assistance Program	(338,000)	
Expenses of State Board of Agriculture	(18,000)	
Sussex Soil Conservation District	(65,000)	
Affirmative Action and Equal Employment Opportunity	(28,000)	
Additions, Improvements and Equipment	(1,000)	

Receipts from laboratory test fees are appropriated to support the Animal Health Laboratory program.

Receipts from the sale or studies of beneficial insects are appropriated to support the Beneficial Insect Laboratory.

Receipts from the seed laboratory testing and certification programs are appropriated for program costs.

Receipts from Nursery Inspection fees are appropriated for Nursery Inspection program costs.

Receipts derived from the Soybean Integrated Pest Management Program are appropriated for the same purpose.

Receipts from the Stormwater Discharge Permit Program fees are appropriated for program costs.

Receipts from dairy licenses and inspections are appropriated for program costs.

Receipts in excess of the amount anticipated from feed, fertilizer, and liming material registrations and inspections are appropriated for program costs.

Receipts from inspection fees derived from fruit, vegetable, fish and poultry inspections are appropriated for the cost of conducting fruit, vegetable, fish and poultry inspections.

The unexpended balance as of June 30, 1996 in the Promotion/Market Development account is appropriated for the same purpose.

Revenues in excess of those anticipated, generated at the rate of $.20 per gallon of wine, vermouth and sparkling wines sold by plenary winery and farm winery licenses issued pursuant to R.S.33:1-10, and certified by the Director of the Division of Taxation, are appropriated to the Department of Agriculture from the alcoholic beverage excise tax for expenses of the Wine Promotion Program. If receipts are less than anticipated, the appropriation shall be reduced proportionately.

Receipts derived from the distribution of commodities, sale of containers and salvage of commodities, in accordance with applicable federal regulations, are appropriated for Commodity Distribution expenses.

In addition to the amount appropriated hereinabove for the Dairy and Commodity program classification, there is appropriated for the same purposes receipts collected that are attributable to fee increases enacted in amendments to section 4 of P.L.1970, c.338 (C.4:4-20.4), section 9 of P.L.1970, c.338 (C.4:4-20.9), section 6 of P.L.1970, c.66 (C.4:9-15.6), section 16 of P.L.1970, c.66 (C.4:9-15.16), section 8 of P.L.1968, c.392 (C.4:9-21.8) pursuant to sections 16 through 21 of P.L. , c. (now pending before the Legislature as Assembly, No. 36 or Senate, No. 1324 of 1996), respectively.

Total Appropriation, Department of Agriculture	$8,320,000

14 DEPARTMENT OF BANKING AND INSURANCE

50 Economic Planning, Development and Security
52 Economic Regulation

01-3110	Licensing and Regulatory Affairs	$10,222,000
02-3120	Actuarial Services	4,204,000
03-3130	Regulation of the Real Estate Industry	2,322,000

04-3110 Public and Regulatory Services		1,611,000
05-3160 Unsatisfied Claims		1,965,000
06-3110 Insurance Fraud Prevention		8,547,000
07-3170 Supervision and Examination of Financial Institutions		4,553,000
99-3150 Management and Administrative Services		3,774,000
Total Appropriation, Economic Regulation		$37,198,000
Personal Services:		
Salaries and Wages	($27,245,000)	
Materials and Supplies	(456,000)	
Services Other Than Personal	(7,842,000)	
Maintenance and Fixed Charges	(876,000)	
Special Purpose:		
Affirmative Action and Equal Employment Opportunity	(30,000)	
Additions, Improvements and Equipment	(749,000)	

Receipts derived from extraordinary financial condition examinations or actuarial certifications of loss reserves are appropriated for the conduct of such examinations or certifications, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance as of June 30, 1996 in the Public Adjusters' Licensing account, together with receipts derived from the "Public Adjusters' Licensing Act," P.L.1993, c.66 (C.17:22B-1 et seq.), are appropriated for the administration of the act, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for Unsatisfied Claims is appropriated out of the Unsatisfied Claim and Judgment Fund and, in addition, there are appropriated out of that fund additional sums as may be necessary for the payment of claims pursuant to section 7 of P.L.1952, c.174 (C.39:6-67), and for such additional costs as may be required to administer the fund pursuant to P.L.1952, c.174 (C.39:6-61 et seq.).

Receipts from the investigation of out-of-State land sales are appropriated for the conduct of such investigations.

There are appropriated from the assessments imposed by the New Jersey Individual Health Coverage Program Board, created pursuant to the "Individual Health Insurance Reform Act," P.L.1992, c.161 (C.17B:27A-2 et seq.), and by the New Jersey Small Employer Health Benefits Program Board, created pursuant to P.L.1992, c.162 (C.17B:27A-17 et seq.), such sums as may be necessary to carry out the provisions of these acts, subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated from the real estate guaranty fund such sums as may be necessary to pay claims.

There are appropriated out of the New Jersey Automobile Insurance Guaranty Fund such sums as may be necessary to satisfy the financial obligations of the New Jersey Automobile Full Insurance Underwriting Association, as set forth in the "Fair Automobile Insurance Reform Act of 1990," P.L.1990, c.8 (C.17:33B-1 et al.), subject to the provisions of subsection e. of section 23 of P.L.1990, c.8 (C.17:33B-5).

Notwithstanding the provisions of section 6 of P.L.1983, c.65 (C.17:29A-35), the receipts otherwise remaining prior to October 1, 1991, derived from surcharges levied on drivers in accordance with the New Jersey Automobile Insurance Reform Act of 1982-Merit Rating System Surcharge Program, P.L.1983, c.65 (C.17:29A-33 et al.) are appropriated to the New Jersey Automobile Full Insurance Underwriting Association. Those receipts otherwise remaining on and after October 1, 1991, are appropriated to the New Jersey Automobile Insurance Guaranty Fund.

All monies deposited in the Division of Motor Vehicles Surcharge Fund are appropriated to the Market Transition Facility Revenue Fund in accordance with the provisions of P.L.1994, c.57 (C.34:1B-21.1 et seq.).

The amount appropriated hereinabove for FAIR Act Administration shall be funded from the additional taxes on the taxable premiums of insurers for the payment of Department of Banking and Insurance administrative costs related to its statutory duties, pursuant to P.L.1990, c.8 (C.17:33B-1 et al.).

In addition to the sum hereinabove, such other sums as the Director of the Division of Budget and Accounting shall determine, are appropriated on behalf of the Department of Banking and Insurance with respect to the assessments of the insurance industry.

The unexpended balance as of June 30, 1996 in the Pinelands Development Credit Bank account is appropriated for the same purpose.

Receipts in excess of anticipated revenues from examination and licensing fees, bank assessments, fines and penalties, not to exceed $200,000, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Total Appropriation, Department of Banking and Insurance	$37,198,000

20 DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

30 Educational, Cultural and Intellectual Development
37 Cultural and Intellectual Development Services

10-2920 Public Broadcasting Services		$4,261,000
Total Appropriation, Cultural and Intellectual Development Services		$4,261,000
Personal Services:		
Salaries and Wages	($3,425,000)	
Materials and Supplies	(145,000)	
Services Other Than Personal	(501,000)	
Maintenance and Fixed Charges	(141,000)	
Special Purpose:		
Affirmative Action and Equal Employment Opportunity	(20,000)	
Additions, Improvements and Equipment	(29,000)	

There are appropriated from the Emergency Services Fund such sums as may be necessary to reimburse the New Jersey Public Broadcasting Authority for the cost of its emergency broadcasts, pursuant to section 4 of P.L.1989, c.133 (C.52:14E-8.1), subject to the approval of the Director of the Division of Budget and Accounting.

50 Economic Planning, Development and Security
51 Economic Planning and Development

20-2800	Economic Development		$2,459,000
21-2850	International Trade		858,000
22-2860	Travel and Tourism		5,440,000
23-2880	Research and Policy		523,000
26-2810	Development for Small Businesses and Women and Minority Businesses		1,092,000
99-2910	Management and Administrative Services		922,000
	Total Appropriation, Economic Planning and Development		$11,294,000
Personal Services:			
	Salaries and Wages	($3,847,000)	
Materials and Supplies		(95,000)	
Services Other Than Personal		(449,000)	
Maintenance and Fixed Charges		(96,000)	
Special Purpose:			
	New Jersey Community Development Bank	(1,000,000)	
	Prosperity New Jersey	(250,000)	
	Trade Shows, Missions and Promotions	(40,000)	
	New Jersey Israel Commission	(130,000)	
	Travel and Tourism, Advertising and Promotion	(2,773,000)	
	Travel and Tourism, Advertising and Promotion - Cooperative Marketing Program	(2,000,000)	
	New Jersey Council of Economic Advisors	(75,000)	
	Small Business Development Center	(500,000)	
	Affirmative Action and Equal Employment Opportunity	(30,000)	
Additions, Improvements and Equipment		(9,000)	

The amounts hereinabove for the Travel and Tourism, Advertising and Promotion account shall be allocated between the International Trade, Economic Development and Travel and Tourism programs at the discretion of the Commissioner of Commerce and Economic Development.

There is appropriated from the enterprise zone assistance fund such sums as are necessary for administrative services provided to the New Jersey Urban Enterprise Zone Authority by the Department of Commerce and Economic Development in accordance with the provisions of section 11 of P.L.1993, c.367 (C.52:27H-65.1), subject to the approval of the Director of the Division of Budget and Accounting.

The amount necessary to provide employer rebate awards as a result of the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et seq.), are appropriated from the enterprise zone assistance fund subject to the approval of the Director of the Division of Budget and Accounting.

Of the amount hereinabove appropriated for the Travel and Tourism, Advertising and Promotion account, the Director of the Division of Travel and Tourism shall expend such amounts as the director determines will encourage the optimum effective continuing operation of each of the Tourist Welcome Centers, including but not limited to, the transfer of the operation of the centers to private, nonprofit

entities, whether under lease arrangements or such other agreements as the director may determine.

The Director of the Division of Travel and Tourism shall report semi-annually on the expenditure of State funds and private contributions during the preceding six months for the Travel and Tourism, Advertising and Promotion Program and the Travel and Tourism, Advertising and Promotion - Cooperative Marketing Program. The first semi-annual report covering the first six months of fiscal year 1997 shall be completed not later than January 31, 1997, the second semi-annual report covering the second six months of fiscal year 1997 shall be completed not later than July 31, 1997 and both reports shall be submitted to the Governor and the Joint Budget Oversight Committee.

The amount hereinabove for the Travel and Tourism, Advertising and Promotion - Cooperative Marketing Program shall be available for expenditure only to the extent that an amount equal to 25% of the State funds are expended from funds raised by the Division of Travel and Tourism pursuant to subsection j. of section 9 of P.L.1977, c.225 (C.34:1A-53), through contributions from private tourism industry concerns and non-State public entities, as determined by the Director of the Division of Budget and Accounting.

The unexpended balance as of June 30, 1996 for the Council of Economic Advisors is appropriated.

Fifty percent of the receipts collected from the use of the Travel and Tourism logo and slogan and the sale of related tourism promotional items are appropriated for the purpose of administering the Travel and Tourism Program, subject to the approval of the Director of the Division of Budget and Accounting.

2890 New Jersey Commission on Science and Technology

24-2890 New Jersey Commission on Science and Technology		$430,000
Total Appropriation, New Jersey Commission on Science and Technology		$430,000
Personal Services:		
Salaries and Wages	($369,000)	
Materials and Supplies	(9,000)	
Services Other Than Personal	(41,000)	
Maintenance and Fixed Charges	(11,000)	
Total Appropriation, Department of Commerce and Economic Development		$15,985,000

22 DEPARTMENT OF COMMUNITY AFFAIRS

40 Community Development and Environmental Management
41 Community Development Management

01-8010	Housing Code Enforcement	$4,506,000
02-8020	Housing Services	3,338,000
04-8030	Local Government Services	3,102,000
06-8015	Uniform Construction Code	3,310,000
12-8025	Boarding Home Regulation and Assistance	1,132,000

13-8027 Codes and Standards		176,000
18-8017 Uniform Fire Code		3,047,000
Total Appropriation, Community Development Management		$18,611,000
Personal Services:		
Board Members (7@ $12,000)	($84,000)	
Salaries and Wages	(13,131,000)	
Materials and Supplies	(152,000)	
Services Other Than Personal	(1,250,000)	
Maintenance and Fixed Charges	(696,000)	
Special Purpose:		
Prevention of Homelessness P.L.1984, c.180 (C.52:27D-280 et seq.)	(243,000)	
Neighborhood Preservation-Fair Housing P.L.1985, c.222 (C.52:27D-301 et seq.)	(1,050,000)	
Council on Affordable Housing	(1,350,000)	
Urban Coordinating Council – Local Support Services	(350,000)	
Main Street New Jersey	(200,000)	
Local Fire Fighters' Training	(100,000)	
Additions, Improvements and Equipment	(5,000)	

The amount hereinabove for the Housing Code Enforcement program classification is payable out of the fees and penalties derived from bureau activities. If the receipts are less than anticipated, the appropriation shall be reduced proportionately.

The expended balance as of June 30, 1996, in the Housing Code Enforcement program classification, together with any receipts in excess of the amount anticipated, is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance as of June 30, 1996 in the Uniform Construction Code fees account, together with any receipts in excess of the amount anticipated, is appropriated for expenses of code enforcement activities, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance as of June 30, 1996 in the Planned Real Estate Development Full Disclosure Act fees account together with any receipts in excess of the amount anticipated is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The amounts received by the Uniform Construction Code Revolving Fund attributable to that portion of the surcharge fee in excess of $0.0006, and to surcharges on other construction, shall be dedicated to the general support of the Uniform Construction Code Program, and, notwithstanding the provisions of section 2 of P.L.1979, c.121 (C.52:27D-124.1), shall be available for training and non-training purposes. Notwithstanding the provision of law to the contrary, unexpended balances in excess of $750,000 as of June 30, 1996 in the Uniform Construction Code Revolving Fund are appropriated.

Such sums as may be required for the registration of builders and reviewing and paying claims under the "New Home Warranty and Builders' Registration Act," P.L.1977, c.467 (C.46:3B-1 et seq.), are appropriated from the New Home Warranty Security Fund in accordance with section 7 of P.L.1977, c.467 (C.46:3B-7), subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance in excess of $200,000 as of June 30, 1996 in the Uniform Fire Code program classification, together with any receipts in excess of the amount anticipated is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The amounts hereinabove for the Uniform Fire Code program classification are payable out of the fees and penalties derived from code enforcement activities. If the receipts are less than anticipated, the appropriations shall be reduced proportionately.

The amount hereinabove for the Council on Affordable Housing and Neighborhood Preservation-Fair Housing accounts shall be payable from the receipts of the portion of the realty transfer tax directed to be credited to the Neighborhood Preservation Nonlapsing Revolving Fund pursuant to section 4 of P.L.1968, c.49 (C.46:15-8) and from the receipts of the portion of the realty transfer tax directed to be credited to the Neighborhood Preservation Nonlapsing Revolving Fund pursuant to section 4 of P.L.1975, c.176 (C.46:15-10.1). Any receipts in excess of the amount anticipated, and any unexpended balance as of June 30, 1996 are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Any receipts from the sale of truth in renting statements, including fees, fines, and penalties, are appropriated.

Receipts from the New Jersey Housing and Mortgage Finance Agency charges for the Affordable Housing Management Service to municipalities and the unexpended balance as of June 30, 1996 are appropriated for the operation of the Affordable Housing Management Service within the Division of Housing.

Receipts from the Division of Local Government Services are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Fees for local government, authority, and special district audits, education program administration, debt financing, expedited budget review and other fiscal services as authorized by the Local Finance Board are appropriated for associated expenses, subject to the approval of the Director of the Division of Budget and Accounting.

Pursuant to section 15 of P.L.1983, c.530 (C.55:14K-15), the commissioner shall determine, at least annually, the eligibility of each boarding house resident for rental assistance payments; and notwithstanding any provision of P.L.1983, c.530 (C.55:14K-1 et seq.) to the contrary, moneys held in the Boarding House Rental Assistance Fund that were originally appropriated from the General Fund may be used by the commissioner for the purpose of providing life safety improvement loans, and any moneys held in the Boarding House Rental Assistance Fund may be used for the purpose of providing rental assistance for repayment of such loans. Notwithstanding any provision of P.L.1983, c.530, the Commissioner of the Department of Community Affairs shall have authority to

disburse funds from the Boarding House Rental Assistance Fund established pursuant to section 14 of said act for the purpose of repaying, through rental assistance or otherwise, loans made to the boarding house owners for the purpose of rehabilitating boarding houses.

50 Economic Planning, Development and Security
55 Social Services Programs

05-8050 Community Resources		$265,000
08-8060 Programs for the Aging		799,000
14-8060 Ombudsman's Office		304,000
15-8051 Women's Programs		877,000
16-8062 Office of the Public Guardian		740,000
Total Appropriation, Social Services Programs		$2,985,000
Personal Services:		
Salaries and Wages	($1,808,000)	
Materials and Supplies	(98,000)	
Services Other Than Personal	(400,000)	
Maintenance and Fixed Charges	(61,000)	
Special Purpose:		
Federal Programs For the Aging (State Share)	(410,000)	
Expenses of the New Jersey Commission on Women	(7,000)	
Office on the Prevention of Violence Against Women	(200,000)	
Additions, Improvements and Equipment	(1,000)	

In addition to the amount hereinabove for the Ombudsman's Office, there are appropriated, subject to the approval of the Director of the Division of Budget and Accounting, additional sums as may be required, if any, equal to the difference between $543,000 and the amount of federal funds received, whereby the total funds available to the office equals $847,000.

Receipts from divorce filing fees pursuant to P.L.1993, c.188 are appropriated.

Receipts from the Office of the Public Guardian are appropriated.

70 Government Direction, Management and Control
76 Management and Administration

99-8070 Management and Administrative Services		$2,500,000
Total Appropriation, Management and Administration		$2,500,000
Personal Services:		
Salaries and Wages	($2,079,000)	
Materials and Supplies	(10,000)	
Services Other Than Personal	(324,000)	
Maintenance and Fixed Charges	(26,000)	
Special Purpose:		
Affirmative Action and Equal Employment Opportunity	(60,000)	

Additions, Improvements and Equipment	(1,000)	
Total Appropriation, Department of Community Affairs		$24,096,000

26 DEPARTMENT OF CORRECTIONS

10 Public Safety and Criminal Justice
16 Detention and Rehabilitation
7025 System-Wide Program Support

07-7025 Institutional Control and Supervision		$12,447,000
13-7025 Institutional Program Support		19,205,000
Total Appropriation, System-Wide Program Support		$31,652,000
Personal Services:		
Salaries and Wages	($17,225,000)	
Materials and Supplies	(2,000)	
Services Other Than Personal	(453,000)	
Special Purpose:		
Central Office Transportation Unit	(264,000)	
Central Transport – South Woods State Prison	(337,000)	
Special Operations Group	(75,000)	
Integrated Information Systems Development	(2,418,000)	
Augment Medical Care At Institutions	(395,000)	
Social Services Block Grant Support	(83,000)	
Return of Escapees and Absconders	(176,000)	
Emergency Facility Repairs	(100,000)	
Mutual Agreement Program	(3,290,000)	
Recruit Screening Program	(180,000)	
Radio Maintenance	(177,000)	
Maintenance of McCorkle Facility	(623,000)	
DOC/DOT Work Details	(500,000)	
Comprehensive Drug Treatment Program	(800,000)	
Institutional Support – South Woods State Prison	(364,000)	
Video Teleconferencing	(500,000)	
Educational Technologies/Remote Educational Systems	(250,000)	
Establishment of Adult Offender "Boot Camp"	(3,330,000)	
Additions, Improvements and Equipment	(110,000)	

The unexpended balance as of June 30, 1996 in the Integrated Information Systems Development account is appropriated to provide funding for the cost of replacing the Department of Corrections S/36 Correctional Management Information System subject to the approval of the Director of the Division of Budget and Accounting, the expenditures of which shall directly improve the department's ability to collect fines, restitutions, penalties, surcharges or other debts owed by inmates.

Notwithstanding the provisions of any law to the contrary, amounts that become available as a result of the contracting of facility maintenance may be transferred to the Contract Services account, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law to the contrary, as a result of the contracting of facility maintenance, an amount shall be transferred from the Inter-Departmental Employee Benefits program classification to the Contract Services account, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law to the contrary, as a result of the contracting of the facility maintenance, an amount shall be transferred from the Inter-Departmental Salary and Other Benefits program classification to the Contract Services account, subject to the approval of the Director of Budget and Accounting.

In addition to the sums hereinabove for Salaries and Wages within the System-Wide Program Support program classification, the Commissioner of the Department of Corrections, with the approval of the Director of the Division of Budget and Accounting, may transfer or credit to these accounts, an amount of up to $2,250,000 from other appropriations in the department to reflect savings for the contracting of facility maintenance and the reductions in the cost of employee meals.

7040 New Jersey State Prison

07-7040 Institutional Control and Supervision		$57,834,000
08-7040 Institutional Care Program		11,812,000
09-7040 Institutional Treatment Program		2,211,000
10-7040 Education Program		866,000
19-7040 Physical Plant and Support Services		5,734,000
99-7040 Management and Administrative Services		1,411,000
Total Appropriation, New Jersey State Prison		$79,868,000
Personal Services:		
Salaries and Wages	($47,501,000)	
Food In Lieu of Cash	(236,000)	
Materials and Supplies	(7,684,000)	
Services Other Than Personal	(7,818,000)	
Maintenance and Fixed Charges	(936,000)	
Special Purpose:		
Other Additional Bedspaces	(1,932,000)	
Expanded Capacity	(13,634,000)	
Other Special Purpose	(2,000)	
Additions, Improvements and Equipment	(125,000)	

7050 East Jersey State Prison

07-7050 Institutional Control and Supervision	$31,237,000
08-7050 Institutional Care Program	12,599,000
09-7050 Institutional Treatment Program	2,368,000
10-7050 Education Program	580,000
19-7050 Physical Plant and Support Services	4,062,000
22-7050 Northern Regional Pre-Release Center	3,930,000
99-7050 Management and Administrative Services	1,661,000
Total Appropriation, East Jersey State Prison	$56,437,000

Personal Services:		
Salaries and Wages	($38,009,000)	
Food In Lieu of Cash	(193,000)	
Materials and Supplies	(7,267,000)	
Services Other Than Personal	(9,735,000)	
Maintenance and Fixed Charges	(946,000)	
Special Purpose:		
Other Additional Bedspaces	(154,000)	
Other Special Purpose	(8,000)	
Additions, Improvements and Equipment	(125,000)	

7055 South Woods State Prison

07-7055 Institutional Control and Supervision		$7,638,000
08-7055 Institutional Care Program		1,655,000
09-7055 Institutional Treatment Program		770,000
10-7055 Education Program		323,000
19-7055 Physical Plant and Support Services		2,618,000
99-7055 Management and Administrative Services		5,984,000
Total Appropriation, East Jersey State Prison		$18,988,000
Personal Services:		
Salaries and Wages	($9,515,000)	
Food In Lieu of Cash	(68,000)	
Materials and Supplies	(2,531,000)	
Services Other Than Personal	(1,036,000)	
Maintenance and Fixed Charges	(309,000)	
Special Purpose:		
State Match -- Edward Byrne Drug Treatment Grant	(300,000)	
Start-Up Equipment	(5,129,000)	
Additions, Improvements and Equipment	(100,000)	

7060 Bayside State Prison

07-7060 Institutional Control and Supervision		$23,890,000
08-7060 Institutional Care Program		11,015,000
09-7060 Institutional Treatment Program		1,796,000
10-7060 Education Program		769,000
19-7060 Physical Plant and Support Services		3,751,000
23-7060 Bayside Reception Unit		3,342,000
99-7060 Management and Administrative Services		1,422,000
Total Appropriation, Bayside State Prison		$45,985,000
Personal Services:		
Salaries and Wages	($29,036,000)	
Food In Lieu of Cash	(161,000)	
Materials and Supplies	(6,016,000)	
Services Other Than Personal	(7,592,000)	
Maintenance and Fixed Charges	(1,325,000)	
Special Purpose:		
Other Additional Bedspaces	(1,728,000)	

Other Special Purpose	(2,000)	
Additions, Improvements and Equipment	(125,000)	

7065 Southern State Correctional Facility

07-7065 Institutional Control and Supervision		$24,623,000
08-7065 Institutional Care Program		7,665,000
09-7065 Institutional Treatment Program		1,715,000
10-7065 Education Program		744,000
19-7065 Physical Plant and Support Services		2,837,000
99-7065 Management and Administrative Services		1,504,000
Total Appropriation, Southern State Correctional Facility		$39,088,000
Personal Services:		
Salaries and Wages	($28,347,000)	
Food In Lieu of Cash	(148,000)	
Materials and Supplies	(3,868,000)	
Services Other Than Personal	(5,379,000)	
Maintenance and Fixed Charges	(1,001,000)	
Special Purpose:		
Other Additional Bedspaces	(219,000)	
Other Special Purpose	(1,000)	
Additions, Improvements and Equipment	(125,000)	

7070 Mid-State Correctional Facility

07-7070 Institutional Control and Supervision		$9,074,000
08-7070 Institutional Care Program		3,133,000
09-7070 Institutional Treatment Program		946,000
10-7070 Education Program		293,000
19-7070 Physical Plant and Support Services		1,550,000
99-7070 Management and Administrative Services		703,000
Total Appropriation, Mid-State Correctional Facility		$15,699,000
Personal Services:		
Salaries and Wages	($10,972,000)	
Food In Lieu of Cash	(71,000)	
Materials and Supplies	(1,628,000)	
Services Other Than Personal	(2,099,000)	
Maintenance and Fixed Charges	(260,000)	
Special Purpose:		
Other Additional Bedspaces	(543,000)	
Other Special Purpose	(1,000)	
Additions, Improvements and Equipment	(125,000)	

Notwithstanding the provisions of any law to the contrary, amounts that become available as a result of the contracting of services may be transferred to the Contract Services account, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law to the contrary, as a result of the contracting of services, an amount may be transferred from the Inter-Departmental Employee Benefits program classification to the Contract Services account, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law to the contrary, as a result of the contracting of services, an amount may be transferred from the Inter-Departmental Salary and Other Benefits program classification to the Contract Services account, subject to the Director of the Division of Budget and Accounting.

In addition to the sums appropriated hereinabove the Salaries and Wages for Institutional Control and Supervision, the Commissioner of the Department of Corrections, with the approval of the Director of the Division of Budget and Accounting, may transfer or credit to these accounts, an amount up to $1,000,000 from other appropriations to reflect savings from contracting initiatives.

7075 Riverfront State Prison

07-7075 Institutional Control and Supervision		$16,666,000
08-7075 Institutional Care Program		6,481,000
09-7075 Institutional Treatment Program		1,689,000
10-7075 Education Program		408,000
19-7075 Physical Plant and Support Services		2,161,000
99-7075 Management and Administrative Services		1,133,000
Total Appropriation, Riverfront State Prison		$28,538,000
Personal Services:		
Salaries and Wages	($19,977,000)	
Food In Lieu of Cash	(109,000)	
Materials and Supplies	(3,138,000)	
Services Other Than Personal	(4,437,000)	
Maintenance and Fixed Charges	(443,000)	
Special Purpose:		
Other Additional Bedspaces	(307,000)	
Other Special Purpose	(2,000)	
Additions, Improvements and Equipment	(125,000)	

7080 Edna Mahan Correctional Facility for Women

07-7080 Institutional Control and Supervision		$16,474,000
08-7080 Institutional Care Program		6,988,000
09-7080 Institutional Treatment Program		1,080,000
10-7080 Education Program		294,000
19-7080 Physical Plant and Support Services		3,233,000
99-7080 Management and Administrative Services		1,141,000
Total Appropriation, Edna Mahan Correctional Facility for Women		$29,210,000
Personal Services:		
Salaries and Wages	($20,234,000)	
Food In Lieu of Cash	(125,000)	
Materials and Supplies	(3,808,000)	

Services Other Than Personal	(3,744,000)
Maintenance and Fixed Charges	(634,000)
Special Purpose:	
Other Additional Bedspaces	(540,000)
Additions, Improvements and Equipment	(125,000)

In addition to the amounts appropriated hereinabove, upon the completion of an independent audit of cogeneration costs and upon the approval of the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee, there is appropriated $426,000 for increased utility costs.

7085 Northern State Prison

07-7085	Institutional Control and Supervision	$32,013,000
08-7085	Institutional Care Program	15,572,000
09-7085	Institutional Treatment Program	2,389,000
10-7085	Education Program	683,000
19-7085	Physical Plant and Support Services	3,574,000
99-7085	Management and Administrative Services	1,411,000
	Total Appropriation, Northern State Prison	$55,642,000

Personal Services:	
Salaries and Wages	($36,616,000)
Food In Lieu of Cash	(199,000)
Materials and Supplies	(7,162,000)
Services Other Than Personal	(10,748,000)
Maintenance and Fixed Charges	(553,000)
Special Purpose:	
Other Additional Bedspaces	(105,000)
State Match – Edward Byrne Drug Treatment Grant	(133,000)
Other Special Purpose	(1,000)
Additions, Improvements and Equipment	(125,000)

7090 Adult Diagnostic and Treatment Center, Avenel

07-7090	Institutional Control and Supervision	$10,290,000
08-7090	Institutional Care Program	4,086,000
09-7090	Institutional Treatment Program	1,480,000
10-7090	Education Program	225,000
19-7090	Physical Plant and Support Services	1,346,000
99-7090	Management and Administrative Services	918,000
	Total Appropriation, Adult Diagnostic and Treatment Center, Avenel	$18,345,000

Personal Services:	
Salaries and Wages	($13,046,000)
Food In Lieu of Cash	(79,000)
Materials and Supplies	(1,952,000)
Services Other Than Personal	(2,822,000)
Maintenance and Fixed Charges	(345,000)

Special Purpose:		
Other Additional Bedspaces	(6,000)	
Additions, Improvements and Equipment	(95,000)	

7110 Garden State Reception and Youth Correctional Facility

07-7110 Institutional Control and Supervision		$23,808,000
08-7110 Institutional Care Program		8,627,000
09-7110 Institutional Treatment Program		2,336,000
10-7110 Education Program		127,000
19-7110 Physical Plant and Support Services		1,851,000
21-7110 Pre-Reception Unit North Jersey		5,412,000
99-7110 Management and Administrative Services		1,317,000
Total Appropriation, Garden State Reception and Youth Correctional Facility		$43,478,000
Personal Services:		
Salaries and Wages	($28,461,000)	
Food In Lieu of Cash	(154,000)	
Materials and Supplies	(4,392,000)	
Services Other Than Personal	(6,415,000)	
Maintenance and Fixed Charges	(646,000)	
Special Purpose:		
Other Additional Bedspaces	(3,283,000)	
Other Special Purpose	(2,000)	
Additions, Improvements and Equipment	(125,000)	

7120 Albert C. Wagner Youth Correctional Facility

07-7120 Institutional Control and Supervision		$19,619,000
08-7120 Institutional Care Program		8,683,000
09-7120 Institutional Treatment Program		1,916,000
10-7120 Education Program		375,000
19-7120 Physical Plant and Support Services		3,056,000
99-7120 Management and Administrative Services		1,150,000
Total Appropriation, Albert C. Wagner Youth Correctional Facility		$34,799,000
Personal Services:		
Salaries and Wages	($23,989,000)	
Food In Lieu of Cash	(136,000)	
Materials and Supplies	(3,971,000)	
Services Other Than Personal	(5,524,000)	
Maintenance and Fixed Charges	(508,000)	
Special Purpose:		
Other Additional Bedspaces	(286,000)	
Sewage Hauling and Disposal Costs	(260,000)	
Additions, Improvements and Equipment	(125,000)	

Receipts derived from the Upholstery Program at the Albert C. Wagner Youth Correctional Facility, and any unexpended balances as of June 30, 1996 are appropriated for the operation of the program with surplus funds being credited

to the institution's Inmate Welfare Fund, subject to the approval of the Director of the Division of Budget and Accounting.

7130 Mountainview Youth Correctional Facility

07-7130 Institutional Control and Supervision		$22,061,000
08-7130 Institutional Care Program		8,346,000
09-7130 Institutional Treatment Program		1,929,000
10-7130 Education Program		213,000
19-7130 Physical Plant and Support Services		4,224,000
99-7130 Management and Administrative Services		1,443,000
Total Appropriation, Mountainview Youth Correctional Facility		$38,216,000
Personal Services:		
Salaries and Wages	($25,202,000)	
Food In Lieu of Cash	(138,000)	
Materials and Supplies	(4,315,000)	
Services Other Than Personal	(6,137,000)	
Maintenance and Fixed Charges	(708,000)	
Special Purpose:		
Other Additional Bedspaces	(656,000)	
Sewage Hauling and Disposal Costs	(934,000)	
Other Special Purpose	(1,000)	
Additions, Improvements and Equipment	(125,000)	

17 Parole and Community Programs
7010 Office of Parole and Community Programs

03-7010 Parole		$29,200,000
Total Appropriation, Office of Parole and Community Programs		$29,200,000
Personal Services:		
Salaries and Wages	($23,266,000)	
Materials and Supplies	(147,000)	
Services Other Than Personal	(533,000)	
Maintenance and Fixed Charges	(512,000)	
Special Purpose:		
Payments To Inmates Discharged From Facilities	(94,000)	
Expanded Intensive Supervision/Surveillance Program	(634,000)	
High Impact Diversion Program	(714,000)	
Parolee Electronic Monitoring Program	(3,280,000)	
Additions, Improvements and Equipment	(20,000)	

No State funds shall be utilized for any expense related to a county electronic monitoring program.

7280 State Parole Board

05-7280 State Parole Board	$7,969,000
Total Appropriation, State Parole Board	$7,969,000

Personal Services:		
Salaries and Wages	($7,211,000)	
Materials and Supplies	(157,000)	
Services Other Than Personal	(390,000)	
Maintenance and Fixed Charges	(116,000)	
Additions, Improvements and Equipment	(95,000)	

10 Public Safety and Criminal Justice
19 Central Planning, Direction and Management

01-7000 Planning, Management and General Support		$2,074,000
02-7000 Program Operations Support		2,837,000
19-7000 Physical Plant and Support Services		1,091,000
99-7000 Management and Administrative Services		8,824,000
Total Appropriation, Central Planning, Direction and Management		$14,826,000
Personal Services:		
Salaries and Wages	($12,387,000)	
Materials and Supplies	(464,000)	
Services Other Than Personal	(1,197,000)	
Maintenance and Fixed Charges	(468,000)	
Special Purpose:		
Affirmative Action and Equal Employment Opportunity	(209,000)	
Additions, Improvements and Equipment	(101,000)	
Total Appropriation, Department of Corrections		$587,940,000

Balances on hand as of June 30, 1996 of funds held for the benefit of inmates in the several institutions, and such funds as may be received, are appropriated for the use of such inmates.

Payments received by the State from employers of prisoners on their behalf, as part of any work release program, are appropriated for the purposes provided under P.L.1969, c.22 (C:30:4-91.4 et seq.).

Of the amount hereinabove for the Department of Corrections, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule at page K-37 in the Governor's Budget Recommendation Document dated January 29, 1996 first shall be charged to the State Lottery Fund.

34 DEPARTMENT OF EDUCATION

30 Educational, Cultural and Intellectual Development
31 Direct Educational Services and Assistance

04-5064 Adult and Continuing Education		$242,000
05-5064 Bilingual Education		254,000
06-5064 Programs for At-Risk Pupils		8,000
07-5065 Special Education		456,000
Total Appropriation, Direct Educational Services and Assistance		$960,000

Personal Services:		
Salaries and Wages	($838,000)	
Materials and Supplies	(46,000)	
Services Other Than Personal	(76,000)	

32 Operation and Support of Educational Institutions

12-5011 Marie H. Katzenbach School for the Deaf		$8,278,000
13-5011 Program For Medically Complex/ Behaviorally Difficult Deaf Pupils		614,000
Total Appropriation, State and All Other Funds		$8,892,000
Less:		
All Other Funds		
Marie H. Katzenbach School for the Deaf	**$5,660,000**	
Program for Medically Complex/ Behaviorally Difficult Deaf Pupils	**614,000**	
Total Deductions		**$6,274,000**
Total Appropriation, Operation and Support of Educational Institutions		$2,618,000
Personal Services:		
Salaries and Wages	($6,940,000)	
Materials and Supplies	(672,000)	
Services Other Than Personal	(321,000)	
Maintenance and Fixed Charges	(282,000)	
Special Purpose:		
Transportation Expenses for Students	(43,000)	
Program for Medically Complex/ Behaviorally Difficult Deaf Pupils	(614,000)	
Additions, Improvements and Equipment	(20,000)	
Less:		
All Other Funds	**6,274,000**	

Notwithstanding the provisions of N.J.S.18A:61-1 and N.J.S.18A:46-13, or any other statute, for the 1996-97 academic year, local boards of education shall reimburse the Marie H. Katzenbach School for the Deaf at an annual rate and payment schedule adopted by the Commissioner of Education and the Director of the Division of Budget and Accounting.

Any income from the rental of vacant space at the Marie H. Katzenbach School for the Deaf is appropriated for costs associated with the school's facilities.

The unexpended balance as of June 30, 1996, in the receipt account of the Marie H. Katzenbach School for the Deaf is appropriated for expenses of operating the school.

Receipts derived from tuition for medically complex/behaviorally difficult students are appropriated for the operation of the program.

The unexpended balance as of June 30, 1996, of receipts derived from charges at the regional schools for the handicapped is appropriated for the costs associated with the regional schools' facilities.

33 Supplemental Education and Training Programs		
20-5062 General Vocational Education		$554,000
Total Appropriation, Supplemental Education and Training Programs		$554,000
Personal Services:		
Salaries and Wages	($504,000)	
Materials and Supplies	(17,000)	
Services Other Than Personal	(33,000)	
34 Educational Support Services		
30-5063 Academic Programs and Standards		$7,118,000
31-5060 Grants Management and Development		777,000
32-5061 Professional Development and Licensure		1,578,000
33-5067 Service to Local Districts		6,265,000
34-5067 Equal Educational Opportunity		70,000
35-5069 Urban Education		249,000
36-5120 Pupil Transportation		359,000
37-5120 School Nutrition		137,000
38-5120 Facilities Planning and School Building Aid		924,000
40-5064 Health, Safety and Community Services		839,000
Total Appropriation, Educational Support Services		$18,316,000
Personal Services:		
Salaries and Wages	($11,226,000)	
Materials and Supplies	(360,000)	
Services Other Than Personal	(683,000)	
Maintenance and Fixed Charges	(66,000)	
Special Purpose:		
Improved Basic Skills/Special Review Assessment	(95,000)	
Statewide Assessment Program (Grades 4, 8, 11)	(5,587,000)	
Core Curriculum Standards	(100,000)	
Advisory Council On Holocaust Education	(144,000)	
Blueprint For A Drug-Free New Jersey	(30,000)	
Additions, Improvements and Equipment	(25,000)	

Receipts from the State Board of Examiners' fees in excess of those anticipated and the unexpended balances of such receipts as of June 30, 1996, are appropriated for the operation of the Professional Development and Licensure programs.

Receipts derived from charges at the Regional Training Centers in excess of those anticipated and the unexpended balance as of June 30, 1996 of such receipts are appropriated for the costs of operation.

Receipts derived from special training initiatives of the Regional Training Centers to assist school districts in meeting new standards established by the Department of Education are appropriated for the operation of the program.

The unexpended balance as of June 30, 1996, in the Inspection of school construction account in excess of $400,000, and receipts in excess of the amount anticipated, are appropriated for the operation of the school construction inspection program.

The unexpended balance as of June 30, 1996 in the Statewide Assessment Program (Grades 4,8,11) account, not to exceed $440,000, is appropriated for the purposes of that program.

35 Education Administration and Management

42-5120 School Finance		$1,290,000
43-5092 Compliance and Auditing		1,530,000
99-5010 Management and Administrative Services		6,497,000
Total Appropriation, Education Administration and Management		$9,317,000
Personal Services:		
Salaries and Wages	($7,484,000)	
Materials and Supplies	(283,000)	
Services Other Than Personal	(908,000)	
Maintenance and Fixed Charges	(97,000)	
Special Purpose:		
Comprehensive Compliance Audits	(80,000)	
State Board of Education Expenses	(62,000)	
Affirmative Action and Equal Employment Opportunity	(46,000)	
Additions, Improvements and Equipment	(357,000)	

Such sums as may be necessary for the operating costs of the audit of enrollment registers are appropriated from revenues that may be received or are receivable for this program, subject to the recommendation of the Commissioner of Education and the approval of the Director of the Division of Budget and Accounting.

In addition to the amount appropriated, such sums as may be necessary for the Department of Education to conduct comprehensive compliance investigations are appropriated, subject to the recommendation of the Commissioner of Education and the approval of the Director of the Division of Budget and Accounting.

Additional sums as may be necessary for the Department of Education in preparation for implementation of P.L.1987, c.399 (C.18A:7A-34 et seq.) are appropriated, subject to the recommendation of the Commissioner of Education and the approval of the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee or its successor.

Additional sums as may be necessary for the Department of Education for the cost of the internal audit function in a State-operated school district pursuant to section 8 of P.L.1987, c.399 (C.18A:7A-41) are appropriated, subject to the recommendation of the Commissioner of Education and the approval of the Director of the Division of Budget and Accounting.

Receipts derived from fees for school district personnel background checks and the unexpended balances as of June 30, 1996 of such receipts are appropriated for the cost of operation.

37 Cultural and Intellectual Development Services

51-5070 Library Services		$2,407,000
54-5010 Support of the Arts		81,000
Total Appropriation, Cultural and Intellectual Development Services		$2,488,000
Personal Services:		
Salaries and Wages	($1,798,000)	
Materials and Supplies	(367,000)	
Services Other Than Personal	(284,000)	
Maintenance and Fixed Charges	(23,000)	
Additions, Improvements and Equipment	(16,000)	

Receipts derived from tuition charges at the New Jersey School of the Arts and the unexpended balance as of June 30, 1996 of such receipts, are appropriated for the cost of operation.

Notwithstanding the provisions of section 9 of P.L.1983, c.486 (C.18A:73-35g) to the contrary, the State Library is authorized to expend up to 30% of the Library Network appropriation for direct library services to be provided on a Statewide basis.

Total Appropriation, Department of Education	$34,253,000

Of the amount appropriated hereinabove for the Department of Education, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule at page K-37 in the Governor's Budget Recommendation Document dated January 29, 1996 first shall be charged to the State Lottery Fund.

42 DEPARTMENT OF ENVIRONMENTAL PROTECTION

40 Community Development and Environmental Management
42 Natural Resource Management

10-4865 Marina Operations		$694,000
11-4870 Forest Resource Management		5,668,000
12-4875 Parks Management		28,329,000
13-4880 Hunters' and Anglers' License Fund		10,945,000
14-4885 Shellfish and Marine Fisheries Management		1,287,000
20-4880 Wildlife Management		312,000
21-4895 Natural Resources Engineering		1,792,000
24-4876 Palisades Interstate Park Commission		1,813,000
Total Appropriation, Natural Resource Management		$50,840,000
Personal Services:		
Salaries and Wages	($34,717,000)	
Materials and Supplies	(3,853,000)	
Services Other Than Personal	(2,137,000)	
Maintenance and Fixed Charges	(2,577,000)	
Special Purpose:		
Fire Fighting Costs	(1,025,000)	
1992 Historic Trust Administrative Costs	(420,000)	
Green Acres Administration	(3,848,000)	

Liberty State Park Commission	(22,000)
Expenses of the Delaware and Raritan Canal Commission	(178,000)
Natural Lands Trust	(90,000)
Natural Areas Council	(5,000)
Historic Trust	(20,000)
Endangered Species Tax Check-Off Donations	(312,000)
Emergency Flood Control Administrative Costs	(242,000)
Dam Repair Administrative Costs	(263,000)
Harbor Cleanup Administrative Costs	(143,000)
Additions, Improvements and Equipment	(988,000)

Receipts in excess of the amount anticipated from fees and permit receipts from the use of State park and marina facilities are appropriated for Parks Management, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of P.L.1985, c.533 (C.13:1E-99.1 et seq.) or any other law to the contrary, of the amount hereinabove for Parks Management $725,000 is appropriated from the Clean Communities Fund to offset the cost of Parks' litter pickup program.

The amount hereinabove for the 1992 Historic Trust Administrative Costs account is appropriated from the Historic Preservation Fund established pursuant to the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, together with an amount not to exceed $234,000 subject to the approval of the Director of the Division of Budget and Accounting, for costs attributable to planning, administrative, organization, and operating expenses related to historic preservation projects.

The amount hereinabove for the Green Acres Administration account is appropriated from the 1992 New Jersey Green Acres Fund and the 1992 New Jersey Green Trust Fund pursuant to the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, together with an amount not to exceed $1,983,000 subject to the approval of the Director of the Division of Budget and Accounting, for the administration of the Green Acres program.

Receipts from police court, stands, concessions and self-sustaining activities operated or supervised by the Palisades Interstate Park Commission, and the unexpended balance as of June 30, 1996 of such receipts, are appropriated.

The amount hereinabove for the Hunters' and Anglers' License Fund is payable out of said fund and any amount remaining therein, and the unexpended balance as of June 30, 1996 in the Hunters' and Anglers' License Fund, together with any receipts in excess of the amount anticipated, are appropriated. If receipts to that fund are less than anticipated, the appropriation shall be reduced proportionately.

The amount hereinabove for the Endangered Species Tax Check-Off Donations account is payable out of receipts, and the unexpended balances in the Endangered Species Tax Check-Off Donations account as of June 30, 1996, together with receipts in excess of the amount anticipated, are appropriated. If receipts are less than anticipated, the appropriation shall be reduced proportionately.

An amount not to exceed $1,122,000 is allocated from the capital construction appropriation for Shore Protection Fund Projects for costs attributable to

planning, operation, and administration of the shore protection program, subject to the approval of the Director of the Division of Budget and Accounting.

An amount not to exceed $280,000 is allocated from the capital construction appropriation for Shore Protection Fund Projects for the operation and maintenance of the Bayshore Flood Control facility.

The amount hereinabove for the Emergency Flood Control Administrative Costs account is appropriated from the Emergency Flood Control Fund created pursuant to P.L.1978, c.78, together with an amount not to exceed $203,000 subject to the approval of the Director of the Division of Budget and Accounting, for administrative costs related to this bond fund.

The amounts hereinabove for the Harbor Cleanup Administrative Costs and the Dam Repair Administrative Costs accounts are appropriated from the Natural Resources Fund created pursuant to P.L.1980, c.70, together with an amount not to exceed $257,000 subject to the approval of the Director of the Division of Budget and Accounting, for administrative costs related to these bond funds.

Receipts derived from fees collected on Tuesdays in conjunction with the elimination of the "Free Tuesdays" policy are appropriated for Park's expenses, subject to the approval of the Director of the Division of Budget and Accounting.

There is appropriated from the General Fund $150,000 to the "Monmouth County Clam Depuration and Relay Program Fund," established in section 3 of P.L.1995, c.335 (C.58:24-13). Monies in the fund are appropriated for the purpose of funding depurated hard and soft clam or hard clam relay programs in Monmouth County.

43 Science and Technical Programs

01-4820 Radiation Protection		$4,055,000
02-4801 Air Pollution Control		6,974,000
04-4835 Pesticide Control		2,865,000
05-4810 Water Supply and Watershed Management		479,000
07-4850 Water Monitoring and Planning		1,096,000
18-4810 Science and Research		2,250,000
22-4861 Water Quality Management		360,000
90-4801 Management Policy and Planning		1,396,000
Total Appropriation, Science and Technical Programs		$19,475,000
Personal Services:		
Salaries and Wages	($7,735,000)	
Materials and Supplies	(495,000)	
Services Other Than Personal	(1,988,000)	
Maintenance and Fixed Charges	(456,000)	
Special Purpose:		
Nuclear Emergency Response	(1,658,000)	
Toxic Catastrophe Prevention	(811,000)	
Worker and Community Right to Know Act	(911,000)	
Oil Spill Prevention	(2,174,000)	
Quality Assurance	(877,000)	
Safe Drinking Water Fund	(479,000)	
Environmental Indicators and Monitoring	(700,000)	

Farmworker Protection	(375,000)
Hazardous Waste Research	(500,000)
Additions, Improvements and Equipment	(316,000)

There is allocated from the "Commercial Vehicle Enforcement Fund," established pursuant to section 17 of P.L.1995, c.157 (C.39:8-75), such sums as may be necessary to fund the costs of the regulation of the Diesel Exhaust Emissions program, subject to the approval of the Director of the Division of Budget and Accounting.

There is allocated from the Motor Vehicle Inspection Fund, established in subsection j. of R.S.39:8-2 such sums as may be necessary to administer and implement the Inspection and Maintenance program, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Hazardous Waste Research account is appropriated from interest earned by the New Jersey Spill Compensation Fund for research on the prevention and the effects of discharges of hazardous substances on the environment and organisms, on methods of pollution prevention and recycling of hazardous substances, and on the development of improved cleanup, removal and disposal operations, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Nuclear Emergency Response account is payable from receipts received pursuant to the assessments of electrical utility companies under P.L.1981, c.302 (C.26:2D-37 et seq.), and the unexpended balances as of June 30, 1996 in the Nuclear Emergency Response account, together with receipts in excess of the amount anticipated, not to exceed $1,018,000, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of the "Worker and Community Right to Know Act," P.L.1983, c.315 (C.34:5A-1 et seq.), the amount hereinabove for the Worker and Community Right to Know Act account is payable out of the Worker and Community Right to Know Trust Fund, and receipts in excess of the amount anticipated, not to exceed $241,000, are appropriated. If receipts to that fund are less than anticipated, the appropriation shall be reduced proportionately.

The amount hereinabove for the Oil Spill Prevention program is payable out of the New Jersey Spill Compensation Fund, and the receipts in excess of those anticipated, not to exceed $1,178,000, from the New Jersey Spill Compensation Fund for the Oil Spill Prevention program are appropriated, in accordance with the provisions of P.L.1990, c.76 (C.58:10-23.11f2 et seq.), P.L.1990, c.78 (C.58:10-23.11d1 et seq.), and P.L.1990, c.80 (C.58:10-23.11f1), subject to the approval of the Director of the Division of Budget and Accounting.

44 Site Remediation

19-4815 Publicly-Funded Site Remediation		$11,652,000
27-4815 Responsible Party Site Remediation		19,553,000
Total Appropriation, Site Remediation		$31,205,000
Personal Services:		
Salaries and Wages	($5,069,000)	
Materials and Supplies	(325,000)	

Services Other Than Personal	(2,426,000)
Maintenance and Fixed Charges	(722,000)
Special Purpose:	
Hazardous Waste Bond Administrative Costs	(5,377,000)
Spill Prevention, Response and Site Cleanup, Non-Site Specific Costs	(1,441,000)
Hazardous Discharge Site Cleanup Fund – Responsible Party	(14,428,000)
Industrial Site Recovery Act	(399,000)
Underground Storage Tanks	(698,000)
Additions, Improvements and Equipment	(320,000)

In addition to site specific charges, the amount hereinabove for the Publicly-Funded Site Remediation and the Responsible Party Site Remediation accounts, excluding the Hazardous Waste Bond Administrative Costs, the Hazardous Discharge Site Cleanup Fund-Responsible Party, the Industrial Site Recovery Act, and the Underground Storage Tank accounts, is appropriated from the New Jersey Spill Compensation Fund, in accordance with the provisions of P.L.1976, c.141 (C.58:10-23.11 et seq.), together with an amount not to exceed $4,983,000, for administrative costs associated with the cleanup of hazardous waste sites, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Hazardous Waste Bond Administrative Costs account is appropriated from the Hazardous Discharge Fund of 1986, created pursuant to section 14 of the "Hazardous Discharge Bond Act of 1986," P.L.1986, c.113, together with an amount not to exceed $4,451,000 for administrative costs associated with the cleanup of hazardous waste sites, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Spill Prevention, Response and Site Cleanup, Non-Site Specific Costs account is appropriated from the New Jersey Spill Compensation Fund, together with receipts in excess of those anticipated, not to exceed $857,000, subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated from the New Jersey Spill Compensation Fund such sums as may be required for cleanup operations, adjusters and paying approved claims for damages in accordance with the provisions of P.L.1976, c.141 (C.58:10-23.11 et seq.), subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Hazardous Discharge Site Cleanup Fund-Responsible Party account is appropriated from responsible party cost recoveries deposited in the Hazardous Discharge Site Cleanup Fund, together with an amount not to exceed $8,584,000, for administrative costs associated with the cleanup of hazardous waste sites, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived from the sale of salvaged materials are appropriated to offset costs incurred in the cleanup and removal of hazardous substances.

Notwithstanding the provisions of subsection c. of section 17 of P.L.1986, c.102 (C.58:10A-36), monies in the State Underground Storage Tank Improvement Fund shall be available for the purpose of making loans pursuant to that section.

45 Environmental Regulation

02-4892 Air Pollution Control		$5,466,000
05-4840 Water Supply and Watershed Management		7,195,000
08-4891 Water Pollution Control		7,579,000
09-4860 Public Wastewater Facilities		628,000
15-4890 Land Use Regulation		6,069,000
17-4900 Solid Waste Resource Management		7,615,000
23-4910 Hazardous Waste Management		3,476,000
Total Appropriation, Environmental Regulation		$38,028,000
Personal Services:		
Salaries and Wages	($19,724,000)	
Materials and Supplies	(566,000)	
Services Other Than Personal	(6,646,000)	
Maintenance and Fixed Charges	(336,000)	
Special Purpose:		
Administrative Costs Water Supply Bond Act of 1981 – Management	(954,000)	
Administrative Costs Water Supply Bond Act of 1981 – Watershed and Aquifer	(1,213,000)	
Administrative Costs Water Supply Bond Act of 1981 – Planning and Standards	(800,000)	
Water/Wastewater Operators Licenses	(43,000)	
Office of the Rivermaster	(58,000)	
Safe Drinking Water Fund	(1,457,000)	
Public Waste Water Facilities Bond	(628,000)	
Tidelands Resource Council	(25,000)	
Tidelands Peak Demands	(1,799,000)	
Sanitary Landfill Facility Contingency Fund – Administration	(399,000)	
Administration of Resource Recovery and Solid Waste Disposal Facility Fund	(224,000)	
Recycling of Solid Waste	(919,000)	
Major Hazardous Waste Facilities Siting Act – Siting Commission	(60,000)	
Pollution Prevention	(1,565,000)	
Additions, Improvements and Equipment	(612,000)	

The amounts hereinabove for the Administrative Costs Water Supply Bond Act of 1981 - Water Supply Management; Watershed and Aquifer; and Planning and Standards accounts are appropriated from the "Water Supply Bond Act of 1981," P.L.1981, c.261, together with an amount, not to exceed $1,419,000, for costs attributable to administration of water supply programs, subject to the approval of the Director of the Division of Budget and Accounting.

Any funds received by the Wastewater Treatment Trust from any State agency to offset the Trust's annual operating expenses are appropriated.

The amount hereinabove for the Public Waste Water Facilities Bond account is appropriated from funds previously appropriated from the Water Conservation Fund, together with an amount not to exceed $352,000 subject to the approval of the Director of the Division of Budget and Accounting, for costs attributable to planning, engineering, developing and constructing regional wastewater treatment facilities.

There is appropriated from the 1992 Wastewater Treatment Fund, created pursuant to the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, an amount not to exceed $2,282,000 for costs attributable to the administration of wastewater treatment system projects, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Sanitary Landfill Facility Contingency Fund - Administration account is appropriated from the Sanitary Landfill Facility Contingency Fund, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Administration of Resource Recovery and Solid Waste Disposal Facility Fund account is appropriated from the Resource Recovery and Solid Waste Disposal Facility Fund, together with an amount not to exceed $136,000, for administrative costs related to the Resource Recovery and Solid Waste Disposal Facility program, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of P.L.1981, c.278 (C.13:1E-92 et seq.), as amended by P.L.1985, c.533, the amount hereinabove for the Recycling of Solid Waste account is appropriated from the State Recycling Fund, together with an amount not to exceed $672,000, for the administration of the Recycling of Solid Waste program, subject to the approval of the Director of the Division of Budget and Accounting. If receipts are less than anticipated, the appropriation shall be reduced proportionately.

There are appropriated from the State Recycling Fund and the Clean Communities account such sums as may be required to carry out the provisions of the "Clean Communities and State Recycling Act," P.L.1981, c.278, as amended by P.L.1985, c.533 (C.13:1E-92 et seq.).

There are appropriated from the Sanitary Landfill Facility Contingency Fund such sums as may be required to carry out the provisions of the "Sanitary Landfill Facility Closure and Contingency Fund Act," P.L.1981, c.306 (C.13:1E-100 et seq.).

Receipts deposited to the Resource Recovery Investment Tax Fund and the Solid Waste Services Tax Fund are appropriated.

The unexpended balance as of June 30, 1996 in the Major Hazardous Waste Facilities Siting Act-Siting Commission account is appropriated.

The amount hereinabove for the Pollution Prevention account is appropriated from receipts received pursuant to the "Pollution Prevention Act," P.L.1991, c.235 (C.13:1D-35 et seq.), together with an amount not to exceed $584,000, subject to the approval of the Director of the Division of Budget and Accounting, for administration of the Pollution Prevention program. If receipts are less than anticipated, the appropriation shall be reduced proportionately.

Notwithstanding the provisions of P.L.1985, c.533 (C.13:1E-99.1 et seq.) or any other law to the contrary, all sums in the Clean Communities Account, other than the amount appropriated from the fund for Parks Management to offset the cost of Parks' litter pickup program, shall be allocated as grants to municipalities and counties in accordance with the same criteria used for distribution of grants from the fund pursuant to the fiscal year 1996 appropriations act, P.L.1995, c.164, as determined by the Director of the Division of Budget and Accounting in consultation with the Commissioner of the Department of Environmental Protection.

46 Environmental Planning and Administration

26-4805 Regulatory and Governmental Affairs		$2,169,000
99-4800 Management and Administrative Services		18,705,000
Total Appropriation, Environmental Planning and Administration		$20,874,000
Personal Services:		
Salaries and Wages	($12,333,000)	
Materials and Supplies	(482,000)	
Services Other Than Personal	(1,949,000)	
Maintenance and Fixed Charges	(596,000)	
Special Purpose:		
Environmental Enhancement and Ecosystem Improvement	(5,000,000)	
Affirmative Action and Equal Employment Opportunity	(98,000)	
Additions, Improvements and Equipment	(416,000)	

The amount hereinabove for Environmental Enhancement and Ecosystem Improvement is appropriated to the Department of Environmental Protection and shall be allocated by the Commissioner of the Department of Environmental Protection to enhance the department's ability to safeguard the State's environment.

47 Enforcement Policy

02-4855 Air Pollution Control		$2,532,000
08-4855 Water Pollution Control		6,530,000
15-4855 Land Use Regulation		1,461,000
17-4855 Solid Waste Resource Management		1,959,000
23-4855 Hazardous Waste Management		1,152,000
Total Appropriation, Enforcement Policy		$13,634,000
Personal Services:		
Salaries and Wages	($9,911,000)	
Materials and Supplies	(196,000)	
Services Other Than Personal	(1,875,000)	
Maintenance and Fixed Charges	(423,000)	
Special Purpose:		
Tidelands Peak Demands	(673,000)	
Operation Clean Shores	(360,000)	
Additions, Improvements and Equipment	(196,000)	

Receipts deposited into the Coastal Protection Trust Fund pursuant to P.L.1993, c.168 (C.39:3-27.47 et seq.) are appropriated in an amount not to exceed $600,000 for the cleanup or maintenance of beaches or shores, an amount not to exceed $200,000 for the cost of providing monitoring, surveillance and enforcement activities of the Cooperative Coastal Monitoring Program, an amount not to exceed $50,000 for the implementation of the "New Jersey Adopt a Beach Act," P.L.1992, c.213 (C.13:19-22 et seq.), and an amount not to exceed $150,000 for a program of grants for the construction of sewage pump-out devices for marine sanitation devices and portable toilet emptying receptacles at public and private marinas and boatyards in furtherance of the provisions of P.L.1988, c.117 (C.58:10A-56 et seq.). Receipts deposited to the Coastal Protection Trust Fund in excess of $1,000,000 are appropriated to finance emergency shore protection projects and the cleanup of discharges into the ocean.

The unexpended balance as of June 30, 1996 in the Operation Clean Shores account is appropriated and shall not be lapsed under the provisions of section 29 of this act.

Total Appropriation, Department of Environmental Protection	$174,056,000

The amounts hereinabove for the Safe Drinking Water Fund account are payable out of receipts, and receipts in excess of the amount anticipated, not to exceed $1,231,000, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting. If receipts are less than anticipated, the appropriation shall be reduced proportionately.

The amounts hereinabove for the Tidelands Peak Demands account are appropriated from receipts derived from the sales, grants, leases, licensing, and rentals of State riparian lands, together with an amount not to exceed $1,551,000, subject to the approval of the Director of the Division of Budget and Accounting. If receipts are less than anticipated, the appropriation shall be reduced proportionately.

Notwithstanding any other law, the Commissioner of the Department of Environmental Protection shall obtain concurrence from the Director of the Division of Budget and Accounting before altering fee schedules or any other revenue-generating mechanism under the department's purview.

Notwithstanding the provisions of the "Environmental Fee Fund Accountability Act of 1991," P.L.1991, c.426 (C.52:27B-20.1 et seq.) and P.L.1991, c.427 (C.13:1D-9.1 et seq.), all revenues from fees and fines collected by the Department of Environmental Protection, unless otherwise dedicated herein, shall be deposited into the State General Fund without regard to their specific dedication.

46 DEPARTMENT OF HEALTH

20 Physical and Mental Health
21 Health Services

01-4215	Vital Statistics	$1,092,000
02-4220	Family Health Services	1,063,000
03-4230	Epidemiology, Environmental and Occupational Health Services	13,646,000
04-4240	Alcoholism, Drug Abuse and Addiction Services	487,000

08-4280 Laboratory Services		4,376,000
12-4245 AIDS Services		2,894,000
Total Appropriation, Health Services		$23,558,000
Personal Services:		
Salaries and Wages	($14,669,000)	
Materials and Supplies	(2,984,000)	
Services Other Than Personal	(1,423,000)	
Maintenance and Fixed Charges	(245,000)	
Special Purpose:		
WIC Farmers Market Program	(87,000)	
New Jersey State Commission on Cancer Research	(1,000,000)	
Medical Waste Management Program	(813,000)	
Rabies Control Program	(453,000)	
Animal Population Control Program	(550,000)	
Worker and Community Right to Know Program	(1,334,000)	

Receipts in excess of those anticipated for the HealthStart Program are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance as of June 30, 1996, in the Comprehensive Regulated Medical Waste Management Act account, together with any receipts received by the Department of Health pursuant to the provisions of the "Comprehensive Regulated Medical Waste Management Act," P.L.1989, c.34 (C.13:1E-48.1 et seq.), are appropriated.

The unexpended balance as of June 30, 1996 in the Rabies Control Program account, together with any receipts in excess of the amount anticipated, are appropriated.

The amount hereinabove for the Rabies Control Program account is payable out of the Rabies Control Fund. If receipts to that fund are less than anticipated, the appropriation shall be reduced proportionately.

The unexpended balance as of June 30, 1996 in the Animal Population Control Program account, together with any receipts in excess of the amount anticipated, are appropriated.

The amount hereinabove for the Animal Population Control Program account is payable out of the Animal Population Control Fund. If receipts to that fund are less than anticipated, the appropriation shall be reduced proportionately.

Notwithstanding the provisions of the "Worker and Community Right to Know Act," P.L.1983, c.315 (C.34:5A-1 et seq.), the amount hereinabove for the Worker and Community Right to Know account is payable out of the Worker and Community Right to Know Fund. If receipts to that fund are less than anticipated, the appropriation shall be reduced proportionately.

The amount hereinabove for the New Jersey State Commission on Cancer Research is charged to the Cancer Research Fund pursuant to section 5 of P.L.1982, c.40 (C.54:40A-37.1).

The unexpended balance as of June 30, 1996 in the New Jersey State Commission on Cancer Research account is appropriated.

The unexpended balance as of June 30, 1996 in the Lead Evaluation and Abatement program account is appropriated.

The Division of Alcoholism, Drug Abuse and Addiction Services is authorized to bill a patient, a patient's estate, or the person chargeable for a patient's support, or the county of residence for institutional, residential and outpatient support of patients treated for alcoholism or drug abuse, or both. Receipts derived from billings or fees and unexpended balances as of June 30, 1996 from these billings and fees are appropriated to the Department of Health, Division of Alcoholism, Drug Abuse and Addiction Services, for the support of the alcohol and drug abuse programs.

There are appropriated from the Alcohol Education, Rehabilitation and Enforcement Fund such sums as may be necessary to carry out the provisions of P.L.1983, c.531 (C.26:2B-32 et al.).

The Director of the Division of Budget and Accounting is empowered to transfer or credit appropriations to the Department of Health for diagnostic laboratory services provided to any other agency or department; provided further, however, that funds have been appropriated or allocated to such agency or department for the purpose of purchasing these services.

Receipts from fees established by the Commissioner of Health for licensing of clinical laboratories pursuant to P.L.1975, c.166 (C.45:9-42.26 et seq.), and blood banks pursuant to P.L.1963, c.33 (C.26:2A-2 et seq.), and the unexpended balance of such fees as of June 30, 1996 are appropriated.

Receipts from licenses, permits and fees collected by the Department of Health in Health Services, in excess of those anticipated, are appropriated.

The unexpended balances as of June 30, 1996 in the Screening of Childhood Lead Exposure account is appropriated.

22 Health Planning and Evaluation

06-4260 Health Facilities Evaluation		$6,286,000
Total Appropriation, Health Planning and Evaluation		$6,286,000
Personal Services:		
Salaries and Wages	($3,661,000)	
Materials and Supplies	(82,000)	
Services Other Than Personal	(261,000)	
Maintenance and Fixed Charges	(132,000)	
Special Purpose:		
Implementation of Statewide Health Information Network	(2,000,000)	
Emergency Medical Services for Children Program	(150,000)	

Receipts from fees established by the Commissioner of Health for licensing of clinical laboratories pursuant to P.L.1975, c.166 (C.45:9-42.26 et seq.), and blood banks pursuant to P.L.1963, c.33 (C.26:2A-2 et seq.), and the unexpended balance of such fees as of June 30, 1996 are appropriated.

Receipts derived from fees charged for the review of uniform construction code plans for health facilities and the unexpended balances of such receipts as of June 30, 1996, are appropriated for the costs of this program.

Available funds are appropriated to the Health Care Facilities Improvement Fund to provide available resources in an emergency situation at a health care facility, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived from fees charged for processing Certificate of Need applications and the unexpended balances of such receipts as of June 30, 1996 are appropriated for the cost of this program, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts from licenses, permits and fees collected by the Department of Health in Health Planning and Evaluation, in excess of those anticipated, are appropriated.

From the amount appropriated for Implementation of Statewide Health Information Network, $250,000 may be allocated for a grant to the New Jersey Institute of Technology and $250,000 may be allocated for a grant to Thomas A. Edison State College.

From the amount appropriated for Implementation of Statewide Health Information Network, no amount shall be expended for costs of administrative services within the Department of Health.

25 Health Administration		
99-4210 Management and Administration		$1,182,000
Total Appropriation, Health Administration		$1,182,000
Personal Services:		
Salaries and Wages	($752,000)	
Materials and Supplies	(68,000)	
Services Other Than Personal	(237,000)	
Maintenance and Fixed Charges	(41,000)	
Special Purpose:		
Affirmative Action and Equal Employment Opportunity	(84,000)	
Total Appropriation, Department of Health		$31,026,000

There is appropriated to the Department of Health from the Health Care Subsidy Fund established pursuant to section 8 of P.L.1992, c.160 (C.26:2H-18.58) an amount to continue to fund programs established pursuant to section 25 of P.L.1991, c.187 (C.26:2H-18.47) through the annual .53 percent assessment on New Jersey hospitals established pursuant to section 12 of P.L.1992, c.160 (C.26:2H-18.62). However, available funding shall first provide for the Community Care Program for the Elderly and Disabled, the expansion of Medicaid to 185 percent of poverty, and the Infant Mortality Reduction Program. In addition, notwithstanding any law to the contrary, the first $300,000 in resources from the annual .53 percent assessment is anticipated as General Fund revenue to offset Department of Health Grants-In-Aid appropriations. The remaining available funds may be used to fund programs established by section 25 of P.L.1991, c.187 (C.26:2H-18.47), as determined by the Commissioner of Health, subject to the approval of the Director of the Division of Budget and Accounting. Any unexpended balance as of June 30, 1996 in the Health Care

Subsidy Fund received through the .53 percent annual assessment on hospitals made during fiscal year 1996 is appropriated.

Receipts from licenses, permits and fees collected by the Department of Health, in excess of those anticipated, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of section 7 of P.L.1992, c.160 (C.26:2H-18.57) to the contrary, the first $1,200,000 in per adjusted admission charge assessment revenues, attributable to $5.00 per adjusted admission charge assessments made by the Department of Health on behalf of the former New Jersey Essential Health Services Commission shall be anticipated as revenue in the General Fund available for health-related purposes.

Notwithstanding the provisions of section 5 of P.L.1996, c.29 (C.52:18A-2a) to the contrary, the State Treasurer shall transfer to the Health Care Subsidy Fund established pursuant to section 8 of P.L.1992, c.160 (C.26:2H-18.58), only those additional revenues generated from third party liability recoveries by the State, excluding Medicaid, arising from a review by the Director of the Division of Budget and Accounting of hospital payments reimbursed from the Health Care Subsidy Fund with service dates after the date of enactment of P.L.1996, c.29.

Notwithstanding any provision of law to the contrary, and notwithstanding the terms of any repayment agreement with the Department of Health concerning charity care overpayments, the department shall forgive any repayment due to be made to the department in fiscal year 1997 as repayment of a charity care overpayment that is due from a hospital which meets the following conditions: (a) the hospital received in 1995 less than 50% of that hospital's 1993 "Charity Care" Subsidy payments, exclusive of any supplemental payments received during fiscal year 1996, (b) the hospital receives less than 33% of that hospital's total uncompensated care in subsidy, (c) the hospital does not receive any subsidy payments under the "Other Uncompensated Care" subsidy account in 1995, and (d) the hospital treats a substantial amount of problem billed cases measured by having received at least $4,000,000 from the Hospital Relief Fund in the Division of Medical Assistance and Health Services in the Department of Human Services during fiscal year 1996.

54 DEPARTMENT OF HUMAN SERVICES

20 Physical and Mental Health
23 Mental Health Services
7700 Division of Mental Health Services

08-7700 Community Services		$3,757,000
99-7700 Management and Administrative Services		3,972,000
Total Appropriation, Division of Mental Health Services		$7,729,000
Personal Services:		
Salaries and Wages	($6,527,000)	
Materials and Supplies	(76,000)	
Services Other Than Personal	(564,000)	
Maintenance and Fixed Charges	(155,000)	
Special Purpose:		
Affirmative Action and Equal Employment Opportunity	(30,000)	

Additions, Improvements and Equipment	(377,000)	

7710 Greystone Park Psychiatric Hospital

10-7710 Patient Care and Health Services		$33,792,000
98-7710 Physical Plant and Support Services		8,585,000
99-7710 Management and Administrative Services		7,336,000
Total Appropriation, Greystone Park Psychiatric Hospital		$49,713,000
Personal Services:		
Salaries and Wages	($41,505,000)	
Materials and Supplies	(4,768,000)	
Services Other Than Personal	(2,160,000)	
Maintenance and Fixed Charges	(892,000)	
Special Purpose:		
Interim Assistance	(54,000)	
Affirmative Action and Equal Employment Opportunity	(18,000)	
Additions, Improvements and Equipment	(316,000)	

7720 Trenton Psychiatric Hospital

10-7720 Patient Care and Health Services		$25,868,000
98-7720 Physical Plant and Support Services		4,730,000
99-7720 Management and Administrative Services		3,547,000
Total Appropriation, Trenton Psychiatric Hospital		$34,145,000
Personal Services:		
Salaries and Wages	($28,694,000)	
Materials and Supplies	(2,671,000)	
Services Other Than Personal	(1,526,000)	
Maintenance and Fixed Charges	(799,000)	
Special Purpose:		
Interim Assistance	(22,000)	
Affirmative Action and Equal Employment Opportunity	(24,000)	
Additions, Improvements and Equipment	(409,000)	

7725 The Forensic Psychiatric Hospital

10-7725 Patient Care and Health Services		$10,086,000
98-7725 Physical Plant and Support Services		1,003,000
99-7725 Management and Administrative Services		1,305,000
Total Appropriation, The Forensic Psychiatric Hospital		$12,394,000
Personal Services:		
Salaries and Wages	($11,256,000)	
Materials and Supplies	(701,000)	
Services Other Than Personal	(311,000)	
Maintenance and Fixed Charges	(70,000)	
Additions, Improvements and Equipment	(56,000)	

7730 Marlboro Psychiatric Hospital

10-7730	Patient Care and Health Services	$41,371,000
98-7730	Physical Plant and Support Services	8,296,000
99-7730	Management and Administrative Services	6,757,000
	Total Appropriation, Marlboro Psychiatric Hospital	$56,424,000
Personal Services:		
	Salaries and Wages	($45,835,000)
Materials and Supplies		(5,834,000)
Services Other Than Personal		(2,571,000)
Maintenance and Fixed Charges		(1,360,000)
Special Purpose:		
	Interim Assistance	(183,000)
	Affirmative Action and Equal Employment Opportunity	(23,000)
Additions, Improvements and Equipment		(618,000)

Savings realized by the Marlboro closure initiative shall be transferred to other State operated mental health institutions, developmental centers and community programs in the Divisions of Mental Health Services and Developmental Disabilities, subject to the approval of the Director of the Division of Budget and Accounting of an itemized closure and client placement plan for the achievement of such savings, as shall be submitted by the Commissioner of the Department of Human Services.

7740 Ancora Psychiatric Hospital

10-7740	Patient Care and Health Services	$34,137,000
98-7740	Physical Plant and Support Services	6,010,000
99-7740	Management and Administrative Services	4,270,000
	Total Appropriation, Ancora Psychiatric Hospital	$44,417,000
Personal Services:		
	Salaries and Wages	($37,019,000)
Materials and Supplies		(3,876,000)
Services Other Than Personal		(1,798,000)
Maintenance and Fixed Charges		(934,000)
Special Purpose:		
	Interim Assistance	(363,000)
	Affirmative Action and Equal Employment Opportunity	(23,000)
Additions, Improvements and Equipment		(404,000)

7750 Arthur Brisbane Child Treatment Center

10-7750	Patient Care and Health Services	$7,381,000
98-7750	Physical Plant and Support Services	687,000
99-7750	Management and Administrative Services	809,000
	Total Appropriation, Arthur Brisbane Child Treatment Center	$8,877,000

Personal Services:		
Salaries and Wages	($7,620,000)	
Materials and Supplies	(520,000)	
Services Other Than Personal	(362,000)	
Maintenance and Fixed Charges	(124,000)	
Additions, Improvements and Equipment	(251,000)	

7760 Senator Garrett W. Hagedorn Gero-Psychiatric Hospital

10-7760 Patient Care and Health Services		$7,601,000
98-7760 Physical Plant and Support Services		1,668,000
99-7760 Management and Administrative Services		1,257,000
Total Appropriation, Senator Garrett W. Hagedorn Gero-Psychiatric Hospital		$10,526,000
Personal Services:		
Salaries and Wages	($8,582,000)	
Materials and Supplies	(1,013,000)	
Services Other Than Personal	(580,000)	
Maintenance and Fixed Charges	(244,000)	
Special Purpose:		
Interim Assistance	(8,000)	
Additions, Improvements and Equipment	(99,000)	

Division of Mental Health Services

Receipts recovered from advances made under the interim assistance program in the mental health institutions during the fiscal year ending June 30, 1997 are appropriated for the same purpose.

The unexpended balances as of June 30, 1996, in the interim assistance program accounts in the mental health institutions are appropriated for the same purpose.

The amount appropriated for the Division of Mental Health Services for State facility operations and the amount appropriated as State aid for the costs of county facility operations first are charged to the federal disproportionate share hospital reimbursements anticipated as Medicaid Uncompensated Care.

24 Special Health Services
7540 Division of Medical Assistance and Health Services

21-7540 Health Services Administration and Management		$21,463,000
24-7540 Pharmaceutical Assistance to the Aged and Disabled		6,727,000
Total Appropriation, Division of Medical Assistance and Health Services		$28,190,000
Personal Services:		
Salaries and Wages	($13,331,000)	
Materials and Supplies	(328,000)	
Services Other Than Personal	(3,784,000)	
Maintenance and Fixed Charges	(986,000)	
Special Purpose:		
Payments to Fiscal Agents	(4,773,000)	
Eligibility Determination	(2,150,000)	

Affirmative Action and Equal Employment Opportunity	(12,000)
Professional Standards Review Organization--Utilization Review	(304,000)
Master Lease Debt Service Payments	(23,000)
Payments to Fiscal Agents (PAA)	(2,134,000)
Additions, Improvements and Equipment	(365,000)

The unexpended balances as of June 30, 1996 in the Payments to Fiscal Agents account and the Managed Health Care Initiative account are appropriated.

When any action by a county welfare agency, whether alone or in combination with the Division of Medical Assistance and Health Services, results in a recovery of improperly granted medical assistance, the Division of Medical Assistance and Health Services may reimburse the county welfare agency in the amount of 25% of the gross recovery.

Sufficient funds from the Health Care Subsidy Fund are appropriated to the Division of Medical Assistance and Health Services for payment to disproportionate share hospitals for uncompensated care costs as defined in P.L.1992, c.160 (C.26:2H-18.51 et al.).

Additional federal Title XIX revenue generated from the claiming of uncompensated care payments made to disproportionate share hospitals shall be deposited in the General Fund as anticipated revenue.

Notwithstanding any State law to the contrary, any third party as defined in subsection m. of section 3 of P.L.1968, c.413 (C.30:4D-3), writing health, casualty, or malpractice insurance policies in the State or covering residents of this State, shall permit and assist the Division of Medical Assistance and Health Services to match its Medicaid Eligibility file or files against that third party's file or files utilizing, if necessary, social security numbers as common identifiers.

The Division of Medical Assistance and Health Services, in coordination with the county welfare agencies, shall continue a program to outstation eligibility workers in disproportionate share hospitals and federally qualified health centers.

The unexpended balance as of June 30, 1996, recognizing savings generated by the Garden State Health Plan, shall first be used to fund the administrative costs of managed care and other Medicaid planning functions in the Division of Medical Assistance and Health Services and the remainder shall lapse to the General Fund, subject to the approval of the Director of the Division of Budget and Accounting.

Payment to the vendor for its efforts in federal maximizing initiatives are appropriated and shall be paid from the Maximization of Federal HCFA Reimbursement or the School Based Medicaid revenues received, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law to the contrary, all past, present and future revenues representing federal financial participation received by the State from the United States and that is based on payments made by the State to hospitals that serve a disproportionate share of low-income patients shall be deposited in the General Fund and may be expended only upon appropriation by law.

An amount not to exceed $100,000 is appropriated from General Assistance pharmaceutical rebate revenue for administration and collection of these rebates by the Division of Medical Assistance and Health Services.

30 Educational, Cultural and Intellectual Development
32 Operation and Support of Educational Institutions
7600 Division of Developmental Disabilities

99-7600 Management and Administrative Services		$9,951,000
Total State and Federal Appropriation		$9,951,000
Less:		
Federal Funds		
Management and Administrative Services	**$5,395,000**	
Total Federal Funds		**$5,395,000**
Total Appropriation, Division of Developmental Disabilities		$4,556,000
Personal Services:		
Salaries and Wages	($7,999,000)	
Materials and Supplies	(33,000)	
Services Other Than Personal	(308,000)	
Maintenance and Fixed Charges	(162,000)	
Special Purpose:		
Foster Grandparents Program	(669,000)	
Developmental Disabilities Council	(306,000)	
Control-Management and Administrative Services	(88,000)	
Additions, Improvements and Equipment	(386,000)	
Less:		
Federal Funds	**5,395,000**	

7601 Community Programs

01-7601 Purchased Residential Care		$992,000
02-7601 Social Supervision and Consultation		5,914,000
03-7601 Adult Activities		932,000
04-7601 Education and Day Training		8,845,000
Total Appropriation, Community Programs		$16,683,000
Personal Services:		
Salaries and Wages	($10,127,000)	
Materials and Supplies	(1,532,000)	
Services Other Than Personal	(1,007,000)	
Maintenance and Fixed Charges	(3,391,000)	
Special Purpose:		
Guardianship Program	(285,000)	
Homemaker Services (State Share)	(167,000)	
Additions, Improvements and Equipment	(174,000)	

Notwithstanding the provisions of any law to the contrary, the unexpended balances as of June 30, 1996 in the tuition receipt accounts established pursuant to P.L.1979, c.207 (C.18A:7B-1 et seq.) in the various departments are appropri-

ated for education-related transportation costs and other day training related costs and program administration costs of the Office of Education in such amounts as the Director of the Division of Budget and Accounting shall determine to be necessary; except that such amounts shall not be in excess of $1,400,000.

7610 Green Brook Regional Center

05-7610 Residential Care and Habilitation Services		$4,802,000
98-7610 Physical Plant and Support Services		1,433,000
99-7610 Management and Administrative Services		1,454,000
Total State and Federal Funds Appropriation		$7,689,000
Less:		
Federal Funds		
Residential Care and Habilitation Services	**$4,382,000**	
Physical Plant and Support Services	**923,000**	
Management and Administrative Services	**697,000**	
Total Federal Funds		**$6,002,000**
Total Appropriation, Green Brook Regional Center		$1,687,000
Personal Services:		
Salaries and Wages	($6,002,000)	
Materials and Supplies	(794,000)	
Services Other Than Personal	(272,000)	
Maintenance and Fixed Charges	(210,000)	
Special Purpose:		
Green Brook Mortgage	(393,000)	
Additions, Improvements and Equipment	(18,000)	
Less:		
Federal Funds	**6,002,000**	

7620 Vineland Developmental Center

05-7620 Residential Care and Habilitation Services		$46,473,000
98-7620 Physical Plant and Support Services		6,476,000
99-7620 Management and Administrative Services		5,283,000
Total State and Federal Funds Appropriation		$58,232,000
Less:		
Federal Funds		
Residential Care and Habilitation Services	**$18,806,000**	
Physical Plant and Support Services	**1,317,000**	
Management and Administrative Services	**449,000**	
Total Federal Funds		**$20,572,000**
Total Appropriation, Vineland Developmental Center		$37,660,000
Personal Services:		
Salaries and Wages	($50,545,000)	
Materials and Supplies	(5,198,000)	
Services Other Than Personal	(1,612,000)	
Maintenance and Fixed Charges	(826,000)	
Special Purpose:		
Family Care	(6,000)	

Additions, Improvements and Equipment	(45,000)	
Less:		
Federal Funds	**20,572,000**	

The unexpended balances as of June 30, 1996 in the Reward for Identification of Person(s) Responsible for the Assault on Client account are appropriated for the same purpose.

7630 North Jersey Developmental Center

05-7630 Residential Care and Habilitation Services		$27,486,000
98-7630 Physical Plant and Support Services		3,572,000
99-7630 Management and Administrative Services		3,396,000
Total State, Federal and All Other Funds Appropriation		$34,454,000
Less:		
Federal Funds		
Residential Care and Habilitation Services	**$10,890,000**	
Physical Plant and Support Services	**747,000**	
Management and Administrative Services	**731,000**	
Total Federal Funds		**$12,368,000**
All Other Funds		
Residential Care and Habilitation Services	**$210,000**	
Total All Other Funds		**$210,000**
Total Appropriation, North Jersey Developmental Center		$21,876,000
Personal Services:		
Salaries and Wages	($28,648,000)	
Materials and Supplies	(3,025,000)	
Services Other Than Personal	(2,174,000)	
Maintenance and Fixed Charges	(587,000)	
Additions, Improvements and Equipment	(20,000)	
Less:		
Federal Funds	**12,368,000**	
All Other Funds	**210,000**	

7640 Woodbine Developmental Center

05-7640 Residential Care and Habilitation Services		$33,171,000
98-7640 Physical Plant and Support Services		4,752,000
99-7640 Management and Administrative Services		5,429,000
Total State and Federal Funds Appropriation		$43,352,000
Less:		
Federal Funds		
Residential Care and Habilitation Services	**$11,244,000**	
Physical Plant and Support Services	**1,524,000**	
Management and Administrative Services	**886,000**	
Total Federal Funds		**$13,654,000**
Total Appropriation, Woodbine Developmental Center		$29,698,000
Personal Services:		
Salaries and Wages	($36,426,000)	

Materials and Supplies	(4,523,000)	
Services Other Than Personal	(1,697,000)	
Maintenance and Fixed Charges	(576,000)	
Additions, Improvements and Equipment	(130,000)	
Less:		
Federal Funds	**13,654,000**	

7650 New Lisbon Developmental Center

05-7650 Residential Care and Habilitation Services		$38,112,000
98-7650 Physical Plant and Support Services		5,137,000
99-7650 Management and Administrative Services		3,092,000
Total State, Federal and All Other Funds Appropriation		$46,341,000
Less:		
Federal Funds		
Residential Care and Habilitation Services	**$21,632,000**	
Physical Plant and Support Services	**2,157,000**	
Management and Administrative Services	**951,000**	
Total Federal Funds		**$24,740,000**
All Other Funds		
Residential Care and Habilitation Services	**$258,000**	
Total All Other Funds		**$258,000**
Total Appropriation, New Lisbon Developmental Center		$21,343,000
Personal Services:		
Salaries and Wages	($41,316,000)	
Materials and Supplies	(3,389,000)	
Services Other Than Personal	(1,105,000)	
Maintenance and Fixed Charges	(511,000)	
Additions, Improvements and Equipment	(20,000)	
Less:		
Federal Funds	**24,740,000**	
All Other Funds	**258,000**	

7660 Woodbridge Developmental Center

05-7660 Residential Care and Habilitation Services		$32,174,000
98-7660 Physical Plant and Support Services		4,234,000
99-7660 Management and Administrative Services		3,177,000
Total State, Federal and All Other Funds Appropriation		$39,585,000
Less:		
Federal Funds		
Residential Care and Habilitation Services	**$13,207,000**	
Physical Plant and Support Services	**466,000**	
Management and Administrative Services	**1,273,000**	
Total Federal Funds		**$14,946,000**

All Other Funds		
Residential Care and Habilitation Services.....	**$100,000**	
Total All Other Funds		**$100,000**
Total Appropriation, Woodbridge Developmental Center		$24,539,000
Personal Services:		
Salaries and Wages	($34,231,000)	
Materials and Supplies	(3,782,000)	
Services Other Than Personal	(1,050,000)	
Maintenance and Fixed Charges	(468,000)	
Additions, Improvements and Equipment	(54,000)	
Less:		
Federal Funds	**14,946,000**	
All Other Funds	**100,000**	

7670 Hunterdon Developmental Center

05-7670 Residential Care and Habilitation Services		$32,232,000
98-7670 Physical Plant and Support Services		6,380,000
99-7670 Management and Administrative Services		2,582,000
Total State, Federal and All Other Funds Appropriation		$41,194,000
Less:		
Federal Funds		
Residential Care and Habilitation Services	**$8,957,000**	
Physical Plant and Support Services	**1,646,000**	
Management and Administrative Services	**768,000**	
Total Federal Funds		**$11,371,000**
All Other Funds		
Residential Care and Habilitation Services	**$200,000**	
Total All Other Funds		**$200,000**
Total Appropriation, Hunterdon Developmental Center		$29,623,000
Personal Services:		
Salaries and Wages	($35,478,000)	
Materials and Supplies	(4,093,000)	
Services Other Than Personal	(1,030,000)	
Maintenance and Fixed Charges	(567,000)	
Additions, Improvements and Equipment	(26,000)	
Less:		
Federal Funds	**11,371,000**	
All Other Funds	**200,000**	

In addition to the amounts appropriated hereinabove, upon the completion of an independent audit of cogeneration costs and upon the approval of the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee, there is appropriated $613,000 for increased utility costs.

7690 North Princeton Developmental Center

05-7690 Residential Care and Habilitation Services		$28,860,000
98-7690 Physical Plant and Support Services		6,380,000

99-7690 Management and Administrative Services		3,041,000
Total State, Federal and All Other Funds Appropriation		$38,281,000
Less:		
Federal Funds		
Residential Care and Habilitation Services	**$8,343,000**	
Physical Plant and Support Services	**1,027,000**	
Management and Administrative Services	**787,000**	
Total Federal Funds		**$10,157,000**
Total Appropriation, North Princeton Developmental Center		$28,124,000
Personal Services:		
Salaries and Wages	($31,889,000)	
Materials and Supplies	(3,132,000)	
Services Other Than Personal	(2,180,000)	
Maintenance and Fixed Charges	(707,000)	
Additions, Improvements and Equipment	(373,000)	
Less:		
Federal Funds	**10,157,000**	

Division of Developmental Disabilities

In addition to the amount hereinabove for Operation and Support of Education Institutions of the Division of Developmental Disabilities, such other sums as the Director of the Division of Budget and Accounting shall determine, provided in Inter-Departmental accounts for Employee Benefits, are considered as appropriated on behalf of the Developmental Centers and are available for matching federal funds.

The State appropriation is based on ICF/MR revenues of $184,811,000, provided that if the ICF/MR revenues exceed $184,811,000, there will be placed in reserve a portion of the State appropriation equal to the excess amount of ICF/MR revenues, subject to the approval of the Director of the Division of Budget and Accounting.

33 Supplemental Education and Training Programs
7560 Commission for the Blind and Visually Impaired

11-7560 Habilitation and Rehabilitation		$2,764,000
12-7560 Instruction, Community Programs and Prevention		2,154,000
99-7560 Management and Administrative Services		1,367,000
Total Appropriation, Commission for the Blind and Visually Impaired		$6,285,000
Personal Services:		
Salaries and Wages	($5,354,000)	
Materials and Supplies	(136,000)	
Services Other Than Personal	(581,000)	
Maintenance and Fixed Charges	(196,000)	
Additions, Improvements and Equipment	(18,000)	

Notwithstanding the provisions of N.J.S.18A:61-1 and N.J.S.18A:46-13, or any other law to the contrary, local boards of education shall reimburse the Commission for the Blind and Visually Impaired for the documented costs of providing services to children who are classified as "educationally handicapped," provided however, that each local board shall pay that portion of cost which the number of

children classified "educationally handicapped" bears to the total number of such children served; provided further, however, that payments shall be made by each local board in accordance with a schedule adopted by the Commissioners of Education and Human Services; and further, the Director of the Division of Budget and Accounting is authorized to deduct such reimbursements from the State aid payments to the local boards of education.

There is appropriated from funds recovered from audits or other collection activities an amount sufficient to pay vendors fees to compensate the recoveries, and the administration of the State's vending machine program, subject to the approval of the Director of the Division of Budget and Accounting. Receipts in excess of $130,000 are appropriated for the purpose of expanding vision screening services, subject to the approval of the Director of the Division of Budget and Accounting. The unexpended balance of such receipts as of June 30, 1996 is appropriated.

50 Economic Planning, Development and Security
53 Economic Assistance and Security
7540 Division of Medical Assistance and Health Services

28-7540 Lifeline Programs		$2,654,000
Total Appropriation, Division of Medical Assistance and Health Services		$2,654,000
Personal Services:		
Salaries and Wages	($1,620,000)	
Materials and Supplies	(188,000)	
Services Other Than Personal	(509,000)	
Maintenance and Fixed Charges	(286,000)	
Additions, Improvements and Equipment	(51,000)	

50 Economic Planning, Devlopment and Security
53 Economic Assistance and Security
7550 Division of Family Development

15-7550 Income Maintenance Management		$14,809,000
Total Appropriation, Division of Family Development		$14,809,000
Personal Services:		
Salaries and Wages	($9,439,000)	
Materials and Supplies	(206,000)	
Services Other Than Personal	(4,839,000)	
Maintenance and Fixed Charges	(156,000)	
Special Purpose:		
Non-Public Assistance Legal Services, Child Support	(150,000)	
Affirmative Action and Equal Employment Opportunity	(8,000)	
Additions, Improvements and Equipment	(11,000)	

In addition to the anticipated State share of gross child support collections, an amount not to exceed $1,000,000 is appropriated for administrative expenses needed to enhance child support collection efforts within the Division of Family Development, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance as of June 30, 1996 in the Electronic Benefit Transfer/Distribution System account is appropriated.

Any federal funds received by the Division of Family Development for the direct or indirect costs incurred by the Department of Labor for the operation of the Wage Reporting System shall be deposited in the General Treasury.

Receipts derived from counties and local governments for data processing services and the unexpended balance of such receipts as of June 30, 1996 are appropriated.

The State appropriation shall be based upon a federal financial participation rate of 48%; but if the federal participation rate exceeds this percentage, there will be placed in reserve a portion of the State appropriation equal to the amount of additional federal funds, subject to the approval of the Director of the Division of Budget and Accounting.

55 Social Services Programs
7570 Division of Youth and Family Services

16-7570 Initial Response/Case Management		$98,125,000
17-7570 Substitute Care		9,473,000
18-7570 General Social Services		5,434,000
99-7570 Management and Administrative Services		20,946,000
Total State and Federal Appropriation		$133,978,000
Less:		
Federal Funds		
Initial Response/Case Management	**$37,306,000**	
Substitute Care	**5,833,000**	
General Social Services	**4,434,000**	
Management and Administrative Services	**13,969,000**	
Total Federal Funds		**$61,542,000**
Total Appropriation, Division of Youth and Family Services		$72,436,000
Personal Services:		
Salaries and Wages	($111,210,000)	
Materials and Supplies	(2,031,000)	
Services Other Than Personal	(9,197,000)	
Maintenance and Fixed Charges	(9,850,000)	
Special Purpose:		
Affirmative Action and Equal Employment Opportunity	(50,000)	
Additions, Improvements and Equipment	(1,640,000)	
Less:		
Federal Funds	**61,542,000**	

7580 Division of the Deaf and Hard of Hearing

23-7580 Services for the Deaf		$365,000
Total Appropriation, Division of the Deaf and Hard of Hearing		$365,000
Personal Services:		
Salaries and Wages	($238,000)	
Materials and Supplies	(44,000)	

Services Other Than Personal	(41,000)	
Maintenance and Fixed Charges	(1,000)	
Special Purpose:		
Services to Deaf Clients	(40,000)	
Additions, Improvements and Equipment	(1,000)	

70 Government Direction, Management and Control
76 Management and Administration
7500 Division of Management and Budget

87-7500 Research, Policy and Planning		$703,000
96-7500 Institutional Security Services		3,703,000
99-7500 Management and Administrative Services		21,135,000
Total Appropriation, Division of Management and Budget		$25,541,000
Personal Services:		
Salaries and Wages	($5,743,000)	
Materials and Supplies	(78,000)	
Services Other Than Personal	(1,352,000)	
Maintenance and Fixed Charges	(395,000)	
Special Purpose:		
Rehabilitation Services Scholarships	(150,000)	
Essex I and II Settlement	(17,500,000)	
Affirmative Action and Equal Employment Opportunity	(67,000)	
Transfer to State Police for Fingerprinting/ Background Checks of Job Applicants	(200,000)	
Additions, Improvements and Equipment	(56,000)	

Notwithstanding the provision of any law to the contrary, the Department of Human Services is authorized to identify opportunities for increased recoveries to the General Fund and to the department. Such funds collected shall be appropriated, subject to the approval of the Director of the Division of Budget and Accounting, in accordance with a plan approved by the Director of the Division of Budget and Accounting.

Revenues representing receipts to the General Fund from charges to Residents' trust accounts for maintenance costs are appropriated for use as personal needs allowances for patients/residents who have no other source of funds for these purposes; except that the total amount herein for these allowances shall not exceed $1,375,000 and that any increase in the maximum monthly allowance shall be approved by the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove appropriated, there shall be appropriated a sum not to exceed $2,000,000 from savings realized throughout the department for administrative consolidations, subject to the approval of the Director of the Division of Budget and Accounting of an itemized plan for the achievement of such savings, as shall be submitted by the Commissioner of Human Services.

Total Appropriation, Department of Human Services	$590,294,000

A pro-rata share of all Low Income Energy Assistance Block Grant funds received by the Department of Human Services is to be allocated immediately upon receipt to the Departments of Community Affairs and Health to enable these departments to implement programs funded by this block grant.

Of the amount appropriated hereinabove for the Department of Human Services, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule at page K-37 in the Governor's Budget Recommendation Document dated January 29, 1996 first shall be charged to the State Lottery Fund.

Balances on hand as of June 30, 1996 of funds held for the benefit of patients in the several institutions, and such funds as may be received, are appropriated for the use of the patients.

Funds received from the sale of articles made in occupational therapy departments of the several institutions are appropriated for the purchase of additional material and other expenses incidental to such sale or manufacture.

Any change in program eligibility criteria and increases in the types of services or rates paid for services to or on behalf of clients for all programs under the purview of the Department of Human Services, not mandated by federal law, shall first be approved by the Director of the Division of Budget and Accounting.

The unexpended balances as of June 30, 1996 in the Essex I & II Settlement account are appropriated for the same purpose.

The Department of Human Services is authorized to require the utilization of a standard, serialized, non-reproducible and non-erasable prescription blank for use in the Medicaid, PAAD, and General Assistance programs.

Notwithstanding any other provision of law to the contrary, receipts from payments collected from clients receiving services from the department, and collected from their chargeable relatives, are appropriated to offset administrative and contract expenses related to the charging, collecting and accounting of payments from clients receiving services from this department and from their chargeable relatives pursuant to R.S.30:1-12 subject to the approval of the Director of the Division of Budget and Accounting.

From the amounts appropriated for Payments for Medical Assistance Recipients -- Prescription Drugs, Pharmaceutical Assistance to the Aged -- Claims, and Pharmaceutical Assistance to the Aged and Disabled -- Claims, there is allocated to the Division of Medical Assistance and Health Services up to $100,000 from savings realized in these programs for personnel costs for the monitoring of prescription drug utilization in these programs, subject to the approval of the Director of the Division of Budget and Accounting.

62 DEPARTMENT OF LABOR

50 Economic Planning, Development and Security

51 Economic Planning and Development

18-4570 Planning and Research		$486,000
99-4565 Management and Administrative Services		568,000
Total Appropriation, Economic Planning and Development		$1,054,000
Personal Services:		
Salaries and Wages	($740,000)	

Materials and Supplies	(22,000)
Services Other Than Personal	(191,000)
Maintenance and Fixed Charges	(35,000)
Special Purpose:	
Affirmative Action and Equal Employment Opportunity	(62,000)
Additions, Improvements and Equipment	(4,000)

Such sums as may be necessary to collect the contributions pursuant to the "Health Care Reform Act of 1992," P.L.1992, c.160 (C.26B:2H-18.51 et al.), are appropriated from the Health Care Subsidy Fund, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Planning and Research program classification is appropriated from the Unemployment Compensation Auxiliary Fund.

The amount necessary to provide administrative costs incurred by the Department of Labor to meet the statutory requirements of the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et seq.) is appropriated from the enterprise zone assistance fund, subject to the approval of the Director of the Division of Budget and Accounting.

52 Economic Regulation

12-4550 Workplace Standards		$5,658,000
Total Appropriation, Economic Regulation		$5,658,000
Personal Services:		
Salaries and Wages	($4,922,000)	
Materials and Supplies	(86,000)	
Services Other Than Personal	(424,000)	
Maintenance and Fixed Charges	(122,000)	
Special Purpose:		
Worker and Community Right To Know Act	(35,000)	
Carnival Amusement Ride Safety Advisory Board	(1,000)	
Safety Commission	(3,000)	
Additions, Improvements and Equipment	(65,000)	

Receipts in excess of the amount anticipated for the Workplace Standards program are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of the "Worker and Community Right to Know Act," P.L.1983, c.315 (C.34:5A-1 et seq.), the amount hereinabove for the Worker and Community Right to Know Act account is payable out of the Worker and Community Right to Know Fund. If receipts to that fund are less than anticipated, the appropriation shall be reduced proportionately. In addition to the amounts hereinabove, there are appropriated out of the Worker and Community Right to Know Fund such additional sums, not to exceed $8,400, to administer the Right to Know program, subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated out of the Wage and Hour Trust Fund and the Prevailing Wage Act Trust Fund such sums as may be necessary for payments.

53 Economic Assistance and Security

03-4520 State Disability Insurance Plan		$21,324,000
04-4520 Private Disability Insurance Plan		3,443,000
05-4525 Workers' Compensation		11,029,000
06-4530 Special Compensation		1,540,000
Total Appropriation, Economic Assistance and Security		$37,336,000
Personal Services:		
Salaries and Wages	($23,205,000)	
Materials and Supplies	(376,000)	
Services Other Than Personal	(4,071,000)	
Maintenance and Fixed Charges	(2,000,000)	
Special Purpose:		
Reimbursement To Unemployment Insurance For Joint Tax Functions	(6,700,000)	
Other Special Purpose	(60,000)	
Additions, Improvements and Equipment	(924,000)	

The amounts hereinabove for State Disability Insurance Plan and Private Disability Insurance Plan are payable out of the State disability benefits fund and, in addition to the amounts hereinabove, there are appropriated out of the State disability benefits fund an amount not to exceed $5,033,000 to administer the Disability Insurance Program, subject to the approval of the Director of the Division of Budget and Accounting. In addition, the department is authorized to charge such sums as may be necessary to pay disability benefits.

Receipts in excess of the amount anticipated for the Workers' Compensation program are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for Special Compensation is payable out of the Second Injury Fund and, notwithstanding the $12,500 limitation set forth in R.S.34:15-95, in addition to the amounts hereinabove, there are appropriated out of the Second Injury Fund such additional sums as may be required for costs of administration and beneficiary payments.

The State Treasurer is directed to transfer to the General Fund the sum of $50,000 from the excess in the Second Injury Fund over the sum of $1,250,000 accumulated as of June 30, 1996, pursuant to R.S.34:15-94.

There is appropriated out of the balance in the Second Injury Fund an amount not to exceed $1,000,000 to be deposited to the credit of the uninsured employers' fund for the payment of benefits as determined in accordance with section 11 of P.L.1966, c.126 (C.34:15-120.2). Any amount so transferred shall be included in the next uninsured employers' fund surcharge imposed in accordance with section 10 of P.L.1966, c.126 (C.34:15-120.1) and such amount shall be returned to the Second Injury Fund without interest. Furthermore, any amount so transferred shall be included in "net assets" pursuant to R.S.34:15-94c.(4).

Amounts to administer the uninsured employers' fund are appropriated from the uninsured employers' fund, subject to the approval of the Director of the Division of Budget and Accounting.

54 Manpower and Employment Services

07-4535 Vocational Rehabilitation Services		$2,447,000
09-4545 Employment Services		6,451,000
16-4556 Public Sector Labor Relations		2,500,000
17-4560 Private Sector Labor Relations		481,000
Total Appropriation, Manpower and Employment Services		$11,879,000
Personal Services:		
Salaries and Wages	($4,899,000)	
Materials and Supplies	(35,000)	
Services Other Than Personal	(441,000)	
Maintenance and Fixed Charges	(32,000)	
Special Purpose:		
Workforce Development Partnership Program	(4,405,000)	
Workforce Development Partnership – Counselors	(2,046,000)	
Additions, Improvements and Equipment	(21,000)	

Notwithstanding the provisions of the "New Jersey Employer-Employee Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.), the cost of fact-finding shall be borne equally by the public employer and the exclusive employee representative.

The sum hereinabove for the Vocational Rehabilitation Services program classification is available for the payment of obligations applicable to prior fiscal years.

The amount hereinabove for the Vocational Rehabilitation Services program classification is appropriated from the unemployment compensation auxiliary fund.

The amounts hereinabove for the Workforce Development Partnership Program shall be appropriated from receipts received pursuant to P.L.1992, c.44 (C.34:15D-12 et seq.), together with such additional sums as may be required to administer the Workforce Development Partnership Program, subject to the approval of the Director of the Division of Budget and Accounting.

Pursuant to the provisions of the "1992 New Jersey Employment and Workforce Development Act," P.L.1992, c.43 (C.34:15D-1 et seq.), funds shall be made available to the Department of Labor and the State Employment and Training Commission, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Private Sector Labor Relations program classification is appropriated from the unemployment compensation auxiliary fund.

Total Appropriation, Department of Labor	$55,927,000

66 DEPARTMENT OF LAW AND PUBLIC SAFETY

10 Public Safety and Criminal Justice

12 Law Enforcement

06-1200 Patrol Activities and Crime Control	$110,729,000
07-1200 Police Services and Public Order	19,817,000
08-1200 Emergency Services	3,818,000
09-1020 Criminal Justice	18,971,000
11-1050 State Medical Examiner	200,000

23-1200 State Capitol Complex Security		5,793,000
24-1200 Marine Police Operations		8,239,000
99-1200 Management and Administrative Services		14,381,000
Total Appropriation, Law Enforcement		$181,948,000
Personal Services:		
Salaries and Wages	($141,575,000)	
Cash In Lieu of Maintenance	(16,267,000)	
Materials and Supplies	(5,508,000)	
Services Other Than Personal	(5,728,000)	
Maintenance and Fixed Charges	(4,017,000)	
Special Purpose:		
Drunk Driver Fund Program	(962,000)	
Noncriminal Record Checks	(1,014,000)	
Nuclear Emergency Response Program	(1,988,000)	
Health Insurance Fraud Unit	(600,000)	
Expenses of State Grand Jury	(356,000)	
Medicaid Fraud Investigation--State Match	(375,000)	
State Police Recruit Training	(900,000)	
Affirmative Action and Equal Employment Opportunity	(193,000)	
Additions, Improvements and Equipment	(2,465,000)	

The unexpended balance as of June 30, 1996, in the Victim Witness Advocacy Fund account, together with receipts derived pursuant to section 2 of P.L.1979, c.396 (C.2C:43-3.1), is appropriated.

There are appropriated such sums as are collected pursuant to section 19 of P.L.1981, c.279 (C.13:1E-67); section 3 of P.L.1988, c.61 (C.58:10A-49); section 9 of P.L.1970, c.39 (C.13:1E-9); section 2 of P.L.1987, c.158 (C.13:1E-9.2); sections 20 and 24 of P.L.1989, c.34 (C.13:1E-48.20 and 13:1E-48.24); and section 15 of P.L.1987, c.333 (C.13:1E-191) as are required to pay awards authorized by these laws and for public awareness programs, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, funds obtained through seizure, forfeiture, or abandonment pursuant to any federal or State statutory or common law and the proceeds of the sale of any such confiscated property or goods except for such funds as are dedicated pursuant to P.L.1993, c.227, are appropriated for law enforcement purposes designated by the Attorney General.

Notwithstanding the provisions of P.L.1993, c.220, the amount hereinabove for the Safe and Secure Communities Program shall be used for police officers and other law enforcement personnel salaries.

The unexpended balance as of June 30, 1996, in the revolving fund established under the "New Jersey Antitrust Act," P.L.1970, c.73 (C.56:9-1 et seq.) is appropriated for the administration of the act and any expenditures therefrom shall be subject to the approval of the Director of the Division of Budget and Accounting.

Such additional amounts as may be required to carry out the provisions of the "New Jersey Antitrust Act" are appropriated from the General Fund; provided however,

that any expenditures therefrom shall be subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in excess of the amount anticipated from license fees and/or audits conducted to ensure compliance with the "Private Detective Act of 1939," P.L.1939, c.369 (C.45:19-8 et seq.), are appropriated to defray the cost of this activity.

Notwithstanding the provisions of section 14 of P.L.1992, c.188 (C.33:1-4.1), that in addition to the amounts hereinabove, all fees and penalties collected by the Director of the Division of Alcoholic Beverage Control in excess of $2,000,000 are appropriated for the purpose of offsetting additional operational costs of the Alcoholic Beverage Control Enforcement Bureau in the Division of State Police and the Division of Alcoholic Beverage Control, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove for Patrol Activities and Crime Control, there is appropriated an amount not to exceed $1,200,000 from indirect cost recoveries, for the purpose of offsetting the costs of the provision of State Police services.

Notwithstanding any other provision of this act, receipts derived from the sale of helicopters as well as the unexpended balance of such sums as of June 30, 1996, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance as of June 30, 1996, in the Drunk Driver Fund program account, together with any receipts in excess of the amount anticipated, is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Drunk Driver Fund program is payable out of the dedicated fund designated for this purpose and any amount remaining therein. If receipts to the fund are less than anticipated, the appropriation shall be reduced proportionately.

Receipts derived pursuant to the New Jersey Medical Service Helicopter Response Act under section 1 of P.L.1992, c.87 (C.39:3-8.2) are appropriated to the Division of State Police and the Department of Health to defray the operating costs of the program as authorized under P.L.1986, c.106 (C.26:2K-35 et seq.). The unexpended balance as of June 30, 1996, is appropriated to the special capital maintenance reserve account for capital replacement and major maintenance of helicopter equipment and any expenditures therefrom shall be subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Noncriminal Record Checks account is payable out of the dedicated fund designated for this purpose. If receipts to the fund are less than anticipated, the appropriation shall be reduced proportionately.

The unexpended balance as of June 30, 1996, in the Noncriminal Record Checks account, together with any receipts in excess of the amount anticipated, is appropriated to defray the costs of this activity and for the purchase and equipping of new or replacement State Police vehicles, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Nuclear Emergency Response Program account is payable from receipts received pursuant to the assessment of electrical utility

companies under P.L.1981, c.302 (C.26:2D-37 et seq.). The unexpended balance as of June 30, 1996, in the Nuclear Emergency Response Program account is appropriated.

Such sums as may be necessary are appropriated from the Special Fund for Civil Defense Volunteers established pursuant to section 15 of P.L.1952, c.12 (C.App. A:9-57.15).

All registration fees, tuition fees, training fees, all receipts collected through division mess hall operations and all other fees received for reimbursement for attendance at courses conducted by Division of State Police and Division of Criminal Justice personnel are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amounts hereinabove to the Divisions of State Police and Criminal Justice and the Office of the State Medical Examiner, there are appropriated to the respective State departments and agencies such sums as may be received or receivable from any instrumentality, municipality, or public authority for direct and indirect costs of all 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, municipalities, or authorities for employer contributions to the State Police and Public Employees' Retirement Systems shall not be appropriated and shall be paid into the General Fund.

Receipts in the "Commercial Vehicle Enforcement Fund" established pursuant to section 17 of P.L.1995, c.157 (C.39:8-76), are appropriated to offset all reasonable and necessary expenses of the Division of State Police and Department of Transportation-Division of Motor Vehicles in the performance of commercial truck safety and emission inspections, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance of receipts derived pursuant to section 17 of P.L.1995, c.401 as of June 30, 1996 is appropriated to the Marine Police for the purpose of developing and administering boating safety tests and issuing boating safety certificates, subject to the approval of the Director of the Division of Budget and Accounting.

13 Special Law Enforcement Activities

03-1160 Office of Highway Traffic Safety		$338,000
17-1420 Election Law Enforcement		2,047,000
20-1450 Review and Enforcement of Ethical Standards		335,000
21-1400 Regulation of Alcoholic Beverages		1,704,000
22-1410 Regulation of Racing Activities		1,340,000
Total Appropriation, Special Law Enforcement Activities		$5,764,000
Personal Services:		
Salaries and Wages	($3,805,000)	
Materials and Supplies	(171,000)	
Services Other Than Personal	(539,000)	
Maintenance and Fixed Charges	(136,000)	

Special Purpose:	
Federal Highway Safety Programs-State Match ..	(338,000)
Gubernatorial Public Finance Program	(630,000)
Per Diem Payment to Members of the Election Law Enforcement Commission	(15,000)
Additions, Improvements and Equipment	(130,000)

The unexpended balance in the Federal Highway Safety Program -- State Match account, including the accounts of the several departments, as of June 30, 1996, is appropriated for such highway safety projects.

Notwithstanding the provisions of section 14 of P.L.1992, c.188 (C.33:1-4.1), in addition to the amounts hereinabove, all fees and penalties collected by the Director of the Division of Alcoholic Beverage Control in excess of $2,000,000 are appropriated for the purpose of offsetting additional operational costs of the Alcoholic Beverage Control Enforcement Bureau in the Division of State Police and the Division of Alcoholic Beverage Control, subject to the approval of the Director of the Division of Budget and Accounting.

Registration fees, tuition fees, training fees, and other fees received for reimbursement for attendance at courses administered or conducted by the Division of Alcoholic Beverage Control are appropriated for program costs.

In addition to the amount appropriated hereinabove for Regulation of Racing Activities, receipts in excess of the amount anticipated, attributable to changes in fee structure or fee increases, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

All fees, fines, and penalties collected pursuant to P.L.1973, c.83 (C.19:44A-1 et al.) and section 3 of P.L.1981, c.150 (C.52:13C-22.2) are appropriated for the purpose of offsetting additional operational costs of the Election Law Enforcement Commission, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provision hereinabove, amounts received pursuant to P.L.1971, c.183 (C.52:13C-18 et seq.) are appropriated for the purpose of offsetting additional operational costs of the Election Law Enforcement Commission, subject to the approval of the Director of the Division of Budget and Accounting.

Of the receipts derived from the regulation, supervision, and licensing of all State Athletic Control Board activities and functions and the unexpended balance as of June 30, 1996, an amount is appropriated for the purpose of offsetting the costs of the administration and operation of the State Athletic Control Board, subject to the approval of the Director of the Division of Budget and Accounting.

18 Juvenile Services
1500 Juvenile Community Programs and Administrative Services

34-1500 Juvenile Community Programs		$18,261,000
99-1500 Management and Administrative Services		3,947,000
Total Appropriation, Juvenile Community Programs and Administrative Services		$22,208,000
Personal Services:		
Salaries and Wages	($15,041,000)	
Materials and Supplies	(1,383,000)	
Services Other Than Personal	(950,000)	

Maintenance and Fixed Charges	(637,000)	
Special Purpose:		
Juvenile Justice Initiative	(3,100,000)	
Community Residential Programs Staff Increase	(1,000,000)	
Additions, Improvements and Equipment	(97,000)	

The unexpended balance as of June 30, 1996 in the Juvenile Justice Initiatives account is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

1505 New Jersey Training School for Boys

35-1505 Institutional Control and Supervision		$11,156,000
36-1505 Institutional Care		2,694,000
37-1505 Institutional Treatment		2,491,000
39-1505 Physical Plant and Support Services		2,444,000
99-1505 Management and Administrative Services		911,000
Total Appropriation, New Jersey Training School for Boys		$19,696,000
Personal Services:		
Salaries and Wages	($14,234,000)	
Food In Lieu of Cash	(72,000)	
Materials and Supplies	(1,752,000)	
Services Other Than Personal	(1,849,000)	
Maintenance and Fixed Charges	(562,000)	
Special Purpose:		
Jamesburg Staffing Increase	(1,100,000)	
Other Special Purpose	(2,000)	
Additions, Improvements and Equipment	(125,000)	

Receipts derived from the Eyeglass program at the New Jersey Training School for Boys and any unexpended balance as of June 30, 1996 are appropriated for the operation of the program.

1510 Juvenile Medium Security Center

35-1510 Institutional Control and Supervision		$11,393,000
36-1510 Institutional Care		689,000
37-1510 Institutional Treatment		460,000
39-1510 Physical Plant and Support Services		1,728,000
99-1510 Management and Administrative Services		506,000
Total Appropriation, Juvenile Medium Security Center		$14,776,000
Personal Services:		
Salaries and Wages	($6,312,000)	
Food In Lieu of Cash	(30,000)	
Materials and Supplies	(276,000)	
Services Other Than Personal	(461,000)	
Maintenance and Fixed Charges	(123,000)	
Special Purpose:		
Other Additional Bedspaces	(14,000)	
Juvenile Boot Camp	(3,933,000)	

Female Secure Care Program – Johnstone	(2,800,000)	
Johnstone Facility Maintenance	(702,000)	
Additions, Improvements and Equipment	(125,000)	

19 Central Planning, Direction and Management

88-1000 Central Library Services		$586,000
99-1000 Management and Administrative Services		5,556,000
Total Appropriation, Central Planning, Direction and Management		$6,142,000
Personal Services:		
Salaries and Wages	($4,851,000)	
Materials and Supplies	(393,000)	
Services Other Than Personal	(467,000)	
Maintenance and Fixed Charges	(129,000)	
Special Purpose:		
Affirmative Action and Equal Employment Opportunity	(198,000)	
Additions, Improvements and Equipment	(104,000)	

Notwithstanding the provisions of any law or regulation to the contrary, funds obtained through seizure, forfeiture, or abandonment pursuant to any federal or State statutory or common law and the proceeds of the sale of any such confiscated property or goods, except for such funds as are dedicated pursuant to P.L.1993, c.227, are appropriated for law enforcement purposes designated by the Attorney General.

The Attorney General shall provide the Director of the Division of Budget and Accounting, the Senate Budget and Appropriations Committee and the Assembly Appropriations Committee, or the successor committees thereto, with written reports on August 1, 1996 and February 1, 1997, of the use and disposition by State law enforcement agencies of any interest in property or money seized, or proceeds resulting from seized or forfeited property, and any interest or income earned thereon, arising from any State law enforcement agency involvement in a surveillance, investigation, arrest or prosecution involving offenses under N.J.S.2C:35-1 et seq. and N.J.S.2C:36-1 et seq. leading to such seizure or forfeiture. The reports shall specify for the preceding period of the fiscal year the type, approximate value, and disposition of the property seized and the amount of any proceeds received or expended, whether obtained directly or as contributive share, including but not limited to the use thereof for asset maintenance, forfeiture prosecution costs, costs of extinguishing any perfected security interest in seized property and the contributive share of property and proceeds of other participating local law enforcement agencies.

Penalties, fines, and other fees collected pursuant to N.J.S.2C:35-20 and deposited in the State Forensic Laboratory Fund, together with the unexpended balance as of June 30, 1996, are appropriated to defray additional laboratory related administration and operational expenses of the "Comprehensive Drug Reform Act of 1987," P.L.1987, c.106 (C.2C:35-1 et seq.), subject to the approval of the Director of the Division of Budget and Accounting.

70 Government Direction, Management and Control
74 General Government Services

12-1010 Legal Services		$45,585,000
Total All Operations		$45,585,000
Less:		
Reimbursement From Other Sources	**$30,595,000**	
Total Deductions		**$30,595,000**
Total Appropriation, General Government Services		$14,990,000

Personal Services:	
Salaries and Wages	($13,536,000)
Materials and Supplies	(153,000)
Services Other Than Personal	(922,000)
Maintenance and Fixed Charges	(329,000)
Additions, Improvements and Equipment	(50,000)
Expense:	
Reimbursement From Other Sources	(30,595,000)
Less:	
Reimbursement From Other Sources	**30,595,000**

In addition to the $30,595,000 attributable to Reimbursements from Other Sources and the corresponding additional amount associated with employee fringe benefit costs, there are appropriated such sums as may be received or receivable from any instrumentality or public authority for direct or indirect costs of legal services furnished thereto and attributable to a change in or the addition of a client agency agreement, subject to the approval of the Director of the Division of Budget and Accounting.

The Director of the Division of Budget and Accounting is empowered to credit or transfer to the General Fund from any other department, branch or non-State fund source, out of funds appropriated thereto, such funds as may be required to cover the costs of legal services attributable to that other department, branch or non-State fund source as the Director of the Division of Budget and Accounting shall determine. Receipts in any non-State fund are appropriated for the purpose of such transfer.

In addition to the amounts appropriated hereinabove for Salaries and Wages within the General Government Services -- Legal Services program classification, the Attorney General, with the approval of the Director of the Division of Budget and Accounting, may transfer or credit to this Salaries and Wages account a sum of up to $2,000,000 from the other appropriations in the Department of Law and Public Safety to reflect savings throughout the department.

80 Special Government Services
82 Protection of Citizens' Rights

14-1310 Consumer Affairs	$12,525,000
15-1320 Board of Accountancy	623,000
15-1321 Board of Architects and Certified Landscape Architects	504,000
15-1322 Board of Dentistry	854,000
15-1323 Board of Mortuary Science	211,000

15-1324	Board of Professional Engineers and Land Surveyors	788,000
15-1325	Board of Medical Examiners	3,857,000
15-1326	Board of Nursing	2,860,000
15-1327	Board of Optometrists	345,000
15-1328	Board of Pharmacy	1,164,000
15-1329	Board of Veterinary Medical Examiners	164,000
15-1330	Board of Shorthand Reporting	81,000
15-1331	Board of Examiners of Ophthalmic Dispensers and Ophthalmic Technicians	137,000
15-1332	Board of Cosmetology and Hairstyling	1,903,000
15-1333	Board of Professional Planners	161,000
15-1334	Board of Examiners of Electrical Contractors	440,000
15-1335	Board of Psychological Examiners	391,000
15-1335	Board of Examiners of Master Plumbers	301,000
15-1337	Board of Marriage Counselor Examiners	129,000
15-1338	Board of Chiropractic Examiners	393,000
15-1339	Board of Public Movers and Warehousemen	238,000
15-1340	Board of Physical Therapy	228,000
15-1341	Audiology and Speech-Language Pathology Advisory Committee	86,000
15-1342	State Real Estate Appraiser Board	320,000
15-1343	State Board of Respiratory Care	183,000
15-1344	State Board of Social Work Examiners	401,000
15-1345	Orthotics and Prosthetics Board	34,000
15-1346	Occupational Therapy and Therapy Assistants	95,000
15-1347	New Jersey Cemetery Board	150,000
16-1350	Protection of Civil Rights	3,514,000
19-1440	Victims of Crime Compensation Board	5,129,000
	Total Appropriation, Protection of Citizens' Rights	$38,209,000
Personal Services:		
Salaries and Wages	($12,418,000)	
Materials and Supplies	(462,000)	
Services Other Than Personal	(9,839,000)	
Maintenance and Fixed Charges	(1,730,000)	
Special Purpose:		
Consumer Affairs Legalized Games of Chance	(1,390,000)	
Securities Enforcement Fund	(5,398,000)	
Consumer Affairs Weights and Measures Program	(2,612,000)	
Consumer Affairs Charitable Registrations Program	(695,000)	
Claims–Victims of Crime Compensation	(3,630,000)	
Additions, Improvements and Equipment	(35,000)	

Receipts derived from the assessment and recovery of costs, fines, and penalties pursuant to the consumer fraud act, P.L.1960, c.39 (C.56:8-1 et seq.), are appropriated for additional operational costs of the Division of Consumer Affairs, subject to the approval of the Director of the Division of Budget and Accounting.

All fees, penalties, and costs collected pursuant to P.L.1988, c.123 (C.56:12-29 et seq.) are appropriated for the purpose of offsetting costs associated with the handling and resolution of consumer automotive complaints.

In addition to the amount appropriated hereinabove for Consumer Affairs, receipts in excess of the amount anticipated, attributable to changes in fee structure or fee increases, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Fees and cost recoveries collected pursuant to P.L.1989, c.331 (C.34:8-43 et al.) are appropriated in an amount not to exceed additional expenses associated with mandated duties, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in excess of the amount anticipated are appropriated to the Controlled Dangerous Substance Registration program for the purpose of offsetting the costs of the administration and operation of the program, subject to the approval of the Director of the Division of Budget and Accounting. If receipts are less than anticipated, the appropriation shall be reduced proportionately.

Receipts in excess of the amount anticipated derived pursuant to R.S.51:1-1 et seq. from the operations of the Division of Consumer Affairs Office of Weights and Measures program and the unexpended balances as of June 30, 1996, are appropriated for the purposes of offsetting the operational costs of the program, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in excess of the amount anticipated derived pursuant to P.L.1954, c.7 (C.5:8-1 et seq.) from the operations of the Division of Consumer Affairs Legalized Games of Chance program and the unexpended balances as of June 30, 1996, are appropriated for the purposes of offsetting the operational costs of the program, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in excess of the amount anticipated derived pursuant to P.L.1994, c.16 (C.45:17A-18 et seq.) from the operations of the Division of Consumer Affairs Charitable Registration and Investigative program and the unexpended balances as of June 30, 1996, are appropriated for the purposes of offsetting the operational costs of the program, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Securities Enforcement Fund account is payable from receipts from fees and penalties deposited in the Securities Enforcement Fund pursuant to section 15 of P.L.1985, c.405 (C.49:3-66.1). If receipts are less than anticipated, the appropriation shall be reduced proportionately.

Receipts in excess of the amount anticipated are appropriated to the Securities Enforcement Fund program account to offset the cost of operating this program, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for each of the several State professional boards, advisory boards, and committees shall be provided from receipts of those entities, and any receipts in excess of the amounts specifically provided to each of the entities are appropriated. The unexpended balances as of June 30, 1996 are appropriated subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived from the sale of films, pamphlets, and other educational materials developed or produced by the Division on Civil Rights are appropriated to defray production costs.

Receipts derived from the provision of copies of transcripts and other materials related to officially docketed cases are appropriated.

Notwithstanding the provisions of section 2 of P.L.1983, c.412 (C.10:5-14.1a), any receipts derived from the assessment of fines and penalties pursuant to P.L.1945, c.169 (C.10:5-1 et seq.), are appropriated to the Division on Civil Rights for additional operational costs, subject to the approval of the Director of the Division of Budget and Accounting.

The sum hereinabove for Claims -- Victims of Crime Compensation is available for payment of awards applicable to claims filed in prior fiscal years.

Receipts derived from assessments under section 2 of P.L.1979, c.396 (C.2C:43-3.1) in excess of the amount anticipated and the unexpended balance as of June 30, 1996, are appropriated for payment of claims of victims of crimes pursuant to P.L.1971, c.317 (C.52:4B-1 et seq.) and additional board operational costs up to $1,000,000, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived from licensing fees pursuant to section 9 of P.L.1990, c.32 (C.2C:58-5) and registration fees pursuant to section 11 of P.L.1990, c.32 (C.2C:58-12) and the unexpended balance as of June 30, 1996, are appropriated for payment of claims for victims of crimes pursuant to P.L.1971, c.317 (C.52:4B-1 et seq.) and additional board operational costs, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived from assessments pursuant to section 2 of P.L.1979, c.396 (C.2C:43-3.1) and the unexpended balance as of June 30, 1996, in the Criminal Disposition and Revenue Collection Fund program account are appropriated for the purpose of offsetting the costs of the design, development, implementation and operation of the Criminal Disposition and Revenue Collection program, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balances as of June 30, 1996 in the Office of Victim-Witness Assistance and in the Victim and Witness Advocacy Fund pursuant to section 2 of P.L.1979, c.396 (C.2C:43-3.1) are appropriated.

Total Appropriation, Department of Law and Public Safety	$303,733,000

67 DEPARTMENT OF MILITARY AND VETERANS' AFFAIRS

10 Public Safety and Criminal Justice
14 Military Services

30-3620 Physical Plant and Support Services		$4,559,000
40-3620 New Jersey National Guard Support Services		254,000
60-3600 Joint Training Center Management and Operations		457,000
99-3600 Management and Administration		4,298,000
Total Appropriation, Military Services		$9,568,000
Personal Services:		
Salaries and Wages	($5,929,000)	
Materials and Supplies	(1,458,000)	
Services Other Than Personal	(556,000)	
Maintenance and Fixed Charges	(780,000)	
Special Purpose:		
Joint Federal-State Operations and Maintenance Contracts (State share)	(658,000)	

Affirmative Action and Equal Employment Opportunity	(5,000)	
Additions, Improvements and Equipment	(182,000)	

Receipts derived from the rental and use of armories and the unexpended balance of such receipts as of June 30, 1996 are appropriated for the operation and maintenance thereof, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance as of June 30, 1996 in the Joint Federal-State Operations and Maintenance Contracts (State share) account is appropriated for the same purpose.

The unexpended balance as of June 30, 1996 in the National Guard State Active Duty account is appropriated for the same purpose.

80 Special Government Services
83 Services to Veterans
3610 Veterans' Program Support

50-3610 Veterans' Outreach and Assistance		$2,698,000
70-3610 Burial Services		1,118,000
Total Appropriation, Veterans' Program Support		$3,816,000
Personal Services:		
Salaries and Wages	($2,785,000)	
Materials and Supplies	(379,000)	
Services Other Than Personal	(130,000)	
Maintenance and Fixed Charges	(91,000)	
Special Purpose:		
Governor's Veterans' Service Council	(5,000)	
Transitional Housing	(400,000)	
Additions, Improvements and Equipment	(26,000)	

The unexpended balance as of June 30, 1996 in the Guardianship Program for Veterans account is appropriated for the same purpose.

The unexpended balance as of June 30, 1996 in the Agent Orange Commission account is appropriated for the expenses of the commission.

The unexpended balance as of June 30, 1996 in the Transitional Housing account is appropriated for the same purpose.

Funds received for Veterans' Transitional Housing from the federal Department of Veterans' Affairs and the individual residents are appropriated for the same purpose.

Funds received for plot interment allowances from the federal Department of Veterans' Affairs, burial fees collected, and the unexpended balances as of June 30, 1996 are appropriated for perpetual care and maintenance of burial plots and grounds at the Brigadier General Doyle Veterans' Memorial Cemetery.

3630 Menlo Park Veterans' Memorial Home

20-3630 Domiciliary and Treatment Services	$8,975,000
30-3630 Physical Plant and Support Services	2,145,000
99-3630 Management and Administration	1,369,000
Total Appropriation, Menlo Park Veterans' Memorial Home	$12,489,000

Personal Services:		
Salaries and Wages	($10,013,000)	
Materials and Supplies	(1,263,000)	
Services Other Than Personal	(910,000)	
Maintenance and Fixed Charges	(173,000)	
Additions, Improvements and Equipment	(130,000)	

3640 Paramus Veterans' Memorial Home

20-3640 Domiciliary and Treatment Services		$10,379,000
30-3640 Physical Plant and Support Services		1,778,000
99-3640 Management and Administration		1,603,000
Total Appropriation, Paramus Veterans' Memorial Home		$13,760,000
Personal Services:		
Salaries and Wages	($10,754,000)	
Materials and Supplies	(1,633,000)	
Services Other Than Personal	(1,063,000)	
Maintenance and Fixed Charges	(221,000)	
Additions, Improvements and Equipment	(89,000)	

3650 Vineland Veterans' Memorial Home

20-3650 Domiciliary and Treatment Services		$10,213,000
30-3650 Physical Plant and Support Services		2,355,000
99-3650 Management and Administration		1,306,000
Total Appropriation, Vineland Veterans' Memorial Home		$13,874,000
Personal Services:		
Salaries and Wages	($11,305,000)	
Materials and Supplies	(1,557,000)	
Services Other Than Personal	(625,000)	
Maintenance and Fixed Charges	(260,000)	
Additions, Improvements and Equipment	(127,000)	

Balances on hand as of June 30, 1996 of funds held for the benefit of residents in the several veterans' homes, and such funds as may be received, are appropriated for the use of such residents.

Revenues representing receipts to the General Fund from charges to residents' trust accounts for maintenance costs are appropriated for use as personal needs allowances for patients/residents who have no other source of funds for such purposes; provided however, that the allowance shall not exceed $35 per month for any eligible resident of an institution and provided further, that the total amount herein for such allowances shall not exceed $100,000, and that any increase in the maximum monthly allowance shall be approved by the Director of the Division of Budget and Accounting.

Funds received from the sale of articles made in occupational therapy departments of the several veterans' homes are appropriated for the purchase of additional material and other expenses incidental to such sale or manufacture.

Forty percent of the receipts in excess of the amount anticipated derived from resident contributions and federal reimbursements, as of June 30, 1997, are appropriated for veterans' program initiatives, subject to the approval of the Director of the Division of Budget and Accounting of an itemized plan for the expenditure of these amounts, as shall be submitted by the Adjutant General.

Unexpended balances as of June 30, 1996 in the Equipment for Alzheimer's Facility Zone account for each veterans' home are appropriated for the same purpose.

Total Appropriation, Department of Military and Veterans' Affairs	$53,507,000

Of the amount appropriated hereinabove for the Department of Military and Veterans' Affairs, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule at page K-37 in the Governor's Budget Recommendation Document dated January 29, 1996 first shall be charged to the State Lottery Fund.

68 DEPARTMENT OF PERSONNEL

70 Government Direction, Management and Control
74 General Government Services

01-2710	Personnel Policy Development and General Administration	$2,199,000
02-2720	State and Local Government Operations	13,860,000
04-2740	Merit Services	2,107,000
05-2750	Affirmative Action and Equal Employment Opportunity	858,000
07-2770	Human Resource Development Institute	5,675,000
	Total Appropriation, General Government Services	$24,699,000

Personal Services:	
Merit System Board	($52,000)
Salaries and Wages	(19,075,000)
Materials and Supplies	(753,000)
Services Other Than Personal	(3,362,000)
Maintenance and Fixed Charges	(279,000)
Special Purpose:	
Affirmative Action and Equal Employment Opportunity	(93,000)
Microfilm Service Charges	(29,000)
Test Validation/Police Testing	(434,000)
Americans with Disabilities Act	(60,000)
Additions, Improvements and Equipment	(562,000)

Receipts derived from fees charged to applicants for open competitive or promotional examinations are appropriated.

Receipts derived from training services and any unexpended balance as of June 30, 1996 are appropriated.

Receipts derived from Employee Advisory Services are appropriated.

Total Appropriation, Department of Personnel	$24,699,000

The Director of the Division of Budget and Accounting is authorized to transfer or credit to the Department of Personnel all or part of any appropriation made to any department to fund the State's unemployment insurance liability for the purpose of creating a "displaced workers pool" and funding the salaries of State employees scheduled to be laid off.

In addition to the amount appropriated hereinabove, receipts in excess of the amount anticipated, attributable to changes in the fee structure or fee increases charged to applicants for open competitive or promotional examinations, are appropriated to fund a "displaced workers pool" for State employees scheduled to be laid off.

74 DEPARTMENT OF STATE

30 Educational, Cultural and Intellectual Development
37 Cultural and Intellectual Development Services

05-2530 Support of the Arts		$432,000
06-2535 Museum Services		1,836,000
07-2540 Development of Historical Resources		443,000
Total Appropriation, Cultural and Intellectual Development Services		$2,711,000
Personal Services:		
Salaries and Wages	($2,241,000)	
Materials and Supplies	(113,000)	
Services Other Than Personal	(163,000)	
Maintenance and Fixed Charges	(51,000)	
Special Purpose:		
Council Member Expenses	(3,000)	
Task Force on New Jersey History	(100,000)	
Additions, Improvements and Equipment	(40,000)	

Funds derived from the sale of collections and museum materials, which have been approved by the Secretary of State, are appropriated to and shall be used for the benefit of the State Museum.

70 Government Direction, Management and Control
74 General Government Services
2505 Office of the Secretary of State

01-2505 Office of the Secretary of State		$756,000
08-2545 Records Management		920,000
09-2506 Commercial Recording		2,452,000
Total Appropriation, Office of the Secretary of State		$4,128,000
Personal Services:		
Salaries and Wages	($2,895,000)	
Materials and Supplies	(105,000)	
Services Other Than Personal	(239,000)	
Maintenance and Fixed Charges	(79,000)	

Special Purpose:	
Voter Registration	(275,000)
Voter Declaration	(4,000)
Affirmative Action and Equal Employment Opportunity	(34,000)
Martin Luther King Jr. Commemorative Commission	(193,000)
Business Ombudsman and Regulatory Affairs	(250,000)
Additions, Improvements and Equipment	(54,000)

Receipts derived from the examination of voting machines by the Secretary of State and the unexpended balance as of June 30, 1996, of those receipts are appropriated for the costs of making such examinations.

The unexpended balance as of June 30, 1996 in the Martin Luther King, Jr. Commemorative Commission is appropriated for the same purpose.

The unexpended balance as of June 30, 1996 in the National Voter Registration Act-Implementation account is appropriated.

Receipts in excess of those anticipated from the over-the-counter service surcharges are appropriated to meet the costs of the Division of Commercial Recording, subject to the approval of the Director of the Division of Budget and Accounting.

The Director of the Division of Budget and Accounting is empowered to transfer or credit to the Microfilm Section any appropriation made to any department for microfilming costs which had been appropriated or allocated to such department for its share of the costs of the Microfilm Section.

Receipts derived from fees charged for microfilming services provided to local governments are appropriated for the same purpose.

The unexpended balance in the Secretary of State Fund as of June 30, 1996 and, notwithstanding the provisions of P.L.1987, c.435, receipts in excess of the amount anticipated from fees are appropriated to meet the costs of information processing and the Office of the Secretary of State.

The Director of the Division of Budget and Accounting shall transfer from departmental accounts and credit to the Records Management program classification a sum up to $303,000 for cost recoveries in the Division of Records.

2515 Office of Administrative Law

03-2515 Adjudication of Administrative Appeals		$7,389,000
Total All Appropriations		$7,389,000
Less:		
Adjudication of Administrative Appeals	**$4,154,000**	
Total Deductions		**$4,154,000**
Total Appropriation, Office of Administrative Law		$3,235,000
Personal Services:		
Salaries and Wages	($6,287,000)	
Materials and Supplies	(163,000)	
Services Other Than Personal	(644,000)	
Maintenance and Fixed Charges	(256,000)	
Special Purpose:		
Affirmative Action and Equal Employment Opportunity	(6,000)	

Other Special Purpose	(7,000)	
Additions, Improvements and Equipment	(26,000)	
Less:		
Adjudication of Administrative Appeals	**4,154,000**	

Notwithstanding any law to the contrary, the salary of the Director of the Office of Administrative Law shall be established by the Commissioner of Personnel in the "State Compensation Plan."

In addition to the amount hereinabove, such sums as may be received or receivable from any department or non-State fund source for administrative hearing costs by the Office of Administrative Law and the unexpended balance as of June 30, 1996 of such sums are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The Director of the Division of Budget and Accounting is empowered to transfer or credit to the Office of Administrative Law any appropriation made to any department for administrative hearing costs which had been appropriated or allocated to such department for its share of such costs.

Receipts derived from the annual license fee payable to the Office of Administrative Law and the unexpended balance as of June 30, 1996 of such receipts are appropriated.

Receipts derived from the royalty payable to the Office of Administrative Law and the unexpended balance as of June 30, 1996 of such receipts are appropriated.

80 Special Government Services
82 Protection of Citizens' Rights

17-2581	Mental Health Screening Services		$1,992,000
19-2583	Dispute Settlement		119,000
20-2584	Trial Services to Indigents and Special Programs		46,373,000
21-2585	Appellate Services to Indigents		5,941,000
22-2586	Public Defender Management and Administrative Services		1,949,000
	Total Appropriation, Protection of Citizens' Rights		$56,374,000
Personal Services:			
	Salaries and Wages	($40,917,000)	
Materials and Supplies		(578,000)	
Services Other Than Personal		(13,242,000)	
Maintenance and Fixed Charges		(378,000)	
Special Purpose:			
	Public Defender Special Hearings Unit – Megan's Law	(690,000)	
	Affirmative Action and Equal Employment Opportunity	(64,000)	
Additions, Improvements and Equipment		(505,000)	

Sums provided for legal and investigative services are available for payment of obligations applicable to prior fiscal years.

The unexpended balance and receipts from clients including Office of Dispute Settlement fees as of June 30, 1996 are appropriated.

In addition to the amount hereinabove for the operation of the Public Defender's office there are appropriated additional sums as may be required for Trial and

Appellate services to indigents, the expenditure of which shall be subject to the approval of the Director of the Division of Budget and Accounting.

The funds appropriated to the Office of the Public Defender are available for expenses associated with the defense of pool attorneys hired by the Public Defender for the representation of indigent clients.

Notwithstanding any provision of section 2 of P.L.1974, c.33 (C.2A:158A-5.1), or any other provision of law, or any other provision of this appropriations act, no State funds are appropriated to fund the expenses associated with the legal representation of persons before the State Parole Board or the Parole Bureau.

Lawsuit settlements and legal costs awarded by any court to the Office of the Public Defender are appropriated for the expenses associated with the representation of indigent clients.

30 Educational, Cultural and Intellectual Development
36 Higher Educational Services
2600 Commission on Higher Education

60-2600 Statewide Planning and Coordination for Higher Education ..		$911,000
61-2600 Educational Opportunity Fund Programs		391,000
Total Appropriation, Commission on Higher Education		$1,302,000
Personal Services:		
Salaries and Wages	($1,034,000)	
Materials and Supplies	(17,000)	
Services Other Than Personal	(222,000)	
Maintenance and Fixed Charges	(19,000)	
Additions, Improvements and Equipment	(10,000)	

Of the amount hereinabove for Higher Educational Services, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule at page K-37 in the Governor's Budget Recommendation Document dated January 29, 1996 first shall be charged to the State Lottery Fund.

2610 Rutgers, The State University
Rutgers University Programs

65-2610 Instruction		$217,873,000
66-2610 Sponsored Programs and Research		21,700,000
67-2610 Extension and Public Service		4,230,000
69-2610 Academic Support		24,510,000
70-2610 Student Services		49,405,000
71-2610 Institutional Support		74,824,000
72-2610 Physical Plant and Support Services		75,458,000
Sub-Total General Operations		$468,000,000
Auxiliary Funds Expense		135,707,000
Special Funds Expense		318,448,000
Employee Fringe Benefits Expense		87,324,000
Total All Operations		$1,009,479,000
Less:		
General Services Income	**$205,132,000**	
Auxiliary Funds Income	**135,707,000**	
Special Funds Income	**318,448,000**	

Employee Fringe Benefits -- State Share	**87,324,000**	
Employee Fringe Benefits -- Institutional Share	**0**	
Total Income Deductions		**$746,611,000**
Total Appropriation, Rutgers University Programs		$262,868,000
Personal Services:		
Salaries and Wages	($333,129,000)	
Materials and Supplies	(37,328,000)	
Services Other Than Personal	(23,604,000)	
Maintenance and Fixed Charges	(12,983,000)	
Special Purpose:		
Tomato Technology Transfer Program	(100,000)	
Statewide Privatization (Contracting Out) Survey, Newark	(60,000)	
Forum on Policy Research and Public Service, Rutgers – Camden	(75,000)	
College Work-Study (State Share)	(750,000)	
Affirmative Action and Equal Employment Opportunity	(92,000)	
Retirement Allowances	(495,000)	
Special Projects	(7,000,000)	
Capital Debt Service	(17,531,000)	
In Lieu of Tax Payments to New Brunswick	(700,000)	
Civic Square Project – Debt Service	(740,000)	
Masters in Government Accounting	(80,000)	
Student Aid	(24,536,000)	
Additions, Improvements and Equipment	(8,797,000)	
Auxiliary Funds Expense	(135,707,000)	
Special Funds Expense	(318,448,000)	
Employee Fringe Benefits Expense	(87,324,000)	
Less:		
Income Deductions	**746,611,000**	

2615 Agricultural Experiment Station

66-2615 Sponsored Programs and Research		$14,783,000
67-2615 Extension and Public Service		7,859,000
Sub-Total General Operations		$22,642,000
Federal Research and Extension Funds Expense		6,925,000
Special Funds Expense		20,696,000
Employee Fringe Benefits Expense		4,623,000
Total All Operations		$54,886,000
Less:		
Federal Research and Extension Funds Income	**$6,925,000**	
Special Funds Income	**20,696,000**	
Employee Fringe Benefits -- State Share	**4,623,000**	
Employee Fringe Benefits -- Institutional Share	**0**	
Total Income Deductions		**$32,244,000**
Total Appropriation, Agricultural Experiment Station		$22,642,000

Personal Services:		
Salaries and Wages	($17,716,000)	
Materials and Supplies	(193,000)	
Services Other Than Personal	(2,076,000)	
Maintenance and Fixed Charges	(246,000)	
Special Purpose:		
Pari-mutuel Programs	(900,000)	
Snyder Farm Planning and Operation	(691,000)	
Fruit Research	(500,000)	
Blueberry and Cranberry Research	(250,000)	
Additions, Improvements and Equipment	(70,000)	
Federal Research and Extension Funds Expense	(6,925,000)	
Special Funds Expense	(20,696,000)	
Employee Fringe Benefits Expense	(4,623,000)	
Less:		
Income Deductions	**32,244,000**	
Total Appropriation, Rutgers, The State University		$285,510,000

2620 University of Medicine and Dentistry of New Jersey

65-2620 Instruction		$111,941,000
67-2620 Extension and Public Service		259,523,000
69-2620 Academic Support		4,291,000
70-2620 Student Services		7,222,000
71-2620 Institutional Support		42,121,000
72-2620 Physical Plant and Support Services		38,853,000
73-2520 Core Affiliates		5,076,000
Sub-Total General Operations		$469,027,000
Special Funds Expense		104,386,000
Auxiliary Funds Expense		5,056,000
Robert Wood Johnson Community Mental Health Center Expense		32,100,000
New Jersey Medical School Community Mental Health Center Expense		13,243,000
Employee Fringe Benefits Expense		96,173,000
Total All Operations		$719,985,000
Less:		
Hospital Services Income	**$219,585,000**	
Core Affiliates Income	**5,065,000**	
General Services Income	**45,630,000**	
Special Funds Income	**104,386,000**	
Auxiliary Funds Income	**5,056,000**	
Robert Wood Johnson Community Mental Health Center Income	**32,100,000**	
New Jersey Medical School Community Mental Health Center Income	**13,243,000**	
Employee Fringe Benefits -- State Share	**59,255,000**	
Employee Fringe Benefits -- University Hospital Share	**0**	

Employee Fringe Benefits -- Institutional Share	**36,918,000**	
Total Income Deductions		**$521,238,000**
Total Appropriation, University of Medicine and Dentistry of New Jersey		$198,747,000
Personal Services:		
Salaries and Wages	($305,898,000)	
Materials and Supplies	(51,796,000)	
Services Other Than Personal	(71,823,000)	
Maintenance and Fixed Charges	(10,263,000)	
Special Purpose:		
Dental Residency Program	(750,000)	
Area Health Education Center	(290,000)	
Regional Health Education Center - Educational Units	(525,000)	
Sexual Abuse Diagnostic Center	(300,000)	
Graduate Medical Education	(126,000)	
University Hospital Debt Service – Equipment and Renovations	(2,495,000)	
Emergency Medical Service – Camden	(800,000)	
Graduate Medical Education	(126,000)	
University Hospital Debt Service - Equipment and Renovations	(2,495,000)	
Emergency Medical Service - Camden	(800,000)	
University Student Aid	(3,874,000)	
Debt Service – High Technology Initiative	(2,089,000)	
Debt Service – School of Osteopathic Medicine Academic Center, Stratford	(2,700,000)	
Core Affiliate–Robert Wood Johnson Medical School–Piscataway	(3,465,000)	
Core Affiliate–New Jersey School of Osteopathic Medicine	(1,611,000)	
Additions, Improvements and Equipment	(10,222,000)	
Special Funds Expense	(104,386,000)	
Auxiliary Funds Expense	(5,056,000)	
Robert Wood Johnson Community Mental Health Center Expense	(32,100,000)	
New Jersey Medical School Community Mental Health Center Expense	(13,243,000)	
Employee Fringe Benefits Expense	(96,173,000)	
Less:		
Income Deductions	**521,238,000**	

The University of Medicine and Dentistry of New Jersey is authorized to operate its continuing medical-dental education program as a revolving fund and the revenue collected therefrom, and any unexpended balance therein, is retained for such fund.

The unexpended balances as of June 30, 1996 in the accounts hereinabove are appropriated for the purposes of the University of Medicine and Dentistry of New Jersey.

The appropriations for the University are made to Support Units, Educational Units, University Hospital, and Community Mental Health Centers.

In addition to the sums hereinabove appropriated to the University of Medicine and Dentistry of New Jersey, all revenues from lease agreements between the University and contracted organizations are appropriated.

If new Medicaid nominal charge revenues are not realized by the University of Medicine and Dentistry of New Jersey, an amount not to exceed $15,500,000 is appropriated as the Director of the Division of Budget and Accounting shall determine.

From the amount hereinabove for the University of Medicine and Dentistry of New Jersey, the Director of the Division of Budget and Accounting may transfer such amounts as deemed necessary to the Division of Medical Assistance and Health Services to provide the State match for Federal Medicaid Funds.

2630 New Jersey Institute of Technology

65-2630 Instruction		$35,457,000
66-2630 Sponsored Programs and Research		1,064,000
67-2630 Extension and Public Service		1,103,000
69-2630 Academic Support		9,567,000
70-2630 Student Services		9,417,000
71-2630 Institutional Support		13,549,000
72-2630 Physical Plant and Support Services		13,538,000
Sub-Total General Operations		$83,695,000
Auxiliary Funds Expense		4,663,000
Special Funds Expense		39,300,000
Employee Fringe Benefits Expense		12,980,000
Total All Operations		$140,638,000
Less:		
General Services Income	**$37,559,000**	
Auxiliary Funds Income	**4,663,000**	
Special Funds Income	**39,300,000**	
Employee Fringe Benefits -- State Share	**12,980,000**	
Employee Fringe Benefits -- Institutional Share	**0**	
Total Income Deductions		**$94,502,000**
Total Appropriation, New Jersey Institute of Technology		$46,136,000
Personal Services:		
Salaries and Wages	($55,599,000)	
Materials and Supplies	(7,301,000)	
Services Other Than Personal	(6,950,000)	
Maintenance and Fixed Charges	(262,000)	
Special Purpose:		
NJIT/Burlington County College Engineering Program	($100,000)	
Separately Budgeted Research	(586,000)	
Continuing Education	(1,100,000)	
Scholarships, Grants, Fellowships	(4,622,000)	
Student Activities	(196,000)	

Affirmative Action and Equal Employment Opportunity	(60,000)	
Board of Trustees	(4,000)	
Fringe Benefits/Retirement Allowances	(1,500,000)	
Additions, Improvements and Equipment	(5,415,000)	
Auxiliary Funds Expense	(4,663,000)	
Special Funds Expense	(39,300,000)	
Employee Fringe Benefits Expense	(12,980,000)	
Less:		
Income Deductions	**94,502,000**	

2640 Thomas A. Edison State College

71-2640 Institutional Support		$11,966,000
Sub-Total General Operations		$11,966,000
Employee Fringe Benefits Expense		2,320,000
Total All Operations		$14,286,000
Less:		
Self Sustaining Income	**$1,050,000**	
General Services Income	**5,507,000**	
Employee Fringe Benefits --State Share	**2,320,000**	
Employee Fringe Benefits -- Institutional Share	**0**	
Total Income Deductions		**$8,877,000**
Total Appropriation, Thomas A. Edison State College		$5,409,000
Personal Services:		
Salaries and Wages	($8,147,000)	
Materials and Supplies	(642,000)	
Services Other Than Personal	(2,420,000)	
Maintenance and Fixed Charges	(342,000)	
Special Purpose:		
Affirmative Action and Equal Employment Opportunity	(14,000)	
New Jersey Inter-Campus Network	(250,000)	
Additions, Improvements and Equipment	(151,000)	
Employee Fringe Benefits Expense	(2,320,000)	
Less:		
Income Deductions	**8,877,000**	

2645 Rowan College of New Jersey

65-2645 Instruction	$24,888,000
66-2645 Sponsored Programs and Research	80,000
69-2645 Academic Support	4,461,000
70-2645 Student Services	5,830,000
71-2645 Institutional Support	10,740,000
72-2645 Physical Plant and Support Services	7,531,000
Sub-Total General Operations	$53,530,000
Auxiliary Funds Expense	17,364,000
Special Funds Expense	3,707,000

Employee Fringe Benefits Expense		12,164,000
Total All Operations		$86,765,000
Less:		
General Services Income	**$20,402,000**	
Auxiliary Funds Income	**17,364,000**	
Special Funds Income	**3,707,000**	
Employee Fringe Benefits -- State Share	**12,164,000**	
Employee Fringe Benefits -- Institutional Share	**0**	
Total Income Deductions		**$53,637,000**
Total Appropriation, Rowan College of New Jersey		$33,128,000
Personal Services:		
Salaries and Wages	($40,589,000)	
Materials and Supplies	(3,427,000)	
Services Other Than Personal	(3,825,000)	
Maintenance and Fixed Charges	(1,629,000)	
Special Purpose:		
Development of a School of Engineering	(305,000)	
Development of a Doctoral Program in Educational Leadership	(200,000)	
Camden Urban Center	(181,000)	
Separately Budgeted Research	(80,000)	
College Work-Study Program	(8,000)	
Debt Service	(956,000)	
Affirmative Action and Equal Employment Opportunity	(65,000)	
Additions, Improvements and Equipment	(2,265,000)	
Auxiliary Funds Expense	(17,364,000)	
Special Funds Expense	(3,707,000)	
Employee Fringe Benefits Expense	(12,164,000)	
Less:		
Income Deductions	**53,637,000**	

2650 Jersey City State College

65-2650 Instruction		$23,695,000
66-2650 Sponsored Programs and Research		70,000
69-2650 Academic Support		2,182,000
70-2650 Student Services		3,059,000
71-2650 Institutional Support		5,897,000
72-2650 Physical Plant and Support Services		6,420,000
Sub-Total General Operations		$41,323,000
Auxiliary Funds Expense		9,725,000
Special Funds Expense		4,125,000
Employee Fringe Benefits Expense		10,683,000
Total All Operations		$65,856,000
Less:		
General Services Income	**$10,871,000**	
A. H. Moore Program Receipts	**2,122,000**	

Auxiliary Funds Income	**9,725,000**	
Special Funds Income	**4,125,000**	
Employee Fringe Benefits -- State Share	**10,683,000**	
Employee Fringe Benefits -- Institutional Share	**0**	
Total Income Deductions		**$37,526,000**
Total Appropriation, Jersey City State College		$28,330,000
Personal Services:		
Salaries and Wages	($31,920,000)	
Materials and Supplies	(2,582,000)	
Services Other Than Personal	(2,218,000)	
Maintenance and Fixed Charges	(1,536,000)	
Special Purpose:		
A. Harry Moore Laboratory School	(1,078,000)	
Basic Science and Technological Equipment	(35,000)	
Separately Budgeted Research	(70,000)	
Minority Student Recruitment	(135,000)	
National Direct Student Loan Program (State Share)	(20,000)	
College Work-Study Program (State Share)	(120,000)	
Affirmative Action and Equal Employment Opportunity	(110,000)	
Tidelands Athletic Fields	(145,000)	
Additions, Improvements and Equipment	(1,354,000)	
Auxiliary Funds Expense	(9,725,000)	
Special Funds Expense	(4,125,000)	
Employee Fringe Benefits Expense	(10,683,000)	
Less:		
Income Deductions	**37,526,000**	

2655 Kean College of New Jersey

65-2655 Instruction		$30,096,000
66-2655 Sponsored Programs and Research		75,000
69-2655 Academic Support		2,353,000
70-2655 Student Services		3,341,000
71-2655 Institutional Support		8,278,000
72-2655 Physical Plant and Support Services		7,996,000
Sub-Total General Operations		$52,139,000
Auxiliary Funds Expense		10,616,000
Special Funds Expense		11,028,000
Employee Fringe Benefits Expense		12,224,000
Total All Operations		$86,007,000
Less:		
General Services Income	**$20,095,000**	
Auxiliary Funds Income	**10,616,000**	
Special Funds Income	**11,028,000**	
Employee Fringe Benefits -- State Share	**12,224,000**	

Employee Fringe Benefits -- Institutional Share	**0**	
Total Income Deductions		**$53,963,000**
Total Appropriation, Kean College of New Jersey		$32,044,000
Personal Services:		
Salaries and Wages	($41,366,000)	
Materials and Supplies	(4,250,000)	
Services Other Than Personal	(3,977,000)	
Maintenance and Fixed Charges	(1,642,000)	
Special Purpose:		
Separately Budgeted Research	(75,000)	
College Work-Study Program (State Share)	(70,000)	
Affirmative Action and Equal Employment Opportunity	(54,000)	
Additions, Improvements and Equipment	(705,000)	
Auxiliary Funds Expense	(10,616,000)	
Special Funds Expense	(11,028,000)	
Employee Fringe Benefits Expense	(12,224,000)	
Less:		
Income Deductions	**53,963,000**	

2660 William Paterson College of New Jersey

65-2660 Instruction		$24,631,000
66-2660 Sponsored Programs and Research		150,000
69-2660 Academic Support		5,230,000
70-2660 Student Services		5,236,000
71-2660 Institutional Support		10,209,000
72-2660 Physical Plant and Support Services		9,820,000
Sub-Total General Operations		$55,276,000
Auxiliary Funds Expense		12,685,000
Special Funds Expense		3,080,000
Employee Fringe Benefits Expense		12,338,000
Total All Operations		$83,379,000
Less:		
General Services Income	**$19,572,000**	
Auxiliary Funds Income	**12,685,000**	
Special Funds Income	**3,080,000**	
Employee Fringe Benefits -- State Share	**12,338,000**	
Employee Fringe Benefits -- Institutional Share	**0**	
Total Income Deductions		**$47,675,000**
Total Appropriation, William Paterson College of New Jersey		$35,704,000
Personal Services:		
Salaries and Wages	($43,860,000)	
Materials and Supplies	(3,910,000)	
Services Other Than Personal	(2,888,000)	
Maintenance and Fixed Charges	(1,372,000)	

Special Purpose:		
Stabilization-Instruction	(330,000)	
Academic Development	(170,000)	
Separately Budgeted Research	(150,000)	
College Work-Study Program	(85,000)	
New Jersey Project	(100,000)	
Affirmative Action and Equal Employment Opportunity	(80,000)	
Outcomes Assessment	(65,000)	
Additions, Improvements and Equipment	(2,266,000)	
Auxiliary Funds Expense	(12,685,000)	
Special Funds Expense	(3,080,000)	
Employee Fringe Benefits Expense	(12,338,000)	
Less:		
Income Deductions	**47,675,000**	

2665 Montclair State University

65-2665 Instruction		$31,073,000
66-2665 Sponsored Programs and Research		120,000
67-2665 Extension and Public Service		600,000
69-2665 Academic Support		7,677,000
70-2665 Student Services		6,056,000
71-2665 Institutional Support		11,029,000
72-2665 Physical Plant and Support Services		7,986,000
Sub-Total General Operations		$64,541,000
Auxiliary Funds Expense		20,135,000
Special Funds Expense		2,793,000
Employee Fringe Benefits Expense		15,181,000
Total All Operations		$102,650,000
Less:		
General Services Income	**$23,353,000**	
Conservation School Receipts	**475,000**	
Auxiliary Funds Income	**20,135,000**	
Special Funds Income	**2,793,000**	
Employee Fringe Benefits -- State Share	**15,181,000**	
Employee Fringe Benefits -- Institutional Share	**0**	
Total Income Deductions		**$61,937,000**
Total Appropriation, Montclair State University		$40,713,000
Personal Services:		
Salaries and Wages	($51,991,000)	
Materials and Supplies	(4,331,000)	
Services Other Than Personal	(4,272,000)	
Maintenance and Fixed Charges	(1,529,000)	
Special Purpose:		
Separately Budgeted Research	(120,000)	

New Jersey State School of Conservation	(600,000)	
College Work-Study Program	(70,000)	
Affirmative Action and Equal Employment Opportunity	(102,000)	
Additions, Improvements and Equipment	(1,526,000)	
Auxiliary Funds Expense	(20,135,000)	
Special Funds Expense	(2,793,000)	
Employee Fringe Benefits Expense	(15,181,000)	
Less:		
Income Deductions	**61,937,000**	

In addition to the sums hereinabove appropriated to Montclair State University, all revenues from lease agreements between Montclair State University and corporations operating satellite relay stations are appropriated.

2670 Trenton State College

65-2670 Instruction		$25,233,000
66-2670 Sponsored Programs and Research		166,000
69-2670 Academic Support		4,907,000
70-2670 Student Services		10,335,000
71-2670 Institutional Support		7,744,000
72-2670 Physical Plant and Support Services		10,085,000
Sub-Total General Operations		$58,470,000
Auxiliary Funds Expense		26,207,000
Special Funds Expense		14,417,000
Employee Fringe Benefits Expense		11,430,000
Total All Operations		$110,524,000
Less:		
General Services Income	**$23,585,000**	
Auxiliary Funds Income	**26,207,000**	
Special Funds Income	**14,417,000**	
Employee Fringe Benefits --State Share	**11,430,000**	
Employee Fringe Benefits -- Institutional Share	**0**	
Total Income Deductions		**$75,639,000**
Total Appropriation, Trenton State College		$34,885,000
Personal Services:		
Salaries and Wages	($40,551,000)	
Materials and Supplies	(5,210,000)	
Services Other Than Personal	(4,321,000)	
Maintenance and Fixed Charges	(996,000)	
Special Purpose:		
Separately Budgeted Research	(166,000)	
Minority Students Recruitment and Scholarships	(750,000)	
College Work-Study Program (State Share)	(37,000)	
Trustee Scholarships	(2,305,000)	
Outstanding Scholar Recruitment Program	(1,800,000)	

Affirmative Action and Equal Employment Opportunity	(43,000)	
Additions, Improvements and Equipment	(2,291,000)	
Auxiliary Funds Expense	(26,207,000)	
Special Funds Expense	(14,417,000)	
Employee Fringe Benefits Expense	(11,430,000)	
Less:		
Income Deductions	**75,639,000**	

2675 Ramapo College of New Jersey

65-2675 Instruction		$10,944,000
66-2675 Sponsored Programs and Research		50,000
69-2675 Academic Support		2,295,000
70-2675 Student Services		3,127,000
71-2675 Institutional Support		5,197,000
72-2675 Physical Plant and Support Services		4,994,000
Sub-Total General Operations		$26,607,000
Auxiliary Funds Expense		9,007,000
Special Funds Expense		1,820,000
Employee Fringe Benefits Expense		6,353,000
Total All Operations		$43,787,000
Less:		
General Services Income	**$9,117,000**	
Auxiliary Funds Income	**9,007,000**	
Special Funds Income	**1,820,000**	
Employee Fringe Benefits -- State Share	**6,353,000**	
Employee Fringe Benefits -- Institutional Share	**0**	
Total Income Deductions		**$26,297,000**
Total Appropriation, Ramapo College of New Jersey		$17,490,000
Personal Services:		
Salaries and Wages	($21,133,000)	
Materials and Supplies	(2,050,000)	
Services Other Than Personal	(1,566,000)	
Maintenance and Fixed Charges	(451,000)	
Special Purpose:		
Equipment Leasing Fund – Debt Service	(97,000)	
Separately Budgeted Research	(50,000)	
College Work-Study Program	(70,000)	
Student Financial Assistance	(320,000)	
Affirmative Action and Equal Employment Opportunity	(125,000)	
Additions, Improvements and Equipment	(745,000)	
Auxiliary Funds Expense	(9,007,000)	
Special Funds Expense	(1,820,000)	
Employee Fringe Benefits Expense	(6,353,000)	
Less:		
Income Deductions	**26,297,000**	

2680 The Richard Stockton College of New Jersey

65-2680 Instruction		$15,078,000
66-2680 Sponsored Programs and Research		70,000
69-2680 Academic Support		2,843,000
70-2680 Student Services		3,051,000
71-2680 Institutional Support		5,022,000
72-2680 Physical Plant and Support Services		5,730,000
Sub-Total General Operations		$31,794,000
Auxiliary Funds Expense		9,645,000
Special Funds Expense		1,916,000
Employee Fringe Benefits Expense		6,936,000
Total All Operations		$50,291,000
Less:		
General Services Income	**$12,473,000**	
Auxiliary Funds Income	**9,645,000**	
Special Funds Income	**1,916,000**	
Employee Fringe Benefits -- State Share	**6,936,000**	
Employee Fringe Benefits -- Institutional Share	**0**	
Total Income Deductions		**$30,970,000**
Total Appropriation, The Richard Stockton College of New Jersey		$19,321,000
Personal Services:		
Salaries and Wages	($25,747,000)	
Materials and Supplies	(2,261,000)	
Services Other Than Personal	(1,588,000)	
Maintenance and Fixed Charges	(410,000)	
Special Purpose:		
Debt Service	(594,000)	
Separately Budgeted Research	(70,000)	
National Direct Student Loan Program (State Share)	(31,000)	
College Work-Study Program (State Share)	(54,000)	
Scholarship and Loan Assistance	(400,000)	
Affirmative Action and Equal Employment Opportunity	(48,000)	
Additions, Improvements and Equipment	(591,000)	
Auxiliary Funds Expense	(9,645,000)	
Special Funds Expense	(1,916,000)	
Employee Fringe Benefits Expense	(6,936,000)	
Less:		
Income Deductions	**30,970,000**	
Total Appropriation, Higher Educational Services		$778,719,000

Of the amount hereinabove for Higher Educational Services, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule at page K-37 in the Governor's Budget Recommendation Document dated January 29, 1996 first shall be charged to the State Lottery Fund.

Public colleges and universities are authorized to provide a voluntary employee furlough program.

Total Appropriation, Department of State	$845,167,000

78 DEPARTMENT OF TRANSPORTATION

10 Public Safety and Criminal Justice
11 Vehicular Safety

01-6400	Revenue and Information Processing Systems		$15,621,000
16-6410	Licensing, Registration and Inspection Services		54,375,000
17-6420	Driver Control and Regulatory Affairs		10,482,000
18-6430	Security Responsibility		5,851,000
	Total Vehicular Safety		$86,329,000
	Personal Services:		
	Salaries and Wages	($50,356,000)	
	Materials and Supplies	(3,860,000)	
	Services Other Than Personal	(12,341,000)	
	Maintenance and Fixed Charges	(1,285,000)	
	Special Purpose:		
	DMV Operations – Extended Hours	(2,495,000)	
	Agency Operations	(15,536,000)	
	Additions, Improvements and Equipment	(456,000)	

Receipts derived pursuant to section 2 of P.L.1989, c.202 (C.39:3-33.9) are appropriated for the preparation and issuance of reflectorized license plates, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance as of June 30, 1996 in the Auto Body Licensing and Enforcement program account, together with any receipts in excess of the amount anticipated, is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The amount appropriated hereinabove for the Auto Body Licensing and Enforcement program is payable out of receipts from the Auto Body Licensing and Enforcement program pursuant to section 6 of P.L.1983, c.360 (C.39:13-6). If receipts are less than anticipated, the appropriation shall be reduced proportionately.

Receipts in excess of the amount anticipated for photo licensing, derived pursuant to section 2 of P.L.1979, c.261 (C.39:3-10g), are appropriated to administer the program, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance as of June 30, 1996 in the Decal Refund - Axle Tax program is appropriated for the payment of claims directed against the State, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in excess of the amount anticipated for the Commercial Driver License Program are appropriated to offset the costs of administering the program pursuant to the Commercial Motor Vehicle Safety Act, P.L.1990, c.103

(C.39:3-10.9 et seq.), subject to the approval of the Director of the Division of Budget and Accounting.

The sum hereinabove for Agency Operations is available for maintaining services at Privately Operated motor vehicle agencies; provided however, that the expenditures thereof are subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in the "Commercial Vehicle Enforcement Fund" established pursuant to section 17 of P.L.1995, c.157 (C.39:8-75), are appropriated to offset all reasonable and necessary expenses of the Division of State Police and Department of Transportation-Division of Motor Vehicles in the performance of commercial truck safety and emission inspections, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived pursuant to the New Jersey Medical Service Helicopter Response Act under section 1 of P.L.1992, c.87 (C.39:3-8.2) are appropriated to the Division of State Police and the Department of Health to defray the operating costs of the program as authorized under P.L.1986, c.106 (C.26:2K-35 et seq.). The unexpended balance as of June 30, 1996 is appropriated to the special capital maintenance reserve account for capital replacement and major maintenance of helicopter equipment, subject to the approval of the Director of the Division of Budget and Accounting.

The amount appropriated hereinabove for the Parking Offenses Adjudication Act program is payable from receipts derived from parking offense adjudication collected pursuant to P.L.1985, c.14 (C.39:4-139.2 et seq.). If receipts are less than anticipated, the appropriation shall be reduced proportionately.

Receipts in excess of the amount anticipated for the Parking Offenses Adjudication Act program, derived pursuant to P.L.1985, c.14 (C.39:4-139.2 et seq.), are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Uninsured Motorists program account is payable from the Uninsured Motorist Prevention Fund. If receipts to the fund are less than anticipated, the appropriation shall be reduced proportionately.

The amount hereinabove for the Security Responsibility program classification shall be payable from receipts received from mutual associations and stock companies writing motor vehicle liability insurance within the State under section 2 of P.L.1952, c.176 (C.39:6-59), and any receipts in excess of the amount hereinabove are appropriated to defray additional costs of administration of the security responsibility law, subject to the approval of the Director of the Division of Budget and Accounting.

Sums required for the processing of credit card transaction fees are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of the "Motor Vehicle Inspection Fund" established pursuant to subsection j. of R.S.39:8-2, balances in the fund are available for non-Clean Air purposes, pending final agreements between the federal Environmental Protection Agency and the State, subject to the approval of the Director of the Division of Budget and Accounting.

60 Transportation Programs
61 State Highway Facilities

06-6100 Maintenance and Operations		$46,128,000
08-6120 Physical Plant and Support Services		7,545,000
Total Appropriation, State Highway Facilities		$53,673,000
Personal Services:		
Salaries and Wages	($28,079,000)	
Materials and Supplies	(10,843,000)	
Services Other Than Personal	(2,595,000)	
Maintenance and Fixed Charges	(11,903,000)	
Special Purpose:		
Disposal of Dead Deer	(253,000)	

The unexpended balances as of June 30, 1996 in excess of $1,000,000 in the accounts hereinabove are appropriated.

The department is permitted to transfer an amount approved by the Director of the Division of Budget and Accounting from funds previously appropriated for State highway projects from the "Transportation Rehabilitation and Improvement Fund of 1979," established pursuant to section 15 of P.L.1979, c.165, for planning, engineering, design, right-of-way acquisition, or other costs related to the construction of projects financed from that fund.

Receipts in excess of $740,000 derived from outdoor advertising application and permit fees are appropriated for the purpose of administering the Outdoor Advertising Permit and Regulation program, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in excess of $1,700,000 derived from highway application and permit fees pursuant to subsection (h) of section 5 of P.L.1966, c.301 (C.27:1A-5) are appropriated for the purpose of administering the Access Permit Review program, subject to the approval of the Director of the Division of Budget and Accounting.

64 Regulation and General Management

05-6070 Access and Use Management		$1,717,000
99-6000 Management and Administrative Services		16,957,000
Total Appropriation, Regulation and General Management		$18,674,000
Personal Services:		
Salaries and Wages	($10,092,000)	
Materials and Supplies	(907,000)	
Services Other Than Personal	(6,530,000)	
Maintenance and Fixed Charges	(293,000)	
Special Purpose:		
Airport Safety Fund	(300,000)	
Affirmative Action and Equal Opportunity Employment	(552,000)	

The unexpended balance as of June 30, 1996 and the reimbursements in the department's Stock Purchase Revolving Fund for the purchase of materials and supplies required for the operation of the department are appropriated.

Receipts in excess of $145,000 derived from motorbus petition and inspection fees are appropriated for the purpose of administering the Motorbus Regulation program, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance as of June 30, 1996 in the Airport Safety Fund account together with any receipts in excess of the amount anticipated are appropriated.

The amount hereinabove for the Airport Safety Fund is payable out of the "Airport Safety Fund" established pursuant to section 4 of P.L.1983, c.264 (C.6:1-92). If receipts to that fund are less than anticipated, the appropriation shall be reduced proportionately.

Receipts derived from fees on placarded rail freight cars transporting hazardous materials in this State are appropriated to defray the expenses of the Placarded Rail Freight Car Transporting Hazardous Materials program, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance as of June 30, 1996 in the Litigation Service Fees - Delinquent Surcharge Program, are appropriated for the implementation and administration of this program, subject to the approval of the Director of the Division of Budget and Accounting.

Funds necessary to defray the cost of collection to implement the provisions of P.L.1994, c.64 (C.17:29A-35 et seq.), as well as the cost of billing and collection of surcharges levied on drivers in accordance with the New Jersey Automobile Insurance Reform Act of 1982 -- Merit Rating System Surcharge Program, P.L.1983, c.65 (C.17:29A-33 et al.) as amended, are appropriated from fees in lieu of actual cost of collection receipts and from surcharges derived, subject to the approval of the Director of the Division of Budget and Accounting.

Total Appropriation, Department of Transportation	$158,676,000

An amount equal to 50% of the receipts in excess of $1,000,000 from the Logo Sign program fees, which include the Trailblazer Sign Program, the Variable Message Advertising Program, the Excess Parcel Advertising Program, and the Land Service Road Advertising Program is appropriated for the purpose of administering the program subject to the approval of the Director of the Division of Budget and Accounting.

Such receipts not to exceed $5,000,000 as may be received by the Department of Transportation from the State's Highway Authorities as reimbursement for services that are performed by the department on the behalf of the authorities, including but not limited to maintenance and operations programs, are appropriated for purposes within the department as shall be determined by the Director of the Division of Budget and Accounting.

82 DEPARTMENT OF THE TREASURY

30 Educational, Cultural and Intellectual Development

36 Higher Educational Services

46-2150 Student Assistance Programs	$2,233,000
Total Appropriation, Higher Educational Services	$2,233,000

Personal Services:	
Salaries and Wages	($1,181,000)
Materials and Supplies	(55,000)
Services Other Than Personal	(874,000)
Maintenance and Fixed Charges	(23,000)
Special Purpose:	
Servicing of Governor's Teachers Scholarship Loans	(79,000)
Additions, Improvements and Equipment	(21,000)

Of the amount hereinabove for Higher Educational Services, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule at page K-37 in the Governor's Budget Recommendation Document dated January 29, 1996 first shall be charged to the State Lottery Fund.

50 Economic Planning, Development and Security
52 Economic Regulation

53-2018	Ratepayer Advocacy	$3,658,000
54-2008	Utility Regulation	5,707,000
55-2004	Regulation of Cable Television	1,404,000
97-2016	Regulatory Support Services	3,104,000
99-2003	Management and Administrative Services	5,856,000
	Total Appropriation, Economic Regulation	$19,729,000

Personal Services:	
Salaries and Wages	($16,263,000)
Materials and Supplies	(353,000)
Services Other Than Personal	(2,287,000)
Maintenance and Fixed Charges	(530,000)
Special Purpose:	
Other Special Purpose	(40,000)
Additions, Improvements and Equipment	(256,000)

In addition to the sum hereinabove, such other sums, as the Director of the Division of Budget and Accounting shall determine, are appropriated on behalf of the Board of Public Utilities under P.L.1968, c.173 (C.48:2-59 et seq.) and P.L.1972, c.186 (C.48:5A-32 et seq.), or other applicable statutes with respect to assessment of public utilities or the cable television industry.

Receipts derived from fees are appropriated; provided however, that receipts from fines and penalties are anticipated as revenue for general State purposes.

Fees received from the "Electric Facility Need Assessment Act," P.L.1983, c.115 (C.48:7-16 et seq.), are appropriated.

The unexpended balances as of June 30, 1996 are appropriated.

Receipts of the Division of the Ratepayer Advocate in excess of those anticipated are appropriated for the Division of the Ratepayer Advocate to defray the cost of this activity under section 16 of P.L.1994, c.58 (C.52:27E-63).

There are appropriated from interest earned by the Petroleum Overcharge Reimbursement Fund such sums as may be required for costs attributable to the administration of the fund, subject to the approval of the Director of the Division of Budget and Accounting.

70 Government Direction, Management and Control
72 Governmental Review and Oversight

02-2010 Office of State Planning		$1,208,000
03-2015 Employee Relations and Collective Negotiations		489,000
05-2030 Budget, Management and Planning		6,063,000
07-2040 Accounting and Financial Reporting		7,011,000
Total Appropriation, Government Review and Oversight		$14,771,000
Personal Services:		
Salaries and Wages	($13,300,000)	
Materials and Supplies	(315,000)	
Services Other Than Personal	(919,000)	
Maintenance and Fixed Charges	(102,000)	
Special Purpose:		
General Fixed Asset Account Group, Independent Audit	(45,000)	
Governmental Accounting Standard Board	(29,000)	
Additions, Improvements and Equipment	(61,000)	

The Office of State Planning is authorized to collect reasonable fees for the distribution of its publications, and receipts derived from such fees are appropriated for the Office of State Planning.

Such sums as may be necessary for administrative expenses incurred in processing federal benefit payments are appropriated from such sums as may be received or receivable for this purpose.

In addition to the amounts hereinabove, there are appropriated such additional sums as may be necessary for an independent audit of the State's general fixed asset account group, and the single audit.

There are appropriated, out of receipts derived from the investments of State funds, such sums as may be necessary for bank service charges, custodial costs, mortgage servicing fees and advertising bank balances under section 1 of P.L.1956, c.174 (C.52:18-16.1).

There are appropriated out of revenues derived from the collection of fees charged for the issuance of dishonored checks, such sums as are necessary to defray administrative processing costs associated with such checks.

73 Financial Administration

15-2080 Tax Collection Services and Administration		$75,056,000
16-2090 Administration of State Lottery		12,737,000
19-2120 Management of State Investments		4,156,000
Subtotal Appropriation, Financial Administration		$91,949,000
Less:		
Savings from Consolidation of Revenue Activities	**$1,000,000**	
Total Income Deductions		**$1,000,000**
Total Appropriation, Financial Administration		$90,949,000
Personal Services:		
Salaries and Wages	($66,760,000)	
Materials and Supplies	(2,328,000)	
Services Other Than Personal	(21,202,000)	

Maintenance and Fixed Charges	(1,659,000)
Less:	
Savings from Consolidation of Revenue Activities	**1,000,000**

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

So much of the receipts derived from the sale of confiscated equipment, materials and supplies under the "Cigarette Tax Act," P.L.1948, c.65 (C.54:40A-1 et seq.), as may be necessary for confiscation, storage, disposal and other related expenses thereof, are appropriated.

Notwithstanding any other law to the contrary, there are appropriated out of receipts in the Solid Waste Services Tax Fund and the Resource Recovery Investment Tax Fund such sums as may be necessary for the cost of administration and collection of taxes pursuant to P.L.1985, c.38 (C.13:1E-136 et seq.), subject to the approval of the Director of the Division of Budget and Accounting.

Such sums as are required for the acquisition of equipment essential to the modernization of processing tax returns, are appropriated from tax collections, subject to the approval of the Joint Budget Oversight Committee and the Director of the Division of Budget and Accounting.

The amount necessary to provide administrative costs incurred by the Division of Taxation to meet the statutory requirements of the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et seq.) is appropriated from the enterprise zone assistance fund, subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated from the investment earnings of general obligation bond proceeds, such sums as may be necessary for the payment of debt service administrative costs.

Pursuant to the provisions of section 12 of P.L.1992, c.165 (C.40:54D-12), there are appropriated such sums as may be required to compensate the Department of the Treasury for costs incurred in administering the "Tourism Improvement and Development District Act," P.L.1992, c.165 (C.40:54D-1 et seq.).

There are 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.

There are appropriated out of the State Lottery Fund such sums as may be necessary for costs required to implement the "State Lottery Law," P.L.1970, c.13 (C.5:9-1 et seq.), and for payment for commissions, prizes and expenses of developing and implementing games pursuant to section 7 of P.L.1970, c.13 (C.5:9-7).

In addition to the amounts hereinabove, State Lottery Fund receipts in excess of anticipated contributions to education and State institutions, and reimbursements of administrative expenditures, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee.

Notwithstanding the provisions of any other law to the contrary, there are appropriated out of receipts derived from communications fees such sums as may be

necessary for telecommunications costs required in the administration of the State Lottery.

Notwithstanding the provisions of any other law to the contrary, there are appropriated out of receipts derived from the sale of advertising by the State Lottery, such sums as may be necessary for advertising costs required in the administration of the State Lottery pursuant to P.L.1970, c.13 (C.5:9-1 et seq.).

There are appropriated, out of receipts derived from service fees billed to authorities for the handling of investment transactions, such sums as may be necessary to administer the above investment activity.

There are appropriated, out of receipts derived from the investments of State funds, such sums as may be necessary for bank service charges, custodial costs, mortgage servicing fees and advertising bank balances under section 1 of P.L.1956, c.174 (C.52:18-16.1).

Notwithstanding the provisions of any law to the contrary, the expenses of administration for the various retirement systems and employee benefit programs administered by the Division of Pensions and Benefits and the Division of Investments shall be charged to the pension and health benefits funds established by law to receive employer contributions or payments or to make benefit payments under the programs, as the case may be. In addition to the amounts hereinabove, there are appropriated such sums as may be necessary for administrative costs, which shall include bank service charges, investment services, and other such costs as are related to the management of the pension and health benefit programs as the Director of the Division of Budget and Accounting shall determine. In addition, revenue resulting from such charges to the various pensions and health benefit funds, payable on a schedule to be determined by the Director of the Division of Budget and Accounting, shall be credited to the General Fund as anticipated revenue.

The unexpended balances as of June 30, 1996 in the Tax Amnesty account are appropriated.

In addition to the amounts appropriated hereinabove, such additional sums as may be necessary are appropriated to fund the costs of the collection of debts, taxes and other fees and charges owed to the State, including but not limited to the services of auditors and attorneys and enhanced compliance programs, subject to the approval of the Director of the Division of Budget and Accounting. The Director of the Division of Budget and Accounting shall provide the Joint Budget Oversight Committee with written reports on the detailed appropriation and expenditure of sums appropriated pursuant to this provision.

74 General Government Services

09-2050 Purchasing and Inventory Management		$5,014,000
21-2140 Pensions and Benefits		24,225,000
26-2067 Property Management Services		9,217,000
37-2051 Risk Management		1,783,000
Total Appropriation, General Government Services		$40,239,000
Personal Services:		
Salaries and Wages	($27,308,000)	
Materials and Supplies	(1,680,000)	

Services Other Than Personal	(9,603,000)
Maintenance and Fixed Charges	(1,045,000)
Special Purpose:	
State Pension System Audit	(128,000)
Maintenance -- Old Barracks, Trenton	(375,000)
Additions, Improvements and Equipment	(100,000)

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 which had been appropriated or allocated to such department for its share of costs of such data processing center including the replacement of data processing equipment and the purchase of additional data processing equipment.

There are appropriated, out of receipts derived from service fees billed to political subdivisions for the operating costs of the cooperative purchasing program, such sums as may be necessary to administer and operate the above purchasing activity.

Notwithstanding the provision of any other law to the contrary, there are appropriated from receipts derived from vendor registration fees sufficient sums for services and expenses related to the development, letting and administration of commodity or service contracts.

There are appropriated, out of receipts derived from service fees billed to authorities for the handling of insurance procurement and risk management services, such sums as may be necessary to administer the above insurance and risk management activities.

Notwithstanding the provisions of any other law to the contrary, there are appropriated, out of receipts derived from third party subrogation, such sums as may be necessary for the administrative expenses of this program.

Notwithstanding the provisions of section 15 of article 6 of P.L.1944, c.112 (C.52:27B-67), there are appropriated out of revenues derived from the sale of surplus State vehicles sufficient sums for the replacement of Central Motor Pool temporary assignment vehicles, subject to the approval of the Director of the Division of Budget and Accounting.

The Director of the Division of Budget and Accounting is empowered to transfer or credit to the Capitol Post Office revolving fund any appropriation made to any department for postage costs appropriated or allocated to such departments for their share of costs of the Capitol Post Office.

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

The unexpended balance in the State Purchase Fund as of June 30, 1996, and the reimbursements thereto, are appropriated for the purpose of making payments for purchases under R.S.52:25-1 et seq., and for the expenses of handling, storing and transporting purchases so made and for administration of the Distribution Center.

There are appropriated out of the revenues received from the sale of surplus property sufficient sums for the administrative costs of the Distribution Center-Surplus Property Unit.

There are transferred from the savings in property rental accounts derived from warehouse space consolidation and elimination, such sums as may be required to implement and administer the warehouse space utilization program in the Office of Property Management Services, subject to the approval of the Director of the Division of Budget and Accounting.

From the receipts derived from the sale of real property, such sums are appropriated for the costs incurred in the selling of the real property, including appraisal, survey, advertising, and other costs related to the disposal, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balances in the Management of the DEP Properties account as of June 30, 1996 are appropriated for the same purpose.

Receipts derived from the leasing of State surplus real property are appropriated for the maintenance of leased property subject to the approval of the Director of the Division of Budget and Accounting, provided that a sum not to exceed $100,000 shall be available for the administrative expenses of the program.

Receipts from employee maintenance charges in excess of $850,000 are appropriated for maintenance of employee housing and associated relocation costs; provided however, that a sum not to exceed $170,000 shall be available for management of the program, the expenditure of which shall be subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated out of revenues derived from the rental and operation of the War Memorial, such sums as may be necessary to operate and maintain this facility.

There are appropriated out of receipts derived from lease proceeds billed to the occupants of the James J. Howard Marine Science Laboratory, such sums as may be required to operate and maintain the facility and for the payment of interest and/or principal due from the issuance of bonds for this facility.

The unexpended balances in the State cafeteria accounts as of June 30, 1996, and receipts obtained from cafeteria operations, are appropriated for the improvement and extension of cafeteria services and facilities pursuant to section 2 of P.L.1951, c.312 (C.52:18A-19.6).

The Director of the Division of Budget and Accounting is empowered to transfer or credit to the Construction Management Services program classification, 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.

Notwithstanding any law to the contrary, there are appropriated out of receipts derived from the pre-qualification service fees billed to contractors, architects, engineers and professionals sufficient sums for expenses related to the administration of pre-qualification activities undertaken by the Division of Building and Construction.

In addition to the amounts hereinabove, there are appropriated such additional sums as may be necessary for independent audits of the State's pension systems,

provided that such appropriations shall be reimbursed to the General Fund from the resources available to the various pension funds.

Notwithstanding the provisions of any law to the contrary, the expenses of administration for the various retirement systems and employee benefit programs administered by the Division of Pensions and Benefits and the Division of Investments shall be charged to the pension and health benefits funds established by law to receive employer contributions or payments or to make benefit payments under the programs, as the case may be. In addition to the amounts hereinabove, there are appropriated such sums as may be necessary for administrative costs, which shall include bank service charges, investment services, and any other such costs as are related to the management of the pension and health benefit programs, as the Director of the Division of Budget and Accounting, shall determine. In addition, revenue resulting from such charges to the various pensions and health benefit funds, payable on a schedule to be determined by the Director of the Division of Budget and Accounting, shall be credited to the General Fund as anticipated revenue.

The unexpended balance in excess of $120,000 as of June 30, 1996 in the Pensions and Health Benefits Commission account is appropriated for the same purpose.

There are appropriated sufficient sums as may be required for the expenses of the Pensions and Health Benefits Commission, provided that such appropriation shall be reimbursed to the General Fund from the resources available to the various pensions and health benefits funds.

Notwithstanding the provisions of any law to the contrary, there are appropriated from the Capital City Redevelopment Loan and Grant Fund such sums as may be required to provide for expenses, programs and strategies which will enhance the vitality of the capital district as a place to live, visit, work and conduct business, subject to the approval of the Director of the Division of Budget and Accounting.

Proceeds derived from commissions paid to the travel services section are appropriated for the administrative expenses of the program.

76 Management and Administration

98-2006 Public Contracts Affirmative Action Office		$920,000
99-2000 Management and Administrative Services		4,283,000
Total Appropriation, General Government Services		$5,203,000
Personal Services:		
Salaries and Wages	($4,610,000)	
Materials and Supplies	(19,000)	
Services Other Than Personal	(479,000)	
Maintenance and Fixed Charges	(58,000)	
Special Purpose:		
Federal Liaison Office – Washington, D.C.	(23,000)	
Additions, Improvements and Equipment	(14,000)	

The unexpended balance as of June 30, 1996 in the State Revenue Forecasting Advisory Commission account is appropriated for the same purpose.

The unexpended balance in the Productivity and Efficiency Program is appropriated for the same purpose.

There is appropriated from investment earnings of State funds a sum, not to exceed $640,000, for public finance activities.

There are appropriated out of receipts derived from service fees billed to authorities for the handling of Public Finance transactions such sums as may be necessary to administer the above public finance activities.

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

An amount equivalent to the amount due to be paid in fiscal year 1997 to the State by the Port Authority of New York and New Jersey pursuant to the regional economic development agreement dated January 1, 1990, among the States of New York and New Jersey and the Port Authority of New York and New Jersey is appropriated to the Economic Recovery Fund established pursuant to section 3 of P.L.1992, c.16 (C.34:1B-7.12), for the purposes of P.L.1992, c.16 (C.34:1B-7.10 et seq.).

Notwithstanding the provisions of any law to the contrary, there are appropriated from the "Drug Enforcement and Demand Reduction Fund" such sums as may be required to provide for the administrative expenses of the Governor's Council on Alcoholism and Drug Abuse and for programs and grants to other agencies, subject to the approval of the Director of the Division of Budget and Accounting.

Fees collected on behalf of the Public Contracts Affirmative Action Office program and the unexpended balance as of June 30, 1996 of such fees are appropriated for program costs, subject to allotment by the Director of the Division of Budget and Accounting.

Total Appropriation, Department of the Treasury		$173,124,000

90 MISCELLANEOUS EXECUTIVE COMMISSIONS

40 Community Development and Environmental Management
43 Science and Technical Programs
9130 Interstate Sanitation Commission

03-9130 Interstate Sanitation Commission		$315,000
Total Appropriation, Interstate Sanitation Commission		$315,000
Special Purpose:		
Expenses of the Commission	($315,000)	

9140 Delaware River Basin Commission

02-9140 Delaware River Basin Commission		$688,000
Total Appropriation, Delaware River Basin Commission		$688,000
Special Purpose:		
Expenses of the Commission	($688,000)	

70 Government Direction, Management and Control
76 Management and Administration
9147 Governor's Performance Review Initiative

91-9147	Governor's Performance Review Initiative		$975,000
	Total Appropriation, Governor's Performance Review Initiative		$975,000
	Special Purpose:		
	Expenses of the Commission	($975,000)	

The unexpended balance as of June 30, 1996 in this account is appropriated.

	Total Appropriation, Miscellaneous Executive Commissions	$1,978,000

94 INTER-DEPARTMENTAL ACCOUNTS

70 Government Direction, Management and Control
74 General Government Services
9400 Property Rentals, Insurance and Other Services

01-9400	Property Rentals		$213,847,000
02-9400	Insurance and Other Services		38,556,000
06-9400	Utilities and Other Services		21,095,000
	Total Appropriation, Property Rentals, Insurance and Other Services		$273,498,000
	Property Rentals:		
	Existing and Anticipated Leases	($143,582,000)	
	Mercer County Improvement Authority	(7,298,000)	
	Economic Development Authority	(18,508,000)	
	New Jersey Sports and Exposition Authority	(32,859,000)	
	New Jersey Building Authority	(36,386,000)	
	Other Debt Service Leases and Tax Payments	(14,452,000)	
	Less:		
	Direct Charges and Charges to Non-State Fund Sources	**39,238,000**	
	Insurance:		
	Property Insurance	(2,195,000)	
	Casualty Insurance	(811,000)	
	Special Insurance Policies	(225,000)	
	Tort Claims Liability Fund (C.59:12-1)	(9,000,000)	
	Workers' Compensation Fund	(30,000,000)	
	Vehicle Claims Liability Fund	(5,700,000)	
	Self-Insurance Deductible Fund	(500,000)	
	Self-Insurance Fund-Foster Parents	(125,000)	
	Less:		
	Risk Management Initiative Savings	**10,000,000**	
	Utilities:		
	Fuel and Utilities	(17,832,000)	
	Household and Security	(4,536,000)	
	Less:		
	Energy Savings Initiatives	**1,273,000**	

The Director of the Division of Budget and Accounting is 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 Fund; and, to the extent that such charges exceed the amounts appropriated for such purposes to any agency financed from any fund other than the General Fund, the required additional appropriation shall be made out of such other fund.

Receipts derived from direct charges and charges to non-State fund sources are appropriated for the rental of property, including the costs of operation and maintenance of such properties.

Notwithstanding any other provision of law, and except for leases negotiated by the Office of Property Management and subject to approval or disapproval by the State Leasing and Utilization Committee pursuant to P.L.1992, c.130 (C.52:18A-191.1 et seq.), and except as hereinafter provided, no lease for the rental of any office or building shall be executed without the prior written consent 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.

An amount not to exceed $3,000,000 shall be appropriated to implement the Facilities Master Plan, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Newark Performing Arts Center account shall be used to pay the State's obligations pursuant to a lease with the New Jersey Economic Development Authority for the lease of real property and infrastructure improvements and the Performing Arts Center structure to be constructed thereon purchased by the authority for the State in the city of Newark for the purpose of constructing buildings to comprise a Performing Arts Center. Notwithstanding any other provision of law, the State Treasurer may enter into a lease with the New Jersey Economic Development Authority to lease the real property and improvements thereon purchased or caused to be constructed by the authority for the State in the city of Newark for the Performing Arts Center, subject to the prior written consent of the Director of the Division of Budget and Accounting, the President of the Senate and the Speaker of the General Assembly. Upon the final payment of the State's obligations pursuant to the lease for the real property and infrastructure improvements purchased by the authority, the title to the real property and improvements shall revert to the State. The State may sublease the land and facilities for the purpose of operating, maintaining or financing a Performing Arts Center in Newark. Any sublease for use of land and improvements acquired for the State by the New Jersey Economic Development Authority for the Performing Arts Center shall be subject to the prior written approval of the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee, or its successor.

There are appropriated such additional sums as may be required to pay court-imposed or negotiated settlement costs for the housing of State inmates in Hudson County, subject to the approval of the Director of the Division of Budget and Accounting. The Director of the Division of Budget and Accounting shall notify the Joint Budget Oversight Committee prior to the payment of any such amount.

There are appropriated such additional sums as may be required to pay future debt service costs for projects undertaken by the New Jersey Building Authority, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance as of June 30, 1996 in the Master Lease Program Fund is appropriated for the same purpose.

There are appropriated such additional sums as may be required to pay claims of a tortious nature under N.J.S.A.59:12-1, as recommended by the Attorney General and as the Director of the Division of Budget and Accounting shall determine.

The amount hereinabove for the Tort Claims Liability Fund is available for the payment of direct costs of legal, investigative and medical services related to the investigation, mitigation and litigation of claims against the fund.

The funds appropriated to the Tort Claims Liability Fund are available for the indemnification of pool attorneys engaged by the Public Defender for the defense of indigents.

The funds appropriated to the Tort Claims Liability Fund are available for the indemnification of designated pathologists engaged by the State Medical Examiner.

Notwithstanding any other law to the contrary, claims paid from the Tort Claims Fund on behalf of entities funded, whole or in part, from non-State funds, may be reimbursed from such non-State fund sources as determined by the Director of the Division of Budget and Accounting.

To the extent that sums appropriated to pay Workers' Compensation claims under R.S.34:15-1 et seq. are insufficient, there are appropriated such additional sums as may be required to pay Workers' Compensation claims, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Workers' Compensation Self-Insurance Fund under R.S.34:15-1 is available for the payment of direct costs of legal, investigative, administrative and medical services related to the investigation, mitigation, litigation and administration of claims against the fund, subject to the approval of the Director of the Division of Budget and Accounting.

To the extent that sums appropriated to pay auto insurance claims are insufficient, there are appropriated such additional sums as may be required to pay auto insurance claims, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Vehicle Claims Liability Fund is available for the payment of direct costs of legal, investigative and medical services related to the investigation, mitigation and litigation of claims against the fund.

The unexpended balance as of June 30, 1996 in the Self-Insurance Deductible Fund is appropriated for the same purposes.

The amount appropriated for the Self-Insurance Fund-Foster Parents is available for the payment of direct costs of legal, investigative and medical services related to the investigation, mitigation and litigation of claims against the fund.

The sums hereinabove are available for payment of obligations applicable to prior fiscal years.

There are appropriated such additional sums as may be required to pay all insurance costs incurred by the county courts on and after January 1, 1995, at which time these responsibilities pass to the State pursuant to the "State Judicial Unification

Act," P.L.1993, c.275 (C.2B:10-1 et seq.), subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated out of revenues received from utility companies such sums as may be required for implementation and administration of the Energy Conservation Initiatives Program, subject to the approval of the Director of the Division of Budget and Accounting.

9410 Employee Benefits

03-9410 Employee Benefits		$1,173,879,000
Total Appropriation, Employee Benefits		$1,173,879,000
Special Purpose:		
Heath Act	($10,000)	
Veterans' Act	(200,000)	
Judicial Retirement System	(16,926,000)	
Prison Officers' Pension Fund	(2,109,000)	
Public Employees' Retirement System	(115,900,000)	
Social Security Tax – State	(323,025,000)	
State Police Retirement System	(40,814,000)	
Dental Care Program – Shared Cost	(18,600,000)	
State Employees' Health Benefits	(434,089,000)	
Prescription Drug Program	(69,323,000)	
Pension Adjustment Act	(1,631,000)	
P.E.R.S. Minimum Pension Benefit Act – Pre-1955 Retirees	(35,000)	
Alternate Benefits Program – Employer Contributions	(72,667,000)	
Teachers' Pension and Annuity Fund and Non-Contributory Group Life Insurance Benefits – State	(10,800,000)	
Unemployment Insurance Liability	(1,500,000)	
Temporary Disability Insurance	(10,917,000)	
Police and Firemen's Retirement System (P.L.1979, c.109)	(23,091,000)	
Police and Firemen's Retirement System, P.L.1944, c.255 (C.43:16A-1 et seq.)	(81,869,000)	
Vision Care	(1,400,000)	
Less:		
Savings from Proposed Higher Education Initiatives	**36,918,000**	
Savings From Smarter Procurement	**6,000,000**	
Fringe Benefit Savings from Agency Initiatives	**8,109,000**	

There is appropriated a sufficient amount in order that upon application to the Director of the Division of Budget and Accounting, an annuity of $4,000 shall be paid to the widow or widower of any person, now deceased, who was elected and served as Governor of the State; provided such widow or widower was the spouse of such person for all or part of the period during which he or she served as Governor; and provided further, that this shall not apply to any widow or

widower receiving a pension granted under R.S.43:8-2, and continued by R.S.43:7-1 et seq., R.S.43:8-1 et seq., and R.S.43:8-8 et seq.

Such additional sums as may be required for Social Security Tax may be allotted from the various departmental operating appropriations to this account, as the Director of the Division of Budget and Accounting shall determine.

Such additional sums as may be required for 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.

Of the amounts hereinabove for the Pension Adjustment Act, such sums as are appropriated in advance for increased retirement benefits for local employee members of State-administered retirement systems shall be repaid to the General Treasury upon reimbursement from local public employers.

Such additional sums as may be required for Unemployment Insurance liability are appropriated as the Director of the Division of Budget and Accounting shall determine.

Notwithstanding the provisions of the Pension Adjustment Act, P.L.1985, c.143 (C.43:3B-1 et seq.), pension adjustment benefits for members and beneficiaries of the Consolidated Police and Firemen's Pension Fund shall be paid by the fund. Employer appropriations for these benefits as required under the act shall be paid to the fund.

In addition to the sums hereinabove, for employees benefits, there are transferred from the appropriations made to the Higher Education Institutions, an amount of $36,918,000 for a portion of the employee benefit costs, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the sums hereinabove for the Employee Benefits program classification, the Director of the Division of Budget and Accounting shall transfer or credit to these accounts the sum of $6,000,000 from appropriations made to various spending agencies for telephone, motor pool, and other operating accounts to reflect savings as a result of Statewide initiatives for more cost-effective procurement, as determined by the director. This additional sum shall be appropriated for the Employee Benefits program classification.

Notwithstanding the provisions of any law to the contrary, as a result of the contracting of services, an amount shall be transferred from the Employee Benefits program classification to the Department of Corrections Contract Services account, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the sums hereinabove for Social Security Tax -- State, the Director of the Division of Budget and Accounting shall transfer or credit to this account the sum of $3,000,000 from appropriations made to various spending agencies for information processing-internal as determined by the director. This additional sum is appropriated for Social Security Tax -- State.

9420 State Contingency Fund

04-9420 State Contingency Fund	$17,210,000
Total Appropriation, Employee Benefits	$17,210,000

Special Purpose:		
To the Governor, 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	($2,000,000)	
Contingency Funds	(1,500,000)	
Interest on Short Term Notes	(25,400,000)	
Notes Issuance Expenses – Underwriter's Costs	(600,000)	
Catastrophic Illness in Children Relief Fund – Employer Contributions	(110,000)	
Statewide 911 Emergency Telephone System	(12,600,000)	
Less:		
Interest Earned	**25,000,000**	

Unless otherwise indicated, the above amounts may be allotted by the Director of the Division of Budget and Accounting to the various departments and agencies.

There is hereby appropriated, such sums as are required to repay the State disability benefits fund, for part or all of the principal and interest on a loan made to the General Fund, pursuant to P.L.1994, c.112, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of N.J.S.2A:153-1 et seq., there is allocated at the discretion of the Governor, an amount up to $50,000, from the Special Purpose amount appropriated hereinabove to meet any condition of emergency or contingency, as a reward for the capture and return of Joanne Chesimard.

9430 Salary Increases and Other Benefits

05-9430 Salary Increases and Other Benefits		$3,842,000
Total Appropriation, Salary Increases and Other Benefits		$3,842,000
Special Purpose:		
Salary Increases and Other Benefits	($3,542,000)	
Unused Accumulated Sick Leave Payments	(3,300,000)	
Less:		
Furlough Savings	**3,000,000**	

The sums hereinabove appropriated to the various State departments, agencies, commissions, or institutions of higher education for the cost of salaries, wages, or other benefits shall be allotted as the Director of the Division of Budget and Accounting shall determine.

Notwithstanding the provisions of any other laws, including R.S.34:15-49 and section 1 of P.L.1981, c.353 (C.34:15-49.1), the State Treasurer, the Commissioner of Personnel, and the Director of the Division of Budget and Accounting shall establish directives governing salary ranges and rates of pay, including salary increases. The implementation of such directives shall be made effective at the first full pay period of fiscal year 1997 as determined by such directives, with timely notification of such directives to the Joint Budget Oversight

Committee or its successor. Such directives shall not be considered an "administrative rule" or "rule" within the meaning of subsection (e) of section 2 of P.L.1968, c.410 (C.52:14B-2), but shall be considered exempt under paragraphs (1) and (2) of subsection (e) of section 2 of P.L.1968, c.410 (C.52:14B-2), and shall not be subject to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.). Nothing herein shall be construed as applicable to the Presidents of the State Colleges, Rutgers, The State University, the University of Medicine and Dentistry of New Jersey and the New Jersey Institute of Technology.

No salary range or rate of pay shall be increased or paid in any State department, agency, or commission without the approval of the Director of the Division of Budget and Accounting. Nothing herein shall be construed as applicable to unclassified personnel of the Legislative Branch, or the unclassified personnel of the Judicial Branch.

In addition to the amount hereinabove for Unused Accumulated Sick Leave Payments, there are appropriated such additional sums as may be necessary for payments of unused accumulated sick leave.

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 University of Medicine and Dentistry of New Jersey; the State Colleges or the New Jersey Institute of Technology; or holding office, position or employment under the Palisades Interstate Park Commission or the Pinelands Commission.

Notwithstanding the provisions of any law to the contrary, as a result of the contracting of services, an amount shall be transferred from the Salary Increases and Other Benefits program classification to the Department of Corrections Contract Services account, subject to the approval of the Director of the Division of Budget and Accounting.

The Director of the Division of Budget and Accounting shall transfer from departmental accounts and credit to the Salary Increases and Other Benefits accounts a sum of $40,900,000 to reflect savings from a managed attrition program and additional savings from other operating accounts. This additional sum is appropriated for Salary Increases and Other Benefits.

Total Appropriation, Inter-Departmental Accounts	$1,468,429,000

THE JUDICIARY

10 Public Safety and Criminal Justice
15 Judicial Services

01-9710	Supreme Court	$3,661,000
02-9715	Superior Court – Appellate Division	5,918,000
03-9720	Civil Courts	71,574,000
04-9725	Criminal Courts	61,064,000
05-9730	Family Courts	59,594,000
06-9735	Municipal Courts	866,000

07-9740	Probation Services	85,993,000
08-9745	Court Reporting	5,772,000
09-9750	Legal and Professional Services	1,138,000
10-9755	Information Services	11,875,000
11-9760	Field Operations	29,047,000
12-9765	Management and Administration	6,565,000
	Total Appropriation, Judicial Services	$343,067,000
Personal Services:		
Chief Justice		($138,000)
Associate Justices		(794,000)
Judges		(47,376,000)
Salaries and Wages		(212,719,000)
Materials and Supplies		(11,125,000)
Services Other Than Personal		(32,596,000)
Maintenance and Fixed Charges		(2,615,000)
Special Purpose:		
Rules Development		(200,000)
Alternative Dispute Resolution		(80,000)
Speedy Trial Program, Case Processing Involvement		(50,000)
Child Placement Review Advisory Council		(75,000)
Child Support and Paternity Program (Family Court State Match)		(3,921,000)
Intensive Supervision Program		(7,597,000)
Juvenile Intensive Supervision Program		(2,067,000)
Child Support and Paternity Program Title IV-D (State Match)		(16,562,000)
Affirmative Action and Equal Employment Opportunity		(288,000)
Additions, Improvements and Equipment		(4,864,000)

Receipts from charges to certain Special Purpose accounts listed hereinabove are appropriated for services to these funds.

Receipts from charges to the Superior Court Trust Fund, Clients' Security Fund, Ethics Financial Committee, Board of Trial Attorney Certification, Bar Admission Financial Committee, Automated Traffic System Fund, Comprehensive Enforcement Program, and Courts Computerized Information Systems Fund are appropriated for services provided to these funds.

The unexpended balance as of June 30, 1996 in these respective accounts in excess of $7,000,000 are appropriated subject to the approval of the Director of the Division of Budget and Accounting.

Receipts in excess of the amount anticipated from the county court escheats are appropriated to offset operational costs in the Judiciary, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the sums appropriated hereinabove for Salaries and Wages in the Superior Court -- Appellate Division program classification, the Judiciary, with the approval of the Director of the Division of Budget and Accounting, may transfer or credit this account, an amount up to $6,700,000 from other appropria-

tions in the Judiciary to reflect savings from administrative efficiencies due to the unification of the courts.

Total Appropriation, The Judiciary	$343,067,000
Total Appropriation, Direct State Services	$4,986,473,000

GRANTS-IN-AID
10 DEPARTMENT OF AGRICULTURE
40 Community Development and Environmental Management
49 Agricultural Resources, Planning, and Regulation -- Grants-In-Aid

03-3330	Resource Development Services		$4,049,000
06-3360	Marketing Services		345,000
	Total Appropriation, Agricultural Resources, Planning and Regulation		$4,394,000
Grants:			
	Farm Management and Training Initiative	($149,000)	
	Production Efficiency and Agricultural Business Development Incentive	(3,900,000)	
	New Jersey Museum of Agriculture	(195,000)	
	Promotion/Market Development	(150,000)	

The expenditure of funds for Production Efficiency and Agricultural Business Development Incentive grants shall be based upon an expenditure plan subject to the approval of the Director of the Division of Budget and Accounting.

An amount not to exceed 5% of the amount appropriated for the Production Efficiency and Agricultural Business Development Incentive grant program shall be available for administration of the program.

Total Appropriation, Department of Agriculture	$4,394,000

20 DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
50 Economic Planning, Development and Security
51 Economic Planning and Development -- Grants-In-Aid

20-2800	Economic Development		$750,000
24-2890	New Jersey Commission on Science and Technology		14,684,000
	Total Appropriation, Economic Planning and Development		$15,434,000
Grants:			
	Research and Development Programs	($11,958,000)	
	Prosperity New Jersey, Inc.	(750,000)	
	Business Assistance	(2,726,000)	

The unexpended balances as of June 30, 1996 in the Science and Technology grants accounts are appropriated.

The unexpended balance as of June 30, 1996 in the Prosperity New Jersey Direct State Services account is appropriated and transferred to the Grants-in-Aid Prosperity New Jersey, Inc. account.

Total Appropriation, Department of Commerce and Economic Development	$15,434,000

22 DEPARTMENT OF COMMUNITY AFFAIRS

40 Community Development and Environmental Management
41 Community Development Management -- Grants-In-Aid

01-8010	Housing Code Enforcement	$919,000
02-8020	Housing Services	6,460,000
18-8017	Uniform Fire Code	8,571,000
	Total Appropriation, Community Development Management	$15,950,000

Grants:

Cooperative Housing Inspection	($919,000)
Shelter Assistance	(2,000,000)
Prevention of Homelessness	(4,460,000)
Uniform Fire Code – Local Enforcement Agency Rebates	(8,425,000)
Uniform Fire Code – Continuing Education	(146,000)

The amount hereinabove for the Housing Code Enforcement program classification is payable out of the fees and penalties derived from bureau activities. If these receipts are less than anticipated, the appropriation shall be reduced proportionately.

The unexpended balance in excess of $55,000 as of June 30, 1996 in the Housing Code Enforcement program classification together with any receipts in excess of the amount anticipated is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Uniform Fire Code program classification is payable out of the fees and penalties derived from inspection and enforcement activities. If these receipts are less than anticipated, the appropriation shall be reduced proportionately.

The unexpended balance as of June 30, 1996 in the Uniform Fire Code program classification together with any receipts in excess of the amount anticipated, is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for Shelter Assistance is payable from the receipts of the portion of the realty transfer tax directed to be credited to the Neighborhood Preservation Nonlapsing Revolving Fund pursuant to section 4 of P.L.1968, c.49 (C.46:15-8) and from the receipts of the portion of the realty transfer tax directed to be credited to the Neighborhood Preservation Nonlapsing Revolving Fund pursuant to section 4 of P.L.1975, c.176 (C.46:15-10.1). If the receipts are less than anticipated, the appropriation shall be reduced proportionately.

The unexpended balance in excess of $475,000 as of June 30, 1996 in the Shelter Assistance account is appropriated.

The Commissioner of the Department of Community Affairs shall report to the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee, not later than March 1, 1997, statistical and financial information on the expenditure of funds from the Shelter Assistance account for fiscal year 1997. Such information shall specifically include the number, types, location and costs of beds made available for occupancy with the funds appropriated herein.

The unexpended balance as of June 30, 1996 in the Prevention of Homelessness account is appropriated.

There is appropriated to the Revolving Housing Development and Demonstration Grant Fund an amount not to exceed 50% of the penalties derived from bureau activities in the Housing Code Enforcement program classification, subject to the approval of the Director of the Division of Budget and Accounting.

Such amounts necessary for the payment of principal of and interest on outstanding notes of the Hackensack Meadowlands Development Commission are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of section 35 of P.L.1975, c.326 (C.13:17-10.1), sections 10 and 11 of P.L.1981, c.306 (C.13:1E-109 and C.13:1E-110), section 8 of P.L.1985, c.368 (C.13:1E-176), or any rules and regulations adopted pursuant thereto, or any order issued by the Board of Public Utilities to the contrary, if the aggregate balance in the closure and post-closure escrow accounts established by the Hackensack Meadowlands Development Commission for the closure and post-closure monitoring of the sanitary landfill facilities operated by the Hackensack Meadowlands Development Commission is in excess of the amount necessary, as calculated pursuant to the financial plan for the closure and post-closure of the sanitary landfill facilities prepared by the Hackensack Meadowlands Development Commission and approved by the Department of Environmental Protection for the proper closure and post-closure monitoring of the sanitary landfill facilities, an amount equal to the excess amount, or $3,005,000, whichever is less, shall be withdrawn from the escrow accounts by the Hackensack Meadowlands Development Commission and paid to the State Treasurer for deposit in the General Fund and the amount so deposited shall be appropriated to the Hackensack Meadowlands Development Commission for operational costs. Of the amount so deposited and appropriated to the Hackensack Meadowlands Development Commission, $110,000 shall be made available to the Hackensack Meadowlands Municipal Committee for operational costs.

Notwithstanding the provisions of section 35 of P.L.1975, c.326 (C.13:17-10.1), sections 10 and 11 of P.L.1981, c.306 (C.13:1E-109 and C.13:1E-110), section 8 of P.L.1985, c.368 (C.13:1E-176), or any rules and regulations adopted pursuant thereto, or any order issued by the Board of Public Utilities to the contrary, an amount equal to $4,000,000 of the calendar year 1996 interest earnings on the aggregate balance in the closure and post-closure escrow accounts established by the Hackensack Meadowlands Development Commission for the closure and post-closure monitoring of the sanitary landfill facilities operated by the commission shall be withdrawn from the escrow accounts by the

Hackensack Meadowlands Development Commission and paid to the State Treasurer for deposit in the General Fund for general State use.

50 Economic Planning, Development and Security
55 Social Services Programs -- Grants-In-Aid

05-8050 Community Resources		$9,593,000
08-8060 Programs for the Aging		740,000
15-8051 Women's Programs		2,185,000
Total Appropriation, Social Services Programs		$12,518,000
Grants:		
State Legal Services Office	($2,500,000)	
Center for Hispanic Policy, Research and Development	(1,125,000)	
Recreation for the Handicapped	(500,000)	
Special Olympics	(375,000)	
Trenton Urban Gardening Program	(50,000)	
Camden Urban Gardening Project	(50,000)	
Grant to ASPIRA	(100,000)	
Adult Protective Services	(740,000)	
Hispanic Women's Resource Centers	(400,000)	
Women's Referral Central	(25,000)	
Job Training Center for Urban Women Act	(315,000)	
Grants to Women's Shelters	(25,000)	
Rape Prevention	(500,000)	
Maple Shade Downtown Restoration	(200,000)	
Tuckerton Redevelopment Project	(135,000)	
Keyport Fire Department, Equipment	(50,000)	
Old Bridge Township Department of Public Safety	(100,000)	
Hazlet Police Department, Equipment	(50,000)	
Women for Women – Union County	(20,000)	
Garden State Games	(75,000)	
Evesham Department of Public Safety	(270,000)	
Battleship New Jersey	(250,000)	
Accountants for the Public Interest	(25,000)	
Bayshore Senior Day Care Center	(50,000)	
Keyport Borough, Borough Hall Improvement	(135,000)	
Livingston Township, Senior Citizen Bus	(25,000)	
Campbell's Junction, Middletown Township – Economic Development	(110,000)	
Middletown Township, Ambulance	(80,000)	
Pleasant Valley Adult Day Care	(90,000)	
Keyport Borough Police Department	(60,000)	
Senior Citizen Center, Wayne Township	(90,000)	
Renovation of State Theatre, New Brunswick	(225,000)	
Englishtown Borough Property Acquisition	(90,000)	

Belleville Township, Police Substation	(450,000)
Bordentown, Monument Restoration	(25,000)
Mercy Center, Asbury Park	(25,000)
Monmouth Boys and Girls Club	(20,000)
West Side Community Center, Asbury Park	(20,000)
Bucky James Community Center, Long Branch	(15,000)
Hispanic Affairs and Resource Center of Monmouth County	(10,000)
Consolidation Initiative South Brunswick/ Jamesburg	(135,000)
Franklin Borough, Property Acquisition	(90,000)
Roseland Borough, Emergency Medical Vehicles	(83,000)
Caldwell, Police Computers	(25,000)
Vernon Township, Property Acquisition	(90,000)
Wrightstown Borough, Industrial Park Development	(135,000)
Westfield Township, Main Street	(60,000)
Washington Street Restoration, Hoboken	(450,000)
Keansburg Borough Hall	(75,000)
Wall Township, Special Municipal Purpose	(500,000)
Interfaith Hospitality Network of Somerset, Inc.	(25,000)
Samaritan Homeless Interim Program, Somerset County	(25,000)
Martin Luther King Youth Center, Bridgewater	(25,000)
Morris 2000	(50,000)
Paramus Public Safety	(200,000)
Little Ferry Public Safety	(100,000)
South Hackensack Public Safety	(75,000)
Ridgefield Public Safety	(75,000)
Grants to Displaced Homemaker Centers	(900,000)

In addition to the amount appropriated hereinabove, $75,000 is appropriated as an additional grant to the Garden State Games. The additional grant shall be repaid to the General Fund from the Garden State Games Trust Fund from the revenues deposited in the Garden State Games Trust Fund generated by the issuance of United States Olympic license plates by the Division of Motor Vehicles.

Total Appropriation, Department of Community Affairs	$28,468,000

26 DEPARTMENT OF CORRECTIONS

10 Public Safety and Criminal Justice
16 Detention and Rehabilitation
7025 System-Wide Program Support -- Grants-In-Aid

13-7025 Institutional Program Support	$119,822,000
Total Appropriation, System-Wide Program Support	$119,822,000

Grants:

Purchase of Service for Inmates Incarcerated in County Penal Facilities	($95,526,000)
Purchase of Service For Inmates Incarcerated in Out-Of-State Facilities	(100,000)
Amer-I-Can Program	(1,350,000)
Purchase of Community Services	(22,846,000)

A portion of the total amount appropriated in the Purchase of Service For Inmates Incarcerated in County Penal Facilities account is available for operational costs of additional State facilities for inmate housing which become ready for occupancy and other programs which reduce the number of State inmates in county facilities, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance as of June 30, 1996 in the Purchase of Service For Inmates Incarcerated in County Penal Facilities account is appropriated for the same purpose.

Total Appropriation, Department of Corrections	$119,822,000

34 DEPARTMENT OF EDUCATION

30 Educational, Cultural and Intellectual Development

31 Direct Educational Services and Assistance -- Grants-In-Aid

04-5064 Adult and Continuing Education		$3,704,000
Total Appropriation, Direct Educational Services and Assistance		$3,704,000
Grants:		
New Jersey Youth Corps	($3,704,000)	

34 Educational Support Services -- Grants-In-Aid

30-5063 Academic Program and Standards		$2,467,000
40-5064 Health, Safety and Community Services		3,385,000
Total Appropriation, Educational Support Services		$5,852,000
Grants:		
Statewide Systemic Initiative to Reform Mathematics and Science Education	($750,000)	
Governor's School	(955,000)	
New Jersey Business/Industry/Science Education Consortium	(100,000)	
Keansburg Demonstration Program	(2,000)	
Focus on Literacy	(30,000)	
Lourdes Hospital – Cooperative Venture with Camden Medical High School	(450,000)	
Liberty Science Center – School Visit Subsidy Program	(630,000)	
GoodStarts	(2,935,000)	

The unexpended balance as of June 30, 1996 in the Statewide Systemic Initiative to Reform Mathematics and Science Education program account is appropriated.

35 Education Administration and Management -- Grants-In-Aid

99-5093 Management and Administrative Services		$500,000
Total Appropriation, Education Administration and Management		$500,000
Grants:		
Educational Technology Initiative	($500,000)	

37 Cultural and Intellectual Development Services -- Grants-In-Aid

54-5010 Support of the Arts		$100,000
Total Appropriation, Cultural and Intellectual Development Services		$100,000
Grants:		
Arts Program for Teenagers	($100,000)	
Total Appropriation, Department of Education.		$10,156,000

Of the amount appropriated hereinabove for the Department of Education, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule at page K-37 in the Governor's Budget Recommendation Document dated January 29, 1996 first shall be charged to the State Lottery Fund.

42 DEPARTMENT OF ENVIRONMENTAL PROTECTION

46 Environmental Planning and Administration
4800 Administrative Operations --Grants-In-Aid

99-4800 Management and Administrative Services		$264,000
Total Appropriation, Management and Administrative Services		$264,000
Grants:		
Black Fly Treatment -- Delaware River	($264,000)	
Total Appropriation, Department of Environmental Protection		$264,000

46 DEPARTMENT OF HEALTH

20 Physical and Mental Health
21 Health Services--Grants-In-Aid

02-4220 Family Health Services		$8,391,000
03-4230 Epidemiology, Environmental and Occupational Health Services		1,426,000
04-4240 Alcoholism, Drug Abuse and Addiction Services		19,511,000
12-4245 AIDS Services		12,428,000
Total Appropriation, Health Services		$41,756,000
Grants:		
Family Planning Services	($2,825,000)	
Hemophilia Services	(621,000)	
Testing for Specific Hereditary Diseases	(115,000)	

Special Health Services for Handicapped Children	(2,000,000)
Chronic Renal Disease Services	(368,000)
Pharmaceutical Services for Adults with Cystic Fibrosis	(224,000)
Birth Defects Registry	(25,000)
Lead Poisoning Program	(395,000)
Alzheimer's Disease Program	(615,000)
Cleft Palate Programs	(350,000)
Newborn Screening Follow-Up and Treatment for Hemoglobins	(133,000)
SIDS Assistance Act	(150,000)
Services to Victims of Huntington's Disease	(250,000)
Tuberculosis Services	(197,000)
Treatment and Control of Drug Resistant Tuberculosis	(354,000)
AIDS Communicable Disease Control	(609,000)
Worker and Community Right to Know	(266,000)
Chelsea House Outpatient Service	(190,000)
Campus Grant	(2,070,000)
Community Based Substance Abuse and Treatment and Prevention -- State Share	(13,651,000)
Vocational Adjustment Centers	(95,000)
Compulsive Gambling	(600,000)
Mutual Agreement Parolee Rehabilitation Project for Substance Abusers	(620,000)
In-State Juvenile Residential Treatment Services	(1,810,000)
Ryan White Planning Council -- Newark EMA	(900,000)
Interagency Council on Osteoporosis	(270,000)
National Council on Alcohol and Drug Dependency	(450,000)
AIDS Hospice Grant to the Center in Asbury Park, Inc.	(15,000)
AIDS Grants	(11,513,000)
Pequannock Valley Mental Health Center	(50,000)
Resolve Drug Treatment Center, Scotch Plains	(25,000)

From the Family Planning Services account, $10,000 is transferred to the Department of Human Services, Division of Medical Assistance and Health Services for Family Planning Services.

There is appropriated from the Alcohol Education, Rehabilitation and Enforcement Fund $570,000 to fund the Fetal Alcohol Syndrome program.

An amount not to exceed $1,830,000 is appropriated to the Department of Health from monies deposited in the Health Care Subsidy Fund established pursuant to section 8 of P.L.1992, c.160 (C.26:2H-18.58) to fund the Infant Mortality Reduction Program.

The unexpended balance as of June 30, 1996 in the Pharmaceutical Services for Adults with Cystic Fibrosis account is appropriated.

The unexpended balance of appropriations, as of June 30, 1996, made to the Department of Health by section 20 of P.L.1989, c.51 for State licensed or approved drug abuse prevention and treatment programs is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

An amount not to exceed $130,000, collected by the Casino Control Commission is payable to the General Fund pursuant to section 145 of P.L.1977, c.110 (C.5:12-145). Casino penalties collected in excess of those anticipated, not to exceed an aggregate total of $600,000, are appropriated to the Department of Health to provide for compulsive gambling grants. The unexpended balance as of June 30, 1996 in this account is appropriated to the Department of Health to provide funds for compulsive gambling grants.

There is appropriated from the Alcohol Education, Rehabilitation and Enforcement Fund $420,000 to fund the Local Alcoholism Authorities-Expansion account.

If the combination of grants from the Family Planning Services account and the increase of new federal Medicaid funding available to family planning clinics falls below fiscal year 1996 payments to clinics, such additional sums as may be required are appropriated from the Health Care Planning account, not to exceed $285,000, subject to the approval of the Director of the Division of Budget and Accounting.

22 Health Planning and Evaluation -- Grants-In-Aid

06-4260 Health Facilities Evaluation		$504,000
Total Appropriation, Health Planning and Evaluation		$504,000
Grants:		
Emergency Medical Services	($79,000)	
Poison Control Center	(425,000)	

There are appropriated from the New Jersey Emergency Medical Service Helicopter Response Program Fund established pursuant to section 2 of P.L.1992, c.87 (C.26:2K-36.1) such sums as are necessary to pay the reasonable and necessary expenses of the operation of the New Jersey Emergency Medical Service Helicopter Response Program created pursuant to P.L.1986, c.106 (C.26:2K-35 et al.), subject to the approval of the Director of the Division of Budget and Accounting.

Total Appropriation, Department of Health	$42,260,000

54 DEPARTMENT OF HUMAN SERVICES

20 Physical and Mental Health
23 Mental Health Services
7700 Division of Mental Health Services -- Grants-In-Aid

08-7700 Community Services		$159,540,000
Total Appropriation, Division of Mental Health Services		$159,540,000
Grants:		
Marlboro Closure Initiative	($17,936,000)	

Community Care	(120,720,000)
Community Mental Health Center – University of Medicine and Dentistry, Newark	(6,205,000)
Community Mental Health Center – University of Medicine and Dentistry, Piscataway	(11,985,000)
Cost of Living Adjustment, Deferred Cost – Community Services	(2,694,000)

With the exception of disproportionate share hospital revenues that may be received, federal and other funds received for the operation of community mental health centers at the New Jersey Medical School and the Robert Wood Johnson Medical School shall be available to the University of Medicine and Dentistry of New Jersey for the operation of the centers.

The amount appropriated hereinabove for the Community Mental Health Centers and the amount appropriated to the Department of State for the University of Medicine and Dentistry of New Jersey, and fringe benefits provided to UMDNJ through the Inter-Departmental accounts, is first charged to the federal disproportionate share hospital reimbursements anticipated as Medicaid Uncompensated Care.

Notwithstanding the provisions of any law to the contrary, as a result of the Marlboro closure initiative, an amount is to be transferred from the Inter-Departmental Employee Benefits program classification to the Marlboro Closure Initiative account, subject to the approval of the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee.

The unexpended balance as of June 30, 1996 in the Marlboro closure initiative account is appropriated.

The unexpended balance as of June 30, 1996 in the Family Support for Persons with a Serious Mental Illness Account is appropriated.

24 Special Health Services
7540 Division of Medical Assistance and Health Services -- Grants-In-Aid

22-7540 General Medical Services		$1,756,623,000
24-7540 Pharmaceutical Assistance to the Aged and Disabled		38,173,000
Total Appropriation, Division of Medical Assistance and Health Services		$1,794,796,000
Grants:		
Managed Care Initiative	($313,520,000)	
Payments for Medical Assistance Recipients - Nursing Homes	(513,787,000)	
Payments for Medical Assistance Recipients - High Medicaid Occupancy Nursing Homes	(9,000,000)	
Payments for Medical Assistance Recipients - Inpatient Hospital	(215,980,000)	
Payments for Medical Assistance Recipients - Prescription Drugs	(129,405,000)	
Payments for Medical Assistance Recipients - Outpatient Hospital	(80,275,000)	
Payments for Medical Assistance Recipients - Physician	(21,719,000)	

Payments for Medical Assistance Recipients - Home Health	(40,827,000)
Payments for Medical Assistance Recipients - Medicare B Payments	(31,206,000)
Payments for Medical Assistance Recipients - Dental	(14,744,000)
Payments for Medical Assistance Recipients - Psychiatric Hospital	(15,168,000)
Payments for Medical Assistance Recipients - Medical Supplies	(10,769,000)
Payments for Medical Assistance Recipients - Clinic	(60,102,000)
Payments for Medical Assistance Recipients - Transportation	(19,962,000)
Payments for Medical Assistance Recipients - Other Services	(22,254,000)
Unit Dose Contract Services	(5,600,000)
Consulting Pharmacy Services	(2,240,000)
Maternal and Child Health Expansion	(36,670,000)
Medicaid Expansion to Age 19 and 100% of Poverty	(4,070,000)
Medicaid Expansion -- SOBRA	(185,325,000)
Community Care Programs for the Elderly Disabled	(24,000,000)
Pharmaceutical Assistance to the Aged -- Claims	(38,173,000)

The amounts hereinabove appropriated for Payments for Medical Assistance Recipients are available for the payment of obligations applicable to prior fiscal years.

In order to permit flexibility in the handling of appropriations and ensure the timely payment of claims to providers of medical services, amounts may be transferred to and from the various items of appropriation within the General Medical Services program classification in the Division of Medical Assistance and Health Services in the Department of Human Services and the Medical Services for the Aged program classification in the Division of Senior Services in the Department of Health, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer. This provision shall apply to all payments made after June 30, 1990.

For the purposes of account balance maintenance, all object accounts in the General Medical Services program classification shall be considered as one object. This will allow timely payment of claims to providers of medical services but ensure that no overspending will occur in the program classification. This provision shall apply to all payments made after June 30, 1990.

The State appropriation is based on a federal financial participation rate of 48.70%; provided however, that if the federal financial participation rate exceeds this percentage, there will be placed in reserve a portion of the State appropriation equal to the amount of additional federal funds, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of P.L.1962, c.222 (C.44:7-76 et seq.), the Medical Assistance for the Aged program is eliminated; provided however, that necessary medical services shall be available to those enrolled in the program as of June 30, 1982, until such time that those persons no longer require medical care or are eligible for alternative programs.

All funds recovered pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.) and P.L.1975, c.194 (C.30:4D-20 et seq.) during the fiscal year ending June 30, 1997 are appropriated for payments to providers in the same program class from which the recovery originated.

The amount appropriated hereinabove for the Division of Medical Assistance and Health Services first is to be charged to the federal disproportionate share hospital reimbursements anticipated as Medicaid uncompensated care.

Notwithstanding any other law to the contrary, a sufficient portion of receipts generated or savings realized in Medical Assistance Grants-In-Aid accounts from initiatives included in the fiscal year 1997 Budget may be transferred to the Health Services Administration and Management accounts to fund costs incurred in realizing these additional receipts or savings.

Notwithstanding any law to the contrary and subject to federal approval, the Commissioner of the Department of Human Services is authorized to develop and introduce Optional Service Plan Innovations to enhance client choice for users of Medicaid optional services, while containing expenditures.

The State Treasurer is authorized to sell part or all of the assets of the Garden State Health Plan on such terms and conditions as the State Treasurer, in consultation with the Commissioner of Human Services, determines to be in the best interest of the State. In addition, payment to a vendor for their assistance in the sale of the Garden State Health Plan shall be paid from the sale of the Garden State Health Plan revenue, subject to the approval of the Director of the Division of Budget and Accounting.

A revolving fund for the operation of the Garden State Health Plan is continued until such time as a sale can be implemented, subject to the approval of the Director of the Division of Budget and Accounting. If continuation is necessary, funds shall be allocated from the Managed Care Initiative account and deposited into the fund. There are appropriated for transitional costs additional funds from Garden State Health Plan revolving fund balances or the General Fund, as determined necessary by the Director of the Division of Budget and Accounting. Also, subject to the approval of the Director of the Division of Budget and Accounting, there are appropriated within the Garden State Health Plan revolving fund sufficient payments for a management services contract if such a contract is entered into during the process of selling the Plan.

Such sums as may be necessary are appropriated from the amount hereinabove for Payments for Medical Assistance Recipients - Nursing Homes to provide for long-term care alternative services for Medicaid eligible individuals residing in Class C boarding homes or residential health care facilities (or portions thereof), which have converted to comprehensive personal care homes and have been licensed by the Department of Health, when these individuals would have otherwise entered a nursing home, subject to both federal approval and approval of the Director of the Division of Budget and Accounting.

The Division of Medical Assistance and Health Services, subject to federal approval, shall implement policies that would limit the ability of persons who have the financial ability to provide for their own long-term care needs to manipulate current Medicaid rules to avoid payment for that care. The division shall require, in the case of a married individual requiring long-term care services, that the portion of the couple's resources which are not protected for the needs of the community spouse be used solely for the purchase of long-term care services.

Funding for alternative long-term care initiatives is made available from the Payments for Medical Assistance Recipients - Nursing Homes account, subject to both federal waiver approval and approval of the Director of the Division of Budget and Accounting.

The Division of Medical Assistance and Health Services is empowered to competitively bid and contract for performance of federally mandated inpatient hospital utilization reviews, and that the funds necessary for the contracted utilization review of these hospital services be made available from the Payments for Medical Assistance Recipients - Inpatient Hospital account subject to the approval of the Director of the Division of Budget and Accounting.

Of the amounts included within the appropriations for Payments for Medical Assistance Recipients -- Inpatient Hospital and Payments for Medical Assistance Recipients -- Outpatient Hospital for Graduate Medical Education reimbursement for services provided to Medicaid beneficiaries not enrolled in managed care, the University Hospital of the University of Medicine and Dentistry of New Jersey shall receive no less than $10,183,000 (combined State and federal) in fiscal year 1997, subject to the approval of the Director of the Division of Budget and Accounting.

Rebates from pharmaceutical manufacturing companies during the fiscal year ending June 30, 1997 for prescription expenditures made to providers on behalf of Medicaid clients are appropriated for the Payments for Medical Assistance Recipients -- Prescription Drugs account.

Such sums as may be necessary are appropriated from enhanced audit recoveries obtained by the Division of Medical Assistance and Health Services to fund the costs of enhanced audit recovery efforts of the division within the General Medical Services program classification subject to the approval of the Director of the Division of Budget and Accounting.

The amounts hereinabove appropriated for payments for "Pharmaceutical Assistance to the Aged and Disabled" program, P.L.1975, c.194 (C.30:4D-20 et seq.), are available for the payment of obligations applicable to prior fiscal years.

Benefits provided under the "Pharmaceutical Assistance to the Aged and Disabled" (PAAD) program, P.L.1975, c.194 (C.30:4D-20 et seq.) shall be the last resource benefits, notwithstanding any provisions contained in contracts, wills, agreements or other instruments. Any provision in a contract of insurance, will, trust agreement or other instrument which reduces or excludes coverage or payment to an individual because of that individual's eligibility for or receipt of PAAD benefits shall be void, and no PAAD payments shall be made as a result of any such provision.

Notwithstanding the provisions of section 3 of P.L.1975, c.194 (C.30:4D-22) to the contrary, the copayment in the "Pharmaceutical Assistance to the Aged and Disabled" program shall be $5.00.

Notwithstanding the provisions of any law to the contrary, rebates from pharmaceutical manufacturing companies for prescriptions purchased by the Pharmaceutical Assistance to the Aged and Disabled program shall continue throughout fiscal year 1997. All revenues from such rebates during the fiscal year ending June 30, 1997 are appropriated for the "Pharmaceutical Assistance to the Aged and Disabled" program.

Notwithstanding any law to the contrary and subject to the notice provisions of 42 CFR §447.205, Personal Care Assistant services shall be limited to no more than 25 hours per week. Additional hours, up to 40 per week, shall be authorized by the Division of Medical Assistance and Health Services prior to the provision of services not provided by clinics under contract with the Division of Mental Health Services. The hourly weekend rate shall be $16. Additional savings shall be achieved by an increase in the frequency of the assessments performed to determine the need, scope and duration of Personal Care Assistant services.

Notwithstanding the provisions of any law to the contrary, no funds appropriated for Medicaid nursing facility reimbursement shall be expended for administrator or assistant administrator costs or non-food general costs in excess of 100% of the median for those cost centers, subject to the notice provisions of 42 C.F.R. §477.205.

Notwithstanding the provisions of any other law or regulation to the contrary, effective July 1, 1996 or at the earliest date thereafter consistent with the notice provisions of 42 CFR §447.205 where applicable, no funds appropriated in the Payments for Medical Assistance Recipients -- Prescription Drugs account and in the Pharmaceutical Assistance to the Aged and Disabled program classification shall be expended except under the following conditions: (a) reimbursement for prescription drugs shall be based on the Average Wholesale Price less a 10% discount, (b) prescription drugs dispensed by a retail pharmacy shall be limited to a 34-day or 100 unit dose supply, whichever is greater, (c) the current prescription drug dispensing fee structure set as a variable rate of $3.73 to $4.07 in effect on June 30, 1996 shall remain in effect through fiscal year 1997, including the current increments for patient consultation, impact allowances, and allowances for 24-hour emergency services, (d) reimbursement for non-legend drugs including protein replacement supplements, specialized infant formulas and food oils, devices or supplies shall be on the basis of the Estimated Acquisition Cost (EAC), identified in current national price compendia for other appropriate sources, and their supplements, minus the appropriate regression, plus dispensing fee, and (e) reimbursement shall continue for all providers who supply protein nutritional supplements and specialized infant formulas, subject to all applicable regulations established by the Commissioner of Human Services, and provided further, however, that the Commissioner of Human Services may, after an audit or other equivalent documentation demonstrating provider non-compliance, terminate any agreements with such provider.

Notwithstanding the provisions of any other law or regulation to the contrary, effective July 1, 1996, each prescription order dispensed in the Pharmaceutical

Assistance to the Aged and Disabled program shall state "Brand Medically Necessary" in the prescriber's own handwriting in order to override generic substitution of Maximum Allowable Cost (MAC) drugs, and each prescription order shall follow the requirements of P.L.1977, c.240 (C.24:6E-1 et seq.). The list of drugs substituted shall conform to the Drug Utilization Review Council approved list of substitutable drugs and any other requirements pertaining to drug substitution as established by the State Medicaid Program.

Notwithstanding any law to the contrary, prescription drug benefits provided to eligible beneficiaries in the General Medical Services program shall be subject to computer-based Point-of-Sale review.

Notwithstanding any other law to the contrary, effective July 1, 1996, reimbursement for nursing facility services shall be 90% of the per diem rate when a Medicaid beneficiary is hospitalized. As in the past, these payments shall be limited to be the first ten days of the hospitalization. Medicaid reimbursement for nursing facility services shall be discontinued beyond the tenth day of the hospitalization.

Notwithstanding the provisions of any law to the contrary, subject to the notice provisions of 42 CFR §447.205, no funds appropriated for Medicaid in-State inpatient hospital services for DRG hospital reimbursement shall be expended in excess of the methodology contained herein. Inpatient hospital reimbursement for Graduate Medical Education (GME) and Indirect Medical Education (IME) is calculated based on Medicare Principles of reimbursement to major teaching hospitals. Major teaching hospitals is defined as those hospitals which had a minimum of 45 resident full-time equivalents (FTEs) in all approved and accredited residences from the 1993 Medicare first finalized audited cost report. The amount calculated shall be distributed to all teaching hospitals based on the hospital-specific percentage to total weighted FTEs, where weighted FTEs equals the hospital-specific current FTEs times the hospital-specific Medicaid fee-for-service days divided by the total Medicaid fee-for-service days for all teaching hospitals. The source for the FTEs and the Medicaid fee-for-services days is the Medicare audited cost report for 1996 for 1996 services and 1997 for 1997 services. Payments for GME and IME will be paid in a monthly lump sum from the appropriation for in-patient hospital services and will be reconciled to 1996 and 1997 cost reports. Therefore, all direct and indirect costs related to the GME program will be excluded from the cost base when calculating the DRG rates. The standard rate for each DRG shall be based on the Statewide Median. These changes shall be effective July 1, 1996, after federally mandated findings and assurances analyses are completed.

The unexpended balances as of June 30, 1996 in the Managed Care Initiative account, not to exceed $6,000,000, is appropriated, subject to the approval of the Director of Budget and Accounting.

The funds appropriated hereinabove for Payments for Medical Assistance Recipients - High Medicaid Occupancy Nursing Homes shall be distributed among those nursing homes whose Medicaid patient day occupancy level is at or above 75%. Each such facility shall receive its distribution through a prospective per diem rate adjustment according to the following formula: E = A Medicaid Days/T Medicaid Days x F; where E is the entitlement for a specific nursing home resulting from this allocation; A Medicaid Days is an individual nursing home's

reported Medicaid days on June 30, 1996; T Medicaid Days is the total reported Medicaid days for all affected nursing homes; and F is the total amount of State and federal funds to be distributed. No nursing home shall receive a total allocation greater than the amount lost, due to adjustments in Medicaid reimbursement methodology, which became effective April 1, 1995. Any balances remaining undistributed from the abovementioned amount, shall be deposited in a reserve account in the General Fund.

30 Educational, Cultural and Intellectual Development
32 Operation and Support of Educational Institutions
7601 Community Programs -- Grants-In-Aid

01-7601 Purchased Residential Care		$208,327,000
02-7601 Social Supervision and Consultation		23,222,000
03-7601 Adult Activities		82,699,000
Total State, Federal and All Other Funds Appropriation		$314,248,000
Less:		
Casino Revenue Fund -- Grants-In-Aid		
Purchased Residential Care	**$14,905,000**	
Social Supervision and Consultation	**2,208,000**	
Adult Activities	**7,374,000**	
Total Casino Revenue Fund -- Grants-In-Aid		**$24,487,000**
Less:		
Federal Funds		
Purchased Residential Care	**79,745,000**	
Social Supervision and Consultation	**3,676,000**	
Adult Activities	**51,966,000**	
Total Federal Funds		**$135,387,000**
Less:		
All Other Funds		
Purchased Residential Care	**5,607,000**	
Adult Activities	**53,000**	
Total All Other Funds		**$5,660,000**
Total Appropriation, Community Programs		$148,714,000
Grants:		
Institutional Closure Initiative	($5,100,000)	
Dental Program for Non-Institutionalized Developmentally Disabled and Handicapped Children	(714,000)	
Private Institutional Care	(47,736,000)	
Skill Development Homes	(7,811,000)	
Group Homes	(145,326,000)	
Family Care	(1,640,000)	
Developmental Disabilities Council	(1,185,000)	
Home Assistance	(18,324,000)	
Community Options Inc.	(200,000)	
Social Services	(3,090,000)	
Case Management	(423,000)	
Purchase of Adult Activity Services	(78,435,000)	

Cost of Living Adjustment -- Deferred Cost -- Community Programs	(4,264,000)
Less:	
Casino Revenue Fund -- Grants-In-Aid	**24,487,000**
Federal Funds	**135,387,000**
All Other Funds	**5,660,000**

The Division of Developmental Disabilities is authorized to transfer funds from the Dental Program for Non-Institutionalized Developmentally Disabled and Handicapped Children account to the Division of Medical Assistance and Health Services, in proportion to the number of program participants who are Medicaid eligible.

Excess State funds realized by federal involvement through Medicaid in the Dental Program for Non-Institutionalized Developmentally Disabled and Handicapped Children are committed for the program's support during the subsequent fiscal year, rather than for expansion.

Skill development homes recoveries during the fiscal year ending June 30, 1997, not to exceed $12,000,000, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Amounts required to return persons with mental retardation or developmental disabilities presently residing in out-of-State institutions to group homes within the State may be transferred from the Private Institutional Care account to the Group Homes account, subject to the approval of the Director of the Division of Budget and Accounting.

Amounts that become available as a result of the return of persons from private institutional care placements, including in-State and out-of-State placements, shall be available for transfer to community and community support programs, subject to the approval of the Director of the Division of Budget and Accounting.

The Division of Developmental Disabilities is authorized to transfer funds from the Community Services Waiting List Reduction Initiative account to the Community Services Waiting List Reduction - Adult Activities Initiative account, subject to the approval of the Director of the Division of Budget and Accounting of an itemized plan for the reduction of the Community Services Waiting List, as shall be submitted by the Commissioner of Human Services.

The unexpended balance as of June 30, 1996, in the Institutional Closure Initiative account is appropriated for the same purpose.

Group Home recoveries during the fiscal year ending June 30, 1997, not to exceed $3,500,000, are appropriated for continued operations of Group Homes, and Group Home recoveries not to exceed $7,000,000, are appropriated for a Community Services Waiting List Reduction Initiative, subject to the approval of the Director of the Division of Budget and Accounting.

33 Supplemental Education and Training Programs
7560 Commission for the Blind and Visually Impaired -- Grants-In-Aid

11-7560 Habilitation and Rehabilitation	$1,672,000
12-7560 Instruction, Community Programs and Prevention	2,201,000
Total Appropriation, Commission for the Blind and Visually Impaired	$3,873,000

Grants:	
Services to Rehabilitation Clients	($1,608,000)
Deferred Cost of Living Adjustment – Habilitation and Rehabilitation	(64,000)
Psychological Counseling Services	(140,000)
Recording for the Blind, Inc	(46,000)
Camp Marcella	(50,000)
Educational Services for Children	(1,965,000)

50 Economic Planning, Development and Security
53 Economic Assistance and Security
7540 Division of Medical Assistance and Health Services -- Grants-In-Aid

Notwithstanding the provisions of P.L.1979, c.197 (C.48:2-29.15 et seq.), or the provisions of P.L.1981, c.210 (C.48:2-29.30 et seq.), or any other law to the contrary, the benefits of the "Tenants' Lifeline Assistance Program" may be distributed throughout the entire year from July through June, and are not limited to an October to March heating season, and therefore applications for Lifeline benefits and benefits from the "Pharmaceutical Assistance to the Aged and Disabled" program may be combined.

50 Economic Planning, Development and Security
53 Economic Assistance and Security
7550 Division of Family Development -- Grants-In-Aid

15-7550 Income Maintenance Management		$74,689,000
Total Appropriation, Division of Family Development		$74,689,000
Grants:		
Minority Male Initiative	($160,000)	
Community Law Health Project	(116,000)	
Food Stamp Employment – Transportation	(105,000)	
Social Services for the Homeless	(7,778,000)	
Deferred Cost of Living	(371,000)	
Family Development Initiative	(65,843,000)	
Mini Child Care Center Project Grants	(316,000)	

The commissioner shall provide the Director of the Division of Budget and Accounting, the Senate Budget and Appropriations Committee and the Assembly Appropriations Committee, or the successor committees thereto, with quarterly reports, due within 60 days after the end of each quarter, containing written statistical and financial information on the Job Opportunities and Basic Skills Training (JOBS) program, the Family Development Initiative (FDI), the Work First New Jersey program and any subsequent welfare reform program the State may undertake.

In addition to the amounts hereinabove for the Family Development Initiative account, an amount not to exceed $8,000,000 is appropriated from the New Jersey Workforce Development Partnership Fund, P.L.1992, c.44 (C.34:15D-12 et seq.) .

55 Social Services Programs
7570 Division of Youth and Family Services -- Grants-In-Aid

16-7570 Initial Response/Case Management		$3,424,000
17-7570 Substitute Care		143,060,000
18-7570 General Social Services		151,615,000
99-7570 Management and Administrative Services		1,464,000
Total, State and Federal Appropriation		$299,563,000
Less:		
Casino Revenue Fund -- Grants-In-Aid		
General Social Services	**$3,697,000**	
Total Casino Revenue Fund -- Grants-In-Aid		**$3,697,000**
Less:		
Federal Funds		
Initial Response/Case Management	**$3,424,000**	
Substitute Care	**34,639,000**	
General Social Services	**42,632,000**	
Management and Administrative Services	**945,000**	
Total Federal Funds		**$81,640,000**
Total Appropriation, Division of Youth and Family Services		$214,226,000
Grants:		
Initial Response/Case Management	($1,504,000)	
Restricted Grants	(1,920,000)	
Substitute Care	(1,421,000)	
Aid to Bergen County Domestic Violence Pilot Program	(203,000)	
Other Residential Placements	(11,855,000)	
Medically Fragile/Nursing Services Expansion	(632,000)	
Residential/Group Home Placements	(49,344,000)	
Foster Care	(33,009,000)	
Subsidized Adoption	(31,546,000)	
Special Home Services Providers	(8,488,000)	
Deferred Cost of Living Adjustment – Substitute Care	(2,817,000)	
Domestic Violence Program	(3,745,000)	
West Side Community Center, Asbury Park	(81,000)	
Child Assault Prevention Project	(1,092,000)	
Purchase of Day Care Services	(40,940,000)	
Purchase of Social Services	(22,389,000)	
Public Awareness for Child Abuse Prevention Programs	(241,000)	
Deferred Cost of Living Adjustment – General Social Services	(1,554,000)	
School Based Youth Services Program	(7,498,000)	
Family Support Services	(44,646,000)	
Child Abuse Prevention	(10,032,000)	
Regional Child Abuse Treatment Centers	(409,000)	
Office of Refugee Resettlement – Social Services	(3,577,000)	

School Based Mental Health/Child Abuse Outreach	(1,000,000)
Family Growth Program – Catholic Charities, Trenton	(100,000)
County Human Services Advisory Boards – Formula Funding	(9,995,000)
Children and Families Initiative	(1,134,000)
Fisherman's Mark for Child Care and Support Services	(138,000)
Personal Attendant Program	(6,244,000)
Family Day Care Provider Registration Act	(469,000)
Children's Justice Act	(375,000)
Counseling for Families of Young Crime Victims – Pilot Program	(50,000)
Morris/Sussex/Sexual Abuse Victims' Program	(315,000)
Domestic Abuse Services, Inc. – Sussex	(180,000)
Somerset Home for Temporarily Displaced Children	(25,000)
Great Expectations – Somerset	(25,000)
National Center for Child Abuse and Neglect	(570,000)
Less:	
Casino Revenue Fund -- Grants-In-Aid	**3,697,000**
Federal Funds	**81,640,000**

The sums hereinabove for the Residential/Group Home Placements, Foster Care, Subsidized Adoption, and Family Support Services accounts are available for the payment of obligations applicable to prior fiscal years.

Any change by the Department of Human Services in the rates paid for the foster care and adoption subsidy programs shall first be approved by the Director of the Division of Budget and Accounting.

Of the amount hereinabove appropriated for Foster Care and Subsidized Adoption, the Division of Youth and Family Services may expend up to $225,000 for recruitment of foster and adoptive families; provided however, that a plan for recruitment and training first shall be approved by the Director of the Division of Budget and Accounting.

Receipts in the Marriage License Fee Fund in excess of the amount anticipated are appropriated.

Of the amount hereinabove appropriated for the Domestic Violence Program account, $1,409,000 is payable out of the Marriage License Fee Fund. If receipts to that fund are less than anticipated, the appropriation shall be reduced proportionately.

Of the amount appropriated hereinabove for a Regional Child Abuse Treatment Center, $200,000 shall be allocated for a new Regional Child Abuse and Diagnostic Treatment Center at Hackensack Medical Center.

The amount appropriated hereinabove for School Based Mental Health/Child Abuse Outreach shall be used for a pilot program for Psychiatric Liaisons to be implemented and operated by St. Clares Riverside Medical Center in Sussex and Morris counties.

The Department of Human Services shall provide a list of the County Human Service Advisory Boards contracts to the Director of the Division of Budget and

Accounting on or before September 30, 1996. The listing shall segregate out the administrative costs of such contracts.

Funds recovered under P.L.1951, c.138 (C.30:4C-1 et seq.) during the fiscal year ending June 30, 1997, are appropriated.

Notwithstanding the provision of any law to the contrary, amounts that become available as a result of the return of persons from in-State and out-of-State residential placements to community programs within the State may be transferred from the Residential Group Home Placements account to the appropriate Substitute Care or General Social Services account, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts from counties for persons under the care and supervision of the Division of Youth and Family Services are appropriated for the purpose of providing State aid to the counties, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount appropriated hereinabove for Purchase of Social Services, there is appropriated an amount not to exceed $3,500,000 from new disproportionate share hospital revenues received under section 214 of the Omnibus Consolidated Rescissions and Appropriations Act of 1996, Pub.L.104-134, subject to approval of the Director of the Division of Budget and Accounting.

7580 Division of the Deaf and Hard of Hearing -- Grants-In-Aid		
23-7580 Services for the Deaf		$55,000
Total Appropriation, Division of the Deaf and Hard of Hearing		$55,000
Grants:		
Telecommunication Devices for the Deaf	($55,000)	
70 Government Direction, Management and Control		
76 Management and Administration		
7500 Division of Management and Budget -- Grants-In-Aid		
87-7500 Research, Policy and Planning		$612,000
Total Appropriation, Division of Management and Budget		$612,000
Grants:		
Office of Prevention of Mental Retardation and Developmental Disabilities	($612,000)	
Total Appropriation, Department of Human Services		$2,396,505,000

The Commissioner of the Department of Human Services shall on or before December 31, 1996 report to the Governor and the Legislature as to the savings realized during the first six months of the fiscal year and projected savings to be realized by June 30, 1997 attributable to the savings initiatives included in this act with respect to the Medicaid and Pharmaceutical Assistance to the Aged and Disabled prescription drug programs.

62 DEPARTMENT OF LABOR

50 Economic Planning, Development and Security
54 Manpower and Employment Services -- Grants-In-Aid

07-4535 Vocational Rehabilitation Services		$17,656,000
Total Appropriation, Manpower and Employment Services		$17,656,000
Grants:		
Services to Clients (State Share)	($3,458,000)	
Supported Employment Services	(450,000)	
Sheltered Workshop Support	(11,824,000)	
Sheltered Workshop Employment Placement Incentive Program	(1,250,000)	
Services for Deaf Individuals	(170,000)	
Independent Living Centers	(500,000)	
Training (State share)	(4,000)	

The sum hereinabove for the Vocational Rehabilitation Services program classification is available for the payment of obligations applicable to prior fiscal years.

Of the amount hereinabove for the Vocational Rehabilitation Services program classification, an amount not to exceed $17,656,000 is appropriated from the unemployment compensation auxiliary fund.

Total Appropriation, Department of Labor	$17,656,000

66 DEPARTMENT OF LAW AND PUBLIC SAFETY

10 Public Safety and Criminal Justice
12 Law Enforcement -- Grants-In-Aid

08-1200 Emergency Services		$265,000
Total Appropriation, Law Enforcement – Grants-In-Aid		$265,000
Grants:		
Nuclear Emergency Response Program	($265,000)	

10 Public Safety and Criminal Justice
18 Juvenile Services -- Grants-In-Aid

34-1500 Juvenile Community Programs		$12,717,000
Total Appropriation, Juvenile Services		$12,717,000
Grants:		
Alternatives to Juvenile Incarceration Programs	($2,225,000)	
Crisis Intervention Program	(3,560,000)	
State/Community Partnership Grants	(6,900,000)	
Deferred Cost of Living Adjustment – Alternatives to Juvenile Incarceration Programs	(32,000)	

The unexpended balances as of June 30, 1996 in the accounts hereinabove are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Total Appropriation, Department of Law and Public Safety	$12,982,000

New Jersey State Library

67 DEPARTMENT OF MILITARY AND VETERANS' AFFAIRS

10 Public Safety and Criminal Justice
14 Military Services -- Grants-In-Aid

40-3620 New Jersey National Guard Support Services		$25,000
Total Appropriation, Military Services		$25,000
Grants:		
Civil Air Patrol	($25,000)	

80 Special Government Services
83 Services to Veterans
3610 Veterans' Program Support -- Grants-In-Aid

50-3610 Veterans' Outreach and Assistance		$944,000
Total Appropriation, Veterans' Program Support		$944,000
Grants:		
Veterans' Tuition Credit Program	($38,000)	
POW/MIA Tuition Assistance	(11,000)	
Vietnam Veterans' Tuition Aid	(7,000)	
Veterans Transportation	(300,000)	
Veterans' Orphan Fund – Education Grants	(5,000)	
Blind Veterans' Allowances	(46,000)	
Paraplegic and Hemiplegic Veterans' Allowance	(237,000)	
Post-Traumatic Stress Disorder	(300,000)	

The sums provided hereinabove and the unexpended balances as of June 30, 1996 in the Veterans' Tuition Credit, POW/ MIA Tuition Assistance and the Vietnam Veterans' Tuition Aid accounts are appropriated and available for payment of liabilities applicable to prior fiscal years.

Total Appropriation, Department of Military and Veterans' Affairs	$969,000

74 DEPARTMENT OF STATE

30 Educational, Cultural and Intellectual Development
36 Higher Educational Services -- Grants-In-Aid

60-2600 Statewide Planning and Coordination for Higher Education		$4,050,000
61-2601 Educational Opportunity Fund Programs		32,212,000
Total Appropriation, Higher Educational Services		$36,262,000
Grants:		
College Bound	($2,900,000)	
Higher Education for Special Needs Students	(750,000)	
Program for the Education of Language Minority Students	(400,000)	
Opportunity Program Grants	(20,410,000)	
Supplementary Education Program Grants	(11,000,000)	
Martin Luther King Physician - Dentist Scholarship Act of 1986	(602,000)	
Ferguson Law Scholarships	(200,000)	

An amount not to exceed 5% of the total of Higher Education for Special Needs Students and Program for the Education of Language Minority Students accounts is available for the administrative expenses of these programs.

An amount not to exceed $50,000 of the College Bound account is available for the administrative expenses of this program.

Refunds from prior years to the Educational Opportunity Fund program accounts are appropriated to those accounts.

Of the amount hereinabove for Higher Educational Services, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule at page K-37 in the Governor's Budget Recommendation Document dated January 29, 1996, first shall be charged to the State Lottery Fund.

30 Educational, Cultural and Intellectual Development
37 Cultural and Intellectual Development Services -- Grants-In-Aid

05-2530 Support of the Arts		$11,225,000
07-2540 Development of Historical Resources		487,000
Total Appropriation, Cultural and Intellectual Development Services		$11,712,000
Grants:		
Grants in New Jersey History	($189,000)	
Grants in Afro-American History	(13,000)	
Humanities Council	(100,000)	
American Labor Museum – Botto House	(85,000)	
South Jersey Performing Arts Center	(1,000,000)	
New Jersey Shakespeare Festival, Madison	(50,000)	
New Jersey Historical Society	(100,000)	
Cultural Projects	(10,175,000)	

The State Council on the Arts may require of recipient groups, and in the case of those receiving over $100,000 shall require, that those groups must demonstrate a Statewide benefit as a result of the grants.

Of the amount hereinabove for Cultural Projects, an amount not to exceed $75,000 may be used for administrative purposes, subject to the approval of the Director of the Division of Budget and Accounting.

Of the amount hereinabove for Cultural Projects, an amount not to exceed $125,000 may be used for the audit of cultural projects as required under the provisions of the Single Audit Act, subject to the approval of the Director of the Division of Budget and Accounting.

Of the amount hereinabove for Cultural Projects, funds may be used for the purpose of matching federal grants.

A sum, not to exceed $200,000, is appropriated from the "Cultural Centers and Historic Preservation Fund," established pursuant to section 20 of P.L.1987, c.265, for costs attributable to planning and administering the cultural center development of State grants, subject to the approval of the Director of the Division of Budget and Accounting.

Total Appropriation, Department of State	$47,974,000

78 DEPARTMENT OF TRANSPORTATION

60 Transportation Programs
62 Public Transportation -- Grants-In-Aid

04-6050	New Jersey Transit Corporation – Operations		
	Bus Operations		$296,708,000
	Rail Operations		310,006,000
	Corporate Operations		145,186,000
	Purchased Transportation		72,100,000
	Total All Operations		$824,000,000
Less:			
	Federal Operating Assistance	**$8,800,000**	
	Farebox Revenue	**390,200,000**	
	Other Resources	**206,000,000**	
	Total Income Deductions		**$605,000,000**
	Total Appropriation, Public Transportation		$219,000,000
	Personal Services:		
	Salaries and Wages	($504,400,000)	
	Materials and Supplies	(117,500,000)	
	Services Other Than Personal	(48,500,000)	
	Special Purpose:		
	Leases and Rentals	(1,000,000)	
	Purchased Transportation	(72,100,000)	
	Insurance and Claims	(26,900,000)	
	Tolls, Taxes and Other Operating Expenses	(53,600,000)	
Less:			
	Income Deductions	**605,000,000**	

64 Regulation and General Management -- Grants-In-Aid

05-6070	Access and Use Management		$550,000
	Total Appropriation, Regulation and General Management		$550,000
Grants:			
	Airport Safety Fund	($550,000)	

The unexpended balance as of June 30, 1996 in the Airport Safety Fund account together with any receipts in excess of the amount anticipated are appropriated. The amount hereinabove for the Airport Safety Fund is payable out of the "Airport Safety Fund" established pursuant to section 4 of P.L.1983, c.264 (C.6:1-92). If receipts to that fund are less than anticipated, the appropriation shall be reduced proportionately.

	Total Appropriation, Department of Transportation	$219,550,000

82 DEPARTMENT OF THE TREASURY

30 Educational, Cultural and Intellectual Development
36 Higher Educational Services -- Grants-In-Aid

46-2150	Student Assistance Programs	$147,475,000
47-2155	Support to Independent Institutions	22,099,000

49-2155 Miscellaneous Higher Educational Programs		40,694,000
Total Appropriation, Higher Educational Services		$210,268,000
Grants:		
Veterinary Medicine Education Program	($1,337,000)	
Tuition Aid Grants, P.L. 1968, c.429 (C.18A:71-41 et seq.)	(137,661,000)	
Garden State Scholarships	(2,662,000)	
Public Tuition Benefits Grants	(65,000)	
Edward J. Bloustein Distinguished Scholars Program	(3,600,000)	
Urban Scholarships	(1,300,000)	
Part-Time Tuition Aid Grants–EOF Students	(400,000)	
Minority Academic Careers Program	(450,000)	
Aid to Independent Colleges and Universities	(18,645,000)	
Dental School Aid – Fairleigh Dickinson University	(1,600,000)	
Equipment Leasing Fund – Debt Service	(19,304,000)	
Acceleration in Computer Science for Minority Students – Monmouth College	(5,000)	
Centenary College – Technology	(180,000)	
Pro Bono Service Program – Seton Hall	(54,000)	
Institute for Community Services – Seton Hall	(90,000)	
Marine Sciences Consortium	(376,000)	
Einstein Chair for Scholarly Studies at the Institute for Advanced Study	(65,000)	
Richard J. Hughes Chair for Constitutional and Public Law and Service at Seton Hall University	(65,000)	
Alfred E. Driscoll Chair in Pharmaceutical/ Chemical Studies, F.D.U.	(65,000)	
Laurie Chair in Women's Studies at Douglass College	(75,000)	
Will and Ariel Durant Chair in the Humanities at St. Peters College	(65,000)	
Small Business and Entrepreneurship Chair at Rutgers University	(65,000)	
Raoul Wallenberg Visiting Professorship in Human Rights – Rutgers University	(100,000)	
Millicent Fenwick Research Professorship in Education at Monmouth University	(75,000)	
Discrete Mathematics and Computer Science Center – Institute for Advanced Study	(100,000)	
Research Under Contract with the Institute of Medical Research, Camden	(850,000)	
Higher Education Facilities Trust Fund – Debt Service	(21,014,000)	
Total Appropriation, Department of the Treasury		$210,268,000

For the purpose of implementing the "Independent College and University Assistance Act," P.L.1979, c.132 (C.18A:72B-15 et seq.), the number of full-time

equivalent students (FTE) at the eight State Colleges is 46,572 for fiscal year 1996.

The sums provided hereinabove and the unexpended balances as of June 30, 1996, in Student Assistance Programs are appropriated and available for payment of liabilities applicable to prior fiscal years.

Amounts from the unexpended balance as of June 30, 1996, including refunds recognized after July 31, 1995, in the Tuition Aid Grants account are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law to the contrary, the sums provided hereinabove for the Tuition Aid Grant program shall provide dollar awards not exceeding those levels provided by the Student Assistance Board in fiscal year 1996.

Each public institution participating in the Tuition Aid Grant program shall provide institutional grants to students eligible for the maximum Tuition Aid Grant (TAG) award for that institution in an amount not less than the difference between the maximum 1995-96 TAG award for the institution and the institution's actual 1995-96 tuition rate.

Of the amount hereinabove for Higher Educational Services, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule at page K-37 in the Governor's Budget Recommendation Document dated January 29, 1996 first shall be charged to the State Lottery Fund.

Total Appropriation, Grants-In-Aid	$3,126,702,000

STATE AID
20 DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

50 Economic Planning, Development and Security
51 Economic Planning and Development -- State Aid

20-2800 Economic Development		$3,148,000
Total Appropriation, Economic Planning and Development		$3,148,000
State Aid:		
Debt Service Reserve Fund Requirements, Section 14 of P.L.1968, c.60 (C.12:11A-14)	($3,148,000)	

There are appropriated such additional sums as may be certified to the Governor by the South Jersey Port Corporation as necessary to meet the requirements of the "South Jersey Port Corporation Reserve Fund" under section 14 of P.L.1968, c.60 (C.12:11A-14) and the "South Jersey Port Corporation Tax Reserve Fund" under section 20 of P.L.1968, c.60 (C.12:11A-20), the expenditure of which shall be subject to the approval of the Director of the Division of Budget and Accounting.

Total Appropriation, Department of Commerce and Economic Development	$3,148,000

22 DEPARTMENT OF COMMUNITY AFFAIRS

40 Community Development and Environmental Management
41 Community Development Management -- State Aid

02-8020 Housing Services		$16,675,000
04-8030 Local Government Services		38,150,000
06-8015 Uniform Construction Code		46,000
Total Appropriation, Community Development Management		$54,871,000
State Aid:		
Neighborhood Preservation (P.L.1975, c.248 and c.249)	($2,750,000)	
Neighborhood Preservation – Fair Housing (P.L.1985, c.222)	(13,925,000)	
Joint Services Incentive Aid	(500,000)	
Aid for GAAP Accounting Implementation	(1,500,000)	
Legislative Initiative Municipal Block Grant Program	(33,000,000)	
Payment to Urban Centers to Raze Vacant Buildings	(250,000)	
Watershed Moratorium Offset Aid	(2,000,000)	
Extraordinary Municipal Costs Related to Chemical Plant Explosion – Lodi Borough	(900,000)	
Municipal Memberships in Building Codes Association	(46,000)	

Of the sum hereinabove for Neighborhood Preservation, an amount not to exceed $2,514,000 is payable from revenues transferred to the General Fund from the Mortgage Assistance Fund created by section 4 of P.L.1976, c.94, and shall be expended for purposes authorized by section 5 of P.L.1976, c.94 which are also authorized by P.L.1975, c.248 (C.52:27D-142 et seq.) or P.L.1975, c.249 (C.52:27D-152 et seq.).

Of the sum hereinabove for Neighborhood Preservation, a sum not to exceed $300,000 may be used for administration of the program and technical assistance, and up to $300,000 for matching on a 50/50 basis for the administrative costs of the Federal Small Cities Block Grant.

Any receipts in excess of the amount anticipated in the Neighborhood Preservation-Fair Housing account are appropriated.

The unexpended balance in excess of $300,000 as of June 30, 1996 in the Relocation Assistance account is appropriated.

The amount hereinabove for Neighborhood Preservation-Fair Housing is payable from the receipts of the portion of the realty transfer tax directed to be credited to the Neighborhood Preservation Nonlapsing Revolving Fund pursuant to section 4 of P.L.1968, c.49 (C.46:15-8), and from the receipts of the portion of the realty transfer tax directed to be credited to the Neighborhood Preservation Nonlapsing Revolving Fund pursuant to section 4 of P.L.1975, c.176 (C.46:15-10.1). If the receipts are less than anticipated, the appropriation shall be reduced proportionately.

Of the amount hereinabove for Neighborhood Preservation-Fair Housing, an amount not to exceed $1,250,000 may be used to provide technical assistance grants to

non-profit housing organizations and authorities for creating and supporting affordable housing opportunities.

The unexpended balance as of June 30, 1996 in the Neighborhood Preservation-Fair Housing account is appropriated.

Notwithstanding any law to the contrary, funds appropriated for Neighborhood Preservation-Fair Housing may be provided directly to the housing project being assisted; provided however, that any such project have the support by resolution of the governing body of the municipality in which it is located.

The amount hereinabove for Joint Services Incentive Aid shall be expended to promote and encourage interlocal service activities and consolidation efforts among local governments, in accordance with guidelines established by the Commissioner.

The unexpended balance in excess of $30,000 as of June 30, 1996 in the Safe and Clean: Expanded Police Services account is appropriated.

The unexpended balance as of June 30, 1996 in the Supplementary Aid for Fire Services account is appropriated.

A portion of the amount hereinabove for Aid for GAAP Accounting Implementation shall be available for State agency implementation and support costs, subject to the approval of the Director of the Division of Budget and Accounting. Any training provided to municipal governments funded from Aid for GAAP Accounting Implementation shall be through purely voluntary local interest and nothing provided in this act shall require any municipality to adopt GAAP accounting or to participate in a program to encourage GAAP accounting.

The unexpended balance as of June 30, 1996 in the Aid for GAAP Accounting Implementation is appropriated.

Notwithstanding any provisions of the "Local Budget Law," P.L.1960, c.169 (C.40A:4-1 et seq.), to the contrary, the Director of the Division of Local Government Services may require any municipality which is determined to be experiencing fiscal distress pursuant to the provisions of P.L.1987, c.75 (C.52:27D-118.24 et seq.), to anticipate and include in its annual budget any additional item or amount of revenue as the Director deems to be appropriate and fiscally prudent.

Notwithstanding any provision of law to the contrary, municipal appropriations for "Reserve for Tax Appeals" may be made in exception to spending limitations pursuant to section 3 of P.L.1976, c.68 (C.40A:4-45.3).

Notwithstanding the provisions of P.L.1985, c.379 and any installment agreement specified by the Local Finance Board pursuant thereto, the Township of North Bergen shall make a payment of $300,000 during calendar year 1996 in repayment of the loan made pursuant to P.L.1985, c.379, in addition to any payments required to be made to discharge the loan pursuant to the provisions of P.L.1989, c.122, P.L.1990, c.43, P.L.1991, c.185, P.L.1992, c.40, P.L.1993, c.155 and P.L.1994, c.67.

The amount appropriated hereinabove for Watershed Moratorium Offset Aid shall be distributed among the municipal governments of Vernon Township, Hardyston Township, Rockaway Township, Jefferson Township, Kinnelon Borough and West Milford Township at the rate of $68.50 per acre for each acre of watershed land owned by the City of Newark within each of those municipalities. If the amount appropriated hereinabove is insufficient to fully fund this

State Aid item, the amounts distributed to each municipality shall be reduced proportionately.

50 Economic Planning, Development and Security
55 Social Services Programs -- State Aid

08-8060 Programs for the Aging		$2,245,000
Total Appropriation, Social Services Programs		$2,245,000
State Aid:		
County Office on Aging	($840,000)	
Older Americans Act – State Share	(1,405,000)	
Total Appropriation, Department of Community Affairs		$57,116,000

34 DEPARTMENT OF EDUCATION

30 Educational, Cultural and Intellectual Development
31 Direct Educational Services and Assistance -- State Aid

01-5120 General Formula Aid		$1,255,227,000
02-5120 Nonpublic School Aid		69,586,000
03-5120 Miscellaneous Grants-In-Aid		19,200,000
04-5064 Adult and Continuing Education		2,448,000
Total Appropriation, Direct Educational Services and Assistance		$1,346,461,000
State Aid:		
Foundation Aid – Quality Education Act of 1990	($1,255,227,000)	
Nonpublic Textbook Aid	(8,473,000)	
Nonpublic Nutrition Aid	(439,000)	
Nonpublic Handicapped Aid	(20,153,000)	
Nonpublic Auxiliary Services Aid	(26,535,000)	
Nonpublic Auxiliary/Handicapped Transportation Aid	(2,084,000)	
Nonpublic Nursing Services Aid	(11,902,000)	
Emergency Fund	(100,000)	
Technology Grants	(10,000,000)	
County College Urban Education	(450,000)	
Educational Information and Resource Center	(450,000)	
Payments for Institutionalized Children – Unknown District of Residence	(6,418,000)	
Minimum Teacher Starting Salary	(10,000)	
Evening School for the Foreign Born	(211,000)	
High School Equivalency	(1,213,000)	
East Windsor/Roosevelt Regionalization Assistance	(180,000)	
QEA Formula Correction Aid	(810,000)	
Impact Aid Replacement, Northern Burlington County Regional	(100,000)	

ITV Telecommuncations Studio – Somerset County Vocational School	(77,000)
Educational Excellence Initiative	(575,000)
Total Immersion Language Program – Wallington	(30,000)
Adult Literacy	(1,024,000)

Of the amount hereinabove for Foundation Aid, an amount equal to the total earnings of investments of the School Fund shall first be charged to such fund.

Notwithstanding any other law to the contrary, the Foundation Aid entitlement for each school district shall be the same as the entitlement amount for the district in 1995-1996.

Notwithstanding any other law to the contrary, Foundation Aid for special needs districts whose estimated per pupil local levy budget for 1996-97 is below 86.23 percent of the estimated per pupil average local levy budget of districts in District Factor Groups "I" and "J" for 1996-97 shall be increased. The amount of increase shall be determined as follows: funds shall be allocated to ensure that the estimated local levy budget per pupil in each such special needs district be at 86.23 percent of the estimated per pupil average local levy budget of districts in District Factor Groups "I" and "J" for 1996-97. For purposes of estimating the average per pupil local levy budget in District Factor Groups "I" and "J," each such district's local levy budget in 1995-96 shall be increased by 2.5 percent and each such district's resident enrollment on October 13, 1995, shall be increased by 2.83 percent. For purposes of estimating the per pupil local levy budget of each special needs district for 1996-97, each such district's resident enrollment on October 13, 1995, shall be increased by 0.97 percent. The minimum required general fund tax levy for each special needs district whose estimated per pupil local levy budget for 1996-97 is below the estimated per pupil average local levy budget of districts in District Factor Groups "I" and "J" for 1996-97 shall not be less than its 1995-96 general fund tax levy. Each special needs district whose estimated per pupil local levy budget for 1996-97 is above the estimated per pupil average local levy budget of districts in District Factor Groups "I" and "J" for 1996-97 shall have a minimum required general fund tax levy sufficient to be at 100 percent of the estimated per pupil average local levy budget of districts in District Factor Groups "I" and "J" for 1996-97 as determined by the Commissioner of Education.

Notwithstanding any other law to the contrary, foundation aid for each non-special needs district with a resident enrollment decline between October 15, 1991, and October 13, 1995, shall be decreased. The amount of the decrease for each such district shall be equal to one-half the percentage decline of the resident enrollment.

Notwithstanding any other law to the contrary, the Commissioner of Education may direct that a special needs district implement an educational improvement plan that includes up to 100 percent of its foundation aid increase for certain demonstrably effective programs to be determined by the Commissioner consistent with N.J.A.C.6:8-9.4.

Notwithstanding the provisions of subsection b. of section 19 of P.L.1987, c.399 (C.18A:7A-52), additional sums as necessary for the Department of Education to provide additional State aid to a State-operated district pursuant to subsection

c. of section 19 of P.L.1987, c.399 (C.18A:7A-52) are appropriated, upon the recommendation of the Commissioner of Education and the Director of the Division of Local Government Services and subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of section 6 of P.L.1990, c.52 (C.18A:7D-6), section 14 of P.L.1977, c.193 (C.18A:46-19.8), and section 9 of P.L.1977, c.192 (C.18A:46A-9), the State foundation amount for the 1996-1997 school year for the purpose of computing Nonpublic Auxiliary Services and Nonpublic Handicapped Aid shall equal $7,232.

Notwithstanding the provisions of section 9 of P.L.1977, c.192 (C.18A:46A-9), the per pupil amount for compensatory education for the 1996-1997 school year for the purpose of computing Nonpublic Auxiliary Services Aid shall equal $642.40.

Notwithstanding the provisions of section 8 of P.L.1991, c.226 (C.18A:40-30), the amount appropriated hereinabove for Nonpublic Nursing Services Aid shall be made available to local school districts based upon the number of pupils enrolled in each nonpublic school on the last day prior to October 16, 1995.

Notwithstanding any other law, the amount of State aid made available to the Department of Human Services pursuant to "The State Facilities Education Act of 1979," P.L.1979, c.207 (C.18A:7B-1 et seq.) to defray the costs of educating eligible children in approved private schools under contract with the Department of Human Services shall not exceed the actual costs of the education of these children in such private schools.

Notwithstanding the provisions of section 6 of P.L.1977, c.192 (C.18A:7B-2) and section 6 of P.L.1990, c.52 (C.18A:7D-6), the State foundation amounts for the 1996-1997 school year for the purpose of "The State Facilities Education Act of 1979," P.L.1979, c.207 (C.18A:7B-1 et seq.) shall equal $6,742 for foundation support and $7,232 for special education aid.

Notwithstanding any other law to the contrary, special education aid for pupils classified as eligible for day training shall be paid directly to the resident school district; provided however, that for pupils under contract for service in a day training facility operated by or under contract with the Department of Human Services, tuition shall be withheld and paid to the Department of Human Services.

The amount hereinabove for Technology Grants shall be apportioned to each district based upon each district's percentage of the State total October 13, 1995, resident enrollment, and districts shall be required to account for the expenditure of these funds in the 1996-97 or subsequent school year in the Special Revenue Fund. These funds shall only be expended for the purchase of computers, software and other peripherals, and retrofitting of school facilities for access to voice, video, and data transmission that facilitate information retrieval, telecommunications, multimedia, interactive distance learning, and home/school linkages. Districts which send students to another school district on a tuition basis may, in proportion to the resident students sent to another school district to the total of all resident students, expend such funds for the tuition of such students. When this option is executed, the sending district shall notify the receiving district of the amount, and the receiving district shall record such portion of tuition revenues in

the Special Revenue Fund together with the receiving district's Technology Grant revenues, and expend such funds only for the designated purposes.

Of the amount hereinabove in the High School Equivalency and the Adult Literacy accounts, such sums as are necessary may be transferred to an applicant State department.

Of the amount appropriated hereinabove for QEA Formula Correction Aid, $450,000 is allocated to Wildwood, $180,000 is allocated to Pompton Lakes, and $180,000 is allocated to Stanhope.

Of the amount appropriated hereinabove for the Education Excellence Initiative, $500,000 shall be allocated to Cherry Hill and $75,000 shall be allocated to Medford Lakes.

33 Supplemental Education and Training Programs -- State Aid

20-5062 General Vocational Education		$6,821,000
Total Appropriation, Supplemental Education and Training Programs		$6,821,000
Grants:		
District and Regional Vocational Education	($861,000)	
Vocational Education	(5,460,000)	
School-to-Work Transition Program	(500,000)	

34 Educational Support Services -- State Aid

37-5120 School Nutrition		$6,565,000
38-5120 Facilities Planning and School Building Aid		10,685,000
39-5095 Teachers' Pension and Annuity Services		12,409,000
40-5064 Health, Safety and Community Services		75,000
Total Appropriation, Educational Support Services		$29,734,000
Grants:		
State School Lunch Aid	($6,565,000)	
School Building Aid Debt Service	(10,685,000)	
Minimum Pension for Pre-1955 Retirees	(9,000)	
Additional Health Aid	(12,400,000)	
Alternative School Program for Disruptive Students	(75,000)	

37 Cultural and Intellectual Development Services -- State Aid

51-5070 Library Services		$11,512,000
Total Appropriation, Cultural and Intellectual Development Services		$11,512,000
Grants:		
Per Capita Library Aid	($7,665,000)	
Emergency Aid/Incentive Grants	(100,000)	
Library Network	(3,177,000)	
Library Development Aid	(570,000)	

In addition to the amount appropriated hereinabove for the Library Network, there is appropriated $500,000 for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

Total Appropriation, Department of Education	$1,394,528,000

The unexpended balances as of June 30, 1996 in the State Aid accounts, not to exceed $650,000 are appropriated.

Of the amount appropriated hereinabove for the Department of Education, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule at page K-37 in the Governor's Budget Recommendation Document dated January 29, 1996 first shall be charged to the State Lottery Fund.

In the event that sufficient funds are not appropriated to fully fund any State Aid item, the Commissioner of Education 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.

Any appropriation or part thereof made from the Property Tax Relief Fund may be transferred and recorded as an appropriation from the General Fund, as deemed necessary by the State Treasurer, in order that the Director of the Division of Budget and Accounting may warrant the necessary payments; provided however, that the available unrestricted fund balance in the General Fund, as determined by the State Treasurer, is sufficient to support such appropriation.

Notwithstanding any other law, the Director of the Division of Budget and Accounting shall reduce the payment of State education aid to each school district by the amount of any savings each district received due to reduction of employers' contributions to the Public Employees Retirement System in fiscal year 1995.

Special needs districts receiving pupils in the 1996–97 school year from a sending district shall determine a tuition rate to be paid by the sending board of education which is not in excess of 102.72 percent of the 1995–96 tentative tuition rate established pursuant to N.J.A.C.6:20–3.1(e).

Notwithstanding any other law to the contrary, for the 1996–97 school year each non–special needs district may increase its maximum permissible net budget from the preceding school year by the prior year's percentage increase without losing State aid. Any non–special needs district which increases its net budget by more than the prior year's percentage increase absent approval obtained consistent with the procedure in subsections e. and f. of section 85 of P.L.1990, c.52 (C.18A:7D–28), shall lose State aid which is paid to or on behalf of the district equal to the amount by which the district exceeds this percentage increase.

Notwithstanding any other provision of law to the contrary, the repayment by the Hudson Association for Retarded Citizens to the Department of Education of the unexpended balance of a Special Education Programs grant from federal funds received from a fiscal year 1990 appropriation made pursuant to the early intervention program, Part H, under a grant agreement for an AIDS infant-parent pilot program, and of any other funds remaining to be paid to the department

from unexpended balances from fiscal year 1990 State appropriations shall be deferred during fiscal year 1997.

42 DEPARTMENT OF ENVIRONMENTAL PROTECTION

40 Community Development and Environmental Management
45 Environmental Regulation -- State Aid

23-4910 Hazardous Waste Management		$75,000
Total Appropriation, Environmental Regulation		$75,000
State Aid:		
City of Linden Technical Defense in GAF Hazardous Waste Incinerator Proceeding	($75,000)	

46 Environmental Planning and Administration -- State Aid

99-4800 Management and Administrative Services		$4,862,000
Total Appropriation, Environmental Planning and Administration		$4,862,000
State Aid:		
Mosquito Control, Research, Administration and Operations	($468,000)	
Payment in Lieu of Taxes	(1,575,000)	
Administration, Planning and Development Activities of the Pinelands Commission	(2,654,000)	
Grants to Local Environmental Commissions	(165,000)	

Receipts derived from the rental of property acquired pursuant to P.L.1969, c.138 (C.58:21A-1 et seq.); P.L.1970, c.147 (C.58:21B-1 et seq.); P.L.1971, c.165; P.L.1974, c.102; P.L.1978, c.118; P.L.1983, c.354 and P.L.1989, c.183, and the unexpended balance as of June 30, 1996 of such receipts, not to exceed $400,000, are appropriated for payments in lieu of taxes on properties and for maintenance of properties.

47 Enforcement Policy -- State Aid

08-4855 Water Pollution Control		$2,453,000
Total Appropriation, Enforcement Policy		$2,453,000
State Aid:		
County Environmental Health Act	($2,453,000)	

Total Appropriation, Department of Environmental Protection	$7,390,000

46 DEPARTMENT OF HEALTH

20 Physical and Mental Health
21 Health Services -- State Aid

02-4220 Family Health Services		$18,371,000
Total Appropriation, Health Services and Administration		$18,371,000
State Aid:		
Public Health Priority Funding	($3,600,000)	
Projects for Handicapped Infants	(14,771,000)	

The capitation rate is set at 36 cents for the year ending June 30, 1997 for the purpose prescribed in P.L.1966, c.36 (C.26:2F-1 et seq.).

In addition to the amount hereinabove, receipts from the Federal Medicaid (Title XIX) program for handicapped infants are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Total Appropriation, Department of Health	$18,371,000

54 DEPARTMENT OF HUMAN SERVICES

20 Physical and Mental Health
23 Mental Health Services -- State Aid
7700 Division of Mental Health Services

08-7700 Community Services		$76,000,000
Total Appropriation, Division of Mental Health Services		$76,000,000
State Aid:		
Support of Patients in County Psychiatric Hospitals	($76,000,000)	

The unexpended balance as of June 30, 1996, in the Support of Patients in County Psychiatric Hospitals account is appropriated to pay liabilities applicable to prior fiscal years and to pay current year costs; provided however, that no more than $6,300,000 of said reappropriation may be used for current year costs, subject to the approval of the Director of the Division of Budget and Accounting.

With the exception of all past, present, and future revenues representing federal financial participation received by the State from the United States and that is based on payments to hospitals that serve a disproportionate share of low-income patients, the sharing of revenues received to defray the costs of maintaining patients in State and county psychiatric hospitals and facilities for developmentally disabled shall be based on the same percent as costs are shared.

50 Economic Planning, Development and Security
53 Economic Assistance and Security -- State Aid
7550 Division of Family Development

15-7550 Income Maintenance Management		$365,404,000
Total Appropriation, Division of Family Development		$365,404,000
State Aid:		
Deferred Cost of Living	($1,755,000)	
General Assistance Emergency Assistance Program	(25,012,000)	
Payments to Municipalities for Cost of General Assistance	(117,087,000)	
Payments for Dependent Children Assistance, Regular Segment	(109,739,000)	
Payments for Emergency Assistance	(21,698,000)	
Payments for Supplemental Security Income	(58,889,000)	
Payments for Dependent Children Assistance, Father Unemployed, F-Segment	(6,990,000)	

Payments for Dependent Children Assistance, Insufficient Parent Employment, N Segment	(15,344,000)
State Supplemental SSI Check Production User Fee	(8,890,000)

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 R.S.44:7-14, P.L.1959, c.86 (C.44:10-1 et seq.), and P.L.1950, c.166 (C.30:4B-1 et seq.), P.L.1971, c.209 (C.44:13-1 et seq.) during the fiscal year ending June 30, 1997 are appropriated.

Receipts from State administered municipalities during the fiscal year ending June 30, 1997 are appropriated.

The sum hereinabove appropriated is available for payment of obligations applicable to prior fiscal years.

Any change by the Department of Human Services in the standards upon which or from which grants of categorical public assistance are determined, first shall be approved by the Director of the Division of Budget and Accounting.

In order to permit flexibility in the handling of appropriations and ensure the timely payment of benefits to welfare recipients, amounts may be transferred to and from the various items of appropriation, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer. This provision shall apply to all payments made after June 30, 1996.

Subject to the federal approval, all General Assistance recipients that receive interim assistance after July 1, 1995 shall reimburse the division for maintenance assistance, emergency assistance, and temporary assistance payments that are not otherwise reimbursed by the federal government; provided however, that the amount an individual shall reimburse the division shall not exceed the amount of that individual's retroactive SSI check.

A portion of the amount hereinabove appropriated for Payments to Municipalities for Cost of General Assistance, not to exceed $1,400,000, is available for transfer to the Department of Labor, Division of Employment Services, for support costs related to the workfare program established pursuant to P.L.1947 c.156 (C.44:8-107 et seq.). Any funds transferred to the Department of Labor shall be used solely to fund employability teams and other costs to implement this General Assistance work program.

Notwithstanding any provision of State law to the contrary, there shall be no further payment for benefits previously provided under the General Assistance program for the costs of hospitalization for such expenses incurred on or after July 1, 1991. Provided however, that the amount appropriated for the General Assistance program shall provide reimbursements for inpatient hospitalization costs for recipients of general public assistance who are admitted to a special hospital licensed by the Department of Health which is not eligible to receive a charity care subsidy from the Health Care Subsidy Fund and to which payments were made prior to July 1, 1991 under the General Assistance program.

Notwithstanding the provisions of section 18 of P.L.1947, c.156 (C.44:8-124) to the contrary, outpatient services, including, but not limited to, emergency room, clinic and diagnostic services rendered on or after July 1, 1992 to recipients of General

Assistance by hospitals shall not be reimbursed. Furthermore, municipalities shall not provide reimbursement for inpatient or outpatient medical services provided in prior fiscal years if submitted for reimbursement after July 31, 1992.

Notwithstanding the provisions of P.L.1947, c.156 (C.44:8-107 et seq.) to the contrary, assistance shall not be granted to an illegal alien or to aliens admitted as students or visitors. To be eligible for assistance an individual shall be either a citizen of the United States or otherwise permanently residing in the United States under color of law, including any alien who is lawfully present in the United States as a result of the application of section 207(c), section 203(a)(7) (prior to April 1, 1980), section 208, and section 212(d)(5) of the "Immigration and Nationality Act," 8 U.S.C. § 1157(c), 1153(a)(7), 1158, and 1182(d)(5).

Notwithstanding the provisions of P.L.1947, c.156 (C.44:8-107 et seq.), nursing home services shall no longer be a covered service effective July 1, 1995 under the General Assistance program except for those residing in non-Medicaid certified nursing homes prior to June 30, 1995, and who are unable to qualify for nursing home services through the Medically Needy Program coverage for Long Term Care recipients, pursuant to Title XIX of the Social Security Act.

Receipts from counties for persons receiving Old Age Assistance, Disability Assistance, and Assistance for the Blind under the Supplemental Security Income (SSI) program are appropriated for the purpose of providing State aid to the counties, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the provisions of section 3 of P.L.1973, c.256 (C.44:7-87), the Department of Human Services shall assess welfare boards at the beginning of each fiscal year in the same proportion that the counties currently participate in the federal categorical assistance programs, in order to obtain the amount of each county's share of the supplementary payments for eligible persons in this State, based upon the number of eligible persons in the county. Welfare boards shall pay the amount assessed.

In addition to the provisions of section 5 of P.L.1959, c.86 (C.44:10-5), for payments that are not eligible for federal financial participation, payment of the State share of expenditures by the county welfare agency for Aid to Families with Dependent Children shall be at the rate of 115% during the period July 1 through December 31 of each year and at a rate of 75% during the period January 1 through June 30; provided that, the total payment of the State share of expenditures during the period January 1 through December 31 of each year shall not exceed 95%.

Notwithstanding the provisions of P.L.1959, c.86 (C.44:10-1 et seq.) to the contrary, assistance shall not be granted to an illegal alien or to aliens admitted as students or visitors. To be eligible for assistance an individual shall be either a citizen of the United States or otherwise permanently residing in the United States under color of law, including any alien who is lawfully present in the United States as a result of the application of section 207(c), section 203(a)(7) (prior to April 1, 1980), section 208, and section 212(d)(5) of the "Immigration and Nationality Act," 8 U.S.C. § 1157(c), 1153(a)(7), 1158, and 1182(d)(5).

The unexpended balances as of June 30, 1996 in the Income Maintenance Management program classification State Aid accounts are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any other law or regulation to the contrary, effective July 1, 1996, no funds appropriated to the Payments to Municipalities for Cost of General Assistance account shall be expended for prescription drugs except under the following conditions: (a) reimbursement for prescription drugs shall be based on the Average Wholesale Price less a 10% discount, (b) prescription drugs dispensed by a retail pharmacy shall be limited to a 34-day or 100 unit dose supply, whichever is greater, (c) the current prescription drug dispensing fee structure set as a variable rate of $3.73 to $4.07 in effect on June 30, 1996 shall remain in effect through fiscal year 1997, including the current increments for patient consultation, impact allowances, and allowances for 24-hour emergency services, (d) reimbursement for non-legend drugs including protein replacement supplements, specialized infant formulas and food oils, devices or supplies shall be on the basis of the Estimated Acquisition Cost (EAC), identified in current national price compendia for other appropriate sources, and their supplements, minus the appropriate regression, plus dispensing fee, and (e) reimbursement shall continue for all providers who supply protein nutritional supplements and specialized infant formulas, subject to all applicable regulations established by the Commissioner of Human Services, and provided further, however, that the Commissioner of Human Services may, after an audit or other equivalent documentation demonstrating provider non-compliance, terminate any agreements with such provider.

Notwithstanding the provisions of any other law or regulation to the contrary, effective July 1, 1996, the following provisions shall apply to the dispensing of prescription drugs through the Payments to Municipalities for Cost of General Assistance account: (a) all prescription drugs dispensed shall state "Brand Medically Necessary" in the prescriber's own handwriting in order to override generic substitution of Maximum Allowable Cost (MAC) drugs, and (b) each prescription order shall follow the requirements of P.L.1977, c.240 (C.24:6E-1 et seq.). The list of drugs substituted shall conform to the Drug Utilization Review Council approved list of substitutable drugs and any other requirements pertaining to drug substitution as established by the State Medicaid Program.

Total Appropriation, Department of Human Services	$441,404,000

66 DEPARTMENT OF LAW AND PUBLIC SAFETY

10 Public Safety and Criminal Justice
12 Law Enforcement -- State Aid

09-1020 Criminal Justice		$3,775,000
Total Appropriation, Law Enforcement		$3,775,000
State Aid:		
Safe and Secure Neighborhoods Program	($3,600,000)	
Stamler Police Academy, Union County	(175,000)	
Total Appropriation, Department of Law and Public Safety		$3,775,000

74 DEPARTMENT OF STATE

30 Educational, Cultural and Intellectual Development
37 Cultural and Intellectual Development Services -- State Aid

06-2535 Museum Services		$2,000,000
Total Appropriation, Cultural and Intellectual Development Services		$2,000,000
State Aid:		
Operational Grant for Newark Museum	($2,000,000)	
Total Appropriation, Department of State		$2,000,000

82 DEPARTMENT OF THE TREASURY

30 Educational, Cultural and Intellectual Development
36 Higher Educational Services -- State Aid

48-2155 Aid to County Colleges		$128,766,000
Total Appropriation, Higher Educational Services		$128,766,000
State Aid:		
Operational Costs	($100,186,000)	
Debt Service, N.J.S.18A:64A-22	(10,609,000)	
Employer Contributions – Alternate Benefit Program	(16,094,000)	
Employer Contributions – Teachers' Pension and Annuity Fund	(466,000)	
Additional Health Benefits	(860,000)	
Employer Contributions – FICA for County College Members of Teachers' Pension and Annuity Fund	(551,000)	

Such sums as may be necessary for the payment of interest or principal or both, due from the issuance of any bonds authorized under the provisions of section 1 of P.L.1971, c.12 (C.18A:64A-22.1) are appropriated.

Of the amount appropriated hereinabove for Higher Educational Services, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule at page K-37 in the Governor's Budget Recommendation Document dated January 29, 1996 first shall be charged to the State Lottery Fund.

70 Government Direction, Management and Control
75 State Subsidies and Financial Aid -- State Aid

28-2078 County Boards of Taxation		$1,049,000
29-2078 Locally Provided Services		1,771,000
35-2078 Consolidated Police and Firemen's Pension Fund		9,730,000
Total Appropriation, State Subsidies and Financial Aid		$12,550,000
Personal Services:		
County Tax Board Members (75)	($1,049,000)	
State Aid:		
Additional Payments to Municipalities for Services to State-Owned Property	(1,006,000)	
Pinelands Area Municipality Aid	(675,000)	
Palisades Interstate Park PILOT Aid	(90,000)	
State Contribution to Consolidated Police and Firemen's Pension Fund	(9,730,000)	

Notwithstanding the provisions of the Corporation Business Tax Act (1945), P.L.1945, c.162 (C.54:10A-1 et seq.), the sum apportioned to the several counties of the State shall not be distributed and shall be anticipated as revenue for general State purposes.

There are appropriated so much of the proceeds of taxes on fire insurance premiums, received or receivable, as may be required for payment to the New Jersey Firemen's Home and the New Jersey Firemen's Association.

Notwithstanding the provisions of P.L.1945, c.162 (C.54:10A-1 et seq.), the amounts collected from banking corporations pursuant to the Corporation Business Tax Act (1945) shall not be distributed to the counties and municipalities and shall be anticipated as revenue for general State purposes.

The unexpended balance as of June 30, 1996 from the taxes collected pursuant to P.L.1940, c.4 (C.54:30A-16 et seq.) and P.L.1940, c.5 (C.54:30A-49 et seq.) shall lapse.

Notwithstanding the provisions of section 2 of P.L.1980, c.10 (C.54:30A-24.1), section 4 of P.L.1980, c.11 (C.54:30A-61.1), section 27 of P.L.1991, c.184 (C.54:30A-24.4), and section 28 of P.L.1991, c.184 (C.54:30A-61.4), the payments to municipalities from the proceeds of the public utilities franchise and gross receipts taxes during fiscal year 1997 shall be $685,000,000 and shall be distributed based upon taxes imposed and payable in calendar year 1995, apportionment valuations of scheduled property as of July 1, 1994 and municipal purposes tax rates preceding 1995; provided however, that amounts collected in excess of amounts distributed shall be anticipated as revenue for general State purposes.

Notwithstanding any provision of law to the contrary, the payments to municipalities from the proceeds of the public utilities franchise and gross receipts taxes shall be distributed on the following schedule: July 15, 35% of the total amount due; August 1, 10% of the total amount due; September 1, 30% of the total amount due; October 1, 15% of the total amount due; November 1, 5% of the total amount due; and December 1, 5% of the total amount due.

Based upon the State's fiscal circumstances in May 1997, amounts collected in excess of $960,000,000 from Public Utility Gross Receipts and Franchise Taxes (combined) for fiscal year 1997 may be distributed to municipalities.

There are appropriated from taxes collected from certain insurance companies, pursuant to the insurance tax act, so much as may be required for payments to counties pursuant to P.L.1945, c.132 (C.54:18A-1 et seq.).

The amount hereinabove for Additional payments to municipalities for services to State-owned property shall be paid to the city of Bridgeton with respect to services for new prisons, and to the city of Trenton with respect to services to additional State Building Authority constructed facilities. Each municipality shall receive a payment derived by applying 40% of the 1995 local purposes tax rate to the actual cost of the facility.

The Director of the Division of Budget and Accounting shall reduce amounts provided to any municipality from the appropriations hereinabove by the difference, if any, between pension contribution savings, and the amount of Consolidated Municipal Property Tax Relief Aid payable to such municipality.

From the amount appropriated hereinabove for Pinelands Area Municipality Aid there shall be allocated to municipalities with at least 50% of their land areas in

one or more land conservation designations the following amounts: Estelle Manor City, $84,524; Mullica Township, $91,030; Weymouth Township, $71,037; Bass River Township, $100,197; Washington Township, $118,652; Woodland Township, $115,168; Maurice River Township, $94,392.

From the amount appropriated hereinabove for Palisades Interstate Park PILOT Aid there is allocated for payment in lieu of municipal taxes the following amounts for properties under the jurisdiction of the Palisades Interstate Park Commission: Borough of Alpine, $31,320; Borough of Englewood Cliffs, $33,750; Borough of Fort Lee, $24,930.

Total Appropriation, Department of the Treasury	$141,316,000
Total Appropriation, State Aid	$2,069,048,000

Any qualifying State Aid appropriation, or part thereof, made from the General Fund may be transferred and recorded as an appropriation from the Property Tax Relief Fund, as deemed necessary by the State Treasurer, in order that the Director of the Division of Budget and Accounting may warrant the necessary payments; provided however, that the available unrestricted fund balance in the Property Tax Relief Fund, as determined by the State Treasurer, is sufficient to support the expenditure.

CAPITAL CONSTRUCTION

01 LEGISLATURE

70 Government Direction, Management and Control
71 Legislative Activities

The unexpended balance as of June 30, 1996 in the Legislature is appropriated.

10 DEPARTMENT OF AGRICULTURE

40 Community Development and Environmental Management
49 Agricultural Resources, Planning, and Regulation

The unexpended balance as of June 30, 1996 in this department is appropriated.

20 DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

30 Educational, Cultural and Intellectual Development
37 Cultural and Intellectual Development Services

The unexpended balance as of June 30, 1996 in this department is appropriated.

26 DEPARTMENT OF CORRECTIONS

10 Public Safety and Criminal Justice
16 Detention and Rehabilitation

Capital Projects:	
East Jersey State Prison	
Heating System, Wing #3	($1,049,000)
Replace Steam Line Condensate Pumps and Traps	(1,266,000)

10 Public Safety and Criminal Justice
19 Central Planning, Direction and Management

Capital Projects:
Division of Management and General Support
Security Enhancements, Various Facilities ..... ($6,500,000)

Total Appropriation, Department of Corrections $8,815,000

The unexpended balance as of June 30, 1996 in this department is appropriated.

34 DEPARTMENT OF EDUCATION

30 Educational, Cultural and Intellectual Development
32 Operation and Support of Educational Institutions
5010 Division of Direct Services

5011 Marie H. Katzenbach School for the Deaf

35 Education Administration and Management
5095 Division of Administration

Capital Project:
Roof Replacement and HVAC Repairs, Regional Day Schools ..... ($1,351,000)

37 Cultural and Intellectual Development Services
5070 Division of State Library

Total Appropriation, Department of Education $1,351,000

The unexpended balance as of June 30, 1996 in this department is appropriated.

Notwithstanding any law to the contrary, accumulated and current year interest earnings in the State Facilities for Handicapped Fund established pursuant to section 12 of P.L.1973, c.149 are appropriated for capital improvements and maintenance of facilities for the eleven (11) regional day schools throughout the State of New Jersey and the Marie H. Katzenbach School for the Deaf as authorized in the State Facilities for the Handicapped Bond Act.

42 DEPARTMENT OF ENVIRONMENTAL PROTECTION

40 Community Development and Environmental Management
42 Natural Resource Management

Capital Project:
Shore Protection Fund Projects ..... ($15,000,000)

Notwithstanding the provisions of P.L.1954, c.48 (C.52:34-6 et seq.), the Department of Environmental Protection may enter into a contract with the Waterloo Foundation for the Arts for improvements to existing State-owned structures or for the construction of new facilities at Waterloo Village.

The amount hereinabove for Shore Protection Fund Projects is payable from the receipts of the portion of the realty transfer tax directed to be credited to the Shore Protection Fund pursuant to section 1 of P.L.1992, c.148 (C.13:19-6.1).

Notwithstanding the provisions of section 29 of this act, the unexpended balance in the Maurice River Dredging account is appropriated.

40 Community Development and Environmental Management
46 Environmental Planning and Administration

Capital Projects:		
Belmar Bulkhead Repair	($360,000)	
Lake Hopatcong Regional Planning Board	(80,000)	
Delaware and Raritan Canal State Park	(75,000)	
Total Appropriation, Department of Environmental Protection		$15,515,000

The unexpended balance as of June 30, 1996 in this department is appropriated.

46 DEPARTMENT OF HEALTH

20 Physical and Mental Health
21 Health Services

The unexpended balance as of June 30, 1996 in this department is appropriated.

54 DEPARTMENT OF HUMAN SERVICES

20 Physical and Mental Health
23 Mental Health Services

30 Educational, Cultural and Intellectual Development
32 Operation and Support of Educational Institutions

70 Government Direction, Management and Control
76 Management and Administration

The unexpended balance as of June 30, 1996 in this department is appropriated.

66 DEPARTMENT OF LAW AND PUBLIC SAFETY

10 Public Safety and Criminal Justice
12 Law Enforcement

10 Public Safety and Criminal Justice
18 Juvenile Services
1500 Division of Juvenile Services

Capital Projects:	
Critical Repairs, Juvenile Services Facilities	($548,000)
Deferred Maintenance -- Jamesburg and Juvenile Medium Security	(754,000)
Emergency Generator Replacement, Jamesburg and Juvenile Medium Security	(760,000)
Fire Safety Projects, Various Sites	(2,500,000)

Jamesburg Food Service Building	(1,700,000)	
Powerhouse Renovations, Jamesburg	(1,215,000)	
Removal of Asbestos, Jamesburg and Juvenile Medium Security	(900,000)	
Replace Business Trailer, Juvenile Medium Security	(214,000)	
Replace Doors and Windows, Jamesburg	(1,585,000)	
Roof Replacements, Jamesburg	(890,000)	
Security Enhancements, Juvenile Medium Security	(180,000)	
Water Main Improvement, Juvenile Medium Security	(162,000)	
Total Appropriation, Department of Law and Public Safety		$11,408,000

The unexpended balance as of June 30, 1996 in this department is appropriated.

67 DEPARTMENT OF MILITARY AND VETERANS' AFFAIRS

10 Public Safety and Criminal Justice
14 Military Services

Capital Projects:		
Fire and Life Safety, Statewide	($100,000)	
Major Maintenance and Life Safety – Armories in Franklin and Teaneck	(1,000,000)	
3640 Paramus Veterans' Memorial Home		
Total Appropriation, Department of Military and Veterans' Affairs		$1,100,000

The unexpended balance as of June 30, 1996 in this department is appropriated.

74 DEPARTMENT OF STATE

30 Educational, Cultural and Intellectual Development
36 Higher Educational Services
2610 Rutgers, The State University

Capital Project:	
Preservation Projects	($250,000)
2620 University of Medicine and Dentistry of New Jersey	
Capital Project:	
Preservation Projects	($250,000)
2630 New Jersey Institute of Technology	
Capital Project:	
Preservation Projects	($250,000)

2645 Rowan College of New Jersey

Capital Project:

Preservation Projects ..... ($200,000)

2650 Jersey City State College

Capital Project:

Preservation Projects ..... ($200,000)

2655 Kean College of New Jersey

Capital Project:

Preservation Projects ..... ($200,000)

2660 William Paterson College of New Jersey

Capital Project:

Preservation Projects ..... ($200,000)

2665 Montclair State University

Capital Project:

Preservation Projects ..... ($200,000)

2670 Trenton State College

Capital Project:

Preservation Projects ..... ($200,000)

2675 Ramapo College of New Jersey

Capital Project:

Preservation Projects ..... ($200,000)

2680 The Richard Stockton College of New Jersey

Capital Project:

Preservation Projects ..... ($200,000)

Total Appropriation, Department of State $2,350,000

The unexpended balance as of June 30, 1996 in this department is appropriated.

78 DEPARTMENT OF TRANSPORTATION

60 Transportation Programs
61 State Highway Facilities

Capital Project:

Transportation Trust Fund Account ..... ($304,500,000)

Receipts representing the State share from the rental or lease of property, and the unexpended balances as of June 30, 1996 of such receipts are appropriated for maintenance or improvement of transportation property, equipment and facilities.

The sum provided hereinabove for the Transportation Trust Fund Account shall first be provided from revenues received from motor fuel taxes pursuant to Article VIII, Section II, paragraph 4 of the State Constitution, and from funds received or receivable from the various transportation-oriented authorities pursuant to contracts between the authorities and the State, together with such additional sums pursuant to P.L.1984, c.73 (C.27:1B-1 et al.) and R.S.54:39-27 as amended, as may be necessary to satisfy all fiscal year 1997 debt service, bond reserve requirements, and other fiscal obligations of the New Jersey Transportation Trust Fund Authority.

Notwithstanding any other requirements of law, the department may expend necessary sums for improvements to streets and roads providing access to State facilities within the capital city without local participation.

Total Appropriation, Department of Transportation $304,500,000

The unexpended balance as of June 30, 1996 in this department is appropriated.

Pursuant to the provisions of P.L.1984, c.73 (C.27:1B-1 et al.), there is appropriated the sum of $700,000,000 from the revenues and other funds of the New Jersey Transportation Trust Fund Authority for the specific projects identified under the seven general program headings as follows:

Route	Section	Description	County	Estimated Cost
1. CONSTRUCTION				
		Access management	Various	($2,500,000)
		Access permit application review	Various	(350,000)
		Adopt-A-Highway program	Various	(100,000)
		Airport Safety Fund	Various	(10,000,000)
		Atlantic City Corridor development project, partial funding	Atlantic	(5,000,000)
		Automated drawbridge gates	Various	(1,000,000)
		Automated systems, acquisition and development	Various	(10,000,000)
		Betterments	Various	(12,000,000)
		Bridge deck patching	Various	(5,000,000)
		Bridge painting	Various	(1,000,000)
		Certificate of participation lease programs	Various	(3,850,000)
		Drag Island Site #2, wetlands restoration	Cape May	(1,500,000)
		Drainage rehabilitation and maintenance	Various	(1,000,000)
		Early action highway signs project	Various	(10,000,000)
		Economic Development Program	Various	(5,000,000)
		Electrical and signal safety engineering program	Various	(1,000,000)
		Emergency response operations	Various	(1,000,000)
		Emergency service patrol operations	Various	(30,000)
		Environmental investigations	Various	(5,000,000)

Equipment and vehicle purchases to support capital and maintenance programs	Various	(9,000,000)
Fixed object removal	Various	(500,000)
For personal services to support current and previously authorized projects, and indirect capital program support costs	Various	(66,800,000)
Good Neighbor landscaping	Various	(500,000)
Handicap ramps	Various	(2,000,000)
Inspect construction projects	Various	(1,200,000)
Legal costs for right-of-way condemnation and capital project litigation work	Various	(1,320,000)
Local aid for Centers of Place	Various	(1,000,000)
Noise barriers - Type II	Various	(2,000,000)
Park and ride program, HOV program, ridesharing program	Various	(3,000,000)
Pavement and atmospheric weather monitoring system	Various	(3,413,000)
PEOSHA Contract 1D, seven structures in Region 2	Various	(5,580,000)
Physical plant	Various	(15,000,000)
Preventive maintenance	Various	(10,000,000)
Rail double stack clearance project	Union Somerset Middlesex	(3,000,000)
Rail highway grade crossing program	Various	(1,500,000)
Raritan Center roadway improvements	Middlesex	(4,000,000)
Regional action program	Various	(2,000,000)
Resurfacing program	Various	(27,632,000)
Service facilities on interstate highways	Various	(1,000,000)
Settlement of earned and unbilled capital program costs	Various	(1,000,000)
Solid and hazardous waste cleanup and disposal	Various	(5,000,000)
State Police enforcement and safety services	Various	(1,000,000)
State road restriping program	Various	(2,000,000)
Tide telemetry	Various	(1,000,000)
Traffic signal replacement	Various	(3,000,000)
TRANSCOM membership	Various	(400,000)
Turkey Point ecotourism project	Cumberland	(250,000)
Union County terminal railroad project, Arthur Kill to Cranford	Union	(2,000,000)
Unanticipated right-of-way, design, and construction: State match for various federal programs	Various	(3,550,000)
Unanticipated right-of-way, design, and construction: State Program	Various	(17,000,000)

		University transportation research technology transfer support	Various	(1,000,000)
		Utility reconnaissance and relocation	Various	(1,000,000)
		Vacant building demolition and asbestos removal	Various	(1,000,000)
	1AE 2AF	Palisades Interstate Parkway, George Washington Bridge to New York State Line, rehabilitate southbound lanes	Bergen	(11,000,000)
9	(19)	Bridge over Main Street, rehabilitation	Middlesex	(700,000)
18	4F, 6H	Bridge over South River, replacement	Middlesex	(15,000,000)
23	3S	Vicinity of Cutlass Road to north of Maple Lake Road, widening, and park and ride	Morris	(19,000,000)
27	3D	Vicinity of Finnigans Lane to Henderson Road, operational improvements	Middlesex Somerset	(1,710,000)
29	(1)	West Amwell corporate line to vicinity of Alexauken Creek Road, drainage	Hunterdon	(2,200,000)
31		Flemington Circle to Route I-78, wetlands mitigation	Hunterdon	(3,500,000)
34	6B	Intersection improvements at Cottrell Road	Middlesex	(1,065,000)
35		Cost-sharing agreement for rehabilitation of Point Pleasant Pumping Station	Ocean	(1,200,000)
35	1A	Entrance to Island Beach State Park to K Street, rehabilitation	Ocean	(1,400,000)
40 322	3K	West of Chester Ave. to east of Jonathons Thorofare, rehabilitation and operational improvements	Atlantic	(9,600,000)
46	10H	Intersection improvement at Beverwyck Road	Morris	(2,500,000)
46	7G	Intersection improvement at Drake Ave.	Morris	(3,100,000)
57	3D	Penwell Road to bridge over Musconetcong River	Warren	(2,000,000)
76 295		Walt Whitman Bridge to Route 73, noise barriers	Camden Burlington	(33,000,000)
80	(19)	Paterson noise barriers	Passaic	(4,000,000)
94 181	4A, 5C 7D, 8D 4D	Route 94: Springdale Road to north of Anderson Hill Road and south of Bunn Road to north of Mountainview Ave. Route 181: South of Lewis Lane to Route 15; rehabilitation	Sussex	(9,200,000)
120	1B	Route 3 to Paterson Plank Road, relocation	Bergen	(15,500,000)
133	1A	Route 33 to County Route 571, Hightstown Bypass	Mercer	(28,000,000)

202,206	9C, 16G 2G	North of AT&T driveway to Pheasant Hill Road on Route 202, and north of Lamington Road on Route 206, rehabilitation	Somerset	(3,200,000)
280	7W	Martin Luther King Boulevard to Route 21, ramp revisions	Essex	(3,500,000)
287	(15)	Route I-95 (New Jersey Turnpike) to Route 22, sign improvements	Middlesex Somerset	(3,700,000)
2. DESIGN				
		Emerging projects	Various	(4,000,000)
		PEOSHA Contract 1B; Route 1&9T bridge over Hackensack River	Hudson	(270,000)
		Whitehead Road over Amtrak, bridge replacement	Mercer	(1,200,000)
1	(2)B	Washington Road to Harrison Street, grade separated interchange	Mercer	(1,500,000)
9	(5)	Bridge over Bass River, replacement	Burlington	(650,000)
9	(20)	Bridge over north branch of Forked River, replacement	Ocean	(400,000)
9	(28)	Bridge over County Route 522 and Conrail, replacement	Monmouth	(300,000)
18	2A	River Road to Hoes Lane Extension along Metlars Lane	Middlesex	(1,400,000)
18	(3)A	Hoes Lane Extension to Route I-287 at Possumtown Road	Middlesex	(550,000)
31	6B 7E	Stanton Station Road to Payne Road, widening	Hunterdon	(135,000)
31	6F	Bartles Corner Road to Stanton Station Road, widening	Hunterdon	(1,600,000)
31 202		Route 202 to Route 31, highway on new alignment	Hunterdon	(2,750,000)
33		Halls Mill Road to Route 33 at Fairfield Road, completion of Freehold Bypass	Monmouth	(2,000,000)
40	(4)	Route 77 to Elmer Lake, resurfacing	Salem	(250,000)
40	(10)	Bridge over Salem Creek, replacement	Salem	(450,000)
40	(11)	Bridge over Babcock Creek, replacement	Atlantic	(500,000)
46	7L , 8K	Bridges over Rockaway River, Route 15 and NJ Transit Boonton Line, replacement	Morris	(1,500,000)
78	(23)	Route I-78 Connector over Routes 1&9 and Route I-78	Essex	(1,500,000)
92		Route 1 to NJ Turnpike, highway on new alignment	Middlesex	(15,000,000)
206	(26)	Bridge over Little Shabakunk Creek, replacement	Mercer	(300,000)
206 CR513		Intersection improvements at Main Street (Route 24) and County Route 513	Morris	(250,000)

206 CR60 4		Intersection improvements at Waterloo Road	Sussex	(200,000)
287 80		Route I-287 and Route I-80 flyovers	Morris	(4,000,000)
3. RIGHT-OF-WAY ACQUISITION				
		Advance acquisition of right-of-way for transportation corridors and facilities	Various	(8,000,000)
		Doremus Avenue bridge over Oak Island Yards, replacement	Essex	(500,000)
		Union Avenue bridge over Passaic River, replacement	Bergen	(200,000)
		Whitehead Road bridge over Amtrak, replacement	Mercer	(150,000)
1	7L	Pierson Avenue to south of Green Street, widening	Middlesex	(10,000,000)
1	(2)B	Washington Road to Harrison Street, grade separated interchange	Mercer	(5,000,000)
1 9	1K, 3M	Production Way to East Lincoln Avenue, widening	Middlesex Union	(10,000,000)
1 9	6J	Secaucus Road over Route 1&9 and Northern Branch of Conrail and the NY, Susquehanna and Western Railroad, grade separation	Hudson	(4,000,000)
1 9	7	Interchange at Paterson Plank Road and Union Turnpike, grade separation	Hudson	(9,000,000)
9	3P	Stevens Road to Cox Cro Road, operational improvements	Ocean	(1,305,000)
9	(5)	Bridge over Bass River, replacement	Burlington	(500,000)
9	(20)	Bridge over north branch of Forked River, replacement	Ocean	(50,000)
9	(28)	Bridge over County Route 522 and Conrail, replacement	Monmouth	(300,000)
9	(30)	Lake Carasaljo dam	Ocean	(50,000)
9	(32)	Woodland Avenue to North Shore Road, rehabilitation	Atlantic	(500,000)
18	4E, 6E	North of Hillsdale Avenue to south of County Route 516, roadway improvements	Middlesex	(4,000,000)
30 130	1J,13D	Collingswood Circle elimination	Camden	(500,000)
31 202		Route 202 to Route 31, highway on new alignment	Hunterdon	(4,000,000)
40	(10)	Bridge over Salem Creek, replacement	Salem	(100,000)
40	(11)	Bridge over Babcock Creek, replacement	Atlantic	(40,000)
46	7L, 8K	Bridges over Rockaway River, Route 15, and NJ Transit Boonton Line, replacement	Morris	(2,000,000)
50	2E, 3B	Bridge over Tuckahoe River, replacement	Atlantic	(300,000)

92		Route 1 to NJ Turnpike, highway on new alignment	Middlesex	(24,000,000)
120	1B	Route 3 to Paterson Plank Road, relocation	Bergen	(3,500,000)
206	(26)	Bridge over Little Shabakunk Creek, replacement	Mercer	(50,000)
206	(42)	Belle Mead-Griggstown Road to Old Somerville Road, highway on new alignment	Somerset	(5,000,000)
287 10		Interchange modification at Route 10	Morris	(1,500,000)
322 50		Interchange improvements at interchange of Route 322 and Route 50	Atlantic	(200,000)
4. PROJECT DEVELOPMENT				
		Drainage management system	Various	(3,000,000)
		Northwest New Jersey Visitor Center	Warren	(250,000)
		Project development, bridge projects	Various	(1,000,000)
		Project development, preliminary engineering	Various	(7,500,000)
		Project development, rehabilitation/reconstruction	Various	(5,000,000)
		South Jersey Visitor Center	Salem	(250,000)
18F		Route 38 to Brielle Circle, proposed highway an new alignment	Monmouth	(500,000)
29		Ferry Street to Lamberton Road, system connectivity	Mercer	(1,000,000)
34		Intersection at County Route 537, proposed improvements	Monmouth	(100,000)
70	(17)	Route 38 to Route 73, safety and operational improvements	Camden Burlington	(100,000)
130		Burlington to Brooklawn, proposed corridor rehabilitation and improvements	Camden Burlington	(250,000)
295		Route I-295/42/I-76 interchange, proposed improvement (Study B)	Camden	(500,000)
322	4B	Route 130 (Mechanic Street) to Route 45, widening	Gloucester	(250,000)
5. PLANNING				
		Planning, research, and training	Various	(6,000,000)
		Union County transportation development district, planning study	Union	(300,000)
6. LOCAL AID				
		County Aid	Various	(58,500,000)
		Municipal aid	Various	(58,500,000)
		Discretionary aid: County and municipal	Various	(13,000,000)
7. NEW JERSEY TRANSIT CORPORATION				
		Bus passenger facilities	Various	(4,000,000)
		Environmental compliance	Various	(2,000,000)

High level rail platform accessibility for handicapped persons	Various	(4,000,000)
Hoboken Terminal	Hudson	(600,000)
Hudson/Bergen Light Rail Transit System	Hudson Bergen	(60,000,000)
Hunter Connection	Essex	(2,500,000)
Immediate action program	Various	(8,770,000)
Light rail transit maintenance facility	Essex	(3,500,000)
Newark City subway	Essex	
Newark Penn Station	Essex	(600,000)
Penn Station, New York	New York	(13,000,000)
Physical plant	Various	(4,550,000)
Rail park and ride facilities	Various	(5,500,000)
Rail passenger stations and terminals	Various	(6,340,000)
Rail support facilities and equipment	Various	(5,900,000)
Signals and communication, electric traction system	Various	(11,000,000)
Track rehabilitation	Various	(7,100,000)
Tunnel and bridge rehabilitation	Various	(2,300,000)
Northern bus maintenance facility	Various	(600,000)
West Shore rail spur to Meadowlands Sports Complex	Hudson Bergen	(5,000,000)
Arrow II rail car replacement	Various	(17,400,000)
Automatic passenger counting equipment for bus fleet	Various	(1,700,000)
Bombardier lease payments on rail coaches	Various	(8,940,000)
Convert bus freon cooling systems	Various	(1,500,000)
Install catalytic converter/muffler kits on bus fleet	Various	(550,000)
Private carrier capital improvement program	Various	(2,000,000)
Railroad associated capital maintenance	Various	(4,520,000)
Rehabilitate Eagle Cruiser buses	Various	(1,440,000)
Vans for paratransit bus service	Various	(4,100,000)
Building capital leases	Atlantic, Essex, Hudson	(1,070,000)
Bus support facilities and equipment	Various	(9,210,000)
Claims support	Various	(2,000,000)
Clean Air Program	Various	(4,000,000)
Communications and revenue systems	Various	(4,800,000)
Information services	Various	(3,600,000)
Miscellaneous	Various	(610,000)
Study and development	Various	(1,000,000)
Offset to reduction in federal operating subsidy	Various	(8,800,000)

For personal services to support current and previously authorized projects, and indirect capital program support costs	Various	(21,990,000)
Bus vehicle and facility maintenance	Various	(25,300,000)
Rail maintenance-of-way, maintenance of equipment	Various	(31,910,000)

The total expenditure of the Department of Transportation, under these general program headings with an "Estimated Cost" exceeding $700,000,000 by $350,000,000, shall not exceed $700,000,000 and shall be subject to the following conditions:

(a) On or before the 120th day after the effective date of this act, the Commissioner of Transportation shall transmit to the Senate Transportation Committee and the Assembly Transportation and Communications Committee a list of the specific projects identified hereinabove with the amounts of allotments for each project.

(b) The total allotments for all projects shall not exceed $700,000,000 and the maximum allotment allowed for each project shall not exceed 110% of the amount of "Estimated Cost" for each project listed hereinabove.

(c) The commissioner may, at any time, upon written notice thereof to the committees (1) change the allotment amount listed for a project as previously transmitted to the committees, which results in an allotment amount for that project not greater than or equal to 110% of the "Estimated Cost" for the project, and (2) add a specific project as identified hereinabove, but not on the allotment list previously transmitted to the committees, if the allotment amount for that specific project is not greater than 110% of the "Estimated Cost" for the project.

(d) Any change to the allotment amount listed for a project as previously transmitted to the committees, or which adds a specific project as identified hereinabove but not on the allotment list previously transmitted to the committees, that results in an allotment amount for that project greater than 110% of the "Estimated Cost" for the project, shall be subject to the approval of the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee, prior to the written notice thereof to the committees.

(e) Notwithstanding (a) through (d) herein, the allotment amounts for County Aid, Municipal Aid, and Discretionary Aid: County and municipal shall be the "Estimated Cost" listed hereinabove for those Local Aid items.

The unexpended balances as of June 30, 1996 of appropriations from the New Jersey Transportation Trust Fund Authority are appropriated.

Notwithstanding the provisions of subsection r. of section 3 of P.L.1984, c.73 (C.27:1B-3), sums from the Transportation Trust Fund shall be available, subject to the approval of the Director of the Division of Budget and Accounting, for work necessary for preserving or maintaining the useful life of public transportation projects that ensures the useful life of the project for not less than two years.

82 DEPARTMENT OF THE TREASURY

70 Government Direction, Management and Control
74 General Government Services

Notwithstanding the provisions of section 29 of this act, the unexpended balance not to exceed $5,000,000 in the Municipal and County Infrastructure Program account is appropriated for the Wildwood Convention Center project and there is appropriated to this account an additional $5,000,000 for the Wildwood Convention Center project subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance as of June 30, 1996 in this department is appropriated.

90 MISCELLANEOUS EXECUTIVE COMMISSIONS

40 Community Development and Environmental Management
43 Science and Technical Programs
9140 Delaware River Basin Commission

Capital Project:

Amortization Costs of Multipurpose Dams	($2,000)	
Total Appropriation, Miscellaneous Executive Commissions		$2,000

The unexpended balance as of June 30, 1996 in this commission is appropriated.

94 INTERDEPARTMENTAL ACCOUNTS

70 Government Direction, Management and Control
74 General Government Services
9450 Statewide Capital Projects

Capital Projects:

Americans with Disabilities Act Compliance Projects – Statewide	($1,528,000)	
Fuel Distribution Systems/Underground Storage Tank Replacements – Statewide	(4,000,000)	
Hazardous Materials Removal Projects – Statewide	(2,000,000)	
Total Appropriation, Interdepartmental Accounts		$7,528,000

The unexpended balance as of June 30, 1996 in this department is appropriated.

Total Appropriation, Capital Construction $352,569,000

Notwithstanding any other provision of law, funds derived from the sale or conveyance of any lands and buildings or proceeds from the sale of all fill material held by a department are appropriated for demolition, acquisition of land, rehabilitation or improvement of existing facilities and construction of new facilities, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of P.L.1962, c.220 (C.52:31-1.3), the State Treasurer or the head or principal executive of any State department, is authorized to sell or convey all or any part of the State's interest in any real

property and the improvements thereon, held by a department, having a value of $5,000,000 or less, subject to the approval of the State Treasurer and the Director of the Division of Budget and Accounting.

The unexpended balances as of June 30, 1996 in the Capital Construction accounts for all departments are appropriated.

DEBT SERVICE
20 DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

50 Economic Planning, Development and Security
51 Economic Planning and Development

99-2910 Interest on Bonds		$3,028,000
99-2910 Bond Redemption		3,125,000
Total Appropriation, Department of Commerce and Economic Development		$6,153,000
Special Purpose:		
Interest:		
Community Development Bonds (P.L.1981, c.486)	($3,028,000)	
Redemption:		
Community Development Bonds (P.L.1981, c.486)	($3,125,000)	

42 DEPARTMENT OF ENVIRONMENTAL PROTECTION

40 Community Development and Environmental Management
42 Environmental Planning and Administration

99-4800 Interest on Bonds		$36,095,000
99-4800 Bond Redemption		72,361,000
Total Appropriation, Department of Environmental Protection		$108,456,000
Special Purpose:		
Interest:		
Water Conservation Bonds (P.L.1969, c.127)	($1,491,000)	
State Recreation and Land Acquisition Bonds (P.L.1971, c.165)	(84,000)	
State Recreation and Conservation Land Acquisition and Development Bonds (P.L.1974, c.102)	(2,139,000)	
Clean Waters Bonds (P.L.1976, c.92)	(2,016,000)	
Beaches and Harbors Bonds (P.L.1977, c.208)	(303,000)	
State Land Acquisition and Development Bonds (P.L.1978, c.118)	(1,406,000)	
Emergency Flood Control Bonds (P.L.1978, c.78)	(485,000)	
Natural Resources Bonds (P.L.1980, c.70)	(833,000)	

Water Supply Bonds (P.L.1981, c.261)	(4,940,000)
Hazardous Discharge Bonds (P.L.1981, c.275)	(1,204,000)
1983 New Jersey Green Acres Bonds (P.L.1983, c.354)	(2,136,000)
Shore Protection Bonds (P.L.1983, c.356)	(759,000)
Resource Recovery and Solid Waste Disposal Facility Bonds (P.L.1985, c.330)	(3,463,000)
Pinelands Infrastructure Trust Bonds (P.L.1985, c.302)	(687,000)
Wastewater Treatment Bonds (P.L.1985 c.329)	(3,964,000)
Hazardous Discharge Bonds of 1986 (P.L.1986 c.113)	(352,000)
1987 Green Acres, Cultural Centers and Historic Preservation Bonds (P.L.1987, c.265)	(2,769,000)
1989 New Jersey Open Space Preservation Bonds (P.L.1989, c.183)	(5,883,000)
Stormwater Management and Combined Sewer Overflow Abatement Bonds (P.L.1989, c.181)	(477,000)
Green Acres, Clean Water, Farmland and Historic Preservation Bonds (P.L.1992, c.88)	(704,000)
Redemption:	
Water Conservation Bonds (P.L.1969, c.127)	(8,225,000)
State Recreation and Land Acquisition Bonds (P.L.1971, c.165)	(1,000,000)
State Recreation and Conservation Land Acquisition and Development Bonds (P.L.1974, c.102)	(6,010,000)
Clean Waters Bonds (P.L.1976, c.92)	(4,970,000)
Beaches and Harbors Bonds (P.L.1977, c.208)	(550,000)
State Land Acquisition and Development Bonds (P.L.1978, c.118)	(3,850,000)
Emergency Flood Control Bonds (P.L.1978, c.78)	(1,000,000)
Natural Resources Bonds (P.L.1980, c.70)	(2,210,000)
Water Supply Bonds (P.L.1981, c.261)	(11,131,000)
Hazardous Discharge Bonds (P.L.1981, c.275)	(2,150,000)
1983 New Jersey Green Acres Bonds (P.L.1983, c.354)	(5,150,000)
Shore Protection Bonds (P.L.1983, c.356)	(2,255,000)

Resource Recovery and Solid Waste Disposal Facility Bonds (P.L.1985, c.330)	(2,440,000)
Pinelands Infrastructure Trust Bonds (P.L.1985, c.302)	(1,100,000)
Wastewater Treatment Bonds (P.L.1985 c.329)	(9,500,000)
Hazardous Discharge Bonds (P.L.1986, c.113)	(80,000)
1987 Green Acres, Cultural Centers and Historic Preservation Bonds (P.L.1987, c.265)	(3,825,000)
1989 New Jersey Open Space Preservation Bonds (P.L.1989, c.183)	(6,010,000)
Stormwater Management and Combined Sewer Overflow Abatement Bonds (P.L.1989, c.181)	(750,000)
Green Acres, Clean Water, Farmland and Historic Preservation Bonds (P.L.1992, c.88)	(155,000)

82 DEPARTMENT OF THE TREASURY

70 Government Direction, Management and Control
76 Management and Administration

99-2000 Interest on Bonds	$140,738,000
99-2000 Bond Redemption	191,575,000
Total Appropriation, Department of the Treasury	$332,313,000

Special Purpose:
Interest:

State Housing Assistance Bonds (P.L.1968, c.127)	($14,000)
Public Buildings Construction Bonds (P.L.1968, c.128)	(2,271,000)
State Transportation Bonds (P.L.1968, c.126)	(3,229,000)
Higher Education Construction Bonds (P.L.1971, c.164)	(585,000)
State Mortgage Assistance Bonds (P.L.1976, c.94)	(417,000)
Institutions Construction Bonds (P.L.1976, c.93)	(1,319,000)
Medical Education Facilities Bonds (P.L.1977, c.235)	(2,433,000)
Institutional Construction Bonds (P.L.1978, c.79)	(846,000)
Transportation Rehabilitation and Improvement Bonds (P.L.1979, c.165)	(3,654,000)
Energy Conservation Bonds (P.L.1980, c.68)	(816,000)
Public Purpose Buildings Construction Bonds (P.L.1980, c.119)	(1,082,000)
Farmland Preservation Bonds (P.L.1981, c.276)	(986,000)

Correctional Facilities Construction Bonds (P.L.1982, c.120)	(468,000)
Bridge Rehabilitation and Improvement Bonds (P.L.1983, c.363)	(1,743,000)
Jobs, Science and Technology Bonds (P.L.1984, c.99)	(1,593,000)
Human Services Facilities Construction Bonds (P.L.1984, c.157)	(1,365,000)
Refunding Bonds (P.L.1985, c.74, as amended by P.L.1992, c.182)	(113,787,000)
Correctional Facilities Construction Bonds Bonds (P.L.1987, c.178)	(5,947,000)
Jobs, Education and Competitiveness Bonds (P.L.1988, c.78)	(9,248,000)
Public Purpose Buildings and Community-Based Facilities Construction Bonds (P.L.1989, c.184)	(4,095,000)
1989 Bridge Rehabilitation and Improvement and Railroad Right-of-way Preservation Bonds (P.L.1989, c.180)	(1,386,000)
Savings Due to Refunding	**21,293,000**
Payments on Future Bond Sales	(4,747,000)
Redemption:	
State Housing Assistance Bonds (P.L.1968, c.127)	(500,000)
Public Buildings Construction Bonds (P.L.1968, c.128)	(10,400,000)
State Transportation Bonds (P.L.1968, c.126)	(18,800,000)
Higher Education Construction Bonds (P.L.1971, c.164)	(3,400,000)
State Mortgage Assistance Bonds (P.L.1976, c.94)	(980,000)
Institutions Construction Bonds (P.L.1976, c.93)	(2,740,000)
Medical Education Facilities Bonds (P.L.1977, c.235)	(6,800,000)
Institutional Construction Bonds (P.L.1978, c.79)	(1,700,000)
Transportation Rehabilitation and Improvement Bonds (P.L.1979, c.165)	(9,700,000)
Energy Conservation Bonds (P.L.1980, c.68)	(1,935,000)
Public Purpose Buildings Construction Bonds (P.L.1980, c.119)	(3,765,000)
Farmland Preservation Bonds (P.L.1981, c.276)	(2,200,000)
Correctional Facilities Construction Bonds (P.L.1982, c.120)	(3,665,000)
Bridge Rehabilitation and Improvement Bonds (P.L.1983, c.363)	(6,235,000)
Jobs, Science and Technology Bonds (P.L.1984, c.99)	(4,465,000)

Human Services Facilities Construction Bonds (P.L.1984, c.157)	(2,765,000)	
Refunding Bonds (P.L.1985, c.74, as amended by P.L.1992, c.182)	(77,135,000)	
Correctional Facilities Construction Bonds Bonds (P.L.1987, c.178)	(9,900,000)	
Jobs, Education and Competitiveness Bonds (P.L.1988, c.78)	(11,850,000)	
Public Purpose Buildings and Community-Based Facilities Construction Bonds (P.L.1989, c.184)	(4,350,000)	
1989 Bridge Rehabilitation and Improvement and Railroad Right-of-way Preservation Bonds (P.L. 1989, c.180)	(1,850,000)	
Payments on Future Bond Sales	(6,440,000)	
Total Appropriation, Debt Service		$446,922,000

Such sums as may be needed for the payment of interest and/or principal due from the issuance of any bonds authorized under the several bond acts of the State are appropriated and shall first be charged to the earnings from the investments of such bond proceeds.

There are appropriated such sums as may be needed for the payment of debt service administrative costs.

Total Appropriation, General Fund	$10,981,714,000

PROPERTY TAX RELIEF FUND
GRANTS-IN-AID
82 DEPARTMENT OF THE TREASURY
70 Government Direction, Management and Control
75 State Subsidies and Financial Aid -- Grants-In-Aid

33-2078 Homestead Rebates		$322,000,000
Total Appropriation, State Subsidies and Financial Aid		$322,000,000
Grants:		
Homestead Property Tax Rebates for Homeowners and Tenants (P.L.1990, c.61)	($322,000,000)	

A homestead property tax rebate to be paid from the amount appropriated hereinabove during fiscal year 1997 for a tax year 1995 claim for a claimant who is 65 years of age or older at the close of the tax year, or who is allowed to claim a personal deduction as a blind or disabled taxpayer pursuant to subsection b. of N.J.S.54A:3-1, or who is a joint claimant with such an individual, shall be calculated by the Division of Taxation pursuant to the provisions of the "Homestead Property Tax Rebate Act of 1990," P.L.1990, c.61 (C.54:4-8.57 et seq.).

Notwithstanding the provisions of P.L.1990, c.61 (C.54:4-8.57 et seq.) to the contrary, if the claimant or joint claimant is not 65 years of age or older at the close of the 1995 tax year or is not allowed to claim a personal deduction as a blind or disabled taxpayer pursuant to subsection b. of N.J.S.54A:3-1, a

homestead property tax rebate shall be paid from the amount appropriated hereinabove during fiscal year 1997 for a tax year 1995 claim only for a claimant or joint claimants with "gross income," as defined pursuant to section 2 of P.L.1990, c.61 (C.54:4-8.58), not in excess of $40,000 for the tax year, and shall be calculated by the Division of Taxation and paid based upon a maximum rebate of $30 for a claimant whose status is a tenant whose homestead is a unit of residential rental property and a maximum rebate of $90 for a claimant whose status is an owner of a homestead. Such rebates shall be calculated without regard to the amount of property taxes paid, property taxes paid through rent or rent constituting property taxes paid and without regard to the amount of gross income not in excess of $40,000 and shall be calculated subject to such proportionate reductions in and aggregations of such maximum rebate amounts as relate to the number of days as a tenant of a homestead or as an owner of a homestead during the tax year and the share of property owned or share of rent paid during the tax year.

In addition to the amount hereinabove, there are appropriated from the Property Tax Relief Fund such additional sums as may be required for payments to homeowners and tenants qualifying for homestead property tax rebates, subject to the limitations and conditions provided in this act.

In addition to the amount hereinabove, there are appropriated from the Property Tax Relief Fund such additional sums as may be required for payments of property tax credits to homeowners and tenants pursuant to the "Property Tax Deduction Act," P.L.1996, c.60.

Total Appropriation, Department of the Treasury	$322,000,000
Total Appropriation, Grants-In-Aid – Property Tax Relief Fund	$322,000,000

STATE AID
22 DEPARTMENT OF COMMUNITY AFFAIRS
40 Community Development and Environmental Management
41 Community Development Management

04-8030 Local Government Services		$785,048,000
Total Appropriation, Community Development Management		$785,048,000
Grants:		
Supplemental Municipal Property Tax Relief Act – Discretionary Aid	($30,000,000)	
Consolidated Municipal Property Tax Relief Aid	(858,055,000)	
Less:		
Savings from Pension Funding Changes	**103,007,000**	

Notwithstanding any law to the contrary, the amount hereinabove for Consolidated Municipal Property Tax Relief Aid shall be distributed in the same amounts to the same municipalities as were provided pursuant to the fiscal year 1996 annual appropriations act, P.L.1995, c.164.

From the amount appropriated hereinabove for Consolidated Municipal Property Tax Relief Aid there shall also be paid to each municipality an amount, equal to an amount, if any, received in Aid to Depressed Rural Centers pursuant to the fiscal year 1995 annual appropriations act, P.L.1994, c.67.

Notwithstanding the provisions of any other law to the contrary, the Director of the Division of Budget and Accounting shall reduce the payment to each municipality of Consolidated Municipal Property Tax Relief Aid by the amount of any savings each receives due to reduction of employers' contributions to the Public Employees Retirement System and the Police and Firemen's Retirement System.

The amount hereinabove for Consolidated Municipal Property Tax Relief Aid shall be distributed on the following schedule: on or before July 15, 35% of the total amount due; August 1, 10% of the total amount due; September 1, 30% of the total amount due; October 1, 15% of the total amount due; November 1, 5% of the total amount due; and December 1, 5% of the total amount due.

Notwithstanding any law to the contrary, from the amount received from the Consolidated Municipal Property Tax Relief Aid program, each municipality shall be required to distribute to each fire district within its boundaries the amount received by the fire district from the Supplementary Aid for Fire Services program pursuant to the provisions of the fiscal year 1995 annual appropriations act, P.L.1994, c.67.

Municipalities that received Municipal Revitalization Program aid in fiscal year 1995 pursuant to the provisions of P.L.1994, c.67 shall continue to be subject to the provisions of the "Special Municipal Aid Act," P.L.1987, c.75 (C.52:27D-118.24 et seq.), and the Director of the Division of Local Government Services may withhold aid payments or portions thereof from any municipality that fails to comply with those provisions, until such time as the director determines the municipality to be in compliance.

Notwithstanding any law to the contrary, any funds appropriated as State aid and payable to any municipality in which the provisions of Article 4 of the "Local Government Supervision Act (1947)," P.L.1947, c.151 (C.52:27BB-54 et seq.) are in effect, may be pledged as a guarantee for payment of principal and interest on any bond anticipation notes issued pursuant to N.J.S.40A:2-8 and any tax anticipation notes issued pursuant to N.J.S.40A:4-64 by such municipality. Such funds, if so pledged, shall be made available by the State Treasurer upon receipt of a written notification by the Director of the Division of Local Government Services that the municipality does not have sufficient funds available for prompt payment of principal and interest on such notes, and shall be paid by the State Treasurer directly to the holders of such notes at such time and in such amounts as specified by the director, notwithstanding that payment of such funds does not coincide with any date for payment otherwise fixed by law.

Notwithstanding any law to the contrary, the Director of the Division of Local Government Services may deduct from that portion of Consolidated Municipal Property Tax Relief Aid payable to the City of Camden, an amount not to exceed $200,000 for reimbursement of fiscal monitoring and auditing services.

Total Appropriation, Department of Community Affairs	$785,048,000

34 DEPARTMENT OF EDUCATION

30 Educational, Cultural and Intellectual Development
31 Direct Educational Services and Assistance -- State Aid

01-5120 General Aid Formula		$1,492,249,000
05-5120 Bilingual Education		57,454,000
06-5120 Programs for At-Risk Pupils		292,930,000
07-5120 Special Education		601,054,000
Total Appropriation, Direct Educational Services and Assistance		$2,443,687,000
State Aid:		
Foundation Aid – Quality Education Act of 1990	($1,514,364,000)	
Transition Aid – Quality Education Act of 1990	(19,101,000)	
School Efficiency Program Rewards	(6,600,000)	
Bilingual Education Aid	(57,454,000)	
Aid for At-Risk Pupils	(292,930,000)	
Special Education Aid	(601,054,000)	
Less:		
Savings from Pension Funding Changes	**41,213,000**	
Reduction for Excessive Administrative Expenditures	**6,603,000**	

Notwithstanding any other law to the contrary, the Foundation Aid entitlement for each school district shall be the same as for the entitlement amount in 1995-96.

Notwithstanding any other law to the contrary, Foundation Aid for each special needs district whose estimated per pupil local levy budget for 1996–97 is below 86.23 percent of the estimated per pupil average local levy budget of districts in District Factor Groups "I" and "J" for 1996–97 shall be increased. The amount of increase shall be determined as follows: funds shall be allocated to ensure that the estimated local levy budget per pupil in each such special needs district be at 86.23 percent of the estimated per pupil average local levy budget of districts in District Factor Groups "I" and "J" for 1996–97. For purposes of estimating the average per pupil local levy budget in District Factor Groups "I" and "J," each such district's local levy budget in 1995–96 shall be increased by 2.5 percent and each such district's resident enrollment on October 13, 1995, shall be increased by 2.83 percent. For purposes of estimating the per pupil local levy budget of each special needs district for 1996-97, each such district's resident enrollment on October 13, 1995 shall be increased by 0.97 percent. The minimum required general fund tax levy for each special needs district whose estimated per pupil local levy budget for 1996-97 is below the estimated per pupil average local budget of districts in District Factor Groups "I" and "J" for 1996-97 shall not be less than its 1995-96 general fund tax levy. Each special needs district whose estimated per pupil local levy budget for 1996-97 is above the estimated per pupil average local levy budget of districts in District Factor Groups "I" and "J" for 1996-97 shall have a minimum required general fund tax levy sufficient to be at 100 percent of the estimated per pupil average local levy budget of districts in

District Factor Groups "I" and "J" for 1996-97 as determined by the Commissioner of Education.

Notwithstanding any other law to the contrary, Foundation Aid for each non-special needs district with a resident enrollment decline between October 15, 1991, and October 13, 1995, shall be decreased. The amount of the decrease for each such district shall be equal to one-half the percentage decline of the resident enrollment.

Notwithstanding any other law to the contrary, the Commissioner of Education may direct that a special needs district implement an educational improvement plan that includes up to 100 percent of its Foundation Aid increase for certain demonstrably effective programs to be determined by the commissioner consistent with N.J.A.C.6:8-9.4.

Notwithstanding any other law to the contrary, for any district, the Transition Aid entitlement in 1996–97 shall be 50 percent of the entitlement for the district in 1995–96.

Notwithstanding any other law to the contrary, the State Aid entitlement for each school district receiving Bilingual Education Aid, Aid for At-Risk Pupils, and Special Education Aid shall be the same as the entitlement amounts in 1995–96.

Notwithstanding any other law to the contrary, the amount of State Aid made available to the Department of Human Services pursuant to "The State Facilities Education Act of 1979," P.L.1979, c.207 (C.18A:7B-1 et al.), to defray the costs of educating eligible children in approved private schools under contract with the Department of Human Services shall not exceed the actual costs of the education of those children in such private schools.

Notwithstanding any other law to the contrary, Special Education Aid for pupils classified as eligible for day training shall be paid directly to the resident school district; provided however, that for pupils under contract for service in a day training facility operated by or under contract with the Department of Human Services, tuition shall be withheld and paid to the Department of Human Services.

33 Supplemental Education and Training Programs -- State Aid

20-5120 General Vocational Education		$28,690,000
Total Appropriation, Supplemental Education and Training Programs		$28,690,000
State Aid:		
County Vocational Program Aid	($28,690,000)	

Notwithstanding any other law to the contrary, the entitlement for each school district receiving County Vocational Program Aid shall be the same as the entitlement amount in 1995-96.

34 Educational Support Services -- State Aid

36-5120 Pupil Transportation	$247,206,000
38-5120 Facilities Planning and School Building Aid	69,945,000
39-5095 Teachers' Pension and Annuity Assistance	654,959,000
Total Appropriation, Educational Support Services	$972,110,000

Grants:	
Transportation Aid	($247,206,000)
School Building Aid	(69,945,000)
Teachers' Pension and Annuity Fund	(235,591,000)
Social Security Tax	(419,368,000)

Notwithstanding any other law to the contrary, the entitlement for each school district receiving Transportation Aid shall be the same as the entitlement amount in 1995-96.

Notwithstanding the provisions of section 16 of P.L.1990, c.52 (C.18A:7D-18) and section 2 of P.L.1981, c.57 (C.18A:39-1a.), the per-pupil amount for aid in lieu of transportation in the Transportation Aid program shall equal $675.

Each district shall be entitled to debt service aid in the amount provided by section 18 of P.L.1990, c.52 (C.18A:7D-22) by using the district State share percentage for the 1995-1996 school year.

Total Appropriation, Department of Education.	$3,444,487,000

In the event that sufficient funds are not appropriated to fully fund any State Aid item, the Commissioner of Education 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.

Any appropriation or part thereof made from the Property Tax Relief Fund may be transferred and recorded as an appropriation from the General Fund, as deemed necessary by the State Treasurer, in order that the Director of the Division of Budget and Accounting may warrant the necessary payments; provided however, that the available unrestricted fund balance in the General Fund, as determined by the State Treasurer, is sufficient to support such appropriation.

Notwithstanding any other law, the Director of the Division of Budget and Accounting shall reduce the payment of State education aid to each school district by the amount of any savings each district received due to reduction of employers' contributions to the Public Employees Retirement System in fiscal year 1995.

The Director of the Division of Budget and Accounting may transfer from one account in the appropriations for the Department of Education in the Property Tax Relief Fund to another account in the same Department and Fund such funds as are necessary to effect the intent of the provisions of the appropriations act governing the allocation of State Aid to local school districts and provided that sufficient funds are available in the appropriations for said Department.

Special needs districts receiving pupils in the 1996–97 school year from a sending district shall determine a tuition rate to be paid by the sending board of education which is not in excess of 102.72 percent of the 1995–96 tentative tuition rate established pursuant to N.J.A.C.6:20–3.1(e).

Notwithstanding any other law to the contrary, for the 1996-97 school year each non-special needs district may increase its maximum permissible net budget from the preceding school year by the prior year's percentage increase without losing State Aid. Any non-special needs district which increases its net budget by more than the prior year's percentage increase, absent approval obtained consistent

with the procedure in subsections e. and f. of section 85 of P.L.1990, c.52 (C.18A:7D-28), shall lose State Aid which is paid to or on behalf of the district equal to the amount by which the district exceeds this percentage increase.

82 DEPARTMENT OF THE TREASURY

70 Government Direction, Management and Control
75 State Subsidies and Financial Aid -- State Aid

29-2078 Locally Provided Services		$9,000,000
34-2078 Reimbursement-Senior Citizens and Veterans		38,580,000
Total Appropriation, State Subsidies and Financial Aid		$47,580,000
State Aid:		
Aid to Densely Populated Municipalities (P.L.1990, c.85)	($9,000,000)	
Reimbursement to Municipalities -- Senior and Disabled Citizens' Property Tax Exemptions	(20,141,000)	
State Reimbursements for Veterans' Property Tax Exemptions	(18,439,000)	

In addition to the amount hereinabove, there is appropriated from the Property Tax Relief Fund such additional sums as may be required for State reimbursement to municipalities for senior and disabled citizens' and veterans' property tax exemptions.

Notwithstanding the provisions of P.L.1990, c.85 (C.52:27D-384 et seq.), the amount hereinabove for Aid to Densely Populated Municipalities shall be distributed to the same municipalities which received such aid in fiscal year 1996 pursuant to the provisions of P.L.1995, c.164, in the same proportion as such aid was received in that year.

Notwithstanding any provision of law to the contrary, the payments to municipalities for Aid to Densely Populated Municipalities shall be distributed on the following schedule: July 15, 35% of the total amount due; August 1, 10% of the total amount due; September 1, 30% of the total amount due; October 1, 15% of the total amount due; November 1, 5% of the total amount due; and December 1, 5% of the total amount due.

Total Appropriation, Department of the Treasury	$47,580,000
Total Appropriation, State Aid -- Property Tax Relief Fund	$4,277,115,000
Total Appropriation, Property Tax Relief Fund	$4,599,115,000

Any appropriation or part thereof made from the Property Tax Relief Fund may be transferred and recorded as an appropriation from the General Fund, as deemed necessary by the State Treasurer, in order that the Director of the Division of Budget and Accounting may warrant the necessary payments; provided however, that the available unrestricted fund balance in the General Fund, as determined by the State Treasurer, is sufficient to support such appropriation.

CASINO CONTROL FUND
DIRECT STATE SERVICES
66 DEPARTMENT OF LAW AND PUBLIC SAFETY

10 Public Safety and Criminal Justice
12 Law Enforcement

30-1460 Gaming Enforcement		$29,151,000
Total Appropriation, Law Enforcement		$29,151,000
Personal Services:		
Salaries and Wages	($17,878,000)	
Cash in Lieu of Maintenance	(708,000)	
Employee Benefits	(4,359,000)	
Materials and Supplies	(476,000)	
Services Other Than Personal	(1,820,000)	
Maintenance and Fixed Charges	(2,390,000)	
Special Purpose:		
Other Special Purpose	(1,185,000)	
Additions, Improvements and Equipment	(335,000)	

In addition to the amount hereinabove for Gaming Enforcement, there are appropriated from the Casino Control Fund such additional sums as may be required for gaming enforcement, subject to the approval of the Director of the Division of Budget and Accounting.

Total Appropriation, Department of Law and Public Safety	$29,151,000

82 DEPARTMENT OF THE TREASURY

70 Government Direction, Management and Control
73 Financial Administration

25-2095 Administration of Casino Gambling		$22,510,000
Total Appropriation, Financial Administration		$22,510,000
Personal Services:		
Chairman and Commissioners	($455,000)	
Salaries and Wages	(15,167,000)	
Employee Benefits	(4,015,000)	
Materials and Supplies	(233,000)	
Services Other Than Personal	(1,031,000)	
Maintenance and Fixed Charges	(1,330,000)	
Special Purpose:		
Other Special Purpose	(185,000)	
Additions, Improvements and Equipment	(94,000)	

In addition to the amount hereinabove for Administration of Casino Gambling, there are appropriated from the Casino Control Fund such additional sums as may be required for operation of the Casino Control Commission, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of section 53 of P.L.1977, c.110 (C.5:12-53), each member of the Casino Control Commission shall receive compensation of

$90,000 per annum. The chairman shall receive $5,000 per annum in addition to his compensation as a member of the commission.

Notwithstanding any other provisions of law to the contrary, expenditures billed to the Casino Control Fund resulting from fiscal year 1996 encumbrances or the carryforward of appropriation balances existing as of June 30, 1996, shall not be considered as operating expenses for the purpose of calculating the amount due and payable to the Atlantic City Fund for fiscal year 1997 pursuant to subsection a. of section 45 of P.L.1995, c.18 (C.5:12-161.2).

Total Appropriation, Department of the Treasury		$22,510,000
Total Appropriation, Direct State Services – Casino Control Fund		$51,661,000
Total Appropriation, Casino Control Fund		$51,661,000

CASINO REVENUE FUND
DIRECT STATE SERVICES
22 DEPARTMENT OF COMMUNITY AFFAIRS

50 Economic Planning, Development and Security
55 Social Services Programs

08-8060 Programs for the Aging		$485,000
Total Appropriation, Social Services Programs		$485,000
Personal Services:		
Salaries and Wages	($416,000)	
Employee Benefits	(58,000)	
Materials and Supplies	(5,000)	
Services Other Than Personal	(6,000)	
Total Appropriation, Department of Community Affairs		$485,000

46 DEPARTMENT OF HEALTH

20 Physical and Mental Health
21 Health Services

02-4220 Family Health Services		$127,000
Total Appropriation, Health Services		$127,000
Personal Services:		
Salaries and Wages	($90,000)	
Employee Benefits	(18,000)	
Materials and Supplies	(5,000)	
Services Other Than Personal	(14,000)	
Total Appropriation, Department of Health		$127,000

66 DEPARTMENT OF LAW AND PUBLIC SAFETY

80 Special Government Services
82 Protection of Citizens' Rights

15-1326 Operation of State Professional Boards		$92,000
Total Appropriation, Protection of Citizens' Rights		$92,000
Personal Services:		
Salaries and Wages	($62,000)	
Employee Benefits	(16,000)	
Materials and Supplies	(2,000)	
Services Other Than Personal	(11,000)	
Additions, Improvements and Equipment	(1,000)	

The amount hereinabove is appropriated from the Casino Revenue Fund.

Total Appropriation, Department of Law and Public Safety	$92,000
Total Appropriation, Direct State Services – Casino Revenue Fund	$704,000

GRANTS-IN-AID
22 DEPARTMENT OF COMMUNITY AFFAIRS

50 Economic Planning, Development and Security
55 Social Services Programs -- Grants-In-Aid

08-8060 Programs for the Aging		$6,528,000
Total Appropriation, Social Services Programs		$6,528,000
Grants:		
Adult Protective Services	($1,718,000)	
Senior Citizen Housing – Safe Housing and Transportation	(1,990,000)	
Congregate Housing Support Services	(1,870,000)	
Home Delivered Meals Expansion	(950,000)	
Total Appropriation, Department of Community Affairs		$6,528,000

46 DEPARTMENT OF HEALTH

20 Physical and Mental Health
21 Health Services -- Grants-In-Aid

02-4220 Family Health Services		$1,447,000
Total Appropriation, Health Services		$1,447,000
Grants:		
Statewide Birth Defects Registry	($500,000)	
Demonstration Adult Day Care Center Program – Alzheimer's Disease	(947,000)	
Total Appropriation, Department of Health		$1,447,000

54 DEPARTMENT OF HUMAN SERVICES

20 Physical and Mental Health
24 Special Health Services
7540 Division of Medical Assistance and Health Services -- Grants-In-Aid

22-7540 General Medical Services		$52,639,000
24-7540 Pharmaceutical Assistance to the Aged and Disabled		133,130,000
Total Appropriation, Division of Medical Assistance and Health Services		$185,769,000
Grants:		
Community Care Programs for Elderly and Disabled	($45,176,000)	
Home Care Expansion	(2,400,000)	
Respite Care for the Elderly	(4,000,000)	
Long Term Care Alternatives	(813,000)	
Hearing Aid Assistance for the Aged and Disabled	(250,000)	
Pharmaceutical Assistance to the Aged and Disabled – Claims P.L.1975, c.194 (C.30:4D-20 et seq.)	(133,130,000)	

In addition to the amount hereinabove, there are appropriated from the Casino Revenue Fund and available federal matching funds such additional sums as may be required for the payment of claims, subject to the approval of the Director of the Division of Budget and Accounting.

All funds recovered under P.L.1968, c.413 (C.30:4D-1 et seq.) and P.L.1975, c.194 (C.30:4D-20 et seq.) during the fiscal year ending June 30, 1997, are appropriated for payments to providers in the same program class from which the recovery originated.

In order to permit flexibility in the handling of appropriations and ensure the timely payment of claims to providers of medical services, amounts may be transferred to and from the various items of appropriation within the General Medical Services program classification, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer. This provision shall apply to all payments made after June 30, 1990.

For the purposes of account balance maintenance all object accounts in the General Medical Services program classification shall be considered as one object. This will allow timely payment of claims to providers of medical services but ensure that no overspending will occur in the program classification. This provision shall apply to all payments made after June 30, 1990.

An amount not to exceed $1,500,000 is appropriated to the Department of Human Services, Division of Medical Assistance and Health Services, from the "Health Care Subsidy Fund" established pursuant to section 8 of P.L.1992, c.160 (C.26:2H-18.58) to expand the Community Care Program for the Elderly and Disabled.

Notwithstanding any other law to the contrary, a sufficient portion of receipts generated or savings realized in Casino Revenue Fund General Medical Services or "Pharmaceutical Assistance to the Aged and Disabled" Grants-In-Aid accounts from initiatives included in the fiscal year 1997 budget may be transferred to

Health Services Administration and Management accounts to fund costs incurred in realizing these additional receipts or savings.

Benefits provided under the "Pharmaceutical Assistance to the Aged and Disabled" (PAAD) program, P.L.1975, c.194 (C.30:4D-20 et seq.), shall be the last resource benefits, notwithstanding any provision contained in contracts, wills, agreements or other instruments. Any provision in a contract of insurance, will, trust agreement or other instrument which reduces or excludes coverage or payment to an individual because of that individual's eligibility for or receipt of PAAD benefits shall be void, and no PAAD payments shall be made as a result of any such provision.

The amounts hereinabove appropriated for payments in the "Pharmaceutical Assistance to the Aged and Disabled" program, P.L.1975, c.194 (C.30:4D-20 et seq.), are available for the payment of obligations applicable to prior fiscal years.

Notwithstanding the provisions of section 3 of P.L.1975, c.194 (C.30:4D-22) to the contrary, the copayment in the "Pharmaceutical Assistance to the Aged and Disabled" program shall be $5.00.

Notwithstanding the provisions of any law to the contrary, rebates from pharmaceutical manufacturing companies for prescriptions purchased by the "Pharmaceutical Assistance to the Aged and Disabled" program shall continue throughout fiscal year 1997. All revenues from such rebates during the fiscal year ending June 30, 1997 shall be appropriated for the cost of the "Pharmaceutical Assistance to the Aged and Disabled" program.

Notwithstanding the provisions of any other law or regulation to the contrary, effective July 1, 1996 no funds appropriated in the Pharmaceutical Assistance for the Aged and Disabled program classification shall be expended except under the following conditions: (a) reimbursement for prescription drugs shall be based on the Average Wholesale Price less a 10% discount, (b) prescription drugs dispensed by a retail pharmacy shall be limited to a 34-day or 100 unit dose supply, whichever is greater, (c) the current prescription drug dispensing fee structure set as a variable rate of $3.73 to $4.07 in effect on June 30, 1996 shall remain in effect through fiscal year 1997, including the current increments for patient consultation, impact allowances, and allowances for 24-hour emergency services, (d) reimbursement for non-legend drugs including protein replacement supplements, specialized infant formulas and food oils, devices or supplies shall be on the basis of the Estimated Acquisition Cost (EAC), identified in current national price compendia for other appropriate sources, and their supplements, minus the appropriate regression, plus dispensing fee, and (e) reimbursement will continue for all providers who supply protein nutritional supplements and specialized infant formulas, subject to all applicable regulations established by the Commissioner of Human Services, and provided further, however, that the Commissioner of Human Services may, after an audit or other equivalent documentation demonstrating provider non-compliance, terminate any agreements with such provider.

Notwithstanding the provisions of any other law or regulation to the contrary, effective July 1, 1996, each prescription order dispensed in the Pharmaceutical Assistance to the Aged and Disabled program shall state "Brand Medically Necessary" in the prescriber's own handwriting in order to override generic

substitution of Maximum Allowable Cost (MAC) drugs, and each prescription order shall follow the requirements of P.L.1977, c.240 (C.24:6E-1 et seq.). The list of drugs substituted shall conform to the Drug Utilization Review Council approved list of substitutable drugs and any other requirements pertaining to drug substitution as established by the State Medicaid Program.

Notwithstanding the provisions of P.L.1988, c.92 (C.30:4E-5 et seq.), funds appropriated for the Home Care Expansion (HCE) program shall be paid only for individuals enrolled in the program as of June 30, 1996 who are not eligible for the Community Care Program for the Elderly and Disabled or alternative programs, and only for so long as those individuals require services covered by the HCE program. Individuals enrolled in the HCE program as of June 30, 1996, and eligible for the Community Care Program for the Elderly and Disabled shall be enrolled in that program.

30 Educational, Cultural and Intellectual Development
32 Operation and Support of Educational Institutions
7601 Community Programs -- Grants-In-Aid

01-7601 Purchased Residential Care		$14,905,000
02-7601 Social Supervision and Consultation		2,208,000
03-7601 Adult Activities		7,374,000
Total Appropriation, Community Programs		$24,487,000
Grants:		
Private Institutional Care	($1,311,000)	
Skill Development Homes	(1,141,000)	
Group Homes	(12,325,000)	
Family Care	(128,000)	
Home Assistance	(2,208,000)	
Purchase of Adult Activity Services	(7,374,000)	

Amounts required to return persons with mental retardation or developmental disabilities presently residing in out-of-State institutions to group homes within the State may be transferred from the Private Institutional Care account to the Group Homes account, subject to the approval of the Director of the Division of Budget and Accounting.

Skill development homes recoveries during the fiscal year ending June 30, 1997, not to exceed $12,000,000, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Group home maintenance recoveries during the fiscal year ending June 30, 1997, not to exceed $3,500,000, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

50 Economic Planning, Development and Security
53 Economic Assistance and Security
7540 Division of Medical Assistance and Health Services -- Grants-In-Aid

28-7540 Lifeline Programs		$76,260,000
Total Appropriation, Division of Medical Assistance and Health Services		$76,260,000
Grants:		
Payments for Lifeline Credits	($35,322,000)	

Payments for Tenants Assistance Rebates ..... (40,938,000)

Notwithstanding the provisions of P.L.1979, c.197 (C.48:2-29.15 et seq.), or the provisions of P.L.1981, c.210 (C.48:2-29.30 et seq.), or any other law to the contrary, the benefits of the Lifeline Credit Program and the Tenants' Lifeline Assistance Program may be distributed throughout the entire year from July through June, and are not limited to an October to March heating season, and therefore applications for Lifeline benefits and benefits from the "Pharmaceutical Assistance to the Aged and Disabled" program may be combined.

50 Economic Planning, Development and Security
55 Social Services Programs
7550 Division of Youth and Family Services -- Grants-In-Aid

18-7570 General Social Services		$3,697,000
Total Appropriation, Division of Youth and Family Services ..		$3,697,000
Grants:		
Personal Attendant Program	($3,697,000)	
Total Appropriation, Department of Human Services		$290,213,000

62 DEPARTMENT OF LABOR

50 Economic Planning, Development and Security
54 Manpower and Employment Services -- Grants-In-Aid

07-4535 Vocational Rehabilitation Services		$2,440,000
Total Appropriation, Manpower and Employment Services ...		$2,440,000
Grants:		
Sheltered Workshop Transportation	($2,440,000)	
Total Appropriation, Department of Labor		$2,440,000
Total Appropriation, Grants-In-Aid -- Casino Revenue Fund ..		$300,628,000

STATE AID
78 DEPARTMENT OF TRANSPORTATION

60 Transportation Programs
62 Public Transportation -- State Aid

04-6050 Railroad and Bus Operations		$21,107,000
Total Appropriation, Public Transportation		$21,107,000
State Aid:		
Transportation Assistance for Senior Citizens and Disabled Residents	($21,107,000)	

The unexpended balance as of June 30, 1996 in this account is appropriated.

Counties which provide para-transit services for sheltered workshop clients may seek reimbursement for such services pursuant to P.L.1987, c.455 (C.34:16-51 et seq.)

Total Appropriation, Department of Transportation	$21,107,000

82 DEPARTMENT OF THE TREASURY
70 Government Direction, Management and Control
75 State Subsidies and Financial Aid --State Aid

34-2078 Reimbursement – Senior Citizens and Veterans	$17,180,000
Total Appropriation, State Subsidies and Financial Aid	$17,180,000

State Aid:

Reimbursements to Municipalities -- Senior and Disabled Citizens' Tax Exemptions ($17,180,000)

In addition to the amount hereinabove, there are appropriated from the Casino Revenue Fund such additional sums as may be required for reimbursements to municipalities qualifying for such payments or reimbursements.

Total Appropriation, Department of the Treasury	$17,180,000
Total Appropriation, State Aid – Casino Revenue Fund	$38,287,000
Total Appropriation, Casino Revenue Fund	$339,619,000

Any appropriation or part thereof made from the Casino Revenue Fund may be transferred and recorded as an appropriation from the General Fund, as deemed necessary by the State Treasurer, in order that the Director of the Division of Budget and Accounting may warrant the necessary payments; provided however, that the available unrestricted balance in the General Fund, as determined by the State Treasurer, is sufficient to support such appropriation.

GUBERNATORIAL ELECTIONS FUND
66 DEPARTMENT OF LAW AND PUBLIC SAFETY
10 Public Safety and Criminal Justice
13 Special Law Enforcement Activities

17-1420 Election Law Enforcement	$5,700,000
Total Appropriation, Special Law Enforcement Activities	$5,700,000

Special Purpose:

Election Law Enforcement ($5,700,000)

There are appropriated from the Gubernatorial Elections Fund such sums as may be required for payments to persons qualifying for additional public funds; provided however, that should the amount available in the Gubernatorial Elections Fund be insufficient to support such an appropriation, there are appropriated from the General Fund to the Gubernatorial Elections Fund such sums as may be required.

Total Appropriation, Department of Law and Public Safety	$5,700,000
Total Appropriation, Direct State Services – Gubernatorial Elections Fund	$5,700,000

Total Appropriation, Gubernatorial Elections Fund		$5,700,000
Total Appropriation, All State Funds		$15,977,809,000

FEDERAL FUNDS
10 DEPARTMENT OF AGRICULTURE
40 Community Development and Environmental Management
49 Agricultural Resources, Planning, and Regulation

01-3310 Animal Disease Control		$18,000
02-3320 Plant Pest and Disease Control		497,000
04-3340 Dairy and Commodity Regulation		103,000
06-3360 Marketing Services		8,000
07-3360 Commodity Distribution		1,019,000
Total Appropriation, Agricultural Resources, Planning, and Regulation		$1,645,000
Personal Services:		
Salaries and Wages	($417,000)	
Employee Benefits	(113,000)	
Materials and Supplies	(8,000)	
Services Other Than Personal	(57,000)	
Maintenance and Fixed Charges	(163,000)	
Special Purpose:		
Other Special Purpose	(274,000)	
State Aid and Grants		
Jobs Bill	(603,000)	
Additions, Improvements and Equipment	(10,000)	
Total Appropriation, Department of Agriculture		$1,645,000

14 DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
30 Educational, Cultural and Intellectual Development
37 Cultural and Intellectual Development Services

10-2920 Public Broadcasting Services		$125,000
Total Appropriation, Cultural and Intellectual Development Services		$125,000
Special Purpose:		
Public Broadcasting Services	($125,000)	
Total Appropriation, Department of Commerce and Economic Development		$125,000

22 DEPARTMENT OF COMMUNITY AFFAIRS
40 Community Development and Environmental Management
41 Community Development Management

02-8020 Housing Services	$158,477,000
Total Appropriation, Community Development Management	$158,477,000

Personal Services:		
Salaries and Wages	($10,106,000)	
Employee Benefits	(2,451,000)	
Materials and Supplies	(333,000)	
Services Other Than Personal	(1,577,000)	
Maintenance and Fixed Charges	(734,000)	
Special Purpose:		
Transitional Housing – Homeless	(200,000)	
Other Special Purpose	(836,000)	
State Aid and Grants:		
Public Housing Drug Elimination Technical Assistance Grant	(10,000)	
Rural Rental Rehabilitation Demonstration Project	(100,000)	
Youthbuild Implementation Grant	(700,000)	
Small Cities Block Grant Program	(10,884,000)	
Emergency Shelter Grants Program	(1,545,000)	
Intermediary Technical Assistance Grant	(773,000)	
Housing Opportunities for Persons With AIDS	(1,174,000)	
Supplemental Assistance for Facilities to Assist the Homeless	(650,000)	
Section 8 Community Investment	(483,000)	
Moderate Rehabilitation Housing Assistance	(9,624,000)	
Rental Rehabilitation Assistance Program	(500,000)	
Section 8 Existing Housing Rental Assistance	(61,798,000)	
Section 8 Housing Voucher Program	(36,145,000)	
Transitional Housing – Homeless	(1,900,000)	
Permanent Housing for the Handicapped Homeless	(3,000,000)	
National Affordable Housing – HOME Investment Partnerships	(10,081,000)	
HOPE for Elderly Independence Demonstration Program	(1,300,000)	
HOPE 3 Implementation Grant	(1,500,000)	
Additions, Improvements and Equipment	(73,000)	

50 Economic Planning, Development and Security
55 Social Services Programs

05-8050 Community Resources		$35,326,000
15-8051 Women's Programs		853,000
Total Appropriation, Social Services Programs		$36,179,000
Personal Services:		
Salaries and Wages	($1,257,000)	
Employee Benefits	(296,000)	

Materials and Supplies	(11,000)	
Services Other Than Personal	(177,000)	
Maintenance and Fixed Charges	(16,000)	
Special Purpose:		
Low Income Energy Assistance Program Training and Technical Assistance	(12,000)	
Other Special Purpose	(114,000)	
State Aid and Grants:		
CSGB Discretionary Grant	(250,000)	
Rape Prevention Program	(853,000)	
Community Food and Nutrition Program	(102,000)	
Weatherization Assistance Program	(4,370,000)	
Home Energy Assistance Program	(3,246,000)	
Community Services Block Grant – HHS	(10,919,000)	
Low-Income Energy Assistance Program	(13,174,000)	
Purchase of Legal Services	(1,382,000)	
Total Appropriation, Department of Community Affairs		$194,656,000

26 DEPARTMENT OF CORRECTIONS

10 Public Safety and Criminal Justice
16 Detention and Rehabilitation

10-7040 Education Program		$34,000
10-7050 Education Program		230,000
10-7060 Education Program		64,000
10-7065 Education Program		55,000
10-7070 Education Program		58,000
10-7075 Education Program		60,000
10-7080 Education Program		206,000
10-7085 Education Program		66,000
10-7090 Education Program		53,000
10-7110 Education Program		257,000
10-7120 Education Program		100,000
10-7130 Education Program		179,000
Total Appropriation, Detention and Rehabilitation		$1,362,000
Personal Services:		
Salaries and Wages	($1,011,000)	
Employee Benefits	(224,000)	
Special Purpose:		
Chapter I ECIA	(3,000)	
ECIA – Chapter I	(8,000)	
Elementary & Secondary Education Title I	(27,000)	
Other Special Purpose	(89,000)	

19 Central Planning, Direction and Management		
01-7000 Planning, Management and General Support		$228,000
02-7000 Program Operations Support		281,000
Total Appropriation, Central Planning, Direction and Management		$509,000
Personal Services:		
Salaries and Wages	($332,000)	
Employee Benefits	(68,000)	
Special Purpose:		
Title 1, Part D, Neglected, Delinquent	(8,000)	
Adult Basic Education Grant	(16,000)	
Other Special Purpose	(85,000)	
Total Appropriation, Department of Corrections		$1,871,000

34 DEPARTMENT OF EDUCATION

30 Educational, Cultural and Intellectual Development
31 Direct Educational Services and Assistance

03-5060 Miscellaneous Grants-In-Aid		$6,193,000
04-5064 Adult and Continuing Education		5,361,000
05-5060 Bilingual Education		1,720,000
05-5064 Bilingual Education		127,000
06-5060 Programs for At-Risk Pupils		128,374,000
06-5064 Programs for At-Risk Pupils		1,274,000
07-5060 Special Education		86,120,000
07-5065 Special Education		7,561,000
Total Appropriation, Direct Educational Services and Assistance		$236,730,000
Personal Services:		
Salaries and Wages	($4,470,000)	
Employee Benefits	(1,120,000)	
Materials and Supplies	(569,000)	
Services Other Than Personal	(1,256,000)	
Maintenance and Fixed Charges	(598,000)	
Special Purpose:		
Adult Basic Education – Administration/ Discretionary	(4,000)	
Adult Basic Education – Evaluation and Training	(9,000)	
New Jersey Youth Corps	(28,000)	
Emergency Immigrants' Education Assistance	(1,000)	
Bilingual and Compensatory Education – Homeless Children and Youth	(3,000)	
Specialized Programs	(12,000)	
IDEA – Handicapped Discretionary	(66,000)	
Preschool Incentive Grant – Administration	(5,000)	

IDEA Part B – LRC North	(23,000)
IDEA Part B – LRC Central	(93,000)
IDEA Part B – LRC South	(2,000)
IDEA Part B – LRC North Satellite	(22,000)
Deaf/Blind Children – Services, Administration/Discretionary	(10,000)
Pre-School Regional T.A. Project LRC North	(10,000)
Pre-School Regional T.A. Project LRC Central	(12,000)
Comprehensive System of Personnel Development (CSPD)	(94,000)
Pre-School Incentive Grant – Child Find	(2,000)
New Jersey Partnership for Transition	(17,000)
Other Special Purpose	(519,000)
State Aid and Grants:	
IDEA – Handicapped	(800,000)
Title VI – Innovative Education Strategies	(6,193,000)
Adult Basic Education – Administration/ Discretionary	(3,853,000)
Adult Education – 353 Program, Discretionary	(893,000)
Emergency Immigrants' Education Assistance – Program	(1,720,000)
Migrant Educational Program – Administration/Discretionary	(800,000)
Title 1 – LEA, Disadvantaged	(123,194,000)
Bilingual and Compensatory Education – Homeless Children and Youth	(380,000)
Title I – Capital Expenses	(2,100,000)
Even Start Family Literacy Grant – Discretionary	(1,900,000)
Pre-School Incentive Grant – Administration/Discretionary	(1,000,000)
IDEA Part B – Handicapped, Programmatic	(75,000,000)
Pre-School Incentive Grant – Programmatic	(9,320,000)
Pre-School Regional T.A. Project LRC South	(190,000)
New Jersey Partnership for Transition	(367,000)
Additions, Improvements and Equipment	(75,000)

32 Operation and Support of Educational Institutions

12-5011 Marie H. Katzenbach School for the Deaf	$423,000
Total Appropriation, Operation and Support of Educational Institutions	$423,000
Personal Services:	
Salaries and Wages	($292,000)

Employee Benefits	(73,000)	
Materials and Supplies	(2,000)	
Services Other Than Personal	(30,000)	
Maintenance and Fixed Charges	(2,000)	
Special Purpose:		
Other Special Purpose	(24,000)	

33 Supplemental Educational and Training Programs

20-5060 General Vocational Education		$14,175,000
20-5062 General Vocational Education		19,990,000
Total Appropriation, Supplemental Education and Training Programs		$34,165,000
Personal Services:		
Salaries and Wages	($1,287,000)	
Employee Benefits	(323,000)	
Materials and Supplies	(86,000)	
Services Other Than Personal	(541,000)	
Maintenance and Fixed Charges	(5,000)	
Special Purpose:		
Vocational Education – Basic Grants Administration/Discretionary	(351,000)	
Vocational Education – Title II B Leadership Activities	(28,000)	
Vocational Education Technical Preparation Title III-E	(2,000)	
Job Training Partnership Act Title II – Youth	(388,000)	
School to Work Opportunities	(25,000)	
Other Special Purpose	(160,000)	
State Aid and Grants:		
Vocational Education – Title II B Leadership	(31,000)	
Vocational Education – Single Parent Homemaker, Discretionary	(1,600,000)	
Vocational Education – Sex Bias, Stereotyping – Discretionary	(850,000)	
Vocational Education Technical Preparation Title III-E	(285,000)	
Vocational Education – Secondary Programmatic	(9,400,000)	
Vocational Education – Post Secondary & Adult – Programmatic	(4,775,000)	
Vocational Education Technical Preparation Title III-E	(2,134,000)	
REACH/Jobs (OSA)	(150,000)	
School to Work Opportunities	(11,744,000)	

34 Educational Support Services

30-5060 Academic Programs and Standards	$13,129,000
30-5063 Academic Programs and Standards	12,586,000

31-5060 Grants Management and Development		2,067,000
32-5061 Professional Development and Licensure		40,000
33-5067 Service to Local Districts		3,655,000
33-5091 Service to Local Districts		1,272,000
34-5064 Equal Educational Opportunity		511,000
34-5067 Equal Educational Opportunity		92,000
35-5120 School Nutrition		186,225,000
40-5060 Health, Safety and Community Services		9,285,000
40-5064 Health, Safety and Community Services		4,271,000
Total Appropriation, Educational Support Services		$233,133,000
Personal Services:		
Salaries and Wages	($8,327,000)	
Employee Benefits	(2,103,000)	
Materials and Supplies	(309,000)	
Services Other Than Personal	(1,427,000)	
Maintenance and Fixed Charges	(26,000)	
Special Purpose:		
Vocational Education – Administration	(4,000)	
Title VI – Innovative Program Strategies	(13,000)	
EESE, Title II – Math/Science Training, Administration	(6,000)	
Vocational Education – Occupational Competencies	(97,000)	
National Community Service – Americorps	(9,000)	
Learn and Serve America (K-12)	(4,000)	
Innovative Programs	(9,000)	
Adult Basic Education – Administration	(11,000)	
Vocational Education – Basic Grants Administration	(3,000)	
IDEA Part B – Handicapped, Administration	(24,000)	
Innovative Education, Title VI – Discretionary	(5,000)	
National Community Service – Americorps	(3,000)	
Grants Management and Development	(9,000)	
IDEA, Part B – Child Study Supervisors, Administration	(29,000)	
Child Nutrition – State Administration	(217,000)	
Child Nutrition – Summer Programs, Administration	(5,000)	
Nutrition Education Training – Administration	(12,000)	
IDEA, Part B – Child Study Supervisors	(9,000)	
AIDS Education	(4,000)	
Adult Basic Education – Evaluation and Training	(20,000)	
County Regional Services	(19,000)	
Vocational Education – Sex Equity	(5,000)	
Civil Rights – Technical Assistance and Training	(11,000)	
Child Nutrition – Administration	(70,000)	

AIDS Prevention and Education – Administration	(450,000)
SDFSCA – Governor's Portion – Program Expenses	(8,000)
SDFSCA – Governor's Portion – Administration	(15,000)
Student Services	(20,000)
Other Special Purpose	(912,000)
State Aid and Grants:	
Title II – Math/Science Training Program	(5,000,000)
EESA, Title II – Math/Science Training, Exemplary	(156,000)
Statewide Systemic Initiative – Administration	(2,000,000)
National Community Service – Americorps	(6,031,000)
GOALS 2000	(7,500,000)
Eisenhower Math/Science Grant – Critical Skills	(1,045,000)
Learn and Serve America (K-12)	(930,000)
Child Nutrition-School Lunch	(115,000,000)
Child Nutrition-Special Milk	(1,600,000)
Child Nutrition-School Breakfast, Programmatic	(18,570,000)
Child Care Food	(33,500,000)
Child Care Sponsor Administration	(1,467,000)
Child Care – Cash for Commodities	(1,305,000)
Summer Food	(12,000,000)
Summer Sponsor Administration	(700,000)
School Breakfast – Administration	(130,000)
Drug-Free Schools and Communities – Programmatic	(7,500,000)
Drug-Free Schools and Communities – Discretionary	(235,000)
Safe & Drug-Free Schools – Governor's Portion	(1,500,000)
SDFSCA – Law Enforcement Education Partnership	(285,000)
GoodStarts	(2,286,000)
Additions, Improvements and Equipment	(198,000)

35 Education Administration and Management

42-5120 School Finance	$166,000
43-5092 Compliance and Auditing	422,000
99-5010 Management and Administrative Services	830,000
99-5093 Management and Administrative Services	464,000
Total Appropriation, Educational Administration and Management	$1,882,000
Personal Services:	
Salaries and Wages	($743,000)
Employee Benefits	(182,000)

Materials and Supplies	(1,000)	
Services Other Than Personal	(18,000)	
Special Purpose:		
IDEA Part B – Handicapped, Finance	(10,000)	
Adult Basic Education – Audit	(2,000)	
Vocational Education – State Admin. Compliance	(2,000)	
IDEA Part B – Handicapped, Compliance	(7,000)	
Compliance	(4,000)	
Vocational Education–State Admin.-Technology	(2,000)	
IDEA Part B – Handicapped, Administration	(15,000)	
Technology	(1,000)	
Other Special Purpose	(67,000)	
State Aid and Grants:		
Byrd Scholarship Program	(785,000)	
Christa McAuliffe Fellowship Program	(43,000)	
Total Appropriation, Department of Education		$506,333,000

42 DEPARTMENT OF ENVIRONMENTAL PROTECTION

40 Community Development and Environmental Management

42 Natural Resource Management

11-4870 Forest Resource Management		$1,631,000
12-4875 Parks Management		18,542,000
13-4880 Hunters' and Anglers' License Fund		8,071,000
14-4885 Shellfish and Marine Fisheries Management		5,410,000
21-4895 Natural Resources Engineering		200,000
Total Appropriation, Natural Resource Management		$33,854,000
Personal Services:		
Salaries and Wages	($2,713,000)	
Employee Benefits	(644,000)	
Materials and Supplies	(305,000)	
Services Other Than Personal	(1,571,000)	
Maintenance and Fixed Charges	(322,000)	
Special Purpose:		
Rural Community Fire Protection Program	(5,000)	
Forest Resource Management – Cooperative Forest Fire Control	(199,000)	
Gypsy Moth Suppression	(26,000)	
Consolidated Forest Management	(249,000)	
Forest Legacy	(5,000)	
Conservation Education	(23,000)	
Incentives Program	(10,000)	
Stewardship Program	(54,000)	
Forest Health Monitoring	(12,000)	
Regional Forest Monitoring Program	(20,000)	
Historic Preservation Survey and Planning	(836,000)	

Endangered Plant Species Supplemental Funding	(31,000)
State Wetlands Conservation Plan	(200,000)
Hunters' and Anglers' License Fund	(479,000)
Hunter Safety Training	(169,000)
Endangered Species E-1-6	(22,000)
Hunters' and Anglers' License Fund/ New Jersey Statewide Fisheries Development Project	(307,000)
Hunters' and Anglers' License Fund/ Fish Disease and Parasite Investigations	(2,000)
Fish and Wildlife Input to Activities – Projects of Others	(31,000)
New Jersey Fish, Wildlife and Anadromous Fishery Coordination	(30,000)
Research in Freshwater Fisheries Management	(34,000)
Wildlife Health Project	(24,000)
Fish Culture and Stocking Project	(40,000)
Aquatic Recreational Resource Awareness	(6,000)
Development of a Computerized Fish and Wildlife Information System	(18,000)
Wild Turkey Research	(6,000)
Approach for Rare Species	(5,000)
Wildlife Research and Management	(133,000)
Marine Fisheries Investigation and Management	(579,000)
Atlantic Coastal Fisheries	(7,000)
Stock Assessment of New Jersey Offshore Fisheries	(124,000)
Inventory of New Jersey Surf Clam Resources	(5,000)
Marine Fisheries Field Office Improvements	(2,000)
Clean Vessels	(2,993,000)
Community Assistance Program	(72,000)
Other Special Purpose	(833,000)
State Aid and Grants:	
Rural Community Fire Protection	(35,000)
Nursery – Cm – 4	(24,000)
Consolidated Forest Management	(485,000)
Historic Preservation Survey and Planning	(72,000)
Additions, Improvements and Equipment	(20,092,000)

43 Science and Technical Programs

01-4820 Radiation Protection	$855,000
02-4801 Air Pollution Control	2,435,000
04-4835 Pesticide Control	553,000
07-4850 Water Monitoring and Planning	4,200,000
15-4801 Land Use Regulation	1,211,000
18-4810 Science and Research	2,950,000
22-4861 Water Quality Management	350,000

90-4801 Management Policy and Planning		4,775,000
Total Appropriation, Science and Technical Programs		$17,329,000
Personal Services:		
Salaries and Wages	($4,103,000)	
Employee Benefits	(993,000)	
Materials and Supplies	(149,000)	
Services Other Than Personal	(2,377,000)	
Maintenance and Fixed Charges	(15,000)	
Special Purpose:		
Radon Program	(334,000)	
Air Pollution Maintenance Program	(997,000)	
Pesticide Technology	(66,000)	
Cooperative Pesticide Enforcement	(56,000)	
Pesticide – Worker Protection	(33,000)	
Pesticides – Endangered Species	(1,000)	
Water Pollution Control Program	(962,000)	
Clean Lakes Program	(1,500,000)	
Coastal Zone Management Implementation	(20,000)	
Delaware Bay Estuary	(50,000)	
New York/New Jersey Harbor Estuary Program	(390,000)	
Communication of Fish Advisories	(4,000)	
Coastal Oceans Program	(250,000)	
Environmental Technology Initiative	(800,000)	
OER/95 Reducing Uncertainty: 3	(150,000)	
OER/Reducing Uncertainty in Risk Assessment and Improving Risk Reduction	(150,000)	
Education Outreach to Urban Anglers	(10,000)	
Comparative Risk Project	(100,000)	
State Partnership Initiative	(120,000)	
Barnegat Bay Estuary Nomination	(575,000)	
Offshore Beach Replenishment	(44,000)	
National Geologic Mapping Program	(96,000)	
Earthquake Hazard Reduction	(4,000)	
Water Pollution Control	(128,000)	
Water Monitoring and Planning	(1,092,000)	
Non-Point Source Implementation (319H)	(274,000)	
Other Special Purpose	(624,000)	
State Aid and Grants:		
Radon Program	(25,000)	
Additions, Improvements and Equipment	(837,000)	

44 Site Remediation

19-4815 Publicly-Funded Site Remediation		$100,000,000
23-4815 Hazardous Waste Management		360,000
27-4815 Responsible Party Site Remediation		7,850,000
Total Appropriation, Site Remediation		$108,210,000
Personal Services:		
Salaries and Wages	($3,228,000)	

Employee Benefits	(783,000)	
Materials and Supplies	(20,000)	
Services Other Than Personal	(46,017,000)	
Maintenance and Fixed Charges	(37,000)	
Special Purpose:		
Super Fund Grants	(53,800,000)	
Preliminary Assessments/Site Inspections	(854,000)	
CERCLA Grants	(500,000)	
Underground Storage Tanks	(1,639,000)	
Underground Storage Tanks	(45,000)	
Other Special Purpose	(1,217,000)	
Additions, Improvements and Equipment	(70,000)	

45 Environmental Regulation

02-4892 Air Pollution Control		$1,285,000
05-4840 Water Supply and Watershed Management		13,800,000
09-4860 Public Wastewater Facilities		95,000,000
15-4890 Land Use Regulation		1,507,000
16-4891 Water Monitoring and Planning		2,175,000
23-4910 Hazardous Waste Management		2,635,000
Total Appropriation, Environmental Regulation		$116,402,000
Personal Services:		
Salaries and Wages	($3,678,000)	
Employee Benefits	(893,000)	
Materials and Supplies	(88,000)	
Services Other Than Personal	(643,000)	
Maintenance and Fixed Charges	(4,000)	
Special Purpose:		
Air Pollution Maintenance Program	(209,000)	
Safe Drinking Water Act	(256,000)	
Drinking Water State Revolving Fund	(12,000,000)	
Coastal Zone Management Implementation	(231,000)	
Mullica River/Great Bay Reserve	(85,000)	
State Wetlands Conservation Plan	(50,000)	
Underground Injection Control	(26,000)	
NPDES implementation Support Program	(1,275,000)	
Hazardous Waste – Resource Conservation	(250,000)	
Pollution Prevention Comparison	(59,000)	
Toxics Substances Control Act Grant	(500,000)	
Other Special Purpose	(1,017,000)	
State Aid and Grants:		
Construction Loan Revolving Fund	(95,000,000)	
Additions, Improvements and Equipment	(138,000)	

46 Environmental Planning and Administration

99-4800 Management and Administrative Services		$1,275,000
Total Appropriation, Environmental Planning and Administration		$1,275,000
Personal Services:		
Salaries and Wages	($111,000)	
Employee Benefits	(26,000)	
Materials and Supplies	(10,000)	
Services Other Than Personal	(30,000)	
Special Purpose:		
Environmental Justice	(100,000)	
Global Positioning System	(150,000)	
State/EPA Data Management Grant	(500,000)	
National Spatial Data Infrastructure	(25,000)	
Coastal Mapping	(100,000)	
Biodiversity Project	(100,000)	
Other Special Purpose	(38,000)	
Additions, Improvements and Equipment	(85,000)	

47 Enforcement Policy

02-4855 Air Pollution Control		$3,280,000
15-4855 Land Use Regulation		482,000
23-4855 Hazardous Waste Management		1,886,000
Total Appropriation, Enforcement Policy		$5,648,000
Personal Services:		
Salaries and Wages	($2,948,000)	
Employee Benefits	(715,000)	
Materials and Supplies	(33,000)	
Services Other Than Personal	(307,000)	
Maintenance and Fixed Charges	(9,000)	
Special Purpose:		
Air Pollution Maintenance Program	(720,000)	
Coastal Zone Management Implementation	(121,000)	
Hazardous Waste – Resource Conservation Recovery Act	(374,000)	
Other Special Purpose	(328,000)	
Additions, Improvements and Equipment	(93,000)	

Total Appropriation, Department of Environmental Protection	$282,718,000

46 DEPARTMENT OF HEALTH

20 Physical and Mental Health
21 Health Services

01-4215 Vital Statistics	$685,000
02-4220 Family Health Services	119,694,000
03-4230 Epidemiology, Environmental and Occupational Health Services	27,822,000
04-4240 Alcoholism, Drug Abuse and Addiction Services	48,125,000

08-4280 Laboratory Services		1,290,000
12-4245 AIDS Services		31,791,000
Total Appropriation, Health Services		$229,407,000
Personal Services:		
Salaries and Wages	($25,358,000)	
Employee Benefits	(5,576,000)	
Materials and Supplies	(1,229,000)	
Services Other Than Personal	(9,736,000)	
Maintenance and Fixed Charges	(230,000)	
Special Purpose:		
Other Special Purpose	(5,052,000)	
State Aid and Grants:		
Preventative Health and Health Services	(2,156,000)	
Maternal and Child Health Block Grant	(6,656,000)	
Substance Abuse Block Grant	(435,000)	
Childhood Lead Poisoning	(1,030,000)	
Supplemental Food Program – W.I.C.	(70,464,000)	
Social Services Block Grant – Family Planning	(2,106,000)	
Family Planning Program – Title X	(3,000,000)	
Pediatric AIDS Health Care Demonstration Project	(1,248,000)	
Immunization Project	(1,100,000)	
Injury Demonstration Projects for Evaluation of Youth Violence Prevention	(239,000)	
Early Intervention for Infants and Toddlers with Disabilities (Part H)	(8,562,000)	
Coordination of Home Visits to Families with Children in New Jersey	(260,000)	
Early Intervention Program for Medicaid Recipients	(2,200,000)	
New Jersey Project: Providing a MED Home in a Neighborhood of Services	(39,000)	
WIC Farmer's Market Nutrition Program	(169,000)	
Comprehensive Breast and Cervical Cancer – Early Detection Program	(1,833,000)	
New Jersey WIN Initiative Project	(225,000)	
Preventive Health and Health Services Block Grant – Alcoholism, Drug Abuse and Addiction Services	(284,000)	
Venereal Disease Project	(225,000)	
Comprehensive AIDS Prevention and Surveillance Grant	(59,000)	
Tuberculosis Control Program	(4,954,000)	
Lyme Disease Research	(122,000)	
Immunization Project	(9,150,000)	
Domestic Violence in Women Associated with Partner Notification	(250,000)	
Preventative Health and Health Services	(270,000)	
Substance Abuse Block Grant	(29,600,000)	
Residential Substance Abuse Treatment for Pregnant and Postpartum Women	(1,036,000)	

Social Services Block Grant -- Alcohol Rehabilitation Program	(638,000)	
American Stop Smoking Intervention Study	(675,000)	
Residential Treatment for Pregnant and Postpartum Women	(1,591,000)	
Newark Target Cities Project – Substance Abuse	(2,609,000)	
Criminal Justice Treatment Network	(1,114,000)	
Demonstration Program – Residential Treatment	(1,507,000)	
HIV/AIDS Surveillance Grant	(450,000)	
AIDS Epidemiology Study of Blood Donors	(70,000)	
HIV/AIDS Prevention Education Grant	(8,432,000)	
Comprehensive AIDS Resources Grant	(15,115,000)	
Additions, Improvements and Equipment	(2,353,000)	

22 Health Planning and Evaluation

06-4260 Health Facilities Evaluation		$9,101,000
07-4270 Health Care Planning, Financing and Information Services		100,000
Total Appropriation, Health Planning and Evaluation		$9,201,000
Personal Services:		
Salaries and Wages	($5,337,000)	
Employee Benefits	(1,172,000)	
Materials and Supplies	(35,000)	
Services Other Than Personal	(368,000)	
Maintenance and Fixed Charges	(395,000)	
Special Purpose:		
Other Special Purpose	(1,299,000)	
State Aid and Grants:		
Federal Civil Monetary Penalties	(500,000)	
Additions, Improvements and Equipment	(95,000)	

25 Health Administration

99-4210 Management and Administrative Services		$403,000
Total Appropriation, Health Administration		$403,000
Personal Services:		
Salaries and Wages	($47,000)	
Employee Benefits	(11,000)	
Special Purpose:		
Other Special Purpose	(15,000)	
State Aid and Grants:		
Preventative Health and Health Services Block Grant	(330,000)	

50 Economic Planning, Development and Security
55 Social Services Programs

55-4275 Programs for the Aged		$35,448,000

56-4275 Office of the Ombudsman		320,000
Total Appropriation, Health Administration		$35,768,000
Personal Services:		
Salaries and Wages	($3,563,000)	
Employee Benefits	(487,000)	
Materials and Supplies	(35,000)	
Services Other Than Personal	(167,000)	
Maintenance and Fixed Charges	(13,000)	
Special Purpose:		
Older Americans Act – Title III	(17,000)	
Ombudsman for the Institutionalized Elderly: Medicaid Reimbursement	(320,000)	
Other Special Purpose	(109,000)	
State Aid and Grants:		
Older Americans Act – Title III	(26,313,000)	
Older Americans Act – Title VII	(430,000)	
USDA Older Americans Act – Title III	(3,900,000)	
Counseling on Health Insurance for Medicare Enrollees	(189,000)	
Older Americans Act – Title III	(201,000)	
Additions, Improvements and Equipment	(24,000)	
Total Appropriation, Department of Health		$274,779,000

54 DEPARTMENT OF HUMAN SERVICES

20 Physical and Mental Health
23 Mental Health Services
7700 Division of Mental Health Services

08-7700 Community Services		$9,356,000
99-7700 Management and Administrative Services		129,000
Total Appropriation, Division of Mental Health Services		$9,485,000
Personal Services:		
Salaries and Wages	($445,000)	
Special Purpose:		
Camden Work Experience Rehabilitation and Collaboration Services Transit SED & SMI	(216,000)	
Enhancing Decision Support for DHM&H	(92,000)	
State Aid and Grants:		
Mental Health Systems Improvement Demonstration	(75,000)	
Projects for Assistance in Transition from Homelessness (PATH)	(448,000)	
Substance Abuse Block Grant	(450,000)	
Block Grant Mental Health Services	(7,759,000)	

24 Special Health Services
7540 Division of Medical Assistance and Health Services

21-7540 Health Services Administration and Management	$40,632,000

22-7540 General Medical Services		1,765,978,000
Total Appropriation, Division of Medical Assistance and Health Services		$1,806,610,000
Personal Services:		
Salaries and Wages	($16,384,000)	
Compensation Awards	(97,000)	
Materials and Supplies	(183,000)	
Services Other Than Personal	(4,017,000)	
Maintenance and Fixed Charges	(2,283,000)	
Special Purpose:		
Administration of U.S. Department of Health and Human Services Programs	(348,000)	
Payments to Fiscal Agents	(13,774,000)	
Eligibility Determination	(2,850,000)	
Master Lease Debt Service Payments	(23,000)	
Affirmative Action and Equal Employment Opportunity	(18,000)	
Professional Standards Review Organization – Utilization Review	(453,000)	
State Aid and Grants:		
Managed Care Initiative	(297,630,000)	
Peer Grouping	(52,809,000)	
Community Care Programs for Elderly and Disabled	(70,506,000)	
Health Care Subsidy Fund – CCPED Federal Match	(1,500,000)	
Long Term Care Alternatives	(813,000)	
Payments for Medical Assistance Recipients –		
Nursing Homes	(494,297,000)	
Inpatient Hospital	(198,104,000)	
Prescription Drugs	(125,979,000)	
Outpatient Hospital	(76,207,000)	
Physician	(20,618,000)	
Home Health	(35,909,000)	
Medicare B Payments	(29,624,000)	
Dental	(13,996,000)	
County Psychiatric Hospital	(14,399,000)	
Medical Supplies	(10,223,000)	
Clinic	(57,056,000)	
Transportation	(18,950,000)	
Other Services	(2,139,000)	
Unit Dose Contract Services	(1,400,000)	
Consulting Pharmacy Services	(560,000)	
Maternal and Child Health Expansion	(36,670,000)	
Medicaid Expansion to Age 19 and 100% of Poverty	(4,070,000)	
Medicaid Expansion for Pregnant Women and Infants under One Year to 185% of Poverty	(17,194,000)	
Medicaid Expansion – SOBRA	(185,325,000)	

Additions, Improvements and Equipment	(202,000)	

30 Educational, Cultural and Intellectual Development
32 Operation and Support of Educational Institutions

01-7601 Purchased Residential Care		$86,853,000
02-7601 Social Supervision and Consultation		14,775,000
03-7601 Adult Activities		52,858,000
04-7601 Education and Day Training		393,000
05-7610 Residential Care and Habilitation Services		4,382,000
05-7620 Residential Care and Habilitation Services		18,806,000
05-7630 Residential Care and Habilitation Services		10,890,000
05-7640 Residential Care and Habilitation Services		11,244,000
05-7650 Residential Care and Habilitation Services		21,632,000
05-7660 Residential Care and Habilitation Services		13,207,000
05-7670 Residential Care and Habilitation Services		8,957,000
05-7690 Residential Care and Habilitation Services		8,343,000
98-7610 Physical Plant and Support Services		923,000
98-7620 Physical Plant and Support Services		1,317,000
98-7630 Physical Plant and Support Services		747,000
98-7640 Physical Plant and Support Services		1,524,000
98-7650 Physical Plant and Support Services		2,157,000
98-7660 Physical Plant and Support Services		466,000
98-7670 Physical Plant and Support Services		1,646,000
98-7690 Physical Plant and Support Services		1,027,000
99-7600 Management and Administrative Services		5,307,000
99-7610 Management and Administrative Services		697,000
99-7620 Management and Administrative Services		449,000
99-7630 Management and Administrative Services		731,000
99-7640 Management and Administrative Services		886,000
99-7650 Management and Administrative Services		951,000
99-7660 Management and Administrative Services		1,273,000
99-7670 Management and Administrative Services		768,000
99-7690 Management and Administrative Services		787,000
Total Appropriation, Operation and Support of Educational Institutions		$273,996,000
Personal Services:		
Salaries and Wages	($132,939,000)	
Materials and Supplies	(2,000)	
Services Other Than Personal	(3,000)	
Maintenance and Fixed Charges	(65,000)	
State Aid and Grants:		
Community Care Waiver – Title XIX	(79,745,000)	
Community Service Waiting List Reduction	(5,600,000)	
Stresspite Childrens' Respite – Temporary Child Care	(200,000)	
After School Options-Temporary Child Care	(200,000)	
Developmental Disabilities Council	(1,185,000)	

Day Care Services	(439,000)	
Work-Study Training Program for Caseworkers	(1,476,000)	
Citizens Advocacy Program	(176,000)	
Intermediate Care Facilities – Mental Retardation	(51,966,000)	

33 Supplemental Education and Training Programs
7560 Commission for the Blind and Visually Impaired

11-7560 Habilitation and Rehabilitation		$6,928,000
12-7560 Instruction, Community Programs and Prevention		570,000
99-7560 Management and Administrative Services		1,173,000
Total Appropriation, Supplemental Education and Training Programs		$8,671,000
Personal Services:		
Salaries and Wages	($4,235,000)	
Employee Benefits	(63,000)	
Materials and Supplies	(195,000)	
Services Other Than Personal	(694,000)	
Maintenance and Fixed Charges	(284,000)	
State Aid and Grants:		
Federal Vocational Rehabilitation for Independent Living, Title VII - Part A	(99,000)	
Federal Independent Living – Supported Employment	(199,000)	
Federal Independent Living – Part C, Older Blind	(180,000)	
Vocational Rehabilitation – Direct Service	(2,222,000)	
Preventive Health Block Grant	(75,000)	
Social Services Block Grant	(319,000)	
Additions, Improvements and Equipment	(106,000)	

50 Economic Planning, Development and Security
53 Economic Assistance and Security

15-7550 Income Maintenance Management		$583,557,000
Total Appropriation, Economic Assistance and Security		$583,557,000
Personal Services:		
Salaries and Wages	($9,883,000)	
Compensation Awards	(9,000)	
Materials and Supplies	(278,000)	
Services Other Than Personal	(11,062,000)	
Maintenance and Fixed Charges	(1,148,000)	
Special Purpose:		
Electronic Benefit Transfer/ Distribution System	(463,000)	
Electronic Benefit Transfer, Evaluation and Development, Food Stamps	(731,000)	
EBT – Operational Food Stamp Match for CWA's	(1,931,000)	

EBT – Operational IV-A Match for CWA's	(1,025,000)	
Public Welfare Administration	(5,610,000)	
Title XX Urban Empowerment Zone	(10,418,000)	
Affirmative Action and Equal Employment Opportunity	(8,000)	
Child Support Program Legislative Initiatives	(1,941,000)	
JOBS – Title IV-A	(33,747,000)	
Jobs Training – Title IV-F	(23,447,000)	
Title IV-A At Risk Child Care	(8,323,000)	
State Aid and Grants:		
Non-Public Assistance Legal Services, Child Support	(291,000)	
Supplemental Security Income – Title XIV	(150,000)	
Administration Expenses to Counties – Assistance Programs	(75,424,000)	
Dependent Children Assistance	(213,286,000)	
Federal Energy Assistance Program	(30,053,000)	
County Administrative Expenses –		
Food Stamp Program	(53,000,000)	
Title XIX	(35,000,000)	
Social Services Block Grant	(22,840,000)	
Title IV-D	(21,000,000)	
Low Income Energy Assistance Program	(2,879,000)	
Refugee Resettlement/Cuban Haitian Entrant Program	(160,000)	
IV-D CSP Payments to CPD and County Sheriff	(2,000,000)	
Child Care Development Block Grant	(14,480,000)	
Dependent Care Planning and Development	(400,000)	
Refugee Resettlement Program	(1,500,000)	
AFDC Immunization Demonstration Program	(685,000)	
Parents Fair Share – Title IV-D	(375,000)	
Additions, Improvements and Equipment	(10,000)	

55 Social Services Programs

16-7570 Initial Response/Case Management		$40,330,000
17-7570 Substitute Care		40,472,000
18-7570 General Social Services		47,066,000
23-7580 Services for the Deaf		50,000
99-7570 Management and Administrative Services		14,994,000
Total Appropriation, Division of Youth and Family Services		$142,912,000
Personal Services:		
Salaries and Wages	($38,824,000)	
Materials and Supplies	(2,031,000)	

Services Other Than Personal	(9,247,000)
Maintenance and Fixed Charges	(9,850,000)
State Aid and Grants:	
Initial Response/Case Management	(1,134,000)
East Orange District Office Management Enhancement Program	(175,000)
Respite Care ARC North	(150,000)
Transitional Residence	(600,000)
Family Violence Prevention and Services	(665,000)
National Center for Child Abuse and Neglect	(80,000)
Title XIX – Children in Residential Centers	(220,000)
Respite Care ARC South	(150,000)
Title IV-A (Foster Care)	(5,000,000)
Title XIX (Other Residential)	(486,000)
Title XIX (Residential/Group Home)	(3,293,000)
Title XIX (Special Home Services Providers)	(2,574,000)
Title XIX (Subsidized Adoption)	(1,046,000)
Title XIX (Foster Care)	(2,847,000)
Title IV-E (Residential/Group Home)	(5,080,000)
Title IV-E (Special Home Services Providers)	(3,973,000)
Title IV-E (Subsidized Adoption)	(1,421,000)
Title IV-E (Foster Care)	(4,483,000)
Title IV-B (Residential/Group Home)	(128,000)
Title IV-B (Special Home Services Providers)	(101,000)
Title IV-B (Subsidized Adoption)	(117,000)
Title IV-B (Foster Care)	(2,669,000)
Purchase of Service Contracts	(1,248,000)
Title XIX Children in Residential Centers	(23,000)
General Social Services	(124,000)
Office of Refugee Resettlement – Social Services	(1,483,000)
Targeted Assistance Disabilities Grant	(632,000)
Refugee Cash Management Unaccompanied Minors	(1,462,000)
Title XIX (Purchase of Day Care)	(75,000)
Title IV-E (Purchase of Day Care)	(1,237,000)
Title XIX – Children in Residential Centers	(1,521,000)
Family Preservation Services (Title IV-B)	(8,011,000)
Title XIX (Family Support Services)	(913,000)
Title IV-E (Family Support Services)	(3,280,000)
Title IV-B (Family Support Services)	(1,631,000)
Title IV-A (Emergency Assistance to Families)	(1,840,000)
Independent Living (Title IV-E)	(2,298,000)
Purchase of Service Contracts	(7,021,000)

SSBG Day Care	(7,972,000)	
Title IV A/E	(3,132,000)	
Children's Justice Act	(375,000)	
Involving Parents in Service Design	(80,000)	
National Center for Child Abuse and Neglect	(570,000)	
Additions, Improvements and Equipment	(1,640,000)	

70 Government Direction, Management and Control
76 Management and Administration
7500 Division of Management and Budget

87-7500 Research, Policy and Planning		$2,180,000
99-7500 Management and Administrative Services		27,903,000
Total Appropriation, Division of Management and Budget		$30,083,000
Personal Services:		
Salaries and Wages	($187,000)	
Special Purpose:		
Challenge Grant (Children's Trust Fund)	(557,000)	
Office of Prevention	(235,000)	
Head Start State Collaboration Project	(120,000)	
Title XIX, ICF/MR	(1,028,000)	
DHS Adult Basic Education Program	(175,000)	
IDEA (State Institutions) Human Services	(372,000)	
Title I – Part D Neglected and Delinquent	(814,000)	
Federal Cost Recoveries	(15,344,000)	
Aid for Dependent Children – Title IV-A	(485,000)	
Title VI-B, Child Welfare Services	(134,000)	
Title IV-E, Foster Care	(288,000)	
Low Income Energy Assistance Block Grant	(49,000)	
Title XIX, ICF/MR	(3,627,000)	
Title XIX, Medical Assistance	(2,600,000)	
Refugee Resettlement Program	(18,000)	
Social Service Block Grant	(2,323,000)	
Vocational Rehabilitation Act, Section 120	(148,000)	
Food Stamp Program	(447,000)	
ACSE Title IV-D Child Support Program	(299,000)	
REACH – Federal Title IV-F	(119,000)	
Other Special Purpose	(589,000)	
State Aid and Grants:		
Childhood Lead Poisoning – Prevention	(125,000)	
Total Appropriation, Department of Human Services		$2,855,314,000

62 DEPARTMENT OF LABOR

50 Economic Planning, Development and Security

51 Economic Planning and Development

18-4570 Planning and Research		$6,132,000
Total Appropriation, Economic Planning and Development		$6,132,000
Personal Services:		
Salaries and Wages	($3,749,000)	
Compensation Awards	(3,000)	
Employee Benefits	(1,314,000)	
Materials and Supplies	(83,000)	
Services Other Than Personal	(657,000)	
Maintenance and Fixed Charges	(127,000)	
Special Purpose:		
Occupational Informational Coordinating Program	(10,000)	
State Training Inventory	(2,000)	
Other Special Purpose	(133,000)	
State Aid and Grants:		
Occupational Informational Coordinating Program	(3,000)	
Additions, Improvements and Equipment	(51,000)	

52 Economic Regulation

12-4550 Workplace Standards		$1,488,000
Total Appropriation, Economic Regulation		$1,488,000
Personal Services:		
Salaries and Wages	($927,000)	
Employee Benefits	(248,000)	
Materials and Supplies	(15,000)	
Services Other Than Personal	(71,000)	
Maintenance and Fixed Charges	(78,000)	
Special Purpose:		
OSHA On-Site Consultation	(110,000)	
Other Special Purpose	(19,000)	
Additions, Improvements and Equipment	(20,000)	

53 Economic Assistance and Security

01-4510 Unemployment Insurance		$90,500,000
02-4515 Disability Determination		39,775,000
Total Appropriation, Economic Assistance and Security		$130,275,000
Personal Services:		
Salaries and Wages	($74,752,000)	
Employee Benefits	(17,352,000)	
Materials and Supplies	(1,287,000)	
Services Other Than Personal	(13,120,000)	
Maintenance and Fixed Charges	(9,341,000)	
Special Purpose:		
Old Age and Survivors' Insurance – Disability Determination	(3,845,000)	

Other Special Purpose	(1,894,000)	
State Aid and Grants:		
Old Age and Survivors' Insurance -- Disability Determination	(8,000,000)	
Additions, Improvements and Equipment	(684,000)	

54 Manpower and Employment Services

07-4535 Vocational Rehabilitation Services		$41,345,000
09-4545 Employment Services		45,269,000
10-4545 Employment and Training Services		88,342,000
Total Appropriation, Manpower and Employment Services		$174,956,000
Personal Services:		
Salaries and Wages	($43,685,000)	
Employee Benefits	(9,509,000)	
Materials and Supplies	(551,000)	
Services Other Than Personal	(6,520,000)	
Maintenance and Fixed Charges	(5,642,000)	
Special Purpose:		
Rehabilitation In-Service Training	(80,000)	
Rehabilitation of Supplemental Security Income Beneficiaries	(1,500,000)	
Job Search Assistance	(995,000)	
JTPA Title II 5% Older Individuals	(1,131,000)	
JTPA Title II 8% Education	(1,251,000)	
Other Special Purpose	(3,817,000)	
State Aid and Grants:		
Vocational Rehabilitation Act of 1973	(13,175,000)	
Comprehensive Services for Independent Living	(550,000)	
Technology Related Assistance Project	(550,000)	
Supported Employment	(1,000,000)	
DVRS Transportation Services Grant	(375,000)	
Vocational Rehabilitation Services -- Basic Support Program	(750,000)	
Trade Adjustment Assistance Project	(6,882,000)	
NAFTA Traditional Adjustment Assistance	(1,000,000)	
Job Training Partnership Act -- Title II-A, Training Services for the Disadvantaged	(19,957,000)	
Job Training Partnership Act -- Title II-B, Summer Youth Employment	(18,393,000)	
Job Training Partnership Act -- Title III, Dislocated Workers	(28,063,000)	
Job Training Partnership Act Title IIC -- Youth Training	(3,109,000)	
Job Training Partnership Act Title II -- 8% Education	(738,000)	
Job Training Partnership Act -- Title III D, Discretionary Funding	(2,500,000)	
SETC Literary Enhancement Center	(116,000)	

Employment Services Rapid Response Team	(240,000)	
Additions, Improvements and Equipment	(2,877,000)	
Total Appropriation, Department of Labor		$312,851,000

66 DEPARTMENT OF LAW AND PUBLIC SAFETY

10 Public Safety and Criminal Justice

12 Law Enforcement

06-1200 Patrol Activities and Crime Control		$1,027,000
07-1200 Police Services and Public Order		2,700,000
08-1200 Emergency Services		6,502,000
09-1020 Criminal Justice		32,645,000
24-1200 Marine Police Operations		1,000,000
Total Appropriation, Law Enforcement		$43,874,000
Personal Services:		
Salaries and Wages	($4,476,000)	
Cash In Lieu of Maintenance	(5,000)	
Employee Benefits	(781,000)	
Materials and Supplies	(207,000)	
Services Other Than Personal	(1,082,000)	
Maintenance and Fixed Charges	(141,000)	
Special Purpose:		
Northern New Jersey Heroin and Money Laundering	(200,000)	
DrugFire Program	(315,000)	
Cops MORE Grant	(432,000)	
Forensic DNA Lab	(1,200,000)	
Firearms Unit – National Criminal History	(1,500,000)	
Survival Crisis Management Grant	(575,000)	
Maintenance and Services	(75,000)	
Urban Research and Rescue	(400,000)	
Earthquake Preparedness Grant	(150,000)	
Hazard Mitigation Program	(18,000)	
Hazardous Materials Transportation Uniform Safety Act	(275,000)	
Nuclear Civil Protection and Planning	(967,000)	
Violence Against Women Act	(4,100,000)	
Residential Treatment for Substance Abuse	(600,000)	
Community Policing Initiative – Part I	(200,000)	
Community Policing Initiative – Part II	(200,000)	
Recreational Boating Safety Financial Assistance Grant – FFY 96 Contingency	(100,000)	
Other Special Purpose	(161,000)	
State Aid and Grants:		
Hurricane Preparedness Program	(95,000)	
Nuclear Civil Protection Planning	(2,937,000)	
Department of Defense Funding (CFDA 12.607)	(300,000)	

Victim Assistance Grants	(4,000,000)	
High Intensity Drug Trafficking Area (HIDTA)	(300,000)	
Drug Enforcement Administration and Grants	(16,602,000)	
Local Law Enforcement Block Grant	(1,200,000)	
Youth Gun Violence Initiative Grant	(250,000)	
Additions, Improvements and Equipment	(30,000)	
13 Special Law Enforcement Activities		
03-1160 Office of Highway Traffic Safety		$7,213,000
Total Appropriation, Special Law Enforcement Activities		$7,213,000
Personal Services:		
Salaries and Wages	($1,124,000)	
Employee Benefits	(216,000)	
Materials and Supplies	(156,000)	
Services Other Than Personal	(222,000)	
Maintenance and Fixed Charges	(99,000)	
Special Purpose:		
Fatal Accident Reporting System – Control	(50,000)	
NHTSA 402 – Youthful Driver	(250,000)	
NHTSA Funding Title 23 – High Risk Driver	(1,000,000)	
Traffic Records Technology Program	(100,000)	
Seat Belt Usage 75% Program	(75,000)	
Safe Communities Program	(150,000)	
OP Special Traffic Safety Program	(225,000)	
Speed Program	(450,000)	
Motorcycle Occupant	(250,000)	
Drunk Driver Prevention	(1,000,000)	
Other Special Purpose	(83,000)	
State Aid and Grants:		
Highway Safety – Traffic Records	(28,000)	
Emergency Services	(294,000)	
Traffic Engineering Services Project – FHWA Section 402	(175,000)	
Selective Enforcement Management	(492,000)	
Highway Safety – Alcohol Education and Public Awareness Coordinators	(175,000)	
Alcohol Education Materials	(391,000)	
Alcohol Incentive Program 5th Year Supplement	(25,000)	
FHWA Program Management	(183,000)	
18 Juvenile Services		
34-1500 Juvenile Community Programs		$1,417,000
38-1505 Education Programs		453,000
38-1510 Education Programs		221,000
99-1500 Management and Administrative Services		4,272,000
Total Appropriation, Juvenile Services		$6,363,000

Personal Services:		
Salaries and Wages	($1,754,000)	
Employee Benefits	(249,000)	
Materials and Supplies	(11,000)	
Services Other Than Personal	(12,000)	
Maintenance and Fixed Charges	(1,000)	
Special Purpose:		
Elizabeth and Union Day Programs	(200,000)	
Title I – Part D, Neglected and Delinquent	(301,000)	
Challenge Grant	(259,000)	
Title V Funding	(540,000)	
Juvenile Boot Camp Renovation Grant	(1,000,000)	
Other Special Purpose	(33,000)	
State Aid and Grants:		
Juvenile Justice Delinquency Prevention	(2,000,000)	
Additions, Improvements and Equipment	(3,000)	
19 Central Planning, Direction and Management		
99-1000 Management and Administrative Services		$10,000,000
Total Appropriation, Central Planning, Direction and Management		$10,000,000
Special Purpose:		
National Criminal History Program – OAG	($3,000,000)	
Truth In Sentencing Incentive Grant	(7,000,000)	
80 Special Government Services		
82 Protection of Citizens' Rights		
16-1350 Protection of Civil Rights		$623,000
19-1440 Victims of Crime Compensation		3,100,000
Total Appropriation, Protection of Citizens' Rights		$3,723,000
Personal Services:		
Salaries and Wages	($560,000)	
Employee Benefits	(63,000)	
Special Purpose:		
Victim Compensation Award	(3,100,000)	
Total Appropriation, Department of Law and Public Safety		$71,173,000

67 DEPARTMENT OF MILITARY AND VETERANS' AFFAIRS

10 Public Safety and Criminal Justice
14 Military Services

30-3620 Physical Plant and Support Services		$8,874,000
40-3620 New Jersey National Guard Support Services		4,606,000
Total Appropriation, Military Services		$13,480,000
Personal Services:		
Salaries and Wages	($4,416,000)	

Employee Benefits	(782,000)	
Materials and Supplies	(2,424,000)	
Services Other Than Personal	(1,261,000)	
Maintenance and Fixed Charges	(410,000)	
Special Purpose:		
Air National Guard -- Service Contracts	(295,000)	
New Jersey National Guard Challenge Youth Program	(2,085,000)	
Additions, Improvements and Equipment	(1,807,000)	

80 Special Government Services
83 Services to Veterans

50-3610 Veterans' Outreach and Assistance		$1,327,000
Total Appropriation, Services to Veterans		$1,327,000
Personal Services:		
Salaries and Wages	($290,000)	
Employee Benefits	(91,000)	
Materials and Supplies	(6,000)	
Services Other Than Personal	(42,000)	
Special Purpose:		
Veterans' Education Monitoring	(12,000)	
Transitional Housing	(350,000)	
Housing and Urban Development Transitional Housing	(392,000)	
Transitional Housing -Homeless (from DCA)	(100,000)	
Other Special Purpose	(19,000)	
Additions, Improvements and Equipment	(25,000)	
Total Appropriation, Department of Military and Veterans' Affairs		$14,807,000

74 DEPARTMENT OF STATE

30 Educational, Cultural and Intellectual Development
37 Cultural and Intellectual Development Services

05-2530 Support of the Arts		$587,000
06-2535 Museum Services		273,000
51-2541 Library Services		3,285,000
Total Appropriation, Cultural and Intellectual Development Services		$4,145,000
Personal Services:		
Salaries and Wages	($1,697,000)	
Employee Benefits	(364,000)	
Materials and Supplies	(4,000)	
Services Other Than Personal	(303,000)	
Maintenance and Fixed Charges	(2,000)	
Special Purpose:		
Local Programs	(34,000)	
National Endowment for the Humanities	(50,000)	

National Endowment for the Arts	(50,000)	
Delaware Water Gap National Recreational Area	(113,000)	
Institute of Museum Services – General Support	(60,000)	
Library Services and Construction Act, Title I – Administration	(54,000)	
Library Services and Construction Act, Title III – Interlibrary Cooperation	(8,000)	
Other Special Purpose	(218,000)	
State Aid and Grants:		
Arts in Education	(15,000)	
Folk Apprenticeships	(30,000)	
Cultural Diversity, Southern New Jersey	(51,000)	
Library Services and Construction Act, Title III – Interlibrary Cooperation	(309,000)	
Library Services and Construction Act, Title I – Administration	(308,000)	
Library Services and Construction Act, Title II – Programmatic	(400,000)	
Basic Block Grant	(70,000)	
Additions, Improvements and Equipment	(5,000)	

80 Special Government Services
82 Protection of Citizens' Rights

17-2581 Mental Health Screening Services		$200,000
Total Appropriation, Protection of Citizens' Rights		$200,000
Personal Services:		
Salaries and Wages	($200,000)	
Total Appropriation, Department of State		$4,345,000

78 DEPARTMENT OF TRANSPORTATION

60 Transportation Programs
61 State Highway Facilities

02-6200 Transportation Systems Improvements – Planning		$20,194,000
10-6300 Interstate Program		30,450,000
28-6300 Demonstration Program		60,594,000
29-6300 Congestion Mitigation and Air Quality Program		28,310,000
36-6300 National Highway System		85,381,000
37-6300 Surface Transportation Program		198,022,000
40-6300 Bridge Program		129,811,000
65-6300 Rail Freight Lines		1,000,000
Total Appropriation, State Highway Facilities		$553,762,000
Special Purpose:		
Highway Planning and Research	($10,500,000)	
Highway Safety Program - State Match	(194,000)	

Metropolitan Planning Funds	(6,500,000)
New Jersey Transportation Planning Assistance	(3,000,000)
Rail Freight Capital Projects	(1,000,000)

Route	Section	Description	County	Amount
Special Purpose:				
	INTERSTATE PROGRAM			
1.	CONSTRUCTION			
80	5AW 10L	Saddle River Road to South Summit Avenue, eastbound local lanes, rehabilitation and operational improvements	Bergen	($12,150,000)
2.	DESIGN			
80	I	Westbound local lanes from Route 17 to vicinity of Kennedy Avenue off ramp, rehabilitation and operational improvements	Bergen	(1,800,000)
3.	RIGHT-OF-WAY			
80	G	Garden State Parkway to Route 17, rehabilitation and operational improvements	Bergen	(500,000)
4.	STATEWIDE INVESTMENTS			
		Annual set-aside for NJ Turnpike	Bergen	(6,000,000)
		Preventive maintenance	Various	(500,000)
		Resurfacing program	Various	(8,000,000)
		Unanticipated design, right-of-way, and construction expenses	Various	(1,500,000)
Special Purpose				
	DEMONSTRATION PROGRAM			
1.	CONSTRUCTION			
		Bridges over Molley Ann's Brook, partial funding	Passaic	(6,000,000)
21	6K,14 P	Route 21: North of Ackerman Avenue to Route 46; Route 46: Lakeview Avenue to Route 21, highway on new alignment	Passaic	(33,800,000)
280	(9)	Interchange improvements at Edwards Road/New Road interchange	Morris	(573,000)
295 95 195		Emergency call boxes	Mercer Burlington Gloucester Salem	(1,453,000)
2.	DESIGN			
21	2M	Green Street to Orange Street, widening	Essex	(1,568,000)
21	(6)	NJ Transit bridge over Route 21, replacement	Essex	(1,900,000)
3.	RIGHT-OF-WAY			
		Ocean City - Longport bridge, replacement	Cape May	(100,000)

		Billingsport Road (County Route 653) over Conrail, grade separation	Gloucester	(500,000)
78	5CD	West Peddie Street ramps	Essex	(12,500,000)
4.	STATEWIDE INVESTMENTS			
		Delaware and Raritan Canal bridges, timber bridge research program	Mercer Hunterdon Somerset	(1,200,000)
		Various transportation grants	Various	(1,000,000)
Special Purpose:				
	CONGESTION MITIGATION AND AIR QUALITY PROGRAM			
1.	CONSTRUCTION			
		I-95 Corridor Coalition Demonstration Program	Various	(1,000,000)
		Millville High Street restoration, Phases II & III	Cumberland	(460,000)
2.	PROJECT DEVELOPMENT			
		Access improvements to NJ Transit rail stations	Somerset	(100,000)
		Bicycle route, Stirling to Millington	Morris	(30,000)
		Pedestrian access improvements, Somerset County Regional Center	Somerset	(30,000)
		Rocky Brook bikeway	Mercer	(80,000)
		Trenton bikeway, Delaware & Raritan Canal Bypass	Mercer	(20,000)
3.	STATEWIDE INVESTMENTS			
		Advanced catalytic converter evaluation	Various	(250,000)
		Alternative fuel vehicles, (Liquefied Petroleum Gas)	Atlantic	(500,000)
		Employer trip reduction program	Various	(1,000,000)
		Enhanced vehicle inspection and maintenance	Various	(10,000,000)
		Incident and congestion management, operational support	Various	(200,000)
		MAGIC, Phase I (Routes 80, 46, 4, 3, and 280), operational support	Various	(1,000,000)
		Park and ride program, HOV Program, ridesharing program	Various	(2,500,000)
		Traffic operations center, north	Various	(3,500,000)
		Traffic operations center, south	Various	(3,340,000)
		Transportation management association program	Various	(3,300,000)
		Unanticipated design, right-of-way, and construction expenses	Various	(1,000,000)
Special Purpose:				
	NATIONAL HIGHWAY SAFETY			
1.	CONSTRUCTION			
4 17	2AE, 2P 3G	Garden State Parkway to Farview Avenue, Route 4 and Route 17 interchange replacement	Bergen	(2,000,000)

22	10H 11T 12K	East of Chimney Rock Road to east of Blue Star Shopping Center, rehabilitation	Somerset	(7,400,000)
22	11R	West of Washington Avenue to east of Wilson Avenue, rehabilitation	Somerset	(1,700,000)
31		Intersection improvements at County Route 518	Mercer Hunterdon	(500,000)
46	19D	Abandoned Route 163 and abandoned railroad over Route 46, removal of two bridges	Warren	(1,500,000)
169 440	(1)	Ramp realignment from Route 169 to Route 440	Hudson	(2,000,000)
195	3K, 4H	Interchange 16 (County Route 537), operational improvements	Ocean Monmouth	(4,500,000)
295	1BC	Exit 20: Mantua Grove Road and Grove Road, operational improvements	Gloucester	(25,000,000)
2. DESIGN				
10	4L	Intersection improvement at Ridgedale Avenue, operational improvements	Morris	(800,000)
23 94	7D, 8C	Intersection improvements at Route 23 and Route 94	Sussex	(450,000)
31	3G	Route I-95 to north of Conrail overpass, reconstruction and structure replacement	Mercer	(1,500,000)
206	(37)	Intersection improvements at Stokes Road and Indian Mills Road	Burlington	(600,000)
206	(42)	Belle Mead-Griggstown Road to Old Somerville Road, highway on new alignment	Somerset	(4,400,000)
3. RIGHT-OF-WAY				
1	1Q	Vicinity of Route 1 Alternate to south of Delaware and Raritan Canal bridge, operational improvements	Mercer	(4,000,000)
1	5H	Henderson Road to South Brunswick/North Brunswick line, drainage improvements	Middlesex	(831,000)
1, 130 171	6T, 16E 1B	Interchange improvements at interchange of Route 1 and Route 130	Middlesex	(2,500,000)
30	5G	Vicinity of Chester Avenue to Shore Road, rehabilitation and operational improvements	Atlantic	(3,000,000)
202 31		Route 31 to Wertsville Road, operational improvements	Hunterdon	(700,000)
206	15J	Brown Avenue to Frelinghuysen Avenue, widening	Somerset	(4,000,000)
4. PROJECT DEVELOPMENT				
		Truck weigh stations	Various	(2,000,000)
5. STATEWIDE INVESTMENTS				
		Unanticipated design, right-of-way, and construction expenses	Various	(4,000,000)
		Resurfacing program	Various	(7,000,000)

	Preventive maintenance	Various	(5,000,000)
Special Purpose:			
	SURFACE TRANSPORTATION PROGRAM		
1.	CONSTRUCTION		
	Amwell Road railroad bridge	Somerset	(2,300,000)
	Future projects to be selected by Delaware Valley Regional Planning Commission	Various	(2,085,000)
	Sign management program	Camden	(750,000)
	Gloucester County resurfacing, various roadways	Gloucester	(1,500,000)
	Gloucester County Special Transportation Services, vehicle purchase	Gloucester	(60,000)
	Belford Ferry Terminal	Monmouth	(960,000)
	Central Avenue; State Highway to Paterson Plank Road	Hudson	(1,045,000)
	Easton Avenue traffic signal improvement; Park Boulevard to French Street	Middlesex	(400,000)
	Jackson Street Bridge, ramp construction from Jackson Street to Raymond Boulevard	Essex	(1,100,000)
	Main Street and Finderne Avenue; Weston Canal Road to Foothill Road	Somerset	(750,000)
	Bergen Avenue from Montgomery Street to Van Nostrand Avenue	Passaic	(1,402,000)
	County Route 529; Central Avenue from Edison to Walnut Street	Middlesex	(300,000)
	County Route 531; Watchung Avenue from Route 22 to Union County Line	Somerset	(378,000)
	County Route 533; Main Street from underpass at Lehigh Railroad to Hillsborough Township	Somerset	(758,000)
	County Route 549; Hooper Avenue/Brick Boulevard from Route 70 to Water Street	Ocean	(600,000)
	County Route 657; South Maple Avenue from Morris County line to North Maple Avenue at Oak Street	Somerset	(721,000)
	Palisades Avenue from Newark Avenue to Paterson Plank Road	Hudson	(1,420,000)
	County Route 605; Sanford Avenue from Springfield Avenue to South Orange Avenue	Essex	(1,700,000)
	Summit Avenue from Newark Avenue to Secaucus Road	Hudson	(1,438,000)
	Monmouth County vehicle replacement	Monmouth	(82,000)
	County Route 610; Cedarville-Millville Road from Route 49 to Bogden Boulevard, resurfacing	Cumberland	(315,000)

		County Route 698; Fairton-Millville Road from Burlington Road to Hogbin Road, resurfacing	Cumberland	(917,000)
		County Road 662; Mill Road from Fire Road to Ocean Heights and Route 9 to County Route 559 Alternate, resurfacing	Atlantic	(810,000)
		County Route 648; Straughen's Mill Road from Route 130 to Route I-295, resurfacing	Salem	(995,000)
		West Avenue from 10th to 11th Street and 14th to 18th Street, resurfacing	Cape May	(500,000)
		County Route 619; West Avenue from 48th to 55th Street, resurfacing	Cape May	(750,000)
		Palisades Interstate Parkway, bicycle/pedestrian path	Bergen	(2,300,000)
		Delilah Road, Route 40 to Airport Circle, resurfacing	Atlantic	(500,000)
		Pedestrian bridge between Liberty State Park and Ellis Island	Hudson	(2,000,000)
		14th Street from Holland Tunnel north tube exit portal to Jersey Avenue, traffic improvements	Hudson	(5,000,000)
		Hoes Lane, wetlands mitigation	Middlesex	(3,600,000)
		Main Lake Road, Route 40 to Wheat Road, reconstruction	Cumberland Gloucester	(5,000,000)
		Mountainview Avenue Bridge over tributary of Dead River, replacement	Somerset	(1,000,000)
		13th Street bridge over NJ Transit Montclair Branch, removal	Essex	(2,650,000)
1	1T	Market Street ramp to Route 1/Business Route 1 intersection, roadside rehabilitation	Mercer	(1,100,000)
10, 46	1H, 7K	Ledgewood Circle elimination	Morris	(3,700,000)
10	2J, 1D	West of Salem Street to west of Millbrook Avenue, rehabilitation and operational improvements	Morris	(8,075,000)
17	4P	Northbound lanes in vicinity of Moonachie Road, reconstruction	Bergen	(2,200,000)
23	1C	Intersection improvements at Fairview Avenue, Commerce Road, and Vincent Road	Essex	(1,700,000)
27	1E, 2E 3F	North of Harrison Street to Spruce Lane; south of County Route 629 to north of County Route 632, rehabilitation	Mercer Middlesex Somerset	(2,400,000)
34 35	5E, 6G	Route 34: south of Shanck Road to south of Reeds Hill Road; Route 35: Armstrong Boulevard to south of Route 36; rehabilitation	Monmouth	(1,600,000)
46	10G 11L	Summit Street to Passaic River, rehabilitation	Morris	(4,600,000)

183	1B	Musconetcong River to Route 206, rehabilitation and operational improvements	Sussex	(3,600,000)
202	10D	Vicinity of Church Street to north of Finley Avenue and Childs Road, rehabilitation	Somerset	(1,000,000)
206	2D	Ledgewood Road to vicinity of Central Railroad, rehabilitation and operational improvements	Morris	(5,895,000)
280	6V 7AB	Roadside rehabilitation program	Essex	(1,600,000)
295, 55		Safety landscaping	Various	(905,000)
2. DESIGN				
		Arnot Street bridge over Saddle River, replacement	Bergen	(350,000)
		Atlantic Highlands section of Bayshore Trail	Monmouth	(33,000)
		Traffic sign management program	Burlington	(875,000)
		Houses Corner Road, realignment of intersection with Route 15 and railroad grade separation	Sussex	(250,000)
		Madison Avenue bridge over Green Brook, replacement	Somerset	(80,000)
		Riverdale Road bridge over Holdrum Brook, replacement	Bergen	(250,000)
		Weehawken Ferry, development of permanent passenger ferry terminal	Hudson	(200,000)
		Willow Grove Road bridge over Pohatcong Creek, replacement	Warren	(180,000)
		Camden City traffic sign management program	Camden	(205,000)
		Hartford Road from Route 38 to NJIT entrance, rehabilitation	Burlington	(300,000)
		County Route 641; Lumberton Vincentown Road bridge over south branch of Rancocas Creek, replacement	Burlington	(250,000)
		Marlton Pike bridge over southwest branch of Rancocas Creek, replacement	Burlington	(150,000)
		Vincentown-Retreat Road bridge over south branch of Rancocas Creek, replacement	Burlington	(250,000)
		County Route 542; Wading River bridge, replacement of pilings and bulkheads	Burlington	(200,000)
9 50		Intersection of Route 50 and Route 9, operational improvements	Cape May	(400,000)
23 80		Flyovers	Passaic	(1,000,000)
35	(4)	Amboy Avenue to Cheesequake Creek, interim improvements	Middlesex Monmouth	(240,000)
40 50		Intersection improvements at Routes 40/50 and Mill Street; and County Route 559 and Mill Street	Atlantic	(200,000)

41 42F	1A, 2A 14M	Singley Avenue to Cooper Street, operational improvements	Camden Gloucester	(486,000)
46	(47)	Interchange improvements at Van Houten Avenue and Grove Street	Passaic	(1,300,000)
52		Somers Point Circle, proposed elimination	Atlantic	(400,000)
70	(3)	Intersection improvements at Evesboro-Medford Road	Burlington	(800,000)
71		Intersection improvements at Wall Street	Monmouth	(100,000)
88		Intersection improvements at Clifton Avenue	Ocean	(100,000)
130	(21)	Intersection improvements at County Route 539 (Cranbury Circle)	Middlesex	(850,000)
206	(39)	Old York Road and Rising Sun Road, Route I-295 to Route 68, operational improvements	Burlington	(700,000)
206 15		Intersection improvements at Routes 15 and 206 (Ross's Corner)	Sussex	(300,000)
322	(7)	Intersection improvements at County Routes 536/610/654	Gloucester	(130,000)
3. RIGHT-OF-WAY				
		Houses Corner Road, realignment of intersection with Route 15 and railroad grade separation	Sussex	(1,050,000)
		Tuckahoe Road, Section 6; 500 feet north of Marsh Lake Branch to Route 40, reconstruction	Atlantic Gloucester	(388,000)
		Glenwood-Martin Station Road intersection from 400 feet south of County Route 667 to 400 feet north of County Routes 667 and 565, intersection improvement	Sussex	(150,000)
1, 9	(27)	Ridgefield Circle elimination	Bergen	(1,000,000)
1, 9T	(26)	Charlotte Circle elimination and Tonnele Circle improvements	Hudson	(1,000,000)
9W	1J	Access improvements to Englewood Cliffs	Bergen	(2,200,000)
40 322	3K	West of Chester Avenue to east of Jonathons Thorofare, rehabilitation and operational improvements	Atlantic	(25,000)
46	12H	Interchange improvements at Riverview Drive	Passaic	(5,100,000)
47	1C	Garden State Parkway to Railroad Avenue, center turning lane	Cape May	(2,500,000)
47	16C	Intersection improvements at Deptford Avenue/Turkey Hill Road	Gloucester	(830,000)
4. PROJECT DEVELOPMENT				
		Bicycle and pedestrian facilities/accommodations	Various	(500,000)
		Clinton and High Bridge trails	Hunterdon	(50,000)
		Intermodal management system	Various	(300,000)

		Maintenance management system	Various	(3,900,000)
		Pavement management system	Various	(2,100,000)
		Project development, Delaware Valley Regional Planning Commission	Various	(1,000,000)
		Project development, North Jersey Transportation Planning Authority	Various	(1,000,000)
		Project development, preliminary engineering	Various	(1,200,000)
		Project development, regional design	Various	(3,500,000)
		Weehawken Ferry, development of permanent passenger ferry terminal	Hudson	(800,000)
		West Jersey Seashore Rail-Trail facility	Atlantic	(50,000)
23		Westbelt Interchange Study	Passaic	(1,000,000)
5.	STATEWIDE INVESTMENTS			
		Accident record processing	Various	(1,200,000)
		Bridge deck patching	Various	(10,000,000)
		Bridge painting	Various	(8,000,000)
		Camden County paratransit, vehicle replacement	Camden	(250,000)
		Disadvantaged Business Enterprise	Various	(167,000)
		Drainage rehabilitation and maintenance	Various	(3,000,000)
		Emergency service patrol	Various	(3,000,000)
		Guiderail upgrade	Various	(2,000,000)
		Preventive maintenance	Various	(4,500,000)
		Pre-apprenticeship training and related training for minorities and females	Various	(1,000,000)
		Railroad train pre-emption for traffic signals	Various	(3,000,000)
		Rail-highway grade crossing program	Various	(2,000,000)
		Road restriping program	Various	(2,000,000)
		Road resurfacing program	Various	(5,850,000)
		Rumble strips	Various	(731,000)
		Safety management system	Various	(3,100,000)
		Signs program	Various	(1,890,000)
		State Police enforcement and safety services	Various	(3,000,000)
		Supportive services program	Various	(500,000)
		Traffic monitoring system	Various	(4,000,000)
		Transportation enhancement projects	Various	(7,851,000)
		Unanticipated design, right-of-way, construction expenses	Various	(5,000,000)
		Utility reconnaissance and relocation	Various	(1,000,000)
		Value engineering	Various	(100,000)
		Youth Employment Program	Various	(200,000)

Special Purpose:

BRIDGE PROGRAM

1.	CONSTRUCTION			
		Baird Boulevard bridge over Cooper River, rehabilitation	Camden	(1,280,000)
		Bowers Creek Road bridge over Cedar Creek, replacement	Cumberland	(1,400,000)
		Cranbury Neck Road bridge over Millstone River, replacement	Mercer Middlesex	(5,120,000)
		East Hanover Avenue bridge over NJ Transit/Conrail, replacement	Morris	(4,500,000)
		Hillcrest Road bridge over Passaic River, replacement	Somerset	(2,675,000)
		Maurice River Parkway bridge over Blackwater Branch, replacement	Cumberland	(1,240,000)
		Iron Bridge Road bridge over Crosswick Creek, replacement	Mercer	(1,500,000)
		County Route 665; Lafayette Avenue bridge over Goffle Brook, rehabilitation	Passaic	(1,125,000)
		County Route 649; Mine Hill Road bridge over Pohatcong Creek, replacement	Warren	(1,100,000)
		County Route 624; River Road bridge over Third River, replacement	Passaic	(2,200,000)
4	2AB	Farview Avenue bridge over Route 4, replacement	Bergen	(9,300,000)
22	11S 12J	Bridge over Green Brook, replacement	Somerset	(4,200,000)
45	2D	Bridge over Fenwick Creek, replacement	Salem	(2,445,000)
46	(35)	Bridge over Den Brook, superstructure rehabilitation	Morris	(1,700,000)
47	1F	Bridge over Grassy Sound, rehabilitation	Cape May	(5,950,000)
47	5D, 6B	Bridge over West Creek, replacement	Cape May	(4,806,000)
2.	DESIGN			
		Bear Tavern Road bridge over Jacobs Creek, replacement	Mercer	(280,000)
		Calhoun Street bridge, Spring Street to Bellevue Avenue, replacement	Mercer	(250,000)
		Clove Road bridges over tributary of Mill Brook and Clove Brook, replacement	Sussex	(400,000)
		Groveville-Allentown Road bridge over Doctors Creek, replacement	Mercer	(250,000)
		Locke Avenue bridge over Raccoon Creek, replacement	Gloucester	(600,000)
		Silver Grove Road bridge over New York, Susquehanna, and Western Railroad, replacement	Sussex	(210,000)
		Washington Avenue bridge over Furnace Brook, replacement	Warren	(250,000)

			Burnt Hill Road bridge, replacement	Somerset	(50,000)
			Colonial Road bridge over tributary to Pond Brook, replacement	Bergen	(325,000)
			Fanny Road bridge over NJ Transit Boonton rail line, replacement	Morris	(500,000)
			Lamington Road bridge, replacement	Somerset	(150,000)
			Old Texas Road bridge, replacement	Middlesex	(500,000)
1, 9	46	1K	Eastbound bridge over Route 4, replacement	Bergen	(740,000)
1, 9		(6)	Magnolia Avenue bridge over Route 1&9, elimination	Union	(550,000)
7		1AG	Bridge over Passaic River, replacement	Bergen Hudson	(3,000,000)
935		1F, 25C	Edison Bridge, new structure and rehabilitation of existing structure over Raritan River	Middlesex	(5,500,000)
9		15D	Bridge over Nacote Creek, replacement	Atlantic	(400,000)
17		(3)	Essex Street over Route 17, replacement	Bergen	(500,000)
21		2N	Bridge over Route I-78 and Amtrak, replacement	Essex	(4,700,000)
22		11S, 12J	Bridge over Green Brook, replacement	Somerset	(400,000)
31		6	Bridges over south branch of Raritan River and Conrail railroad, replacement	Hunterdon	(750,000)
35 71		5J, 3H	Bridge over Shark River and North Channel, replacement	Monmouth	(1,500,000)
35		(7)	Victory Bridge, structure over Raritan River, proposed replacement	Middlesex	(3,500,000)
47		1F	Bridge over Grassy Sound, rehabilitation	Cape May	(200,000)
139		(1)A	Conrail Viaduct, 12th Street Viaduct, 14th Street Viaduct, bridge rehabilitation, Phase 1	Hudson	(8,500,000)
3. RIGHT-OF-WAY					
			County Route 630; Beaver Dam Road bridge over Beaver Dam Creek (south branch), replacement	Ocean	(2,000,000)
			Doty Road bridge over Ramapo River, replacement	Bergen	(428,000)
			Daniel Road bridge over Manalapan Brook, replacement	Middlesex	(54,000)
			Greenbank Road bridge over Mullica River, replacement	Atlantic Burlington	(100,000)
			Groveville-Allentown Road bridge over Doctors Creek, replacement	Mercer	(50,000)
			Love Road bridge over Chambers Brook, replacement	Somerset	(300,000)
			Madison Avenue bridge over Hackensack River, replacement	Bergen	(200,000)

7	1AG	Bridge over Passaic River, replacement	Bergen Hudson	(2,000,000)
9 35	1F, 25C	Edison Bridge, new structure and rehabilitation of existing structure over Raritan River	Middlesex	(750,000)
9	15D	Bridge over Nacote Creek, replacement	Atlantic	(700,000)
21	2N	Bridge over I-78 and Amtrak, replacement	Essex	(5,000,000)
30	11A	Bridge over Atlantic City rail line, replacement	Camden	(856,000)
35 71	5J, 3H	Bridge over Shark River and North Channel, replacement	Monmouth	(2,400,000)
35	(7)	Victory Bridge, structure over Raritan River, proposed replacement	Middlesex	(150,000)
4. PROJECT DEVELOPMENT				
		Bridge management system	Various	(400,000)
		Project development, bridge projects	Various	(3,500,000)
19	4T	Bridge over Elizabeth River, replacement	Union	(1,100,000)
1, 9T	(25)	Bridge over St. Paul's Avenue and Conrail, replacement	Hudson	(3,000,000)
7	(2)	Bridge over Hackensack River, Wittpen Bridge, replacement	Hudson	(200,000)
10		Bridge over Passaic River, proposed replacement	Morris	(97,000)
23		Bridge over Wallkill River, proposed rehabilitation	Sussex	(26,000)
57		Bridge over Hances Brook, proposed replacement	Warren	(28,000)
57		Bridge over branch of Pohatcong Creek, proposed replacement	Warren	(36,000)
183		Bridge over NJ Transit Morristown Line, proposed replacement	Morris	(56,000)
202		Bridge over north branch of Raritan River, replacement	Somerset	(84,000)
5. STATEWIDE INVESTMENTS				
		Bridge inspection, local bridges	Various	(3,750,000)
		Bridge inspection, State bridges	Various	(10,000,000)
		Bridge painting	Various	(1,000,000)
		Unanticipated design, right-of-way, and construction expenses	Various	(7,000,000)

62 Public Transportation

29-6310 Congestion Mitigation and Air Quality Program	$28,000,000
37-6310 Surface Transportation Program	4,000,000
96-6310 Federal Transit Administration	278,230,000
Total Appropriation, State Highway Facilities	$310,230,000

Special Purpose:

CONGESTION MITIGATION AND AIR QUALITY PROGRAM

1. CONSTRUCTION			
	Montclair Connection	Morris	(4,040,000)
	Hamilton Transit Complex	Mercer	(13,680,000)
2. STATEWIDE INVESTMENTS			
	Clean Air Programs	Various	(1,450,000)
	Experimental transit services	Various	(8,830,000)
Special Purpose:			
SURFACE TRANSPORTATION:			
1. CONSTRUCTION			
	Hoboken Terminal	Hudson	(4,000,000)
Special Purpose:			
FEDERAL TRANSIT ADMINISTRATION:			
1. CONSTRUCTION			
	Track rehabilitation	Various	(7,000,000)
	Signal and communication, electric traction system	Various	(14,000,000)
	Light rail transit, base maintenance facility	Essex	(10,100,000)
	Montclair Connection	Morris	(17,700,000)
	Newark Penn Station	Essex	(3,300,000)
	Hamilton Transit Complex	Mercer	(12,590,000)
	Hudson/Bergen Light Rail Transit System	Hudson Bergen	(40,000,000)
	Penn Station, New York, improvements	New York	(16,000,000)
	Secaucus Transfer	Bergen Hudson Passaic	(105,530,000)
2. CAPITAL ACQUISITION			
	Bus associated capital maintenance	Various	(8,600,000)
	Comet II rail car overhaul	Various	(15,000,000)
	Associated rail capital maintenance	Various	(9,700,000)
3. STATEWIDE INVESTMENTS			
	Building capital leases	Atlantic Essex Hudson	(8,410,000)
	Environmental compliance	Various	(1,500,000)
4. OPERATING ASSISTANCE			
	Operating assistance	Various	(8,800,000)

64 Regulation and General Management

05-6070 Access and Use Management		$12,000,000
Total Appropriation, Regulation and General Management		$12,000,000
Special Purpose:		
Airport Fund	($8,000,000)	
Motor Carrier Safety Assistance Program	(4,000,000)	
Total Appropriation, Department of Transportation		$875,992,000

82 DEPARTMENT OF THE TREASURY

30 Educational, Cultural and Intellectual Development
36 Higher Educational Services

46-2150 Student Assistance Programs		$13,637,000
Total Appropriation, Higher Educational Services		$13,637,000
Personal Services:		
Salaries and Wages	($6,839,000)	
Employee Benefits	(1,484,000)	
Materials and Supplies	(405,000)	
Services Other Than Personal	(2,070,000)	
Maintenance and Fixed Charges	(867,000)	
Special Purpose:		
Other Special Purpose	(385,000)	
State Aid and Grants:		
State Student Incentive Grant Program	(822,000)	
National Health Service Corporation – State Loan Repayment Program	(425,000)	
Additions, Improvements and Equipment	(340,000)	

50 Economic Planning, Development and Security
52 Economic Regulation

54-2007 Utility Regulation		$600,000
56-2014 Energy Resource Management		1,425,000
Total Appropriation, Economic Regulation		$2,025,000
Personal Services:		
Salaries and Wages	($597,000)	
Employee Benefits	(141,000)	
Materials and Supplies	(1,000)	
Services Other Than Personal	(2,000)	
Special Purpose:		
Division of Gas Expansion	(600,000)	
Coastal Energy Impact Administration	(15,000)	
State Energy Conservation Program	(365,000)	
Institutional Conservation Program – Schools and Hospitals	(265,000)	
Other Special Purpose	(39,000)	
Total Appropriation, Department of the Treasury		$15,662,000

98 THE JUDICIARY

10 Public Safety and Criminal Justice
15 Judicial Services

04-9725 Criminal Courts	$250,000
05-9730 Family Courts	2,650,000
05-9813 Family Courts	640,000
05-9823 Family Courts	749,000
05-9833 Family Courts	300,000
05-9843 Family Courts	403,000

05-9853 Family Courts		651,000
05-9863 Family Courts		387,000
05-9873 Family Courts		514,000
05-9883 Family Courts		618,000
05-9893 Family Courts		149,000
05-9903 Family Courts		266,000
05-9913 Family Courts		358,000
05-9923 Family Courts		976,000
05-9933 Family Courts		493,000
05-9943 Family Courts		279,000
05-9953 Family Courts		827,000
07-9740 Probation Services		10,254,000
07-9814 Probation Services		1,528,000
07-9824 Probation Services		1,800,000
07-9834 Probation Services		1,458,000
07-9844 Probation Services		2,764,000
07-9854 Probation Services		4,321,000
07-9864 Probation Services		2,651,000
07-9874 Probation Services		1,702,000
07-9884 Probation Services		1,662,000
07-9894 Probation Services		1,536,000
07-9904 Probation Services		1,147,000
07-9914 Probation Services		1,672,000
07-9924 Probation Services		1,983,000
07-9934 Probation Services		1,451,000
07-9944 Probation Services		1,296,000
07-9954 Probation Services		2,276,000
Total Appropriation, Judicial Services		$50,011,000
Personal Services:		
Salaries and Wages	($28,137,000)	
Employee Benefits	(6,823,000)	
Materials and Supplies	(724,000)	
Services Other Than Personal	(2,791,000)	
Maintenance and Other Fixed Charges	(565,000)	
State Aid and Grants:		
Child Support and Paternity Program, (Family Court)	(2,650,000)	
Child Support and Paternity Program Title IV-D (Probation)	(7,350,000)	
Additions, Improvements and Equipment	(971,000)	
Total Appropriation, Judiciary		$50,011,000
Total Appropriation, Federal Funds		$5,462,282,000

Notwithstanding any State law to the contrary, no State agency shall accept or expend federal funds except as appropriated by the Legislature or otherwise provided in this act.

In addition to the federal funds appropriated in this act, there are appropriated the following federal funds, subject to allotment by the Director of the Division of Budget and Accounting: emergency disaster aid funds; pass-through grants to political subdivisions of the State over which the State is not permitted to exercise discretion in the use or distribution of the funds and for which no State matching funds are required; the first 25 percent of unanticipated grant awards, and up to 25 percent of increases in previously anticipated grant awards for which no State matching funds are required except, for the purpose of this section, federal funds received by one executive agency that are ultimately expended by another executive agency shall not be considered pass-through grants; federal financial aid funds for students attending post-secondary educational institutions in excess of the amount specifically appropriated; provided however, that the Director of the Division of Budget and Accounting shall notify the Legislative Budget and Finance Officer of such grants; and all other grants of $500,000 or less which have been awarded competitively.

For the purposes of federal funds appropriations, "political subdivisions of the State" means counties, municipalities, school districts, or agencies thereof, regional, county or municipal authorities, or districts other than interstate authorities or districts; "discretion" refers to any action in which an agency may determine either the amount of funds to be allocated or the recipient of the allocation; and "grants" refers to one-time, or time limited awards, which are received pursuant to submission of a grant application in competition with other grant applications.

The unexpended balances of federal funds as of June 30, 1996 are continued for the same purposes. The Director of the Division of Budget and Accounting shall inform the Legislative Budget and Finance Officer by November 1, 1996 of any unexpended balances which are continued.

The appropriate executive agencies shall prepare and submit to the Senate Budget and Appropriations Committee and the Assembly Appropriations Committee, or their successors, by March 1, 1997, reports on proposed expenditures during fiscal year 1997 for the following federal programs: the alcohol, drug abuse and mental health block grant; the education block grant; the community services block grant; the jobs training partnership block grant; the low income energy assistance block grant; the maternal and child health block grant; the preventive health and health services block grant; the small cities block grant; the social services block grant; and the child care block grant. These reports shall account for all federal, State and local funds which are anticipated to be expended on block grant programs, shall provide an accounting of block grant expenditures during the prior fiscal year, and shall provide a detailed list of contracts awarded to provide service under the block grants.

Out of the appropriations herein, the Director of the Division of Budget and Accounting is empowered to approve payments to liquidate any unrecorded liabilities for materials delivered or services rendered in prior fiscal years, upon the written recommendations of any department head or his designated

representative. The Director of the Division of Budget and Accounting shall reject any recommendations for payment which the director deems improper.

Grand Total Appropriation, All Funds $21,440,091,000

2. 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 detail the facts thereof, and reasons therefor, attested by the signature of the 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 disbursement 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 Legislative Budget and Finance Officer, upon the effective date of the ruling.

3. There are appropriated, subject to allotment by the Director of the Division of Budget and Accounting and with the approval of the Legislative Budget and Finance Officer, private contributions, revolving funds and dedicated funds received or receivable or estimated to be received for the use of the State or its agencies in excess of those anticipated, unless otherwise provided herein, and the unexpended balances as of June 30, 1996 of such funds, subject to the approval of the Director of the Division of Budget and Accounting.

4. 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 revenue; sums received representing insurance to cover losses by fire and other casualties and the unexpended balance as of June 30, 1996 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; and sums received in the State Treasury representing refunds of payments made from appropriations provided in this act.

5. There are appropriated, subject to allotment by the Director of the Division of Budget and Accounting, sums required to satisfy receivables previously established from which non-reimbursable costs and ineligible expenditures have been incurred.

6. There are appropriated, subject to allotment by the Director of the Division of Budget and Accounting, from federal or other non-State sources amounts not to exceed the cost of services necessary to document and support retroactive claims.

7. No funds shall be expended by any State department in the Executive branch in connection with a contract for the production of films or videotapes unless the New Jersey Public Broadcasting Authority is invited to submit a bid or price quote as part of any formal or informal contract award process.

8. The unexpended balances as of June 30, 1996 in the accounts of the several departments and agencies heretofore appropriated or established in the category of Additions, Improvements and Equipment are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

9. Unless otherwise provided, balances remaining as of June 30, 1996 in accounts of appropriations enacted subsequent to April 1, 1996 are appropriated.

10. a. To permit flexibility in the handling of appropriations, any department or agency that receives an appropriation by law, may, subject to the provisions of this section, or unless otherwise provided in this act, apply to the Director of the Division of Budget and Accounting for permission to transfer funds from one item of appropriation to a different item of appropriation. For the purposes of this section, "item of appropriation" means the spending authority identified by an organization code, fund code, as defined by the appropriation unit, and program code, as defined by the appropriation unit, unique to the item. If the director consents to the transfer, the amount transferred shall be credited by the director to the designated item of appropriation and notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer. However, the director, after consenting thereto, shall submit the following transfer requests to the Legislative Budget and Finance Officer for legislative approval or disapproval unless otherwise provided in this act:

(1) Requests for the transfer of State and other nonfederal funds, in amounts greater than $300,000, to or from any item of appropriation;

(2) Requests for the transfer of State funds, in amounts greater than $300,000, to or from any account within an item of appropriation in which the unexpended balances are reappropriated in this act, or which is otherwise designated as a carry-forward account;

(3) Requests for the transfer of State and other nonfederal funds, in amounts greater than $25,000, to or from any Special Purpose or Grant account within an item of appropriation, from or to a different item of appropriation;

(4) Requests for the transfer of State and other nonfederal funds, in amounts greater than $25,000, to or from any Special Purpose or Grant account in which the identifying organization code, fund code, as defined by the appropriation unit, and program code, as defined by the appropriation unit, remain the same, provided that the transfer would effect a change in the legislative intent of the appropriations;

(5) Requests for the transfer of State funds, in amounts greater than $25,000, between items of appropriation in different departments or between items of appropriation in different appropriation classifications herein entitled as Direct State Services, Grants-In-Aid, State Aid, Capital Construction and Debt Service;

(6) Requests for the transfer of federal funds, in amounts greater than $100,000, from one item of appropriation to another item of appropriation, if the amount of the transfer to an item in combination with the amount of the appropriation to that item would result in an amount in excess of the appropriation authority for that item;

(7) Requests for the transfer of federal funds, in amounts greater than $100,000, to or from any Special Purpose or State Aid and Grants account within an item of appropriation, from or to a different item of appropriation;

(8) Requests for the transfer of federal funds, in amounts greater than $100,000, to or from any Special Purpose or State Aid and Grants account, in which the identifying organization code, fund code and program code remain the same, provided that the transfer would effect a change in the legislative intent of the appropriations; and

(9) Requests for such other transfers as are appropriate in order to ensure compliance with the legislative intent of this act.

b. The Joint Budget Oversight Committee or its successor may review all transfer requests submitted for legislative approval and may direct the Legislative Budget and Finance Officer to approve or disapprove any such transfer request. Transfers submitted for legislative approval pursuant to paragraph (5) of subsection a. of this section shall be made only if approved by the Legislative Budget and Finance Officer at the direction of the committee.

c. The Legislative Budget and Finance Officer shall approve or disapprove requests for the transfer of funds submitted for legislative approval within 10 working days of the physical receipt thereof and shall return them to the director. If any provision of this act or any supplement thereto requires the Legislative Budget and Finance Officer to approve or disapprove requests for the transfer of funds, the request shall be deemed to be approved by the Legislative Budget and Finance Officer if, within 20 working days of the physical receipt of the request, he has not disapproved the request and so notified the requesting officer. However, this time period shall not pertain to any transfer request under review by the Joint Budget Oversight Committee or its successor, provided notice of such review has been given to the director.

d. No amount appropriated for any capital improvement shall be used for any temporary purpose except extraordinary snow removal or extraordinary transportation maintenance subject to the approval of the Director of the Division of Budget and Accounting. However, an amount from any appropriation for an item of capital improvement may be transferred to any other item of capital improvement subject to the approval of the director, and, if in an amount greater than $300,000, subject to the approval of the Legislative Budget and Finance Officer.

e. The provisions of subsections a. through d. of this section shall not apply to appropriations made to the Legislative branch of State government. To permit flexibility in the handling of these appropriations, amounts may be transferred to and from the various items of appropriation by the appropriate officer or his designee with notification given to the director on the effective date thereof.

f. Notwithstanding any provisions of this section to the contrary, transfers to and from the Special Purpose appropriation to the Governor for emergency or necessity under the State Contingency Fund and transfers from the appropriations to the various accounts in the category of Salary and Other Benefits, both in the Inter-Departmental Accounts, shall not be subject to legislative approval or disapproval.

11. When the duties or responsibilities of any department or branch, except for the Legislature and any of its agencies, are transferred to any other department or branch, it shall be the duty of the Director of the Division of Budget and Accounting and the director is hereby empowered to transfer funds appropriated for the maintenance and operation of any such department or branch to such department or

branch as shall be charged with the responsibility of administering the functions so transferred. The Director of the Division of Budget and Accounting shall 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 Legislative Budget and Finance Officer upon the effective date thereof. If such transfers may be required among appropriations made to the Legislature and its agencies, the Legislative Budget and Finance Officer, subject to the approval of the President of the Senate and the Speaker of the General Assembly, is hereby empowered and it shall be that officer's duty to effect such transactions hereinabove described and to notify the Director of the Division of Budget and Accounting upon the effective date thereof.

12. The Director of the Division of Budget and Accounting is empowered and it shall be the director's duty in the disbursement of funds for payment of expenses classified as employee benefits, debt service, rent, telephone, motor pool, insurance, postage, lease payments on equipment purchases and compensation awards to credit or transfer to the Department of the Treasury, to an Inter-Departmental account, or to the General 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 shall determine. Receipts in any non-State funds are appropriated for the purpose of such transfer.

13. 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 Legislative Budget and Finance Officer, upon the effective date thereof.

14. The Governor is empowered to direct the State Treasurer to transfer from any State department to any other State 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.

15. 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.

16. From appropriations to the various departments of State government, the Director of the Division of Budget and Accounting is empowered to transfer sums sufficient to pay any obligation due and owing in any other department or agency.

17. Notwithstanding the provision of any other law, the State Treasurer may transfer from any fund in his custody, deposited with the State Treasurer pursuant to law, sufficient sums to enable payments from any appropriation made herein for any obligations due and owing. Any such transfer shall be restored out of the taxes or

other revenue received in the Treasury in support of this act. Except for transfers from the several funds whose statutes provide for interest earnings to accrue to the fund, all such transfers shall be without interest. When the statute provides for interest earnings, it shall be calculated at the average rate of earnings during the fiscal year from the State's general investments.

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 Fund; provided however, that a portion of the indirect and administrative cost recoveries received which are in excess of the amount anticipated may be reclassified into a dedicated account and returned to State departments and agencies, as determined by the Director of the Division of Budget and Accounting, who shall notify the Legislative Budget and Finance Officer of the amount of such funds returned, the departments or agencies receiving such funds and the purpose for which such funds will be used, within 10 working days of any such transaction. 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. Notwithstanding the provisions of P.L.1954, c.48 (C.52:34-6 et seq.), sums appropriated for services for the various State departments and agencies may be expended for the purchase of contract services from the New Jersey Marine Sciences Consortium as if it were a State government agency pursuant to subsection (a) of section 5 of P.L.1954, c.48 (C.52:34-10).

20. The Director of the Division of Budget and Accounting may settle any claim not exceeding $2,000 due and owing to the State.

21. Notwithstanding any other provisions of this act, the State Treasurer, upon warrant of the Director of the Division of Budget and Accounting, shall pay any claim not exceeding $4,000 out of any appropriations made to the several departments, provided such claim is recommended for payment by the head of such department. The Legislative Budget and Finance Officer shall be notified of the amount and description of any such claim at the time such payment is made. Any claimant who has presented a claim not exceeding $4,000, 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.

22. Out of the appropriations herein, the Director of the Division of Budget and Accounting is empowered to approve payments to liquidate any unrecorded liabilities for materials delivered or services rendered in prior fiscal years, upon the written recommendation of any department head, or his designated representative. The Director of the Division of Budget and Accounting shall reject any recommendations for payment which the director deems improper.

23. 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 the director. 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 the fund. The director shall make regulations governing disbursement from petty cash funds.

24. The Legislative Budget and Finance Officer with the cooperation and assistance of the Director of the Division of Budget and Accounting is authorized to adjust this appropriations bill to reflect any reorganizations which have been implemented since the presentation of the Governor's Budget Recommendation Document dated January 29, 1996.

25. State agencies shall prepare and submit a copy of their agency or departmental budget requests for fiscal year 1998 by October 1, 1996 and a copy of their spending plans involving all State, federal and other non-State funds to the Director of the Division of Budget and Accounting and the Legislative Budget and Finance Officer by November 1, 1996, and updated spending plans on February 1, and May 1, 1997. The spending plans shall account for any changes in departmental spending which differ from this appropriation act and all supplements to this act. The spending plans shall be submitted on forms specified by the Director of the Division of Budget and Accounting.

26. The Director of the Division of Budget and Accounting is empowered to transfer or credit appropriations to any State agency for services provided, or to be provided, by that agency to any other agency or department; provided further, however, that funds have been appropriated or allocated to such agency or department for the purpose of purchasing these services.

27. The Director of the Division of Budget and Accounting shall provide the Legislative Budget and Finance Officer with copies of all BB-4s, Application for Non-State funds, and accompanying project proposals or grant applications, which require a State match and that may commit or require State support after the grant's expiration.

28. Notwithstanding the provisions of P.L.1943, c.188 (C.52:14-17.1 et seq.), the rate of reimbursement for mileage allowed for employees traveling by personal automobile on official business shall be $.25 per mile.

29. Notwithstanding any other provisions in this act, no unexpended balances as of June 30, 1996 are appropriated without the approval of the Director of the Division of Budget and Accounting, except that the Legislative Branch of State government shall be exempt from this provision. The Director of the Division of Budget and Accounting shall

notify the Legislative Budget and Finance Officer of those instances in which unexpended balances are not appropriated pursuant to this section.

30. There are appropriated, subject to the approval of the Director of the Division of Budget and Accounting, from interest earnings of the various bond funds, such sums as may be necessary for the State to comply with the federal "Tax Reform Act of 1986," Pub.L.99-514 (26 U.S.C. §1 et seq.), which requires issuers of tax-exempt debt obligations to rebate any arbitrage earnings to the federal government.

31. In order to provide effective cash flow management for revenues and expenditures of the General Fund and the Property Tax Relief Fund to implement the fiscal year 1997 annual appropriations act, there are appropriated from the General Fund such sums as may be required to pay the principal of and interest on tax and revenue anticipation notes including notes in the form of commercial paper (hereinafter collectively referred to as short-term notes), together with any costs or obligations relating to the issuance thereof or contracts related thereto, according to the terms set forth herein. Provided further that, to the extent that short-term notes are issued for cash flow management purposes in connection with the Property Tax Relief Fund, there are appropriated from the Property Tax Relief Fund such sums as may be required to pay the principal of those short-term notes.

32. The State Treasurer is authorized to issue short-term notes, which notes shall not constitute a general obligation of the State or a debt or a liability within the meaning of the State Constitution and the State Treasurer is authorized to pay any costs or obligations relating to the issuance of such short-term notes or contracts relating thereto. Such short-term notes shall be issued in such amounts and at such times as the State Treasurer shall deem necessary for the above stated purposes and for the payment of related costs, and on such terms and conditions, sold in such manner and at such prices, bearing interest at such fixed or variable rate or rates, renewable at such time or times, and entitled to such security, and using such paying agents as shall be determined by the State Treasurer. The State Treasurer is authorized to enter into such contracts and to take such other actions, all as determined by the State Treasurer to be appropriate to carry out the above cash flow management purposes. The State Treasurer shall give consideration to New Jersey-based vendors in entering into such contracts. Whenever the State Treasurer issues such short-term notes, the State Treasurer shall report on each such issuance to the Chairman of the Senate Budget and Appropriations Committee and the Chairman of the Assembly Appropriations Committee.

33. There is appropriated to Essex County an amount not to exceed $12,000,000, subject to the approval of the Director of the Division of Budget and Accounting, from moneys made available to the State from the Reserve Escrow Account upon the restructuring of the loan in the original aggregate principal amount of $33,000,000 made by the State to Essex County pursuant to the Loan Agreement dated April 29, 1987.

34. None of the funds appropriated to the Executive Branch of State government for Information Processing, Development, Telecommunications, and Related Services (External), Information Processing-Internal, and Information Processing and Telecommunications Equipment shall be available to pay for any information processing services or equipment without the review of the Office of Telecommunications and Information Systems and compliance with Statewide policies and standards; authorization and approval by the Office of Telecommunications and Information Systems is required for expenditure of amounts in excess of the current Direct Purchase Authorization (DPA) threshold.

35. There are appropriated such sums as may be required to pay interest liabilities to the federal government as required by the Treasury/State agreement pursuant to the provisions of the Cash Management Improvement Act of 1990, subject to the approval of the Director of the Division of Budget and Accounting.

36. The unexpended balances as of June 30, 1996 in accounts that are funded by Interfund Transfers are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

37. Notwithstanding the provisions of P.L.1990, c.44 (C.52:9H-14 et seq.), balances in the Surplus Revenue Fund may be appropriated to offset reductions in federal funds.

38. Notwithstanding the provisions of P.L.1983, c.303 (C.52:27H-60 et seq.), each of the municipalities in which an enterprise zone is designated whose separate account in the enterprise zone assistance fund was reduced in fiscal year 1995 shall be entitled to receive such additional sums, not to exceed 100% of the annual sales tax revenue collected by certified vendors in their individual zones, to be distributed in a cumulative amount not to exceed: Bridgeton ($690,000), Camden ($225,000), Elizabeth ($3,300,000), Jersey City ($3,870,000), Kearny ($780,000), Millville ($285,000), Newark ($1,680,000), Orange ($285,000), Plainfield ($435,000), Trenton ($795,000), Vineland ($2,655,000), subject to the approval of the Director of the Division of Budget and Accounting.

39. Whenever any county, municipality, or school district entitled to receive State aid from appropriations made herein withholds funds from State agencies entitled to payment for services, the Director of the Division of Budget and Accounting is authorized to withhold State aid payments to such county, municipality, or school district and transfer the same as payment for funds so withheld.

40. If the sum provided in this act for a State aid payment pursuant to formula is insufficient to meet the full requirements of the formula, all recipients of State aid shall have their allocation proportionately reduced, subject to the approval of the Director of the Division of Budget and Accounting.

41. There is appropriated, from loan repayments to the Economic Development Authority, $20,500,000 from the Public School Facilities Code Compliance Loan

Fund and the Public School Facilities Loan Assistance Fund for transfer to the General Fund as State revenue, subject to the enactment of enabling legislation.

42. There is appropriated $11,330,000 from the Sanitary Landfill Facility Contingency Fund for transfer to the General Fund as State Revenue.

43. There is appropriated $4,250,000 from the New Home Warranty Security Fund for transfer to the General Fund as State revenue.

44. There is appropriated $2,514,000 from the Mortgage Assistance Fund for transfer to the General Fund as State revenue.

45. There is appropriated $1,200,000 from the Emergency Services Fund for transfer to the General Fund as State revenue.

46. There is appropriated $375,000 from the Boarding House Rental Assistance Fund for transfer to the Casino Revenue Fund as State revenue.

47. Notwithstanding any provision of law to the contrary, of the unexpended balance as of June 30, 1996 in the Unemployment Compensation Auxiliary Fund, $2,000,000 is lapsed to the credit of the General Fund.

48. Subject to the availability of federal Medicaid dollars within any federal legislation to block grant the Medicaid program or through a continued entitlement program, as determined by the Director of the Division of Budget and Accounting, and notwithstanding any other law to the contrary, each local school district which participates in the Special Education Medicaid Initiative shall receive a percentage of the federal revenue the district's participation yields for current year claims. The percentage share for local school districts shall be 15% of the first $53,000,000 of federal reimbursements realized. After federal reimbursements are realized in excess of $53,000,000, local school districts shall receive a percentage of such revenue based on the level of participation they achieve. Each district's reimbursement percentage shall be calculated as the product of its special education enrollment multiplied by the percentage of its enrolled pupils eligible for the federal free lunch program. Districts with a participation rate of 80% or more shall receive 85% of its share of federal revenues in excess of $53,000,000 in recognition of their successful efforts to maximize participation. Each district with a participation rate of 60% to 79% shall receive 50% of its share of federal revenues in excess of $53,000,000. Each district with a participation rate of less than 60% shall receive 15% of its share of federal revenues in excess of $53,000,000.

49. The administrative costs of the Special Education Medicaid Initiative, including the participation of a consultant, are appropriated and shall be paid form the revenue received, subject to the approval of the Director of the Division of Budget and Accounting.

50. This act shall take effect July 1, 1996.

Approved June 28, 1996.

CHAPTER 43

AN ACT concerning the New Jersey Waterfowl Stamp and amending P.L.1983, c.504.

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

1. Section 3 of P.L.1983, c.504 (C.23:3-77) is amended to read as follows:

C.23:3-77 Procurement; fee for New Jersey Waterfowl Stamp.

3. The New Jersey Waterfowl Stamp shall be procured from the Division of Fish, Game and Wildlife, or from other designated agents deemed qualified by the Division of Fish, Game and Wildlife. The annual fee for the New Jersey Waterfowl Stamp shall be $10.00 for persons without a valid New Jersey resident's firearm hunting or bow and arrow license, and $5.00 for persons possessing a valid New Jersey resident's firearm hunting or bow and arrow license. A New Jersey Waterfowl Stamp shall not be valid unless it is in the possession of the licensee and contains the signature of the licensee written in ink across the face of the stamp. All New Jersey Waterfowl Stamps shall expire on June 30 of each year, unless otherwise prescribed in the State Fish and Game Code.

Any person may procure the $5.00 and $10.00 New Jersey Waterfowl Stamps at their face value for collection purposes only.

2. This act shall take effect July 1 next following enactment but the Division of Fish, Game and Wildlife and the Migratory Waterfowl Advisory Committee may take such anticipatory administrative action in advance thereof as shall be necessary for implementation of the act.

Approved June 28, 1996.

CHAPTER 44

AN ACT concerning the State Commission of Investigation and amending and supplementing P.L.1968, c.266.

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

1. Section 8 of P.L.1968, c.266 (C.52:9M-8) is amended to read as follows:

C.52:9M-8 Referral of certain information to Attorney General, exceptions.

8. a. Except as provided in subsection c. of this section, whenever the commission or any employee of the commission obtains any information or evidence of a reasonable possibility of criminal wrongdoing, the commission shall immediately refer such information or evidence to the Attorney General.

b. Except as provided in subsection c. of this section, whenever the commission or any employee of the commission obtains information or evidence of cause for the removal or discipline of a public official or public employee, the commission shall, as soon as practicable, refer such information or evidence to the Attorney General unless the commission shall, by majority vote, determine that special circumstances exist which require the delay in transmittal of the information or evidence.

c. Whenever the commission or any employee of the commission obtains any information or evidence of criminal wrongdoing or misconduct on the part of the Attorney General, the commission shall immediately refer such information or evidence to the Governor, the Senate President and the Speaker of the General Assembly for further direction to the commission pursuant to section 3 of P.L.1968, c.266 (C.52:9M-3) or for any other action authorized by the laws of this State or of the United States.

d. Whenever the commission or any employee of the commission obtains any information or evidence indicating a reasonable possibility of an unauthorized disclosure of information or a violation of any provision of P.L.1968, c.266 (C.52:9M-1 et seq.), the commission shall immediately refer such information to the Attorney General.

2. Section 10 of P.L.1968, c.266 (C.52:9M-10) is amended to read as follows:

C.52:9M-10 Annual, interim reports to Governor, Legislature.

10. The commission shall make an annual report to the Governor and Legislature which shall include its recommendations. The commission shall, consistent with the provisions of sections 7 and 8 of P.L.1996, c.44 (C.52:9M-8.1 and C.52:9M-12.2), make such further interim reports to the Governor and Legislature, or either thereof, as it shall deem advisable, or as shall be required by the Governor or by concurrent resolution of the Legislature.

3. Section 11 of P.L. 1968, c. 266 (C.52:9M-11) is amended to read as follows:

C.52:9M-11 Commission to keep public informed.

11. By such means and to such extent as it shall deem appropriate, the commission shall, consistent with the provisions of sections 7 and 8 of P.L.1996, c.44 (C.52:9M-8.1 and C.52:9M-12.2) keep the public informed as to the operations of organized crime, problems of criminal law enforcement in the State and other activities of the commission.

4. Section 9 of P.L.1979, c.254 (C.52:9M-12.1) is amended to read as follows:

C.52:9M-12.1 Witnesses at hearing, rights, notice, statement.

9. a. No person may be required to appear at a hearing or to testify at a hearing unless there has been personally served upon him prior to the time when he is required to appear, a copy of P.L.1968, c.266 as amended and supplemented, and a general statement of the subject of the investigation. A copy of the resolution, statute, order or other provision of law authorizing the investigation shall be furnished by the commission upon request therefor by the person summoned.

b. A witness summoned to a hearing shall have the right to be accompanied by counsel, who shall be permitted to advise the witness of his rights, subject to reasonable limitations to prevent obstruction of or interference with the orderly conduct of the hearing. Counsel for any witness who testifies at a public or private hearing may submit proposed questions to be asked of the witness relevant to the matters upon which the witness has been questioned and the commission shall ask the witness such of the questions as it may deem appropriate to its inquiry.

c. A complete and accurate record shall be kept of each public hearing and a witness shall be entitled to receive a copy of his testimony at such hearing at his own expense. Where testimony which a witness has given at a private hearing becomes relevant in a criminal proceeding in which the witness is a defendant, or in any subsequent hearing in which the witness is summoned to testify, the witness shall be entitled to a copy of such testimony, at his own expense, provided the same is available, and provided further that the furnishing of such copy will not prejudice the public safety or security.

d. A witness who testifies at any hearing shall have the right at the conclusion of his examination to file a brief sworn statement relevant to his testimony for incorporation in the record.

e. The commission shall make a good faith effort to notify any person whose name the commission believes will be mentioned in a potentially adverse context at a public hearing. Any person whose name is mentioned or will be mentioned or who is specifically identified and who believes that

testimony or other evidence given at a public hearing or comment made by any member of the commission or its counsel at such a hearing tends to defame him or otherwise adversely affect his reputation shall have the right, either in private or in public or both at a reasonably convenient time to be set by the commission, to appear personally before the commission, and testify in his own behalf as to matters relevant to the testimony or other evidence complained of, or in the alternative, to file a statement of facts under oath relating solely to matters relevant to the testimony or other evidence complained of, which statement shall be incorporated in the record.

f. Nothing in this section shall be construed to prevent the commission from granting to witnesses appearing before it, or to persons who claim to be adversely affected by testimony or other evidence adduced before it, such further rights and privileges as it may determine.

5. Section 15 of P.L.1968, c.266 (C.52:9M-15) is amended to read as follows:

C.52:9M-15 Disclosure of information, violation, penalties; privilege, certain.

15. a. Any person conducting or participating in any examination or investigation who shall disclose or any person who, coming into possession of or knowledge of the substance of any examination or investigation, shall disclose, or any person who shall cause, encourage or induce a person, including any witness or informant, to disclose, other than as authorized or required by law, to any person other than the commission or an officer having the power to appoint one or more of the commissioners the name of any witness examined, or any information obtained or given upon such examination or investigation, except as directed by the Governor or commission, or any person other than a member or employee of the commission or any person entitled to assert a legal privilege who, coming into possession of or knowledge of the substance of any pending examination or investigation who fails to advise the Attorney General and the commission of such possession or knowledge and to deliver to the Attorney General and the commission any documents or materials containing such information, shall be guilty of a misdemeanor until September 1, 1979 when such person shall be guilty of a crime of the third degree. Any member or employee of the commission who shall violate this section shall be dismissed from his office or discharged from his employment.

b. Any statement made by a member of the commission or an employee thereof relevant to any proceedings before or investigative activities of the commission shall be absolutely privileged and such privilege shall be a complete defense to any action for libel or slander; provided, however, that nothing in this subsection shall be deemed to grant immunity for any

statement made with knowledge of its falsity or with reckless disregard as to whether it was true or false.

c. Nothing contained in this section shall in any way prevent the commission from furnishing information or making reports, as required by this act, or from furnishing information to the Legislature, or to a standing reference committee thereof, pursuant to a resolution duly adopted by a standing reference committee or pursuant to a duly authorized subpena or subpena duces tecum, provided, however, that nothing herein shall be deemed to preclude the commission from seeking from a court of competent jurisdiction a protective order to avoid compliance with such subpena or duces tecum.

6. Section 20 of P.L.1968, c.266 is amended to read as follows:

20. This act shall take effect immediately and remain in effect until July 1, 2002.

C.52:9M-8.1 Written notice to Attorney General of intention to issue report.

7. At least seven days prior to the issuance of a report disclosing any information or evidence of a reasonable possibility of criminal wrongdoing, the State Commission of Investigation shall give written notice to the Attorney General of the commission's intention to issue that report and afford the Attorney General an opportunity to be heard with respect to any objections the Attorney General has to the issuance of the report. At the request of the Attorney General, the commission may delay the issuance of a report containing evidence of a reasonable possibility of criminal wrongdoing for a period of up to 120 days.

C.52:9M-12.2 Copy of report sent to person criticized; response included.

8. a. Whenever a proposed State Commission of Investigation report is critical of a person's conduct, a copy of the relevant portions of the proposed report thereof shall be sent to that person prior to the release of the report. Upon receipt, the person criticized shall have 15 days to submit a written response of a reasonable length which the commission shall include in the report together with any relevant evidence submitted by that person.

b. Any report issued by the commission shall include any relevant evidence of a reasonable length concerning a person criticized in the report which is of an exculpatory nature or which tends to exonerate the criticized person.

c. A report issued by the commission shall include, upon request of the Attorney General, a statement indicating the results of any criminal prosecution or disciplinary action related to the report.

C.52:9M-20 Special committee established in June of 2000.

9. In June of 2000, a special committee shall be established to review the activities of the State Commission of Investigation for the purpose of determining whether the statutory authorization for the commission's operation will be renewed. The special committee shall consist of seven members: three members to be appointed by the Governor, no more than two of whom shall be of the same political party; two members to be appointed by the President of the Senate, no more than one of whom shall be of the same political party and two members to be appointed by the Speaker of the General Assembly, no more than one of whom shall be of the same political party. This committee shall submit its report to the Governor and the Legislature no later than January 1, 2001.

10. This act shall take effect immediately.

Approved June 28, 1996.

CHAPTER 45

AN ACT merging the Departments of Banking and Insurance and revising various parts of the statutory law.

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

C.17:1-13 Short title.

1. This act shall be known and may be cited as the "Department of Banking and Insurance Act of 1996."

2. R.S.17:1-1 is amended to read as follows:

Department of Banking and Insurance reconstituted.

17:1-1. The Department of Banking and Insurance, hereinafter in Title 17 of the Revised Statutes and Title 17B of the New Jersey Statutes designated as the "department," created and established by an act entitled "An act to establish a Department of Banking and Insurance," approved February 10th, one thousand eight hundred and ninety-one (L.1891, c.6, p.17), and charged with the execution of all laws relative to insurance, banking, savings, trust, guarantee, safe deposit, indemnity, mortgage, investment and loan corporations, continued and constituted as a principal department in the executive branch of the State Government by the "Department of Banking and Insurance Act of 1948," P.L.1948, c.88

(C.17:1-1.1 et al.), is reconstituted as a principal department in the executive branch of State Government by this 1996 amendatory and supplementary act. The department, having been divided into two separate principal departments, the Department of Banking, pursuant to P.L.1970, c.11 (C.17:1B-1 et seq.), and the Department of Insurance, pursuant to P.L.1970, c.12 (C.17:1C-1 et seq.), is recombined and designated as the Department of Banking and Insurance by this 1996 amendatory and supplementary act. Such department shall be vested with all the powers and charged with all the duties and subject to all the obligations and penalties which, on February 10th, one thousand eight hundred and ninety-one, were vested in, conferred and imposed upon the Secretary of State, acting as commissioner of insurance, or upon the board of bank commissioners or any other officer or board charged with the execution of the laws relative to subjects hereinabove recited, as well as any additional duties, powers, and obligations prescribed in this 1996 amendatory and supplementary act or by any other law.

All the powers, functions and duties of the existing Department of Banking and Department of Insurance and the commissioners thereof are continued in the Department of Banking and Insurance, and in the office of the commissioner thereof.

3. R.S.17:1-2 is amended to read as follows:

Commissioner of Banking and Insurance, appointment, salary; interests prohibited to commissioner, officers, employees.

17:1-2. a. The head of the reconstituted department, to be denominated the Commissioner of Banking and Insurance and hereinafter in Title 17 of the Revised Statutes and Title 17B of the New Jersey Statutes, designated the "commissioner," shall be appointed by the Governor, with the advice and consent of the Senate, and shall serve at the pleasure of the Governor during the Governor's term of office and until the appointment and qualification of the commissioner's successor. The person in office as the Commissioner of Insurance on June 30, 1996, shall at the pleasure of the Governor hold the office of Commissioner of Banking and Insurance reestablished by this 1996 amendatory and supplementary act for the unexpired term for which the commissioner was appointed, and until a successor is appointed and qualified. No person shall be appointed commissioner who is in any way connected with the management or control of any corporation, firm, association, institution, or licensee affected by Title 17 of the Revised Statutes or Title 17B of the New Jersey Statutes, and the commissioner shall immediately be dismissed from office if at any time the commissioner becomes so interested.

The commissioner shall receive such salary as shall be provided by law.

The commissioner shall devote full time to the performance of the duties of commissioner.

b. Neither the commissioner nor any officer or employee of the department shall have any ownership of, interest in, or any dealings or transactions in any capacity with any financial institution, insurance company or other entity chartered, licensed or regulated by the department, except in the strict performance of the commissioner's, officer's or employee's duties. This prohibition shall not preclude the commissioner, or officers or employees of the department from continuing routine banking services with financial institutions, including but not limited to, mortgages, checking and savings accounts, and personal loans, entered into prior to their employment, or from establishing banking accounts and from obtaining loans and other services normally obtained by members of the general public, or from obtaining insurance or making claims involving their person, property or affairs, under the same terms and conditions as are available to members of the general public. This prohibition shall not apply to investments in mutual funds, deferred compensation plans, blind trusts, or similar investments, in which the commissioner, officer or employee does not make or influence the selection of individual investments.

No department examiner shall examine any entity with which the examiner conducts personal or family banking or insurance activities.

Any violation of this section shall be cause for dismissal of the violator by the appointing authority.

C.17:1-14 Appointments of deputy, assistant commissioners, organization; divisions.

4. a. The commissioner may appoint such deputy commissioners and assistant commissioners as the commissioner shall deem necessary, to serve at the pleasure of the commissioner, subject to the provisions of Title 11A of the New Jersey Statutes. Each deputy or assistant commissioner shall exercise those powers and perform those duties of the commissioner as the commissioner may prescribe or delegate under the commissioner's direction and supervision. Subject to the provisions of paragraph (2) of subsection d. and paragraph (2) of subsection e. of this section, the commissioner shall designate one or more department officials to exercise the powers and perform the duties of the commissioner during the commissioner's absence, disability, or when otherwise specified by the commissioner.

b. Subject to applicable laws and the provisions of subsections d. and e. of this section, the commissioner shall have the authority to establish, engage, organize, and maintain in the department administrative personnel and structure as the commissioner deems necessary to perform all personnel, planning and budget and finance responsibilities, examinations, investiga-

tions, regulatory responsibilities or other duties or services as may be required for the efficient and effective operation of the department.

c. There is established within the Department of Banking and Insurance, a Division of Banking and a Division of Insurance. The Department of Banking and Insurance shall be organized so that, subject to the supervision of the commissioner, the Director of the Division of Banking shall be in charge of the functions and duties that relate to banking and supervise and regulate those entities previously supervised and regulated by the Department of Banking, and the Director of the Division of Insurance shall be in charge of the functions and duties that relate to insurance and supervise and regulate those entities previously supervised and regulated by the Department of Insurance.

d. The Director of the Division of Banking shall be appointed by the Governor, with the advice and consent of the Senate, and shall serve at the pleasure of the Governor, provided however, that the person in office as the Deputy and Acting Commissioner of Banking on June 30, 1996, shall, at the pleasure of the Governor, hold the office of Director of the Division of Banking. The director shall devote his entire time and attention to the duties of the office. The Director of the Division of Banking shall not, within the five years immediately preceding appointment as Director of the Division of Banking, have been employed by, acted as agent or contractor for, or managed or controlled any entity, other than an entity affiliated with a banking institution as defined pursuant to section 1 of P.L.1948, c.67 (C.17:9A-1), that was engaged in the insurance business pursuant to Subtitle 3 of Title 17 of the Revised Statutes, Title 17B of the New Jersey Statutes, or P.L.1973, c.337 (C.26:2J-1 et seq.), except that the provision shall not apply to any person appointed as Director of the Division of Banking on or before September 1, 1996. The duties and responsibilities of the Director of the Division of Banking shall include the following:

(1) to organize the work of the Division of Banking into the offices, bureaus and other organizational units as the director may determine, subject to the approval of the commissioner;

(2) in the absence of the commissioner, to be acting commissioner for all matters relating to banking;

(3) to review all banking institutions and other lenders and depository institutions, other than insurance entities, to ensure the safety and soundness of those institutions, and to make recommendations to the commissioner for appropriate action to ensure the safety and soundness of the institutions;

(4) to monitor the comparability of New Jersey laws and regulations with the laws and regulations governing federally chartered banks, savings banks and credit unions and to prepare for inclusion in the department's annual report required pursuant to subsection h. of section 6 of this 1996

amendatory and supplementary act, a report on the operation of the dual banking system in New Jersey;

(5) to exercise those powers and perform those duties as the commissioner may prescribe or delegate under the commissioner's direction and supervision.

e. The Director of the Division of Insurance shall be appointed by the Governor, with the advice and consent of the Senate, and shall serve at the pleasure of the Governor, provided however, that the person in office as the Deputy Commissioner of Insurance for Property and Casualty on June 30, 1996, shall, at the pleasure of the Governor, hold the office of Director of the Division of Insurance. The director shall devote his entire time and attention to the duties of the office. The Director of the Division of Insurance shall not, within the five years immediately preceding appointment as Director of the Division of Insurance, have been employed by, acted as agent or contractor for, or managed or controlled any entity that was engaged in the banking business pursuant to Subtitle 2 of Title 17 of the Revised Statutes, except that the provision shall not apply to any person appointed as Director of the Division of Insurance on or before September 1, 1996. The duties and responsibilities of the Director of the Division of Insurance shall include the following:

(1) to organize the work of the Division of Insurance into the offices, bureaus and other organizational units as the director may determine, subject to the approval of the commissioner;

(2) in the absence of the commissioner, to be acting commissioner for all matters relating to insurance;

(3) to exercise those powers and perform those duties as the commissioner may prescribe or delegate under the commissioner's direction and supervision.

5. Section 3 of P.L.1948, c.88 (C.17:1-3.1) is amended to read as follows:

C.17:1-3.1 New Jersey Real Estate Commission.

3. There shall be within the Department of Banking and Insurance a division which shall be known as the division of the New Jersey Real Estate Commission. The terms of office of the members of the commission as of the effective date of this 1996 amendatory and supplementary act shall not be affected by this act. The commission shall continue to be constituted and the members thereof shall continue to be appointed as provided by law.

C.17:1-15 Duties, authority of commissioner.

6. The commissioner, as administrator and chief executive office of the department, shall:

a. Administer the work of the department;

b. Appoint and remove officers and other personnel employed within the department, subject to the provisions of Title 11A of the New Jersey Statutes, and other applicable statutes, except as otherwise specifically provided;

c. Perform, exercise and discharge the functions, powers and duties of the department through those divisions established by law or as the commissioner deems necessary;

d. Organize the work of the department pursuant to the structure or organizational units the commissioner determines to be necessary for efficient and effective operation, and which are not inconsistent with the provisions of this 1996 amendatory and supplementary act;

e. Formulate, adopt, issue and promulgate, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), in the name of the department, rules and regulations authorized by law for the efficient conduct of the work and general administration of the department, and the appropriate regulation of the institutions, companies, agencies, boards, commissions, and other entities within its jurisdiction, including licensees, officers and employees as authorized by law;

f. Determine all matters of policy within the commissioner's jurisdiction;

g. Institute or cause to be instituted the legal proceedings or processes necessary to enforce properly and give effect to any of the commissioner's powers or duties;

h. Make a report each year to the Governor and to the Legislature of the department's operations for the preceding fiscal year, and render such other reports as the Governor shall from time to time request, or as may be required by law;

i. Appoint advisory committees which may be desirable to advise and assist the department or a division in carrying out its functions and duties;

j. Perform such other functions as may be prescribed by law in this act or by any other law; and

k. Maintain suitable headquarters for the department and such other quarters as the commissioner shall deem necessary to the proper functioning of the department.

C.17:1-16 Examination of persons, subpoena of witnesses, documents.

7. For the purpose of effectuating the powers and duties of the department and the commissioner, the commissioner may cause to be examined under oath any and all persons whatsoever and compel by subpoena upon appropriate notice the attendance of witnesses and the production of such books, records, accounts, papers, and other documents as are appropriate. If any person shall refuse to obey a subpoena, or to

produce evidence as required thereby, the commissioner may apply ex parte to any court having jurisdiction over that person for an order compelling the appearance of the witness to give testimony or to produce evidence as required thereby, or both. Any person failing to obey the court order may be punished by the court for contempt.

8. R.S.17:1-8 is amended to read as follows:

Fees; disposition.

17:1-8. The commissioner shall charge for a license and for all services performed by the department the fees provided in Title 17 of the Revised Statutes or Title 17B of the New Jersey Statutes, or in lieu thereof or where not so provided, such fees as the commissioner shall prescribe by rule or regulation, including but not limited to application fees, license fees, assessments, and charges for investigations and examinations. The commissioner shall make returns to the Director of the Division of Budget and Accounting of all fees and moneys collected by the department, and pay the sum so collected into the State Treasury.

C.17:1-17 Transfer of appropriations, moneys.

9. All appropriations and other moneys available and to become available to any department, division, bureau, board, commission, or other entity or agency, the functions, powers and duties of which have been assigned or transferred to the Department of Banking or to the Department of Insurance are hereby transferred to the Department of Banking and Insurance reestablished by this 1996 amendatory and supplementary act, and shall be available for the objects and purposes for which appropriated, subject to any terms, restrictions, limitations, or other requirements imposed by State or federal law.

C.17:1-18 Assignment, transfer of employees.

10. Employees of any department, division, bureau, board, commission or other agency or entity, the functions, powers and duties of which have been assigned or transferred to the Department of Banking or to the Department of Insurance or to any agency continued or constituted therein, shall be assigned or transferred pursuant to Title 11A of the New Jersey Statutes to the reconstituted Department of Banking and Insurance as the commissioner may determine are needed for the proper performance of the duties of the department.

C.17:1-19 Tenure, rights preserved.

11. Nothing in this 1996 amendatory and supplementary act shall be construed to deprive any person of any tenure rights or of any right or

protection provided him or her by Title 11A of the New Jersey Statutes, or under any pension law or retirement system.

C.17:1-20 Transferral of property.

12. All files, books, papers, records, information management systems, equipment and other property of any department, division, bureau, commission, board, or other agency or entity, the functions, powers and duties of which have been assigned or transferred to the Department of Banking or to the Department of Insurance, or to any agency designated, continued or constituted by this 1996 amendatory and supplementary act, shall upon the effective date of this act be assigned or transferred to the Department of Banking and Insurance as directed by the commissioner or the commissioner's designee.

C.17:1-21 References to department, commissioner.

13. With respect to the functions, powers and duties continued in the Department of Banking and Insurance by this 1996 amendatory and supplementary act, whenever in any law, rule, regulation, order, agreement, stipulation, judicial or administrative proceeding or otherwise, reference is made to the Department of Banking or to the Department of Insurance, or to the Commissioner of Banking or to the Commissioner of Insurance, the same shall mean and refer to the Department of Banking and Insurance, and the Commissioner of Banking and Insurance, respectively.

C.17:1-22 Existing orders, rules, regulations not affected.

14. This 1996 amendatory and supplementary act shall not affect the orders, rules, regulations, bulletins, plans of operation, contracts, settlement or consent agreements, or stipulations heretofore made, promulgated by, or approved by the Commissioners of Banking or Insurance, or any department, division, bureau, board or other agency, the functions powers and duties of which have been assigned or transferred to the reconstituted Department of Banking and Insurance by this act, or to any other agency designated, continued or constituted hereunder, but those orders, rules, regulations, bulletins, plans of operation, contracts, settlement or consent agreements, and stipulations shall continue with full force and effect until amended or repealed pursuant to law.

C.17:1-23 Actions, proceedings not affected.

15. This 1996 amendatory and supplementary act shall not affect actions or proceedings, civil or criminal, brought by or against the Commissioners of Banking and Insurance, or any department, division, bureau, board, commission, or other agency, the functions, powers and duties of which have been herein assigned or transferred to the reconstituted Department of Banking and Insurance, or to any agency designated,

continued, or constituted hereunder, and pending on the effective date of this act.

C.17:1-24 Department of Banking and Insurance Study Commission.

16. a. There shall be established the Department of Banking and Insurance Study Commission whose purpose shall be to examine the effects of the merger of the Department of Banking and the Department of Insurance into the Department of Banking and Insurance.

b. The study commission shall consist of the following members:

(1) the Commissioner of Banking and Insurance, or the commissioner's designee, who shall serve ex officio;

(2) Two members of the Senate appointed by the Senate President and two members of the General Assembly appointed by the Speaker of the General Assembly, with no more than one of either group of two being of the same political party;

(3) Five representatives of the financial services industry, one to be appointed by the Senate President, one to be appointed by the Speaker of the General Assembly and three to be appointed by the Governor;

(4) Five representatives of insurers doing business in this State, one to be appointed by the Senate President, one to be appointed by the Speaker of the General Assembly, and three to be appointed by the Governor;

(5) Three representatives of the real estate industry, one to be appointed by the Senate President, one to be appointed by the Speaker of the General Assembly, and one to be appointed by the Governor;

(6) Three public members, one to be appointed by the Senate President, one to be appointed by the Speaker of the General Assembly, and one to be appointed by the Governor.

c. The commissioner shall convene the study commission no later than January 2, 2001, and the commission shall report its findings and recommendations to the Governor and the Legislature no later than 12 months after January 2, 2001.

17. Section 1 of P.L.1958, c.66 (C.17:1-8.1) is amended to read as follows:

C.17:1-8.1 Rules, regulations.

1. The commissioner may, in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), promulgate such rules and regulations as are necessary to effectuate the purposes of this 1996 amendatory and supplementary act.

Repealer.

18. The following are repealed:

R.S.17:1-3;
R.S.17:1-4;
R.S.17:1-6;
R.S.17:1-7;
Sections 2 through 4 of P.L.1958, c.66 (C.17:1-8.2 through 17:1-8.4);
P.L.1958, c.68 (C.17:1-8.5 through 17:1-8.11);
R.S.17:1-9;
Section 18 of P.L.1981, c.103 (C.17:1-9.1);
R.S.17:1-10;
Section 5 of P.L.1981, c.74 (C.17:1-12);
P.L.1970, c.11 (C.17:1B-1 et seq.);
Section 1 of P.L.1970, c.88 (C.17:1B-3a); and
P.L.1970, c.12 (C.17:1C-1 et seq.).

19. This act shall take effect on July 1, 1996, except that any appointment, any confirmation of any appointment, or any personnel activity consistent with the purposes of this act may be made prior to that date.

Approved June 28, 1996.

CHAPTER 46

AN ACT concerning the application fee for certain examinations and amending P.L.1992, c.197.

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

1. Section 1 of P.L.1992, c.197 (C.11A:4-1.1) is amended to read as follows:

C.11A:4-1.1 Application fee for examinations; additional fee; uses.

1. a. The Commissioner of the Department of Personnel shall establish a $5 fee for each application for an open competitive or promotional examination. Persons receiving public assistance benefits pursuant to P.L.1947, c.156 (C.44:8-107 et seq.), P.L.1959, c.86 (C.44:10-1 et seq.), or P.L.1973, c.256 (C.44:7-85 et seq.) shall not be required to pay this fee if they apply for an open competitive examination. Receipts derived from application fees established by this subsection shall be appropriated to the department.

b. In addition to the fee established in subsection a. of this section, the commissioner shall establish a $5 fee for each application for an open competitive or promotional examination for a position in State service. Persons receiving public assistance benefits pursuant to P.L.1947, c.156 (C.44:8-107 et seq.), P.L.1959, c.86 (C.44:10-1 et seq.), or P.L.1973, c.256 (C.44:7-85 et seq.) shall not be required to pay this fee if they apply for an open competitive examination. Receipts derived from the application fee established pursuant to this subsection shall be appropriated annually to the department for the costs of the displaced workers pool program. This fee shall not be assessed and collected unless the commissioner implements a displaced workers pool program. If the displaced workers pool program is terminated at any time by the commissioner, the assessment and collection of this additional fee shall also be terminated.

2. This act shall take effect immediately.

Approved June 28, 1996.

CHAPTER 47

AN ACT concerning the State disability benefits fund, amending P.L.1948, c.110, and making appropriations.

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

1. Section 23 of P.L.1948, c.110 (C.43:21-47) is amended to read as follows:

C.43:21-47 Withdrawal from federal treasury.

23. Withdrawal from Federal Treasury. (a) The State Treasurer is hereby authorized and directed to requisition and withdraw on or before December 31, 1948, the sum of $50,000,000.00 from the amount of worker contributions heretofore accumulated in the State unemployment compensation fund and deposited in and credited to the account of this State in the unemployment trust fund of the United States of America, established and maintained pursuant to section 904 of the Social Security Act, as amended (42 U.S.C. §1104), and to deposit such sums in the State disability benefits fund, established under the "Temporary Disability Benefits Law." The State Treasurer is further authorized and empowered to make such requisitions or withdrawals in accordance with such regulations relating thereto as may be prescribed by the United States Secretary of the Treasury. No portion of the

amount requisitioned or withdrawn from the Federal Treasury shall be expended for the purpose of administering the "Temporary Disability Benefits Law."

(b) The State Treasurer is hereby authorized and directed to requisition and withdraw within 90 days of this enactment, an additional sum of $50,000,000.00 from the amount of worker contributions heretofore accumulated in the State unemployment compensation fund and deposited in and credited to the account of this State in the unemployment trust fund of the United States of America, established and maintained pursuant to section 904 of the Social Security Act, as amended (42 U.S.C.§1104), and to deposit such sums in the State disability benefits fund, established under the "Temporary Disability Benefits Law." The State Treasurer is further authorized and empowered to make such requisitions or withdrawals in accordance with such regulations relating thereto as may be prescribed by the United States Secretary of the Treasury. If the balance in the State disability benefits fund as of December 31 of any calendar year, increased by the contributions credited thereto on or before, or as of January 31 immediately thereafter is in excess of $75,000,000.00, the excess shall be withdrawn from the State disability benefits fund and deposited to the account of this State in the unemployment trust fund until the entire $50,000,000.00 requisitioned and withdrawn under this subsection (b) has been returned and deposited to the account of this State in the unemployment trust fund pursuant to the provisions of this subsection (b) and subsection (c) hereof. Such repayment to the unemployment trust fund shall be considered in determining contribution rates by employers to the State disability benefits fund under R.S.43:21-7(e). No portion of the amount requisitioned or withdrawn from the Federal Treasury shall be expended for the purpose of administering the "Temporary Disability Benefits Law."

(c) The State Treasurer shall transfer from the State disability benefits fund to the clearing account of the unemployment compensation fund, as established under R.S.43:21-9, the sum of $25,000,000.00. Such transfer may be made at such times and in such installments as the State Treasurer may deem proper, except that the total sum shall have been transferred by no later than April 30, 1971. Amounts transferred to the clearing account of the unemployment compensation fund under this subsection shall be clear immediately and shall be deposited with the Secretary of the Treasury of the United States of America in accordance with the provisions of R.S.43:21-9(b).

(d) The State Treasurer is hereby authorized and directed to requisition and withdraw on or before December 31, 1985 a minimum of $50,000,000.00, at the discretion of the Commissioner of Labor, from the State disability benefits fund established under section 22 of P.L.1948, c.110

(C.43:21-46) and to deposit such sum in the clearing account of the State unemployment compensation fund established under R.S.43:21-9. The amount transferred under this subsection (d) shall be cleared immediately and shall be deposited with the Secretary of the Treasury of the United States of America, in accordance with the provisions of R.S.43:21-9(b).

(e) The State Treasurer is hereby authorized and directed to requisition and withdraw on or after July 1, 1992 an amount not greater than $25,000,000 from revenues received pursuant to paragraph (1) of subsection (e) of R.S.43:21-7, at the discretion of the Commissioner of Labor, from the State disability benefits fund established pursuant to section 22 of P.L.1948, c.110 (C.43:21-46) and to deposit that amount in the New Jersey Workforce Development Partnership Fund created pursuant to section 9 of P.L.1992, c.43 (C.34:15D-9).

(f) The State Treasurer, in consultation with the Commissioner of Labor, is hereby authorized and directed to requisition and withdraw on or after July 1, 1994 from revenues received pursuant to paragraph (1) of subsection (e) of R.S.43:21-7, an amount from the State disability benefits fund not greater than 25% of the balance in that fund as of June 30, 1994 and to deposit that amount in the clearing account of the unemployment compensation fund established under R.S.43:21-9. The amount transferred under this subsection (f) shall be cleared immediately and shall be deposited with the Secretary of the Treasury of United States of America, in accordance with the provisions of R.S.43:21-9(b).

(g) To the extent that funds from the General Fund are also deposited into the clearing account subsequent to July 1, 1994 but before October 2, 1994, such amount shall be reimbursed to the General Fund from amounts collected pursuant to R.S.43:21-7(d)(1)(G) and R.S.43:21-7(e) for quarterly periods ending on or after September 30, 1994.

(h) The amount transferred from the State disability benefits fund to the clearing account of the unemployment compensation fund under subsection (f) of this section plus any amount reimbursed to the General Fund in accordance with subsection (g) shall be repaid to the State disability benefits fund from general State revenues with interest at the rate earned by the investments made with moneys remaining in the State disability benefits fund. The repayment period shall not exceed ten years. The amount repaid each year shall be not less than one tenth of the total amount transferred from the State disability benefits fund to the clearing account of the unemployment compensation fund under subsection (f) of this section, plus not less than one tenth of the amount reimbursed to the General Fund in accordance with subsection (g), plus accrued interest. The State Treasurer shall, on or before the thirty-first day of January in 1995 and in each subsequent year determine what amount shall be repaid to the State

disability benefits fund in the next commencing fiscal year, which amount shall be consistent with the provisions of this subsection (h). The Legislature shall appropriate that amount from the General Fund to the State disability benefits fund. For purposes of determining the balance in the State disability benefits fund as prescribed pursuant to subparagraph (1) of subparagraph (E) of paragraph (3) of subsection (e) of R.S.43:21-7, the amount transferred from the State disability benefits fund to the unemployment compensation fund pursuant to subsection (f) of this section and reimbursed to the General Fund pursuant to subsection (g) of this section less repayments or other reductions, plus accrued interest shall be included therein.

(i) The State Treasurer is hereby authorized and directed to requisition and withdraw on or after July 1, 1996 an amount not greater than $250,000,000 from the State disability benefits fund and to deposit that amount in the General Fund. For purposes of determining the balance in the State disability benefits fund as prescribed pursuant to subparagraph (1) of subparagraph (E) of paragraph (3) of subsection (e) of R.S.43:21-7, the amount transferred from the State disability benefits fund to the General Fund pursuant to this subsection (i) shall be included therein.

(j) To ensure that the provisions of subsection (i) of this section do not reduce or delay benefits payable pursuant to the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.), whenever the amount in the State disability benefits fund is less than the amount required to pay the benefits provided under that law and the necessary costs of administering those benefits, the additional amount required to pay the benefits and the administrative costs shall be paid from the General Fund. The amounts paid from the General Fund for benefits and administrative costs pursuant to this subsection shall be repaid to the General Fund from the State disability benefits fund at such time as the Treasurer determines that the repayment may be made without reducing or delaying benefits payable pursuant to the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.). The repayment to the General Fund from the State disability benefits fund pursuant to this subsection (j) shall not effect an increase in employee or employer contributions under subsection (d) or (e) of R.S.43:21-7.

2. There is appropriated in Fiscal Year 1996, from the General Fund to the State disability benefits fund, the entire amount determined by the State Treasurer to be necessary to meet, in full, the requirements of subsection (h) of section 23 of P.L.1948, c.110 (C.43:21-47) for repayment to the State disability benefits fund, including the interest required by that subsection.

3. There is appropriated in Fiscal Year 1997, $250,000,000 from the State disability benefits fund for deposit into the General Fund as authorized

and directed pursuant to subsection (i) of section 23 of P.L.1948, c.110 (C.43:21-47).

4. This act shall take effect immediately, except that section 2 shall be retroactive to June 30, 1996 if enacted after that date and section 3 shall take effect July 1, 1996.

Approved June 28, 1996.

CHAPTER 48

AN ACT concerning the deposit of certain public school facilities loan fund repayments into the General Fund and amending and supplementing P.L.1993, c.102.

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

1. Section 4 of P.L.1993, c.102 (C.34:1B-7.23) is amended to read as follows:

C.34:1B-7.23 "Public School Facilities Code Compliance Loan Fund."

4. a. The authority shall establish and maintain a special nonlapsing revolving fund to be known as the "Public School Facilities Code Compliance Loan Fund," hereinafter the "compliance fund," which shall be credited with: (1) the $25 million allocated from the Economic Recovery Fund pursuant to paragraph (1) of subsection d. of section 4 of P.L.1992, c.16 (C.34:1B-7:13); (2) any moneys that shall be received by the authority from the repayment of loans made from the compliance fund and interest thereon; and (3) any other moneys which the authority determines to deposit therein.

b. The authority may use the moneys in the compliance fund to finance not less than 25%, and not more than 50%, of the total cost of any project, in accordance with the criteria set forth in this section, for the purpose of providing low-interest loans to school districts, to finance the renovation, repair or other alteration of existing school buildings, the construction of new school buildings or the conversion of existing school buildings to other instructional purposes, if such renovation, repair, alteration, construction or conversion is required to bring buildings that, at the time of application, do not meet State health and safety code requirements, into compliance with those requirements.

c. Upon application by a school district for a low-interest loan, the commissioner is authorized and empowered to determine whether the

renovations, repairs, alterations, conversion or construction are necessary to meet State health and safety code requirements. If the commissioner determines that such work is necessary, the commissioner shall certify that the school district is eligible for a low-interest loan pursuant to this section to finance the renovation, repair, alteration, conversion or construction described in the application.

d. (1) Upon certification, the commissioner shall waive the holding of a referendum or the requirement for approval by a board of school estimate pursuant to subsection (d) of N.J.S.18A:20-4.2 or N.J.S.18A:24-5 et seq., as the case may be, or the requirement for approval of the project by a capital projects control board pursuant to P.L.1991, c.139 (C.18A:7A-46.1 et seq.), as appropriate, and the school district may, upon receiving the certification and waiver, apply to the authority for a loan pursuant to this section. The terms of the loan and the repayment schedule shall be established by the authority. The repayments to the authority by the school districts shall be treated as net debt service by the school districts for school aid purposes. In addition to the amount of taxes determined by the legal voters of the district at the annual school election, the secretary of the board of education shall certify the amount required for the repayment of the interest and principal of the loan in the same manner required for interest and debt redemption charges pursuant to N.J.S.18A:22-33, and the amount so certified shall be included in the taxes assessed, levied and collected in the municipality or municipalities comprising the school district for such purposes.

(2) All repayments, and interest thereon, shall be deposited by the authority in the compliance fund, for use in the manner provided for in this section, except insofar as the authority may direct that such amounts be deposited in the small projects fund established pursuant to section 7 of P.L.1993, c.102 (C.34:1B-7.25).

(3) Notwithstanding any provision of this section to the contrary, on and after the effective date of P.L.1996, c.48 (C.34:1B-7.23a et al.), any loan repayments and interest thereon on deposit or deposited into the compliance fund shall be paid by the authority to the State Treasurer for deposit into the General Fund of the State, provided that the payment does not violate any existing agreement of the authority with bondholders.

e. The authority, in consultation with the commissioner shall, in determining whether to grant approval of any loan application pursuant to this section, take into consideration the severity of the need for the particular project, the ability of the school district to begin and complete the project in an expeditious manner, the ability of the school district to proceed with the funding of the balance of the funds for the project, and the extent to which

the approval of the project contributes to the equable distribution of moneys in the compliance fund.

f. The balance of the moneys needed for a project for which an application for a loan is made pursuant to this section may be funded by the school district by: (1) the issuance of bonds, or other borrowing, excluding lease-purchase agreements, pursuant to the provisions of subsection (d) of N.J.S.18A:20-4.2, N.J.S.18A:24-5 et seq., or P.L.1991, c.139 (C.18A:7A-46.1 et seq.), as appropriate; except that the commissioner shall waive the holding of a referendum or the requirement for approval by a board of school estimate pursuant to subsection (d) of N.J.S.18A:20-4.2, or N.J.S.18A:24-5 et seq., as the case may be, or the requirement for approval of the project by a capital projects control board pursuant to P.L.1991, c.139 (C.18A:7A-46.1 et seq.), as appropriate; (2) borrowing from the "Public Schools Small Projects Loan Assistance Fund" established pursuant to section 7 of P.L.1993, c.102 (C.34:1B-7.25), if the total cost of the project does not exceed $5,000,000, and in any such case the commissioner shall waive the holding of a referendum or the requirement for approval by a board of school estimate pursuant to subsection (d) of N.J.S.18A:20-4.2 or N.J.S.18A:24-5 et seq., as the case may be, or approval of the project by a capital projects control board pursuant to P.L.1991, c.139 (C.18A:7A-46.1 et seq.), as appropriate; (3) moneys of the school district not necessary for the completion of any other specific projects; and (4) any other lawful source; except that no project funded or approved to be funded by school district bonds authorized, pursuant to law, prior to December 31, 1992 shall be funded pursuant to P.L.1993, c.102 (C.34:1B-7.20 et al.).

g. Any school district shall be eligible to receive additional loans pursuant to this section even if the district has received a previous loan; provided that those additional loans are in conformity with the selection criteria established pursuant to this section.

h. Net earnings received from the investment or deposit of moneys in the compliance fund by the authority shall be redeposited in the fund for use for the purposes of this section.

2. Section 5 of P.L.1993, c.102 (C.34:1B-7.24) is amended to read as follows:

C.34:1B-7.24 "Public School Facilities Loan Assistance Fund."

5. a. The authority shall establish and maintain a special nonlapsing revolving fund to be known as the "Public School Facilities Loan Assistance Fund," hereinafter the "facilities fund," which shall be credited with: (1) not less than $105,000,000 from the amount of capital funding appropriated for school facilities pursuant to the annual appropriations act for the State fiscal

year ending June 30, 1994, P.L.1993 c.155; (2) the $20,000,000 allocated from the Economic Recovery Fund pursuant to paragraph (2) of subsection d. of section 4 of P.L.1992, c.16 (C.34:1B-7.13); (3) any moneys that shall be received by the authority from the repayment of loans made from the facilities fund and interest thereon; and (4) any other moneys which the authority determines to deposit therein.

b. The authority may use the moneys in the facilities fund to provide for low interest loans to finance not less than 25%, and not more than 50%, of the total cost of any project, in accordance with the criteria set forth in this section, for the purpose of renovation, repair or other alteration of existing school buildings, for construction of new school buildings or for the conversion of existing school buildings to other instructional purposes, whether or not that renovation, repair, alteration, construction or conversion is required to bring buildings that, at the time of application do not meet State health and safety code requirements, into compliance with those requirements.

c. Upon application by any school district to the authority for a loan to be made pursuant to subsection b. of this section, the authority shall, in consultation with the commissioner, determine whether to grant approval for the loan based upon the appropriate authorization for the loan pursuant to subsection (d) of N.J.S.18A:20-4.2, or the project pursuant to P.L.1991, c.139 (C.18A:7A-46.1 et seq.), as the case may be, the relationship of the project to the enhancement of the school's academic programs, the ability of the school district to begin and complete the project in an expeditious manner, the ability of the school district to proceed with the funding of the balance of the moneys needed for the project, and the extent to which approval of the project would contribute to the equable distribution of moneys in the facilities fund.

d. The balance of the moneys needed for a project for which an application for a loan is made pursuant to subsection b. of this section may be funded by the school district by: (1) the issuance of bonds, or other borrowing, excluding lease-purchase agreements, pursuant to the provisions of subsection (d) of N.J.S.18A:20-4.2, N.J.S.18A:24-5 et seq., or P.L.1991, c.139 (C.18A:7A-46.1 et seq.) as appropriate; (2) if the borrowing of money or the issuance of bonds is authorized pursuant to subsection (d) of N.J.S.18A:20-4.2 or N.J.S.18A:24-5 et seq., as the case may be, or if the project is approved pursuant to P.L.1991, c.139 (C.18A:7A-46.1 et seq.), as appropriate, borrowing from the "Public Schools Small Projects Loan Assistance Fund" established pursuant to section 7 of P.L.1993, c.102 (C. 34:1B-7.25), if the total cost of the project does not exceed $5,000,000; (3) moneys of the school district not necessary for the completion of any other specific projects; and (4) any other lawful source; except that no project

funded or approved to be funded by school district bonds authorized, pursuant to law, prior to December 31, 1992 shall be funded pursuant to P.L.1993, c.102 (C.34:1B-7.20 et al.).

e. (1) The authority shall establish the terms of the loan which shall include, but not be limited to, the rate of interest, a schedule for drawing down loan funds, and a repayment schedule. The repayments shall be treated by the school district as net debt service for school aid purposes. In addition to the amount of taxes determined by the legal voters of the district at the annual school election, the secretary of the board of education shall certify the amount required for the repayment of the interest and principal of the loan in the same manner required for interest and debt redemption charges pursuant to N.J.S.18A:22-33, and the amount so certified shall be included in the taxes assessed, levied and collected in the municipality or municipalities comprising the school district for such purposes.

(2) All repayments, and interest thereon, shall be deposited by the authority in the facilities fund for use in the manner provided for in this section, except insofar as the authority may direct that such amounts be deposited in the small projects fund established pursuant to section 7 of P.L.1993, c.102 (C.34:1B-7.25).

(3) Notwithstanding any provision of this section to the contrary, on and after the effective date of P.L.1996, c.48 (C.34:1B-7.23a et al.), any loan repayments and interest thereon on deposit or deposited into the facilities fund shall be paid by the authority to the State Treasurer for deposit into the General Fund of the State, provided that the payment shall not violate any existing agreement of the authority with bondholders.

f. Net earnings received from the investment or deposit of moneys in the facilities fund by the authority shall be redeposited in the fund for use for the purposes of this section.

C.34:1B-7.23a Limit on loan repayments, interest.

3. The amount of loan repayments and interest thereon paid by the authority from the compliance fund and the facilities fund to the State Treasurer for deposit into the General Fund of the State pursuant to the provisions of P.L.1996, c.48 (C.34:1B-7.23a et al.) shall not exceed $20,500,000. At such time as the authority has paid to the State Treasurer an amount equal to $20,500,000 for deposit into the General Fund, loan repayments and the interest thereon shall be applied as set forth in paragraph (2) of subsection d. of section 4 of P.L.1993, c.102 (C.34:1B-7.23) and paragraph (2) of subsection e. of section 5 of P.L.1993, c.102 (C.34:1B-7.24).

4. This act shall take effect immediately.

Approved June 28, 1996.

CHAPTER 49

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, 1996 and regulating the disbursement thereof," approved June 30, 1995 (P.L.1995, c.164).

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

1. In addition to the amounts appropriated under P.L.1995, c.164, there are appropriated out of the General Fund the following sums for the purposes specified:

DIRECT STATE SERVICES
26 DEPARTMENT OF CORRECTIONS
10 Public Safety and Criminal Justice
16 Detention and Rehabilitation
7025 System-Wide Program Support

07-7025 Institutional Control and Supervision		$24,400,000
Total Appropriation, System-Wide Program Support		$24,400,000
Special Purpose:		
Increased Operating Costs	($24,400,000)	

From the amount appropriated hereinabove for Increased Operating Costs, such sums as shall be determined by the Commissioner of Corrections shall be transferred to other accounts within the department.

94 INTER-DEPARTMENTAL ACCOUNTS
70 Government Direction, Management and Control
74 General Government Services
9410 Employee Benefits

03-9410 Employee Benefits		$15,950,000
Total Appropriation, Employee Benefits		$15,950,000
Special Purpose:		
State Employees' Health Benefits	($15,950,000)	

GRANTS-IN-AID
26 DEPARTMENT OF CORRECTIONS
10 Public Safety and Criminal Justice
16 Detention and Rehabilitation
7025 System-Wide Program Support--Grants-In-Aid

13-7025 Institutional Program Support		$16,100,000
Total Appropriation, System-Wide Program Support		$16,100,000
Grants:		
Purchase of Services for Inmates Incarcerated In County Penal Facilities.....	($16,100,000)	

46 DEPARTMENT OF HEALTH
20 Physical and Mental Health
22 Health Planning and Evaluation--Grants-In-Aid

07-4270 Health Care Planning, Financing and Information		$58,000,000
Total Appropriation, Health Planning and Evaluation		$58,000,000
Grants:		
Health Access New Jersey Program	($22,500,000)	
Charity Care Hospital Payments	(35,500,000)	

The amounts appropriated hereinabove for the Health Access New Jersey Program and for Charity Care Hospital Payments shall be transferred to the credit of the Health Care Subsidy Fund established pursuant to section 8 of P.L.1992, c.160 (C.26:2H-18.58).

Total Appropriation, General Fund	$114,450,000

2. This act shall take effect immediately.

Approved June 28, 1996.

CHAPTER 50

AN ACT appropriating certain public utility taxes for a supplemental distribution to municipalities during fiscal year 1996, amending P.L.1995, 164.

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

1. The following provision in section 1 of P.L.1995, c.164, the Fiscal Year 1996 annual appropriations act, is amended to read as follows:

STATE AID
82 DEPARTMENT OF THE TREASURY
70 Government Direction, Management and Control
75 State Subsidies and Financial Aid -- State Aid

Notwithstanding the provisions of section 2 of P.L.1980, c.10 (C.54:30A-24.1), section 4 of P.L.1980, c.11 (C.54:30A-61.1), section 27 of P.L.1991, c.184 (C.54:30A-24.4), and section 28 of P.L.1991, c.184 (C.54:30A-61.4), the payments to municipalities from the proceeds of the public utilities franchise and gross receipts taxes during fiscal year 1996 shall be $685,000,000 and shall be distributed in the same amounts to the same municipalities as received such payments in calendar year 1994 pursuant to the 1995 annual appropriations law, P.L.1994, c.67; provided however, that amounts collected in excess of amounts distributed shall be anticipated as revenue for general State purposes.

Notwithstanding any provision of law to the contrary, the payments to municipalities from the proceeds of the public utilities franchise and gross receipts taxes shall be distributed on the following schedule: July 15, 35% of the total amount due; August 1, 10% of the total amount due; September 1, 30% of the total amount due; October 1, 15% of the total amount due; November 1, 5% of the total amount due; and December 1, 5% of the total amount due.

Amounts collected in excess of $960,000,000 from Public Utility Gross Receipts and Franchise Taxes (combined) for fiscal year 1996 are appropriated as supplementary payments to municipalities. These amounts shall be distributed on or before June 30, 1996, first in amounts equal to decreases, if any, resulting from corrections to apportionment valuations made by the Director of the Division of Taxation pursuant to R.S.54:30-2 and thereafter in proportion to the amount of the payment each municipality received during Fiscal Year 1996 from the $685,000,000 distribution. A supplementary payment shall be used solely and exclusively by each municipality for the purpose of reducing the amount the municipality is required to raise by local property tax levy for municipal purposes. If the amount of the supplementary payment exceeds the amount required to be raised by local property tax levy for municipal purposes, the balance of the supplementary payment shall be used to reduce the amount the municipality is required to raise for county purposes,

notwithstanding the provisions of law to the contrary. Notwithstanding any provisions of the "Local Budget Law," N.J.S.40A:4-1 et seq., each municipality may anticipate the receipt of the amount of supplementary payment as shall be certified to it by the Director of the Division of Taxation in the Department of the Treasury and shall file any amendment or correction in its local budget as may be required to properly reflect that payment. The Director of the Division of Taxation shall provide the Director of the Division of Local Government Services in the Department of Community Affairs with a list of the certified supplementary payments for all affected municipalities. The Director of the Division of Local Government Services in the Department of Community Affairs shall certify that each municipality has complied with the requirements set forth herein concerning the use of the supplementary payments.

2. This act shall take effect immediately.

Approved June 28, 1996.

CHAPTER 51

AN ACT appropriating funds from the Petroleum Overcharge Reimbursement Fund to the Board of Public Utilities.

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

1. There is appropriated from the "Petroleum Overcharge Reimbursement Fund" created pursuant to section 1 of P.L.1987, c.231 (C.52:18A-209), the sum of $8,000,000 to the Department of the Treasury for distribution by the Board of Public Utilities to be used as follows: $3,500,000 for zero interest or low interest loans to State agencies or other facilities that are not eligible for loans from the State Energy Conservation Bond fund and the remainder in unspecified amounts for energy efficiency rehabilitation grants for public or private schools or nonprofit hospitals through the Institutional Conservation Program, grants for eligible energy conservation projects of local government entities, and grants or zero interest or low interest loans to State agencies or local government entities for the purchase of alternative fuel vehicles and the associated refueling infrastructure. The

Board of Public Utilities shall administer the distribution of these monies.

2. This act shall take effect July 1, 1996.

Approved June 28, 1996.

CHAPTER 52

AN ACT increasing certain filing fees in civil actions and providing for 10 additional Superior Court judgeships, amending and supplementing Title 22A of the New Jersey Statutes and making an appropriation.

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

1. N.J.S.22A:2-1 is amended to read as follows:

Fees of clerk of Supreme Court.

22A:2-1. For services hereinafter mentioned, the Clerk of the Supreme Court shall be entitled to demand and receive the following fees:

Upon the filing or entering of the notice of appeal, notice of cross-appeal or notice of petition for certification, notice of cross-petition for certification or notice of petition for review, the appellant, cross-appellant, petitioner or cross-petitioner shall pay $175.00.

Upon the filing of the first paper in any motion, petition or application (including an order if it be the first paper), if not in a pending cause or if made after judgment entered, the moving party shall pay $25.00 which shall cover all fees payable on such motion, petition or application down to and including filing and entering the order therein and taxation of costs.

2. N.J.S.22A:2-6 is amended to read as follows:

Filing first paper in Law Division; motions; clerk's fees.

22A:2-6. Upon the filing or entering of the first paper or proceeding in any action or proceeding in the Law Division of the Superior Court, the plaintiff shall pay to the clerk $175.00 for the first paper filed by him, which shall cover all fees payable therein down to, and

including entry of final judgment, taxation of costs, copy of costs and the issuance and recording of final process, except such as may be otherwise provided herein, or provided by law, or the rules of court. Any person filing an answer setting forth a counterclaim or a third party claim in such cause shall pay to the clerk $175.00 for the first paper filed by him. Any person other than the plaintiff filing any other paper in any such cause shall pay to the clerk $110.00 for the first paper filed by him.

Any person filing a motion in any action or proceeding shall pay to the clerk $15.00.

3. N.J.S.22A:2-12 is amended to read as follows:

Payment of fees in Chancery Division of Superior Court upon filing of first paper.

22A:2-12. Upon the filing of the first paper in any action or proceeding in the Chancery Division of the Superior Court, 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:

Receivership and partition, $175.00.

All other actions and proceedings except in probate cases and actions and proceedings for divorce, $175.00.

Actions and proceedings for divorce, $160.00, $25.00 of which shall be forwarded by the Clerk of the Superior Court as provided in section 2 of P.L.1993, c.188 (C.52:27D-43.24a).

Any person filing a motion in any action or proceeding shall pay to the clerk $15.00.

4. N.J.S.22A:2-13 is amended to read as follows:

Answering pleading or paper, fee.

22A:2-13. Each person other than the plaintiff filing an answering pleading or other answering paper in the Chancery Division of the Superior Court shall at the time of filing the first paper, pay to the clerk the sum of $105.00; which shall cover all fees payable therein except such as may be otherwise provided herein or by law or the rules of court.

5. Section 14 of P.L.1991, c.177 (C.22A:2-37.1) is amended to read as follows:

C.22A:2-37.1 Special Civil Part of Superior Court, Law Division, fees; use.

14. a. In all civil actions and proceedings in the Special Civil Part of the Superior Court, Law Division, only the following fees shall be charged by the clerk and no service shall be performed until the specified fee has been paid:

(1) Filing of small claim, one defendant.....	$12.00
Each additional defendant.....	$ 2.00
(2) Filing of complaint in tenancy, one defendant	$20.00
Each additional defendant.....	$ 2.00
(3) (a) Filing of complaint, counterclaim, cross-claim or third party complaint in all other civil actions, whether commenced without process or by summons, capias, replevin or attachment where the amount exceeds $1,000.00.....	$45.00
Each additional defendant.....	$ 2.00
(b) Filing of complaint, counterclaim, cross-claim or third party complaint in all other civil actions, whether commenced without process or by summons, capias, replevin or attachment where the amount does not exceed $1,000.00.....	$27.00
Each additional defendant.....	$ 2.00
(4) Filing of answer in all matters except small claims.....	$10.00
(5) Service of Process:	
Summons by mail, each defendant.....	$ 3.00
Summons by mail, each defendant at place of business or employment with postal instructions to deliver to addressee only, additional fee.....	$ 3.00
Reservice of summons by mail, each defendant	$ 3.00
Reservice of summons or other original process by court officer, one defendant..... plus mileage	$ 3.00
Each additional defendant..... plus mileage	$ 2.00
Substituted service of process by the clerk upon the Director of the Division of Motor Vehicles.....	$10.00

(6) Mileage of court officer in serving or executing any process, writ, order, execution, notice, or warrant, the distance to be computed by counting the number of miles in or out, by the most direct route from the place where process is issued, at the same rate per mile set by the county governing body for other county employees and the total mileage fee rounded upward to the nearest dollar

(7) Jury of six persons.....	$50.00
(8) Warrant for possession in tenancy.....	$15.00
(9) Warrant to arrest, commitment or writ of capias ad respondendum, each defendant.....	$15.00
(10) Writ of execution or an order in the nature of execution, writs of replevin and attachment issued subsequent to summons.....	$ 5.00
(11) For advertising property under execution or any order.....	$10.00
(12) For selling property under execution or any order.....	$10.00
(13) Exemplified copy of judgment (two pages)	$ 5.00
each additional page.....	$ 1.00

b. Except as provided in subsection c., the clerk shall pay over to the treasurer of the county in which the action is filed all fees collected pursuant to this section. After December 31, 1994, the clerk shall pay over to the State all fees collected pursuant to this section, including the entire fee collected pursuant to paragraph (3) of subsection a.

c. From July 1, 1991 to June 30, 1993, the clerk shall pay over to the treasurer of the county in which the action is filed $12.00 of each fee paid to the clerk pursuant to paragraph (3) of subsection a., with the balance made available for use by the State.

C.22A:2-51 Increased fees under P.L.1996, c.52, use; fund.

6. a. An amount equal to 95 percent of the increase in fees collected pursuant to the provisions of P.L.1996, c.52 (C.22A:2-51 et al.) shall be annually appropriated to the Department of Community Affairs for the provision to the poor of legal assistance in civil matters by Legal Services of New Jersey and to the Judiciary to fund 10 Superior Court judgeships, to supplement other funds appropriated from any other source in a fiscal year for these purposes. An appropriation pursuant to this section shall not be used to replace appropriations from other sources for these purposes.

b. An amount equal to 5% of the increase in fees collected pursuant to the provisions of P.L.1996, c.52 (C.22A:2-51 et al.) shall be annually appropriated to the Department of State, Higher Educational Services, to be allocated equally among Rutgers-Newark Law School, Rutgers-Camden Law School and Seton Hall Law School for clinical programs which provide free legal representation to the poor, to supplement other funds appropriated from any other source in a fiscal year for these purposes. An appropriation pursuant to this section shall not be used to replace appropriations from other sources for these purposes.

c. There is created in the Department of the Treasury a non-lapsing, revolving fund into which the Treasurer shall deposit annually an amount equal to the revenue derived from the increase in the fees collected pursuant to P.L.1996, c.52 (C.22A:2-51 et al.). Interest and other income earned on moneys deposited into this fund shall be credited to the fund. Moneys in the fund shall be appropriated and distributed annually exclusively for the purposes set forth in subsections a. and b. of this section. The State Treasurer shall have perfomed an audit of this fund biennially following the effective date of P.L.1996, c.52 (C.22A:2-51) and the results of the audit shall be included in the report required pursuant to subsection d. of this section.

d. The State Treasurer shall submit an annual report to the Legislature on the use of the fees collected pursuant to P.L.1996 , c.52 (C.22A:2-51 et al.) and deposited into the fund created pursuant to subsection c. of this section. The report shall be submitted to the President of the Senate and Speaker of the General Assembly, and the Senate Budget and Appropriations Committee, Assembly Appropriations Committee, Senate Judiciary Committee and Assembly Judiciary Committee, or their successors.

7. N.J.S.2B:2-1 is amended to read as follows:

Number of judges.

2B:2-1. Number of Judges. a. The Superior Court shall consist of 416 judges.

b. (1) The Superior Court shall at all times consist of the following number of judges, who at the time of their appointment and reappointment were resident of each county:

Atlantic	11
Bergen	27
Burlington	9
Camden	15
Cape May	4
Cumberland	7

Essex	34
Gloucester	9
Hudson	24
Hunterdon	3
Mercer	9
Middlesex	24
Monmouth	17
Morris	15
Ocean	15
Passaic	16
Salem	2
Somerset	6
Sussex	4
Union	20
Warren	3

(2) Additionally, the following number of those judges of the Superior Court satisfying the residency requirements set forth above shall at all times sit in the county in which they reside:

Atlantic	4
Bergen	12
Burlington	4
Camden	8
Cape May	2
Cumberland	4
Essex	14
Gloucester	6
Hudson	6
Hunterdon	2
Mercer	6
Middlesex	8
Monmouth	4
Morris	6
Ocean	8
Passaic	6
Salem	2
Somerset	4
Sussex	2
Union	6
Warren	2

8 a. There is appropriated :

(1) $8,000,000 from the General Fund to the Department of Community Affairs for the provision to the poor of legal assistance in civil matters by Legal Services of New Jersey ;

(2) $3,000,000 from the General fund to the Judiciary to fund 10 Superior Court judgeships; and

(3) $600,000 from the General Fund to the Department of State to be allocated equally among Rutgers-Newark Law School, Rutgers-Camden Law School and Seton Hall Law School for clinical programs which provide legal representation to the poor.

b. The State Treasurer shall repay the General Fund for any funds appropriated pursuant to this section as funds become available in the fund created pursuant to subsection c. of section 6 of P.L.1996, c.52 (C.22A:2-51).

9. This act shall take effect 60 days following enactment.

Approved June 28, 1996.

CHAPTER 53

AN ACT concerning the adoption of building construction codes, supplementing and amending P.L.1975, c.217.

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

C.52:27D-122.1 Findings, declarations relative to building construction codes.

1. The Legislature finds and declares that:

a. One of the specified purposes of the "State Uniform Construction Code Act," P.L.1975, c.217 (C.52:27D-119 et seq.), was the elimination of restrictive and unnecessary construction regulations that tend to unnecessarily increase construction costs.

b. While the overall effect of the statutory requirement that the subcodes of the State Uniform Construction Code be adoptions of the model codes or standards of nationally recognized organizations, including all amendments or revisions to such codes or standards, has been consistent with the intent and purpose of the "State Uniform Construction Code Act," there have been exceptional instances in which the amendment or revision of an adopted code or standard has included changes that are not consistent with that intent and purpose.

c. It is therefore necessary and appropriate that the Commissioner of Community Affairs be given the authority to limit the adoption of later revisions to the model code to include only those standards in effect on July 1, 1995, and any later revisions or amendments of model codes which would not be inconsistent with the intent and purpose of the act.

2. Section 5 of P.L.1975, c.217 (C.52:27D-123) is amended to read as follows:

C.52:27D-123 State Uniform Construction Code; adoption.

5. a. The commissioner shall after public hearing pursuant to section 4 of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-4) adopt a State Uniform Construction Code for the purpose of regulating the structural design, construction, maintenance and use of buildings or structures to be erected and alteration, renovation, rehabilitation, repair, maintenance, removal or demolition of buildings or structures already erected. Prior to the adoption of said code, the commissioner shall consult with the code advisory board and other departments, divisions, bureaus, boards, councils or other agencies of State Government heretofore authorized to establish or administer construction regulations.

Such prior consultations with departments, divisions, bureaus, boards, councils, or other agencies of State Government shall include but not be limited to consultation with the Commissioner of Health and the Public Health Council prior to adoption of a plumbing subcode pursuant to paragraph b. of this section. Said code shall include any code, rule or regulation incorporated therein by reference.

b. The code shall be divided into subcodes which may be adopted individually by the commissioner as he may from time to time consider appropriate. These subcodes shall include but not be limited to a building code, a plumbing code, an electrical code, an energy code, a fire prevention code, a manufactured or mobile home code and mechanical code.

These subcodes shall be adoptions of the model codes of the Building Officials and Code Administrators International, Inc., the National Electrical Code, and the National Standard Plumbing Code, provided that for good reasons, the commissioner may adopt as a subcode a model code or standard of some other nationally recognized organization upon a finding that such model code or standard promotes the purposes of this act. The initial adoption of a model code or standard as a subcode shall constitute adoption of subsequent edition

year publications of the model code or standard organization, except as provided for in paragraphs (1) through (4) of this subsection. Adoption of publications shall not occur more frequently than once every three years; provided, however, that a revision or amendment may be adopted at any time in the event that the commissioner finds that there exists an imminent peril to the public health, safety or welfare.

(1) Except as otherwise provided in this subsection, the edition of a model code or standard in effect as a subcode as of July 1, 1995 shall continue in effect regardless of any publication of a subsequent edition of that model code or standard. Prior to establishing the effective date for any subsequent revision or amendment of any model code or standard adopted as a subcode, the commissioner shall review, in consultation with the code advisory board, the text of the revised or amended model code or standard and determine whether the amended or revised provisions of the model code are essential to carry out the intent and purpose of this act as viewed in contrast to the corresponding provisions of the subcode then currently in effect.

(2) In the event that the commissioner, pursuant to paragraph (1) of this subsection, determines that any amended or revised provision of a model code is essential to carry out the intent and purpose of this act as viewed in contrast to any corresponding provision of the subcode then currently in effect, the commissioner may then adopt that provision of the amended or revised model code.

(3) The commissioner, in consultation with the code advisory board, shall have the authority to review any model code or standard currently in effect as a subcode of the State Uniform Construction Code and compare it with previously adopted editions of the same model code or standard in order to determine if the subcode currently in effect is at least as consistent with the intent and purpose of this act as were previously adopted editions of the same model code or standard.

(4) In the event that the commissioner, after consultation with the code advisory board, determines pursuant to this subsection that a provision of a model code or standard currently in effect as a subcode of the State Uniform Construction Code is less consistent with the intent and purpose of this act than was the corresponding provision of a previously adopted edition of the same model code or standard, the commissioner may delete the provision in effect and substitute in its place the corresponding provision of the previously adopted edition of the same model code or standard determined to be more consistent with the intent and purpose of this act.

The commissioner shall be authorized to adopt a barrier free subcode or to supplement or revise any model code adopted hereunder,

for the purpose of insuring that adequate and sufficient features are available in buildings or structures so as to make them accessible to and usable by the physically handicapped.

c. Any municipality through its construction official, and any State agency or political subdivision of the State may submit an application recommending to the commissioner that a State sponsored code change proposal be adopted. Such application shall contain such technical justification and shall be submitted in accordance with such rules of procedure as the commissioner may deem appropriate, except that whenever the State Board of Education shall determine that enhancements to the code are essential to the maintenance of a thorough and efficient system of education, the enhancements shall be made part of the code; provided that the amendments do not result in standards that fall below the adopted subcodes. The Commissioner of the Department of Education shall consult with the Commissioner of the Department of Community Affairs prior to publishing the intent of the State Board to adopt any amendments to the Uniform Construction Code. Upon adoption of any amendments by the State Board of Education they shall be transmitted forthwith to the Commissioner of the Department of Community Affairs who shall publish and incorporate the amendments as part of the Uniform Construction Code and the amendments shall be enforceable as if they had been adopted by the commissioner.

At least 45 days prior to the final date for the submission of amendments or code change proposals to the National Model Code Adoption Agency, the code of which has been adopted as a subcode under this act, the commissioner shall hold a public hearing in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), at which testimony on any application recommending a State sponsored code change proposal will be heard.

The commissioner shall maintain a file of such applications, which shall be made available to the public upon request and upon payment of a fee to cover the cost of copying and mailing.

After public hearing, the code advisory board shall review any such applications and testimony and shall within 20 days of such hearing present its own recommendations to the commissioner.

The commissioner may adopt, reject or return such recommendations to the code advisory board for further deliberation. If adopted, any such proposal shall be presented to the subsequent meeting of the National Model Code Agency by the commissioner or by persons designated by the commissioner as a State sponsored code change proposal. Nothing herein, however, shall limit the right of any

municipality, the department, or any other person from presenting amendments to the National Model Code Agency on its own initiative.

The commissioner may adopt further rules and regulations pursuant to this subsection and may modify the procedures herein described when a model code change hearing has been scheduled so as not to permit adequate time to meet such procedures.

d. (Deleted by amendment, P.L.1983, c.496.)

3. This act shall take effect on the first day of the third month following enactment.

Approved June 28, 1996.

CHAPTER 54

AN ACT appropriating $15,200,000 from the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, and reappropriating $3,800,000 from the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, for farmland preservation, and approving certain farmland preservation projects in southern New Jersey as eligible for funding therefrom.

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

1. a. There is appropriated from the "1992 Farmland Preservation Fund," established pursuant to section 24 of the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, to the State Agriculture Development Committee the sum of $15,200,000 for the purpose of: (1) providing grants to counties and municipalities for up to 80% of the cost of acquisition of development easements on farmland, provided that any funds received for the transfer of a development easement shall be dedicated to the future purchase of development easements, for projects approved as eligible for such funding pursuant to section 2 of this act and section 1 of P.L.1996, c.55; and (2) providing for up to 100% of the cost of acquisition of development easements under such emergency conditions as the State Agriculture Development Committee determines, for projects approved as eligible for such funding pursuant to section 2 of this act and section 1 of P.L.1996, c.55.

b. There is reappropriated from the "1989 Farmland Preservation Fund," established pursuant to section 22 of the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, to the State Agriculture Development Committee the unexpended balances of $3,800,000 appropriated pursuant to P.L.1991, c.234, P.L.1991, c.321, P.L.1993, c.262, and P.L.1993, c.263, for the purpose of: (1) providing grants to counties and municipalities for up to 80% of the cost of acquisition of development easements on farmland, provided that any funds received for the transfer of a development easement shall be dedicated to the future purchase of development easements, for projects approved as eligible for such funding pursuant to section 2 of this act and section 1 of P.L.1996, c.55, and (2) providing for up to 100% of the cost of acquisition of development easements under such emergency conditions as the State Agriculture Development Committee determines, for projects approved as eligible for such funding pursuant to section 2 of this act and section 1 of P.L.1996, c.55.

2. The following projects are eligible for funding with the monies appropriated or reappropriated pursuant to subsections a. and b. of section 1 of this act:

Project (farm)	**County**	**Municipality**	**Acres (+/-)**	**Amount of Grant Not To Exceed**
Plisco	Burlington	Chesterfield	41	$ 125,000
Robson	Burlington	North Hanover	144	425,000
Steward	Burlington	North Hanover	167	475,000
Winding Lane	Burlington	North Hanover/ Chesterfield	545	1,250,000
Rahilly	Burlington	Springfield	107	350,000
Cape May/ Germanio	Cape May	Dennis	219	175,000
Cape May/ Jorgenson	Cape May	Dennis	14	50,000
Cape May/ Bartle	Cape May	Lower	57	325,000
Cape May/ Wheeler	Cape May	Middle	107	225,000

Hancock	Cumberland	Greenwich	524	475,000
Beal	Cumberland	Hopewell	53	100,000
Perry	Cumberland	Hopewell	212	250,000
Riggins	Cumberland	Hopewell/ Greenwich	174	250,000
Joyce	Cumberland	Upper Deerfield	96	150,000
Tice	Cumberland	Upper Deerfield	92	175,000
Black	Gloucester	South Harrison	129	350,000
Cain	Gloucester	South Harrison	114	200,000
Pedrick	Gloucester	South Harrison	35	75,000
West	Gloucester	South Harrison	61	175,000
Dey	Monmouth	Upper Freehold	133	575,000
Gerath	Monmouth	Upper Freehold	86	375,000
Mullen	Monmouth	Upper Freehold	132	550,000
Perretti	Monmouth	Upper Freehold	379	1,575,000
Punk	Monmouth	Upper Freehold	175	750,000
Rue Bros.	Monmouth	Upper Freehold	327	1,500,000
Search	Monmouth	Upper Freehold	105	400,000
DeWolf	Ocean	Plumsted	210	400,000
Hlubik	Ocean	Plumsted	137	225,000
VanKirk	Ocean	Plumsted	118	300,000
Joyce	Salem	Alloway	89	175,000
Simkins	Salem	Alloway	213	325,000
Dancer/ Sherman	Salem	Mannington	239	300,000
Prickett	Salem	Pilesgrove/ Alloway	168	225,000

Brooks	Salem	Upper Pittsgrove	381	550,000
Cooper	Salem	Upper Pittsgrove	134	225,000
Hitchner	Salem	Upper Pittsgrove	139	200,000

3. The expenditure of the sums appropriated or reappropriated by this act is subject to the provisions and conditions of P.L.1989, c.183 and P.L.1992, c.88, as appropriate.

4. This act shall take effect immediately.

Approved June 28, 1996.

CHAPTER 55

AN ACT approving certain farmland preservation projects in northern New Jersey as eligible for funding from the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, and from the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183.

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

1. The following projects are eligible for funding with monies made available from the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, and from the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, and appropriated or reappropriated to the State Agriculture Development Committee pursuant to section 1 of P.L.1996, c.54:

Project (farm)	**County**	**Municipality**	**Acres (+/-)**	**Amount of Grant Not To Exceed**
Paulik	Hunterdon	Delaware/ Kingwood	99	$275,000
Bowers	Hunterdon	Union	107	350,000
Delaney	Hunterdon	Union/ Bethlehem	110	150,000

Mercer/ Sakowsky	Mercer	Hamilton	68	250,000
Kessler	Mercer	Washington	38	150,000
Ponczek	Mercer	Washington	100	125,000
Davison	Middlesex	Cranbury	119	700,000
Washington Twp.	Morris	Washington	312	2,075,000
Negri	Somerset	Franklin	100	725,000
Peacos	Somerset	Franklin	66	300,000
Staats	Somerset	Montgomery	83	600,000
Harden	Sussex	Wantage	238	525,000
Postma	Sussex	Wantage	92	175,000
Semanchik	Warren	Allamuchy	19	75,000

2. The expenditure of the sums appropriated or reappropriated by this act is subject to the provisions and conditions of P.L.1989, c.183 and P.L.1992, c.88, as appropriate.

3. This act shall take effect immediately.

Approved June 28, 1996.

CHAPTER 56

AN ACT reapropriating $376,100 from the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, for soil and water conservation projects, and appropriating $2,000,000 from the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, for costs incurred in implementing the farmland preservation program.

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

1. There is reappropriated from the "1989 Farmland Preservation Fund," established pursuant to section 22 of the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, to the State Agriculture Development Committee the unexpended balance of $376,100 appropriated pursuant to P.L.1993, c.262, and P.L.1993, c.263, for the purpose of providing grants to landowners for up to 50% of the cost of soil and water conservation projects approved as eligible for such funding pursuant to section 2 of this act.

2. The following projects are eligible for funding with the monies reappropriated pursuant to section 1 of this act:

Project (farm)	County	Municipality	SADC ID#	Amount of Grant Not To Exceed
DeFelice	Atlantic	Buena Boro	0104-03F	$13,700
Formisano	Atlantic	Buena Boro	0104-01F	11,200
Formisano	Atlantic	Buena Boro	0104-01F	9,900
Augustine	Atlantic	Galloway	0111-04F	12,800
Bertino	Atlantic	Hammonton	0113-25F	27,400
Mortellite	Atlantic	Hammonton	0117-42F	9,000
Martinelli	Atlantic	Hammonton	0113-01F	11,600
DaCosta	Atlantic	Mullica	0117-04F	3,500
Rizzotte	Atlantic	Mullica	0117-21F	2,900
Merlino	Atlantic	Mullica	0117-07F	16,600
Hensel	Atlantic	Mullica	0104-15F	5,400
Merlino	Atlantic	Mullica	0117-01F	13,400
Bernato	Atlantic	Mullica	0117-14F	19,900
Variety	Atlantic	Mullica	0117-22F	19,900
Erickson	Burlington	Chesterfield	0307-01M	1,600
Probasco	Burlington	Chesterfield	0307-03M	2,800

Rappleyea	Burlington	Chesterfield	0307-04M	3,600
Rahilly	Burlington	North Hanover	0326-02E	15,400
Hubschman	Burlington	Pemberton Twp.	0329-05F	18,600
Bowker	Burlington	Pemberton Twp.	0329-03F	25,000
Worrell	Burlington	Woodland	0339-01M	3,200
Stella	Camden	Winslow	0436-02F	7,600
Casper	Cumberland	Upper Deerfield	0613-06F	5,200
Peaslee	Gloucester	East Greenwich	0803-02F	3,400
Licciardello	Gloucester	Logan	0809-08F	5,100
Gardner	Hunterdon	East Amwell	1008-01M	300
Mack	Hunterdon	East Amwell	1008-01M	800
Alstede	Morris	Chester Twp.	1406-01M	32,500
Farrand	Morris	Washington	1438-19M	5,100
Hallock	Ocean	Plumsted	1524-02E	35,500
Wood	Salem	Lower Alloways Creek/Quinton	1705-01F	38,100

3. There is appropriated from the "1992 Farmland Preservation Fund," established pursuant to section 24 of the "Green Acres, Clean Water, Farmland and Historic Bond Act of 1992," P.L.1992, c.88, to the State Agriculture Development Committee the sum of $2,000,000 for the purpose of providing for costs, as defined in section 3 of P.L.1992, c.88, incurred in implementing the provisions of the "Agriculture Retention and Development Act," P.L.1983, c.32 (C.4:1C-11 et seq.).

4. The expenditure of the sums appropriated or reappropriated by this act is subject to the provisions and conditions of P.L.1989, c.183 or P.L. 1992, c.88, as appropriate.

5. This act shall take effect immediately.

Approved June 28, 1996.

CHAPTER 57

AN ACT appropriating funds from the "Public Purpose Buildings and Community-Based Facilities and Construction Bond Fund" to the Department of Law and Public Safety for construction projects at the New Jersey Training School for Boys.

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

1. There is appropriated to the Department of Law and Public Safety, Juvenile Justice Commission, from the "Public Purpose Buildings and Community-Based Facilities Construction Fund" created by the "Public Purpose Buildings and Community-Based Facilities Construction Bond Act of 1989," P.L.1989, c.184, the sum of $5,000,000 for the following projects:

DEPARTMENT OF LAW AND PUBLIC SAFETY

New Jersey Training School for Boys	$5,000,000
Special Purpose:	
Construct 48-bed housing unit	($2,505,000)
Construct gymnasium/visitors facility	($2,495,000)
Total Appropriation	$5,000,000

2. There is also appropriated from the "Public Purpose Buildings and Community-Based Facilities Construction Fund" such amounts as may be necessary to meet any expense incurred by the issuing officials under P.L.1989, c.184 for advertising, engraving, printing, clerical, legal or other services necessary to carry out the duties imposed upon them by the provisions of that act.

3. In order to provide flexibility in administering the provisions of this act, the Attorney General may apply to the Director of the Division of Budget and Accounting in the Department of the Treasury for permission to transfer a part of any item to any "Public Purpose Buildings and Community-Based Facilities Construction Fund" account. The transfers shall be made upon the written approval of the director

and of the Joint Budget Oversight Committee or its successor in a manner consistent with section 29 of P.L.1989, c.184.

4. This act shall take effect immediately.

Approved June 28, 1996.

CHAPTER 58

AN ACT concerning tenure for teaching staff members, amending N.J.S.18A:28-5 and supplementing chapter 28 of Title 18A of the New Jersey Statutes.

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

1. The Legislature finds and declares that, due to the interpretation of N.J.S.18A:28-5 by the Appellate Division in the case of Nelson v. Board of Education of the Township of Old Bridge, a clarification of that statute is necessary in order to continue the traditional practice of providing that tenure is acquired in one of the specifically enumerated positions only if the individual has served for the requisite statutorily required period of time in that position.

2. N.J.S.18A:28-5 is amended to read as follows:

Tenure of teaching staff members.

18A:28-5. The services of all teaching staff members employed in the positions of teacher, principal, other than administrative principal, assistant principal, vice-principal, assistant superintendent, and all school nurses including school nurse supervisors, head school nurses, chief school nurses, school nurse coordinators, and any other nurse performing school nursing services and such other employees as are in positions which require them to hold appropriate certificates issued by the board of examiners, serving in any school district or under any board of education, excepting those who are not the holders of proper certificates in full force and effect, shall be under tenure during good behavior and efficiency and they shall not be dismissed or reduced in compensation except for inefficiency, incapacity, or conduct unbecoming such a teaching staff member or other just cause and then only in the manner prescribed by subarticle B of article 2 of chapter 6 of this Title, after employment in such district or by such board for:

(a) Three consecutive calendar years, or any shorter period which may be fixed by the employing board for such purpose; or

(b) Three consecutive academic years, together with employment at the beginning of the next succeeding academic year; or

(c) The equivalent of more than three academic years within a period of any four consecutive academic years.

For purposes of this chapter, tenure in any of the administrative or supervisory positions enumerated herein shall accrue only by employment in that administrative or supervisory position. Tenure so accrued shall not extend to any other administrative or supervisory position and nothing herein shall limit or restrict tenure rights which were or may be acquired pursuant to N.J.S.18A:28-6 in a position in which the individual actually served.

3. This act shall take effect immediately and shall apply to all individuals who have acquired tenure pursuant to N.J.S.18A:28-5 or any prior statute.

Approved June 28, 1996.

CHAPTER 59

AN ACT concerning the regulation of personal watercraft and amending P.L.1987, c.453 and P.L.1995, c.401.

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

1. Section 2 of P.L. 1987, c.453 (C.12:7-61) is amended to read as follows:

C.12:7-61 Operation of power vessels, personal watercraft; boat safety course requirements; violations.

2. a. A person who is under 16 years of age shall not operate a power vessel on the waters of this State, except that:

(1) a person who is under 16 years of age but at least 13 years of age and possesses a certificate certifying that person's successful completion of a boat safety course approved by the Superintendent of State Police in the Department of Law and Public Safety may operate:

(a) a power vessel powered solely by a motor of less than one horsepower or an electric motor of 12 volts or less; or

(b) a power vessel which is 12 feet or greater in length and powered by a motor, or combination of motors, of less than 10 horsepower;

(2) A person who is under 16 years of age and has successfully completed an approved boat safety course prior to July 1, 1996 may operate a power vessel on the tidal waters of this State, provided that the person complies with all other requirements of law, rule and regulation; and

(3) A person who is under 16 years of age and was issued an operator's license pursuant to section 7 of P.L.1954, c.236 (C.12:7-34.7) before July 1, 1996 may operate a power vessel equipped with an outboard motor until the expiration date of that license.

b. A person who is 16 years of age or older and was born after December 31, 1978 shall not operate a power vessel on the waters of this State without having completed a boat safety course approved by the Superintendent of State Police in the Department of Law and Public Safety.

c. Except as provided pursuant to section 18 of P.L.1995, c.401 (C.12:7-86), a person shall not operate a personal watercraft on the waters of this State after July 1, 1997, without having successfully completed a boat safety course approved by the Superintendent of State Police in the Department of Law and Public Safety or a written test pursuant to section 17 of P.L. 1995, c.401 (T & E).

d. Whenever a person who is required by this section or by section 7 of P.L.1995, c.401 (C.12:7-76), section 3 or 4 of P.L.1952, c.157 (C.12:7-46 or C.12:7-47), or section 9 of P.L.1986, c.39 (C.12:7-57) to have completed a boat safety course operates a power vessel or personal watercraft, as appropriate, on the waters of this State, that person shall have in possession a certificate certifying that person's successful completion of a boat safety course approved by the superintendent and shall, when requested to do so, exhibit the certificate to a law enforcement or peace officer of this State. Failure of the person to exhibit the certificate is presumptive evidence that the person has not completed an approved boat safety course.

e. A person who violates subsection a., b., c. or d. of this section or who exhibits to a law enforcement or peace officer a certificate of completion of an approved boat safety course of another person is subject to a fine of not less than $100 nor more than $500.

f. A person who owns or has control or custody of a power vessel and allows the power vessel to be operated on the waters of this State by a person who is required pursuant to the provisions of this section to possess a certificate certifying successful completion of a boat safety

course but who does not possess such certificate is subject to a fine of not more than $100.

g. A person making application to the Director of the Division of Motor Vehicles for a power vessel operator's license issued pursuant to section 3 of P.L.1995, c.401 (C.12:7-72) who is required pursuant to the provisions of this section to possess a certificate certifying successful completion of a boat safety course shall submit the original or a copy of the certificate with the application. The director shall not issue a power vessel operator's license to such person who fails to submit the original or a copy of the certificate.

2. Section 57 of P.L. 1995, c.401 (T & E) is amended to read as follows:

57. This act shall take effect on the first day of the sixth month following enactment, except that section 18 shall take effect on July 1, 1997, sections 17 and 55 shall take effect immediately and section 17 shall expire on July 1, 1997.

3. This act shall take effect immediately.

Approved June 28, 1996.

CHAPTER 60

AN ACT providing a gross income tax deduction for residential property taxes paid by homeowners and tenants, providing a refundable tax credit for property tax payers, and supplementing Title 54A of the New Jersey Statutes.

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

C.54A:3A-15 Short title.

1. This act shall be known and may be cited as the "Property Tax Deduction Act."

C.54A:3A-16 Definitions relative to residential property taxes.

2. As used in this act:

"Condominium" means the form of real property ownership provided for under the "Condominium Act," P.L.1969, c.257 (C.46:8B-1 et seq.).

"Continuing care retirement community" means a residential facility primarily for retired persons where lodging and nursing, medical or other health related services at the same or another location are provided as continuing care to an individual pursuant to an agreement effective for the life of the individual or for a period greater than one year, including mutually terminable contracts, and in consideration of the payment of an entrance fee with or without other periodic charges.

"Cooperative" means a housing corporation or association which entitles the holder of a share or membership interest thereof to possess and occupy for dwelling purposes a house, apartment, manufactured or mobile home or other unit of housing owned or leased by the corporation or association, or to lease or purchase a unit of housing constructed or to be constructed by the corporation or association.

"Dwelling house" means any residential property assessed as real property which consists of not more than four units, of which not more than one may be used for commercial purposes, but shall not include a unit in a condominium, cooperative, horizontal property regime or mutual housing corporation.

"Homestead" means:

a. a dwelling house and the land on which that dwelling house is located which constitutes the place of the taxpayer's domicile and is owned and used by the taxpayer as the taxpayer's principal residence;

b. a dwelling house situated on land owned by a person other than the taxpayer which constitutes the place of the taxpayer's domicile and is owned and used by the taxpayer as the taxpayer's principal residence;

c. a condominium unit or a unit in a horizontal property regime or a continuing care retirement community which constitutes the place of the taxpayer's domicile and is owned and used by the taxpayer as the taxpayer's principal residence.

In addition to the generally accepted meaning of owned or ownership, a homestead shall be deemed to be owned by a person if that person is a tenant for life or a tenant under a lease for 99 years or more, is entitled to and actually takes possession of the homestead under an executory contract for the sale thereof or under an agreement with a lending institution which holds title as security for a loan, or is a resident of a continuing care retirement community pursuant to a contract for continuing care for the life of that person which requires the resident to bear, separately from any other charges, the proportionate share of property taxes attributable to the unit that the resident occupies;

d. a unit in a cooperative or mutual housing corporation which constitutes the place of domicile of a residential shareholder or lessee

therein, or of a lessee or shareholder who is not a residential shareholder therein, which is used by the taxpayer as the taxpayer's principal residence; and

e. a unit of residential rental property, which unit constitutes the place of the taxpayer's domicile and is used by the taxpayer as the taxpayer's principal residence.

"Horizontal property regime" means the form of real property ownership provided for under the "Horizontal Property Act," P.L.1963, c.168 (C.46:8A-1 et seq.).

"Mutual housing corporation" means a corporation not-for-profit, incorporated under the laws of this State on a mutual or cooperative basis within the scope of section 607 of the Lanham Act (National Defense Housing), Pub.L.849, 76th Congress (42 U.S.C.§1521 et seq.), as amended, which acquired a National Defense Housing Project pursuant to that act.

"Principal residence" means a homestead actually and continually occupied by a taxpayer as the taxpayer's permanent residence, as distinguished from a vacation home, property owned and rented or offered for rent by the taxpayer, and other secondary real property holdings.

"Property taxes" means payments to municipalities for which an assessment by a municipality has been made on an ad valorem basis on both land and improvements, and shall not include payments made in lieu of taxes.

"Rent constituting property taxes" means 18% of the rent paid by the taxpayer for occupancy during the taxable year of a unit of residential rental property which the taxpayer occupies as a principal residence; notwithstanding the definition of "property taxes" herein, rent constituting property taxes includes the rent paid for the occupancy of a manufactured home installed in a mobile home park.

"Residential rental property" means:

a. any building or structure or complex of buildings or structures in which dwelling units are rented or leased or offered for rental or lease for residential purposes;

b. a rooming house, hotel or motel, if the rooms constituting the homestead are equipped with kitchen and bathroom facilities; and

c. any building or structure or complex of buildings or structures constructed under the following sections of the National Housing Act (Pub.L.73-479) as amended and supplemented: section 202, Housing Act of 1959 (Pub.L.86-372) and as subsequently amended, section 231, Housing Act of 1959.

"Residential shareholder in a cooperative or mutual housing corporation" means a tenant or holder of a membership interest in that cooperative or corporation, whose residential unit therein constitutes the tenant's or holder's domicile and principal residence, and who may deduct real property taxes for purposes of federal income tax pursuant to section 216 of the federal Internal Revenue Code of 1986, 26 U.S.C.§216.

C.54A:3A-17 Resident taxpayer allowed deduction from gross income for property taxes; limitations.

3. a. A resident taxpayer under the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., shall be allowed a deduction from gross income for property taxes not in excess of $10,000, subject to the limitations of subsection f. of this section, due and paid for the calendar year in which the taxes are due and payable on the taxpayer's homestead.

b. A deduction for property taxes shall be allowed pursuant to this section in relation to the amount of the property taxes actually paid by or allocable to a resident taxpayer who has more than one homestead, but the aggregate amount of the property taxes claimed shall not exceed the total of the proportionate amounts of property taxes assessed and levied against or allocable to each homestead for the portion of the taxable year for which the taxpayer occupied it as the taxpayer's principal residence.

c. If title to a homestead is held by more than one individual as joint tenants or tenants in common, each individual shall be allowed a deduction pursuant to this section only in relation to the individual's proportionate share of the property taxes assessed and levied against the homestead. The proportionate share shall be equal to that of all other individuals who hold the title, but if the conveyance under which the title is held provides for unequal interests therein, a taxpayer's share of the property taxes shall be in proportion to the taxpayer's interest in the title.

d. If title to a homestead is held by a husband and wife who own the homestead as tenants by the entirety, or if that husband and wife are both residential shareholders of a cooperative or mutual housing corporation and occupy the same homestead therein, and who elect to file separate income tax returns pursuant to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., that husband and wife shall each be entitled to one-half of the deduction for property taxes for which they may be jointly eligible pursuant to this section.

e. If the homestead is a dwelling house consisting of more than one unit, that taxpayer shall be allowed a deduction for property taxes only in relation to the proportionate share of the property taxes assessed and levied against the residential unit occupied by the taxpayer, as determined by the local tax assessor.

f. Notwithstanding the provisions of subsection a. of this section to the contrary: (1) a resident taxpayer shall be allowed a deduction for a taxpayer's taxable year beginning during 1996 based on 50% of the property taxes not in excess of $5,000 paid on the taxpayer's homestead; and (2) a resident taxpayer shall be allowed a deduction for a taxpayer's taxable year beginning during 1997 based on 75% of the property taxes not in excess of $7,500 paid on the taxpayer's homestead.

C.54A:3A-18 Deduction allowed resident taxpayer whose homestead is a unit of residential rental property; limitations.

4. a. A resident taxpayer whose homestead is a unit of residential rental property shall be allowed a deduction from gross income for that portion of the rent constituting property taxes not in excess of $10,000, subject to the limitations of subsection d. of this section, due and paid for the calendar year in which the rent constituting taxes is due and payable, for occupancy of that homestead.

b. A husband and wife who elect to file separate income tax returns pursuant to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., shall each be entitled to one-half of the property tax deduction allowed pursuant to this section.

c. If more than one taxpayer, other than husband and wife, qualify to deduct rent constituting property taxes by reason of their having occupied the same rented homestead, it shall be presumed that the deduction shall be equally divided. A taxpayer may, however, deduct an amount for rent constituting property taxes in the same proportion that the rent paid by that taxpayer bears to the total rent paid by all tenants of the same unit.

d. Notwithstanding the provisions of subsection a. of this section to the contrary: (1) a resident taxpayer whose homestead is a unit of residential rental property shall be allowed a deduction for the taxpayer's taxable year beginning during 1996 based on 50% of the rent constituting property taxes not in excess of $5,000 paid for the occupancy of that homestead; and (2) a resident taxpayer whose homestead is a unit of residential rental property shall be allowed a deduction for the taxpayer's taxable year beginning during 1997 based on 75% of the rent constituting property taxes not in excess of $7,500 paid for the occupancy of that homestead.

C.54A:3A-19 Deduction for property taxes, rent constituting property taxes; limitations.

5. a. If a taxpayer who is eligible for a deduction for property taxes under section 3 of this act for a part of the taxable year is also eligible for a deduction for rent constituting property taxes under section 4 of this act for a part of the taxable year, the taxpayer shall be allowed a deduction, not in excess of $10,000, subject to the limitations of subsection b. of this section, the amount of which shall be equal to the sum of the amount of property taxes due and paid for the calendar year in which the property taxes are due and payable on a homestead that is not a unit of residential rental property and the amount of rent constituting property taxes due and paid for the calendar year in which the rent constituting property taxes is due and payable for the occupancy of a homestead that is a unit of residential rental property, provided however, that the amount of property taxes shall be subject to the limitations set forth in subsections b. through e. of section 3 and the amount of rent constituting property taxes shall be subject to the limitations set forth in subsections b. and c. of section 4 as may be applicable.

b. Notwithstanding the provisions of subsection a. of this section to the contrary: (1) a taxpayer who is eligible for a deduction for property taxes under section 3 of this act for a part of the taxable year and is also eligible for a deduction for rent constituting property taxes under section 4 of this act for a part of the taxable year, shall be allowed a deduction for the taxpayer's taxable year beginning during 1996 based on 50% of an amount not in excess of $5,000, the amount of which shall be equal to the sum of the amount of property taxes paid on a homestead that is not a unit of residential rental property and the amount of rent constituting property taxes paid for the occupancy of a homestead that is a unit of residential rental property; and (2) a taxpayer who is eligible for a deduction for property taxes under section 3 of this act for a part of the taxable year and is also eligible for a deduction for rent constituting property taxes under section 4 of this act for a part of the taxable year, shall be allowed a deduction for the taxpayer's taxable year beginning during 1997 based on 75% of an amount not in excess of $7,500, the amount of which shall be equal to the sum of the amount of property taxes paid on a homestead that is not a unit of residential rental property and the amount of rent constituting property taxes paid for the occupancy of a homestead that is a unit of residential rental property.

C.54A:3A-20 Credit instead of deduction; limitations; annual application.

6. a. (1) Notwithstanding any provision of this act to the contrary, commencing with the taxpayer's taxable year beginning on or after January 1, 1996:

(a) a taxpayer; or

(b) a resident of this State who is 65 years of age or older at the close of the taxable year or who is allowed to claim a personal deduction as a blind or disabled taxpayer pursuant to subsection b. of N.J.S.54A:3-1 but who, pursuant to N.J.S.54A:2-4, is not subject to tax; and,

who paid property taxes or rent constituting property taxes on a homestead during the calendar year may elect to take a credit instead of the deduction provided pursuant to section 3, 4, or 5 in the amount of $50, subject to the provisions of paragraph (2) of this subsection.

(2) Notwithstanding the provisions of paragraph (1) of this subsection, the amount of tax liability reduction or credit allowed for the taxpayer's taxable year beginning during 1996 shall be $25 and the amount of tax liability reduction or credit allowed for the taxpayer's taxable year beginning during 1997 shall be $37.50.

b. A husband and wife who elect to file separate income tax returns pursuant to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., shall each be entitled to one-half of the credit allowed pursuant to subsection a. of this section.

c. The credit shall be paid to the taxpayer as a refund of overpayment pursuant to N.J.S.54A:9-7, provided however, that subsection (f) of that section shall not apply. The credit for a claimant qualified under subsection a. of this section who, pursuant to N.J.S.54A:2-4, is not subject to tax, shall be applied for annually on an application as shall be made available by the director, to be filed with the director on or before the date for filing annual gross income tax returns. The director shall determine the form and manner by which a qualified applicant shall apply for a refund of an overpayment pursuant to this section, and the time of the refund of the overpayment. For the purposes of this section, refunds of overpayments may be combined with payments of rebates pursuant to P.L.1990, c.61 (C.54:4-8.57 et seq.).

C.54A:3A-21 Benefits not subject to garnishment, attachment, other legal process.

7. The benefits provided for in P.L.1996, c.60 (C.54A:3A-15 et al.) shall not be subject to garnishment, attachment or other legal process, except as provided in section 1 of P.L.1981, c.239 (C.54A:9-8.1) or except for an income withholding order issued pursuant to P.L.1981,

c.417 (C.2A:17-56.7 et seq.), and the payment of the benefits shall not be anticipated.

C.54A:3A-22 Determination of form, manner of application for benefits; regulations.

8. The director shall determine the form and manner of a qualified applicant's application for the benefits provided for in P.L.1996, c.60 (C.54A:3A-15 et al.). The director may prescribe such regulations as the director may deem necessary to administer and enforce the provisions of P.L.1996, c.60 (C.54A:3A-15 et al.), including but not limited to the method for determining an applicant's benefits as provided pursuant to sections 3, 4, 5 and 6 of P.L.1996, c.60 (C.54A:3A-17, C.54A:3A-18, C.54A:3A-19 and C.54A:3A-20), due dates, and the form of payment.

C.54A:9-26 Property Tax Relief Fund saved harmless.

9. An amount equal to the revenue that would be available to the Property Tax Relief Fund but for the amount estimated to be foregone and due to be refunded during a fiscal year due to the "Property Tax Deduction Act," P.L.1996, c.60 (C.54A:3A-15 et al.), shall be made available to the Property Tax Relief Fund from State General Fund revenue sources during that fiscal year without a reduction in the level of State aid appropriated to municipalities, school districts and counties from the General Fund during that fiscal year.

10. This act shall take effect immediately and apply to taxable years beginning on or after January 1, 1996.

Approved July 4, 1996.

CHAPTER 61

AN ACT appropriating funds from the "Public Purpose Buildings and Community-Based Facilities Construction Fund" to the Department of Corrections to replace the heat distribution system at Bayside State Prison.

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

1. There is appropriated to the Department of Corrections from the "Public Purpose Buildings and Community-Based Facilities Construction Fund" created pursuant to the "Public Purpose Buildings and

Community-Based Facilities Construction Bond Act of 1989," P.L.1989, c.184, the sum of $5,000,000 for the following project:

26 DEPARTMENT OF CORRECTIONS

Bayside State Prison	$5,000,000
Special Purpose:	
Replace Heat Distribution System	($5,000,000)
Total Appropriation	$5,000,000

2. There is also appropriated from the "Public Purpose Buildings and Community-Based Facilities Construction Fund," such items as may be necessary to meet any expense incurred by the issuing officials under P.L.1989, c.184 for advertising, engraving, printing, clerical, legal or other services necessary to carry out the duties imposed upon them by the provisions of that act.

3. In order to provide flexibility in administering the provisions of this act, the Commissioner of the Department of Corrections may apply to the Director of the Division of Budget and Accounting in the Department of the Treasury for permission to transfer a part of any item to any other item within the respective department accounts in the "Public Purpose Buildings and Community-Based Facilities Construction Fund" account. The transfers shall be made in a manner consistent with section 29 of P.L.1989, c.184.

4. This act shall take effect immediately.

Approved July 9, 1996.

CHAPTER 62

AN ACT designated the "New Jersey Urban Redevelopment Act," reconstituting the New Jersey Urban Development Corporation as the New Jersey Redevelopment Authority, providing a source of funding therefor, establishing a neighborhood empowerment program, amending, supplementing and repealing various sections of statutory law, and making an appropriation.

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

C.55:19-20 Short title.

1. This act shall be known and may be cited as the "New Jersey Urban Redevelopment Act."

C.55:19-21 Findings, determinations relative to urban redevelopment.

2. The Legislature finds and determines that:

a. As one of the nation's most densely populated States and one of the earliest settled, New Jersey is beset by a host of urban problems attendant upon economic obsolescence, an aging infrastructure, long-term underinvestment and de-industrialization;

b. Although the State Development and Redevelopment Plan has fostered a more coordinated and integrated State planning process and has placed renewed emphasis on urban revitalization goals, the realization of those revitalization goals still presents a critical challenge to the private sector and the myriad of governmental entities whose policies touch urban areas;

c. The rapid pace of technological change with which the late twentieth century is associated, represented by the development and growth of the "information superhighway," and increasing world competition, spurred on by recent and ongoing international free trade agreements, threatens to further marginalize our already distressed and beleaguered urban centers;

d. Environmentally compromised sites present a particular challenge to the State's urban centers, particularly those with major associated cleanup liability and, notwithstanding the impressive strides taken by this Legislature to address remediation issues, further remedies are necessary in order to imbue those sites with renewed economic potential;

e. Given the number of years over which these problems have developed and in light of the enormity of the challenges which lay ahead, it is incumbent upon this Legislature to designate an entity that has as its primary focus the State's urban centers, and to provide that entity with resources to effectuate renewal in these urban areas;

f. At present, a vast and complex network of State agencies and policies which should cooperate in the identification and resolution of urban problems too often work at cross-purposes and so it is vital that this new entity bring together those agencies whose policies are most strongly felt in urban areas in order to promote their economic and social viability in a coordinated fashion;

g. There is a need for a redevelopment agency whose focus is developing and implementing strategic revitalization plans and neighborhood empowerment plans for urban neighborhoods to serve as

the State's primary community development agency with particular focus on technical assistance, grants, low and no interest loans, loan guarantees, and capacity building for community development organizations; and

h. This legislative initiative is intended to implement the urban redevelopment initiative concept and philosophy articulated by the sponsor which calls for the establishment of an independent entity which will allow for a coordinated approach to urban revitalization and succeed in achieving its goals where previous urban efforts have failed.

C.55:19-22 Definitions relative to urban redevelopment.

3. As used in P.L.1996, c.62 (C.55:19-20 et al.), except as otherwise clearly required by the context:

"Authority" means the New Jersey Redevelopment Authority established pursuant to section 4 of P.L.1996, c.62 (C.55:19-23).

"Council" means the Urban Coordinating Council established pursuant to section 45 of P.L.1996, c.62 (C.55:19-60).

"Department" means the Department of Commerce and Economic Development.

"Project" means a specific work or improvement, including lands, buildings, improvements, real and personal property or any interest therein, including lands under water, riparian rights, space rights and air rights, acquired, owned, constructed, reconstructed, rehabilitated or improved by the authority or a subsidiary, or by any other person, firm or corporation under agreement with the authority or subsidiary pursuant to the provisions of P.L.1996, c.62 (C.55:19-20 et al.) in a qualified municipality, and which falls within any of the following classifications:

(1) "Industrial project"--a project designed and intended to provide facilities for manufacturing, industrial, commercial, wholesale, retail, warehousing, or research and development purposes, including but not limited to machinery and equipment deemed necessary for the operation thereof, when the authority finds that there is a compelling public need to undertake such project.

(2) "Land-use improvement project"--a project for the clearance, replanning, reconstruction, rehabilitation, renewal, redevelopment, conservation, restoration or improvement of an area, in cooperation or under agreement with a qualified municipality which has designated the area in need of redevelopment.

(3) "Civil project"--a project designed and intended to provide facilities for educational, cultural, health, recreational, community or other civic purposes.

(4) "Utility project"--a project designed and intended to provide facilities for provision of water, sewerage, solid waste disposal, transportation, utility or other public services necessary for the accommodation of a project of another classification undertaken pursuant to P.L.1996, c.62 (C.55:19-20 et al.), but accommodation of needs greater than those of the other project may be encompassed.

(5) "Mixed-use project"--a project consisting of housing development and commercial development, in which the prorated cost of the housing development is equivalent to no more than one-third of the cost of the total project.

(6) "Multi-purpose project"--a project combining the purposes of two or more of the foregoing classifications.

"Qualified municipality" means any municipality which at the time of the initiation of a project was either eligible to receive aid under the "Special Municipal Aid Act," P.L.1987, c.75 (C.52:27D-118.24 et seq.) or was coextensive with a school district which qualified for designation as a "special needs district" pursuant to the "Quality Education Act of 1990," P.L.1990, c.52 (C.18A:7D-1 et seq.).

"Subsidiary" means a subsidiary corporation formed by the authority pursuant to section 8 of P.L.1996, c.62 (C.55:19-27).

C.55:19-23 New Jersey Urban Development Corporation reconstituted as New Jersey Redevelopment Authority.

4. a. The New Jersey Urban Development Corporation established pursuant to P.L.1985, c.227 (C.55:19-1 et seq.) is reconstituted as the New Jersey Redevelopment Authority. For the purpose of complying with the provisions of Article V, Section IV, paragraph 1 of the Constitution of the State of New Jersey, this authority is allocated to the Department of Commerce and Economic Development; but, notwithstanding that allocation, the authority shall be independent of any supervision or control by the department or by any other board or officer thereof. All references in any law, order, rule, regulation, contract, loan, document or otherwise to the New Jersey Urban Development Corporation in the Department of Commerce and Economic Development shall mean the New Jersey Redevelopment Authority in the Department of Commerce and Economic Development.

b. The authority shall constitute a body corporate and politic and an instrumentality exercising public and essential governmental functions, and the exercise by the authority of the powers conferred by P.L.1996, c.62 (C.55:19-20 et al.) shall be deemed and held to be an essential governmental function of the State.

c. The authority shall consist of the State Treasurer, the Attorney General, the Commissioner of Community Affairs, the Commissioner of Education, the Commissioner of Environmental Protection, the Commissioner of Health, the Commissioner of Human Services, the Commissioner of Labor, the Commissioner of Transportation, and the Commissioner of Commerce and Economic Development who shall be members and who shall serve ex officio, and eleven public members of whom seven shall be appointed by the Governor with the advice and consent of the Senate, two shall be appointed by the Senate President and two shall be appointed by the Speaker of the General Assembly, for terms of three years, except as provided hereunder. Of the seven members appointed by the Governor, one shall represent the interests of the for-profit development industry; one shall represent the interests of the nonprofit development community, two shall be mayors of municipalities which are coextensive with "special needs districts" as defined pursuant to section 3 of P.L.1990, c.52 (C.18A:7D-3); two shall be mayors of municipalities which are contiguous to municipalities which are coterminous with special needs districts; and one shall represent the interest of the banking, insurance or real estate financing industries. Each member shall hold office for the term of his appointment and until his successor shall have been appointed and qualified. A member shall be eligible for reappointment. Each mayor shall serve for a term of three years, but shall continue to serve only as long as the mayor continues to hold mayoral office. The members appointed by each of the presiding officers of both Houses of the Legislature shall not represent the same political party. Any vacancy in the membership occurring other than by expiration of term shall be filled in the same manner as the original appointment but for the unexpired term only. In appointing public members, the presiding officers shall have regard to providing an adequate depth and diversity of knowledge and experience in the financial, physical and social aspects of urban development, and of other relevant expertise in urban matters.

d. Each ex officio member may designate an officer or employee of his department to represent him at authority meetings. The designation shall be in writing, delivered into the hands of the secretary of the authority, and shall continue in effect until revoked or amended in the same manner.

e. Each member appointed by the Governor may be removed from office by the Governor, for cause, after a public hearing, and may be suspended by the Governor pending the completion of the hearing. Each member before entering upon his duties shall take and subscribe an oath to perform the duties of his office faithfully, impartially and

justly to the best of his ability. A record of such oaths shall be filed in the office of the Secretary of State.

f. The Commissioner of Commerce and Economic Development may, at the commissioner's discretion, serve as the chairperson of the authority or may appoint one of the public members of the authority as chairperson. Any such designation or appointment shall be made in writing and shall be delivered to the authority and to the Governor and shall continue in effect until revoked or amended by a writing delivered to the authority and the Governor. The members of the authority shall elect from their remaining number a vice chairperson and a treasurer thereof. The authority shall employ an executive director who shall be its secretary and chief executive officer. The powers of the authority shall be vested in the members thereof in office from time to time and eleven members of the authority shall constitute a quorum at any meeting thereof. Action may be taken, and motions and resolutions adopted, by the authority at any meeting thereof by the affirmative vote of at least eleven members of the authority. No vacancy in the membership of the authority shall impair the right of a quorum of the members to exercise all of the powers and perform all of the duties of the authority.

g. Each public member of the authority shall execute a bond to be conditioned upon the faithful performance of the duties of such member in such form and amount as may be prescribed by the State Comptroller. Such bonds shall be filed in the office of the Secretary of State. At all times thereafter the members and treasurer of the authority shall maintain such bonds in full force and effect. All costs of such bonds shall be borne by the authority.

h. The members of the authority shall serve without compensation, but the authority shall reimburse its members for actual expenses necessarily incurred in the discharge of their duties. Notwithstanding the provisions of any other law, no officer or employee of the State shall be deemed to have forfeited or shall forfeit his or her office or employment or any benefits or emoluments thereof by reason of his or her acceptance of the office of ex officio member of the authority or his or her services therein.

i. The authority may be dissolved by act of the Legislature on condition that the authority has no debts or obligations outstanding or that provision has been made for the payment or retirement of such debts or obligations. Upon any such dissolution of the authority, all property, funds and assets thereof shall be vested in the State.

j. A true copy of the minutes of every meeting of the authority shall be forthwith delivered by and under the certification of the secretary

thereof to the Governor. No action taken at such meeting by the authority shall have force or effect until 10 days, Saturdays, Sundays, and public holidays excepted, after a copy of the minutes shall have been so delivered unless during that 10-day period the Governor shall approve the same in which case such action shall become effective upon approval. If, within the 10-day period, the Governor returns the copy of the minutes with a veto of any action taken by the authority or any member thereof at the meeting, that action shall be null and void and of no effect. The powers conferred in this subsection upon the Governor shall be exercised with due regard for the rights of the holders of bonds and notes of the authority at any time outstanding, and nothing in or done pursuant to this subsection shall in any way limit, restrict or alter the obligation or powers of the authority or any representative or officer of the authority to carry out and perform in every detail each and every covenant, agreement or contract at any time made or entered into by or on behalf of the authority with respect to its bonds or notes or for the benefit, protection or security of the holders thereof. The Governor may approve all or part of the action taken at such meeting prior to the expiration of the 10-day period.

k. On or before March 31 of each year, the authority shall make an annual report of its activities for the preceding calendar year to the Governor and the Legislature. Each such report shall set forth a complete operating and financial statement covering the authority's operations during the year. The authority shall cause an audit of its books and accounts to be made at least once in each year by certified public accountants and cause a copy thereof to be filed with the Secretary of State and the State Comptroller.

1. The State Comptroller and his legally authorized representatives are hereby authorized and empowered from time to time to examine the accounts, books and records of the authority, including its receipts, disbursements, contracts, sinking funds, investments, and any other matters relating thereto and to its financial standing.

m. No member, officer, employee or agent of the authority shall be interested, either directly or indirectly, in any project or in any contract, sale, purchase, lease or transfer of real or personal property to which the authority is a party.

C.55:19-24 Powers of authority.

5. The authority shall have the following powers:

a. to sue and be sued;

b. to have a seal and alter the same at the authority's pleasure;

c. to enter into contracts upon such terms and conditions as the authority shall determine to be reasonable, including, but not limited to, reimbursement for the planning, designing, financing, construction, reconstruction, improvement, equipping, furnishing, operation and maintenance of the project and to pay or compromise any claims arising therefrom;

d. to make and alter bylaws for its organization and internal management and, subject to agreements with noteholders or bondholders, to make rules and regulations with respect to its projects, operations, properties and facilities;

e. to invest any funds held in reserve or sinking funds, or any moneys not required for immediate use and disbursement, at the discretion of the authority, in obligations of this State or of the United States, or obligations the principal and interest of which are guaranteed by this State or the United States;

f. to sell, lease, assign, transfer, convey, exchange, mortgage, or otherwise dispose of or encumber any project, and in the case of the sale of any project, to accept a purchase money mortgage in connection therewith; and to lease, repurchase or otherwise acquire and hold any project which the corporation has theretofore sold, leased or otherwise conveyed, transferred or disposed of;

g. to acquire or contract to acquire from any individual, partnership, trust, association or corporation, or any public agency, by grant, purchase or otherwise, real or personal property or any interest therein; to own, hold, clear, improve, rehabilitate and develop, and to sell, assign, exchange, transfer, convey, lease, mortgage or otherwise dispose of or encumber the same;

h. to acquire in the name of the authority by purchase or otherwise, on such terms and conditions and such manner as it may deem proper any lands or interests therein or other property which it may determine is reasonably necessary for any project;

i. to acquire, construct, reconstruct, rehabilitate, improve, alter or repair or provide for construction, reconstruction, rehabilitation, improvement, alteration or repair of any project;

j. to arrange or contract with a municipality for the planning, replanning, opening, grading or closing of streets, roads, roadways, alleys or other places, or for the furnishing of facilities or for the acquisition by a municipality of property or property rights or for the furnishing of property or services, in connection with a project;

k. to grant options to purchase any project or to renew any leases entered into by it in connection with any of its projects, on such terms and conditions as it may deem advisable;

l. to prepare or cause to be prepared plans, specifications, designs and estimates of costs for the construction, reconstruction, rehabilitation, improvement, alteration or repair of any project, and from time to time to modify such plans, specifications, designs or estimates;

m. to manage any project, whether then owned or leased by the authority, and to enter into agreements with any individual, partnership, trust, association or corporation, or with any public agency, for the purpose of causing any project to be managed;

n. to hold any property owned or acquired by the authority in the name of the authority;

o. to provide advisory, consultative, training and educational services, technical assistance and advice to any individual, partnership, trust, association or corporation, or to any public agency, in order to carry out the purposes of P.L.1996, c.62 (C.55:19-20 et al.);

p. to issue, purchase, pledge and sell stock in projects of the authority and to purchase, sell or pledge the shares, or other obligations or securities of any subsidiary corporation, on such terms and conditions as the authority or subsidiary corporation may deem advisable;

q. subject to the provisions of any contract with noteholders, to consent to the modification, with respect to rate of interest, time of payment or any installment of principal or interest, security, or any other terms, of any loan, mortgage, commitment, contract or agreement of any kind to which the authority is a party;

r. in connection with any property on which it has made a mortgage loan, to foreclose on the property or commence any action to protect or enforce any right conferred upon it by any law, mortgage, contract or other agreement, and to bid for or purchase the property at any foreclosure or at any other sale, or acquire or take possession of the property; and in such event the authority may complete, administer, pay the principal of and interest on any obligations incurred in connection with the property, dispose of and otherwise deal with the property, in such manner as may be necessary or desirable to protect the interests of the authority therein;

s. to acquire, purchase, manage and operate, hold and dispose of real and personal property or interests therein, take assignments of rentals and leases and make and enter into all contracts, leases, agreements and arrangements necessary or incidental to the performance of its duties;

t. to purchase, acquire and take assignments of notes, mortgages and other forms of security and evidences of indebtedness;

u. to extend credit or make loans to any person for the planning, designing, acquiring, constructing, reconstructing, improving, equipping

and furnishing of a project, which credits or loans may be secured by loan and security agreements, mortgages, leases and any other instruments, upon such terms and conditions as the authority shall deem reasonable, including provision for the establishment and maintenance of reserve and insurance funds, and to require the inclusion in any mortgage, lease, contract, loan and security agreement or other instrument, such provisions for the construction, use, operation and maintenance and financing of a project as the authority may deem necessary or desirable;

v. to borrow money, secure credit against the assets of the authority on a temporary, short-term, interim or long-term basis and to issue bonds of the authority and to provide for the rights of the holders thereof, as provided in P.L.1996, c.62 (C.55:19-20 et al.);

w. to make short-term loans or advances to developers for construction in anticipation of the issuance of permanent loans;

x. to exercise sole authority for investment, reinvestment or expenditure of its revenues, fund balances and appropriations consistent with the purposes of P.L.1996, c.62 (C.55:19-20 et al.) on projects and investments utilizing revenues from the sale of revenue bonds, which projects shall be subject to the approval of the State Treasurer, and the Treasurer's actions shall be based solely on his fiduciary role to ensure that all applicable federal and State tax laws are adhered to regarding the investment of bond funds;

y. notwithstanding any law to the contrary, and upon resolution of the municipal governing body, to act as the redevelopment agency of any municipality in which there is not established a redevelopment agency pursuant to subsection a. of section 11 of P.L.1992, c.79 (C.40A:12A-11) and which is not precluded from establishing such an agency;

z. in connection with any application for assistance under P.L.1996, c.62 (C.55:19-20 et al.) or commitments therefor, to require and collect such fees and charges as the authority shall determine to be reasonable;

aa. to establish, levy and collect, in connection with any civic project or utilities project managed or operated by the authority, whether then owned or leased by the authority, user fees and facility charges;

bb. to procure insurance against any loss in connection with its property and other assets and operations, in such amounts and from such insurers as it deems desirable;

cc. to employ consulting engineers, architects, attorneys, real estate counselors, appraisers, and such other consultants and employees as may be required in the judgment of the authority to carry out the

purposes of the act, and to fix and pay their compensation from funds available to the authority therefor, all without regard to the provisions of Title 11A, Civil Service, of the New Jersey Statutes;

dd. to contract for, and to accept, any gifts or grants or loans of funds or property or financial or other aid in any form from the federal government or any agency or instrumentality thereof, or from the State or a municipality or any agency or instrumentality thereof, or from any other source, and, subject to the provisions of P.L.1996, c.62 (C.55:19-20 et al.) and any other applicable law, to comply with the terms and conditions thereof;

ee. to create subsidiary corporations as provided in section 8 of P.L.1996, c.62 (C.55:19-27);

ff. to assist municipalities, counties, public or private county and municipal development agencies, district management corporations created pursuant to section 4 of P.L.1972, c.134 (C.40:56-68), community action boards established pursuant to section 4 of P.L.1991, c.51 (C.52:27D-398), or sponsors of neighborhood empowerment organizations, in formulating and implementing community redevelopment plans, which shall include, but not be limited to, neighborhood restoration, residential development, and industrial and commercial development;

gg. to fund, or assist in funding, community redevelopment projects by municipalities, counties, public or private county and municipal development agencies, district management corporations created pursuant to section 4 of P.L.1972, c.134 (C.40:56-68), community action boards established pursuant to section 4 of P.L.1991, c.51 (C.52:27D-398), or sponsors of neighborhood empowerment organizations, which shall include, but not be limited to, direct loan assistance, including loan guarantees, procuring capital from private developers and lending institutions, and facilitating access to State, federal, and private sources of loans or grants, including, but not limited to, the New Jersey Economic Development Authority and the Casino Redevelopment Authority;

hh. to assist in providing access to support services, including technical assistance and job training programs, for projects developed in connection with comprehensive community redevelopment plans and neighborhood empowerment programs established pursuant to this act;

ii. to provide assistance to urban areas in attracting industrial and commercial projects, in rehabilitating existing industrial and commercial facilities to restore them to productive use through the establishment of marketing programs and incentive programs;

jj. to assist in facilitating the work of the Office of Neighborhood Empowerment established pursuant to this act, which assistance shall include, but not be limited to, providing professional or technical expertise and funding for the establishment and implementation of neighborhood empowerment plans developed pursuant to this act;

kk. to enter into partnerships with private developers, the New Jersey Economic Development Authority or any other public entity, for the purpose of community redevelopment, and establish fees therefor;

ll. to enter into agreements with municipalities or counties regarding projects to be financed through the use of payment in lieu of taxes, as provided for in section 33 of P.L.1996, c.62 (C.55:19-52); and

mm. to do any and all things necessary or convenient to carry out its purposes and exercise the powers given and granted in P.L.1996, c.62 (C.55:19-20 et al.).

C.55:19-25 Prioritization of projects.

6. The authority, in determining which projects to approve for financing, shall accord first priority to any project situated in a municipality which at the time the application for project financing is submitted is eligible to receive aid under the "Special Municipal Aid Act," P.L.1987, c.75 (C.52:27D-118.24 et seq.) and is coextensive with a "special needs district" designated pursuant to the "Quality Education Act of 1990," P.L.1990, c.52 (C.18A:7D-1 et seq.). Subsequent priority shall be assigned to projects in any municipality which, at the time the application for project financing is submitted, is coextensive with a "special needs district" and projects in a qualified municipality shall receive last priority. In making project financing decisions, the authority shall give preference to any project situated in an empowerment neighborhood designated pursuant to section 54 of P.L.1996, c.62 (C.55:19-69). With respect to projects for which costs are to be financed by the authority, the authority shall consider the following factors:

(1) the economic feasibility of the project;

(2) the extent of economic and related social distress in the municipality and the area to be affected by the project;

(3) the degree to which the project will advance State, regional and local development strategies;

(4) the likelihood that the project shall upon completion be capable of repaying all or part of any financing costs incurred;

(5) the relationship of the project to a comprehensive local development strategy, including other major projects undertaken within the municipality; and

(6) the degree to which the project interfaces with public transportation systems.

C.55:19-26 Volunteer cooperation, assistance of private business firms, executives.

7. In planning and carrying out projects pursuant to P.L.1996, c.62 (C.55:19-20 et al.) the authority and its subsidiaries shall endeavor to enlist the cooperation and assistance, on a volunteer basis, of private business firms and individual business executives whose experience and training qualify them to advise the authority and its subsidiaries on the design and coordination of aid and development programs for the revitalization of urban centers, and to advise upon the most efficient and businesslike manner of managing and directing such programs.

C.55:19-27 Additional powers of authority.

8. a. In order to carry out the purposes and provisions of P.L.1996, c.62 (C.55:19-20 et al.), the authority, in addition to any powers granted to it elsewhere in P.L.1996, c.62 (C.55:19-20 et al.), shall have the authority to form, purchase or assume control of one or more subsidiaries, in the manner and for the purposes set forth in this section.

b. The authority may form a subsidiary by filing with the Secretary of State a certificate of incorporation, which may be amended from time to time and which shall set forth the name of the subsidiary, its duration, the location of its principal office, the joint owners thereof, and the purposes of the subsidiary.

c. The directors of the subsidiary shall be members or employees of the authority, who shall constitute at least a majority, and such other persons representing any joint owner or owners as may be provided for in the agreement in connection with the incorporation of the subsidiary.

d. The subsidiary shall have all the powers vested in the authority which the authority may delegate to it by terms of the agreement of incorporation, except that it shall not have the power to contract indebtedness independently of the authority. The subsidiary and any of its properties, functions and activities shall have all the privileges, immunities, tax exemptions and other exemptions as the authority's property, functions and activities. The subsidiary shall also be subject to the restrictions and limitations to which the authority is subject. The subsidiary shall be subject to suit as if it were the authority itself.

e. Whenever the State or any municipality, commission, public authority, agency, officer, department, board, or division is authorized and empowered for any purposes of P.L.1996, c.62 (C.55:19-20 et al.) to cooperate and enter into agreements with the authority or to grant any consent to the authority or to grant, convey, lease or otherwise

transfer any property to the authority or to execute any document, the State or such municipality, commission, public authority, agency, officer, department, board, or division shall have the same authorization and power for any of such purposes to cooperate and enter into agreements with the subsidiary, to grant consents to the subsidiary, to grant, convey, lease or otherwise transfer property to the subsidiary and to execute documents for the subsidiary.

f. Among the powers that shall be granted to a subsidiary corporation established by the authority, or which may be exercised by the authority itself, are:

(1) the power to participate as a co-owner or co-venturer in any activity financed by a loan from the authority; and

(2) the power to issue its stock and employ the proceeds of such sales for capital investment in, or other expenses in connection with, the projects of the subsidiary, upon authorization by the authority.

C.55:19-28 Joint ventures.

9. The authority, or any subsidiary, may enter into agreements with any individual, partnership, trust, association or corporation, or any public agency, under which the authority or subsidiary and such other entity or entities shall undertake a project as a joint venture, with the authority or subsidiary providing such financial assistance, through loans, grants or the acquisition of an ownership interest in the project, and such technical or managerial assistance or advice, as the agreement may provide.

C.55:19-29 Loans for projects.

10. The authority, or any subsidiary, may make loans to any individual, partnership, trust, association or corporation for the purpose of enabling such entity to undertake any work, improvement or other activity in a qualified municipality which, if undertaken by the authority or a subsidiary, would be a "project" within the meaning of section 3 of P.L.1992, c.62 (C.55:19-22). The authority, or any subsidiary, may also pledge its credit for the repayment of any such loan made for like purposes by any financial institution in the State.

C.55:19-30 Authority empowered to issue bonds.

11. For the purpose of providing funds to pay all or any part of the cost of any project or projects, to make loans in accordance with the provisions of P.L.1996, c.62 (C.55:19-20 et al.), and for the funding or refunding of any bonds, the authority shall have the power to authorize or provide for the issuance of bonds pursuant to P.L.1996, c.62 (C.55:19-20 et al.).

C.55:19-31 Issuance of bonds.

12. By resolution, the authority shall have power to incur indebtedness, borrow money and issue its bonds for the purposes stated in section 11 of P.L.1996, c.62 (C.55:19-30); provided, however, that the authority shall not issue more than $100 million of bonds in any one year. Except as may otherwise be expressly provided by the authority, every issue of its bonds shall be general obligations of the authority payable from any revenues or moneys of the authority or any other contracted with or agreed upon source, subject only to any agreements with the holders of particular bonds or notes pledging any particular revenues or moneys. Bonds shall be authorized by resolution and may be issued in one or more series and shall bear that date or those dates, mature at that time or those times not exceeding 40 years from the date thereof, bear interest at a rate or rates, be in that denomination or those 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 resolution may provide. Bonds of the authority may be sold by the authority at public or private sale at such price or prices as the authority shall determine.

C.55:19-32 Bond, other obligation deemed fully negotiable.

13. Any provision of any law to the contrary notwithstanding, any bond or other obligation issued pursuant to P.L.1996, c.62 (C.55:19-20 et al.) shall be fully negotiable within the meaning and for all purposes of Title 12A, Commercial Transactions, of the New Jersey Statutes, and each holder or owner of such a bond or other obligation, or of any coupon appurtenant thereto, by accepting such bond or coupon shall be conclusively deemed to have agreed that such bond, obligation or coupon is and shall be fully negotiable within the meaning and for all purposes of Title 12A of the New Jersey Statutes.

C.55:19-33 Power of authority to covenant, agree with bondholders.

14. In order to secure the payment of such bonds and in addition to its other powers, the authority shall have power by resolution to covenant and agree with the several holders of such bonds, as to:

a. the custody, security, use, expenditure or application of the proceeds of the bonds;

b. the use, regulation, operation, maintenance, insurance or disposition of all or any part of any project or projects;

c. payment of the principal of or interest on the bonds, or any other obligations, and the sources and methods thereof, the rank or priority of any such bonds or obligations as to any lien or security, or the acceleration of the maturity of any such bonds or obligations;

d. the use and disposition of any moneys of the authority, including all revenues or other moneys derived or to be derived from any project or projects;

e. pledging, setting aside, depositing or trusteeing all or any part of the revenues or other moneys of the authority to secure the payment of the principal of or interest on the bonds or any other obligations and the powers and duties of any trustee with regard thereto;

f. the setting aside out of the revenues or other moneys of the authority of reserves and sinking funds, and the source, custody, security, regulation, application and disposition thereof;

g. the rents, fees or other charges for the use of any project or projects, including any parts thereof theretofore constructed or acquired and any parts, replacements or improvements thereof thereafter constructed or acquired, and the fixing, establishment, collection and enforcement of the same;

h. limitation on the issuance of additional bonds or any other obligations or on the incurrence of indebtedness of the authority;

i. vesting in a trustee or trustees, fiscal or escrow agent or agents within or without the State such property, rights, powers and duties in trust as the authority may determine and limiting the rights, duties and powers of such trustee or agent;

j. payment of costs or expenses incident to the enforcement of the bonds or of the provisions of the resolution or of any covenant or contract with the holders of the bonds;

k. the procedure, if any, by which the terms of any covenant or contract with, or duty to, the holders of bonds may be amended or abrogated, the amount of bonds the holders of which must consent thereto, and the manner in which such consent may be given or evidenced; or

l. any other matter or course of conduct which, by recital in the resolution, is declared to further secure the payment of the principal of or interest on the bonds.

All such provisions of the resolution and all such covenants and agreements shall constitute valid and legally-binding contracts between the authority and the several holders of the bonds, regardless of the time of issuance of such bonds, and shall be enforceable by any such holder or holders by appropriate action, suit or proceeding in any court of competent jurisdiction, or by proceeding in lieu of prerogative writ.

C.55:19-34 Pledge of revenues, other moneys valid, binding.

15. Any pledge of revenues or other moneys made by the authority shall be valid and binding from the time that the pledge is made. The revenues or other moneys so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the authority, irrespective of whether such parties have notice thereof. Neither the resolution nor any other instrument by which a pledge is created need be filed or recorded except in the records of the authority.

C.55:19-35 Lawful investments in authority securities.

16. Any public or private agency, organization, corporation, or association which is not legally barred from investing in the bonds or stock of the New Jersey Housing and Mortgage Finance Agency or any of its subsidiary corporations may lawfully invest in the corresponding securities of the authority and its subsidiaries.

C.55:19-36 Liability on bonds.

17. Neither the members of the authority nor any person executing bonds issued pursuant to P.L.1996, c.62 (C.55:19-20 et al.) shall be liable personally on the bonds by reason of the issuance thereof. Bonds or other obligations issued by the authority pursuant to P.L.1996, c.62 (C.55:19-20 et al.) shall not be in any way a debt or liability of the State or of any political subdivision thereof and shall not create or constitute any indebtedness, liability or obligation of the State or of any political subdivision, either legal, moral or otherwise, and nothing contained in P.L.1996, c.62 (C.55:19-20 et al.) shall be construed to authorize the authority to incur any indebtedness on behalf of or in any way to obligate the State or any political subdivision, and all such bonds shall contain on the face thereof a statement to that effect.

C.55:19-37 Conflicts prohibited; remedies.

18. a. No member, officer, agent or employee of the authority or of any of its subsidiaries shall take any official action on any matter in which he or she has a direct or indirect financial interest, except that the ownership of, or tenancy in, one's own private residence shall not be considered a financial interest for the purposes of this section.

b. Any action taken or approval granted by the authority or any of its subsidiaries in violation of this section is voidable.

c. Any person who knowingly violates any provision of this section shall forfeit his office or employment and is guilty of a crime of the fourth degree.

C.55:19-38 Prevailing wages.

19. Any builder, contractor or subcontractor engaged upon a project within the meaning of P.L.1996, c.62 (C.55:19-20 et al.), and any person, firm or authority managing or operating such a project, including the authority and its subsidiaries, shall pay the workmen employed in the construction, reconstruction, demolition, or rehabilitation thereof not less than the prevailing wage rate. The prevailing wage rate shall be determined by the Commissioner of Labor in all cases, except that the prevailing wage rate shall be determined by the Secretary of the United States Department of Labor in accordance with the Davis-Bacon Act as amended (40 U.S.C. § 276a to 276a-5), when the loan or other assistance given by the authority in connection with the work, or the funds of the authority or subsidiary thereof expended for the work, are the subject of direct or indirect federal assistance other than federal tax exemption of the interest paid on obligations of the authority or a subsidiary thereof.

C.55:19-39 Public hearing on project.

20. a. Under the jurisdiction and at the discretion of the authority, there may be a public hearing on each project, the cost of which is estimated to exceed $250,000, within the municipality in which the project is to be located. In the event that a hearing is to be conducted, the authority shall cause notice of the hearing to be published in at least two newspapers of general circulation within the municipality at least 15 days prior to the date of the hearing and shall also file the notice at least 15 days prior to the date of the hearing with the governing body of the county and municipality in which the project is to be located.

The notice shall summarize the project and specify where and how additional information may be obtained.

b. All testimony presented at the hearing and all material submitted to the authority within 15 days following the hearing shall be included in a hearing record to be prepared and made available to the public by the authority.

c. The governing body of the county or municipality in receipt of the notice prescribed in subsection a. of this section may file with the authority, within 15 days following the hearing, a written objection to the project, stating in detail the nature of the objection.

d. The authority shall respond in writing to any objection filed pursuant to subsection c. of this section, including specific responses to the data, views, and arguments contained in the objection.

C.55:19-40 Property, securities of authority, tax exempt; in lieu of tax payments.

21. The exercise of the powers granted by P.L.1996, c.62 (C.55:19-20 et al.) shall constitute the performance of an essential governmental function and the authority shall not be required to pay any taxes or assessments upon or in respect of a project, or any property or moneys of the authority, and the authority, its projects, property and moneys and any bonds and notes issued under the provisions of P.L.1996, c.62 (C.55:19-20 et al.), their transfer and the income therefrom, including any profit made on the sale thereof, shall at all times be free from taxation of every kind by the State except for transfer, inheritance and estate taxes and by any political subdivision of the State; provided, that any person occupying a project whether as lessee, vendee or otherwise shall, as long as title thereto shall remain in the authority, pay to the political subdivision in which such project is located a payment in lieu of taxes which shall equal the taxes on real and personal property, including water and sewer service charges or assessments, which such person would have been required to pay had it been the owner of such property during the period for which such payment is made and neither the authority nor its projects, properties, money or bonds and notes shall be obligated, liable or subject to lien of any kind for the enforcement, collection or payment thereof. If and to the extent the proceedings under which the bonds authorized to be issued under the provisions of P.L.1996, c.62 (C.55:19-20 et al.) so provide, the authority may agree to cooperate with such person occupying a project, in connection with any administrative or judicial proceedings for determining the validity or amount of such payments and may agree to appoint or designate and reserve the right in and for such person to take all action which the authority may lawfully take in respect of such payments and all matters relating thereto, provided such person shall bear and pay all costs and expenses of the authority thereby incurred at the request of such person or by reason of any such action taken by such person on behalf of the authority. If such person occupying a project has paid the amounts in lieu of taxes required by this section to be paid, such person shall not be required to pay any such taxes for which a payment in lieu thereof has been made to the State or to any political subdivision, any other statute to the contrary notwithstanding.

C.55:19-41 Agreements between contiguous municipalities to share project revenues.

22. The governing bodies of any two contiguous municipalities within which is located or is to be located a New Jersey Redevelopment Authority project situated in part within each municipality, may by reciprocal ordinances enter into agreements with each other to share all tax revenues, payments in lieu of taxes or other revenues as shall be derived from the entire project, and to which they are by law entitled, in such proportion as they deem proper.

C.55:19-42 Responsibility of each municipality set forth in agreement.

23. Any agreement entered into pursuant to section 22 of P.L.1996, c.62 (C.55:19-41) for the sharing of payments and revenues derived from a project shall also set forth the manner in which the costs of municipal services for such project are to be apportioned and specify the services to be supplied by each municipality in sufficient detail so as to permit the owners, occupants and users of property within the project to determine the responsibilities of each participating municipality.

C.55:19-43 Investments permitted.

24. Notwithstanding any restriction contained in any other law, the State and all political subdivisions of this State, and all other persons who are or may hereafter be authorized to invest in bonds or other obligations of the State, may invest any sinking funds, moneys or other funds, including capital, belonging to them or within their control in any bonds or notes issued by the authority under the provisions of P.L.1996, c.62 (C.55:19-20 et al.).

C.55:19-44 P.L.1996, c.62 complete authority for issuance of bonds.

25. The foregoing sections of P.L.1996, c.62 (C.55:19-20 et al.) shall be deemed to provide a complete method for the doing of things authorized thereby and shall be regarded as not in conflict with, or as restrictive of, powers conferred by any other laws, and the provisions of P.L.1996, c.62 (C.55:19-20 et al.) shall be complete authority for the issuance of bonds by the authority and the provisions of any other laws shall not apply to the issuance of such bonds.

C.55:19-45 Submission of New Jersey Redevelopment Strategy document.

26. With its first annual report, and every second year thereafter, the authority shall submit a New Jersey Redevelopment Strategy document, setting forth the goals and priorities governing the selection of the projects it anticipates participating in or assisting; and the authority shall annually review and evaluate the projects actually undertaken in light of the goals and priorities established therefor by the

New Jersey Redevelopment Strategy document. In selecting projects for its participation, and in evaluating those projects in which it has participated, the authority shall devise and employ techniques for forecasting and measuring relevant indices of accomplishment of its goals of economic revitalization, including specifically:

a. the number of jobs created, or to be created, by, or as a result of, the project;

b. the cost, or estimated cost, to the State, involved in the creation of those jobs;

c. the amount of private capital investment in, or stimulated by, a project, in proportion to the public funds invested therein; and

d. in the case of an industrial project or a multi-purpose project which has, as one of its elements, a project classified as an industrial project, a determination, based upon written findings, that the project would not be undertaken but for the participation of the authority.

C.55:19-46 New Jersey Redevelopment Investment Fund.

27. a. There is hereby created the New Jersey Redevelopment Investment Fund, or "fund," a revolving loan pool to be used for the purpose of making loans, loan guarantees or grants pursuant to the provisions of this act, into which shall be paid:

(1) moneys received from the sale of authority bonds;

(2) funds appropriated by section 68 of P.L.1996, c.62 as may be determined by the authority;

(3) repayments of loans or other payments, including repayments of principal and interest on loans, received by the authority pursuant to agreements made under authority of section 5, 8, 9 or 10 of P.L1996, c.62 (C.55:19-24, C.55:19-27, C.55:19-28 or C.55:19-29);

(4) any income derived from investment pursuant to subsection b. of this section;

(5) moneys collected as user fees and facility charges in connection with any civic project or utilities project managed or operated by the authority as authorized by subsection z. of section 5 of P.L.1996, c.62 (C.55:19-24); and

(6) such additional funds as the Legislature may from time to time appropriate for the purpose.

b. The fund shall be in the custody and control of the authority, which may invest and reinvest any portion thereof not immediately required for the purposes of the authority in the manner provided by law for investment of public funds on projects and investments utilizing revenues from the sale of general obligation bonds, which projects shall be subject to the approval of the State Treasurer, and the State

Treasurer's actions shall be based solely on his fiduciary role to ensure that all applicable federal and State tax laws are adhered to regarding the investment of bond funds.

c. The authority may resell any loan or loans made by the authority pursuant to this act to any buyer or buyers; the proceeds of any such sales shall be returned to the fund established pursuant to this section.

C.55:19-47 Establishment of loan rates, maturities; earnings paid to the fund.

28. a. Loan rates and maturities of loans made by the New Jersey Redevelopment Authority shall be established by the Commissioner of Commerce and Economic Development taking into consideration rates available in capital markets for comparable maturities and comparable credit quality. Local governments may secure interim financing under this act to enable a project to be undertaken before permanent financing is secured or may secure permanent financing under P.L.1996, c.62 (C.55:19-20 et al.) with a final maturity related to the expected useful life of the project being so financed.

b. Net earnings received from the investment or deposit of the New Jersey Redevelopment Investment Fund shall be paid into the New Jersey Redevelopment Investment Fund.

C.55:19-48 County empowered to enter into contracts with authority.

29. a. Any county, by resolution of its governing body, shall have power to enter into contracts with the authority relating to any project or projects situated within the county; provided, however, that any such resolution shall be introduced in writing at a meeting of the governing body and shall be passed upon first reading which may be by title, and thereafter, the resolution shall be published with notice of the introduction thereof and of the date, time and place of further consideration for final passage, and on the date and at the time and place so advertised, all persons interested shall be given the opportunity to be heard and after the hearing, the governing body may proceed to reject or finally adopt the resolution by the recorded affirmative votes of at least two-thirds of the full membership of the governing body; and provided, further, that the resolution shall contain findings and determinations of the governing body (1) that the project will maintain employment opportunities in the county or provide new employment opportunities in the county and (2) that the contract with the authority is a necessary inducement to the undertaking of the project in that it makes the financing thereof feasible. The contract or contracts may provide for the payment to the authority by the county annually or otherwise of such sum or sums of money, computed at fixed amounts or by any formula, or in any other manner as may be fixed in or pursuant thereto.

Any contract may be made and entered into for a term beginning currently or at some future or contingent date and with or without consideration and for a specified or unlimited time and on any terms and conditions which may be approved by the county and which may be agreed to by the authority in conformity with its contracts with the holders of any bonds, and shall be valid and binding on the county whether or not an appropriation is made thereby prior to authorization or execution of the contract. Every county is hereby authorized and directed to do and perform any and all acts and things necessary, convenient or desirable to carry out and perform any contract entered into by it and to provide for the payment or discharge of any obligation thereunder in the same manner as other obligations of the county.

b. For the purpose of aiding the authority and cooperating in the planning, designing, acquiring, constructing, reconstructing, improving, equipping and furnishing of any project situate in any county, any county, by ordinance of its governing body, shall have power from time to time and for such period and upon such terms, with or without consideration, as may be provided by the ordinance and accepted by the authority:

(1) to appropriate moneys for the purposes of the authority with respect to the project, and to loan or donate such money to the authority in such installments and upon such terms as may be agreed upon with the authority;

(2) upon authorization by it in accordance with law of the performance of any act or thing which it is empowered by law to authorize or perform and after appropriation of the moneys, if any, necessary for that performance, to covenant and agree with the authority to do and perform any act and as to the time, manner and other details of its doing and performance; and

(3) to appropriate money for all or any part of the cost of the acquisition or construction of the project, and, in accordance with the limitations and exceptions thereto and in the manner or mode of procedure prescribed by the local bond law to incur indebtedness, borrow money and issue its negotiable bonds for the purpose of the project and appropriation, and to pay the proceeds of those bonds to the authority.

c. Any contract, and any instrument making or evidencing the same, may be pledged or assigned by the authority, with the consent of the county executing the contract, to secure its bonds and thereafter may not be modified except as provided by the terms of such instrument or by the terms of the pledge or assignment.

C.55:19-49 Property of authority exempt from levy, sale.

30. All property of the authority shall be exempt from levy and sale by virtue of an execution and no execution or other judicial process shall issue against the same nor shall any judgment against an authority be a charge or lien upon its property; provided, that nothing herein contained shall apply to or limit the rights of the holder of any bonds to pursue any remedy for the enforcement of any pledge or lien given by the authority on or with respect to any project or any revenues or other moneys.

C.55:19-50 Moneys transferred to the fund; functions, employees, property transferred to the authority.

31. a. All sums appropriated, transferred or otherwise available to the New Jersey Redevelopment Authority from any source, are transferred to the New Jersey Redevelopment Investment Fund to carry out the purposes of P.L.1996, c.62 (C.55:19-20 et al.).

b. All of the functions, powers and duties of the New Jersey Urban Development Corporation are hereby transferred to and vested in the New Jersey Redevelopment Authority.

c. At the discretion of the board of the New Jersey Redevelopment Authority, all employees employed by the New Jersey Urban Development Corporation as of the effective date of this act may serve the New Jersey Redevelopment Authority.

d. All records, property, outstanding loans, loan guarantees and other obligations of the New Jersey Urban Development Corporation shall be transferred to, and assumed by, the New Jersey Redevelopment Authority.

C.55:19-51 Use of moneys, priorities, relative to Local Development Financing Fund.

32. Moneys deposited in the fund established pursuant to section 4 of P.L.1983, c.190 (C.34:1B-39), shall be used to provide financial assistance to sponsors for implementation of projects as defined pursuant to P.L.1974, c.80 (C.34:1B-1 et seq.). Financial assistance provided by the fund shall be used to meet eligible project costs as defined pursuant thereto. Eligible projects to be undertaken by the New Jersey Redevelopment Authority pursuant to P.L.1996, c.62 (C.55:19-20 et al.), shall be given priority consideration by the Commissioner of Commerce and Economic Development in administering this fund.

C.55:19-52 Municipal ordinance to provide for tax abatement, payment in lieu of taxes.

33. In order to provide security for the bonds or other obligations authorized herein, a municipality may adopt an ordinance which

provides for tax abatement within a redevelopment area and for a payment in lieu of taxes. Any tax abatement granted by the municipality and any agreement for the payment in lieu of taxes shall be included as part of a financial agreement between the municipality and the developer in accordance with the provisions of P.L.1991, c.431 (C.40A:20-1 et seq.); provided, however, that provisions of subsection b. of section 12 of P.L.1991, c.431 (C.40A:20-12), subsection a. of section 14 of P.L.1991, c.431 (C.40A:20-14) and subsection c. of section 18 of P.L.1991, c.431 (C.40A:20-18)shall not apply to any financial agreement entered into pursuant to this section.

C.55:19-53 Financial agreements to provide for repayment of bonds.

34. a. A financial agreement entered into pursuant to section 33 of P.L.1996, c.62 (C.55:19-52) shall provide for payments in lieu of taxes in an amount agreed upon, and, to the extent needed to pay debt service and other related costs of the bonds or other obligations authorized in this section, shall be pledged to the repayment of the bonds or other obligations authorized in this section.

b. The bonds or other obligations authorized in this section shall be special and limited obligations secured by the agreement for payment in lieu of taxes or other available sources.

c. The New Jersey Redevelopment Authority, New Jersey Economic Development Authority or county improvement authority may issue negotiable bonds or other obligations for the purpose of financing or refinancing the construction, reconstruction, repair, alteration, improvement and development of any infrastructure or parking or transportation facilities or work that reduces, abates or prevents environmental pollution or other improvements that provide a public benefit within or to a redevelopment area as defined pursuant to section 3 of P.L.1992, c.79 (C.40A:12A-3).

d. The financial agreement provided for in this section or other source of revenues may be assigned, by the municipality, in whole or in part, directly to the New Jersey Redevelopment Authority, New Jersey Economic Development Authority or county improvement authority or the trustee of bonds or other obligations as payment or security for the bonds or other obligations.

e. In the event the payment in lieu of taxes is secured by a mortgage, the mortgage may also be assigned and pledged to the repayment of the bonds authorized herein.

f. Notwithstanding any law to the contrary, the assignment of the agreement for payment in lieu of taxes may be an absolute assignment of all or part of the municipality's right, title and interest in such

agreement or in the payment in lieu of taxes, and to the extent assigned, such agreement or payment shall not be included in the general funds of the municipality.

g. After the bonds or other obligations are paid and no longer deemed to be outstanding, the entire payment in lieu of taxes shall be paid directly to the municipality and shall be included within its general funds.

h. The assignment of any mortgage that secures a payment in lieu of taxes may also be an absolute assignment of all or part of the municipality's right, title and interest in such mortgage and, to the extent assigned, any moneys realized from the foreclosure of the mortgaged property shall not be included in the general funds of the municipality.

i. After the bonds or other obligations are paid and no longer deemed to be outstanding, the assignment of the mortgage shall terminate and any moneys realized from the foreclosure of the mortgaged property shall be included in the general funds of the municipality.

C.55:19-54 Definitions relative to abandoned property.

35. For the purposes of this article:

"Abandoned property" means

a. real property for which environmental remediation is required by State law, rule or regulation and the condition of which is found or declared by the public officer to be inimical to the welfare, including the economic welfare of the residents of the municipality wherein the real property is located; or

b. a building or structure found or declared to be inimical to the welfare, including the economic welfare, of the residents of the municipality wherein the building or structure is located, pursuant to section 1 of P.L.1989, c.91 (C.40:48-2.3a) or unfit for human habitation, occupancy or use pursuant to section 3 of P.L.1942, c.112 (C.40:48-2.5), along with the parcel of land upon which the building or structure is situate.

"Public officer" means a person designated or appointed by the municipal governing body pursuant to section 3 of P.L.1942, c.112 (C.40:48-2.5) who is responsible for determining that a property is abandoned.

C.55:19-55 Inventory, identification of abandoned property.

36. a. A qualified municipality that has designated or appointed a public officer pursuant to section 3 of P.L.1942, c.112 (C.40:48-2.5), may adopt an ordinance directing the public officer to undertake an

inventory of abandoned property in those areas designated for redevelopment pursuant to the "Local Redevelopment and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et seq.). The ordinance may direct the public officer to exclude from the inventory of abandoned property that property for which the expense to the municipality of determining the cost of environmental remediation required under State or federal law would be excessive, in the judgment of the municipal governing body. Each item of abandoned property on the inventory shall include the tax block and lot number, the name of the owner of record, if known, and the street address of the lot.

b. In those municipalities in which an inventory has been conducted in accordance with subsection a. of this section, the public officer shall maintain a list of abandoned property, to be known as the "abandoned property list." An abandoned property shall not be included on the abandoned property list if rehabilitation is being performed in a timely manner.

c. (1) The Department of Community Affairs shall adopt rules and regulations prescribing guidelines and criteria for determining if a property is inimical to the welfare, including the economic welfare, of the residents of the municipality wherein the building or structure is located, pursuant to section 1 of P.L.1989, c.91 (C.40:48-2.3a) or unfit for human habitation, occupancy or use pursuant to section 3 of P.L.1942, c.112 (C.40:48-2.5), and whether such property is undergoing rehabilitation in a timely manner within the meaning of subsection b. of this section. The public officer shall apply such standards in conducting any inventory pursuant to this section.

(2) The Department of Community Affairs in conjunction with the Department of Environmental Protection shall prepare an information bulletin for distribution to every municipality describing the authority of a municipality under existing statutes and regulations to repair, demolish or otherwise deal with abandoned property.

d. (1) The public officer, within 10 days of the completion of the abandoned property list, shall send a notice, by certified mail, return receipt requested, and by regular mail, to the owner of record of every property included on the list and shall cause the list to be published in the official newspaper of the municipality, which publication shall constitute public notice. The published and mailed notices shall identify property determined to be abandoned setting forth the owner of record, if known, the tax lot and block number and street address. The public officer, in consultation with the tax collector, shall also send out a notice by regular mail to any mortgagee, servicing organization, or property tax processing organization that receives a duplicate copy of

the tax bill pursuant to subsection d. of R.S.54:4-64. When the owner of record is not known for a particular property and cannot be ascertained by the exercise of reasonable diligence by the tax collector, notice shall not be mailed but instead shall be posted on the property in the manner as provided in section 5 of P.L.1942, c.112 (C.40:48-2.7). The mailed notice shall indicate the factual basis for the public officer's finding that the property is abandoned property as that term is defined in section 35 of P.L.1996, c.62 (C.55:19-54) and the rules and regulations promulgated thereunder, specifying the information relied upon in making such finding. In all cases a copy of the mailed or posted notice shall also be filed by the public officer in the office of the county clerk or register of deeds and mortgages, as the case may be, of the county wherein the property is situate. This filing shall have the same force and effect as a notice of lis pendens under N.J.S.2A:15-6. The notice shall be indexed by the name of the property owner as defendant and the name of the municipality as plaintiff, as though an action had been commenced by the municipality against the owner.

(2) The authority or its subsidiaries, as appropriate, may reimburse the municipality for the postage costs and search fees associated with providing notice in accordance with paragraph (1) of this subsection in accordance with procedures and rules promulgated by the Department of Community Affairs.

e. An owner or lienholder may challenge the inclusion of his property on the abandoned property list determined pursuant to subsection b. of this section by appealing that determination to the public officer within 30 days of the owner's receipt of the certified notice or 40 days from the date upon which the notice was sent. An owner whose identity was not known to the public officer shall have 40 days from the date upon which notice was published or posted, whichever is later, to challenge the inclusion of a property on the abandoned property list. For good cause shown, the public officer shall accept a late filing of an appeal. Within 30 days of receipt of a request for an appeal of the findings contained in the notice pursuant to subsection d. of this section, the public officer shall schedule a hearing for redetermination of the matter. Any property included on the list shall be presumed to be abandoned property unless the owner, through the submission of an affidavit or certification by the property owner averring that the property is not abandoned and stating the reasons for such averment, can demonstrate that the property was erroneously included on the list. The affidavit or certification shall be accompanied by supporting documentation, such as but not limited to photographs, repair invoices, bills and construction contracts. The sole ground for

appeal shall be that the property in question is not abandoned property as that term is defined in section 35 of P.L.1996, c.62 (C.55:19-54). The public officer shall decide any timely filed appeal within 10 days of the hearing on the appeal and shall promptly, by certified mail, return receipt requested, and by regular mail, notify the property owner of the decision and the reasons therefor.

f. The property owner may challenge an adverse determination of an appeal with the public officer pursuant to subsection e. of this section, by instituting, in accordance with the New Jersey Court Rules, a summary proceeding in the Superior Court, Law Division, sitting in the county in which the property is located, which action shall be tried de novo. Such action shall be instituted within 20 days of the date of the notice of decision mailed by the public officer pursuant to subsection e. of this section. The sole ground for appeal shall be that the property in question is not abandoned property as that term is defined in section 35 of P.L.1996, c.62 (C.55:19-54). The failure to institute an action of appeal on a timely basis shall constitute a jurisdictional bar to challenging the adverse determination, except that, for good cause shown, the court may extend the deadline for instituting the action.

g. The public officer shall promptly remove any property from the abandoned property list that has been determined not to be abandoned on appeal.

C.55:19-56 Sale of tax lien on abandoned property; remediation costs.

37. a. Notwithstanding R.S.54:5-19 or the provisions of any other law to the contrary, if a property is included on the abandoned property list and the property taxes or other municipal liens due on the property are delinquent six or more quarters as of the date of expiration of the right to appeal inclusion on the list, or, if an appeal has been filed, as of the date that all opportunities for appeal of inclusion on the list have been exhausted, then the tax lien on the property may be sold in accordance with the procedures in the "tax sale law," R.S.54:5-1 et seq., on or after the 90th day following the expiration of that time of appeal or final determination on an appeal, as appropriate. The purchaser of a tax sale certificate sold pursuant to this subsection, unless it is the municipality or the authority or its subsidiaries, shall be required to post bond to guarantee the rehabilitation of the property in accordance with the requirements for an owner to remove the property from the abandoned property list pursuant to section 36 of P.L.1996, c.62 (C.55:19-55). The cost of the bond posted by the purchaser of the tax sale certificate shall be added to the amount required to be paid by the owner for redemption of the property. The municipality may, at its

option, require that the sale of the tax sale certificate or any subsequent assignment or transfer of a tax sale certificate held by the municipality be subject to the express condition that the purchaser or assignee shall be obliged to perform and conclude any rehabilitation or repairs necessary to remove the property from the abandoned property list pursuant to section 36 of P.L.1996, c.62 (C.55:19-55) and to post a bond in favor of the municipality to guarantee the rehabilitation or repair of the property. The cost of rehabilitation and repairs and the cost of the bond shall be added to the amount required to be paid by the owner for redemption of the property. The purchaser, assignee or transferee of the tax sale certificate who is required to rehabilitate and repair the property shall be required to file the appropriate affidavits with the tax collector, pursuant to R.S.54:5-62, representing the amounts of moneys expended periodically toward the rehabilitation or repair of the property. A purchaser, assignee or transferee shall be entitled to interest on the amounts expended, as set forth in the affidavits, at the delinquent rate of interest for delinquencies in excess of $1,500 pursuant to R.S.54:4-67 of the municipality in effect for the time period when the amounts were expended. The tax sale certificate purchaser, assignee or transferee, under the auspices and with the authority of the municipality, shall be permitted to enter in and upon the property for the purposes of appraising the costs of rehabilitation and repair and to perform all other acts required to guarantee the completion of the rehabilitation or repair of the property. No rehabilitation or repair work shall be commenced, however, until proof of adequate liability insurance and an indemnification agreement holding the municipality harmless is filed with the public officer. If the tax sale certificate is not purchased at the initial auction of the tax sale certificate and the municipality purchases the certificate pursuant to R.S.54:5-34, then the municipality is authorized and empowered to convey and transfer to the authority or any of its subsidiaries, without receiving compensation therefor, all of its right, title and interest in that certificate; however, any portion of the amount paid to the tax collector to redeem the tax sale certificate that represents tax or other municipal lien delinquencies and subsequent municipal liens, including interest, shall be returned by the tax collector to the municipality.

b. (1) If the municipality or the authority or its subsidiaries acquires the tax sale certificate for a property on the abandoned property list, then, upon 10 days' written notice to the property owner and any mortgagee as of the date of the filing of the lis pendens notice under subsection d. of section 36 of P.L.1996, c.62 (C.55:19-55), that entity shall be permitted to enter upon the property and remediate any

conditions that caused the property to be included on the abandoned property list. No remediation shall be commenced, however, if within that 10-day period the owner or mortgagee shall have notified the municipality or authority or its subsidiary, as appropriate, in writing that the owner or mortgagee has elected to perform the remediation itself. When the owner or mortgagee elects to perform the remediation itself, it shall be required to post bond in favor of the municipality or authority or its subsidiaries, as appropriate, in order to ensure performance. The amount and conditions of the bond shall be determined by the public officer.

(2) The cost of remediation incurred by the municipality or the authority or its subsidiaries pursuant to this subsection, as so certified by the entity incurring the cost upon completion of the remediation, shall constitute a lien upon the property first in time and right to any other lien, whether the other lien was filed prior to, or after the filing of any lien by the municipality or the authority, except for municipal taxes, liens and assessments and any lien imposed pursuant to the "Spill Compensation and Control Act," P.L.1976, c.141 (C.58:10-23.11 et seq.), together with any interest thereon. The certification of cost shall be filed and recorded as a lien by the entity incurring the cost with the county clerk or register of deeds and mortgages, as appropriate, in the county in which the property is located.

c. (1) Failure of an owner or lienholder to remove a property from the abandoned property list within 60 days after expiration of the period of time for appeal of inclusion of the property on the list pursuant to subsection e. of section 36 of P.L.1996, c.62 (C.55:19-55), shall be prima facie evidence of the intent of the owner to continue to maintain the property as abandoned property.

(2) The clearance, development, redevelopment, or repair of property being maintained as an abandoned property pursuant to paragraph (1) of this subsection shall be a public purpose and public use for which the power of eminent domain may be exercised.

C.55:19-57 Removal of property from list of abandoned properties; remediation.

38. a. An owner may remove a property from the list of abandoned properties prior to sale of the tax sale certificate by paying all taxes and municipal liens due, including interest and penalties and:

(1) by posting cash or a bond equal to the cost of remediating all conditions because of which the property has been determined to be abandoned pursuant to section 36 of P.L.1996, c.62 (C.55:19-55) and posting cash or a bond to cover the cost of any environmental cleanup required on the property, evidenced by a certification by a licensed

engineer retained by the owner and reviewed and approved by the public officer stating that the cash or bond adequately covers the cost of the cleanup; or

(2) by demonstrating to the satisfaction of the public officer that the conditions rendering the property abandoned have been remediated in full; provided, however, that where the public officer finds that the owner is actively engaged in remediating the conditions because of which the property was determined to be abandoned pursuant to section 36 of P.L.1996, c.62 (C.55:19-55), as evidenced by significant rehabilitation activity on the property, the public officer may grant an extension of time of not more than 120 days for the owner to complete all work, during which time no further proceedings will be taken against the owner or the property.

b. If the owner has posted cash or a bond in order to have a property removed from the abandoned property list and the conditions because of which the property was determined to be abandoned have not been fully remediated within one year of the date of posting the cash or bond, or, in the case of a property which requires a remediation of any known, suspected or threatened release of contaminants, if the owner has failed to enter into a memorandum of agreement with the Department of Environmental Protection or an administrative consent order, as the case may be, or if an agreement or order is in effect but the owner has failed to perform the remediation in conformance with the agreement or order, then the cash or bond shall be forfeited to the municipality which shall use the cash or bond and any interest which has accrued thereon for the purpose of demolishing or rehabilitating the property or performing the environmental remediation. Any funds remaining after the property has been demolished, rehabilitated or cleaned up shall be returned to the owner.

C.55:19-58 Action to foreclose right of redemption.

39. a. When a person other than the municipality or the authority or its subsidiaries acquires a tax sale certificate for a property on the abandoned property list at tax sale, the purchaser may institute an action to foreclose the right of redemption at any time after the expiration of six months following the date of the sale of the tax sale certificate.

b. Notwithstanding section 6 of P.L.1948, c.96 (C.54:5-104.34), when the municipality is the purchaser at tax sale of any property on the abandoned property list pursuant to R.S.54:5-34, or when the authority or any of its subsidiaries acquires the tax sale certificate pursuant to

subsection a. of section 37 of P.L.1996, c.62 (C.55:19-56), an action to foreclose the right of redemption may be instituted in accordance with the provisions of subsection b. of R.S.54:5-77.

c. After the foreclosure action is instituted, the right to redeem shall exist and continue to exist until barred by the judgment of the Superior Court; provided, however, that no redemption shall be permitted except where the owner:

(1) posts cash or a bond equal to the cost of remediating the conditions because of which the property was determined to be abandoned pursuant to section 36 of P.L.1996, c.62 (C.55:19-55), as determined by the court; or

(2) demonstrates to the court that the conditions because of which the property was determined to be abandoned pursuant to section 36 of P.L.1996, c.62 (C.55:19-55) have been remedied in full.

C.55:19-59 Final judgment barring right of redemption; grounds for reopening.

40. Once a final judgment barring the right of redemption with respect to a property on the list of abandoned properties has been recorded, no court shall reopen such judgment at any time except on the grounds of lack of jurisdiction or fraud in the conduct of the action; in any such proceeding, the provisions of P.L.1996, c.62 (C.55:19-20 et al.) shall be construed liberally in favor of the purchaser, assignee or transferee of the tax sale certificate.

41. R.S.54:5-86 is amended to read as follows:

Action by municipality to foreclose right of redemption.

54:5-86. When the municipality is the purchaser of a tax sale certificate, the municipality, or its assignee or transferee, may, at any time after the expiration of the term of six months from the date of sale, institute an action to foreclose the right of redemption. Except as provided in subsection a. of section 39 of P.L.1996, c.62 (C.55:19-58), for all other persons that do not acquire a tax sale certificate from a municipality, an action to foreclose the right of redemption may be instituted at any time after the expiration of the term of two years from the date of sale of the tax sale certificate. On instituting the action the right to redeem shall exist and continue until barred by the judgment of the Superior Court.

42. Section 30 of P.L.1971, c.361 (C.20:3-30) is amended to read as follows:

C.20:3-30 Determination date of just compensation.

30. Just compensation shall be determined as of the date of the earliest of the following events: (a) the date possession of the property being condemned is taken by the condemnor in whole or in part; (b) the date of the commencement of the action; (c) the date on which action is taken by the condemnor which substantially affects the use and enjoyment of the property by the condemnee; or (d) the date of the declaration of blight by the governing body upon a report by a planning board pursuant to section 38 of P.L.1971, c.361 (C.20:3-38), or, in the case of a property being maintained as an abandoned property for failure to remove the property from the abandoned property list, as provided pursuant to subsection c. of section 37 of P.L.1996, c.62 (C.55:19-56), if there was no declaration of blight, as of the date of expiration of the condemnee's right to appeal inclusion of the property on the abandoned property list.

43. R.S.54:5-112 is amended to read as follows:

Private sale of real estate acquired for delinquent taxes, assessments by municipality.

54:5-112. When a municipality has or shall have acquired title to real estate by reason of its having been struck off and sold to the municipality at a sale for delinquent taxes or assessments, the governing body thereof may, by resolution adopted by a majority thereof by roll call, sell such real estate at private sale to such person and for such sums, not less than the amount of municipal liens charged against the same, except as provided in subsection a. of section 38 of P.L.1996, c.62 (C.55:19-57), as shall seem to be to the best interest of the municipality. Upon the adoption of the resolution and the payment of the consideration as stated therein, the officers of the governing body authorized by resolution shall make, execute, acknowledge and deliver a deed without covenants to the purchaser, which deed shall vest in the purchaser all of the right, title and interest of the municipality in the real estate therein described. The deed need not contain any recitals, except a statement of the actual consideration. Such sales shall not include real estate, title to which has been perfected by the municipality.

44. R.S.54:5-113 is amended to read as follows:

Private sale of certificate of tax sale by municipality.

54:5-113. When a municipality has or shall have acquired title to real estate by reason of its having been struck off and sold to the municipality at a sale for delinquent taxes and assessments, the

governing body thereof may by resolution authorize a private sale of the certificate of tax sale therefor, together with subsequent liens thereon, for not less than the amount of liens charged against such real estate, except as provided in section 2 of P.L.1993, c.113 (C.54:5-113.1) and subsection a. of section 38 of P.L.1996, c.62 (C.55:19-57). The sale shall be made by assignment executed by such officers as may be designated in the resolution. When the total amount of the municipal liens shall, at the time of the proposed sale or assignment, exceed the assessed value of the real estate as of the date of the last sale thereof for unpaid taxes and assessments, the certificates, together with subsequent liens thereon, may be sold and assigned for a sum not less than such assessed value.

C.55:19-60 Urban Coordinating Council.

45. a. There is established in, but not of, the Department of Community Affairs an Urban Coordinating Council.

b. The Urban Coordinating Council shall be comprised of the Governor, the chief officer of each department of the executive branch, and the executive directors of the New Jersey Redevelopment Authority, the New Jersey Economic Development Authority, the Casino Reinvestment Development Authority, the State Planning Commission, the New Jersey Housing and Mortgage Finance Agency, the Juvenile Justice Commission and the Commission on Higher Education. The council shall be chaired by the Governor. Members of the council may be represented on the council by their designees.

C.55:19-61 Duties of Urban Coordinating Council.

46. The Urban Coordinating Council shall:

a. Ensure that State agencies coordinate responses and provide assistance to projects and programs outlined in neighborhood empowerment plans developed pursuant to section 49 of P.L.1996, c.62 (C.55:19-64), and projects and programs established by the New Jersey Redevelopment Authority, the New Jersey Economic Development Authority, and development initiatives proposed by municipal and county governments, including making available the resources of the departments of the State in implementing those programs;

b. Supervise and control the Office of Neighborhood Empowerment created pursuant to section 48 of P.L.1996, c.62 (C.55:19-63);

c. Make available the resources of its member agencies to assist local sponsors in implementing neighborhood empowerment plans;

d. Form interagency teams of State representatives. The membership of each interagency team shall be determined by the needs outlined in the neighborhood empowerment plan. Each interagency team shall

serve as the primary link between the neighborhood and State government in responding to programming needs, shall be co-chaired by a case manager from the Office of Neighborhood Empowerment established pursuant to section 48 of P.L.1996, c.62 (C.55:19-63); and by the community director, and shall include at least one representative of the council;

e. Have authority to adopt, amend and repeal rules relating to the exercise by the council and the Office of Neighborhood Empowerment established pursuant to section 48 of P.L.1996, c.62 (C.55:19-63), of their respective functions and duties pursuant to this act;

f. Publish an annual report on the status of redevelopment activity which shall describe the progress toward achieving the goals of this act; and

g. Assist in coordinating the activities of the New Jersey Redevelopment Authority, municipalities, counties, public or private county and municipal development agencies, district management corporations created pursuant to section 4 of P.L.1972, c.134 (C.40:56-68), and community action boards established pursuant to section 4 of P.L.1991, c.51 (C.52:27D-398) that have developed neighborhood empowerment plans pursuant to section 49 of P.L.1996, c.62 (C.55:19-64) or comprehensive community development plans.

C.55:19-62 Office of Neighborhood Empowerment.

47. a. There is established in, but not of, the Department of Community Affairs an Office of Neighborhood Empowerment.

b. The Governor shall appoint an executive director of the Office of Neighborhood Empowerment who shall serve at the pleasure of the Governor. The executive director shall report solely to the Urban Coordinating Council, which shall supervise and control the office.

c. The executive director of the Office of Neighborhood Empowerment may hire employees as may be required to carry out the purposes of this section, and to fix and pay their compensation from funds available, all without regard to the provisions of Title 11A, Civil Service, of the New Jersey Statutes.

C.55:19-63 Duties of Office of Neighborhood Empowerment.

48. The Office of Neighborhood Empowerment shall:

a. Provide support for a community director who shall assist local sponsors in developing or implementing neighborhood empowerment plans;

b. Provide case management services to qualified local sponsors of neighborhood empowerment plans;

c. Assist neighborhoods in developing and implementing neighborhood empowerment plans;

d. Ensure that communities receive technical assistance in neighborhood planning;

e. Train and provide administrative support for interagency teams;

f. Assist local sponsors in evaluating progress through mutually agreed upon measures;

g. Provide assistance in obtaining private sector support for developing and implementing neighborhood empowerment plans;

h. Maintain and make available a complete inventory of State programs, services and funding that are available to municipalities; and

i. Enter into partnerships with qualified local sponsors.

C.55:19-64 Development of neighborhood empowerment plan.

49. a. In order to qualify to receive the services of the Office of Neighborhood Empowerment and of an interagency team, a community must first have developed a neighborhood empowerment plan which shall be submitted to the Urban Coordinating Council established pursuant to section 45 of P.L.1996, c.62 (C.55:19-60). A neighborhood empowerment plan shall incorporate and address the needs of the neighborhood as identified by the community. It shall be comprehensive and shall take into consideration and show the relationship to the municipal master plan, other locally adopted plans (including, but not limited to urban enterprise zone plans, redevelopment plans and neighborhood social service plans), and the State Development and Redevelopment Plan, and shall outline how residents, municipal government, the private sector and neighborhood organizations will cooperate with the State and with each other during implementation. Neighborhood empowerment plans shall focus on neighborhood restoration. They may include, but need not be limited to, projects for infrastructure improvement and expansion, rehabilitation and construction of affordable housing, increased public safety, facility rehabilitation and construction, economic development, recreation and open space, environmental cleanup, employment and training, improvement of educational opportunities for youth, and efficient and humane provision of social services dedicated to strengthening the community's human capital.

b. Neighborhood empowerment plans shall be developed by local sponsors with the guidance of a community director and under the direction of, and with the participation of, residents, community-based organizations, the private sector, and the municipal government. A local sponsor may be a municipality, county, public or private county

and municipal development agency, district management corporation created pursuant to section 4 of P.L.1972, c.134 (C.40:56-68), community action board established pursuant to section 4 of P.L.1991, c.51 (C.52:27D-398), sponsors of neighborhood empowerment organizations, or an institution, such as a hospital, college or university, or a community-based organization.

The entity that will implement the neighborhood empowerment plan shall be either a new or existing community development organization or a consortium of existing community-based organizations.

C.55:19-65 Distribution of eligibility guidelines for participation in neighborhood empowerment program.

50 Within one year of the effective date of P.L.1996, c.62 (C.55:19-20 et al.), the Urban Coordinating Council established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), shall distribute to the clerk of each qualified municipality eligibility guidelines for participation in the neighborhood empowerment program. The eligibility guidelines for participation in the neighborhood empowerment program shall be established by the Urban Coordinating Council established pursuant to section 46 of P.L.1996, c.62 (C.55:19-61) in consultation and in conjunction with the New Jersey Redevelopment Authority.

C.55:19-66 Preference accorded to certain neighborhood empowerment plans.

51. In designating qualified municipalities for participation in the neighborhood empowerment program, the Urban Coordinating Council in consultation and in conjunction with the authority shall accord preference to neighborhood empowerment plans which:

a. have the greatest potential for success in stimulating primarily new economic activity in the area;

b. are designed to address the greatest degree of urban distress, as measured by existing levels of unemployment and poverty;

c. demonstrate the most substantial and reliable commitments of resources by empowerment neighborhood businesses, associations, voluntary community organizations and other private entities to the successful redevelopment of the empowerment neighborhood;

d. demonstrate the most substantial effort and commitment by the municipality to encourage economic activity in the area and to remove disincentives for job creation compatible with the fiscal condition of the municipality; and

e. demonstrate most convincingly how the proposed plan will increase jobs for neighborhood residents and ratables in the neighborhood, thereby lessening the need for municipal tax increases.

C.55:19-67 Additional considerations in evaluating neighborhood empowerment plan.

52. In addition to the considerations set forth in section 51 of P.L.1996, c.62 (C.55:19-66), the Urban Coordinating Council in consultation and in conjunction with the authority in evaluating a neighborhood empowerment plan for designation purposes shall consider:

a. the likelihood of attracting other State or federal assistance or both to projects in the designated area;

b. the adverse or beneficial effects of an empowerment neighborhood located at the proposed area upon economic development activities or projects of State or other public agencies which are in operation or are approved for operation in the qualified municipality;

c. the degree of commitment made by public and private entities to utilize minority contractors and assure equal opportunities for employment in connection with any construction or reconstruction to be undertaken in the eligible area;

d. the impact of the plan upon the social, educational, natural and historic environment of the proposed empowerment neighborhood; and

e. the degree to which the implementation of the plan involves the relocation of residents from the proposed empowerment neighborhood and the adequacy of commitments and provisions with respect thereto.

C.55:19-68 Review of applications by Urban Coordinating Council, authority.

53. Upon receipt of an application from a qualified municipality, the Urban Coordinating Council in consultation and in conjunction with the authority shall review the application to determine whether or not it meets the eligibility guidelines established pursuant to section 50 of P.L.1996, c.62 (C.55:19-65). The Urban Coordinating Council shall complete its review within 90 days of receiving an application, but may extend this time period by an additional 60 days if necessary.

C.55:19-69 Public hearings on applications; determination.

54. a. Once the Urban Coordinating Council in consultation and in conjunction with the authority has identified those qualified municipalities whose neighborhood empowerment plans fulfill the criteria for designation set forth in sections 51 and 52 of P.L.1996, c.62 (C.55:19-66 and C.55:19-67), the Urban Coordinating Council may, at its discretion, hold public hearings for the purpose of receiving public comments on the applications. In the event that a hearing is to be conducted, at least one public hearing shall be held in a municipality which has applied for empowerment neighborhood designation. The Urban Coordinating Council shall give at least 30 days' public notice of each hearing in advertisements in at least two newspapers which

circulate in the area served by the hearing and at least 30 days' notice to the governing body and planning board of each county and municipality in the area served by the hearing.

b. Taking full account of the testimony presented at the public hearings, the Urban Coordinating Council in consultation and in conjunction with the authority shall make a determination regarding the designation of empowerment neighborhoods within 30 days of the final hearing.

c. The Urban Coordinating Council in consultation and in conjunction with the authority shall designate as many empowerment neighborhoods as possible given available financial resources and the ability of the Urban Coordinating Council to oversee project implementation. The application process for each application cycle, including the public hearings, shall occur as set forth in this section.

C.55:19-70 Eligibility for investments from New Jersey Redevelopment Investment Fund.

55. a. Any municipality in which an empowerment neighborhood has been designated shall be eligible for investments by the authority from the New Jersey Redevelopment Investment Fund in infrastructure improvements and any other projects which the authority may choose to invest in.

b. State programs shall give consideration to projects included in neighborhood empowerment plans developed pursuant to section 49 of P.L.1996, c.62 (C.55:19-64), or community development plans, as far as practicable.

56. Section 8 of P.L.1976, c.141 (C.58:10-23.11g) is amended to read as follows:

C.58:10-23.11g Liability for cleanup and removal costs.

8. a. The fund shall be strictly liable, without regard to fault, for all cleanup and removal costs and for all direct and indirect damages no matter by whom sustained, including but not limited to:

(1) The cost of restoring, repairing, or replacing any real or personal property damaged or destroyed by a discharge, any income lost from the time such property is damaged to the time such property is restored, repaired or replaced, and any reduction in value of such property caused by such discharge by comparison with its value prior thereto;

(2) The cost of restoration and replacement, where possible, of any natural resource damaged or destroyed by a discharge;

(3) Loss of income or impairment of earning capacity due to damage to real or personal property, including natural resources

destroyed or damaged by a discharge; provided that such loss or impairment exceeds 10% of the amount which claimant derives, based upon income or business records, exclusive of other sources of income, from activities related to the particular real or personal property or natural resources damaged or destroyed by such discharge during the week, month or year for which the claim is filed;

(4) Loss of tax revenue by the State or local governments for a period of one year due to damage to real or personal property proximately resulting from a discharge;

(5) Interest on loans obtained or other obligations incurred by a claimant for the purpose of ameliorating the adverse effects of a discharge pending the payment of a claim in full as provided by this act.

b. The damages which may be recovered by the fund, without regard to fault, subject to the defenses enumerated in subsection d. of this section against the owner or operator of a major facility or vessel, shall not exceed $50,000,000.00 for each major facility or $150.00 per gross ton for each vessel, except that such maximum limitation shall not apply and the owner or operator shall be liable, jointly and severally, for the full amount of such damages if it can be shown that such discharge was the result of (1) gross negligence or willful misconduct, within the knowledge and privity of the owner, operator or person in charge, or (2) a gross or willful violation of applicable safety, construction or operating standards or regulations. Damages which may be recovered from, or by, any other person shall be limited to those authorized by common or statutory law.

c. (1) Any person who has discharged a hazardous substance, or is in any way responsible for any hazardous substance, shall be strictly liable, jointly and severally, without regard to fault, for all cleanup and removal costs no matter by whom incurred. Such person shall also be strictly liable, jointly and severally, without regard to fault, for all cleanup and removal costs incurred by the department or a local unit pursuant to subsection b. of section 7 of P.L.1976, c.141 (C.58:10-23.11f).

(2) In addition to the persons liable pursuant to paragraph (1) of this subsection, in the case of a discharge of a hazardous substance from a vessel into the waters of the State, the owner or operator of a refinery, storage, transfer, or pipeline facility to which the vessel was en route to deliver the hazardous substance who, by contract, agreement, or otherwise, was scheduled to assume ownership of the discharged hazardous substance, and any other person who was so scheduled to assume ownership of the discharged hazardous substance, shall be strictly liable, jointly and severally, without regard to fault, for all

cleanup and removal costs if the owner or operator of the vessel did not have the evidence of financial responsibility required pursuant to section 2 of P.L.1991, c.58 (C.58:10-23.11g2).

Where a person is liable for cleanup and removal costs as provided in this paragraph, any expenditures made by the administrator for that cleanup and removal shall constitute a debt of that person to the fund. The debt shall constitute a lien on all property owned by that person when a notice of lien identifying the nature of the discharge and the amount of the cleanup, removal and related costs expended from the fund is duly filed with the clerk of the Superior Court. The clerk shall promptly enter upon the civil judgment or order docket the name and address of the liable person and the amount of the lien as set forth in the notice of lien. Upon entry by the clerk, the lien, to the amount committed by the administrator for cleanup and removal, shall attach to the revenues and all real and personal property of the liable person, whether or not that person is insolvent.

For the purpose of determining priority of this lien over all other claims or liens which are or have been filed against the property of an owner or operator of a refinery, storage, transfer, or pipeline facility, the lien on the facility to which the discharged hazardous substance was en route shall have priority over all other claims or liens which are or have been filed against the property. The notice of lien filed pursuant to this paragraph which affects any property of a person liable pursuant to this paragraph other than the property of an owner or operator of a refinery, storage, transfer, or pipeline facility to which the discharged hazardous substance was en route, shall have priority from the day of the filing of the notice of the lien over all claims and liens filed against the property, but shall not affect any valid lien, right, or interest in the property filed in accordance with established procedure prior to the filing of a notice of lien pursuant to this paragraph.

To the extent that a person liable pursuant to this paragraph is not otherwise liable pursuant to paragraph (1) of this subsection, or under any other provision of law or under common law, that person may bring an action for indemnification for costs paid pursuant to this paragraph against any other person who is strictly liable pursuant to paragraph (1) of this subsection.

Nothing in this paragraph shall be construed to extend or negate the right of any person to bring an action for contribution that may exist under P.L.1976, c.141, or any other act or under common law.

d. (1) In addition to those defenses provided in this subsection, an act or omission caused solely by war, sabotage, or God, or a combination thereof, shall be the only defenses which may be raised by any

owner or operator of a major facility or vessel responsible for a discharge in any action arising under the provisions of this act.

(2) A person, including an owner or operator of a major facility, who owns real property acquired after the effective date of P.L.1993, c.139 (C.13:1K-9.6 et al.), on which there has been a discharge, shall be considered a person in any way responsible for the discharged hazardous substance pursuant to subsection c. of this section, unless that person can establish by a preponderance of the evidence that all of the following apply:

(a) the person acquired the real property after the discharge of that hazardous substance at the real property;

(b) (i) at the time the person acquired the real property, the person did not know and had no reason to know that any hazardous substance had been discharged at the real property, or (ii) the person acquired the real property by devise or succession, except that any other funds or property received by that person from the deceased real property owner who discharged a hazardous substance or was in any way responsible for a hazardous substance, shall be made available to satisfy the requirements of P.L.1976, c.141;

(c) the person did not discharge the hazardous substance and is not in any way responsible for the hazardous substance; and

(d) the person gave notice of the discharge to the department upon actual discovery of that discharge.

To establish that a person had no reason to know that any hazardous substance had been discharged for the purposes of this paragraph (2), the person must have undertaken, at the time of acquisition, all appropriate inquiry into the previous ownership and uses of the property. For the purposes of this paragraph (2), all appropriate inquiry shall mean the performance of a preliminary assessment, and site investigation (if the preliminary assessment indicates that a site investigation is necessary), as defined in section 23 of P.L.1993, c.139 (C.58:10B-1), and performed in accordance with rules and regulations promulgated by the department defining these terms.

Nothing in this paragraph (2) shall be construed to alter liability of any person who acquired real property prior to the effective date of P.L.1993, c.139 (C.13:1K-9.6 et al.).

(3) Notwithstanding the provisions of paragraph (2) of this subsection to the contrary, if a person who owns real property obtains actual knowledge of a discharge of a hazardous substance at the real property during the period of that person's ownership and subsequently transfers ownership of the property to another person without disclosing that knowledge, the transferor shall be strictly liable for the cleanup

and removal costs of the discharge and no defense under this subsection shall be available to that person.

(4) Any federal, State, or local governmental entity which acquires ownership of real property through bankruptcy, tax delinquency, abandonment, escheat, eminent domain, condemnation or any circumstance in which the government involuntarily acquires title by virtue of its function as sovereign, shall not be liable for the cleanup and removal costs of any discharge which occurred or began prior to that ownership. This paragraph shall not apply to any federal, State or local governmental entity which has caused or contributed to the discharge of a hazardous substance.

e. (1) If the Department of Environmental Protection issues a no further action letter or approves a remedial action workplan after the effective date of P.L.1996, c.62 (C.55:19-20 et al.) for a site at which a discharge occurred prior to or after the effective date of P.L.1996, c.62 (C.55:19-20 et al.), then any person who is not otherwise liable for any discharge at the site which occurred prior to the department's approval of the no further action letter or remedial action workplan shall not be liable for the discharge based solely on that person becoming an owner or operator of the site of the discharge after the discharge has occurred. For the purposes of this paragraph, a site shall constitute the real property defined in the remedial action workplan or, if no remedial action workplan is required, the no further action letter. The provisions of this paragraph shall only apply when the site is located in a qualified municipality as defined pursuant to section 3 of P.L.1996, c.62 (C.55:19-22) and there is continued compliance with all of the conditions of the no further action letter, the remedial action workplan and all applicable engineering and institutional controls.

(2) The fund established pursuant to the "Spill Compensation and Control Act," P.L.1976, c.141 (C.58:10-23.11 et seq.), shall not be liable for any damages incurred by any person who is relieved from liability pursuant to this subsection.

C.55:19-71 Review of documents, remedial action workplans.

57. a. Where a person who is performing a remediation on real property located in a qualified municipality, as defined by section 3 of P.L.1996, c.62 (C.55:19-22) and who has entered into a memorandum of agreement with the department, subsequently submits to the department documents relating to the remediation of that property, the department shall:

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(1) review those documents in a timely fashion and provide approval, disapproval or conditional approval, as required by section 58 of P.L.1996, c.62 (C.55:19-72), and

(2) provide in writing to that person a document detailing the basis for any disapproval or conditional approval.

b. Where a person who is performing a remediation on real property located in a qualified municipality, as defined by section 3 of P.L.1996, c.62 (C.55:19-22) and who has entered into a memorandum of agreement with the department, subsequently submits to the department a remedial action workplan which proposes innovative technologies, the department shall:

(1) review the remedial action workplan in a timely fashion and provide approval, disapproval or conditional approval, as required by section 58 of P.L.1996, c.62 (C.55:19-72), and

(2) provide in writing to that person a document detailing the basis for any disapproval or conditional approval.

C.55:19-72 Urban Site Remediation Coordinator.

58. a. The Commissioner of Environmental Protection shall appoint an Urban Site Remediation Coordinator. The coordinator shall be responsible for the oversight and approval of site remediations conducted in areas designated as empowerment neighborhoods pursuant to sections 45 to 55 of P.L.1996, c.62 (C.55:19-60 to C.55:19-70). The Commissioner of Environmental Protection shall vest in the coordinator sufficient authority to properly manage the timely approval of site remediation activities in empowerment neighborhoods. The coordinator shall report directly to the commissioner. The coordinator shall meet regularly with the commissioner to ensure the proper and efficient coordination of these projects.

b. Upon the submittal of the administratively and technically complete and accurate results of a phase of a remediation required to be submitted that requires the department's review and approval in order to comply with the applicable laws and regulations concerning a site remediation conducted in an area designated as an empowerment neighborhood, the department shall review and approve, approve with conditions, or disapprove the submission or other documents within the following time frames:

(1) preliminary assessment - 15 days;

(2) site investigation - 15 days;

(3) remedial investigation workplan - 30 days;

(4) remedial investigation report - 60 days;

(5) remedial action workplan - 90 days;

(6) remedial action progress reports - 30 days;
(7) remedial action final report - 45 days.

C.55:19-73 Allocation of loans, loan guarantees.

59. Beginning in the calendar year following the effective date of this act, the New Jersey Economic Development Authority shall allocate no less than 12-1/2 percent of the aggregate amount of loans and loan guarantees made by the New Jersey Economic Development Authority in any fiscal year to projects consistent with the provisions of "The New Jersey Economic Development Authority Act," P.L.1974, c.80 (C.34:1B-1 et seq.) and that are located in municipalities designated as qualified municipalities pursuant to section 3 of P.L.1996, c.62 (C.55:19-22).

C.55:19-74 Funding of projects through issuance of tax exempt bonds.

60. The New Jersey Redevelopment Authority shall fund such projects as may be practicable in any municipality eligible for designation as an empowerment zone or enterprise zone under federal law through the issuance of tax exempt bonds as provided in section 1394 of P.L.103-66; 107 Stat. 548, which bonds shall also be exempt from any tax levied pursuant to Title 54 of the Revised Statutes or Title 54A of the New Jersey Statutes.

C.55:19-75 Application for funding from "Water Supply Bond Act of 1981."

61. The authority may apply for funding from the "Water Supply Bond Act of 1981," P.L.1981, c.261. Consideration shall be given to funding such projects as may be practicable in a qualified municipality as defined pursuant to section 3 of P.L.1996, c.62 (C.55:19-22) or in an empowerment zone or enterprise community as designated under federal law, so long as those projects are consistent with the purposes of P.L.1981, c.261.

C.55:19-76 Application for funding from P.L.1992, c.88 and P.L.1995, c.204.

62. The authority may apply for funding from the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88 and the "Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995," P.L.1995, c.204. Consideration shall be given to funding such projects as may be practicable in a qualified municipality as defined pursuant to section 3 of P.L.1996, c.62 (C.55:19-22) or in an empowerment zone or enterprise community as designated under federal law, so long as those projects are consistent with the purposes of P.L.1992, c.88 or P.L.1995, c.204, as the case may be.

C.55:19-77 Application for funding from "1992 New Jersey Employment and Workforce Development Act."

63. The authority may apply for funding from the "1992 New Jersey Employment and Workforce Development Act," P.L.1992, c.43. Consideration shall be given to funding such projects as may be practicable in a qualified municipality as defined pursuant to section 3 of P.L.1996, c.62 (C.55:19-22) or in an empowerment zone or enterprise community as designated under federal law, so long as those projects are consistent with the purposes of P.L.1992, c.43.

64. Section 27 of P.L.1993, c.139 (C.58:10B-5) is amended to read as follows:

C.58:10B-5 Financial assistance from remediation fund.

27. a. (1) Financial assistance from the remediation fund, made to persons other than municipal governmental entities, the New Jersey Redevelopment Authority, or to persons who voluntarily undertake a remediation, may only be rendered to persons who cannot establish a remediation funding source for the full amount of a remediation. Financial assistance pursuant to this act may be rendered only for that amount of the cost of a remediation for which the person cannot establish a remediation funding source.

(2) Financial assistance rendered to persons who voluntarily undertake a remediation may only be made for that amount of the cost of the remediation that the person cannot otherwise fund by any of the authorized methods to establish a remediation funding source.

b. Financial assistance may be rendered from the remediation fund to (1) owners or operators of industrial establishments who are required to perform remediation activities pursuant to P.L.1983, c.330 (C.13:1K-6 et al.), upon closing operations or prior to the transfer of ownership or operations of an industrial establishment, (2) persons who have discharged a hazardous substance or who are in any way responsible for a hazardous substance pursuant to P.L.1976, c.141 (C.58:10-23.11 et seq.), and (3) persons who voluntarily undertake the remediation of a discharge of a hazardous substance or hazardous waste and who have not been ordered or directed to perform the remediation by the department or by a court.

c. Financial assistance and grants may be made from the remediation fund to municipal governmental entities that own or hold a tax sale certificate on real property on which there has been a discharge or on which there is a suspected discharge of a hazardous substance or hazardous waste or the New Jersey Redevelopment Authority established pursuant to P.L.1996, c.62 (C.55:19-20 et al.) for

any such real property upon which the New Jersey Redevelopment Authority owns or holds the tax sale certificate.

d. Grants may be made from the remediation fund to persons, including the New Jersey Redevelopment Authority, other than other governmental entities who own real property on which there has been a discharge of a hazardous substance or a hazardous waste and that person qualifies for an innocent party grant pursuant to section 28 of P.L.1993, c.139 (C.58:10B-6).

For the purposes of this section, "person" shall include the New Jersey Redevelopment Authority established pursuant to P.L.1996, c.62 (C.55:19-20 et al.).

65. Section 28 of P.L.1993, c.139 (C.58:10B-6) is amended to read as follows:

C.58:10B-6 Financial assistance and grants from the fund; allocations.

28. a. Except for moneys deposited in the remediation fund for specific purposes, financial assistance and grants from the remediation fund shall be rendered for the following purposes and, on an annual basis, obligated in the percentages as provided in this subsection. Upon a written joint determination by the authority and the department that it is in the public interest, financial assistance and grants dedicated for the purposes and in the percentages set forth in paragraph (1), (2), or (3) of this subsection, may, for any particular year, be obligated to other purposes set forth in this subsection. The written determination shall be sent to the Senate Environment Committee, and the Assembly Agriculture and Waste Management Committee, or their successors. For the purposes of this section, "person" shall include the New Jersey Redevelopment Authority established pursuant to P.L.1996, c.62 (C.55:19-20 et al.).

(1) At least 15% of the moneys shall be allocated for financial assistance to persons, including the New Jersey Redevelopment Authority, other than other governmental entities, for remediation of real property located in a qualifying municipality as defined in section 1 of P.L.1978, c.14 (C.52:27D-178);

(2) At least 10% of the moneys shall be allocated for financial assistance and grants to municipal governmental entities that hold a tax sale certificate on real property or have acquired through foreclosure or other similar means real property on which there has been or on which there is suspected of being a discharge of hazardous substances or hazardous wastes or the New Jersey Redevelopment Authority established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), for any such

real property upon which the New Jersey Redevelopment Authority owns or holds the tax sale certificate. Grants shall be used for performing preliminary assessments, site investigations, and remedial investigations on property acquired by a municipal governmental entity or the New Jersey Redevelopment Authority, as the case may be, or on which the municipality or the New Jersey Redevelopment Authority owns or holds a tax sale certificate, in order to determine the existence or extent of any hazardous substance or hazardous waste contamination on those properties. A municipal governmental entity that has performed a preliminary assessment, site investigation and remedial investigation on property or the New Jersey Redevelopment Authority, in any case where the New Jersey Redevelopment Authority has performed the preliminary assessment, site investigation, and remedial investigation may obtain a loan for the purpose of continuing the remediation on those properties it owns as necessary to comply with the applicable remediation standards adopted by the department;

(3) At least 15% of the moneys shall be allocated for financial assistance to persons, including the New Jersey Redevelopment Authority, or municipal governmental entities for remediation activities at sites that have been contaminated by a discharge of a hazardous substance or hazardous waste, or at which there is an imminent and significant threat of a discharge of a hazardous substance or hazardous waste, and the discharge or threatened discharge poses or would pose an imminent and significant threat to a drinking water source, to human health, or to a sensitive or significant ecological area;

(4) At least 10% of the moneys shall be allocated for financial assistance to persons, other than municipal governmental entities, who voluntarily undertake the remediation of a hazardous substance or hazardous waste discharge, and who have not been ordered to undertake the remediation by the department or by a court;

(5) At least 20% of the moneys shall be allocated for financial assistance to persons, other than municipal governmental entities, who are required to perform remediation activities at an industrial establishment pursuant to P.L.1983, c.330 (C.13:1K-6 et al.), as a condition of the closure, transfer, or termination of operations at that industrial establishment;

(6) At least 20% of the moneys shall be allocated for grants to persons, other than municipal governmental entities, who own real property on which there has been a discharge of a hazardous substance or a hazardous waste and that person qualifies for an innocent party grant. A person qualifies for an innocent party grant if that person acquired the property prior to December 31, 1983, except as provided

hereunder, the hazardous substance or hazardous waste that was discharged at the property was not used by the person at that site, and that person certifies that he did not discharge any hazardous substance or hazardous waste at an area where a discharge is discovered; provided, however, that if the person is the New Jersey Redevelopment Authority established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), the authority shall qualify for an innocent party grant pursuant to this paragraph where the immediate predecessor in title to the authority qualified for but failed to receive such grant. A grant authorized pursuant to this paragraph may be for up to 50% of the remediation costs at the area of concern for which the person qualifies for an innocent party grant, except that no grant awarded pursuant to this paragraph to any person including the New Jersey Redevelopment Authority may exceed $1,000,000;

(7) At least 5% of the moneys shall be allocated for loans to persons, other than municipal governmental entities, who own and plan to remediate an environmental opportunity zone for which an exemption from real property taxes has been granted pursuant to section 5 of P.L.1995, c.413 (C.54:4-3.154); and

(8) Five percent of the moneys in the remediation fund shall be allocated for financial assistance or grants for any of the purposes enumerated in paragraphs (1) through (7) of this subsection, except that where moneys in the fund are insufficient to fund all the applications in any calendar year that would otherwise qualify for financial assistance or a grant pursuant to this paragraph, the authority shall give priority to financial assistance applications that meet the criteria enumerated in paragraph (3) of this subsection.

b. Loans issued from the remediation fund shall be for a term not to exceed ten years, except that upon the transfer of ownership of any real property for which the loan was made, the unpaid balance of the loan shall become immediately payable in full. Loans to municipal governmental entities and the New Jersey Redevelopment Authority established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), shall bear an interest rate equal to 2 points below the Federal Discount Rate at the time of approval or at the time of loan closing, whichever is lower, except that the rate shall be no lower than 3 percent. All other loans shall bear an interest rate equal to the Federal Discount Rate at the time of approval or at the time of the loan closing, whichever is lower, except that the rate on such loans shall be no lower than five percent. Financial assistance and grants may be issued for up to 100% of the estimated applicable remediation cost, except that the cumulative maximum amount of financial assistance which may be issued to a

person other than a governmental entity, including the New Jersey Redevelopment Authority, in any calendar year, for one or more properties, shall be $1,000,000. Financial assistance and grants to any one municipal governmental entity, including the New Jersey Redevelopment Authority, may not exceed $2,000,000 in any calendar year. Repayments of principal and interest on the loans issued from the remediation fund shall be paid to the authority and shall be deposited into the remediation fund.

c. No person, other than a municipal governmental entity, the New Jersey Redevelopment Authority or a person engaging in a voluntary remediation, shall be eligible for financial assistance from the remediation fund to the extent that person is capable of establishing a remediation funding source for the remediation as required pursuant to section 25 of P.L.1993, c.139 (C.58:10B-3).

d. The authority may use a sum that represents up to 2% of the moneys issued as financial assistance or grants from the remediation fund each year for administrative expenses incurred in connection with the operation of the fund and the issuance of financial assistance and grants.

e. Prior to March 1 of each year, the authority shall submit to the Senate Environment Committee and the Assembly Agriculture and Waste Management Committee, or their successors, a report detailing the amount of money that was available for financial assistance and grants from the remediation fund for the previous calendar year, the amount of money estimated to be available for financial assistance and grants for the current calendar year, the amount of financial assistance and grants issued for the previous calendar year and the category for which each financial assistance and grant was rendered, and any suggestions for legislative action the authority deems advisable to further the legislative intent to facilitate remediation and promote the redevelopment and use of existing industrial sites.

66. Section 29 of P.L.1993, c.139 (C.58:10B-7) is amended to read as follows:

C.58:10B-7 Awarding of financial assistance, grants, priorities.

29. a. A qualified applicant for financial assistance or a grant from the remediation fund shall be awarded financial assistance or a grant by the authority upon the availability of sufficient moneys in the remediation fund for the purpose of the financial assistance or grant. Priority for awarding financial assistance and grants from the remediation fund shall be based upon the date of receipt by the

authority of a complete application from the applicant. If an application is determined to be incomplete by the authority, an applicant shall have 30 days from receipt of written notice of incompleteness to file any additional information as may be required by the authority for a completed application. If an applicant fails to file the additional information within those 30 days, the filing date for that application shall be the date that the additional information is received by the authority. An application shall be deemed complete when all the information required by the authority has been received in the required form. Notwithstanding that the New Jersey Redevelopment Authority is eligible for grants and financial assistance from the fund, the authority shall be awarded a grant or financial assistance based upon the priority system for such awards as provided in this subsection.

b. Within 90 days, for a private entity, or 180 days for a municipal governmental entity or the New Jersey Redevelopment Authority, of notice of approval of a financial assistance or grant application, an applicant shall submit to the authority an executed contract for the remediation activities for which the financial assistance or grant application was made. The contract shall be consistent with the terms and conditions for which the financial assistance or grant was rendered. Failure to submit an executed contract within the time provided, without good cause, shall constitute grounds for the alteration of an applicant's priority ranking for the awarding of financial assistance or a grant.

Repealer.

67. The following is hereby repealed: P.L.1984, c.172 (C.52:27D-250 et seq.).

68. There is appropriated to the New Jersey Redevelopment Authority from the General Fund $9,000,000 to effectuate the purposes of this act. There is appropriated to the Office of Neighborhood Empowerment established pursuant to section 47 of P.L.1996, c.62 (C.55:19-62) from the General Fund $1,000,000 to effectuate the purposes of this act.

69. This act shall take effect on the 60th day following enactment, except that section 4 shall take effect immediately.

Approved July 12, 1996.

CHAPTER 63

AN ACT concerning certain false emergency calls and amending N.J.S.2C:33-3 and P.L.1989, c.3.

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

1. N.J.S.2C:33-3 is amended to read as follows:

False public alarms.

2C:33-3. False Public Alarms. a. Except as provided in subsection b. or c., a person is guilty of a crime of the fourth degree if he initiates or circulates a report or warning of an impending fire, explosion, bombing, crime, catastrophe or emergency knowing that the report or warning is false or baseless and that it is likely to cause evacuation of a building, place of assembly, or facility of public transport, or to cause public inconveniences or alarm. A person is guilty of a crime of the fourth degree if he knowingly causes such false alarm to be transmitted to or within any organization, official or volunteer, for dealing with emergencies involving danger to life or property.

b. A person is guilty of a crime of the third degree if in addition to the report or warning initiated, circulated or transmitted under subsection a., he places or causes to be placed any false or facsimile bomb in a building, place of assembly, or facility of public transport or in a place likely to cause public inconvenience or alarm.

c. A person is guilty of a crime of the third degree if a violation of subsection a. of this section in fact results in serious bodily injury to another person. A person is guilty of a crime of the second degree if a violation of subsection a. of this section in fact results in death.

d. For the purposes of this section, "in fact" means that strict liability is imposed.

e. A person is guilty of a disorderly persons offense if the person knowingly places a call to a 9-1-1 emergency telephone system without purpose of reporting the need for 9-1-1 service.

2. Section 10 of P.L.1989, c.3 (C.52:17C-10) is amended to read as follows:

C.52:17C-10 Forwarding subscriber information.

10. a. Whenever possible and practicable, telephone companies shall forward to jurisdictional public safety answering points via enhanced 9-1-1 network features, the telephone number and street

address of any telephone used to place a 9-1-1 call. Subscriber information provided in accordance with this section shall be used only for the purpose of responding to emergency calls or for the investigation of false or intentionally misleading reports of incidents requiring emergency service.

b. No telephone company, person providing commercial mobile radio service as defined in 47 U.S.C. §332(d), public safety answering point, agents of, or manufacturer supplying equipment to a telephone company or PSAP, shall be liable to any person who uses the enhanced 9-1-1 service established under this act for release of the information specified in this section, including non-published telephone numbers, or for failure of any equipment or procedure in connection with the enhanced 9-1-1 service or for any act or the omission of any act committed while in the training for or in rendering PSAP services in good faith and in accordance with this act.

3. This act shall take effect immediately.

Approved July 12, 1996.

CHAPTER 64

AN ACT concerning animal cruelty and amending R.S.4:22-17, R.S.4:22-18, and R.S.4:22-19.

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

1. R.S.4:22-17 is amended to read as follows:

Cruelty; disorderly persons offense.

4:22-17. A person who shall:

a. Overdrive, overload, drive when overloaded, overwork, torture, torment, deprive of necessary sustenance, unnecessarily or cruelly beat or otherwise abuse, or needlessly mutilate or kill, a living animal or creature;

b. Cause or procure any of such acts to be done; or

c. Inflict unnecessary cruelty upon a living animal or creature of which he has charge either as owner or otherwise, or unnecessarily fail to provide it with proper food, drink, shelter or protection from the weather--

Shall be guilty of a disorderly persons offense, and notwithstanding the provisions of N.J.S.2C:43-3 to the contrary, for every such offense shall be fined not less than $250 nor more than $1,000, or be imprisoned for a term of not more than six months, or both, in the discretion of the court. In

addition, the court (1) shall impose a term of community service of up to 30 days, and may direct that the term of community service be served in providing assistance to the New Jersey Society for the Prevention of Cruelty to Animals, a district (county) society for the prevention of cruelty to animals, or any other recognized organization concerned with the prevention of cruelty to animals or the humane treatment and care of animals, or to a municipality's animal control or animal population control program; (2) may require the violator to pay restitution or otherwise reimburse any costs for food, drink, shelter, or veterinary care or treatment, or other costs, incurred by any agency, entity, or organization investigating the violation, including but not limited to the New Jersey Society for the Prevention of Cruelty to Animals, a district (county) society for the prevention of cruelty to animals, any other recognized organization concerned with the prevention of cruelty to animals or the humane treatment and care of animals, or a local or State governmental entity; and (3) may impose any other appropriate penalties established for a disorderly persons offense pursuant to Title 2C of the New Jersey Statutes.

2. R.S.4:22-18 is amended to read as follows:

Carrying animal in cruel, inhumane manner; disorderly persons offense

4:22-18. A person who shall carry, or cause to be carried, a living animal or creature in or upon a vehicle or otherwise, in a cruel or inhumane manner, shall be guilty of a disorderly persons offense and punished as provided in R.S.4:22-17.

3. R.S.4:22-19 is amended to read as follows:

Failure to care for, destruction of impounded animals; penalties; collection.

4:22-19. A person who shall:

a. Impound or confine, or cause to be impounded or confined, in a pound or other place, a living animal or creature, and shall fail to supply it during such confinement with a sufficient quantity of good and wholesome food and water; or

b. Destroy or cause to be destroyed any such animal by hypoxia induced by decompression or in any other manner, by the administration of a lethal gas other than an inhalant anesthetic, or in any other manner except by a method of euthanasia generally accepted by the veterinary medical profession as being reliable, appropriate to the type of animal upon which it is to be employed, and capable of producing loss of consciousness and death as rapidly and painlessly as possible for such animal shall, in the case of a violation of subsection a., be guilty of a disorderly persons offense and shall be punished as provided in R.S.4:22-17; or, in the case of a violation

of subsection b., be subject to a penalty of $25.00 for the first offense and $50.00 for each subsequent offense. Each animal destroyed in violation of subsection b. shall constitute a separate offense. The penalty 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.

This section shall apply to kennels, pet shops, shelters and pounds as defined and licensed pursuant to P.L.1941, c.151 (C.4:19-15.1 et seq.); to pounds and places of confinement owned and operated by municipalities, counties or regional governmental authorities; and to every contractual warden or impounding service, any provision to the contrary in this title notwithstanding.

4. This act shall take effect immediately.

Approved July 12, 1996.

CHAPTER 65

AN ACT concerning attorney fees and supplementing Title 44 of the Revised Statutes.

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

C.44:8-110.1 Disbursement of funds for legal services for successful appeals.

1. The Division of Family Development in the Department of Human Services shall disburse funds from the Payments to Municipalities for Cost of General Assistance Fund for fees to an attorney or a legal entity providing legal services who represents a recipient of public assistance pursuant to P.L.1947, c.156 (C.44:8-107 et seq.) in an appeal of a claim for federal Supplemental Security Income benefits pursuant to the federal Social Security Act, Pub.L.92-603 (42 U.S.C.§1381 et seq.), if the appeal is decided in favor of the recipient. The fees to the attorney or legal entity providing legal services shall be a fixed amount set by the rules and regulations promulgated by the Commissioner of Human Services.

The disbursement shall not be made unless a petition and a copy of the favorable decision is submitted by the attorney or by the legal entity providing legal services to the Division of Family Development within 60 days of the date of receipt of the favorable appeal decision. The disbursement of the fees to the attorney or to the legal entity providing legal services

shall be made within 30 days of the date of the submission by the attorney of the required information.

C.44:8-110.2 Reduction of amount of Payments to Municipalities for Cost of General Assistance funds.

2. The Division of Family Development shall reduce the amount of Payments to Municipalities for Cost of General Assistance funds otherwise obliged to be paid to the municipal welfare department as reimbursement for the public assistance provided while the Supplemental Security Income claim was appealed by the fixed fee amount disbursed to the attorney or to the legal entity representing the recipient of public assistance from that municipal welfare department.

C.44:8-110.3 Rules, regulations.

3. The Commissioner of the Department of Human Services shall promulgate rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to effectuate the purposes of this act.

4. This act shall take effect on the 60th day following enactment.

Approved July 12, 1996.

CHAPTER 66

AN ACT concerning prescriptions for hypodermic needles or syringes and amending P.L.1980, c.133.

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

1. Section 6 of P.L.1980, c.133 (C.24:21-51) is amended to read as follows:

C.24:21-51 Prescription for hypodermic syringe, needle; requirements.

6. a. No person shall sell, furnish, or give to any person or persons other than a duly licensed physician, dentist, veterinarian, undertaker, nurse, podiatrist, registered pharmacist, or a hospital, sanitarium, clinical laboratory or any other medical institution, or a State or governmental agency, or a regular dealer in medical, dental or surgical supplies, or a resident physician or intern of a hospital, sanitarium or other medical institution, an instrument commonly known as a hypodermic syringe, hypodermic needle or any

instrument adapted for the use of controlled dangerous substances as defined in P.L.1970, c.226 (C.24:21-1 et seq.) by subcutaneous injections without a prescription of a duly licensed physician, dentist or veterinarian. Such prescription shall contain the name and address of the patient, the description of the instrument prescribed and the number of instruments prescribed.

b. Every person who disposes of, or sells, or furnishes, or gives away a hypodermic syringe or a hypodermic needle or an instrument adapted for the use of controlled dangerous substances by subcutaneous injections, upon the prescription of a duly licensed physician, dentist, or veterinarian, shall record the date of the sale or furnishing of the instrument. This prescription shall be retained on file for a period of two years and shall be open to inspection by any public officer or employee engaged in the enforcement of this section. A prescription filed in accordance with this section shall be sufficient authority, without the necessity of a renewal or reissuance, to permit subsequent sales or the furnishing of hypodermic syringes or hypodermic needles or instruments adapted for the use of controlled dangerous substances by subcutaneous injections to the person to whom the prescription was issued, for a period of one year from the date of its original issuance.

c. It shall be unlawful for any person or persons, except a duly licensed physician, dentist, veterinarian, nurse, podiatrist, hospital, sanitarium or other medical institution, or a resident physician or intern of a hospital, sanitarium or other medical institution, to have under control or possess a hypodermic syringe, hypodermic needle or any other instrument adapted for the use of controlled dangerous substances by subcutaneous injections with intent to use such syringe, needle or instrument for such purpose, unless such possession be obtained upon a valid prescription form, and such use be authorized or directed by a duly licensed physician or veterinarian. For the purposes of this subsection, no such prescription shall be valid which has been outstanding for more than one year.

d. Any person who violates this section is guilty of a disorderly persons offense.

2. This act shall take effect immediately.

Approved July 12, 1996.

CHAPTER 67

AN ACT concerning the State medical examiner and amending R.S.26:8-52.

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

1. R.S.26:8-52 is amended to read as follows:

Correcting death certificates, procedure.

26:8-52. Corrections to death certificates shall be signed by the physician, registered professional nurse, county medical examiner, State Medical Examiner, funeral director or informant, whose name appears upon the certificate; however, any individual having personal knowledge and substantiating documentary proof of the matters sought to be corrected may apply under oath to the county medical examiner or the State Medical Examiner in a case in which the certificate was signed by the State Medical Examiner, to have the certificate corrected. The authority to sign corrections or amendments to causes or duration of causes of death is restricted to the physician, State Medical Examiner or county medical examiner. Upon denial of an application for correction or amendment of a death certificate, a person who has applied to a county medical examiner may apply to the State Medical Examiner, who shall exercise discretion to review the matter and amend the certificate or to defer to the decision of the county medical examiner. The decision of the county medical examiner shall be deemed the final decision by a public officer in the matter unless the State Medical Examiner amends or corrects the death certificate.

2. This act shall take effect immediately.

Approved July 12, 1996.

CHAPTER 68

AN ACT concerning the Task Force on New Jersey History and amending P.L.1994, c.146.

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

1. Section 7 of P.L.1994, c.146 is amended to read as follows:

7. The task force shall report its findings and conclusions and any recommendations for legislation or administrative action to the Governor

and the Legislature within 18 months after the date of its first meeting , whereupon the task force shall dissolve.

2. This act shall take effect immediately.

Approved July 12, 1996.

CHAPTER 69

AN ACT concerning surplus lines insurers, amending P.L.1952, c.330 and P.L.1987, c.293, amending and supplementing P.L.1960, c.32, and repealing section 17 of P.L.1960, c. 32.

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

1. Section 7 of P.L.1960, c.32 (C.17:22-6.41) is amended to read as follows:

C.17:22-6.41 Definitions relative to surplus lines insurers.

7. As used in this surplus lines law:

(a) "Surplus lines agent" means an individual licensed as an insurance producer with surplus lines authority as provided in P.L.1987, c.293 (C.17:22A-1 et seq.) to handle the placement of insurance coverages on behalf of unauthorized insurers.

(b) "Surplus lines insurer" means an unauthorized insurer in which an insurance coverage is placed or may be placed under this surplus lines law.

(c) To "export" means to place in an unauthorized insurer under this surplus lines law, insurance covering a subject of insurance resident, located, or to be performed in New Jersey.

(d) "Commissioner" means the Commissioner of Insurance of the State of New Jersey.

(e) "Certificate of insurance" means permanent evidence of insurance on a form approved by the commissioner and issued by a surplus lines agent who has filed evidence of his binding authority with the commissioner on behalf of an alien insurer. When issued other than on behalf of an alien insurer, an initial certificate of insurance will be treated as temporary evidence of insurance, pending the issuance of a policy. "Certificate of insurance" also means evidence of a renewal of that insurance provided: (1) there is no change in the terms or amounts of coverage; (2) the coverage is still eligible for export; and (3) the insured may request the issuance of a new policy.

(f) "Cover note," "binder" or "confirmation of insurance," means temporary evidence of insurance, to be replaced by a policy or certificate of insurance.

2. Section 8 of P.L.1960, c.32 (C.17:22-6.42) is amended to read as follows:

C.17:22-6.42 Procurement of surplus line coverages; conditions.

8. If certain insurance coverages of subjects resident, located, or to be performed in this State cannot be procured from authorized insurers, such coverages, hereinafter designated "surplus lines," may be procured from unauthorized insurers, subject to the following conditions:

(a) The insurance must be eligible for export under section 9 of P.L.1960, c.32 (C.17:22-6.43);

(b) The insurer must be an eligible surplus lines insurer under section 11 of P.L.1960, c.32 (C.17:22-6.45);

(c) The insurance must be so placed through a licensed New Jersey surplus lines agent whose office and records are maintained in New Jersey; and

(d) Other applicable provisions of this surplus lines law must be complied with.

(e) No surplus lines agent shall exercise binding authority in this State on behalf of any insurer unless the agent has first filed with the commissioner for informational purposes and not for the purpose of approval or disapproval the written agreement between the agent and the insurer setting forth the terms, conditions and limitations governing the exercise of the binding authority by the agent. A copy of any amendments to the agreement and of any notice of cancellation or termination of the agreement shall be filed by the agent with the commissioner no later than 10 days after adoption thereof.

The agreement filed pursuant to this section shall be considered and treated as a confidential document, and shall not be available for inspection by the public.

The agreement shall include the following items:

(1) A description of the classes of insurance for which the agent holds binding authority;

(2) The geographical limits upon the exercise of binding authority by the agent;

(3) The maximum dollar limitation on the binding authority of the agent for any one risk for each class of insurance written by the agent;

(4) The maximum policy period for which the agent may bind a risk;

(5) If the binding authority is delegable by the agent, a prohibition against the delegation without the prior written approval of the insurer.

If an agent who is qualified in accordance with this section to exercise binding authority on behalf of an insurer delegates the binding authority to any other agent, the agent to whom the authority is delegated shall not exercise the same until a copy of the instrument delegating the binding authority shall first have been filed with the commissioner for informational purposes and not for the purpose of approval or disapproval. The instrument delegating the binding authority shall include an identification of the binding authority agreement between the delegating agent and the insurer.

3. Section 9 of P.L.1960, c.32 (C.17:22-6.43) is amended to read as follows:

C.17:22-6.43 Eligibility for export of insurance coverage; conditions.

9. No insurance coverage shall be eligible for export unless it meets all of the following conditions:

(a) The insurance coverage required must not be procurable, after a diligent effort has been made to do so, from among the insurers authorized to transact that kind and class of insurance in this State, and the insurance coverage exported shall be only that coverage not so procurable from authorized insurers, provided, however, that associated commercial general liability and commercial property coverages may be exported along with such unprocurable coverage; and

(b) The premium rate at which the coverage is exported shall not be lower than the lowest rate which has been filed by or on behalf of any authorized insurer, provided, however, that any reduction in coverage or limits as compared to policies filed by authorized insurers may be exported at a commensurate reduction in premium rate; and

(c) The policy form or contract under which the insurance is written shall provide coverage under substantially the same terms and conditions as that provided in policy forms or contracts which are currently approved by the commissioner for use in the admitted market for the same line or lines of insurance. Notwithstanding the foregoing, the surplus lines agent may file with the commissioner a policy form or contract which modifies the coverage provided for in forms approved in the admitted market if the modification meets one of the following criteria: (1) the modification is reasonable giving consideration to past and prospective loss experience of the risk or risks to be insured and the modification facilitates the availability of coverage for such risk or risks which coverage would otherwise not be available at a reasonable cost; or (2) the modification renders the form unique and designed for use with respect to a particular subject of insurance.

At least 30 days before the effective date of any type of policy form or contract which deviates from the standard form, a surplus lines agent shall

file the policy form or contract with the commissioner, together with a statement which sets forth the manner in which the form deviates from the standard form or a previously filed form, in accordance with the criteria set forth in paragraph (1) or (2) of this subsection, and the reasons for the deviation. If, following the filing of the policy form or contract the commissioner finds that it does not meet the criteria set forth in this subsection, he may order that the policy form or contract be disapproved or withdrawn and that no such policy forms or contracts thereafter be issued or renewed.

Except, that the commissioner shall by rules and regulations declare eligible for export generally and notwithstanding the provisions of subsections (a), (b) and (c) above, any class or classes of insurance coverage or risk for which he finds, after a hearing, which he shall hold annually or more often, of which notice thereof was given to each insurer authorized to transact such class or classes in this State, that there is no reasonable or adequate market among authorized insurers. The notice of such hearing shall also identify any type of policy form or contract which deviates from the standard form approved in the admitted market that has been disapproved or withdrawn by the commissioner during the preceding year, and shall provide interested parties with the opportunity to present relevant information at the hearing for the commissioner's consideration. Any such rules and regulations shall continue in effect during the existence of the conditions upon which predicated, but subject to earlier termination by the commissioner. The commissioner shall notify all surplus lines agents of such termination.

4. Section 11 of P.L.1960, c.32 (C.17:22-6.45) is amended to read as follows:

C.17:22-6.45 Eligibility as surplus lines insurer.

11. No surplus lines agent shall place any coverage with any unauthorized insurer which is not then an eligible surplus lines insurer as provided for under this section. No unauthorized insurer shall be or become an eligible surplus lines insurer unless made eligible by the commissioner in accordance with the following conditions:

(a) Eligibility of the insurer must be requested in writing by a licensed surplus lines agent;

(b) The insurer must be currently an authorized insurer in the state or country of its domicile as to the kind or kinds of insurance proposed to be so placed, and must have been such an insurer for not less than one full year preceding; or must be the subsidiary of an admitted insurer or of an already

eligible surplus lines insurer that has been so admitted or eligible for a period of not less than one full year preceding;

(c) Before granting eligibility the requesting surplus lines agent or the insurer shall furnish the commissioner with duly authenticated copies of its current annual financial statement, one in the language and monetary values of the country of the insurer, and the other in the English language and with all monetary values therein expressed in United States dollars, at the current exchange rate shown in the statement, and with such additional information relative to the insurer as the commissioner may require;

(d) The insurer shall establish satisfactory evidence of financial integrity, and:

(1) Have capital and surplus, or its equivalent under the laws of its domiciliary jurisdiction, which is not less than twice the amount of minimum capital and surplus required for like admitted insurers or $15,000,000, whichever is greater; except that unauthorized insurers already eligible under this act shall have at least $10,000,000 by December 31, 1996; at least $12,500,000 by December 31, 1997; and $15,000,000 by December 31, 1998. In addition, an alien insurer shall maintain in the United States, as the sole security requirement to qualify for eligibility in this State, an irrevocable trust fund in a state or federally chartered bank in an amount not less than $2,500,000 for the protection of all of its policyholders in the United States; provided, however, that an alien insurer eligible for surplus lines may be required to deposit securities in New Jersey in an amount deemed appropriate by the commissioner as a condition of maintaining its eligibility status. The trust fund shall consist of cash, securities, letters of credit, or of investments of substantially the same character and quality as those which are eligible investments for the capital and statutory reserves of admitted insurers authorized to write like kinds of insurance in this State. The trust fund shall not be included in any calculation of capital and surplus or its equivalent and shall have an expiration date which at no time shall be less than five years. In lieu of the above capital and surplus requirements, and trust fund amount, any Lloyd's or other similar group of alien insurers, which group includes unincorporated individual insurers shall maintain a trust fund of not less than $50,000,000.00 as security to the full amount thereof for all policyholders and creditors in the United States of each member of the group, and the trust shall likewise comply with the terms and conditions hereinabove set forth. The credit for reinsurance requirements of sections 2 and 3 of P.L.1993, c.243 (C.17:51B-2 and 17:51B-3) shall not apply to an eligible alien surplus lines insurer that appears on the quarterly listing prepared by the International Insurers Department (IID) of the National Association of Insurance Commissioners and that provides the commissioner annually with a copy of such insurer's current Schedule R

filing and such other information concerning ceded reinsurance that the International Insurers Department or the commissioner may from time to time require. Any insurance exchange created by the laws of an individual state may be approved by the commissioner as an eligible insurer under the provisions of this section, and shall maintain capital and surplus, or the substantial equivalent thereof, of not less than $35,000,000.00 in the aggregate. For insurance exchanges which maintain funds in an amount acceptable to the commissioner for the protection of all insurance exchange policyholders, each individual syndicate, except those syndicates which have elected and qualify for S corporation status pursuant to subsection (a) of section 1362 of the federal Internal Revenue Code of 1986, 26 U.S.C.§1362, shall maintain minimum capital and surplus, or the substantial equivalent thereof, of not less than $2,000,000.00. Any syndicate which has elected and qualified for S corporation status pursuant to subsection (a) of section 1362 of the federal Internal Revenue Code of 1986, 26 U.S.C.§1362, need not maintain the minimum capital and surplus required under the provisions of this section and the failure of any such syndicate to meet these minimum requirements shall not render the exchange ineligible for approval under this section; except that so long as such syndicate fails to maintain the minimum capital and surplus required under the provisions of this section, such syndicate shall not transact the business of insurance in this State and shall not be approved by the commissioner as an eligible insurer under the provisions of this section. In the event the insurance exchange does not maintain funds in an amount acceptable to the commissioner for the protection of all insurance exchange policyholders, each individual syndicate shall have capital and surplus, or its equivalent under the laws of its domiciliary jurisdiction, which is not less than twice the amount of minimum capital and surplus required for like admitted insurers. No insurance exchange approved as an eligible insurer by the commissioner shall be a member of the New Jersey Surplus Lines Insurance Guaranty Fund created pursuant to P.L.1984, c.101 (C.17:22-6.70 et seq.) nor shall any claim against an exchange be deemed to be a covered claim pursuant to the provision of that act; and

(2) Have caused to be provided to the commissioner a copy of its current annual statement certified by the insurer, which, relative to the period reported upon, is no more than 18 months old, and which is either: (A) filed with and approved by the regulatory authority in the domicile of the unauthorized insurer; or (B) certified by an accounting or auditing firm licensed in the jurisdiction of the insurer's domicile. In the case of an insurance exchange, the statement may be an aggregate combined statement of all underwriting syndicates operating during the period reported upon;

(e) The condition or methods of operation of the insurer must not be such as would render its operation hazardous to the public or its policyholders in this State;

(f) The insurer must be of good reputation as to the providing of service to its policyholders and the payment of losses and claims;

(g) No insurer shall be eligible the management of which is found by the commissioner to be incompetent or untrustworthy, or so lacking in insurance company managerial experience as to make the proposed operation hazardous to the insurance-buying public; or which the commissioner has good reason to believe is affiliated directly or indirectly through ownership, control, reinsurance transactions or other insurance or business relations, with any person or persons whose business operations are or have been detrimental to policyholders, stockholders, investors, creditors or to the public;

(h) No insurer shall be eligible the voting control or ownership of which is held in whole or substantial part by any government or governmental agency, or which is operated for or by any such government or agency. Membership in a mutual insurer, or subscribership in a reciprocal insurer, or ownership of stock of an insurer by the alien property custodian or similar official of the United States, or supervision of an insurer by public insurance supervisory authority shall not be deemed to be an ownership, control, or operation of the insurer for the purposes of this subsection;

(i) The insurer shall constitute, by a duly executed instrument filed with the department, the commissioner and his successor in office its true and lawful attorney, upon whom all original process in any action or legal proceeding against it may be served, and therein agree that any original process against it which may be served upon the commissioner shall be of the same force and validity as if served on the insurer, and that the authority thereof shall continue in force irrevocable so long as any liability of the insurer remains outstanding in this State.

The commissioner shall annually publish a list of all currently eligible surplus lines insurers, and shall mail a copy thereof to each licensed surplus lines agent at his office last of record with the commissioner.

This section shall not be deemed to cast upon the commissioner any duty or responsibility to determine the actual financial condition or claims practices of any unauthorized insurer; and the status of eligibility, if granted by the commissioner, shall indicate only that the insurer appears to be sound financially and to have satisfactory claims practices, and that the commissioner has no credible evidence to the contrary.

Where it appears that any particular insurance risk which is eligible for export, but insurance coverage thereon, in whole or in part, is not procurable from the eligible surplus lines insurers, then the surplus lines agent may file

a supplemental affidavit stating such facts and advising the commissioner that such part of the risk as shall be unprocurable, as aforesaid, is being placed with named unauthorized insurers, in the amounts and percentages set forth in the affidavit. Such named unauthorized insurer shall, however, before accepting any risk in this State, deposit with the commissioner United States government bonds in an amount acceptable to the commissioner, which shall be held by said commissioner for the benefit of New Jersey policyholders only and the surplus lines agent shall procure from such unauthorized insurer and file with the commissioner a certified copy of its current annual statement of financial condition. If such deposit is made and the statement reveals, including both capital and surplus, net assets of at least $5,000,000 consisting of at least $1,500,000 liquid assets, then the surplus lines agent may proceed to consummate the contract of insurance. Whenever any insurance risk or any part thereof is placed with an unauthorized insurer, as provided herein, the policy, binder or cover note shall bear conspicuously on its face in boldface type the following notation:

"All or some of the insurers participating in this risk have not been admitted to transact business in the State of New Jersey, nor have they been approved as a surplus lines insurer by the insurance commissioner of this State. The placing of such insurance by a duly licensed surplus lines agent in this State shall not be construed as approval of such insurer by the insurance commissioner of the State of New Jersey. Such insurance is not covered by the New Jersey Property-Liability Insurance Guaranty Association or the New Jersey Surplus Lines Insurance Guaranty Fund." All other provisions of this Title, except the provisions of P.L.1984, c.101 (C.17:22-6.70 et seq.), shall apply to such placement the same as if such risks were placed with an eligible surplus lines insurer.

5. Section 13 of P.L.1960, c.32 (C.17:22-6.47) is amended to read as follows:

C.17:22-6.47 Submission of affidavit, certification to surplus lines agent.

13. Within 30 business days after the effectuation of any surplus lines insurance the originating broker shall submit to the surplus lines agent an affidavit or certification by the broker, on a form prescribed and furnished by the commissioner, as to efforts made to place the coverage with authorized insurers and the results thereof, except that no such affidavit or certification shall be required for those coverages, risks or classes of insurance declared eligible for export by the commissioner pursuant to section 9 of P.L.1960, c.32 (C.17:22-6.43). The affidavit or certification shall be maintained in the files of the broker and the surplus lines agent and

shall be available for inspection by the commissioner for a period of at least five years.

A broker who fails to submit the affidavit or certification to the surplus lines agent within the prescribed time is subject to the penalties provided under section 27 of P.L.1960, c.32 (C.17:22-6.61).

6. Section 23 of P.L.1960, c.32 (C.17:22-6.57) is amended to read as follows:

C.17:22-6.57 Record of surplus lines contract procured.

23. Each surplus lines agent shall keep in his office in this State a full and true record of each surplus lines contract procured by him, including a copy of the daily report, if any, and showing such of the following items as may be applicable:

(a) Amount of the insurance and perils insured against;
(b) Brief general description of property insured and where located;
(c) Gross premium charged;
(d) Return premium paid, if any;
(e) Rate of premium charged upon the several items of property;
(f) Effective date of the contract, and the terms thereof;
(g) Name and post-office address of the insured;
(h) Name and home office address of the insurer;
(i) Amount collected from the insured; and
(j) Other information as may be required by the commissioner.

The record shall at all times be open to examination by the commissioner without notice, and shall be so kept available and open to the commissioner for five years next following expiration or cancellation of the contract.

7. Section 24 of P.L.1960, c.32 (C.17:22-6.58) is amended to read as follows:

C.17:22-6.58 Verified report of surplus lines insurance transacted.

24. Each surplus lines agent shall within 45 calendar days after the end of each calendar quarter file with the commissioner a verified report in duplicate of all surplus lines insurance transacted by him during such calendar quarter.

The report shall be on forms as prescribed and furnished by the commissioner and shall show:

(a) Gross amount of each kind of insurance transacted;
(b) Aggregate gross premiums charged;
(c) Aggregate of returned premiums and taxes paid to insureds;
(d) Aggregate of net premiums; and
(e) Additional information as required by the commissioner.

8. Section 25 of P.L.1960, c.32 (C.17:22-6.59) is amended to read as follows:

C.17:22-6.59 Premium receipts tax for surplus lines coverages.

25. The premiums charged for surplus lines coverages are subject to a premium receipts tax of 3% of all gross premiums less any return premiums charged for such insurance. The surplus lines agent shall collect from the insured, either directly or through the originating broker, the amount of the tax, in addition to the full amount of the gross premium charged by the insurer for the insurance; provided, however, that the tax on any unearned portion of the premium shall be returned to the policyholder by the surplus lines agent. The surplus lines agent is prohibited from absorbing such tax, or, as an inducement for insurance or for any other reason, rebating all or any part of such tax or of his commission.

The surplus lines agent shall forward to the commissioner together with his quarterly report submitted pursuant to section 24 of P.L.1960, c.32 (C.17:22-6.58) a check in the amount of the premium receipts tax due for that period made out to "the State of New Jersey," except that where the policies cover fire insurance on property in any municipality or portion of a township, or fire district in this State, which now has or may hereafter have, a duly incorporated firemen's relief association, the premium receipts tax covering such insurance shall be paid to the treasurer of the association.

The tax imposed hereunder, if delinquent, shall be subject to the provisions of R.S.54:49-3 and R.S.54:49-4.

The check covering taxes paid under the provisions of this act shall be forwarded by the commissioner to the Director of the Division of Taxation and that portion of the premiums representing fire insurance shall be distributed by him in the amount now or hereafter provided by law as to taxes collected by him from fire insurance companies of other states and foreign countries. The commissioner shall ascertain and report to the Director of the Division of Taxation all facts necessary to enable the director to ascertain, fix and collect the amount of the tax to be paid by each licensee subject thereto under this act.

If a surplus lines policy covers risks or exposures only partially in this State, the tax payable shall be computed on the portion of the premium which is properly allocable to the risks or exposures located in this State.

This section does not apply as to insurance of or with respect to insurance of risks of the State Government or its agencies, or of any county or municipality or of any agency thereof.

9. Section 27 of P.L.1960, c.32 (C.17:22-6.61) is amended to read as follows:

C.17:22-6.61 Suspension, revocation, refusal to renew license of surplus lines agent.

27. The commissioner may suspend, revoke, or refuse to renew the license of a surplus lines agent and all other licenses and permits held by the licensee under this Title, upon any one or more of the following grounds:

(a) Removal of the licensee's office from the State;

(b) Removal of the accounts and records of his surplus lines business from this State during the period when such accounts and records are required to be maintained under section 23 of P.L.1960, c.32 (C.17:22-6.57);

(c) Closure of the licensee's office for a period of more than 30 consecutive days, unless granted permission by the commissioner upon showing circumstances warranting such closure for a longer period;

(d) Failure to make and file his quarterly reports when due as required by section 24 of P.L.1960, c.32 (C.17:22-6.58);

(e) Failure to pay the tax on surplus lines premiums, as provided for in this surplus lines law;

(f) Failure to maintain the bond as required by section 14 of P.L.1987, c.293 (C.17:22A-14);

(g) Suspension, revocation or refusal to renew any other license issued by the commissioner;

(h) Lack of qualifications as for an original surplus lines agent's license;

(i) Violation of any provision of this surplus lines law;

(j) For any other cause for which a license could be denied, revoked, suspended or renewal refused under section 17 of P.L.1987, c.293 (C.17:22A-17).

In addition to the foregoing penalties set forth in this section, any person, persons or corporation violating any of the provisions of this act shall be liable to a penalty not exceeding $2,500 for the first offense and not exceeding $5,000 for each succeeding offense to be recovered in a summary proceeding as provided in R.S.17:33-2.

10. Section 29 of P.L.1960, c.32 (C.17:22-6.63) is amended to read as follows:

C.17:22-6.63 Lawsuits against unauthorized insurer.

29. An unauthorized insurer which has not been made eligible as a surplus lines insurer by the commissioner in accordance with section 11 of P.L.1960, c.32 (C.17:22-6.45) may be sued upon any cause of action arising in this State under any surplus lines insurance contract issued by it or certificate, cover note or other confirmation of such insurance issued by the

surplus lines agent, pursuant to the same procedure as is provided in the Unauthorized Insurers' Process Act, P.L.1952, c.330 (C.17:51-1 et seq.).

Any such policy issued by the insurer, or any certificate of insurance issued by the surplus lines agent, shall contain a provision stating the substance of this section and designating the person to whom the commissioner shall mail process.

This section shall be cumulative to any other methods which may be provided by law for service of process upon the insurer.

11. Section 30 of P.L.1960, c.32 (C.17:22-6.64) is amended to read as follows:

C.17:22-6.64 Report of insurance through unauthorized foreign, alien insurer.

30. Every insured who in this State procures or causes to be procured or continues or renews insurance with an unauthorized foreign or alien insurer, or any insured or self-insurer who procures or continues excess loss, catastrophe or other insurance, upon a subject of insurance resident, located or to be performed within this State, other than insurance procured through a surplus lines agent pursuant to the surplus lines law of this State or exempted from tax under section 25 of P.L.1960, c.32 (C.17:22-6.59), shall within 30 days after the date such insurance was so procured, continued, or renewed, file a report of the same with the commissioner in writing and upon forms designated by the commissioner and furnished to such an insured upon request. The report shall show the name and address of the insured or insureds, name and address of the insurer, the subject of the insurance, a general description of the coverage, the amount of premium currently charged therefor, and such additional pertinent information as is reasonably requested by the commissioner.

Any insurance in an unauthorized insurer procured through negotiations or an application, in whole or in part occurring or made within or from within this State, or for which premiums in whole or in part are remitted directly or indirectly from within this State, shall be deemed to be insurance procured, or continued or renewed in this State within the intent of this section.

There is hereby levied upon the obligation, chose in action, or right represented by the premium charged for such insurance, a tax at the rate of 3% of the gross amount of such premium less any return premiums charged for such insurance. Within 30 days after the insurance was so procured, continued or renewed, and coincidentally with the filing with the commissioner of the report provided for in this section, the insured shall pay the amount of the tax to the commissioner, who, after reviewing the above report, shall turn over the amount of the tax to the Director of the Division

of Taxation along with a summary of the facts necessary to enable the director to ascertain and fix the proper amount of the tax.

If the insured fails to withhold from the premium the amount of tax herein levied, the insured shall be liable for the amount thereof and shall pay the same to the commissioner within the time specified in this section.

The tax imposed hereunder if delinquent shall be subject to the provisions of R.S.54:49-3 and R.S.54:49-4.

The tax shall be collectible from the insured by civil action brought by the commissioner.

The amount of taxes paid to the Director of the Division of Taxation under the provisions of this section on premiums for fire insurance shall be distributed by him in the manner now or hereafter provided by law as to taxes collected by him from fire insurance companies of other states and foreign countries.

This section does not abrogate or modify, and shall not be construed or deemed to abrogate or modify, any provision of section 3 of P.L.1960, c.32 (C.17:22-6.37), representing or aiding unauthorized insurer prohibited; section 4 of P.L.1960, c.32 (C.17:22-6.38), penalty for representing unauthorized insurer; or section 5 of P.L.1960, c.32 (C.17:22-6.39), suits by unauthorized insurers prohibited; or any other provision of this Title.

This section does not apply as to life or disability insurances.

12. Section 2 of P.L.1987, c.293 (C.17:22A-2) is amended to read as follows:

C.17:22A-2 Definitions relative to insurance producers licensing.

2. As used in this act:

a. "Applicant" means a person who has applied for, or who intends to apply for, a license in accordance with this act.

b. "Commissioner" means the Commissioner of Insurance.

c. "Days" means calendar days.

d. "Department" means the Department of Insurance.

e. "Insurance," "insurance policy" or "insurance contract" includes contracts or policies of life insurance, health insurance, annuities, indemnity, property and casualty, fidelity, surety, guaranty and title insurance.

f. "Insurance agent" means a person authorized, in writing, by any insurance company to act as its agent to solicit, negotiate or effect insurance contracts on its behalf or to collect insurance premiums and who may be authorized to countersign insurance policies on its behalf.

g. "Insurance broker" means a person who, for a commission, brokerage fee, or other consideration, acts or aids in any manner concerning negotiation, solicitation or effectuation of insurance contracts as the

representative of an insured or prospective insured; or a person who places insurance in an insurance company that he does not represent as an agent.

h. "Insurance consultant" means a person who, for a fee, commission or other consideration, acts or holds himself out to the public or any licensee as offering any advice, counsel, opinion or service with respect to the benefits, advantages or disadvantages under any insurance policy or contract that is or could be issued in this State, but shall not include bank trust officers, attorneys-at-law and certified public accountants who negotiate contracts on behalf of others or provide general financial counsel if no commission or brokerage fee is paid for those services.

i. "Insurance company" includes any company that underwrites or issues an insurance policy or contract including fraternal benefit societies as defined in P.L.1959, c.167 (C.17:44A-1 et seq.) and risk retention groups and purchasing groups as defined in 15 U.S.C.§3901.

j. "Insurance producer" means any person engaged in the business of an insurance agent, insurance broker or insurance consultant.

k. "License" means any license issued pursuant to the provisions of this act or any act which is superseded by this act.

l. "Licensee" means any person holding an insurance producer license issued pursuant to this act.

m. "Limited insurance representative" means a person who is authorized to solicit, negotiate or effect contracts for a particular line of insurance as an agent for an insurance company authorized to write that line in this State which by the nature of the line of business and the manner by which it is marketed to the public does not require the professional competency demanded for an insurance producer license.

n. "Organization" means any corporation, partnership or other legal entity.

o. "Person" means any individual, corporation, partnership or other legal entity.

p. "State, other than this State," includes any other state, the District of Columbia, the Commonwealth of Puerto Rico, any territory of the United States and the Provinces of Canada.

q. "Bona fide office" means a place where the insurance producer can be reached in person and by telephone during normal business hours, which is open to the public so as to provide reasonable access for the transaction of business. A bona fide office is more than a mail drop, a summer home that is unattended during a substantial portion of the year, or an answering service unrelated to a place where business is conducted.

C.17:22A-14.1 Surplus lines fees, certain; prohibited.

13. No surplus lines agent shall charge any fee to an originating broker in connection with the negotiation or procurement of any contract of surplus lines insurance that shall exceed $50 plus the actual costs incurred for any services performed by a firm or person that is not associated with the surplus lines agent, such as inspection services.

14. Section 3 of P.L.1952, c.330 (C.17:51-3) is amended to read as follows:

C.17:51-3 Inapplicability of act.

3. The provisions of this act shall not apply to any action or proceeding against any unauthorized insurer arising out of a contract of

(a) Reinsurance effectuated in accordance with the laws of New Jersey;

(b) Insurance placed with an unauthorized insurer made eligible for surplus lines by the commissioner pursuant to section 11 of P.L.1960, c.32 (C.17:22-6.45);

(c) Aircraft insurance;

(d) Insurance on property or operations of railroads engaged in interstate commerce;

(e) Insurance against legal liability arising out of the ownership, operation or maintenance of any property having a permanent situs outside of this State; or

(f) Insurance against loss of or damage to any property having a permanent situs outside this State; where such contract contains a provision designating the Commissioner of Insurance to be its true and lawful attorney upon whom may be served all lawful process in any action or proceeding instituted by or on behalf of an insured or beneficiary arising out of any such contract or where the insurer enters a general appearance in any such action or proceeding.

Repealer.

15. Section 17 of P.L.1960, c.32 (C.17:22-6.51) is repealed.

16. This act shall take effect immediately.

Approved July 12, 1996.

CHAPTER 70

AN ACT authorizing the creation of a debt of the State of New Jersey by issuance of bonds of the State in the aggregate principal amount of $300,000,000 to provide moneys for the construction of subaqueous

pits and a containment facility or facilities for the disposal of dredged material from the New Jersey/New York port region; for the costs of projects related to the decontamination of dredged material; for the dredging of the Kill Van Kull, the Arthur Kill, and other navigational channels located in the port region; for the dredging of navigational waterways not located in the port region; for the remediation of hazardous discharge sites and contaminated water supplies; for the restoration of lakes; and for the construction of economic development sites in the Delaware River and Bay Region; providing the ways and means to pay and discharge the principal and interest thereof; providing for the submission of this act to the people at a general election; and making an appropriation.

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 "Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration, and Delaware Bay Area Economic Development Bond Act of 1996."

2. The Legislature finds and declares that the sand, silt and mud, which naturally accumulate in the navigation channels and ship berths in the port area of northern New Jersey and New York City must be dredged on a regular basis to ensure the continued economic viability of the shipping and trade industry, which creates more than 200,000 direct and indirect jobs, provides more than $20 billion in regional economic benefits and generates salaries and wages in excess of $5 billion; that while the economic importance of dredging is significant, it must be recognized that dredged material is often contaminated with harmful and dangerous substances; that in order to enjoy the economic benefits provided by an accessible port, an economically viable and long-term solution to the problem of dredged material disposal must be found; and that it is therefore in the public interest to provide a funding mechanism to finance, in whole or in part, the construction of subaqueous pits and a containment facility or facilities to provide for the safe disposal of dredged materials, projects related to the decontamination of dredged material, and the dredging of the Kill Van Kull, the Arthur Kill and other navigational channels located in the port region.

The Legislature further finds and declares that the improper, irresponsible, and sometimes illegal discharge of hazardous substances presents a grave threat to the public health and safety and the environment; that the dangers posed by these discharges can be minimized only by prompt identification, cleanup and removal of these hazardous discharges; that

existing funding sources are not adequate to finance these remediation operations; and that it is therefore in the best interests of all citizens of this State to provide a funding mechanism to finance the prompt and efficient remediation of hazardous discharge sites.

The Legislature further finds and declares that navigational channels not located in the port region require dredging to accommodate the commercial fishing industry and recreational boating activities; that the viability of the fishing and tourism industries depends in large part upon the existence of navigable waterways; and that it is in the public interest to provide funding to finance the dredging operations necessary to ensure the continued viability of these important industries.

The Legislature further finds and declares that the lakes of the State are a precious natural resource threatened by nonpoint source pollution, soil erosion, eutrophication, flood damage, illegal solid waste disposal and littering, and uncontrolled vegetative growth; that lakes provide recreation, conservation, water supply, flood control, and other benefits important to the health, safety, and welfare of the citizens of New Jersey; and that in order to protect and preserve these water bodies, it is in the public interest for the State, local government, and private lake associations or similar organizations or persons in conjunction with local government to undertake lake restoration projects.

The Legislature further finds and declares that there are many potential economic development sites in need of financing that would provide jobs and prosperity to the Delaware River and Bay Region of the State; and that it is in the public interest to provide funding to finance the estimated costs of land purchase, building construction, equipment purchase and miscellaneous site improvements of these economic development sites.

3. As used in this act, unless the context indicates a different meaning or intent:

"Bonds" mean the bonds authorized to be issued, or issued, under this act;

"Commission" means the New Jersey Commission on Capital Budgeting and Planning;

"Commissioner" means the Commissioner of Environmental Protection;

"Construction" means, in addition to the usual meaning thereof, acts of construction, reconstruction, improvement, rehabilitation, relocation, demolition, renewal, repair, replacement, extension, betterment, improvement, protection, or consolidation or any combination thereof, of a project;

"Containment facility" means an upland or in-water confined disposal facility which shall consist of an artificially constructed island, a diked

extension of an existing island, or a diked extension attached to land, and which is used solely for the disposal of dredged materials;

"Cost" means the expenses incurred in connection with: the construction of a containment facility or facilities, and subaqueous pits for the disposal of dredged materials from the port region; the decontamination of dredged material; the dredging of the Kill Van Kull, the Arthur Kill and other navigation channels located in the port region; the initiation, continuation, or completion of the remediation of a hazardous discharge site; the acquisition by purchase, lease, or otherwise, and the construction of a water supply facility; the dredging of navigation channels not located in the port region; the restoration of lakes; the purchase of real property, equipment, and any building, construction and miscellaneous site improvements associated with an economic development site; the acquisition by purchase, lease, or otherwise, and the development of any real or personal property for use in connection with a project authorized by this act, including any rights or interests therein, the execution of any agreements and franchises deemed by the department to be necessary or useful and convenient in connection with any project authorized by this act; the procurement of engineering, inspection, planning, legal, financial, or other professional services, including the services of a bond registrar or an authenticating agent; the issuance of bonds, or any interest or discount thereon; the administrative, organizational, operating or other expenses incident to the financing, initiating, continuing, completing, and placing into service of any project authorized by this act, including the expense of salaries, supplies, equipment and materials; the establishment of a reserve fund or funds for working capital, operating, maintenance, or replacement expenses and for the payment or security of principal or interest on bonds, as the Director of the Division of Budget and Accounting in the Department of the Treasury may determine; and reimbursement to any fund of the State of moneys which may have been transferred or advanced therefrom to any fund created by this act, or any moneys which may have been expended therefrom for, or in connection with, any project authorized by this act;

"Decontamination" means a process by which contaminants are removed or reduced from dredged materials, or by which dredged materials are otherwise made acceptable for use;

"Delaware River and Bay Region" means all the State territory located within the "port district," as defined pursuant to section 1(6) of P.L.1951, c.288 (C.32:3-13.23);

"Department" means the Department of Environmental Protection;

"Discharge" means an intentional or unintentional action or omission resulting in the releasing, spilling, leaking, pumping, pouring, emitting,

emptying, or dumping of a hazardous substance onto the land or into the waters of the State;

"Dredge" or "dredging" means the removal of sand, silt, mud, and other materials from the bottom of a waterway in order to deepen navigation channels and ship berths;

"Dredged material" means material removed by dredging that is, in the determination of the federal Environmental Protection Agency, either unsuitable for ocean disposal or suitable for ocean disposal only with capping;

"Economic development site" means land, equipment, buildings, appurtenant infrastructure and miscellaneous site improvements designed to promote economic activity and new jobs in the Delaware River and Bay Region;

"Government securities" means any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America, including obligations of any federal agency, to the extent those obligations are unconditionally guaranteed by the United States of America, and any certificates or any other evidences of an ownership interest in those obligations of, or unconditionally guaranteed by, the United States of America or in specified portions which may consist of the principal of, or the interest on, those obligations;

"Hazardous discharge site" means any location at which hazardous substances have been, are suspected to have been, or potentially could be discharged, and shall include any area to which the hazardous substance contamination has migrated or may migrate;

"Hazardous substance" means any hazardous substance as defined pursuant to section 3 of P.L.1976, c.141 (C.58:10-23.11b), hazardous waste as defined pursuant to section 1 of P.L.1976, c.99 (C.13:1E-38), or pollutant as defined pursuant to section 3 of P.L.1977, c.74 (C.58:10A-3);

"Lake restoration" or "restoration of lakes" means the removal of sand, silt, mud, sediment, rocks, stumps, vegetation, algae blooms, or other materials from lakes, or the abatement and control of pollution of lakes caused by stormwater runoff, soil erosion, or other types of nonpoint source or point source pollution, to improve, for the purposes of recreation, conservation, water supply, or flood control, the use and overall quality of lake waters or the use or function of any park, natural area, fishing, boating, or swimming area or facility, dam, or flood control facility or structure associated with a lake;

"Local government unit" means a county or a municipality, or any agency, authority, board, commission, or other instrumentality thereof, any two or more counties or municipalities operating jointly through a joint

meeting or interlocal services agreement permitted by law, or any agency, authority, board, commission, or other instrumentality thereof, or any other local or regional entity created by the Legislature as a political subdivision of the State, or any agency, authority, board, commission, or other instrumentality thereof;

"Port region" means the geographic area created by Article II of the Compact of April 30, 1921, creating the bi-state agency, now known as the Port Authority of New York and New Jersey, and which is commonly referred to as the Port of New York District;

"Project" means any work relating to the construction of a containment facility or facilities and subaqueous pits for the disposal of dredged material from the port region; the decontamination of dredged material; the dredging of the Kill Van Kull, the Arthur Kill and other navigation channels located in the port region; the remediation of a hazardous discharge site; the construction of water supply facilities to replace potable water supplies contaminated by a discharge; the dredging of navigation channels not located in the port region; the restoration of lakes; or the purchase of real property, equipment, and any building, construction, and miscellaneous site improvements associated with an economic development site;

"Remedial action" means those actions taken at a hazardous discharge site, as may be required by the department, including the removal, treatment, containment, transportation, securing, or other engineering or treatment measures, including related operation and maintenance activities, whether of a permanent nature or otherwise, designed to ensure that any discharge at the hazardous discharge site is remediated in compliance with the applicable remediation standards, and the sealing or closure of wells and groundwater supplies contaminated by a discharge;

"Remediation" or "remediate" means all necessary actions to investigate and clean up any known, suspected, or threatened discharge of hazardous substances, including, as necessary, identifying areas of concern and determining the presence of hazardous substances, the collection and evaluation of data adequate to determine whether or not discharged hazardous substances exist, determining the nature and extent of any discharged hazardous substance and any problems presented by a discharge, and the performance of a remedial action;

"Subaqueous pit" means an excavated area within a water body used for the disposal of dredged material; and

"Water supply facilities" means the plants, structures, public or private wells, interconnections between existing water supply systems, machinery, equipment and other property, real, personal, and mixed, constructed or operated, or to be constructed or operated, for the purposes of augmenting the natural water resources of the State and making available a supply of

water for all uses, and any and all appurtenances necessary, useful or convenient for making available, collecting, impounding, storing, improving, treating and filtering, or transmitting water.

4. The commissioner shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations necessary to implement the provisions of this act. The commissioner shall review and consider the findings and recommendations of the commission in the administration of the provisions of this act.

5. Bonds of the State of New Jersey are authorized to be issued in the aggregate principal amount of $185,000,000 for the purposes of financing, in whole or in part, the cost of the construction of subaqueous pits and a containment facility or facilities for the disposal of dredged material from the port region, the cost of projects related to the decontamination of dredged material, and the cost of dredging the Kill Van Kull, the Arthur Kill and other navigation channels located in the port region, in accordance with all applicable State and federal laws, rules or regulations.

6. Bonds of the State of New Jersey are authorized to be issued in the aggregate principal amount of $70,000,000 for the purposes of paying or financing costs incurred by the State for the remediation of hazardous discharge sites and for the construction of water supply facilities to replace potable water supplies determined by the department to be contaminated or threatened by a discharge. No moneys authorized pursuant to this section may be expended on any administrative costs of the State or any of its departments, agencies, or authorities.

7. Bonds of the State of New Jersey are authorized to be issued in the aggregate principal amount of $20,000,000 for the purposes of financing the cost of dredging of navigation channels not located in the port region.

8. Bonds of the State of New Jersey are authorized to be issued in the aggregate principal amount of $20,000,000 for the purposes of financing the cost of the purchase of real property, equipment, and any building, construction, and miscellaneous site improvements associated with an economic development site.

9. Bonds of the State of New Jersey are authorized to be issued in the aggregate principal amount of $5,000,000 for the purposes of financing the cost of lake restoration projects.

a. The sum authorized pursuant to this section shall be used to: (1) provide grants to local government units to meet the cost, in whole or in

part, of lake restoration projects for lakes owned, leased, or managed by local government units; (2) provide loans to private lake associations or similar organizations or owners of private lakes, as co-applicants with local government units, to meet the cost, in whole or in part, of lake restoration projects undertaken by private lake associations or similar organizations or owners of private lakes, in conjunction with local government units; or (3) meet the cost, in whole or in part, of lake restoration projects undertaken by the State for lakes owned, leased, or managed by the State.

b. Loans made to private lake associations or similar organizations or owners of private lakes as co-applicants with local government units from the "1996 Lake Restoration Fund" established pursuant to section 21 of this act shall bear interest of not more than 2% per year, and shall be for a term of not more than 20 years.

c. Any loan authorized under this section shall be provided under terms and conditions set forth in a written agreement between the Department of Environmental Protection and the entity or person receiving the loan.

d. The local government unit that is a co-applicant for a loan made to a private lake association or similar organization or owner of a private lake shall assess the cost of payment of principal and interest for any loan made pursuant to this section upon the real estate benefited thereby in proportion to and not in excess of the benefits conferred. Upon failure to pay an assessment imposed pursuant to this section, the property owner shall pay interest and penalties from the same time and at the same rate as for failure to pay assessments for local improvements in the municipality where imposed, and from the date of confirmation the unpaid assessment shall be a first and paramount lien upon the real estate assessed to the same extent, and be enforced and collected in the same manner, as assessments for local improvements.

e. The Department of Environmental Protection shall administer the grant and loan program authorized pursuant to this section. The department shall make available to every local government unit and private lake association or similar organization information concerning the availability of, and the criteria for qualifying and obtaining, grants and loans under the program.

10. The bonds authorized under this act shall be serial bonds, term bonds, or a combination thereof, and shall be known as "Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration, and Delaware Bay Area Economic Development Bonds." These bonds shall be issued from time to time as the issuing officials herein named shall determine and may be issued in coupon form, fully-registered form or book-entry form. The bonds may be subject to redemption prior to maturity and shall mature

and be paid not later than 35 years from the respective dates of their issuance.

11. The Governor, the State Treasurer and the Director of the Division of Budget and Accounting in the Department of the Treasury, or any two of these officials, herein referred to as "the issuing officials," are authorized to carry out the provisions of this act relating to the issuance of bonds, and shall determine all matters in connection therewith, subject to the provisions of this act. If an issuing official is absent from the State or incapable of acting for any reason, the powers and duties of that issuing official shall be exercised and performed by the person authorized by law to act in an official capacity in the place of that issuing official.

12. Bonds issued in accordance with the provisions of this act shall be direct obligations of the State of New Jersey, and the faith and credit of the State are pledged for the payment of the interest and redemption premium thereon, if any, when due, and for the payment of the principal thereof at maturity or earlier redemption date. The principal of and interest on the bonds shall be exempt from taxation by the State or by any county, municipality or other taxing district of the State.

13. The bonds shall be signed in the name of the State by means of the manual or facsimile signature of the Governor under the Great Seal of the State, which seal may be by facsimile or by way of any other form of reproduction on the bonds, and attested by the manual or facsimile signature of the Secretary of State, or an Assistant Secretary of State, and shall be countersigned by the facsimile signature of the Director of the Division of Budget and Accounting in the Department of the Treasury and may be manually authenticated by an authenticating agent or bond registrar, as the issuing officials shall determine. Interest coupons, if any, attached to the bonds shall be signed by the facsimile signature of the Director of the Division of Budget and Accounting in the Department of the Treasury. The bonds may be issued notwithstanding that an official signing them or whose manual or facsimile signature appears on the bonds or coupons has ceased to hold office at the time of issuance, or at the time of the delivery of the bonds to the purchaser thereof.

14. a. The bonds shall recite that they are issued for the purposes set forth in sections 5, 6, 7, 8 and 9 of this act, that they are issued pursuant to this act, that this act was submitted to the people of the State at the general election held in the month of November, 1996, and that this act was approved by a majority of the legally qualified voters of the State voting thereon at the election. This recital shall be conclusive evidence of the

authority of the State to issue the bonds and their validity. Any bonds containing this 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 law applicable hereto, and shall be incontestable for any cause.

b. The bonds shall be issued in those denominations and in the form or forms, whether coupon, fully-registered or book-entry, and with or without provisions for the interchangeability thereof, as may be determined by the issuing officials.

15. 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; except that the first and last interest periods may be longer or shorter, in order that the intervening semiannual payments may be at convenient dates.

16. The bonds shall be issued and sold at the price or prices and under the terms, conditions and regulations as the issuing officials may prescribe, after notice of the sale, published at least once in at least three newspapers published in this State, and at least once in a publication carrying municipal bond notices and devoted primarily to financial news, published in this State or in the city of New York, the first notice to appear at least five days prior to the day of bidding. The notice of sale may contain a provision to the effect that any bid in pursuance thereof may be rejected. In the event of rejection or failure to receive any acceptable bid, the issuing officials, at any time within 60 days from the date of the advertised sale, may sell the bonds at a private sale at such price or prices and under the 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 a private sale, without advertisement.

17. Until permanent bonds are prepared, the issuing officials may issue temporary bonds in a form and with those privileges as to their registration and exchange for permanent bonds as may be determined by the issuing officials.

18. The State Treasurer shall establish a fund to be known as the "1996 Dredging and Containment Facility Fund," and the moneys therein shall be held in those depositories as the State Treasurer may select. The State

Treasurer shall deposit into the fund all proceeds from the sale of the bonds issued by the State under this act for the construction of subaqueous pits, the construction of a containment facility or facilities, projects related to the decontamination of dredged material, and dredging projects authorized pursuant to sections 5 and 7 of this act. The moneys in the fund are specifically dedicated and shall be applied to the cost of the purposes authorized pursuant to sections 5 and 7 of this act. Moneys in the fund shall not be expended except in accordance with appropriations from the fund made by law, but bonds may be issued as herein provided, notwithstanding that the Legislature shall not have then adopted an act making a specific appropriation of any of the moneys. Any act appropriating moneys from the "1996 Dredging and Containment Facility Fund" shall identify the projects to be funded by the moneys.

19. The State Treasurer shall establish a fund to be known as the "1996 Environmental Cleanup Fund," and the moneys therein shall be held in those depositories as the State Treasurer may select. The State Treasurer shall deposit into the fund all proceeds from the sale of the bonds issued by the State under this act for the remediation of hazardous discharge sites and the construction of water supply facilities as set forth in section 6 of this act. The moneys in the fund are specifically dedicated and shall be applied to the cost of the purposes set forth in section 6 of this act. Moneys in the fund shall not be expended except in accordance with appropriations from the fund made by law, but bonds may be issued as herein provided, notwithstanding that the Legislature shall not have then adopted an act making a specific appropriation of any of the moneys. Any act appropriating moneys from the "1996 Environmental Cleanup Fund" for the purposes of section 6 of this act need not identify the particular project or projects to be funded by the money. No moneys appropriated pursuant to this section may be expended on any administrative costs of the State or any of its departments, agencies or authorities.

20. The State Treasurer shall establish a fund to be known as the "1996 Economic Development Site Fund," and the moneys therein shall be held in those depositories as the State Treasurer may select. The State Treasurer shall deposit into the fund all proceeds from the sale of the bonds issued by the State under this act for the financing of the purchase of real property, equipment, and any building, construction, and miscellaneous site improvements associated with an economic development site authorized pursuant to section 8 of this act. The moneys in the fund are specifically dedicated and shall be applied to the cost of the purposes set forth in section 8 of this act. Moneys in the fund shall not be expended except in accordance with

appropriations from the fund made by law, but bonds may be issued as herein provided, notwithstanding that the Legislature shall not have then adopted an act making a specific appropriation of any of the moneys. Any act appropriating moneys from the "1996 Economic Development Site Fund" shall identify the projects to be funded by the moneys.

21. The State Treasurer shall establish a fund to be known as the "1996 Lake Restoration Fund," and the moneys therein shall be held in those depositories as the State Treasurer may select. The State Treasurer shall deposit into the fund all proceeds from the sale of the bonds issued by the State under this act for the financing of the lake restoration projects authorized pursuant to section 9 of this act. The moneys in the fund are specifically dedicated and shall be applied to the cost of the purposes set forth in section 9 of this act. Moneys in the fund shall not be expended except in accordance with appropriations from the fund made by law, but bonds may be issued as herein provided, notwithstanding that the Legislature shall not have then adopted an act making a specific appropriation of any of the moneys. Any act appropriating moneys from the "1996 Lake Restoration Fund" shall identify the projects to be funded by the moneys and the county and municipality within which each project is located.

22. a. At any time prior to the issuance and sale of bonds under this act, the State Treasurer is authorized to transfer from any available moneys in any fund of the treasury of the State to the credit of the "1996 Dredging and Containment Facility Fund," the "1996 Environmental Cleanup Fund," the "1996 Economic Development Site Fund," or the "1996 Lake Restoration Fund," those sums as the State Treasurer may deem necessary. The sums so transferred shall be returned to the same fund of the treasury of the State by the State Treasurer from the proceeds of the sale of the first issue of bonds.

b. Pending their application to the purposes provided in this act, the moneys in the "1996 Dredging and Containment Facility Fund," the "1996 Environmental Cleanup Fund," the "1996 Economic Development Site Fund," and the "1996 Lake Restoration Fund," may be invested and reinvested as are 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 moneys in these funds shall be redeposited therein and become part of the respective funds.

23. If any coupon bond, coupon or registered bond is lost, mutilated or destroyed, a new bond or coupon shall be executed and delivered of like tenor, in substitution for the lost, mutilated or destroyed bond or coupon,

upon the owner furnishing to the issuing officials evidence satisfactory to them of the loss, mutilation or destruction of the bond or coupon, the ownership thereof, and security, indemnity and reimbursement for expenses connected therewith, as the issuing officials may require.

24. The accrued interest, if any, received upon the sale of the bonds shall be applied to the discharge of a like amount of interest upon the bonds when due. Any expense incurred by the issuing officials for advertising, engraving, printing, clerical, authenticating, registering, 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 the bonds by the State Treasurer, upon the warrant of the Director of the Division of Budget and Accounting in the Department of the Treasury, in the same manner as other obligations of the State are paid.

25. Bonds of each series issued hereunder shall mature, including any sinking fund redemptions, not later than the 35th year from the date of issue of that series, and in amounts as shall be determined by the issuing officials. The issuing officials may reserve to the State by appropriate provision in the bonds of any series the power to redeem any of the bonds prior to maturity at such price or prices and upon such terms and conditions as may be provided in the bonds.

26. Any bond or bonds issued hereunder, which are subject to refinancing pursuant to the "Refunding Bond Act of 1985," P.L.1985, c.74 as amended by P.L.1992, c.182 (C.49:2B-1 et seq.), shall no longer be deemed to be outstanding, shall no longer constitute a direct obligation of the State of New Jersey, and the faith and credit of the State shall no longer be pledged to the payment of the principal of, redemption premium, if any, and interest on the bonds, and the bonds shall be secured solely by and payable solely from moneys and government securities deposited in trust with one or more trustees or escrow agents, which trustees and escrow agents shall be trust companies or national or state banks having powers of a trust company, located either within or without the State, as provided herein, whenever there shall be deposited in trust with the trustees or escrow agents, as provided herein, either moneys or government securities, including government securities issued or held in book-entry form on the books of the Department of the Treasury of the United States, the principal of and interest on which when due will provide money which, together with the moneys, if any, deposited with the trustees or escrow agents at the same time, shall be sufficient to pay when due the principal of, redemption premium, if any, and interest due and to become due on the bonds on or

prior to the redemption date or maturity date thereof, as the case may be; provided the government securities shall not be subject to redemption prior to their maturity other than at the option of the holder thereof. The State of New Jersey hereby covenants with the holders of any bonds for which government securities or moneys shall have been deposited in trust with the trustees or escrow agents as provided in this section that, except as otherwise provided in this section, neither the government securities nor moneys so deposited with the trustees or escrow agents shall be withdrawn or used by the State for any purpose other than, and shall be held in trust for, the payment of the principal of, redemption premium, if any, and interest to become due on the bonds; provided that any cash received from the principal or interest payments on the government securities deposited with the trustees or escrow agents, to the extent the cash will not be required at any time for that purpose, shall be paid over to the State, as received by the trustees or escrow agents, free and clear of any trust, lien, pledge or assignment securing the bonds; and to the extent the cash will be required for that purpose at a later date, shall, to the extent practicable and legally permissible, be reinvested in government securities maturing at times and in amounts sufficient to pay when due the principal of, redemption premium, if any, and interest to become due on the bonds on and prior to the redemption date or maturity date thereof, as the case may be, and interest earned from the reinvestments shall be paid over to the State, as received by the trustees or escrow agents, free and clear of any trust, lien or pledge securing the bonds. Notwithstanding anything to the contrary contained herein: a. the trustees or escrow agents shall, if so directed by the issuing officials, apply moneys on deposit with the trustees or escrow agents pursuant to the provisions of this section, and redeem or sell government securities so deposited with the trustees or escrow agents, and apply the proceeds thereof to (1) the purchase of the bonds which were refinanced by the deposit with the trustees or escrow agents of the moneys and government securities and immediately thereafter cancel all bonds so purchased, or (2) the purchase of different government securities; provided however, that the moneys and government securities on deposit with the trustees or escrow agents after the purchase and cancellation of the bonds or the purchase of different government securities shall be sufficient to pay when due the principal of, redemption premium, if any, and interest on all other bonds in respect of which the moneys and government securities were deposited with the trustees or escrow agents on or prior to the redemption date or maturity date thereof, as the case may be; and b. in the event that on any date, as a result of any purchases and cancellations of bonds or any purchases of different government securities, as provided in this sentence, the total amount of moneys and government securities remaining on deposit

with the trustees or escrow agents is in excess of the total amount which would have been required to be deposited with the trustees or escrow agents on that date in respect of the remaining bonds for which the deposit was made in order to pay when due the principal of, redemption premium, if any, and interest on the remaining bonds, the trustees or escrow agents shall, if so directed by the issuing officials, pay the amount of the excess to the State, free and clear of any trust, lien, pledge or assignment securing the refunding bonds.

27. Refunding bonds issued pursuant to P.L.1985, c.74 as amended by P.L.1992, c.182 (C.49:2B-1 et seq.) may be consolidated with bonds issued pursuant to sections 5, 6, 7, 8 and 9 of this act or with bonds issued pursuant to any other act for purposes of sale.

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

a. Revenue derived from the collection of taxes under the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.), or so much thereof as may be required; and

b. If, at any time, funds necessary to meet the interest, redemption premium, if any, and principal payments on outstanding bonds issued under this act are insufficient or not available, there shall be assessed, levied and collected annually in each of the municipalities of the counties of this State, a tax on the 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 the bonds proposed to be issued under this act in the calendar year in which the 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 shall be assessed, levied and collected in the same manner and at the same time as other taxes upon real and personal property. The governing body of each municipality shall cause to be paid to the county treasurer of the county in which the 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 the 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, by resolution, determine that there are moneys in the General Fund beyond the needs of the State, sufficient to pay the principal of bonds falling due and all interest and redemption premium, if any, payable in the ensuing calendar year, the issuing officials shall file the resolution in the office of the State Treasurer, whereupon the State Treasurer shall transfer the moneys to a

separate fund to be designated by the State Treasurer, and shall pay the principal, redemption premium, if any, and interest out of that fund as the same shall become due and payable, and the other sources of payment of the principal, redemption premium, if any, and interest provided for in this section shall not then be available, and the receipts for the year from the tax specified in subsection a. of this section shall be considered and treated as part of the General Fund, available for general purposes.

29. Should the State Treasurer, by December 31 of any year, deem it necessary, because of the insufficiency of funds collected from the sources of revenues as provided in this act, to meet the interest and principal payments for the year after the ensuing year, then the State Treasurer shall certify to the Director of the Division of Budget and Accounting in the Department of the Treasury the amount necessary to be raised by taxation for those purposes, the same to be assessed, levied and collected for and in the ensuing calendar year. The director shall, on or before March 1 following, calculate the amount in dollars to be assessed, levied and collected in each county as herein set forth. This calculation shall be based upon the corrected assessed valuation of each county for the year preceding the year in which the tax is to be assessed, but the tax shall be assessed, levied and collected upon the assessed valuation of the year in which the tax is assessed and levied. The director shall certify the amount to the county board of taxation and the treasurer of each county. The 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.

30. For the purpose of complying with the provisions of the State Constitution, this act shall be submitted to the people at the general election to be held in the month of November, 1996. To inform the people of the contents of this act, it shall be the duty of the Secretary of State, after this section takes effect, and at least 60 days prior to the election, to cause this act to be published at least once in one or more newspapers of each county, if any newspapers be published therein and to notify the clerk of each county of this State of the passage of this act; and the clerks respectively, in accordance with the instructions of the Secretary of State, shall have printed on each of the ballots the following:

If you approve of the act entitled below, make a cross (X), plus (+), or check (√) mark in the square opposite the word "Yes."

If you disapprove of the act entitled below, make a cross (X), plus (+) or check (√) mark in the square opposite the word "No."

If voting machines are used, a vote of "Yes" or "No" shall be equivalent to these markings respectively.

	YES	PORT OF NEW JERSEY REVITALIZATION, DREDGING, ENVIRONMENTAL CLEANUP, LAKE RESTORATION, AND DELAWARE BAY AREA ECONOMIC DEVELOPMENT BOND ACT OF 1996 Shall the "Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration, and Delaware Bay Area Economic Development Bond Act of 1996," which authorizes the State to issue bonds in the amount of $300,000,000 for the purposes of financing, in whole or in part, the costs of: constructing subaqueous pits and a containment facility or facilities for the disposal of materials dredged from the Kill Van Kull, Arthur Kill and other navigation channels located in the New Jersey/New York port region; projects related to the decontamination of dredged material; dredging the Kill Van Kull, the Arthur Kill and other navigation channels located in the New Jersey/New York port region; dredging navigation channels not located in the New Jersey/New York port region; remediating hazardous discharge sites; and constructing water supply facilities to replace contaminated water supplies; the restoration of lakes; and economic development sites in the Delaware River and Bay Region; and which provides the ways and means to pay the interest on the debt and also to pay and discharge the principal thereof, be approved?
	NO	INTERPRETIVE STATEMENT If approved, this bond act would authorize the State to issue $300 million in State general obligation bonds. The proceeds from these bonds would be used to fund the following projects: $185 million would be used to construct underwater pits and a containment facility or facilities for the safe disposal of harmful dredged material from the New Jersey/New York port region, to finance projects related to the decontamination of these dredged materials, and to dredge the Kill Van Kull, the Arthur Kill and other navigation channels located in the New Jersey/New York port region; $20 million would be used for the dredging of navigation channels not located in the New Jersey/New York port region; $70 million would be used to clean up hazardous discharge sites and contaminated water supplies; $5 million would be used for the restoration of lakes in New Jersey; and $20 million would be used for financing economic development sites in the Delaware River and Bay Region.

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 the 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 votes 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 the 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 is a majority of all votes cast for and against it at the election in favor of the approval of this act, then all the provisions of this act not made effective theretofore shall take effect forthwith.

31. There is appropriated the sum of $5,000 to the Department of State for expenses in connection with the publication of notice pursuant to section 30 of this act.

32. 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 "1996 Dredging and Containment Facility Fund," the "1996 Environmental Cleanup Fund," the "1996 Economic Development Site Fund," and the "1996 Lake Restoration Fund," for the upcoming fiscal year. The 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 "1996 Dredging and Containment Facility Fund," the "1996 Environmental Cleanup Fund," the "1996 Economic Development Site Fund," and the "1996 Lake Restoration Fund"; and an estimate of expenditures for the upcoming fiscal year.

33. Immediately following the submission to the Legislature of the Governor's annual budget message, the commissioner shall submit to the relevant standing committees of the Legislature, as designated by the President of the Senate and the Speaker of the General Assembly, and to the Joint Budget Oversight Committee, or its successor, a copy of the plan called for under section 32 of this act, together with such changes therein as may have been required by the Governor's budget message.

34. Not less than 30 days prior to entering into any contract, lease, obligation, or agreement to effectuate the purposes of this act, the commissioner shall report to and consult with the Joint Budget Oversight Committee, or its successor. Except as otherwise provided by this act, all appropriations from the bond funds established by this act shall be by specific

allocation for each project, and any transfer of any funds so appropriated shall require the approval by the Joint Budget Oversight Committee or its successor.

35. This section and sections 30 and 31 of this act shall take effect immediately and the remainder of this act shall take effect as and when provided in section 30.

Approved July 17, 1996.

CHAPTER 71

AN ACT concerning certain projects and supplementing P.L.1963, c.150 (C.34:11-56.25 et seq.).

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

C.34:11-56.47 Action for damages permitted by certain persons bidding on public contracts; conditions; definitions.

1. a. Any person who submits a bid directly to a public body for a contract for any public work subject to the provisions of the "New Jersey Prevailing Wage Act," P.L.1963, c.150 (C.34:11-56.25 et seq.) and is not awarded the contract and whose bid is the lowest bid other than the bid accepted by the public body or, if, pursuant to law, the contract is awarded on the basis of factors other than or in addition to the lowest bid, whose bid is the highest in rank other than the bid accepted by the public body (hereinafter referred to in this section as the "plaintiff") may bring an action for damages in a court of competent jurisdiction against the contractor who was directly awarded the contract by the public body or any subcontractor of that contractor (hereinafter referred to in this section as the "defendant") alleging that the defendant has, in connection with work performed pursuant to the contract, violated the provisions of P.L.1963, c.150 (C.34:11-56.25 et seq.) or failed to pay any contribution, tax, assessment or benefit required by any other applicable law. If there is more than one losing bidder, a bidder with a higher bid than the second lowest bidder or lower rank than the second highest rank, if, pursuant to law, the contract is awarded on the basis of factors other than or in addition to the lowest bid, may bring the action if that bidder gives written notice of his intention to bring an action, sent by first-class mail and certified mail, return receipt requested, to every other losing bidder whose bid was lower than his or whose bid was higher in rank

than his and none of the bidders notified files an action within 30 days following the date of their receipt of notice. The written notice of intention to bring an action must contain the following: (1) a statement of the specific violations or failures to pay allegedly committed, which shall not preclude, in the course of the action, consideration of other violations or failures to pay as may be revealed in the course of discovery, (2) a statement that the action is to be filed pursuant to this act, and (3) a statement that the recipient of the notice may have the right to file an action and will be precluded from doing so if he does not file an action within 30 days of his receipt of the notice. If no other losing bidder so notified files an action within 30 days of his receipt of the notice, the losing bidder who sent the notice shall file an action pursuant to this act within 15 days of the last day any of the recipients of the notice could have filed an action. If more than one bidder files an action, all actions other than that filed by the bidder whose bid is the lowest of the bidders who filed actions, or, if, pursuant to law, the contract is awarded on the basis of factors other than or in addition to the lowest bid, whose bid is the highest in rank of the bidders who filed actions, shall be dismissed.

b. Upon a finding by the court that the plaintiff was a responsible bidder for the contract and a finding that one or more defendants violated the provisions of P.L.1963, c.150 (C.34:11-56.25 et seq.) or failed to pay any contribution, tax, assessment or benefit required by any other applicable law in connection with work performed pursuant to the contract, and that the plaintiff submitted a bid for the contract which was less than the sum total of the bid accepted by the public body plus any additional amount that the defendant or defendants would have paid during the term of the contract to be in full compliance with P.L.1963, c.150 (C.34:11-56.25 et seq.) and other applicable laws in connection with the contract, the court shall order the defendant or defendants to pay to the plaintiff the entire amount of damages sustained plus costs and reasonable attorney's fees or, if the court finds the noncompliance to be intentional, three times the amount of damages sustained plus costs and reasonable attorney's fees, except that the court shall order no payment to the plaintiff if the court finds that the violation or failure to pay was caused by minor record keeping mistakes or minor computational errors or by other minor mistakes. The occurrence of more than two violations or failures to pay shall lead to the rebuttable presumption that the violation or failure to pay at issue is not minor. If there are two or more defendants, the court shall allocate the payments for damages sustained and attorney's fees among the defendants in a reasonable manner. Nothing in this section shall be construed as requiring payments to a plaintiff by any contractor or subcontractor who has not violated the provisions of P.L.1963, c.150 (C.34:11-56.25 et seq.) or failed to pay any contribution,

tax, assessment or benefit required by any other applicable law in connection with work performed pursuant to the contract. A plaintiff may designate an agent or representative to maintain the action if the violation or failure to pay has an adverse effect on the agent or representative or, if the agent or representative is an organization or association, on any member of the organization or association. If the plaintiff prevails, the agent or representative shall be entitled to reimbursement for costs and reasonable attorney's fees of the agent or representative but not to a financial interest in the damages awarded.

c. For the purposes of this section, the damages sustained by a plaintiff shall include the plaintiff's costs of preparing and submitting the bid and may, if sought by the plaintiff, include profits that the court determines the plaintiff would have made if the plaintiff had been awarded the contract and complied with P.L.1963, c.150 (C.34:11-56.25 et seq.) and other applicable laws.

d. If the court determines that the defendant did not, in connection with work performed pursuant to the contract, violate the provisions of P.L.1963, c.150 (C.34:11-56.25 et seq.) or fail to pay any contribution, tax, assessment or benefit required by other applicable law, the court shall order the plaintiff to pay the costs and reasonable attorney's fees of the defendant. Nothing herein shall preclude a defendant who is found to have committed minor record keeping mistakes, minor computational errors or other minor mistakes from being awarded relief pursuant to section 1 of P.L.1988, c.46 (C.2A:15-59.1).

e. As used in this section:

"Person" means any individual, corporation, company, partnership, firm, association or business;

"Contractor" means a person who is directly awarded a contract for a public work by a public body; and

"Subcontractor" means any subcontractor or lower tier subcontractor of a contractor.

2. This act shall take effect immediately.

Approved July 18, 1996.

CHAPTER 72

AN ACT establishing the Korean Veterans' Memorial Committee, creating the Korean Veterans' Memorial Fund, supplementing Title 52 of the Revised Statutes and making an appropriation.

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

1. The Legislature finds and declares that:

a. New Jersey veterans of the Korean conflict have not received the recognition that they deserve;

b. It is proper that the citizens of this State pay tribute to the sacrifices that were made by the men and women of this State who served in Korea and to commemorate the courage that they displayed; and

c. A memorial is a fitting acknowledgment of the valor displayed by our military personnel who served in Korea, both living and dead.

2. There is established in the Department of Military and Veterans' Affairs the Korean Veterans' Memorial Committee. The committee shall consist of 15 members as follows: the Secretary of State and the Adjutant General of the Department of Military and Veterans' Affairs, or their respective designees, who shall serve ex officio; two members of the Senate to be appointed by the President thereof, no more than one of whom shall be from the same political party; two members of the General Assembly to be appointed by the Speaker thereof, no more than one of whom shall be from the same political party; eight members of recognized veterans groups in this State, to be appointed by the Adjutant General with the approval of the Governor; and one public member who is a resident of this State, to be appointed by the Adjutant General with the approval of the Governor. In selecting members of recognized veterans groups to serve on the commission, the Adjutant General shall give a preference to Korean War veterans. Any vacancy in the membership of the committee shall be filled in the same manner as the original appointments are made. The committee shall select from among its members a chairperson and a vice chairperson, and shall select a secretary, who need not be a member of the committee.

3. The committee shall select a suitable location for the construction of a Korean Veterans' Memorial honoring the New Jersey veterans of the Korean conflict, shall determine the appropriate method of financing the construction and maintenance of the memorial, and shall develop and administer a competition for the design of the memorial. The committee may initiate fund-raising measures and may receive monetary donations for the memorial. Any moneys received for these purposes by the committee shall be deposited into the fund created under section 4 of this act. Not later than six months after the effective date of this act, the committee shall report its findings and recommendations to the Legislature.

C.52:18A-218 Korean Veterans' Memorial Fund.

4. There is created in the Department of the Treasury, a fund to be known as the Korean Veterans' Memorial Fund. The fund shall be credited with any moneys received by the Korean Veterans' Memorial Committee as donations under section 3 of this act, any moneys that may thereafter be donated by members of the public, the money appropriated to the fund under section 6 of this act and any other moneys appropriated to the fund by law. All interest on moneys in the fund shall be credited to the fund. The moneys in the fund shall be administered by the State Treasurer, to be held thereby in the fund until appropriated by law. Not later than six months after the effective date of this act, and periodically thereafter, the State Treasurer shall certify to the Legislature the total amount of moneys in the fund.

5. a. No person serving as a member of the Korean Veterans' Memorial Committee established pursuant to section 2 of this act shall be liable for damages resulting from the exercise of judgment or discretion in connection with the duties of that person's office unless the actions evidence a reckless disregard for the duties imposed by the position.

b. No person who provides volunteer service or assistance to the Korean Veterans' Memorial Committee, including but not limited to a person who provides architectural or construction services, shall be liable for damages as a result of that person's actions of commission or omission arising out of and in the course of that person rendering the volunteer service or assistance.

Nothing in this subsection shall be deemed to grant immunity to any person causing damage by that person's willful, wanton or grossly negligent act of commission or omission.

Nothing in this subsection shall be deemed to grant immunity to any person causing damage as the result of the negligent operation of a motor vehicle.

6. There is appropriated from the General Fund to the committee $25,000 for the purposes stated in section 3 of this act.

7. This act shall take effect immediately and shall expire on the day that the Korean Veterans' Memorial is officially dedicated; except for section 4 hereof, which shall remain in effect.

Approved July 22, 1996.

CHAPTER 73

AN ACT concerning landfill reclamation improvement districts, amending and supplementing P.L.1995, c.173, amending N.J.S.40A:4-39, and repealing section 6 of P.L.1995, c.173 (C.40A:12A-55).

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

C.40A:12A-50a "Large Site Landfill Reclamation and Improvement Law."

1. P.L.1995, c.173 (C.40A:12A-50 et seq.) as amended and supplemented shall be known and may be cited as the "Large Site Landfill Reclamation and Improvement Law."

2. Section 1 of P.L.1995, c.173 (C.40A:12A-50) is amended to read as follows:

C.40A:12A-50 Findings, declarations relative to landfill reclamation improvement districts.

1. a. The Legislature finds and declares that it is a public purpose and compelling State interest and is consistent with Article VIII, Section 3, paragraph 1 of the Constitution of this State to facilitate the redevelopment of large landfill sites in areas in need of redevelopment within municipalities that are attempting to create economic growth and thereby to promote job creation and economic development. Environmentally sound landfill reclamation is essentially a "capping" process, and the development potential of a capped landfill is limited. The extensive landfill areas in some of the State's areas in need of redevelopment present major obstacles, both environmentally and financially, for the proper redevelopment of the economic potential of these areas, which makes it necessary to provide special financial and redevelopment tools for municipalities to address these obstacles.

b. The Legislature, therefore, determines that it is appropriate to enable municipalities to establish landfill reclamation improvement districts in areas in need of redevelopment comprising landfills of sufficient size to foster meaningful economic development and to provide municipalities with the appropriate tools for the reclamation and redevelopment of those districts.

c. The Legislature further determines that the proper remediation of extensive landfills and the redevelopment of large landfill sites are necessary to halt the decline in economic activity and the underemployment of economic resources in these areas, to reverse the deterioration of the value of previous investments in areas in need of redevelopment and of public revenue collections on those investments, and to eliminate the disincentive to new investment; and that the improvement of these large sites is vital to

the safety, health and welfare of the residents of the municipalities in which they are located and to the State, and constitutes an important opportunity for enhancing the economic condition of the municipalities in which large site landfills are located and that of the State, by augmenting the fiscal resources of government and by stimulating private and public efforts to enhance the attractiveness and desirability of the State as a place to live and work.

d. Therefore, to foster this redevelopment, the Legislature further determines, in accordance with the New Jersey Constitution, including without limitation, Article VIII, Section 3, paragraph 1, that a municipality that has created a landfill reclamation improvement district may: (1) provide for a tax abatement within that district and for a payments in lieu of taxes agreement, in accordance with P.L.1991, c.431 (C.40A:20-1 et seq.) and P.L.1995, c.173 (C.40A:12A-50 et seq.) and this amendatory and supplementary act, P.L.1996, c.73 (C.40A:12A-50a et al.); (2) levy special assessments on real property within that district in accordance with chapter 56 of Title 40 of the Revised Statutes, R.S.40:56-1 et seq., and with P.L.1995, c.173 and this amendatory and supplementary act, P.L.1996, c.73 (C.40A:12A-50a et al.); and (3) secure revenue bonds, notes or other obligations with those payments in lieu of taxes and special assessments, and utilize these means to secure funds to effect landfill closures, remediation, redevelopment, and construction of infrastructure improvements which will benefit the public at large and which constitute an important public purpose.

e. The Legislature, further, determines that special financing problems exist with respect to the size or nature and extent of remediation and infrastructure improvements where the reclamation improvement district consists of a tract of land of at least 150 acres of which not less than 100 acres were formerly used as a landfill, and determines that the municipality, may, by ordinance, levy a franchise assessment for the privilege of transacting business within the district, which franchise assessment shall be used to compensate the municipality for loss of tax revenues arising from assignment of payments in lieu of taxes or special assessments, or both, as security for bonds.

f. The Legislature, further, determines that it is appropriate to authorize the New Jersey Economic Development Authority established pursuant to P.L.1974, c.80 (C.34:1B-1 et seq.) or other instrumentality created by law with the power to incur debt and issue bonds and other obligations, as a conduit for municipalities, to issue and secure revenue bonds, notes or other obligations issued in accordance with P.L.1995, c.173 (C.40A:12A-50 et seq.) and this amendatory and supplementary act, P.L.1996, c.73 (C.40A:12A-50a et al.) with respect to financing or refinancing, without limitation, the site work, construction, reconstruction, repair, alteration,

improvement, and development of any infrastructure or parking or transportation facilities or work that abates, prevents or reduces environmental pollution or other improvements that provide a public benefit within or appurtenant to a landfill reclamation improvement district.

3. Section 2 of P.L.1995, c.173 (C.40A:12A-51) is amended to read as follows:

C.40A:12A-51 Definitions used in C.40A:12A-50 et seq.

2. As used in P.L.1995, c.173 (C.40A:12A-50 et seq.) and this amendatory and supplementary act, P.L.1996, c.73 (C.40A:12A-50a et al.):

"Authority" means the New Jersey Economic Development Authority established pursuant to P.L.1974, c.80 (C.34:1B-1 et seq.) or other instrumentality created by law with the power to incur debt and issue bonds and other obligations.

"Bonds" mean bonds, notes or other obligations issued to finance projects by the authority pursuant to P.L.1995, c.173 (C.40A:12A-50 et seq.) and this amendatory and supplementary act, P.L.1996, c.73 (C.40A:12A-50a et al.).

"Municipality" means the municipal governing body or, if a redevelopment agency or redevelopment entity is established in the municipality pursuant to P.L.1992, c.79 (C.40A:12A-1 et seq.) and the municipality so provides, the redevelopment agency or entity so established.

"Redeveloper" means any person that enters or proposes to enter, pursuant to P.L.1995, c.173 (C.40A:12A-50 et seq.) and this amendatory and supplementary act, P.L.1996, c.73 (C.40A:12A-50a et al.) and the "Local Redevelopment and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et seq.), into a redevelopment agreement with a municipality that has established a landfill reclamation improvement district.

"Redevelopment agreement" means a contract between a municipality and a redeveloper for any work or undertaking for the clearance, development and redevelopment, and the construction or rehabilitation of any commercial, industrial or public structures or improvements, landfill closure, remediation, or redevelopment, including, but not limited to, on-site and off-site infrastructure improvements, or rehabilitation of an area in need of redevelopment, or part thereof, under the provisions of P.L.1995, c.173 (C.40A:12A-50 et seq.) and this amendatory and supplementary act, P.L.1996, c.73 (C.40A:12A-50a et al.) and the "Local Redevelopment and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et seq.), that provide a public benefit within a district undertaken pursuant to an ordinance creating a landfill reclamation improvement district pursuant to section 3 of P.L.1995, c.173 (C.40A:12A-52).

"Financial agreement" means an agreement that meets the requirements of a financial agreement under P.L.1991, c.431 (C.40A:20-1 et seq.).

"Franchise assessment" means: (1) a gross receipts assessment on the amount of the sale price of all tangible property sold by a business in a district, valued in money, whether received in money or otherwise, excluding the cost of transportation if such cost is separately stated in the written contract and excluding any tax imposed pursuant to the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.); (2) or a gross receipts assessment on all rental receipts from the rental of commercial property in a district; or (3) both (1) and (2), as imposed pursuant to section 4 of P.L.1995, c.173 (C.40A:12A-53), and this amendatory and supplementary act, P.L.1996, c.73 (C.40A:12A-50a et al.).

"Landfill reclamation improvement district" or "district" means a tract of land of at least 150 acres in size, which may consist of one or more tax lots, of which not less than 100 acres were formerly or are presently used as a landfill, which has been delineated a "redevelopment area" or "area in need of redevelopment" pursuant to the "Local Redevelopment and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et seq.), and is an area which has been designated a landfill reclamation improvement district by a municipality pursuant to section 3 of P.L.1995, c.173 (C.40A:12A-52).

"Special assessment" means an assessment upon the lands or improvements on such lands, or both, in the landfill reclamation improvement district benefitted by improvements undertaken pursuant to P.L.1995, c.173 (C.40A:12A-50 et seq.) and this amendatory and supplementary act, P.L.1996, c.73 (C.40A:12A-50a et al.), assessed pursuant to chapter 56 of Title 40 of the Revised Statutes, R.S.40:56-1 et seq. except as otherwise provided in subsection b. of section 8 of this amendatory and supplementary act, P.L.1996, c.73 (C.40A:12A-56).

4. Section 3 of P.L.1995, c.173 (C.40A:12A-52) is amended to read as follows:

C.40A:12A-52 Creation of landfill reclamation improvement districts permitted.

3. A municipality in which there is a tract of land of at least 150 acres in size which may consist of one or more tax lots, of which not less than 100 acres were formerly or are presently used as a landfill which has been delineated a "redevelopment area" or "area in need of redevelopment" pursuant to the "Local Redevelopment and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et seq.), may adopt an ordinance creating a landfill reclamation improvement district whenever the municipality determines that the closure and remediation of the landfill within the district and the proposed development of the property within the district will promote the health and

general welfare of the residents of the municipality and the district. A municipality may create, by separate ordinances, more than one district. Any municipal redevelopment plan adopted by the municipality shall provide for the development of the property within the district in compliance with P.L.1995, c.173 (C.40A:12A-50 et seq.) and this amendatory and supplementary act, P.L.1996, c.73 (C.40A:12A-50a et al.).

5. Section 4 of P.L.1995, c.173 (C.40A:12A-53) is amended to read as follows:

C.40A:12A-53 Adoption of ordinance to levy, collect franchise assessment; purposes.

4. a. A municipality that has created a district pursuant to section 3 of P.L.1995, c.173 (C.40A:12A-52), in which there is an area designated as an urban enterprise zone in which the receipts of certain sales are exempt to the extent of 50% of the tax imposed under the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.), pursuant to section 21 of P.L.1983, c.303 (C.52:27H-80), may for the purpose of increasing public revenue adopt an ordinance to levy and collect, within the district, a franchise assessment not to exceed three percent of gross receipts and to devote the proceeds from those assessments to municipal purposes as provided in this section.

b. The rate of the franchise assessment shall be uniform throughout the district. The franchise assessment shall apply only within the territorial limits of the district and shall be in addition to any other assessments, taxes and excises.

c. The ordinance shall be a valid and binding ordinance of the municipality. The ordinance shall continue in force and effect until repealed by the governing body. The municipality may also provide and covenant by ordinance that the ordinance authorizing the franchise assessment will not be amended so as to repeal or reduce the franchise assessment while bonds issued pursuant to P.L.1995, c.173 (C.40A:12A-50 et seq.) and this amendatory and supplementary act, P.L.1996, c.73 (C.40A:12A-50a et al.) are outstanding, unless the resolution authorizing the bonds shall provide otherwise. Such covenant shall constitute a valid and legally binding contract between the municipality and bondholders.

d. No franchise assessment shall be imposed on gross receipts which the municipality or the State is prohibited from taxing under New Jersey law, or the Constitution and laws of the United States of America.

e. Upon adoption, the municipal clerk shall immediately transmit a copy of the ordinance to the Director of the Division of Local Government Services in the Department of Community Affairs and to the Director of the Division of Taxation in the Department of the Treasury. Every ordinance

levying a franchise assessment pursuant to this section shall provide for reporting assessments due and for the collection thereof, and all franchise assessments pursuant to such an ordinance shall be remitted to the chief financial officer of the municipality. An ordinance levying a franchise assessment shall take effect only on the first day of any month in any year. The ordinance shall provide for the allocation and distribution of the proceeds of the franchise assessments collected; provided, however, that only such sums as are retained by the municipality pursuant to the ordinance shall be included in the general funds of the municipality and all other franchise assessment proceeds shall be held in trust for the payment or reimbursement of costs or obligations incurred for the purposes of the district.

f. The ordinance shall set forth the person or persons subject to the franchise assessment payment and collection procedures, and any other matters deemed relevant by the municipality with the municipality having discretion as to the mechanism to be utilized. The ordinance shall also contain findings that the imposition of the franchise assessment is necessary because of the substantial risks undertaken to develop a landfill reclamation improvement district, and to offset loss of revenues by the municipality because of its assignment of payments in lieu of taxes.

g. The ordinance shall provide for the collection of the franchise assessment by an officer of the municipality who shall be designated in the ordinance; shall provide methods for enforcement; and may provide penalties for the violation of any of the provisions of the ordinance.

h. All revenues collected under the ordinance and retained by the municipality pursuant to this section shall be deposited in the general fund of the municipality and may be used for general municipal purposes, including the payment of salaries, construction, reconstruction, maintenance and repair of municipal buildings, installations and properties and for such other purposes as may be provided by existing ordinances or ordinances hereafter enacted for general municipal purposes.

C.40A:12A-53.1 Powers of municipality adopting franchise assessment ordinance.

6. For the purposes of the effective administration of the franchise assessment, a municipality adopting a franchise assessment ordinance shall have the power to:

a. Collect the franchise assessment, interest and penalties imposed by an ordinance adopted pursuant to section 4 of P.L.1995, c.173 (C.40A:12A-53) which shall from the time due be a debt of the person by whom payable to the municipality, recoverable in a court of competent jurisdiction in a civil action in the name of the municipality to be instituted within three years of the date due.

b. Authorize, as an additional remedy, the chief financial officer of the municipality to issue a certificate to the clerk of the Superior Court that any person is indebted under the ordinance in an amount stated in the certificate. Thereupon, the clerk to whom the certificate is issued shall immediately enter upon the record of documented judgments the name of the person, the address of the place of business where the franchise assessment liability was incurred, the amount of the debt so certified and the date of making of the entry. The making of the entry shall have the same force and effect as the entry of a documented judgment in the office of the clerk, and the chief financial officer of the municipality shall have all the remedies and may take all the proceedings for the collection of the debt which may be had or taken upon the recovery of a judgment in an action, but without prejudice to the person's right of appeal.

c. Provide that, if for any reason the franchise assessment is not paid when due, interest at the rate of 12% per annum on the amount of the franchise assessment due, and an additional penalty of one-half of 1% of the amount of the unpaid assessment for each month or fraction thereof during which the franchise assessment remains unpaid, shall be added and collected. When action is brought for the recovery of any franchise assessment, the person liable therefor shall, in addition, be liable for the costs of collection and the interest and penalties imposed.

Any aggrieved person may, within 90 days of the entry of the decision, order, finding, assessment or action of the chief financial officer of the municipality under this section, file an appeal in the Superior Court, upon payment of the amount stated by the chief financial officer to be due. The appeal provided by this section shall be the exclusive remedy available to any person for review of a determination of the chief financial officer with respect to a liability for the franchise assessment imposed.

7. Section 5 of P.L.1995, c.173 (C.40A:12A-54) is amended to read as follows:

C.40A:12A-54 Appropriation of franchise assessments; apportionment of retained amount.

5. Any portion of the aggregate franchise assessment collected annually by the municipality which is not appropriated or expended by the municipality for purposes of the district as such purposes are provided in the "Local Redevelopment and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et seq.), but is retained by the municipality, shall be apportioned between the municipality and the county in which the landfill reclamation improvement district is located, such that 90 percent of the retained franchise assessment collected in that year shall be retained by the municipality and 10 percent

shall be transferred by the municipality to the county for use in economic development.

C.40A:12A-56 Provision for tax abatement, payments in lieu of taxes; special assessments.

8. a. A municipality that has created a landfill reclamation improvement district pursuant to section 3 of P.L.1995, c.173 (C.40A:12A-52) may provide for tax abatement within that district and for payments in lieu of taxes in accordance with the provisions of P.L.1991, c.431 (C.40A:20-1 et seq.); provided, however, that the provisions of section 12 of P.L.1991, c.431 (C.40A:20-12) establishing a minimum or maximum annual service charge and requiring staged increases in annual service charges over the term of the exemption period, and of section 13 of P.L.1991, c.431 (C.40A:20-13) permitting the relinquishment of status under that act, shall not apply to landfill reclamation improvement district projects.

b. In addition to, or in lieu of, the tax abatement provided for in subsection a. of this section, the municipality may provide by ordinance for one or more special assessments within the landfill reclamation improvement district in accordance with chapter 56 of title 40 of the Revised Statutes, R.S.40:56-1 et seq., provided, however, that the provisions of R.S.40:56-35 shall be applied so that if any installment of a special assessment shall remain unpaid for 30 days after the time at which it shall become due, the municipality may provide, by ordinance, either that: (1) the whole assessment or balance due thereon shall become and be immediately due; or, (2) any subsequent installments which would not yet have become due except for the default shall be considered as not in default and that the lien for the installments not yet due shall continue; and provided, further, that the ordinance may require that the assessments be payable in yearly installments, with legal interest thereon, over a period of years up to but in no event exceeding the period of years for which the bonds were issued, or for 30 years, whichever shall be less. In levying a special assessment on the lands or improvements, or both, located in the district, the municipality may provide that the amount of the special assessment shall be a specific amount, not to exceed the cost of the improvements, paid with respect to property located in the district. That specific amount shall, to the extent accepted by the owner of the property benefitted, be deemed the conferred benefit, in lieu of the amount being determined by the procedures otherwise applicable to determining the actual benefit conferred on the property. Special assessments levied pursuant to an ordinance adopted under this subsection shall constitute a municipal lien upon confirmation by the municipal governing body or by the court, under R.S.40:56-33.

c. Upon adoption, a copy of the ordinance shall be filed for public inspection in the office of the municipal clerk, and there shall be published in a newspaper, published or circulating in the municipality, a notice stating

the fact and the date of adoption and the place where the ordinance is filed and a summary of the contents of the ordinance. The notice shall state that any action or proceeding of any kind or nature in any court questioning the validity or proper authorization of the ordinance or the actions authorized to be taken as set forth in the ordinance shall be commenced within 20 days after the publication of the notice. If no action or proceeding questioning the validity of the ordinance providing for tax abatement, special assessments or other actions authorized by the ordinance shall be commenced or instituted within 20 days after the publication of the notice, the county and the school district and all other municipalities within the county and all residents and taxpayers and owners of property therein shall be forever barred and foreclosed from instituting or commencing any action or proceeding in any court questioning the validity or enforceability of the ordinance or the validity or enforceability of acts authorized under the ordinance, and the ordinance and acts authorized by the ordinance shall be conclusively deemed to be valid and enforceable in accordance with their terms and tenor.

C.40A:12A-57 Application for issuance of negotiable bonds, obligations secured by payments in lieu of taxes, special assessments.

9. a. The municipality may, by resolution of the governing body, authorize the municipality to apply to the authority for the authority to issue negotiable bonds or other obligations secured by payments in lieu of taxes and special assessments. Bonds so issued shall be for the purpose of financing or refinancing the construction, reconstruction, repair, alteration, improvement, and development of any on-site or off-site infrastructure improvements, or parking or transportation facilities, or work that reduces, abates or prevents environmental pollution, or other improvements that provide a public benefit within or to a landfill reclamation improvement district.

b. A municipality that has created a landfill reclamation improvement district pursuant to section 3 of P.L.1995, c.173 (C.40A:12A-52) may, by resolution of its governing body, enter into contracts with the authority relating to any project or projects for the purpose of financing or refinancing the construction, reconstruction, repair, alteration, improvement, and development of any on-site or off-site infrastructure improvements, or parking or transportation facilities, or work that reduces, abates or prevents environmental pollution, or other improvements that provide a public benefit within or to a landfill reclamation improvement district. A resolution so adopted shall contain findings and determinations of the governing body: (1) that the project will result in the closure and remediation of a landfill and create employment opportunities in the municipality; and, (2) that the

contract with the authority is a necessary inducement to the undertaking of the project in that the contract makes the financing thereof feasible. The contract or contracts may provide for the assignment, for the benefit of bondholders, of all or any portion of payments in lieu of taxes and special assessments. A contract may be made and entered into for a term beginning currently or at some future or contingent date, and with or without consideration, and for a specified or unlimited time, and on any terms and conditions which may be requested by the municipality and as may be agreed to by the authority in conformity with its contracts with the holders of bonds, and shall be valid and binding on the municipality. The municipality is hereby authorized and directed to do and perform any contract so entered into by it and to provide for the discharge of any obligation thereunder in the same manner as other obligations of the municipality.

Any contract, and any instrument making or evidencing the same, may be pledged or assigned by the authority, with the consent of the municipality executing the contract, to secure its bonds and thereafter may not be modified except as provided by the terms of the instrument or by the terms of the pledge or assignment.

c. The payments in lieu of taxes and special assessments may be assigned directly to the authority or the trustee for the bonds as payment or security for the bonds. Notwithstanding any law to the contrary, the assignment shall be an absolute assignment of all the municipality's right, title, and interest in the payment in lieu of taxes and special assessments, or portion thereof, along with the rights and remedies provided to the municipality under the agreement including, but not limited to, the right of collection of payments due. Payments in lieu of taxes and special assessments shall not be included in the general funds of the municipality, nor shall they be subject to any laws regarding the receipt, deposit, investment or appropriation of public funds and shall retain such status notwithstanding enforcement of the payment or assessment by the municipality or assignee as provided herein. The municipality shall be a "person" within the meaning of that term as defined in section 3 of P.L.1974, c.80 (C.34:1B-3); and the purpose described in this section shall be a "project" within the meaning of that term as defined in section 3 of P.L.1974, c.80 (C.34:1B-3).

d. Notwithstanding the provisions of subsection g. of section 37 of P.L.1992, c.79 (C.40A:12A-37), the bonds and notes issued pursuant to this section shall be non-recourse obligations, and shall not be direct and general obligations of the municipality, and the municipality shall not be obligated to levy and collect a tax sufficient in an amount to pay the principal and interest on the bonds and notes when the same become due and payable. The provisions of the "Local Government Supervision Act (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.) shall not apply to any bonds or other obliga-

tions issued or authorized pursuant to this section and those bonds or other obligations shall not be considered gross debt of the municipality on any debt statement filed in accordance with the "Local Bond Law," N.J.S.40A:2-1 et seq., and the provisions of chapter 27 of Title 52 of the Revised Statutes shall not apply to such bonds.

e. The proceeds from the sale of the bonds and any funds provided by any department of the State, authority created by the State or bi-state authority, shall not require compliance with public bidding laws, including the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.), or any other statute where the redeveloper shall undertake the landfill closure, remediation, redevelopment and construction of the infrastructure improvements. The use of these funds shall be subject to public accountability and oversight by the municipality or agency providing the funds.

C.40A:12A-58 Payments in lieu of taxes continuous lien; recording of ordinance; termination of lien.

10. a. Payments required to be made in accordance with an agreement for payments in lieu of taxes entered into under section 8 of this amendatory and supplementary act, P.L.1996, c.73 (C.40A:12A-56) shall be a continuous lien on the land against which the ordinance is recorded on and after the date of recordation of both the ordinance and the agreement, whether simultaneously or not, all subsequent payments in lieu of taxes thereunder, interest, penalties and costs of collection which thereafter fall due or accrue shall be added and relate back to and be a part of the initial lien. Upon recordation of the ordinance and agreement, payments in lieu of taxes shall constitute a municipal lien within the meaning, and for all purposes, of law.

b. If revenue bonds or other obligations are issued by the authority in order to finance or refinance the construction, reconstruction, repair, alteration, improvement, and development of any infrastructure, or parking or transportation facilities, or work that reduces, abates or prevents environmental pollution, or other improvements that provide a public benefit within or to a landfill reclamation improvement district in accordance with section 9 of P.L.1996, c.73 (C.40A:12A-57), the municipality or the redeveloper may record, either simultaneously or at different times, any ordinance enacted by the municipality relating to the payment in lieu of taxes agreement or special assessments and, either simultaneously with the ordinance or at different times, a copy of the agreement or agreements. The ordinance, when recorded, shall contain a legend at the top of the front page substantially as follows:

"THIS ORDINANCE SECURES BONDS OR OTHER OBLIGATIONS ISSUED IN ACCORDANCE WITH THE PROVISIONS OF THE "LARGE SITE LANDFILL RECLAMATION AND IMPROVE-

MENT LAW" AND THE LIEN HEREOF IN FAVOR OF THE OWNERS OF SUCH BONDS OR OTHER OBLIGATIONS IS A MUNICIPAL LIEN SUPERIOR TO ALL OTHER NON-MUNICIPAL LIENS HEREAFTER RECORDED."

c. Notwithstanding any law to the contrary, upon recordation of both the ordinance and any accompanying agreement and upon the issuance of bonds or other obligations, the lien thereof shall be perfected for all purposes in accordance with law and the lien shall thereafter be superior to all non-municipal liens thereafter recorded or otherwise arising, without any additional notice, recording, filing, continuation filing or action, until the payment in full of the bonds or other obligations. The lien thereby established shall apply not only to the bonds and other obligations initially issued, but also to any refinancing or refunding thereof, as well as to any additional bonds and other obligations thereafter issued on a parity therewith in accordance with the provisions of the original documents securing the initial bonds and other obligations; provided, however, that in the event any ordinance or agreement is amended or supplemented in a way which increases the amount of payment in lieu of taxes or special assessments, the lien as to that increase shall be perfected and apply upon the recordation of the amended or supplemented ordinance and agreement (including the above-recited legend). Except as set forth in this section, no amendment or supplement to the ordinance or agreement thereafter recorded shall affect the perfection or priority of the lien established upon original recordation thereof.

d. Upon the final payment in full of any bonds or other obligations secured as provided in this section and section 9 of this amendatory and supplementary act, P.L.1996, c.73 (C.40A:12A-57), the lien established hereby shall terminate, and the municipality shall record a notice to that effect.

C.40A:12A-59 Payment in lieu of taxes may be secured by mortgage.

11. In lieu of the provisions of section 10 of P.L.1996, c.73 (C.40A:12A-58), the municipality may provide in the agreement that the payment in lieu of taxes, if any, is to be secured by a mortgage. In that event the mortgage may also be assigned and pledged to the repayment of the bonds authorized herein.

The assignment of any mortgage that secures a payment in lieu of taxes, if any, may also be an absolute assignment of all or part of the municipality's right, title, and interest in the mortgage and, to the extent assigned, any moneys realized from the foreclosure of the mortgaged property shall not be included in the general funds of the municipality.

After the bonds or other obligations are paid and no longer deemed to be outstanding, the assignment of the mortgage shall terminate.

C.40A:12A-60 Bonds exempt from taxation; exceptions.

12. All bonds issued pursuant to this act are hereby declared to be issued by a political subdivision of this State and for an essential public and governmental purpose and the bonds, and the interest thereon and the income therefrom, and all facility charges, funds, revenues and other moneys pledged or available to pay or secure the payment of the bonds, or interest thereon, shall at all times be exempt from taxation except for transfer inheritance and estate taxes.

C.40A:12A-61 Pledge, covenent, agreement with bond holders.

13. The State of New Jersey does hereby pledge to and covenant and agree with the holders of any bonds issued pursuant to this act that the State will not limit or alter the terms of any agreement, ordinance or resolution made in connection with the security for and the issuance and sale of any bonds, so as to in any way impair the rights or remedies of such holders, and will not modify in any way the exemption from taxation provided for in this act, until the bonds, together with interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders, are fully met and discharged or provided for.

C.40A:12A-62 Severability.

14. If any section, subsection, clause or provision of this act shall be adjudged to be unconstitutional or ineffective in whole or in part, to the extent that it is not adjudged unconstitutional or is not ineffective, it shall be valid and effective and no other section, subsection, clause or provision of this act shall on account thereof be deemed invalid or ineffective, and the inapplicability or invalidity of any section, subsection, clause or provision of this act in any one or more instances or under any one or more circumstances shall not be taken to affect or prejudice in any way its applicability or validity in any other instance or under any other circumstance.

C.40A:12A-63 Bonds, notes, obligations presumed fully authorized, issued.

15. After issuance, pursuant to this act, all bonds, notes or other obligations shall be conclusively presumed to be fully authorized and issued by all courts and officers of this State, and any person shall be estopped from questioning their sale, execution or delivery.

16. N.J.S.40A:4-39 is amended to read as follows:

Anticipation of dedicated revenues.

40A:4-39. a. In the budget of any local unit, dedicated revenues anticipated during the fiscal year from any dog tax, dog license, revenues collected pursuant to N.J.S.18A:39-1.2, solid fuel license, sinking fund for term bonds, bequest, escheat, federal grant, motor vehicle fine dedicated to road repairs, relocation costs deposited into a revolving relocation assistance fund established pursuant to section 2 of P.L.1987, c.98 (C.20:4-4.1a), receipts from franchise assessments levied pursuant to section 4 of P.L.1995, c.173 (C.40A:12A-53) to be retained by the municipality and, subject to the prior written consent of the director, other items of like character when the revenue is not subject to reasonably accurate estimate in advance, may be included in said budget by annexing to said budget a statement in substantially the following form:

"The dedicated revenues anticipated during the year ..... from ..... (here insert one or more of the sources above, as the case may be) are hereby anticipated as revenue and are hereby appropriated for the purposes to which said revenue is dedicated by statute or other legal requirement."

b. Dedicated revenues included in accordance with this section shall be available for expenditure by the local unit as and when received in cash during the fiscal year. The inclusion of such dedicated revenues shall be subject to the approval of the director, who may require such explanatory statements or data in connection therewith as the director deems advisable for the information and protection of the public.

Repealer.

17. Section 6 of P.L.1995, c.173 (C.40A:12A-55) is repealed.

18. This act shall take effect immediately.

Approved July 22, 1996.

CHAPTER 74

AN ACT concerning the New Jersey Cancer Registry, amending P.L.1977, c.266 and making an appropriation.

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

1. Section 3 of P.L.1977, c.266 (C.26:2-106) is amended to read as follows:

C.26:2-106 Reports to Commissioner of Health; rules, regulations; enforcement.

3. a. The Commissioner of Health, in consultation with the Public Health Council, shall require the reporting of cases of cancer and other specified tumorous and precancerous diseases, and the submission of such specified additional information on reported cases or control populations as he deems necessary and appropriate for the recognition, prevention, cure or control of such diseases.

b. Pursuant to subsection a. of this section, the Commissioner of Health is hereby authorized to adopt and promulgate, in the manner prescribed by the applicable provisions of the "Administrative Procedure Act," P.L.1968, c. 410 (C.52:14B-1 et seq.), rules and regulations specifying the health care providers, individuals, and other organizations obliged to make the report and submissions required by subsection a. of this section, the related information to be included in such reports, and the methods for such reporting.

c. All abstracting work performed by a health care facility in accordance with this section shall be performed by a certified tumor registrar.

d. (1) The Department of Health shall contract out its registry services to health care facilities which lack adequate internal capabilities to report cases on a timely basis, as provided in the regulations adopted pursuant to this section. Such health care facilities shall reimburse the department for services rendered.

(2) If a health care facility fails to correct deficiencies in its reporting that are discovered on audit by the Department of Health within 30 days, the department will conduct the appropriate registrar activities and charge the facility for all costs related to its services.

e. Health insurers and other third party health care payers providing health benefits plans to residents of the State shall report to the Department of Health cases of cancer of State residents based upon selection criteria and in a format specified by the department.

f. (1) A health care facility, health care provider or health insurer that fails to comply with the provisions of this section shall be liable to a penalty of up to $500 per unreported cancer case.

(2) A health care facility that fails to report cases of cancer electronically, as required by regulation, by December 31, 1996 shall be liable to a penalty not to exceed $1,000 per business day.

(3) A penalty sued for under the provisions of this subsection shall be recovered by and in the name of the Department of Health and shall be dedicated to the cancer registry.

2. There is appropriated $400,000 from the General Fund to the Department of Health to be used to improve the reporting and analysis

capabilities of the State cancer registry, including cancer incidence and epidemiological research associated with the Toms River, New Jersey childhood cancer investigation.

3. This act shall take effect immediately.

Approved July 22, 1996.

CHAPTER 75

AN ACT concerning the Vietnam Veterans' Memorial Committee and amending P.L.1992, c.113.

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

1. The Vietnam Veterans' Memorial Committee, created by P.L.1985, c.494 and reconstituted by P.L.1989, c.148, shall continue in existence with the same membership serving on May 7, 1995 and the same powers and duties heretofore provided, including responsibility for the design and construction of that part of the Vietnam Veterans' Memorial known as the Vietnam Era Educational Center. Any vacancy in the membership of the committee shall be filled in the same manner as the original appointments were made.

2. Official actions taken by the committee between May 7, 1995 and the effective date of this act are hereby expressly validated. The committee is authorized to expend funds appropriated to it from the Vietnam Veterans' Memorial Fund for expenses related to the design and construction of the Vietnam Era Educational Center.

3. Section 1 of P.L.1992, c.113 (C.5:5-44.7) is amended to read as follows:

C.5:5-44.7 Designation of "Charity Racing Day for the Vietnam Veterans' Memorial"; fund.

1. a. The New Jersey Racing Commission shall designate one of the racing days authorized each year to a holder of a permit to hold or conduct a horse race meeting pursuant to P.L.1940, c.17 (C.5:5-22 et seq.) as "Charity Racing Day for the Vietnam Veterans' Memorial" or shall allot to each such permit holder one additional racing day to be known as "Charity Racing Day for the Vietnam Veterans' Memorial."

b. All moneys received by the commission as its share of the total contributions to all parimutuel pools conducted or made on the racing day designated or allotted pursuant to subsection a. of this section shall be deposited in the Vietnam Veterans' Memorial Fund, created pursuant to section 4 of P.L.1985, c.494 (C.52:18A-208).

c. The commission shall designate or allot the days provided for in subsection a. of this section until sufficient funds from all sources have been credited to the Vietnam Veterans' Memorial Fund, created pursuant to section 4 of P.L.1985, c.494 (C.52:18A-208), to pay for the construction of the Vietnam Veterans' Memorial. The Vietnam Veterans' Memorial Committee, established pursuant to section 2 of P.L.1985, c.494 and reconstituted pursuant to section 1 of P.L.1989, c.148, shall inform the commission of the amount necessary to construct this memorial, and the State Treasurer shall periodically certify to the commission the amount of moneys in the fund.

d. For the purposes of this section, the Vietnam Veterans' Memorial shall include that part of the memorial known as the Vietnam Era Educational Center.

4. This act shall take effect immediately and shall be retroactive to May 7, 1995; sections 1 and 2 shall expire upon completion of the Vietnam Era Educational Center and payment of all expenses incurred in connection with the design and construction thereof.

Approved July 25, 1996.

CHAPTER 76

AN ACT concerning certain public utilities and amending N.J.S.40A:2-45.

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

1. N.J.S.40A:2-45 is amended to read as follows:

Self-liquidating purposes.

40A:2-45. Any municipal public utility shall be deemed to be a self-liquidating purpose if the cash receipts from fees, rents or other charges in a fiscal year are sufficient to meet operating and maintenance costs (exclusive of depreciation and obsolescence) and interest and debt redemption charges payable or accruing in such year without recourse to general taxation or the deficit, if any, anticipated in the dedicated utility assessment

budget. There may be included in such cash receipts any fees, rents and other charges collected from other departments or utilities of the local unit at a rate not in excess of the fees, rents or other charges to other consumers, customers or users, or if there be no other consumers, customers or users properly comparable, then not in excess of the comparable fees, rents and other charges of privately owned or operated utilities or enterprises. Any municipal public utility may include interest on investments and deposits and appropriated surplus as revenues, in addition to the other revenues authorized by this section, in a determination of whether that municipal public utility shall be deemed to be a self-liquidating purpose.

2. This act shall take effect immediately .

Approved July 25, 1996.

CHAPTER 77

AN ACT allowing the transfer of funds by certain public employees participating in the Supplemental Annuity Collective Trust and supplementing P.L.1963, c.123 (C.52:18A-107 et seq.).

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

C.52:18A-113.6 Certain public employees permitted to transfer annuity funds.

1. Employees of the Department of Education, the Commission on Higher Education, or the governing body of any public institution of higher education who are participants in the Supplemental Annuity Collective Trust pursuant to section 403(b) of the federal Internal Revenue Code of 1954, as amended, may :

a. transfer all or a portion of any funds that they may have invested as participants in the Supplemental Annuity Collective Trust to a tax-deferred annuity with an insurer or mutual fund company authorized to provide investment contracts under the alternate benefit program pursuant to the provisions of P.L.1995, c.92 (C.52:18A-113.2 et seq.) ; or

b. transfer all or a portion of any funds that they may have invested in a tax-deferred annuity with any authorized provider to the Supplemental Annuity Collective Trust.

2. This act shall take effect immediately.

Approved July 25, 1996.

CHAPTER 78

AN ACT appropriating funds from the Correctional Facilities Construction Fund of 1987 for county assistance for certain correctional facilities.

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

1. a. There is appropriated to the Department of Corrections from the "Correctional Facilities Construction Fund of 1987" created pursuant to the "Correctional Facilities Construction Bond Act of 1987," P.L.1987, c.178, the sum of $6,266,135.00 for the following purpose:

DEPARTMENT OF CORRECTIONS

County Assistance Program	
Bergen County (75 State Beds).....	$6,266,135
Total Appropriation.....	$6,266,135

b. The Commissioner of the Department of Corrections is authorized to negotiate and enter into an agreement with the appropriate county officials regarding the terms and conditions upon which the county assistance shall be made. At a minimum, however, the terms and conditions shall include:

(1) The availability and use of a specific number of beds to be reserved for prisoners remanded by the State; and

(2) Per diem rates favorable to the State in recognition of its contribution to the construction costs of the facility.

2. There is also appropriated from "Correctional Facilities Construction Fund of 1987" such items as may be necessary to meet for advertising, engraving, printing, clerical, legal or other services necessary to carry out the duties imposed upon them by the provisions of the act.

3. In order to provide flexibility in administering the provisions of this act, the Commissioner of the Department of Corrections may apply to the Director of the Division of Budget and Accounting in the Department of the Treasury for permission to transfer a part of any item to any other item within the respective department accounts in the Correctional Facilities Construction Fund. The transfers shall be made in a manner consistent with section 29 of P.L.1987, c.178.

4. This act shall take effect immediately.

Approved July 25, 1996.

CHAPTER 79

AN ACT concerning condominium rules and amending P.L.1969, c.257.

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

1. Section 13 of P.L.1969, c.257 (C.46:8B-13) is amended to read as follows:

C.46:8B-13 Bylaws.

13. The administration and management of the condominium and condominium property and the actions of the association shall be governed by bylaws which shall initially be recorded with the master deed and shall provide, in addition to any other lawful provisions, for the following:

(a) The form of administration, indicating the titles of the officers and governing board of the association, if any, and specifying the powers, duties and manner of selection, removal and compensation, if any, of officers and board members. If the bylaws provide that any of the powers and duties of the association as set forth in sections 14 and 15 of P.L.1969, c.257 (C.46:8B-14 and 46:8B-15) be exercised through a governing board elected by the membership of the association, or through officers of the association responsible to and under the direction of such a governing board, all meetings of that governing board, except conference or working sessions at which no binding votes are to be taken, shall be open to attendance by all unit owners, and adequate notice of any such meeting shall be given to all unit owners in such manner as the bylaws shall prescribe; except that the governing board may exclude or restrict attendance at those meetings, or portions of meetings, dealing with (1) any matter the disclosure of which would constitute an unwarranted invasion of individual privacy; (2) any pending or anticipated litigation or contract negotiations; (3) any matters falling within the attorney-client privilege, to the extent that confidentiality is required in order for the attorney to exercise his ethical duties as a lawyer; or (4) any matter involving the employment, promotion, discipline or dismissal of a specific officer or employee of the association. At each meeting required under this subsection to be open to all unit owners, minutes of the proceedings shall be taken, and copies of those minutes shall be made available to all unit owners before the next open meeting.

(b) The method of calling meetings of unit owners, the percentage of unit owners or voting rights required to make decisions and to constitute a quorum, but such bylaws may nevertheless provide that unit owners may waive notice of meetings or may act by written agreement without meetings.

(c) The manner of collecting from unit owners their respective shares of common expenses and the method of distribution to the unit owners of their respective shares of common surplus or such other application of common surplus as may be duly authorized by the bylaws.

(d) The method by which the bylaws may be amended, provided that no amendment shall be effective until recorded in the same office as the then existing bylaws. The bylaws may also provide a method for the adoption, amendment and enforcement of reasonable administrative rules and regulations, including the imposition of fines and late fees which may be enforced as a lien pursuant to section 21 of P.L.1969, c.257 (C.46:8B-21) relating to the operation, use, maintenance and enjoyment of the units and of the common elements including limited common elements.

2. Section 14 of P.L.1969, c.257 (C.46:8B-14) is amended to read as follows:

C.46:8B-14 Responsibilities of association.

14. The association, acting through its officers or governing board, shall be responsible for the performance of the following duties, the costs of which shall be common expenses:

(a) The maintenance, repair, replacement, cleaning and sanitation of the common elements.

(b) The assessment and collection of funds for common expenses and the payment thereof.

(c) The adoption, distribution, amendment and enforcement of rules governing the use and operation of the condominium and the condominium property and the use of the common elements, including but not limited to the imposition of reasonable fines, assessments and late fees upon unit owners, if authorized by the master deed or bylaws, subject to the right of a majority of unit owners to change any such rules.

(d) The maintenance of insurance against loss by fire or other casualties normally covered under broad-form fire and extended coverage insurance policies as written in this State, covering all common elements and all structural portions of the condominium property and the application of the proceeds of any such insurance to restoration of such common elements and structural portions if such restoration shall otherwise be required under the provisions of this act or the master deed or bylaws.

(e) The maintenance of insurance against liability for personal injury and death for accidents occurring within the common elements whether limited or general and the defense of any actions brought by reason of injury or death to person, or damage to property occurring within such common

elements and not arising by reason of any act or negligence of any individual unit owner.

(f) The master deed or bylaws may require the association to protect blanket mortgages, or unit owners and their mortgagees, as their respective interest may appear, under the policies of insurance provided under clauses (d) and (e) of this section, or against such risks with respect to any or all units, and may permit the assessment and collection from a unit owner of specific charges for insurance coverage applicable to his unit.

(g) The maintenance of accounting records, in accordance with generally accepted accounting principles, open to inspection at reasonable times by unit owners. Such records shall include:

(i) A record of all receipts and expenditures.

(ii) An account for each unit setting forth any shares of common expenses or other charges due, the due dates thereof, the present balance due, and any interest in common surplus.

(h) Nothing herein shall preclude any unit owner or other person having an insurable interest from obtaining insurance at his own expense and for his own benefit against any risk whether or not covered by insurance maintained by the association.

(i) Such other duties as may be set forth in the master deed or bylaws.

(j) An association shall exercise its powers and discharge its functions in a manner that protects and furthers or is not inconsistent with the health, safety and general welfare of the residents of the community.

(k) An association shall provide a fair and efficient procedure for the resolution of housing-related disputes between individual unit owners and the association, and between unit owners, which shall be readily available as an alternative to litigation. A person other than an officer of the association, a member of the governing board or a unit owner involved in the dispute shall be made available to resolve the dispute. A unit owner may notify the Commissioner of Community Affairs if an association does not comply with this subsection. The commissioner shall have the power to order the association to provide a fair and efficient procedure for the resolution of disputes.

3. Section 15 of P.L.1969, c.257 (C.46:8B-15) is amended to read as follows:

C.46:8B-15 Powers of association.

15. Subject to the provisions of the master deed, the bylaws, rules and regulations and the provisions of this act or other applicable law, the association shall have the following powers:

(a) Whether or not incorporated, the association shall be an entity which shall act through its officers and may enter into contracts, bring suit and be sued. If the association is not incorporated, it may be deemed to be an entity existing pursuant to this act and a majority of the members of the governing board or of the association, as the case may be, shall constitute a quorum for the transaction of business. Process may be served upon the association by serving any officer of the association or by serving the agent designated for service of process. Service of process upon the association shall not constitute service of process upon any individual unit owner.

(b) The association shall have access to each unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any common elements therein or accessible therefrom or for making emergency repairs necessary to prevent damage to common elements or to any other unit or units. The association may charge the unit owner for the repair of any common element damaged by the unit owner or his tenant.

(c) The association may purchase units in the condominium and otherwise acquire, hold, lease, mortgage and convey the same. It may also lease or license the use of common elements in a manner not inconsistent with the rights of unit owners.

(d) The association may acquire or enter into agreements whereby it acquires leaseholds, memberships or other possessory or use interests in lands or facilities including, but not limited to country clubs, golf courses, marinas and other recreational facilities, whether or not contiguous to the condominium property, intended to provide for the enjoyment, recreation or other use or benefit of the unit owners. If fully described in the master deed or bylaws, the fees, costs and expenses of acquiring, maintaining, operating, repairing and replacing any such memberships, interests and facilities shall be common expenses. If not so described in the master deed or bylaws as originally recorded, no such membership interest or facility shall be acquired except pursuant to amendment of or supplement to the master deed or bylaws duly adopted as provided therein and in this act. In the absence of such amendment or supplement, if some but not all unit owners desire any such acquisition and agree to assume among themselves all costs of acquisition, maintenance, operation, repair and replacement thereof, the association may acquire or enter into an agreement to acquire the same as limited common elements appurtenant only to the units of those unit owners who have agreed to bear the costs and expenses thereof. Such costs and expenses shall be assessed against and collected from the agreeing unit owners in the proportions in which they share as among themselves in the common expenses in the absence of some other unanimous agreement among themselves. No other unit owner shall be charged with any such cost

or expense; provided, however, that nothing herein shall preclude the extension of the interests in such limited common elements to additional unit owners by subsequent agreement with all those unit owners then having an interest in such limited common elements.

(e) The association may levy and collect assessments duly made by the association for a share of common expenses or otherwise, including any other moneys duly owed the association, upon proper notice to the appropriate unit owner, together with interest thereon, late fees and reasonable attorneys' fees, if authorized by the master deed or bylaws.

(f) If authorized by the master deed or bylaws, the association may impose reasonable fines upon unit owners for failure to comply with provisions of the master deed, bylaws or rules and regulations, subject to the following provisions:

A fine for a violation or a continuing violation of the master deed, bylaws or rules and regulations shall not exceed the maximum monetary penalty permitted to be imposed for a violation or a continuing violation under section 19 of the "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-19).

On roads or streets with respect to which Title 39 of the Revised Statutes is in effect under section 1 of P.L.1945, c.284 (C.39:5A-1), an association may not impose fines for moving automobile violations.

A fine shall not be imposed unless the unit owner is given written notice of the action taken and of the alleged basis for the action, and is advised of the right to participate in a dispute resolution procedure in accordance with subsection (k) of section 14 of P.L.1969, c.257 (C.46:8B-14). A unit owner who does not believe that the dispute resolution procedure has satisfactorily resolved the matter shall not be prevented from seeking a judicial remedy in a court of competent jurisdiction.

(g) Such other powers as may be set forth in the master deed or bylaws, if not prohibited by P.L.1969, c.257 (C.46:8B-1 et seq.) or any other law of this State.

4. Section 16 of P.L.1969, c.257 (C.46:8B-16) is amended to read as follows:

C.46:8B-16 Authority, rights of unit owner.

16. (a) No unit owner, except as an officer of the association, shall have any authority to act for or bind the association. An association, however, may assert tort claims concerning the common elements and facilities of the development as if the claims were asserted directly by the unit owners individually.

(b) Failure to comply with the bylaws and the rules and regulations governing the details of the use and operation of the condominium, the condominium property and the common elements, and the quality of life therein, in effect from time to time, and with the covenants, conditions and restrictions set forth in the master deed or in deeds of units, shall be grounds for reasonable fines and assessments upon unit owners maintainable by the association, or for an action for the recovery of damages, for injunctive relief, or for a combination thereof, maintainable by the association or by any other unit owner or by any person who holds a blanket mortgage or a mortgage lien upon a unit and is aggrieved by any such noncompliance.

(c) A unit owner shall have no personal liability for any damages caused by the association or in connection with the use of the common elements. A unit owner shall be liable for injuries or damages resulting from an accident in his own unit in the same manner and to the same extent as the owner of any other real estate.

(d) A unit owner may notify the Commissioner of Community Affairs upon the failure of an association to comply with requests made under subsection (g) of section 14 of P.L.1969, c.257 (C.46:8B-14) by unit owners to inspect at reasonable times the accounting records of the association. Upon investigation, the commissioner shall have the power to order the compliance of the association with such a request.

5. Section 21 of P.L.1969, c.257 (C.46:8B-21) is amended to read as follows:

C.46:8B-21 Liens in favor of association; priority.

21. a. The association shall have a lien on each unit for any unpaid assessment duly made by the association for a share of common expenses or otherwise, including any other moneys duly owed the association, upon proper notice to the appropriate unit owner, together with interest thereon and, if authorized by the master deed or bylaws, late fees, fines and reasonable attorney's fees; provided however that an association shall not record a lien in which the unpaid assessment consists solely of late fees. Such lien shall be effective from and after the time of recording in the public records of the county in which the unit is located of a claim of lien stating the description of the unit, the name of the record owner, the amount due and the date when due. Such claim of lien shall include only sums which are due and payable when the claim of lien is recorded and shall be signed and verified by an officer or agent of the association. Upon full payment of all sums secured by the lien, the party making payment shall be entitled to a recordable satisfaction of lien. Except as set forth in subsection b. of this section, all such liens shall be subordinate to any lien for past due and unpaid

property taxes, the lien of any mortgage to which the unit is subject and to any other lien recorded prior to the time of recording of the claim of lien.

b. A lien recorded pursuant to subsection a. of this section shall have a limited priority over prior recorded mortgages and other liens, other than liens for unpaid property taxes or federal taxes, to the extent provided in this subsection. This priority shall be limited as follows:

(1) To a lien which is the result of customary condominium assessments as defined herein, the amount of which shall not exceed the aggregate customary condominium assessment against the unit owner for the six-month period prior to the recording of the lien.

(2) With respect to a particular mortgage, to a lien recorded prior to: (a) the receipt by the association of a summons and complaint in an action to foreclose a mortgage on that unit; or (b) the filing with the proper county recording office of a lis pendens giving notice of an action to foreclose a mortgage on that unit.

(3) In the case of more than one association lien being filed, either because an association files more than one lien or multiple associations have filed liens, the total amount of the liens granted priority shall not be greater than the assessment for the six-month period specified in paragraph 1 of this subsection. Priority among multiple filings shall be determined by their date of recording with the earlier recorded liens having first use of the priority given herein.

(4) The priority granted to a lien pursuant to this subsection shall expire on the first day of the 60th month following the date of recording of an association's lien.

(5) A lien of an association shall not be granted priority over a prior recorded mortgage or mortgages under this subsection if a prior recorded lien of the association for unpaid assessments has obtained priority over the same recorded mortgage or mortgages as provided in this subsection, for a period of 60 months from the date of recording of the lien granted priority.

(6) When recording a lien which may be granted priority pursuant to this act, an association shall notify, in writing, any holder of a first mortgage lien on the property of the filing of the association lien. An association which exercises a good faith effort but is unable to ascertain the identity of a holder of a prior recorded mortgage on the property will be deemed to be in substantial compliance with this paragraph.

For the purpose of this section, a "customary condominium assessment" shall mean an assessment for periodic payments, due the association for regular and usual operating and common area expenses pursuant to the association's annual budget and shall not include amounts for reserves for contingencies, nor shall it include any late charges, penalties, interest or any fees or costs for the collection or enforcement of the assessment or any lien

arising from the assessment. The periodic payments due must be due monthly, or no less frequently than quarter-yearly, as may be acceptable to the Federal National Mortgage Association so as not to disqualify an otherwise superior mortgage on the condominium from purchase by the Federal National Mortgage Association as a first mortgage.

c. Upon any voluntary conveyance of a unit, the grantor and grantee of such unit shall be jointly and severally liable for all unpaid assessments pertaining to such unit duly made by the association or accrued up to the date of such conveyance without prejudice to the right of the grantee to recover from the grantor any amounts paid by the grantee, but the grantee shall be exclusively liable for those accruing while he is the unit owner.

d. Any unit owner or any purchaser of a unit prior to completion of a voluntary sale may require from the association a certificate showing the amount of unpaid assessments pertaining to such unit and the association shall provide such certificate within 10 days after request therefor. The holder of a mortgage or other lien on any unit may request a similar certificate with respect to such unit. Any person other than the unit owner at the time of issuance of any such certificate who relies upon such certificate shall be entitled to rely thereon and his liability shall be limited to the amounts set forth in such certificate.

e. If a mortgagee of a first mortgage of record or other purchaser of a unit obtains title to such unit as a result of foreclosure of the first mortgage, such acquirer of title, his successors and assigns shall not be liable for the share of common expenses or other assessments by the association pertaining to such unit or chargeable to the former unit owner which became due prior to acquisition of title as a result of the foreclosure. Any remaining unpaid share of common expenses and other assessments, except assessments derived from late fees or fines, shall be deemed to be common expenses collectible from all of the remaining unit owners including such acquirer, his successors and assigns.

f. Liens for unpaid assessments may be foreclosed by suit brought in the name of the association in the same manner as a foreclosure of a mortgage on real property. The association shall have the power, unless prohibited by the master deed or bylaws to bid on the unit at foreclosure sale, and to acquire, hold, lease, mortgage and convey the same. Suit to recover a money judgment for unpaid assessments may be maintained without waiving the lien securing the same.

6. Any bylaws provision providing for the imposition of reasonable fines and late fees that was adopted prior to the effective date of and which is not inconsistent with the provisions of P.L.1996, c.79 (C.46:8B-13 et al.) and any fine levied by a condominium association against a unit owner in

accordance with its bylaws prior to the effective date of P.L.1996, c.79 (C.46:8B-13 et al.) is hereby validated; provided, however, that this section shall not be applicable to any case in which a judicial determination relative to the legality of any such fine has been rendered on or before the effective date of this act.

7. This act shall take effect immediately.

Approved July 25, 1996.

CHAPTER 80

AN ACT appropriating funds from the "Public Purpose Buildings and Community-Based Facilities Construction Fund" and the "Correctional Facilities Construction Fund" to the Department of Corrections for correctional housing in Camden County.

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

1. There is appropriated to the Department of Corrections from the "Public Purpose Buildings and Community-Based Facilities Construction Fund" created pursuant to the "Public Purpose Buildings and Community-Based Facilities Construction Bond Act of 1989," P.L.1989, c.184, the sum of $1,833,029.33, and there is appropriated from amounts appropriated but not expended under P.L.1981, c.209, the sum of $238,288.67, and under P.L.1982, c.120, the sum of $3,906,682 for the following purpose:

DEPARTMENT OF CORRECTIONS

County Financial Assistance Program--	
Construction of 200 beds in Camden County	$5,978,000
Total Appropriation.....	$5,978,000

2. There is also appropriated from the "Public Purpose Buildings and Community-Based Facilities Construction Fund" such items as may be necessary to meet any expense incurred by the issuing officials under P.L.1989, c.184 for advertising, engraving, printing, clerical, legal or other services necessary to carry out the duties imposed upon them by the provisions of that act.

3. In order to provide flexibility in administering the provisions of this act, the Commissioner of Corrections may apply to the Director of the Division of Budget and Accounting in the Department of the Treasury for permission to transfer a part of any item within the respective department accounts in the "Public Purpose Buildings and Community-Based Facilities Construction Fund." The transfers shall be made in a manner consistent with section 29 of P.L.1989, c.184.

4. This act shall take effect immediately.

Approved July 25, 1996.

CHAPTER 81

AN ACT concerning certain types of liens and amending various parts of the statutory law.

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

1. N.J.S.2A:44-128 is amended to read as follows:

Debts for labor and materials; funds liable; asserting lien; forfeiture of lien.

2A:44-128. a. Any person who, as laborer, mechanic, materialman, merchant or trader, or subcontractor, in pursuance of or conformity with the terms of any contract for any public improvement made between any person and a public agency as defined in N.J.S.2A:44-126 and authorized by law to make contracts for the making of public improvements, performs any labor or furnishes any materials, including the furnishing of oil, gasoline or lubricants and vehicle use, toward the performance or completion of any such contract, shall, on complying with the provisions of subsection b. of N.J.S.2A:44-128, N.J.S.2A:44-132 and N.J.S.2A:44-133, have a lien for the value of the labor or materials, or both, upon the moneys due or to grow due under the contract and in the control of the public agency, to the full value of the claim or demand. The lien may be filed and, to the extent of the amount due or to grow due under the contract, shall become an absolute lien to the full value of the labor performed or materials furnished in favor of every person and his representatives and assigns employed by or furnishing materials to the contractor or subcontractor.

No public agency shall be required to pay a greater amount than the contract price of the labor performed and materials furnished or the value

thereof when no specific contract is made with respect to the same by the contractor or subcontractor, respectively.

b. Any person who may seek to assert a lien under subsection a. of this section shall, within 20 days of the first performance of work or performance of work or delivery of labor or materials to a subcontractor, file with the municipal clerk, the chief financial officer of the county or the chairman of the commission, board or authority, whichever is appropriate, written notice that he or she has furnished labor or materials to the subcontractor. The notice shall contain the name, address and telephone number of the person providing the labor or materials, the name and geographical location of the public improvement for which the labor or materials have been supplied, the name of the subcontractor to which the labor or materials have been supplied, a description of the labor or materials supplied, and the date that the labor or materials were first supplied to the subcontractor. The officer of the public agency shall maintain a separate file for all written notices which shall be available to the public for inspection and copying during regular business hours. Failure to provide this written notice as required within 20 days of the first performance of work or delivery of labor or materials to the subcontractor shall be a bar to secure a lien for the labor or materials provided, unless there is money owing from the contractor to the subcontractor to whom the labor or materials were provided, in which case the lien shall be limited in value to a sum not greater than the money owing from the contractor to the subcontractor.

The public entity with which the notice required by this section is filed may charge an inquiry fee for information contained in the notice to any person, including the contractor. The inquiry fee shall be reasonable and shall be set to reflect the cost to the public entity of retrieving the information.

Notwithstanding the provisions of this section to the contrary, if a notice is filed after the 20-day period, the person so filing may assert a lien under subsection a. of this section for any labor or materials provided on or after that filing date.

No additional notice shall be required for work or materials provided under the same public improvement contract subsequent to the initial notice, notwithstanding that the work and materials may be provided under a separate contract or purchase order.

Written notice shall be substantially in the following form:

NOTICE OF THE DELIVERY OF LABOR OR MATERIALS

In accordance with the terms and provisions of the "Municipal Mechanics' Lien Law," N.J.S.2A:44-125 et seq., notice is hereby given that:

1. (Name of person supplying labor or materials) of (address of person supplying labor or materials) has on (date) provided to (name of subcontractor) the following: (description of labor or materials). My telephone number is (telephone number of person supplying labor or materials).

2. The (description of labor or materials) were provided for the (name of public improvement) in (name of municipality), New Jersey.

Signed:.....
For:.....
Individual, firm or corporation

c. Funds received by a contractor and paid to a subcontractor or supplier for work performed or labor or materials supplied pursuant to a contract for any public improvement shall be applied only to amounts due and owing for work performed or labor or materials supplied for such public improvement. Any subcontractor or supplier who knowingly applies such payment received from the contractor on the public improvement to amounts due and owing for work performed or labor or materials supplied on a construction project other than the public improvement and then claims a lien on the public improvement for non-payment shall forfeit all lien rights under this title. A subcontractor or supplier forfeiting his lien rights pursuant to this section shall be liable for all damages incurred by any contractor as a result of the misapplication of such funds, including attorney's fees, and shall be liable for all court costs and reasonable legal expenses, including attorneys' fees, incurred by the contractor in defending or causing the discharge of the lien claim.

2. N.J.S.2A:44-143 is amended to read as follows:

Additional bond for payment of claims for labor, material, etc.; waiver, surety's obligation.

2A:44-143. a. (1) When public buildings or other public works or improvements are about to be constructed, erected, altered or repaired under contract, at the expense of the State or any contracting unit, as defined in section 2 of P.L.1971, c.198 (C.40A:11-2), or school district, the board, officer or agent contracting on behalf of the State, contracting unit or school district, shall require delivery of the payment and performance bond issued in accordance with N.J.S.2A:44-147 and otherwise, as provided for by law, with an obligation for the performance of the contract and for the payment by the contractor for all labor performed or materials, provisions, provender or other supplies, teams, fuels, oils, implements or machinery used or consumed in, upon, for or about the construction, erection, alteration or repair of such buildings, works or improvements provided by subcontractors or material suppliers in contract with the contractor, or

subcontractors or material suppliers in contract with a subcontractor to the contractor, which class of persons shall be the beneficiaries of the payment and performance bond. The board, officer or agent shall also require that all payment and performance bonds be issued by a surety which meets the following standards:

(a) The surety shall have the minimum surplus and capital stock or net cash assets required by R.S.17:17-6 or R.S.17:17-7, whichever is appropriate, at the time the invitation to bid is issued; and

(b) With respect to all payment and performance bonds in the amount of $850,000 or more, (i) if the amount of the bond is at least $850,000 but not more than $3.5 million, the surety shall hold a current certificate of authority, issued by the United States Secretary of the Treasury pursuant to 31 U.S.C. §9305, that is valid in the State of New Jersey as listed annually in the United States Treasury Circular 570, except that if the surety has been operational for a period in excess of five years, the surety shall be deemed to meet the requirements of this subsubparagraph if it is rated in one of the three highest categories by an independent, nationally recognized United States rating company that determines the financial stability of insurance companies, which rating company or companies shall be determined pursuant to standards promulgated by the Commissioner of Insurance by regulation adopted pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), and (ii) if the amount of the bond is more than $3.5 million, then the surety shall hold a current certificate of authority, issued by the United States Secretary of the Treasury pursuant to 31 U.S.C. §9305, that is valid in the State of New Jersey as listed annually in the United States Treasury Circular 570 and, if the surety has been operational for a period in excess of five years, shall be rated in one of the three highest categories by an independent, nationally recognized United States rating company that determines the financial stability of insurance companies, which rating company or companies shall be determined pursuant to standards promulgated by the Commissioner of Insurance by regulation adopted pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.). A surety subject to the provisions of subsubparagraph (ii) of this subparagraph which does not hold a certificate of authority issued by the United States Secretary of the Treasury shall be exempt from the requirement to hold such a certificate if the surety meets an equivalent set of standards developed by the Commissioner of Insurance through regulation which at least equal, and may exceed, the general criteria required for issuance of a certificate of authority by the United States Secretary of the Treasury pursuant to 31 U.S.C. §9305. A surety company seeking such an exemption shall, not later than the 180th day following the effective date of P.L.1995, c.384, certify to the appropri-

ate contracting unit that it meets that equivalent set of standards set forth by the commissioner as promulgated.

(2) When such contract is to be performed at the expense of the State and is entered into by the Director of the Division of Building and Construction or State departments designated by the Director of the Division of Building and Construction, the director or the State departments may: (a) establish for that contract the amount of the bond at any percentage, not exceeding 100%, of the amount bid, based upon the director's or department's assessment of the risk presented to the State by the type of contract, and other relevant factors, and (b) waive the bond requirement of this section entirely if the contract is for a sum not exceeding $200,000.

(3) When such a contract is to be performed at the expense of a contracting unit or school district, the board, officer or agent contracting on behalf of the contracting unit or school district may: (a) establish for that contract the amount of the bond at any percentage, not exceeding 100%, of the amount bid, based upon the board's, officer's or agent's assessment of the risk presented to the contracting unit or school district by the type of contract and other relevant factors, and (b) waive the bond requirement of this section entirely if the contract is for a sum not exceeding $100,000.

b. A surety's obligation shall not extend to any claim for damages based upon alleged negligence that resulted in personal injury, wrongful death, or damage to real or personal property, and no bond shall in any way be construed as a liability insurance policy. Nothing herein shall relieve the surety's obligation to guarantee the contractor's performance of all conditions of the contract, including the maintenance of liability insurance if and as required by the contract. Only the obligee named on the bond, and any subcontractor performing labor or any subcontractor or materialman providing materials for the construction, erection, alteration or repair of the public building, work or improvement for which the bond is required pursuant to this section, shall have any claim against the surety under the bond.

c. A board, officer or agent contracting on behalf of the State, contracting unit or school district shall not accept more than one payment and performance bond to cover a single construction contract. The board, officer or agent may accept a single bond executed by more than one surety to cover a single construction contract only if the combined underwriting limitations of all the named sureties, as set forth in the most current annual revision of United States Treasury Circular 570, or as determined by the Commissioner of Insurance pursuant to R.S.17:18-9, meet or exceed the amount of the contract to be performed.

d. A board, officer or agent contracting on behalf of the State, contracting unit or school district shall not accept a payment or performance

bond unless there is attached thereto a Surety Disclosure Statement and Certification to which each surety executing the bond shall have subscribed. This statement and certification shall be complete in all respects and duly acknowledged according to law, and shall have substantially the following form:

SURETY DISCLOSURE STATEMENT AND CERTIFICATION

....., surety(ies) on the attached bond, hereby certifies(y) the following:

(1) The surety meets the applicable capital and surplus requirements of R.S.17:17-6 or R.S.17:17-7 as of the surety's most current annual filing with the New Jersey Department of Insurance.

(2) The capital (where applicable) and surplus, as determined in accordance with the applicable laws of this State, of the surety(ies) participating in the issuance of the attached bond is (are) in the following amount(s) as of the calendar year ended December 31, ... (most recent calendar year for which capital and surplus amounts are available), which amounts have been certified as indicated by certified public accountants (indicating separately for each surety that surety's capital and surplus amounts, together with the name and address of the firm of certified public accounts that shall have certified those amounts):

.....

.....

.....

(3) (a) With respect to each surety participating in the issuance of the attached bond that has received from the United States Secretary of the Treasury a certificate of authority pursuant to 31 U.S.C. §9305, the underwriting limitation established therein and the date as of which that limitation was effective is as follows (indicating for each such surety that surety's underwriting limitation and the effective date thereof):

.....

.....

.....

(b) With respect to each surety participating in the issuance of the attached bond that has not received such a certificate of authority from the United States Secretary of the Treasury, the underwriting limitation of that surety as established pursuant to R.S.17:18-9 as of (date on which such limitation was so established) is as follows (indicating for each such surety that surety's underwriting limitation and the date on which that limitation was established):

.....
.....
.....

(4) The amount of the bond to which this statement and certification is attached is $ ..... .

(5) If, by virtue of one or more contracts of reinsurance, the amount of the bond indicated under item (4) above exceeds the total underwriting limitation of all sureties on the bond as set forth in items (3)(a) or (3)(b) above, or both, then for each such contract of reinsurance:

(a) The name and address of each such reinsurer under that contract and the amount of that reinsurer's participation in the contract is as follows:.....

.....
.....
.....; and

(b) Each surety that is party to any such contract of reinsurance certifies that each reinsurer listed under item (5)(a) satisfies the credit for reinsurance requirement established under P.L.1993, c.243 (C.17:51B-1 et seq.) and any applicable regulations in effect as of the date on which the bond to which this statement and certification is attached shall have been filed with the appropriate public agency.

CERTIFICATE
(to be completed by an authorized certifying agent
for each surety on the bond)

I ..... (name of agent), as ..... (title of agent) for ..... (name of surety), a corporation/mutual insurance company/other (indicating type of business organization) (circle one) domiciled in ..... (state of domicile), DO HEREBY CERTIFY that, to the best of my knowledge, the foregoing statements made by me are true, and ACKNOWLEDGE that, if any of those statements are false, this bond is VOIDABLE.

.....
(Signature of certifying agent)

.....
(Printed name of certifying agent)

.....
(Title of certifying agent)

3. N.J.S.2A:44-144 is amended to read as follows:

Sureties on and amount of bond; condition for payment of claims; bond deposited, held for use of interested parties.

2A:44-144. The bond required by this article shall be executed by the contractor with such sureties in accordance with N.J.S.2A:44-147 as shall be approved by the board, officer or agent acting on behalf of the State, contracting unit or school district, in an amount equal to 100 per cent of the contract price. The payment bond shall be conditioned for the payment by the contractor of all indebtedness which may accrue to any person, firm or corporation designated as a "beneficiary" pursuant to N.J.S.2A:44-143, in an amount not exceeding the sum specified in the bond, on account of any labor performed or materials, provisions, provender or other supplies, or teams, fuels, oils, implements or machinery used or consumed in, upon, for or about the construction, erection, alteration or repair of the public building or public work or improvement.

The payment bond shall be deposited with and be held by the board, officer or agent acting on behalf of the State, contracting unit or school district, for the use of any beneficiary thereof.

4. N.J.S.2A:44-145 is amended to read as follows:

Statements of claimants filed with sureties on bond; time for action on bond.

2A:44-145. Any person who may be a beneficiary of the payment bond, as defined in this article, and who does not have a direct contract with the contractor furnishing the bond shall, prior to commencing any work, provide written notice to the contractor by certified mail or otherwise, provided that he shall have proof of delivery of same, that said person is a beneficiary of the bond. If a beneficiary fails to provide the required written notice, the beneficiary shall only have rights to the benefits available hereunder from the date the notice is provided.

Any beneficiary, as defined in N.J.S.2A:44-143, to whom any money shall be due on account of having performed any labor or furnished any materials, provisions, provender or other supplies, or teams, fuels, oils, implements or machinery in, upon, for or about the construction, erection, alteration or repair of any public building or other public work or improvement, shall, at any time before the expiration of one year from the last date upon which such beneficiary shall have performed actual work or delivered materials to the project, in the case of a material supplier, furnish the sureties on the bond required by this article a statement of the amount due to him.

No action shall be brought against any of the sureties on the bond required by this article until the expiration of 90 days after provision to the sureties and the contractor of the statement of the amount due to him, but

in no event later than one year from the last date upon which such beneficiary shall have performed actual work or delivered materials to the project.

5. N.J.S.2A:44-146 is amended to read as follows:

Action on bond; limitation.

2A:44-146. If the indebtedness due to any person as shown by the statement required to be filed by N.J.S.2A:44-145 shall not be paid in full at the expiration of 90 days from the date of notice of the amount due to the person, such person shall, within one year from the last date that work was performed or materials were supplied by that person, bring an action in his own name upon the bond required by this article.

6. N.J.S.2A:44-147 is amended to read as follows:

Bond form; conditions.

2A:44-147. The bond required by this article shall be in substantially the following form:

"Know all men by these presents, that we, the undersigned as principal and as sureties, are hereby held and firmly bound unto in the penal sum of dollars, for the payment of which well and truly to be made, we hereby jointly and severally bind ourselves, our heirs, executors, administrators, successors and assigns.

"Signed this ..... day of ..... , 19..... .

"The condition of the above obligation is such that whereas, the above named principal did on the ..... day of ....., 19 ....., enter into a contract with ....., which said contract is made a part of this the bond the same as though set forth herein;

"Now, if the said ..... shall well and faithfully do and perform the things agreed by ..... to be done and performed according to the terms of said contract, and shall pay all lawful claims of beneficiaries as defined by N.J.S.2A:44-143 for labor performed or materials, provisions, provender or other supplies or teams, fuels, oils, implements or machinery furnished, used or consumed in the carrying forward, performing or completing of said contract, we agreeing and assenting that this undertaking shall be for the benefit of any beneficiary as defined in N.J.S.2A:44-143 having a just claim, as well as for the obligee herein; then this obligation shall be void; otherwise the same shall remain in full force and effect; it being expressly understood and agreed that the liability of the surety for any and all claims hereunder shall in no event exceed the penal amount of this obligation as herein stated.

"The said surety hereby stipulates and agrees that no modifications, omissions or additions in or to the terms of the said contract or in or to the

plans or specifications therefor shall in anywise affect the obligation of said surety on its bond."

Recovery of any claimant under the bond shall be subject to the conditions and provisions of this article to the same extent as if such conditions and provisions were fully incorporated in the form set forth above.

7. Section 13 of P.L.1971, c.198 (C.40A:11-13) is amended to read as follows:

C.40A:11-13 Specifications.

13. Specifications. Any specifications for an acquisition under this act, 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 act 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 municipality 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; except that no specification for a contract for the collection and disposal of municipal solid waste shall require any bidder to be a resident of, or that his place of business be located in, the county or municipality in which the contract will be performed; 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 ordinance or 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 contracting unit 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.

Any specification adopted by the governing body, 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 subject purchase, contract or agreement shall be readvertised, and the original purchase, contract or agreement shall be set aside by the governing body.

Any specification adopted by the governing body for a contract for the collection and disposal of municipal solid waste shall conform to the uniform bid specifications for municipal solid waste collection contracts established pursuant to section 22 of P.L.1991, c.381 (C.48:13A-7.22).

Any specification adopted by the governing body may include an item for the cost, which shall be paid by the contractor, of creating a file to maintain the notices of the delivery of labor or materials required by N.J.S.2A:44-128.

8. This act shall take effect on the 30th day next following enactment.

Approved July 25, 1996.

CHAPTER 82

AN ACT concerning exemption from taxation of veterans organizations and amending R.S.54:4-3.5 and R.S.54:4-3.25.

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

1. R.S.54:4-3.5 is amended to read as follows:

Exemption of property used for military purposes.

54:4-3.5. Real estate or personal property owned and used for military purposes by any organization under the jurisdiction of this State, shall be exempt from taxation under this chapter on condition that all income derived from the property above the expense of its maintenance and repair shall be used exclusively for such military purposes or for charitable purposes; and any building, real estate or personal property used by an organization composed entirely of veterans of any war of the United States shall be exempt from taxation under this chapter. No property shall lose its exemption or be denied an exemption from taxation under this section because of the use of the property for an income-producing activity that is not the organization's primary purpose so long as all net proceeds from that

activity are utilized in furtherance of the primary purpose of the organization or for other charitable purposes.

2. R.S.54:4-3.25 is amended to read as follows:

Exemption of property of veterans' associations; limitation.

54:4-3.25. All real and personal property used in the work, for the support and for the purposes of one or more bona fide national war veterans' organizations or posts, or bona fide affiliated associations, whether incorporated or unincorporated, existing and established on June eighteenth, one thousand nine hundred and thirty-six, shall be exempt from taxation under this chapter if the legal or beneficial ownership of such property is in one or more of said organizations, or posts, or affiliated associations. No property shall lose its exemption or be denied an exemption from taxation under this section because of the use of the property for an income-producing activity that is not the organization's primary purpose so long as all net proceeds from that activity are utilized in furtherance of the primary purpose of the organization or for other charitable purposes.

3. This act shall take effect immediately and shall be retroactive to January 1, 1994.

Approved July 25, 1996.

CHAPTER 83

AN ACT concerning prepackaged alcoholic gift items and amending R.S.33:1-12.

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

1. R.S.33:1-12 is amended to read as follows:

Class C. licenses.

33:1-12. Class C licenses shall be subdivided and classified as follows:

Plenary retail consumption license. 1. The holder of this license shall be entitled, subject to rules and regulations, to sell any alcoholic beverages for consumption on the licensed premises by the glass or other open receptacle, and also to sell any alcoholic beverages in original containers for consumption off the licensed premises; but this license shall not be issued to permit the sale of alcoholic beverages in or upon any premises in which a grocery,

delicatessen, drug store or other mercantile business is carried on, except as hereinafter provided. Subject to such rules and regulations established from time to time by the director, the holder of this license shall be permitted to sell alcoholic beverages in or upon the premises in which any of the following is carried on: the keeping of a hotel or restaurant including the sale of mercantile items incidental thereto as an accommodation to patrons; the sale of distillers', brewers' and vintners' packaged merchandise prepacked as a unit with other suitable objects as gift items to be sold only as a unit; the sale of novelty wearing apparel identified with the name of the establishment licensed under the provisions of this section; the sale of cigars, cigarettes, packaged crackers, chips, nuts and similar snacks and ice at retail as an accommodation to patrons, or the retail sale of nonalcoholic beverages as accessory beverages to alcoholic beverages; or, in commercial bowling establishments, the retail sale or rental of bowling accessories and the retail sale from vending machines of candy, ice cream and nonalcoholic beverages. The fee for this license shall be fixed by the governing board or body of the municipality in which the licensed premises are situated, by ordinance, at not less than $200.00 and not more than $2,000.00. No ordinance shall be enacted which shall raise or lower the fee to be charged for this license by more than 20% from that charged in the preceding license year or $500.00, whichever is the lesser. The governing board or body of each municipality may, by ordinance, enact that no plenary retail consumption license shall be granted within its respective municipality.

The holder of this license shall be permitted to obtain a restricted brewery license issued pursuant to subsection 1c. of R.S.33:1-10 and to operate a restricted brewery immediately adjoining the licensed premises in accordance with the restrictions set forth in that subsection. All fees related to the issuance of both licenses shall be paid in accordance with statutory law.

Seasonal retail consumption license. 2. The holder of this license shall be entitled, subject to rules and regulations, to sell any alcoholic beverages for consumption on the licensed premises by the glass or other open receptacle, and also to sell any alcoholic beverages in original containers for consumption off the licensed premises, during the summer season from May 1 until November 14, inclusive, or during the winter season from November 15 until April 30, inclusive; but this license shall not be issued to permit the sale of alcoholic beverages in or upon any premises in which a grocery, delicatessen, drug store or other mercantile business is carried on, except as hereinafter provided. Subject to such rules and regulations established from time to time by the director, the holder of this license shall be permitted to sell alcoholic beverages in or upon the premises in which any of the following is carried on: the keeping of a hotel or restaurant including the

sale of mercantile items incidental thereto as an accommodation to patrons; the sale of distillers', brewers' and vintners' packaged merchandise prepacked as a unit with other suitable objects as gift items to be sold only as a unit; the sale of novelty wearing apparel identified with the name of the establishment licensed under the provisions of this section; the sale of cigars, cigarettes, packaged crackers, chips, nuts and similar snacks and ice at retail as an accommodation to patrons; or the retail sale of nonalcoholic beverages as accessory beverages to alcoholic beverages. The fee for this license shall be fixed by the governing board or body of the municipality in which the licensed premises are situated, by ordinance, at 75% of the fee fixed by said board or body for plenary retail consumption licenses. The governing board or body of each municipality may, by ordinance, enact that no seasonal retail consumption license shall be granted within its respective municipality.

Plenary retail distribution license. 3. a. The holder of this license shall be entitled, subject to rules and regulations, to sell any alcoholic beverages for consumption off the licensed premises, but only in original containers. The governing board or body of each municipality may, by ordinance, enact that this license shall not be issued to permit the sale of alcoholic beverages in or upon any premises in which any other mercantile business is carried on, except that any such ordinance, heretofore or hereafter adopted, shall not prohibit the retail sale of distillers', brewers' and vintners' packaged merchandise prepacked as a unit with other suitable objects as gift items to be sold only as a unit; the sale of novelty wearing apparel identified with the name of the establishment licensed under the provisions of this act; cigars, cigarettes, packaged crackers, chips, nuts and similar snacks, ice, and nonalcoholic beverages as accessory beverages to alcoholic beverages. The fee for this license shall be fixed by the governing board or body of the municipality in which the licensed premises are situated, by ordinance, at not less than $100.00 and not more than $2,000.00. No ordinance shall be enacted which shall raise or lower the fee to be charged for this license by more than 20% from that charged in the preceding license year or $500.00, whichever is the lesser. The governing board or body of each municipality may, by ordinance, enact that no plenary retail distribution license shall be granted within its respective municipality.

Limited retail distribution license. 3. b. The holder of this license shall be entitled, subject to rules and regulations, to sell any unchilled, brewed, malt alcoholic beverages in quantities of not less than 72 fluid ounces for consumption off the licensed premises, but only in original containers; provided, however, that this license shall be issued only for premises operated and conducted by the licensee as a bona fide grocery store, meat market, meat and grocery store, delicatessen, or other type of bona fide food store at which groceries or other foodstuffs are sold at retail; and provided

further that this license shall not be issued except for premises at which the sale of groceries or other foodstuffs is the primary and principal business and at which the sale of alcoholic beverages is merely incidental and subordinate thereto. The fee for this license shall be fixed by the governing body or board of the municipality in which the licensed premises are situated, by ordinance, at not less than $25.00 and not more than $50.00. The governing board or body of each municipality may, by ordinance, enact that no limited retail distribution license shall be granted within its respective municipality.

Plenary retail transit license. 4. The holder of this license shall be entitled, subject to rules and regulations, to sell any alcoholic beverages, for consumption only, on railroad trains, airplanes, limousines and boats, while in transit. The fee for this license for use by a railroad or air transport company shall be $300.00, for use by the owners of limousines shall be $25.00 per vehicle, and for use on a boat shall be $50.00 on a boat 65 feet or less in length, $100.00 on a boat more than 65 feet in length but not more than 110 feet in length, and $300.00 on a boat more than 110 feet in length; such boat lengths shall be determined in the manner prescribed by the Bureau of Customs of the United States Government or any federal agency successor thereto for boat measurement in connection with issuance of marine documents. A license issued under this provision to a railroad or air transport company shall cover all railroad cars and planes operated by any such company within the State of New Jersey. A license for a boat or limousine issued under this provision shall apply only to the particular boat or limousine for which issued, and shall permit the purchase of alcoholic beverages for sale or service in a boat or limousine to be made from any Class A and B licensee or from any Class C licensee whose license privilege permits the sale of alcoholic beverages in original containers for off-premises consumption. An interest in a plenary retail transit license issued in accordance with this section shall be excluded in determining the maximum number of retail licenses permitted under P.L.1962, c.152 (C.33:1-12.31 et seq.).

Club license. 5. The holder of this license shall be entitled, subject to rules and regulations, to sell any alcoholic beverages but only for immediate consumption on the licensed premises and only to bona fide club members and their guests. The fee for this license shall be fixed by the governing board or body of the municipality in which the licensed premises are situated, by ordinance, at not less than $50.00 and not more than $150.00. The governing board or body of each municipality may, by ordinance, enact that no club licenses shall be granted within its respective municipality. Club licenses may be issued only to such corporations, associations and organizations as are operated for benevolent, charitable, fraternal, social, religious, recreational, athletic, or similar purposes, and not for private gain, and which

comply with all conditions which may be imposed by the Commissioner of Alcoholic Beverage Control by rules and regulations.

2. This act shall take effect immediately.

Approved July 25, 1996.

CHAPTER 84

AN ACT concerning the operation of casinos and amending P.L.1977, c.110 and P.L.1992, c.19.

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

1. Section 6 of P.L.1977, c.110 (C.5:12-6) is amended to read as follows:

C.5:12-6 "Casino."

6. "Casino" or "casino room" or "licensed casino" -- One or more locations or rooms in a casino hotel facility that have been approved by the commission for the conduct of casino gaming in accordance with the provisions of this act. "Casino " or "casino room" or "licensed casino" shall not include any casino simulcasting facility authorized pursuant to the "Casino Simulcasting Act," P.L.1992, c.19 (C.5:12-191 et seq.).

2. Section 19 of P.L.1977, c.110 (C.5:12-19) is amended to read as follows:

C.5:12-19 "Establishment."

19. "Establishment" or "casino hotel" or "casino hotel facility" -- A single building, or two or more buildings which are physically connected in a manner deemed appropriate by the commission, containing an approved hotel, a casino and, if applicable, a casino simulcasting facility.

3. Section 82 of P.L.1977, c.110 (C.5:12-82) is amended to read as follows:

C.5:12-82 Casino license -- applicant eligibility.

82. a. No casino shall operate unless all necessary licenses and approvals therefor have been obtained in accordance with law.

b. Only the following persons shall be eligible to hold a casino license; and, unless otherwise determined by the commission with the concurrence

of the Attorney General which may not be unreasonably withheld in accordance with subsection c. of this section, each of the following persons shall be required to hold a casino license prior to the operation of a casino in the casino hotel with respect to which the casino license has been applied for:

(1) Any person who either owns an approved casino hotel or owns or has a contract to purchase or construct a casino hotel which in the judgment of the commission can become an approved casino hotel within 30 months or within such additional time period as the commission may, upon a showing of good cause therefor, establish;

(2) Any person who, whether as lessor or lessee, either leases an approved casino hotel or leases or has an agreement to lease a casino hotel which in the judgment of the commission can become an approved casino hotel within 30 months or within such additional time period as the commission may, upon a showing of good cause therefor, establish;

(3) Any person who has a written agreement with a casino licensee or with an eligible applicant for a casino license for the complete management of a casino and, if applicable, any authorized games in a casino simulcasting facility; and

(4) Any other person who has control over either an approved casino hotel or the land thereunder or the operation of a casino.

c. Prior to the operation of a casino and, if applicable, a casino simulcasting facility, every agreement to lease an approved casino hotel or the land thereunder and every agreement for the management of the casino and, if applicable, any authorized games in a casino simulcasting facility, shall be in writing and filed with the commission. No such agreement shall be effective unless expressly approved by the commission. The commission may require that any such agreement include within its terms any provision reasonably necessary to best accomplish the policies of this act. Consistent with the policies of this act:

(1) The commission, with the concurrence of the Attorney General which may not be unreasonably withheld, may determine that any person who does not have the ability to exercise any significant control over either the approved casino hotel or the operation of the casino contained therein shall not be eligible to hold or required to hold a casino license;

(2) The commission, with the concurrence of the Attorney General which may not be unreasonably withheld, may determine that any owner, lessor or lessee of an approved casino hotel or the land thereunder who does not own or lease the entire approved casino hotel shall not be eligible to hold or required to hold a casino license;

(3) The commission shall require that any person or persons eligible to apply for a casino license organize itself or themselves into such form or

forms of business association as the commission shall deem necessary or desirable in the circumstances to carry out the policies of this act;

(4) The commission may issue separate casino licenses to any persons eligible to apply therefor;

(5) As to agreements to lease an approved casino hotel or the land thereunder, unless it expressly and by formal vote for good cause determines otherwise, the commission shall require that each party thereto hold either a casino license or casino service industry license and that such an agreement be for a durational term exceeding 30 years, concern 100% of the entire approved casino hotel or of the land upon which same is located, and include within its terms a buy-out provision conferring upon the casino licensee-lessee who controls the operation of the approved casino hotel the absolute right to purchase for an expressly set forth fixed sum the entire interest of the lessor or any person associated with the lessor in the approved casino hotel or the land thereunder in the event that said lessor or said person associated with the lessor is found by the commission to be unsuitable to be associated with a casino enterprise;

(6) The commission shall not permit an agreement for the leasing of an approved casino hotel or the land thereunder to provide for the payment of an interest, percentage or share of money gambled at the casino or derived from casino gaming activity or of revenues or profits of the casino unless the party receiving payment of such interest, percentage or share is a party to the approved lease agreement; unless each party to the lease agreement holds either a casino license or casino service industry license and unless the agreement is for a durational term exceeding 30 years, concerns a significant portion of the entire approved casino hotel or of the land upon which same is located, and includes within its terms a buy-out provision conforming to that described in paragraph (5) above;

(7) As to agreements for the management of a casino and, if applicable, the authorized games in a casino simulcasting facility, the commission shall require that each party thereto hold a casino license, that the party thereto who is to manage the casino gaming operations own at least 10% of all outstanding equity securities of any casino licensee or of any eligible applicant for a casino license if the said licensee or applicant is a corporation and the ownership of an equivalent interest in any casino licensee or in any eligible applicant for a casino license if same is not a corporation, and that such an agreement be for the complete management of all casino space in the casino hotel and, if applicable, all authorized games in a casino simulcasting facility, provide for the sole and unrestricted power to direct the casino gaming operations of the casino hotel which is the subject of the agreement, and be for such a durational term as to assure reasonable continuity, stability and independence in the management of the casino gaming operations;

(8) The commission may permit an agreement for the management of a casino and, if applicable, the authorized games in a casino simulcasting facility to provide for the payment to the managing party of an interest, percentage or share of money gambled at all authorized games or derived from casino gaming activity or of revenues or profits of casino gaming operations;

(9) The commission may permit an agreement between a casino licensee and a casino service industry licensed pursuant to the provisions of subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92) for the conduct of casino simulcasting in a simulcasting facility to provide for the payment to the casino service industry of an interest, percentage or share of the money derived from the casino licensee's share of proceeds from simulcast wagering activity; and

(10) As to agreements to lease an approved casino hotel or the land thereunder, agreements to jointly own an approved casino hotel or the land thereunder and agreements for the management of casino gaming operations or for the conduct of casino simulcasting in a simulcasting facility, the commission shall require that each party thereto, except for a banking or other chartered or licensed lending institution or any subsidiary thereof, or any chartered or licensed life insurance company or property and casualty insurance company, or the State of New Jersey or any political subdivision thereof or any agency or instrumentality of the State or any political subdivision thereof, shall be jointly and severally liable for all acts, omissions and violations of this act by any party thereto regardless of actual knowledge of such act, omission or violation and notwithstanding any provision in such agreement to the contrary.

d. No corporation shall be eligible to apply for a casino license unless:

(1) The corporation shall be incorporated in the State of New Jersey, although such corporation may be a wholly or partially owned subsidiary of a corporation which is organized pursuant to the laws of another state of the United States or of a foreign country;

(2) The corporation shall maintain an office of the corporation in the casino hotel licensed or to be licensed;

(3) The corporation shall comply with all the requirements of the laws of the State of New Jersey pertaining to corporations;

(4) The corporation shall 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) The corporation shall maintain all operating accounts required by the commission in a bank in New Jersey, except that a casino licensee may establish deposit-only accounts in any jurisdiction in order to obtain payment of any check described in section 101 of P.L.1977, c.110 (C.5:12-101);

(6) The corporation shall include among the purposes stated in its certificate of incorporation the conduct of casino gaming and provide that the certificate of incorporation includes all provisions required by this act;

(7) The corporation, if it is not a publicly traded corporation, shall file with the commission such adopted corporate charter provisions as may be necessary to establish the right of prior approval by the commission with regard to transfers of securities, shares, and other interests in the applicant corporation; and, if it is a publicly traded corporation, provide in its corporate charter 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 interest in the corporation; provided, however, that, notwithstanding the provisions of N.J.S.14A:7-12 and N.J.S.12A:8-101 et seq., nothing herein shall be deemed to require that any security of such corporation bear any legend to this effect;

(8) The corporation, if it is not a publicly traded corporation, shall establish to the satisfaction of the commission that appropriate charter provisions create the absolute right of such non-publicly traded 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;

(9) Any publicly traded holding, intermediary, or subsidiary company of the corporation, whether the corporation is publicly traded or not, shall contain in its corporate charter the same provisions required under paragraph (7) for a publicly traded corporation to be eligible to apply for a casino license; and

(10) Any non-publicly traded holding, intermediary or subsidiary company of the corporation, whether the corporation is publicly traded or not, shall establish to the satisfaction of the commission that its charter provisions are the same as those required under paragraphs (7) and (8) for a non-publicly traded corporation to be eligible to apply for a casino license.

Notwithstanding the foregoing, any corporation or company which had bylaw provisions approved by the commission prior to the effective date of this 1987 amendatory act shall have one year from the effective date of this 1987 amendatory act to adopt appropriate charter provisions in accordance with the requirements of this subsection.

The provisions of this subsection shall apply with the same force and effect with regard to casino license applicants and casino licensees which have a legal existence that is other than corporate to the extent which is appropriate.

e. No person shall be issued or be the holder of a casino license if the issuance or the holding results in undue economic concentration in Atlantic City casino operations by that person. The commission shall, after conducting public hearings thereon, promulgate rules and regulations in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) defining the criteria the commission will use in determining what constitutes undue economic concentration. 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.

4. Section 83 of P.L.1977, c.110 (C.5:12-83) is amended to read as follows

C.5:12-83 Approved hotel.

83. a. 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 smaller than the maximum size herein provided.

b. (1) In the case of a casino hotel in operation on June 29, 1991, a casino hotel shall include:

(a) an approved hotel containing at least the number of qualifying sleeping units, as defined in section 27 of P.L.1977, c.110 (C.5:12-27), which it had on that date, except that those units may be consolidated and reconfigured in order to form suites so long as there remain at least 500 qualifying sleeping units; and

(b) a casino, the total square footage of which shall not exceed the amount of casino space authorized on the basis of the provisions of this section which were in effect on June 28, 1991 and applicable to that casino hotel at that time, unless the number of qualifying sleeping units under subparagraph (a) of this paragraph and the number of any qualifying sleeping units added after June 29, 1991 permit an increase on the following basis: 60,000 square feet of casino space for the first 500 qualifying sleeping units and 10,000 square feet of casino space for each additional 100 qualifying

sleeping units above 500, up to a maximum of 200,000 square feet of casino space. No casino hotel in operation on June 29, 1991 shall be required to reduce the amount of its casino space below the amount authorized as of June 28, 1991 unless the number of qualifying sleeping units is reduced below the number required in subparagraph (a) of this paragraph.

For the purpose of increasing casino space, an agreement approved by the commission for the addition of qualifying sleeping units within two years after the commencement of gaming operations in the additional casino space shall be deemed an addition of those rooms, but if the agreement is not fulfilled due to conditions within the control of the casino licensee, the casino licensee shall close the additional casino space or any portion thereof as directed by the commission.

The calculation of the number of qualifying sleeping units added with respect to any such casino hotel shall not include any qualifying sleeping unit or other hotel or motel room in existence in Atlantic City on June 29, 1991, whether or not that unit or room was offered or usable for occupancy on that date, or any replacement for such a unit or room which results from construction or renovation after that date, except that any hotel room in existence in Atlantic City on June 29, 1991 which was not used or available for use on that date and for at least 10 years prior to that date and which is reconstructed or replaced after the effective date of this amendatory and supplementary act, P.L.1993, c.159, and meets the specifications of a sleeping unit prescribed in section 27 of P.L.1977, c.110 (C.5:12-27) may be included in such calculation; any hotel room in existence in Atlantic City on June 29, 1991 which, for at least 10 years prior thereto, had been used as part of an annexed facility of a casino hotel, which facility was determined by the commission to be part of an approved hotel subsequent thereto and prior to the effective date of this amendatory and supplementary act, P.L.1995, c.18 (C.5:12-2.1 et al.), and meets, or was or is reconstructed or replaced to meet, the specifications of a sleeping unit prescribed in section 27 of P.L.1977, c.110 (C.5:12-27), may be included in such calculation; and any replacement which, in the judgment of the commission, is an integral element of a program of neighborhood rehabilitation undertaken by the casino licensee with the approval of the city of Atlantic City may also be included in such calculation.

(2) In the case of a hotel in operation on June 29, 1991 which was part of a casino hotel prior to, but not as of, that date, and which is reestablished as part of a casino hotel after that date, a casino hotel shall include:

(a) an approved hotel containing at least the number of qualifying sleeping units, as defined in section 27 of P.L.1977, c.110 (C.5:12-27), which it had on the date the casino ceased operations prior to June 29, 1991,

except that those units may be consolidated and reconfigured in order to form suites so long as there remain at least 500 qualifying sleeping units; and

(b) a casino, the total square footage of which shall not exceed the amount of casino space the casino had on the date it ceased operations prior to June 29, 1991 unless the number of qualifying sleeping units under subparagraph (a) of this paragraph and the number of any qualifying sleeping units added after that date permit an increase on the following basis: 60,000 square feet of casino space for the first 500 qualifying sleeping units and 10,000 square feet of casino space for each additional 100 qualifying sleeping units above 500, up to a maximum of 200,000 square feet of casino space. No casino hotel which operates pursuant to this paragraph shall be required to reduce the amount of its casino space below the amount it had on the date it ceased operations unless the number of qualifying sleeping units is reduced below the number required in subparagraph (a) of this paragraph.

For the purpose of increasing casino space, an agreement approved by the commission for the addition of qualifying sleeping units within two years after the commencement of gaming operations in the additional casino space shall be deemed an addition of those rooms, but if the agreement is not fulfilled due to conditions within the control of the casino licensee, the casino licensee shall close the additional casino space or any portion thereof as directed by the commission.

The calculation of the number of qualifying sleeping units added with respect to any such hotel shall not include any qualifying sleeping unit or other hotel or motel room in existence in Atlantic City on June 29, 1991, whether or not that unit or room was offered or usable for occupancy on the effective date, or any replacement for such a unit or room which results from construction or renovation after that date, except that any hotel room in existence in Atlantic City on June 29, 1991 which was not used or available for use on that date and for at least 10 years prior to that date and which is reconstructed or replaced after the effective date of this amendatory and supplementary act, P.L.1993, c.159, and meets the specifications of a sleeping unit prescribed in section 27 of P.L.1977, c.110 (C.5:12-27) may be included in such calculation, and any replacement which, in the judgment of the commission, is an integral element of a program of neighborhood rehabilitation undertaken by the casino licensee with the approval of the city of Atlantic City may also be included in such calculation.

c. In the case of a casino hotel not in operation prior to or on June 29, 1991, a casino hotel shall include an approved hotel containing at least 500 qualifying sleeping units, as defined in section 27 of the "Casino Control Act," P.L.1977, c.110 (C.5:12-27), and a casino, the total square footage of which shall not exceed 60,000 square feet, except that for each additional

100 qualifying sleeping units above 500, the maximum amount of the casino space may be increased by 10,000 square feet, up to a maximum of 200,000 square feet of casino space. The calculation of the number of qualifying sleeping units with respect to any such casino hotel shall not include any qualifying sleeping unit or other hotel or motel room in existence in Atlantic City on June 29, 1991, whether or not that unit or room was offered or usable for occupancy on that date, or any replacement for such a unit or room which results from construction or renovation after that date, except that any hotel room in existence in Atlantic City on June 29, 1991 which was not used or available for use on that date and for at least 10 years prior to that date and which is reconstructed or replaced after the effective date of this amendatory and supplementary act, P.L.1993, c.159, and meets the specifications of a sleeping unit prescribed in section 27 of P.L.1977, c.110 (C.5:12-27) may be included in such calculation, and any replacement which, in the judgment of the commission, is an integral element of a program of neighborhood rehabilitation undertaken by the casino licensee with the approval of the city of Atlantic City may also be included in such calculation.

d. Once a hotel is initially approved, the commission shall thereafter rely on the certification of the casino licensee with regard to the number of qualifying sleeping units and shall permit rehabilitation, renovation and alteration of any part of the approved hotel even if the rehabilitation, renovation, or alteration will mean that the casino licensee does not temporarily meet the requirements of subsection c. so long as the licensee certifies that the rehabilitation, renovation, or alteration shall be completed within one year.

e. (Deleted by amendment, P.L.1987, c.352).

f. (Deleted by amendment, P.L.1991, c.182).

g. (Deleted by amendment, P.L.1991, c.182).

h. (Deleted by amendment, P.L.1991, c.182).

i. The commission shall not impose any criteria or requirements regarding the contents of the approved hotel in addition to the criteria and requirements expressly specified in the "Casino Control Act," P.L.1977, c.110 (C.5:12-1 et seq.); provided, however, that the commission shall be authorized to require each casino licensee to establish and maintain an approved hotel which is in all respects a superior, first-class facility of exceptional quality which will help restore Atlantic City as a resort, tourist and convention destination.

5. Section 98 of P.L.1977, c.110 (C.5:12-98) is amended to read as follows:

C.5:12-98 Casino facility requirements.

98. a. Each casino licensee shall arrange the facilities of its casino and, if appropriate, its simulcasting facility in such a manner as to promote optimum security for the casino and simulcasting facility operations, and shall comply in all respects with regulations of the commission pertaining thereto.

b. Each casino hotel shall include:

(1) A closed circuit television system according to specifications approved by the commission, with access on the licensed premises to the system or its signal provided to the commission or the division, in accordance with regulations pertaining thereto;

(2) One or more rooms or locations approved by the commission as casino space; and

(3) Design specifications that insure that visibility in a casino or in the simulcasting facility is not obstructed in any way that might interfere with the ability of the commission or the division to supervise casino or simulcasting facility operations.

6. Section 100 of P.L.1977, c.110 (C.5:12-100) is amended to read as follows:

C.5:12-100 Games and gaming equipment.

100. 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 and in a simulcasting facility to the extent provided by the "Casino Simulcasting Act," P.L.1992, c.19 (C.5:12-191 et al.). Notwithstanding the foregoing, if the commission approves the game of keno as an authorized game pursuant to section 5 of P.L.1977, c.110 (C.5:12-5), as amended, keno tickets may be sold or redeemed in accordance with commission regulations at any location in a casino hotel approved by the commission for such activity.

b. Gaming equipment shall not be possessed, maintained or exhibited by any person on the premises of a casino hotel except in a casino room, in the simulcasting facility, or in restricted casino 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. Gaming equipment which supports the conduct of gaming in a casino or simulcasting facility but does not permit or require patron access, such as computers, may be possessed and maintained by a casino licensee in restricted casino areas 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 or simulcasting facility 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 or simulcasting facility following 24-hour prior notice given to an authorized agent of the commission.

Notwithstanding the foregoing, a person may, with the prior approval of the commission and under such terms and conditions as may be required by the commission, possess, maintain or exhibit gaming equipment in any other area of the casino hotel; provided such equipment is used for nongaming purposes.

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, coins, 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 a casino room or simulcasting facility, 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 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 shall be made according to rules promulgated by the commission, which shall establish such limitations as may be necessary to assure the vitality of casino operations and fair odds to patrons. Each slot machine shall have a minimum payout of 83%.

f. Each casino licensee shall make available in printed form to any 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 a casino room and simulcasting facility, as appropriate, 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 for a casino licensee to require any wager to be greater than the stated minimum or less than the stated maximum; provided, however, that any wager actually made by a patron and not rejected by a casino licensee prior to the commencement of play shall be treated as a valid wager.

h. (1) 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 division may, in its discretion, and for the purpose of expediting the approval process, refer testing to any testing laboratory with a plenary license as a casino service industry pursuant to subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92). The division shall give priority to the testing of slot machines which a casino licensee has certified it will use in its casino in this State. The commission shall, by regulation, establish such technical standards for licensure of slot machines, 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. The denominations of such machines shall be set by the licensee; the licensee shall simultaneously notify the commission of the settings.

(2) The commission shall, by regulation, determine the permissible number and density of slot machines in a licensed casino so as to:

(a) promote optimum security for casino operations;

(b) avoid deception or frequent distraction to players at gaming tables;

(c) promote the comfort of patrons;

(d) create and maintain a gracious playing environment in the casino; and

(e) encourage and preserve competition in casino operations by assuring that a variety of gaming opportunities is offered to the public.

Any such regulation promulgated by the commission which determines the permissible number and density of slot machines in a licensed casino shall provide that all casino floor space and all space within a casino licensee's casino simulcasting facility shall be included in any calculation of the permissible number and density of slot machines in a licensed casino.

i. (Deleted by amendment, P.L.1991, c.182).

j. (Deleted by amendment, P.L.1991, c.182).

k. It shall be unlawful for any person to exchange or redeem chips for anything whatsoever, except for currency, negotiable personal checks, negotiable counter checks, other chips, coupons or complimentary vouchers distributed by the casino licensee, or, if authorized by regulation of the commission, a valid charge to a credit or debit card account. A casino

licensee shall, upon the request of any person, redeem that licensee's gaming chips surrendered by that person in any amount over $100 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 its agents or employees to employ, contract with, or use any shill or barker to induce any person to enter a casino or simulcasting facility 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, unless otherwise permitted by the rules of the commission.

n. It shall be unlawful for any casino key employee or any person who is required to hold a casino key employee license as a condition of employment or qualification to wager in any casino or simulcasting facility in this State, or any casino employee, other than a junket representative, 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 in a casino or simulcasting facility in the casino hotel in which the employee is employed or in any other casino or simulcasting facility in this State which is owned or operated by the same casino licensee. Any casino employee, other than a junket representative, bartender, waiter, waitress, or other casino employee who, in the judgment of the commission, is not directly involved with the conduct of gaming operations, must wait at least 30 days following the date that the employee either leaves employment with a casino licensee or is terminated from employment with a casino licensee before the employee may gamble in a casino or simulcasting facility in the casino hotel in which the employee was formerly employed or in any other casino or simulcasting facility in this State which is owned or operated by the same casino licensee.

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 hotel or simulcasting facility 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 lockbox reserved for that purpose, accounted for, and placed in a pool for distribution pro rata among the dealers, with the distribution based upon the number of hours each dealer has worked.

7. Section 104 of P.L.1977, c.110 (C.5:12-104) is amended to read as follows:

C.5:12-104 Casino licensee -- leases and contracts.

104. a. (1) Unless otherwise provided in this subsection, no agreement which provides for the payment, however defined, of any direct or indirect interest, percentage or share of any money or property gambled at a casino or simulcasting facility or derived from casino gaming activity or wagering at a simulcasting facility of any such interest, percentage, or share of any revenues, profits or earnings of a casino or simulcasting facility shall be lawful.

(2) Agreements which provide only for the payment of a fixed sum which is in no way affected by the amount of any such money, property, revenues, profits or earnings shall not be subject to the provisions of this subsection; and 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.

(3) Agreements between a casino licensee and its employees which provide for casino employee or casino key employee profit sharing and which are in writing and have been filed with the commission shall be lawful and effective only if expressly approved as to their terms by the commission.

(4) Agreements to lease an approved casino hotel or the land thereunder and agreements for the complete management of all casino gaming operations in a casino hotel shall not be subject to the provisions of this subsection but shall rather be subject to the provisions of subsections b. and c. of section 82 of this act.

(5) Agreements which provide for percentage charges between the casino licensee and a holding company or intermediary company of the casino licensee shall be in writing and filed with the commission but shall not be subject to the provisions of this subsection.

(6) Agreements relating to simulcast racing and wagering between a casino licensee and an in-State or out-of-State sending track licensed or exempt from licensure in accordance with subsection c. of section 92 of P.L.1977, c.110 (C.5:12-92) shall be in writing, be filed with the commission, and be lawful and effective only if expressly approved as to their terms by the commission and the New Jersey Racing Commission, except that any such agreements which provide for a percentage of the parimutuel pool wagered at a simulcasting facility to be paid to the sending track shall not be subject to the provisions of paragraph (1) of this subsection.

(7) Agreements relating to simulcast racing and wagering between a casino licensee and a casino service industry licensed pursuant to the provisions of subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92) as a hub facility, as defined in joint regulations of the Casino Control Commission and the New Jersey Racing Commission, shall be in writing, be filed with the commission, and be lawful and effective only if expressly approved as to their terms by the commission and the New Jersey Racing Commission, except that any such agreements which provide for a percentage of the casino licensee's share of the parimutuel pool wagered at a simulcasting facility to be paid to the hub facility shall not be subject to the provisions of paragraph (1) of this subsection.

(8) Agreements relating to simulcast racing and wagering between a casino licensee and a casino service industry licensed pursuant to the provisions of subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92) to conduct casino simulcasting in a simulcasting facility shall be in writing, be filed with the commission, and be lawful and effective only if expressly approved as to their terms by the commission, except that any such agreements which provide for a percentage of the casino licensee's share of the parimutuel pool wagered at a simulcasting facility to be paid to the casino service industry shall not be subject to the provisions of paragraph (1) of this subsection.

b. Each casino applicant or licensee shall maintain, in accordance with the rules of the commission, a record of each written or unwritten agreement regarding the realty, construction, maintenance, or business of a proposed or existing casino hotel or related facility. The foregoing obligation shall apply regardless of whether the casino applicant or licensee is a party to the agreement. Any such agreement may 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 owners, officers, employees, and directors of any enterprise involved in the agreement, which qualifications shall be reviewed according to the standards enumerated in section 86 of this act. If the commission disapproves such an agreement or the owners, officers, employees, or directors of any enterprise involved therein, the commission may require its termination.

Every agreement required to be maintained, and every related agreement the performance of which is dependent upon the performance of any such agreement, shall be deemed to include a provision to the effect that, if the commission shall require termination of an agreement pursuant to this subsection, such termination shall occur without liability on the part of the casino applicant or licensee or any qualified party to the agreement or any related agreement. Failure expressly to include such a provision in the agreement shall not constitute a defense in any action brought to terminate

the agreement. If the agreement is not maintained or presented to the commission in accordance with commission regulations, or the disapproved agreement is not terminated, the commission may pursue any remedy or combination of remedies provided in this act.

For the purposes of this subsection, "casino applicant" includes any person required to hold a casino license pursuant to section 82 of P.L.1977, c.110 (C.5:12-82) who has applied to the commission for a casino license or any approval required under P.L.1977, c.110 (C.5:12-1 et seq.).

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.

8. Section 4 of P.L.1992, c.19 (C.5:12-194) is amended to read as follows:

C.5:12-194 Establishment of casino simulcasting facility.

4. a. (1) A casino licensee which wishes to conduct casino simulcasting shall establish a simulcasting facility as part of the casino hotel. The simulcasting facility may be adjacent to, but shall not be part of, any room or location in which casino gaming is conducted pursuant to the provisions of P.L.1977, c.110 (C.5:12-1 et seq.). The simulcasting facility shall conform to all requirements concerning square footage, equipment, security measures and related matters which the Casino Control Commission shall by regulation prescribe. The space required for the establishment of a simulcasting facility shall not reduce the space authorized for casino gaming activities as specified in section 83 of P.L.1977, c.110 (C.5:12-83). The cost of establishing, maintaining and operating a simulcasting facility shall be the sole responsibility of the casino licensee.

(2) Wagering on simulcast horse races shall be conducted only in the simulcasting facility, which shall be open and operated whenever simulcast horse races are being transmitted to the casino hotel during permitted hours of casino operation.

(3) Any authorized game, as defined in section 5 of P.L.1977, c.110 (C.5:12-5), other than slot machines may be conducted in a simulcasting facility subject to the rules and regulations of the Casino Control Commission.

(4) The security measures for a simulcasting facility shall include the installation by the casino licensee of a closed circuit television system according to specifications approved by the Casino Control Commission. The Casino Control Commission and the Division of Gaming Enforcement shall have access to the system or its signal in accordance with regulations of the commission.

b. All persons engaged directly in wagering-related activities conducted by a casino licensee in a simulcasting facility, whether employed by the casino licensee or by a person or entity conducting casino simulcasting in the simulcasting facility pursuant to an agreement with the casino licensee, shall be licensed as casino employees or casino key employees, as appropriate. All other employees of the casino licensee or of the person or entity conducting casino simulcasting who are working in the simulcasting facility shall be licensed or registered in accordance with regulations of the Casino Control Commission.

Any employee at the Atlantic City Race Course or Garden State Park on or after June 12, 1992, who loses employment with that racetrack as a direct result of the implementation of casino simulcasting and who has been licensed by the New Jersey Racing Commission for five consecutive years immediately preceding the loss of employment shall be given first preference for employment whenever any comparable position becomes available in any casino simulcasting facility, provided the person is qualified pursuant to this subsection. If a casino licensee enters into an agreement with a person or entity for the conduct of casino simulcasting in its simulcasting facility, the agreement shall include the requirement that such first preference in employment shall be given by the person or entity with respect to employment in the simulcasting facility.

c. A casino licensee which establishes a simulcasting facility and conducts casino simulcasting shall, as a condition of continued operation of casino simulcasting, receive all live races which are transmitted by in-State sending tracks.

d. Agreements between a casino licensee and an in-State or out-of-State sending track for casino simulcasting shall be in writing and shall be filed with the New Jersey Racing Commission and with the Casino Control Commission in accordance with section 104 of P.L.1977, c.110 (C.5:12-104).

e. If wagering at casinos on sports events is authorized by the voters of this State and by enabling legislation enacted by the Legislature, and if a casino licensee conducts such wagering and casino simulcasting, the two activities shall be conducted in the same area, in accordance with such regulations as the Casino Control Commission shall prescribe with respect to wagering on sports events and in accordance with this act and such regulations as may be adopted pursuant to section 3 of this act with respect to casino simulcasting.

9. This act shall take effect immediately.

Approved July 25, 1996.

CHAPTER 85

AN ACT appropriating moneys from the Wastewater Treatment Fund and the 1992 Wastewater Treatment Fund for the purpose of making zero interest loans to local government units to finance a portion of the cost of construction of wastewater treatment system projects.

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

1. a. (1) There is appropriated to the Department of Environmental Protection from the "Wastewater Treatment Fund - State Revolving Fund Accounts" (hereinafter referred to as the "State Revolving Fund Accounts") contained within the "Wastewater Treatment Fund" and established pursuant to section 1 of P.L.1988, c.133 an amount equal to the Federal fiscal year 1996 capitalization grant made available to the State for wastewater treatment system projects pursuant to the "Water Quality Act of 1987" (33 U.S.C.§1251 et seq.) and any amendatory and supplementary acts thereto (hereinafter referred to as the "Federal Act").

(2) There is appropriated to the Department of Environmental Protection any fees and penalties received pursuant to the "Marine Protection, Research, and Sanctuaries Act of 1972," (33 U.S.C.§1401 et seq.), and any amendatory and supplementary acts thereto, as may be deposited in the State Revolving Fund Accounts.

(3) There is appropriated to the Department of Environmental Protection the unappropriated balances from the "Wastewater Treatment Fund" established pursuant to section 15 of the "Wastewater Treatment Bond Act of 1985," (P.L.1985, c.329).

(4) There is appropriated to the Department of Environmental Protection the sum of $10,000,000 from the "1992 Wastewater Treatment Fund" established pursuant to section 27 of the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," (P.L.1992, c.88).

Any such amounts shall be for the purpose of making zero interest loans, to the extent sufficient funds are available, to local government units to finance a portion of the cost of construction of wastewater treatment system projects listed in sections 2 and 3 of this act, and for the purpose of implementing and administering the provisions of this act, to the extent permitted by the "Water Quality Act of 1987" (33 U.S.C.§1251 et seq.), the "Marine Protection, Research, and Sanctuaries Act of 1972," and any amendatory and supplementary acts thereto, the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," and State law.

b. The department is authorized to make zero interest loans to the local government units for the wastewater treatment system projects listed in sections 2 and 3 of this act up to the individual amounts indicated and in the priority stated, except as any such amount may be reduced by the Commissioner of Environmental Protection pursuant to section 6 of this act, or if a project fails to meet the requirements of section 4 of this act.

c. The department is also authorized to make zero interest loans to the local government units for the wastewater treatment system projects listed in sections 2 and 3 of this act under the same terms, conditions and requirements as set forth in this section from any unexpended balances of the amounts appropriated pursuant to section 1 of P.L.1987, c.200, section 2 of P.L.1988, c.133, section 1 of P.L.1989, c.189, section 1 of P.L.1990, c.99, section 1 of P.L.1991, c.325, section 1 of P.L.1992, c.38, section 1 of P.L.1993, c.193, section 1 of P.L.1994, c.106 or section 1 of P.L.1995, c.219, including amounts resulting from the low bid building cost or final building cost reductions authorized pursuant to section 6 of P.L.1987, c.200, section 7 of P.L.1988, c.133, section 6 of P.L.1989, c.189, section 6 of P.L.1990, c.99, section 6 of P.L.1991, c.325, section 6 of P.L.1992, c.38, section 6 of P.L.1993, c.193, section 6 of P.L.1994, c.106 and section 6 of P.L.1995, c.219, and from any repayments of loans from the "Wastewater Treatment Fund" or amounts deposited therein during State fiscal year 1997 pursuant to the provisions of section 16 of P.L.1985, c.329, including any State Revolving Fund Accounts contained within the "Wastewater Treatment Fund."

2. a. The department is authorized to expend funds for the purpose of making supplemental zero interest loans to the local government units listed below for the following wastewater treatment system projects:

Project No.	Local Government Unit	Estimated Allowable Project Cost
S340708-05-2	Camden County MUA	$ 3,500,000
S340943-01-1	Mt. Laurel Township MUA	$ 3,000,000
S340724-03-1	Morris Township	$ 350,000
	Total	$ 6,850,000

b. The loans authorized in this section shall be made for the difference between the allowable loan amounts required by these projects based upon low bid building costs or final building costs pursuant to section 6 of this act and the loan amounts certified by the commissioner in State fiscal years 1991 and 1995 and for increased allowable costs as defined and determined in accordance with the rules and regulations adopted by the department pursuant to section 4 of P.L.1985, c.329. The loans authorized in this section shall be made to the local government units listed, up to the

individual amounts indicated and in the priority stated, to the extent sufficient funds are available, except as any such project fails to meet the requirements of section 4 of this act.

c. The zero interest loans for the projects authorized in this section shall have priority over projects listed in section 3 of this act.

3. The following wastewater treatment system projects shall be known and may be cited as the "State Fiscal Year 1997 Project Priority List":

Project No.	Local Government Unit	Estimated Allowable Project Cost
956-01-A	Delanco Township SA	$1,000,000
956-01-B	Willingboro MUA	1,750,000
712-03	Burlington Township	5,050,000
927-02	Hammonton Town of	600,000
818-04	Burlington County Board of Chosen Freeholders	6,750,000
895-02	Winslow Township	1,100,000
352-01	Florence Township	1,050,000
951-01	Washington Township MUA	6,350,000
724-04	Morris Township	1,500,000
480-03	Pequannock Township	900,000
640-05	Camden County MUA	2,750,000
966-01	Lavallette Borough	1,500,000
353-01	Egg Harbor Township MUA	1,500,000
440-03	Flemington Borough	900,000
942-02	Elizabeth City	5,850,000
689-02	Passaic Valley Sewerage Commissioners	15,150,000
953-01	Jackson Township MUA	3,000,000
569-02	Byram Township	1,100,000
857-01	Atlantic Highlands Borough	550,000
942-01	Elizabeth City	1,600,000
921-02	Millville City	1,450,000
337-01	Bellmawr Borough	550,000
346-01	Medford Township	400,000
338-01	Somerdale Borough	150,000
257-01	Woodbury Heights Borough	650,000
537-04	Mount Olive Township	800,000
876-01	Chester Borough	850,000
	Total	$64,800,000

4. Any loan made by the Department of Environmental Protection pursuant to this act shall be subject to the following requirements:

a. The commissioner has certified that the project is in compliance with the provisions of P.L.1985, c.329 or P.L.1992, c.88 and any rules and regulations adopted pursuant thereto;

b. The loan amount shall not exceed 50% of the total estimated allowable project cost of the wastewater treatment system;

c. The loan shall be repaid within a period not to exceed 23 years of the making of the loan;

d. The loan shall be conditioned upon approval of a loan from the New Jersey Wastewater Treatment Trust pursuant to P.L.1996, c.87; except that this requirement shall not apply to Project No. S340927-02 (Town of Hammonton: $3,530,000), for which a loan has been made by the trust pursuant to P.L.1992, c.37 for both phases of this local government unit's wastewater treatment system project;

e. The loan shall be subject to any other terms and conditions as may be established by the commissioner and approved by the State Treasurer, which may include, notwithstanding any other provision of law to the contrary, subordination of a loan authorized in this act to loans made by the trust pursuant to P.L.1996, c.87 or to administrative fees payable to the trust pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5).

5. The priority list and authorization for the making of loans pursuant to sections 2 and 3 of this act shall expire on July 1, 1997, and any local government unit which has not executed and delivered a loan agreement with the department for a loan authorized in this act shall no longer be entitled to that loan.

6. The Commissioner of Environmental Protection is authorized to reduce or increase the individual amount of loan funds made available to local government units pursuant to sections 2 and 3 of this act based upon low bid building costs or final building costs defined in and determined in accordance with rules and regulations adopted by the commissioner pursuant to section 4 of P.L.1985, c.329, provided that the total loan amount does not exceed the original loan amount.

7. The expenditure of the funds appropriated by this act is subject to the provisions and conditions of P.L.1985, c.329 or P.L.1992, c.88 and any rules and regulations adopted by the commissioner pursuant thereto.

8. The Department of Environmental Protection shall provide general technical assistance to any local government unit requesting assistance regarding wastewater treatment system project development or applications for funds for a project.

9. a. Prior to repayment to the "Wastewater Treatment Fund" pursuant to the provisions of section 16 of P.L.1985, c.329, and prior to repayment to the "1992 Wastewater Treatment Fund" pursuant to the provisions of section 28 of P.L.1992, c.88, repayments of loans made pursuant to this act may be utilized by the New Jersey Wastewater Treatment Trust established

pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.) under terms and conditions established by the commissioner and trust, and approved by the State Treasurer, and consistent with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) and federal tax law, to the extent necessary to secure repayment of trust bonds issued to finance loans approved pursuant to P.L.1996, c.87, and to secure the administrative fees payable to the trust pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5) by the local government units receiving trust loans.

b. Repayments of loans made pursuant to P.L.1989, c.189, P.L.1990, c.99, P.L.1991, c.325, P.L.1992, c.38, P.L.1993, c.193, P.L.1994, c.106, P.L.1995, c.219 or P.L.1996, c.85 may be utilized by the trust to secure repayment of trust bonds issued to finance loans approved pursuant to P.L.1995, c.218 or P.L.1996, c.87, and to secure the administrative fees payable to the trust under these loans pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5).

c. To the extent that any loan repayment sums are used to secure trust bond repayments or administrative fee payments, the trust shall repay such sums to the department for deposit into the "Wastewater Treatment Fund" or the "1992 Wastewater Treatment Fund," as appropriate.

10. The Commissioner of Environmental Protection is authorized to enter into a capitalization grant agreement as may be required pursuant to the Federal Act.

11. a. The Director of the Division of Budget and Accounting in the Department of the Treasury is directed to transfer to the "Wastewater Treatment Fund" the entire sum of money, if any, appropriated to the Department of Environmental Protection for "Public Wastewater Facilities" in the "State Aid" section of P.L.1996, c.42. The sum transferred to the "Wastewater Treatment Fund" pursuant to this section is appropriated to the New Jersey Wastewater Treatment Trust established pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.). The trust shall deposit all or a portion of this sum as it may deem necessary and appropriate into one or more reserve funds established pursuant to section 11 of P.L.1985, c.334 (C.58:11B-11). These reserve funds shall include reserve funds constituted collectively as a water pollution control revolving fund for the purposes of the Federal Act and shall be known as the Trust Reserve Fund - State Revolving Fund Accounts; except that the trust shall not establish the Trust Reserve Fund - State Revolving Fund Accounts prior to the execution of a capitalization grant agreement entered into by the Commissioner of Environmental Protection pursuant to section 10 of this act.

b. Any portion of the sum appropriated to the trust pursuant to subsection a. of this section or subsection a. of section 11 of P.L.1989, c.189, subsection a. of section 11 of P.L.1990, c.99, subsection a. of section 11 of P.L.1991, c.325, subsection a. of section 11 of P.L.1992, c.38, subsection a. of section 11 of P.L.1993, c.193, subsection a. of section 11 of P.L.1994, c.106 or subsection a. of P.L.1995, c.219, plus any net earnings received from the investment or deposit of such moneys by the trust not required by the trust to establish reserve funds as provided in this section, shall be returned to the "Wastewater Treatment Fund" and placed in any account therein as determined by the commissioner to be used by the department for making zero interest loans to local government units to finance a portion of the cost of the wastewater treatment system projects listed in sections 2 and 3 of this act up to the individual amounts indicated and in the priority stated, except as any such amount may be reduced by the commissioner pursuant to section 6 of this act or if a project fails to meet the requirements of section 4 of this act; and except that the commissioner shall certify to the chairman of the trust that such funds are needed for zero interest loans before any transfer is made. In the event that the commissioner fails to make this certification, the unexpended balance not devoted to establishing reserve funds shall remain with the trust but shall not be expended by the trust until such expenditure is authorized pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.).

12. There is appropriated to the New Jersey Wastewater Treatment Trust established pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.) from repayments of loans deposited in any account, including the State Revolving Fund Accounts contained within the "Wastewater Treatment Fund" or the "1992 Wastewater Treatment Fund," and from any net earnings received from the investment and reinvestment of such deposits, such sums as the chairman of the trust shall certify to the Commissioner of Environmental Protection to be necessary and appropriate for deposit into one or more reserve funds established by the trust pursuant to section 11 of P.L.1985, c.334 (C.58:11B-11); except that the certification shall not be made with respect to the State Revolving Fund Accounts prior to the execution of a capitalization grant agreement entered into by the commissioner pursuant to section 10 of this act.

13. This act shall take effect immediately.

Approved July 26, 1996.

CHAPTER 86

AN ACT appropriating moneys from the "1992 Wastewater Treatment Trust Fund" to the New Jersey Wastewater Treatment Trust for use in providing financial assistance to local government units for the construction of wastewater treatment system projects.

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

1. a. (1) There is appropriated to the New Jersey Wastewater Treatment Trust established pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.) the sum of $5,000,000 from the "1992 Wastewater Treatment Trust Fund" established pursuant to section 27 of the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," (P.L.1992, c.88).

(2) There is appropriated to the New Jersey Wastewater Treatment Trust any net earnings received from the investment or deposit of moneys in the "1992 Wastewater Treatment Trust Fund" pursuant to the provisions of section 29 of P.L.1992, c.88.

b. The New Jersey Wastewater Treatment Trust shall utilize the funds appropriated by subsection a. of this section to establish a reserve fund in accordance with and subject to the provisions of subsection c. of section 12 of P.L.1992, c.88 and section 11 of P.L.1985, c.334 (C.58:11B-11).

2. The expenditure of the sums appropriated by this act is subject to the provisions and conditions of P.L.1992, c.88 and P.L.1985, c.334 (C.58:11B-1 et seq.).

3. This act shall take effect immediately.

Approved July 26, 1996.

CHAPTER 87

AN ACT authorizing the expenditure of funds by the New Jersey Wastewater Treatment Trust for the purpose of making loans to local government units to finance a portion of the cost of construction of wastewater treatment system projects, and supplementing P.L.1985, c.334 (C.58:11B-1 et seq.).

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

1. a. The New Jersey Wastewater Treatment Trust, established pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.), is authorized to expend the aggregate sum of up to $75,000,000, and any unexpended balance of the aggregate expenditures authorized pursuant to section 1 of P.L.1994, c.105 and section 1 of P.L.1995, c.218 for the purpose of making loans, to the extent sufficient funds are available, to local government units to finance a portion of the cost of construction of wastewater treatment system projects listed in sections 2, 3 and 4 of this act.

b. The trust is authorized to increase the aggregate sums specified in subsection a. of this section by:

(1) the amounts of capitalized interest and the bond issuance expenses as provided in subsection b. of section 7 of this act; and

(2) the amounts of reserve capacity expenses and the associated debt service reserve fund requirements for such reserve capacity expenses as provided in subsection c. of section 7 of this act.

c. For the purposes of this act:

(1) "capitalized interest" means the amount equal to interest paid on trust bonds which is funded with trust bond proceeds;

(2) "issuance expenses" means and includes, but need not be limited to, the costs of financial document printing, municipal bond insurance premiums, underwriters' discount, verification of financial calculations, the services of bond rating agencies and trustees, employment of accountants, attorneys, financial advisors, loan servicing agents, registrars, and paying agents and any other costs related to the issuance of trust bonds; and

(3) "reserve capacity expenses" means those project costs for reserve capacity not eligible for loans under rules and regulations governing zero interest loans adopted by the Commissioner of Environmental Protection pursuant to section 4 of P.L.1985, c.329 but which are eligible for loans from the trust in accordance with the rules and regulations adopted by the trust pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27).

2. a. The New Jersey Wastewater Treatment Trust is authorized to expend funds for the purpose of making supplemental loans to the local government units listed below for the following wastewater treatment system projects:

Project No.	Local Government Unit	Estimated Allowable Project Cost
S340708-05-2	Camden County MUA	$ 3,500,000
S340943-01-1	Mt. Laurel Township MUA	$ 3,000,000
S340724-03-1	Morris Township	$ 350,000
	Total	$ 6,850,000

b. The loans authorized in this section shall be made for the difference between the allowable loan amounts required by these projects based upon low bid building costs or final building costs pursuant to subsection a. of section 7 of this act and the loan amounts certified by the chairman of the trust in State fiscal years 1991 and 1995 and for increased allowable costs as defined and determined in accordance with the rules and regulations adopted by the trust pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27). The loans authorized in this section shall be made to the local government units listed, up to the individual amounts indicated and in the priority stated, to the extent sufficient funds are available, except as any such project fails to meet the requirements of section 6 of this act.

c. The loans authorized in this section shall have priority over the wastewater treatment system projects listed in section 4 of this act.

3. The New Jersey Wastewater Treatment Trust is authorized to make loans to the local government units for the wastewater treatment system projects listed in section 4 of this act up to the individual amounts indicated and in the priority stated, except as any such amount may be reduced by the trust pursuant to subsection a. of section 7 of this act, or if a project fails to meet the requirements of section 6 of this act.

4. The following wastewater treatment system projects shall be known and may be cited as the "State Fiscal Year 1997 Project Priority List":

Project No.	Local Government Unit	Estimated Allowable Project Cost
956-01-A	Delanco Township SA	$1,000,000
956-01-B	Willingboro MUA	1,750,000
712-03	Burlington Township	5,050,000
818-04	Burlington County Board of Chosen Freeholders	6,750,000
895-02	Winslow Township	1,100,000
352-01	Florence Township	1,050,000
951-01	Washington Township MUA	6,350,000
724-04	Morris Township	1,500,000
480-03	Pequannock Township	900,000
640-05	Camden County MUA	2,750,000
966-01	Lavallette Borough	1,500,000
353-01	Egg Harbor Township MUA	1,500,000
440-03	Flemington Borough	900,000
942-02	Elizabeth City	5,850,000
689-02	Passaic Valley Sewerage Commissioners	15,150,000
953-01	Jackson Township MUA	3,000,000
569-02	Byram Township	1,100,000
857-01	Atlantic Highlands Borough	550,000
942-01	Elizabeth City	1,600,000

921-02	Millville City	1,450,000
337-01	Bellmawr Borough	550,000
346-01	Medford Township	400,000
338-01	Somerdale Borough	150,000
257-01	Woodbury Heights Borough	650,000
537-04	Mount Olive Township	800,000
876-01	Chester Borough	850,000
	Total	$64,200,000

5. In accordance with and subject to the provisions of sections 5, 6 and 23 of P.L.1985, c.334 (C.58:11B-5, 58:11B-6, and 58:11B-23) and as set forth in the financial plan required pursuant to section 21 of P.L.1985, c.334 (C.58:11B-21), any proceeds from bonds issued by the trust to make loans for priority wastewater treatment system projects listed in sections 2, 3 and 4 of this act which are not expended for that purpose may be applied for the payment of all or any part of the principal of and interest and premium on the trust bonds whether due at stated maturity or earlier upon redemption. A portion of the proceeds from bonds issued by the trust to make loans for priority wastewater treatment system projects pursuant to this act may be applied for the payment of capitalized interest and for the payment of any issuance expenses; for the payment of reserve capacity expenses and the associated debt service reserve fund requirements; and for the payment of increased costs as defined and determined in accordance with the rules and regulations adopted by the trust pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27).

6. Any loan made by the New Jersey Wastewater Treatment Trust pursuant to this act shall be subject to the following requirements:

a. The chairman of the trust has certified that the project is in compliance with the provisions of P.L.1985, c.334 or P.L.1992, c.88 and any rules and regulations adopted pursuant thereto;

b. The loan shall be conditioned upon approval of a zero interest loan from the Department of Environmental Protection from the "Wastewater Treatment Fund" established pursuant to the "Wastewater Treatment Bond Act of 1985," P.L.1985, c.329 or the "1992 Wastewater Treatment Fund" established pursuant to section 27 of the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88;

c. The loan shall be repaid within a period not to exceed 20 years of the making of the loan;

d. The loan shall not exceed the allowable project cost of the wastewater treatment system, exclusive of capitalized interest and issuance expenses as provided in subsection b. of section 7 of this act, reserve capacity expenses and the associated debt service reserve fund requirements as provided in subsection c. of section 7 of this act, and increased costs as

defined and determined in accordance with the rules and regulations adopted by the trust pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27);

e. The loan shall bear interest, exclusive of any administrative fees payable to the trust pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5) by the local government units receiving trust loans, at or below the interest rate paid by the trust on the bonds issued to make the loans authorized by this act, adjusted for underwriting discount, in accordance with the terms and conditions set forth in the financial plan required pursuant to section 21 of P.L.1985, c.334 (C.58:11B-21); and

f. The loan shall be subject to all other terms and conditions as the trust shall determine to be consistent with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) and any rules and regulations adopted pursuant thereto, and with the financial plan required by section 21 of P.L.1985, c.334 (C.58:11B-21).

The priority list and authorization for the making of loans pursuant to this act shall expire on July 1, 1997, and any local government unit which has not executed and delivered a loan agreement with the trust for a loan authorized in this act shall no longer be entitled to that loan.

7. a. The New Jersey Wastewater Treatment Trust is authorized to reduce the individual amount of loan funds made available to local government units pursuant to sections 2, 3 and 4 of this act based upon low bid building costs or final building costs defined in and determined in accordance with rules and regulations adopted by the trust pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27). The trust is authorized to use any such reduction in the loan amount made available to a local government unit to cover that local government unit's increased costs due to differing site conditions as defined and determined in accordance with the rules and regulations adopted by the trust pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27).

b. The trust is authorized to increase each loan amount authorized in sections 2, 3 and 4 of this act by the amount of capitalized interest and issuance expenses allocable to each loan made by the trust pursuant to this act; provided that the increase for issuance expenses, excluding underwriters' discount, municipal bond insurance premiums and bond rating agency fees, shall not exceed 0.4% of the principal amount of trust bonds issued to make loans authorized by this act.

c. The trust is authorized to increase each loan amount authorized in sections 2, 3 and 4 of this act by the amount of reserve capacity expense, including the debt service reserve fund requirement associated with such reserve capacity expense, as may be allowed the project by the trust in

accordance with rules and regulations adopted by the trust pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27).

8. The New Jersey Wastewater Treatment Trust is authorized to increase the individual amount of loan funds made available to local government units by the trust pursuant to P.L.1989, c.190, P.L.1990, c.97, P.L.1991, c.324, P.L.1992, c.37, P.L.1993, c.192, P.L.1994, c.105, P.L.1995, c.218 or P.L.1996, c.87, provided that adequate savings are achieved, to compensate for a refunding of trust bonds issued to make loans authorized by the aforementioned acts.

9. The expenditure of funds authorized pursuant to this act is subject to the provisions of P.L.1985, c.329, P.L.1992, c.88 and P.L.1985, c.334 (C.58:11B-1 et seq.) and any rules and regulations adopted pursuant thereto.

10. This act shall take effect immediately.

Approved July 26, 1996.

CHAPTER 88

AN ACT concerning the bonded indebtedness of the New Jersey Wastewater Treatment Trust, and amending P.L.1985, c.334.

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

1. Section 6 of P.L.1985, c.334 (C.58:11B-6) is amended to read as follows:

C.58:11B-6 Issuance of bonds, notes, other obligations.

6. a. Except as may be otherwise expressly provided in the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), the trust may from time to time issue its bonds, notes or other obligations in any principal amounts as in the judgment of the trust shall be necessary to provide sufficient funds for any of its corporate purposes, including the payment, funding or refunding of the principal of, or interest or redemption premiums on, any bonds, notes or other obligations issued by it, whether the bonds, notes or other obligations or the interest or redemption premiums thereon to be funded or refunded have or have not become due, the establishment or increase of reserves or other funds to secure or to pay the bonds, notes or other obligations or

interest thereon and all other costs or expenses of the trust incident to and necessary to carry out its corporate purposes and powers.

b. Whether or not the bonds, notes or other obligations of the trust are of a form and character as to be negotiable instruments under the terms of Title 12A of the New Jersey Statutes, the bonds, notes and other obligations are made negotiable instruments within the meaning of and for the purposes of Title 12A of the New Jersey Statutes, subject only to the provisions of the bonds, notes and other obligations for registration.

c. Bonds, notes or other obligations of the trust shall be authorized by a resolution or resolutions of the trust and may be issued in one or more series and shall bear any date or dates, mature at any time or times, bear interest at any rate or rates of interest per annum, be in any denomination or denominations, be in any form, either coupon, registered or book entry, carry any conversion or registration privileges, have any rank or priority, be executed in any manner, be payable in any coin or currency of the United States which at the time of payment is legal tender for the payment of public and private debts, at any place or places within or without the State, and be subject to any terms of redemption by the trust or the holders thereof, with or without premium, as the resolution or resolutions may provide. A resolution of the trust authorizing the issuance of bonds, notes or other obligations may provide that the bonds, notes or other obligations be secured by a trust indenture between the trust and a trustee, vesting in the trustee any property, rights, powers and duties in trust consistent with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) as the trust may determine.

d. Bonds, notes or other obligations of the trust may be sold at any price or prices and in any manner as the trust may determine. Each bond, note or other obligation shall mature and be paid not later than 20 years from the effective date thereof, or the certified useful life of the project or projects to be financed by the bonds, whichever is less.

All bonds of the trust shall be sold at such price or prices and in such manner as the trust shall determine, after notice of sale, a summary of which shall be 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 New Jersey or the city of New York, the first notice to be at least five days prior to the day of bidding. The notice of sale may contain a provision to the effect that any or all bids made in pursuance thereof may be rejected. In the event of such rejection or of failure to receive any acceptable bid, the trust, at any time within 60 days from the date of such advertised sale, may sell such bonds at private sale upon terms not less favorable to the State than the terms offered by any rejected bid. The trust 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.

e. Bonds, notes or other obligations of the trust may be issued under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) without obtaining the consent of any department, division, board, bureau or agency of the State, and without any other proceedings or the happening of any other conditions or things, other than those consents, proceedings, conditions or things which are specifically required by P.L.1985, c.334 (C.58:11B-1 et seq.).

f. Bonds, notes or other obligations of the trust issued under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) shall not be a debt or liability of the State or of any political subdivision thereof other than the trust and shall not create or constitute any indebtedness, liability or obligation of the State or any political subdivision, but all these bonds, notes and other obligations, unless funded or refunded by bonds, notes or other obligations, shall be payable solely from revenues or funds pledged or available for their payment as authorized in P.L.1985, c.334 (C.58:11B-1 et seq.). Each bond, note and obligation shall contain on its face a statement to the effect that the trust is obligated to pay the principal thereof or the interest thereon only from its revenues, receipts or funds pledged or available for their payment as authorized in P.L.1985, c.334 (C.58:11B-1 et seq.) and that neither the State, nor any political subdivision thereof, is obligated to pay the principal or interest and that neither the faith and credit nor the taxing power of the State, or any political subdivision thereof, is pledged to the payment of the principal of or the interest on the bonds, notes or other obligations.

g. The aggregate principal amount of bonds, notes or other obligations, including subordinated indebtedness of the trust, shall not exceed $600,000,000.00, except that, for the purposes of implementing the Fiscal Year 1994 Financial Plan as approved by the Legislature pursuant to SCR No. 118 of 1993 and ACR No. 138 of 1993, the Fiscal Year 1995 Financial Plan as approved by the Legislature pursuant to SCR No. 74 of 1994 and ACR No. 78 of 1994, the Fiscal Year 1996 Financial Plan as approved by the Legislature pursuant to SCR No. 105 of 1995 and ACR No. 15 of 1995, and the Fiscal Year 1997 Financial Plan as approved by the Legislature pursuant to SCR No.75 of 1996 and ACR No.14 of 1996, the trust may exceed the foregoing limitations. In computing the foregoing limitations there shall be excluded all the bonds, notes or other obligations, including subordinated indebtedness of the trust, which shall be issued for refunding purposes, whenever the refunding shall be determined to result in a debt service savings, as hereinafter provided:

(1) Upon the decision by the trust to issue refunding bonds, and prior to the sale of those bonds, the trust shall transmit to the Joint Appropriations Committee's Subcommittee on Transfers, or its successor, a report that a

decision has been made, reciting the basis on which the decision was made, including an estimate of the debt service savings to be achieved and the calculations upon which the trust relied when making the decision to issue refunding bonds. The report shall also disclose the intent of the trust to issue and sell the refunding bonds at public or private sale and the reasons therefor.

(2) The Joint Appropriations Committee's Subcommittee on Transfers shall have the authority to approve or disapprove the sales of refunding bonds as included in each report submitted in accordance with paragraph (1) of this subsection. The subcommittee shall notify the trust in writing of the approval or disapproval as expeditiously as possible.

(3) No refunding bonds shall be issued unless the report has been submitted to and approved by the Joint Appropriations Committee's Subcommittee on Transfers as set forth in paragraphs (1) and (2) of this subsection.

(4) Within 30 days after the sale of the refunding bonds, the trust shall notify the Subcommittee on Transfers of the result of that sale, including the prices and terms, conditions and regulations concerning the refunding bonds, the actual amount of debt service savings to be realized as a result of the sale of refunding bonds, and the intended use of the proceeds from the sale of those bonds.

(5) The subcommittee shall review all information and reports submitted in accordance with this subsection and may, on its own initiative, make observations to the trust, or to the Legislature, or both, as it deems appropriate.

h. Each issue of bonds, notes or other obligations of the trust may, if it is determined by the trust, be general obligations thereof payable out of any revenues, receipts or funds of the trust, or special obligations thereof payable out of particular revenues, receipts or funds, subject only to any agreements with the holders of bonds, notes or other obligations, and may be secured by one or more of the following:

(1) Pledge of revenues and other receipts to be derived from the payment of the interest on and principal of notes, bonds or other obligations issued to the trust by one or more local government units, and any other payment made to the trust pursuant to agreements with any local government units, or a pledge or assignment of any notes, bonds or other obligations of any local government unit and the rights and interest of the trust therein;

(2) Pledge of rentals, receipts and other revenues to be derived from leases or other contractual arrangements with any person or entity, public or private, including one or more local government units, or a pledge or

assignment of those leases or other contractual arrangements and the rights and interest of the trust therein;

(3) Pledge of all moneys, funds, accounts, securities and other funds, including the proceeds of the bonds, notes or other obligations;

(4) Pledge of the receipts to be derived from the payments of State aid, payable to the trust pursuant to section 12 of P.L.1985, c.334 (C.58:11B-12);

(5) A mortgage on all or any part of the property, real or personal, of the trust then owned or thereafter to be acquired, or a pledge or assignment of mortgages made to the trust by any person or entity, public or private, including one or more local government units and the rights and interest of the trust therein.

i. The trust shall not issue any bonds, notes or other obligations, or otherwise incur any additional indebtedness, on or after November 5, 2005.

j. (Deleted by amendment, P.L.1996, c.88).

2. This act shall take effect immediately.

Approved July 26, 1996.

CHAPTER 89

AN ACT concerning the Police and Firemen's Retirement System of New Jersey and amending 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 relative to Police and Firemen's Retirement System.

1. As used in this act:

(1) "Retirement system" or "system" shall mean the Police and Firemen's Retirement System of New Jersey as defined in section 2 of this act.

(2) (a) "Policeman" shall mean a permanent, full-time employee of a law enforcement unit as defined in section 2 of P.L.1961, c.56 (C.52:17B-67) or the State, other than an officer or trooper of the Division of State Police whose position is covered by the State Police Retirement System, whose primary duties include the investigation, apprehension or

detention of persons suspected or convicted of violating the criminal laws of the State and who:

(i) is authorized to carry a firearm while engaged in the actual performance of his official duties;

(ii) has police powers;

(iii) is required to complete successfully the training requirements prescribed by P.L.1961, c.56 (C.52:17B-66 et seq.) or comparable training requirements as determined by the board of trustees; and

(iv) is subject to the physical and mental fitness requirements applicable to the position of municipal police officer established by an agency authorized to establish these requirements on a Statewide basis, or comparable physical and mental fitness requirements as determined by the board of trustees.

The term shall also include an administrative or supervisory employee of a law enforcement unit or the State whose duties include general or direct supervision of employees engaged in investigation, apprehension or detention activities or training responsibility for these employees and a requirement for engagement in investigation, apprehension or detention activities if necessary, and who is authorized to carry a firearm while in the actual performance of his official duties and has police powers.

(b) "Fireman" shall mean a permanent, full-time employee of a firefighting unit whose primary duties include the control and extinguishment of fires and who is subject to the training and physical and mental fitness requirements applicable to the position of municipal firefighter established by an agency authorized to establish these requirements on a Statewide basis, or comparable training and physical and mental fitness requirements as determined by the board of trustees. The term shall also include an administrative or supervisory employee of a firefighting unit whose duties include general or direct supervision of employees engaged in fire control and extinguishment activities or training responsibility for these employees and a requirement for engagement in fire control and extinguishment activities if necessary. As used in this paragraph, "firefighting unit" shall mean a municipal fire department, a fire district, or an agency of a county or the State which is responsible for control and extinguishment of fires.

(3) "Member" shall mean any policeman or fireman included in the membership of the retirement system pursuant to this amendatory and supplementary act, P.L.1989, c.204 (C.43:16A-15.6 et al.).

(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 by the State Treasurer, after consultation with the Directors of the Divisions of Investment and Pensions, the board of trustees and the actuary. It shall bear a reasonable relationship to the percentage rate of earnings on investments based on the market value of assets but shall not exceed the assumed percentage rate of increase applied to salaries plus 3%, provided however that the board of trustees shall not set the average percentage rate of increase applied to salaries below 6%.

(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 three 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 three 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 (a) under the age of 18, or (b) 18 years of age or older and enrolled in a secondary school, or (c) under the age of 24 and enrolled in a degree program in an institution of higher education for at least 12 credit hours in each semester, provided that the member died in active service as a result of an accident met in the actual performance of duty at some definite time and place, and the death was not the result of the member's willful misconduct, or (d) 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 one year before the date of her death and to whom she continued to be married until the date of her death and who has not remarried. In the event of the payment of an accidental death benefit, the one-year qualification shall be waived.

(24) "Widow" shall mean the woman to whom a member or retirant was married at least one year 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 one-year qualification shall be waived.

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

(26) "Compensation" shall mean the base salary, for services as a member as defined in this act, which is in accordance with established salary policies of the member's employer for all employees in the same position but

shall not include individual salary adjustments which are granted primarily in anticipation of the member's retirement or additional remuneration for performing temporary duties beyond the regular workday.

(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.

(28) "Final compensation" means the compensation received by the member in the last 12 months of creditable service preceding his retirement.

(29) (Deleted by amendment, P.L.1992, c.78).

(30) (Deleted by amendment, P.L.1992, c.78).

2. Section 10 of P.L.1944, c.255 (C.43:16A-10) is amended to read as follows:

C.43:16A-10 Accidental death benefits.

10. (1) Upon the death of a member in active service as a result of an accident met in the actual performance of duty at some definite time and place, and such death was not the result of the member's willful negligence, an accidental death benefit shall be payable if a report of the accident is filed in the office of the retirement system within 60 days next following the accident, but the board of trustees may waive such time limit, for a reasonable period, if in the judgment of the board the circumstances warrant such action. No such application shall be valid or acted upon unless it is filed in the office of the retirement system within five years of the date of such death.

The provisions of this subsection shall also apply to a member who is a fireman and who dies as a result of an accident met in the actual performance of duty as a volunteer fireman in any municipality in the State, provided the member's death was not the result of the member's willful negligence.

(2) Upon the receipt of proper proofs of the death of a member on account of which an accidental death benefit is payable, there shall be paid to his widow or widower a pension of 70% of the compensation, upon which contributions by the member to the annuity savings fund were based in the last year of creditable service, for the use of herself or himself and the children of the deceased member, to continue during her or his widowhood; if there is no surviving widow or widower or in case the widow or widower dies or remarries, 20% of such compensation will be payable to one surviving child, 35% of such compensation to two surviving children in equal shares and if there be three or more children, 50% of such compensation will be payable to such children in equal shares.

If there is no surviving widow, widower or child, 25% of the compensation upon which contributions by the member to the annuity savings fund were based in the last year of creditable service, will be payable to one surviving dependent parent or 40% of such compensation will be payable to two surviving parents in equal shares.

In the event of accidental death occurring in the first year of creditable service, the benefits, payable pursuant to this subsection, shall be computed at the annual rate of compensation.

(3) If there is no surviving widow, widower, child or dependent parent, there shall be paid to any other beneficiary of the deceased member, his aggregate contributions at the time of death.

(4) In no case shall the death benefit provided in subsection (2) be less than that provided under subsection (3).

(5) In addition to the foregoing benefits payable under subsection (2) or (3), there shall also be paid in one sum to such beneficiary, if living, as the member shall have nominated by written designation duly executed and filed with the retirement system, otherwise to the executor or administrator of the member's estate, an amount equal to 3 ½ times the compensation upon which contributions by the member to the annuity savings fund were based in the last year of creditable service.

(6) In addition to the foregoing benefits, the State shall pay to the member's employer-sponsored health insurance program all health insurance premiums for the coverage of the member's surviving widow or widower and dependent children.

3. This act shall take effect immediately and shall be retroactive to January 1, 1995.

Approved July 26, 1996.

CHAPTER 90

AN ACT concerning county boards of elections and amending R.S.19:6-22.

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

1. R.S.19:6-22 is amended to read as follows:

Organization of county board of elections.

19:6-22. a. (1) The county boards shall, at 10 a.m., on the second Tuesday in March or on such other day as they may agree on within the first 15 days in March, in each year, meet at the courthouse, or other place as provided for, in their respective counties, and, subject to the provisions of paragraph (2) of this subsection, organize by electing one of their number to be chairman and one to be secretary; but the chairman and secretary shall not be members of the same political party.

(2) In case of failure to elect a chairman after three ballots or viva voce votes, the member having the greatest seniority on the board shall be the chairman thereof, except that if the member having the greatest seniority on the board so chooses, that member shall instead be secretary of the board; in the event that that senior member so chooses to become secretary, no election shall be held to choose a secretary of the board, the board shall elect one of its members who is not of the same political party as the secretary to be the chairman of the board, and in the case of a failure again to elect a chairman after three ballots or viva voce votes, the person among those members having the greatest seniority on the board shall be the chairman thereof.

In any case of failure to elect a chairman, if two or more members of the board who are eligible to become chairman have greatest and equal seniority on the board, then the board shall, not later than the fifth day following the organization meeting, notify the Governor of an inability to fill the position of chairman either by election or on the basis of seniority, including in that notice a certification of the names of those senior members of the board. In addition, if the position of secretary has not otherwise been filled under the foregoing provisions of this paragraph, the board shall defer for the time being the election of a secretary. Not later than the fifth day following receipt of the notice, the Governor shall designate one of those senior members to be chairman of the board and certify that designation to the board. If the position of secretary was not filled at the initial meeting of the county board to organize, then not later than the fifth day following receipt of that certification, the board shall reconvene at the call of the chairman so designated and shall elect a secretary of the board.

In case of failure to elect a secretary after three ballots or viva voce votes, the member of the board having the greatest seniority shall be secretary of the board, except that if that member has become chairman because of election to that position or because of designation as a result of the failure to elect a chairman, the member with the next greatest seniority shall be secretary. In no case, however, shall the chairman and secretary be members of the same political party.

Seniority for the purposes of this section shall be determined by the total amount of time that a person has served as a member of the board, beginning from the date that that person took the oath of office as a member.

b. The boards shall have power in their discretion to hold their meetings for any purpose, except organization, in any part of their respective counties. Meetings may be called by either the chairman or the secretary of the board, or at the request of any two members.

2. This act shall take effect immediately, and shall be applicable to the first annual organization meeting of each county board of elections that is held following the effective date of the act and thereafter.

Approved July 26, 1996.

CHAPTER 91

AN ACT concerning withdrawal from certain sending-receiving relationships and amending P.L.1993, c.384.

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

1. Section 1 of P.L.1993, c.384 (C.18A:38-21.1) is amended to read as follows:

C.18A:38-21.1 Termination of sending-receiving relationship.

1. a. Notwithstanding the provisions of N.J.S.18A:38-13 and N.J.S.18A:38-21, any board of education which sends students to another school district may terminate a sending-receiving relationship pursuant to the following conditions:

(1) The resident enrollment of the receiving district shall represent more than 95% of the total student enrollment attending the receiving district and the number of students from the sending district who attend the receiving district shall represent less than three percent of the total student enrollment attending the receiving district. Enrollments shall be determined using resident enrollment figures compiled in October of the preceding school year;

(2) The sending district shall agree to join a regional school district subsequent to the termination of its sending-receiving relationship;

(3) Any secondary school student in the sending district at the time of termination of the sending-receiving relationship shall be permitted to

complete his secondary education within the receiving district. The sending-receiving relationship shall be continued for these students;

(4) The termination will not significantly disrupt the racial composition of the sending and receiving school districts; and

(5) A petition of the sending district to terminate the sending-receiving relationship has not been denied since January 1, 1988 by the Commissioner of Education, the State Board of Education, or the New Jersey courts for reasons which include the impact on the racial composition of the pupil population of the districts.

b. Any school district which meets the conditions of subsection a. of this section must take final action to terminate its sending-receiving relationship within three years following the effective date of this act.

c. Any school district which has taken final action to terminate its sending-receiving relationship pursuant to this section shall notify the receiving school district no later than December 1 of the school year prior to the school year in which the termination is to occur. Termination of the sending-receiving relationship shall not occur until the sending district has been admitted to an existing regional school district pursuant to N.J.S.18A:13-43 and N.J.S.18A:13-44, or subsection d. of this section, or has become part of a newly formed all purpose regional district pursuant to N.J.S.18A:13-34 and N.J.S.18A:13-35.

d. Notwithstanding the provisions of N.J.S.18A:13-43 and N.J.S.18A:13-44, upon the effective date of P.L.1996, c.91 (C.18A:38-21.1), a school district which meets the conditions of subsection a. of this section shall be admitted to an existing regional school district upon the adoption of a resolution by its board of education and the board of education of the regional school district approving the inclusion of the school district within the regional district. Copies of the resolutions shall be forwarded to the county superintendent or superintendents of the counties in which the districts are situate. The county superintendent or superintendents shall notify the commissioner and the enlargement of the regional district by the admission of the proposed constituent district shall become effective on the 20th day following the adoption of the resolutions.

e. Notwithstanding the provisions of N.J.S.18A:13-8, N.J.S.18A:13-36, and N.J.S.18A:13-46, the board of education of a regional school district which admits a new constituent school district by resolution pursuant to the provisions of subsection d. of this section shall be composed of 11 members unless the regional district consists of more than 11 members. One of the additional board members shall represent the new constituent district and shall be appointed by the county superintendent of the county in which the new constituent district is situate. The second additional member shall be apportioned among the other constituent districts of the regional school

district as determined by the county superintendent or superintendents of the county or counties in which the constituent local districts of the enlarged district are situate. The members so appointed shall serve until the first Monday succeeding the first annual school election of the enlarged regional district and their successors shall be elected at that election.

2. This act shall take effect immediately.

Approved July 26, 1996.

CHAPTER 92

AN ACT concerning the waiver of enforcing agency fees in certain circumstances and amending P.L.1989, c.223 and P.L.1975, c.291.

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

1. Section 1 of P.L.1989, c.223 (C.52:27D-126e) is amended to read as follows:

C.52:27D-126e Waiving of construction permit and enforcing agency fees for work done to promote accessibility by disabled persons.

1. Notwithstanding the provisions of the "State Uniform Construction Code Act," P.L.1975, c.217 (C.52:27D-119 et seq.), or any rules, regulations or standards adopted pursuant thereto, to the contrary, the governing body of any municipality which has appointed an enforcing agency pursuant to the provisions of section 8 of P.L.1975, c.217 (C.52:27D-126) may, by ordinance, provide that no person shall be charged a construction permit surcharge fee or enforcing agency fee for any construction, reconstruction, alteration or improvement designed and undertaken solely to promote accessibility by disabled persons to an existing public or private structure or any of the facilities contained therein.

The ordinance may further provide that a disabled person, or a parent or sibling of a disabled person, shall not be required to pay any municipal fee or charge in order to secure a construction permit for any construction, reconstruction, alteration or improvement which promotes accessibility to his own living unit.

For the purposes of this section, "disabled person" means a person who has the total and permanent inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment, including blindness, and shall include, but not be limited to, any

resident of this State who is disabled pursuant to the federal Social Security Act (42 U.S.C.§416), or the federal Railroad Retirement Act of 1974 (45 U.S.C.§231 et seq.), or is rated as having a 60% disability or higher pursuant to any federal law administered by the United States Veterans' Act. For purposes of this paragraph "blindness" means central visual acuity of 20/200 or less in the better eye with the use of a correcting lens. An eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be considered as having a central visual acuity of 20/200 or less.

2. Section 4 of P.L.1975, c.291 (C.40:55D-8) is amended to read as follows:

C.40:55D-8 Municipal fees; exemptions.

4. a. Every municipal agency shall adopt and may amend reasonable rules and regulations, not inconsistent with this act or with any applicable ordinance, for the administration of its functions, powers and duties, and shall furnish a copy thereof to any person upon request and may charge a reasonable fee for such copy. Copies of all such rules and regulations and amendments thereto shall be maintained in the office of the administrative officer.

b. Fees to be charged (1) an applicant for review of an application for development by a municipal agency, and (2) an appellant pursuant to section 8 of this act shall be reasonable and shall be established by ordinance.

c. A municipality may by ordinance exempt, according to uniform standards, charitable, philanthropic, fraternal and religious nonprofit organizations holding a tax exempt status under the Federal Internal Revenue Code of 1954 (26 U.S.C. § 501(c) or (d)) from the payment of any fee charged under this act.

d. A municipality shall exempt a board of education from the payment of any fee charged under this act.

e. A municipality may by ordinance exempt, according to uniform standards, a disabled person, or a parent or sibling of a disabled person, from the payment of any fee charged under this act in connection with any application for development which promotes accessibility to his own living unit.

For the purposes of this subsection, "disabled person" means a person who has the total and permanent inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment, including blindness, and shall include, but not be limited to, any resident of this State who is disabled pursuant to the federal Social Security Act (42 U.S.C.§416), or the federal Railroad Retirement Act of 1974 (45

U.S.C.§231 et seq.), or is rated as having a 60% disability or higher pursuant to any federal law administered by the United States Veterans' Act. For purposes of this paragraph "blindness" means central visual acuity of 20/200 or less in the better eye with the use of a correcting lens. An eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be considered as having a central visual acuity of 20/200 or less.

3. This act shall take effect on the first day of the sixth month after enactment.

Approved July 26, 1996.

CHAPTER 93

AN ACT concerning school dress codes and supplementing chapter 11 of Title 18A of the New Jersey Statutes.

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

C.18A:11-7 Findings, declarations relative to school dress codes.

1. The Legislature finds and declares that many educators believe that school dress can significantly influence pupil behavior and that schools that have adopted dress codes, including dress codes which require school uniforms and which prohibit clothing indicating membership in certain gangs, experience greater school pride and improved behavior in and out of the classroom. The Legislature further finds that to assist in controlling the environment in public schools, to facilitate and maintain an effective learning environment, and to keep the focus of the classroom on learning, school districts should be specifically authorized to implement uniform clothing requirements for their students.

C.18A:11-8 Adoption of dress code policy for schools permitted.

2. a. A board of education may adopt a dress code policy to require that students wear a school uniform if the policy is requested by the principal, staff and parents of an individual school and if the board determines that the policy will enhance the school learning environment. Any policy adopted which requires the wearing of a uniform shall include a provision to assist economically disadvantaged students. The board shall hold a public hearing prior to the adoption of the policy and shall not implement the policy with less than three months' notice to the parents or

guardians of the students. The specific uniform selected shall be determined by the principal, staff, and parents of the individual school.

b. The board of education may provide a method whereby parents may choose not to comply with an adopted school uniform policy. If the board provides such a method, a student shall not be penalized academically or otherwise discriminated against nor denied admittance to school if the student's parents choose not to comply with the school uniform policy.

c. A dress code policy adopted pursuant to this section shall not preclude students who participate in a nationally recognized youth organization which is approved by the board of education from wearing organization uniforms to school on days that the organization has scheduled a meeting.

C.18A:11-9 Prohibition of gang-related apparel.

3. A board of education may adopt a dress code policy to prohibit students from wearing, while on school property, any type of clothing, apparel or accessory which indicates that the student has membership in, or affiliation with, any gang associated with criminal activities. The local law enforcement agency shall advise the board, upon its request, of gangs which are associated with criminal activities.

4. This act shall take effect immediately.

Approved July 26, 1996.

CHAPTER 94

AN ACT concerning paging devices, amending P.L.1989, c.232 and repealing section 1 of P.L.1989, c.232.

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

1. Section 2 of P.L.1989, c.232 (C.2C:33-19) is amended to read as follows:

C.2C:33-19 Possession of remotely activated paging devices on school property, disorderly persons offense; exemptions.

2. No person enrolled as a student of an elementary or secondary school, knowingly and without the express written permission of the school board, its delegated authority, or any school principal, shall bring or possess any remotely activated paging device on any property used for school purposes, at any time and regardless of whether school is in session or other persons are present. A violation of this section shall be a disorderly persons offense. No

permission to bring or possess any remotely activated paging device on school property shall be granted unless and until a student shall have established to the satisfaction of the school authorities a reasonable basis for the possession of the device on school property.

This section shall not apply to any student who is an active member in good standing of a volunteer fire company or first aid, ambulance or rescue squad provided that (1) the student is required to respond to an emergency and (2) a copy of the statement by the chief executive officer of the volunteer fire company or first aid, ambulance or rescue squad authorizing the possession of the paging device is in the possession of the student at all times while that student is in possession of the remotely activated paging device.

Repealer.

2. Section 1 of P.L.1989, c.232 (C.2C:33-18) is repealed.

3. This act shall take effect immediately.

Approved July 26, 1996.

CHAPTER 95

AN ACT concerning the municipal courts, authorizing the establishment of a court of limited jurisdiction in certain counties and revising various parts of the statutory law.

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

1. N.J.S. 2B:12-1 is amended to read as follows:

Establishment of municipal courts.

2B:12-1. Establishment of municipal courts. a. Every municipality shall establish a municipal court. If a municipality fails to maintain a municipal court or does not enter into an agreement pursuant to subsection b. or c. of this section, the Assignment Judge of the vicinage shall order violations occurring within its boundaries heard in any other municipal court in the county until such time as the municipality establishes and maintains a municipal court. The municipality without a municipal court shall be responsible for all administrative costs specified in the order of the Assignment Judge pending the establishment of its municipal court.

b. Two or more municipalities, by ordinance, may enter into an agreement establishing a single joint municipal court and providing for its administration. A copy of the agreement shall be filed with the Administra-

tive Director of the Courts. As used in this act, "municipal court" includes a joint municipal court.

c. Two or more municipalities, by ordinance or resolution, may agree to provide jointly for courtrooms, chambers, equipment, supplies and employees for their municipal courts and agree to appoint the same persons as judges and administrators without establishing a joint municipal court. Where municipal courts share facilities in this manner, the identities of the individual courts shall continue to be expressed in the captions of orders and process.

d. An agreement pursuant to subsection b. or c. of this section may be terminated as provided in the agreement. If the agreement makes no provision for termination, it may be terminated by any party with reasonable notices and terms as determined by the Assignment Judge of the vicinage.

e. Any county of the first class with a population of over 825,000 and a population density of less than 4,000 persons per square mile according to the latest federal decennial census, with a county police department and force established in accordance with N.J.S.40A:14-106 or a county park police system established in accordance with P.L.1960, c.135 (C.40:37-261 et seq.), may establish, by ordinance, a central municipal court, which shall be an inferior court of limited jurisdiction, to adjudicate cases filed by agents of the county health department, members of the county police department and force or county park police system, or other cases within its jurisdiction referred by the vicinage Assignment Judge pursuant to the Rules of Court, and provide for its administration. A copy of that ordinance shall be filed with the Administrative Director of the Courts. As used in this act, "municipal court" includes a central municipal court.

2. N.J.S.2B:12-2 is amended to read as follows:

Name of court.

2B:12-2. Name of court. The name of a municipal court of a single municipality shall be the "Municipal Court of (insert name of municipality)." The name of a joint municipal court shall be specified in the ordinances establishing the court. The name of a central municipal court shall be the "Central Municipal Court of the County of (insert name of county)" and shall be specified in the ordinance establishing the court.

3. N.J.S.2B:12-4 is amended to read as follows:

Judge of municipal court; term of office; appointment.

2B:12-4. Judge of municipal court; term of office; appointment. a. Each judge of a municipal court shall serve for a term of three years from the date of appointment and until a successor is appointed and qualified. Any appointment to fill a vacancy not caused by the expiration of term shall be

made for the unexpired term only. However, if a county or municipality requires by ordinance that the judge of the municipal court devote full time to judicial duties or limit the practice of law to non-litigated matters, the first appointment after the establishment of that requirement shall be for a full term of three years.

b. In municipalities governed by a mayor-council form of government, the municipal court judge shall be appointed by the mayor with the advice and consent of the council. Each judge of a joint municipal court shall be nominated and appointed by the Governor with the advice and consent of the Senate. In all other municipalities, the municipal judge shall be appointed by the governing body of the municipality.

c. In a county that has established a central municipal court, the judge of the central municipal court shall be nominated and appointed by the Governor with the advice and consent of the Senate. In those counties having a county executive, the county executive may submit the names of judicial candidates for judge of the central municipal court to the Governor. In all other counties, the governing body may submit the names of judicial candidates for judge of the central municipal court to the Governor.

4. N.J.S.2B:12-5 is amended to read as follows:

Additional municipal judges.

2B:12-5. Additional municipal judges. a. With the written consent of the Assignment Judge of the vicinage, a county or municipality may:

(1) increase the number of judgeships of the municipal court, or

(2) appoint one or more temporary municipal judges.

b. A temporary judge is an additional judge of the municipal court appointed to meet a special need of limited duration. The procedure for appointment of temporary municipal judges shall be the same as that for other municipal judges, but each term of a temporary judge shall not exceed one year.

5. N.J.S.2B:12-6 is amended to read as follows:

Designation of acting judges.

2B:12-6. Designation of acting judges. Subject to the Rules of Court, the Assignment Judge of the vicinage may appoint an acting judge of each of the municipal courts in the vicinage to serve as judge temporarily when the judge of that court is unable to hold the municipal court or for other cause. A person appointed as an acting judge shall be a judge of another municipal court or an attorney-at-law. A copy of the appointment of an acting judge for a municipal court shall be sent to the judge of that court and to the Administrative Director of the Courts.

6. N.J.S.2B:12-7 is amended to read as follows:

Qualifications of judges; compensation.

2B:12-7. Qualifications of judges; compensation. a. Every judge, temporary judge and acting judge of a municipal court shall be a resident of this State and an attorney-at-law admitted to practice in this State for at least five years provided, however, that this provision shall not apply to any attorney-at-law serving as a judge of a municipal court on the effective date of this act.

b. In lieu of any other fees, judges of municipal courts shall be paid annual salaries set by ordinance or resolution of the counties or municipalities establishing the court.

7. N.J.S.2B:12-8 is amended to read as follows:

Chief judge.

2B:12-8. Chief judge. Where there is more than one judge of a municipal court, the county or municipality may designate one of the judges as the chief judge of the court. The chief judge shall designate the time and place of court and assign cases among the judges, pursuant to the Rules of Court.

8. N.J.S.2B:12-9 is amended to read as follows:

Presiding judge of the municipal courts.

2B:12-9. Presiding judge of the municipal courts. If the Chief Justice designates a judge of the Superior Court or a judge of one of the municipal courts in a vicinage to serve as presiding judge of the municipal courts for that vicinage, that judge may exercise powers delegated by the Chief Justice or established by the Rules of Court.

If the presiding judge is a municipal court judge, the presiding judge shall be paid by the State for the time devoted to duties as Presiding Judge, unless that judge is also assigned duties at the request of a county, in which case compensation, pension and other benefits shall be as determined by the Assignment Judge and the governing body of the county, with the approval of the Chief Justice.

9. N.J.S.2B:12-10 is amended to read as follows:

Municipal court administrator and personnel.

2B:12-10. Municipal court administrator and personnel. a. A county or municipality shall provide for an administrator and other necessary employees for the municipal court and for their compensation. With approval of the Supreme Court, an employee of the county or municipality, in addition to other duties, may be designated to serve as administrator of the municipal court.

b. The judge of a municipal court may designate in writing an acting administrator or deputy administrator to serve temporarily for an absent administrator or deputy administrator until the absent administrator or deputy administrator returns or a new administrator or deputy administrator is appointed. The acting administrator or acting deputy administrator shall be paid at a rate established by the judge but not exceeding that established for the administrator or deputy administrator.

10. N.J.S.2B:12-15 is amended to read as follows:

Courtrooms and equipment.

2B:12-15. Courtrooms and equipment. Suitable courtrooms, chambers, offices, equipment and supplies for the municipal court, its administrator's office and its violations bureau shall be provided by the municipality or by a county that has established a central municipal court.

11. N.J.S.2B:12-16 is amended to read as follows:

Territorial jurisdiction.

2B:12-16. Territorial jurisdiction. a. A municipal court of a single municipality shall have jurisdiction over cases arising within the territory of that municipality. A joint municipal court shall have jurisdiction over cases arising within the territory of any of the municipalities which the court serves. The territory of a municipality includes any premises or property located partly in and partly outside of the municipality. A central municipal court shall have jurisdiction over cases arising within the territorial boundaries of the county.

b. A municipal court judge, serving as an acting judge in any other municipal court in the county, may also hear matters arising out of that other court, while sitting in the court where the acting judge holds a regular appointment.

12. N.J.S.2B:12-17 is amended to read as follows:

Jurisdiction of specified offenses.

2B:12-17. Jurisdiction of specified offenses. A municipal court has jurisdiction over the following cases within the territorial jurisdiction of the court:

a. Violations of county or municipal ordinances;

b. Violations of the motor vehicle and traffic laws;

c. Disorderly persons offenses, petty disorderly persons offenses and other non-indictable offenses except where exclusive jurisdiction is given to the Superior Court;

d. Violations of the fish and game laws;

e. Proceedings to collect a penalty where jurisdiction is granted by statute;

f. Violations of laws regulating boating; and

g. Any other proceedings where jurisdiction is granted by statute.

13. N.J.S.2B:12-23 is amended to read as follows:

Default in payment of fine; community service.

2B:12-23. Default in payment of fine; community service. a. A person, sentenced by a municipal court to pay a fine, who defaults in payment may be ordered to perform community service in lieu of incarceration or other modification of the sentence with the person's consent.

b. The county or municipal official in charge of the community service program shall report to the municipal court any failure of a person subject to a court work order to report for work or to perform the assigned work. Upon receipt of the report, the court may revoke its community service order and impose any sentence consistent with the original sentence.

C.2B:12-27 Employment of prosecutor by county, municipality.

14. A county or municipality may employ an attorney-at-law as a prosecutor, under the supervision of the Attorney General or county prosecutor, who may represent the State, county or municipality in any matter within the jurisdiction of the central municipal court or any other municipal court.

15. N.J.S.2B:12-28 is amended to read as follows:

Defense of indigents.

2B:12-28. Defense of indigents.

a. A county or municipality may employ attorneys-at-law on a full-time, part-time or per-case basis to provide for the representation of persons entitled by law to appointment of counsel.

b. A county or municipality may, by ordinance, require a person applying for representation by a municipal public defender to pay an application fee of not more than $50.00. The municipal court may waive any required application fee, in whole or in part, if the court determines, in its discretion, that the application fee represents an unreasonable burden on the person seeking representation.

16. R.S.39:5-41 is amended to read as follows:

Fines, penalties, forfeitures, disposition of; exceptions.

39:5-41. a. All fines, penalties and forfeitures imposed and collected under authority of law for any violations of R.S.39:4-63 and R.S.39:4-64 shall be forwarded by the judge to whom the same have been paid to the

proper financial officer of a county, if the violation occurred within the jurisdiction of that county's central municipal court, established pursuant to N.J.S.2B:12-1 et seq. or the municipality wherein the violation occurred, to be used by the county or municipality to help finance litter control activities in addition to or supplementing existing litter pickup and removal activities in the municipality.

b. Except as otherwise provided by subsection a. of this section, all fines, penalties and forfeitures imposed and collected under authority of law for any violations of the provisions of this Title, other than those violations in which the complaining witness is the director, a member of his staff, a member of the State Police, a member of a county police department and force or a county park police system in a county that has established a central municipal court, an inspector of the Board of Public Utilities, or a law enforcement officer of any other State agency, shall be forwarded by the judge to whom the same have been paid as follows: one-half of the total amount collected to the financial officer, as designated by the local governing body, of the respective municipalities wherein the violations occurred, to be used by the municipality for general municipal use and to defray the cost of operating the municipal court; and one-half of the total amount collected to the proper financial officer of the county wherein they were collected, to be used by the county as a fund for the construction, reconstruction, maintenance and repair of roads and bridges, snow removal, the acquisition and purchase of rights-of-way, and the purchase, replacement and repair of equipment for use on said roads and bridges therein. Up to 25% of the money received by a municipality pursuant to this subsection, but not more than the actual amount budgeted for the municipal court, whichever is less, may be used to upgrade case processing.

All fines, penalties and forfeitures imposed and collected under authority of law for any violations of the provisions of this Title, in which the complaining witness is a member of a county police department and force or a county park police system in a county that has established a central municipal court, shall be forwarded by the judge to whom the same have been paid to the financial officer, designated by the governing body of the county, for all violations occurring within the jurisdiction of that court, to be used for general county use and to defray the cost of operating the central municipal court.

Whenever any county has deposited moneys collected pursuant to this section in a special trust fund in lieu of expending the same for the purposes authorized by this section, it may withdraw from said special trust fund in any year an amount which is not in excess of the amount expended by the county over the immediately preceding three-year period from general county revenues for said purposes. Such moneys withdrawn from the trust fund shall be accounted for and used as are other general county revenues.

17. Section 3 of P.L.1979, c.396 (C.2C:46-4) is amended to read as follows:

C.2C:46-4 Fines, assessments, restitution; collection; disposition.

3. a. All fines, assessments imposed pursuant to section 2 of P.L.1979, c.396 (C.2C:43-3.1) and restitution shall be collected as follows:

(1) All fines, assessments imposed pursuant to section 2 of P.L.1979, c.396 (C.2C:43-3.1) and restitution imposed by the Superior Court or otherwise imposed at the county level, shall be collected by the county probation division except when such fine, assessment or restitution is imposed in conjunction with a custodial sentence to a State correctional facility or in conjunction with a term of incarceration imposed pursuant to section 25 of P.L.1982, c.77 (C.2A:4A-44) in which event such fine, assessment or restitution shall be collected by the Department of Corrections or the Juvenile Justice Commission established pursuant to section 2 of P.L.1995, c.284 (C.52:17B-170). An adult prisoner of a State correctional institution or a juvenile serving a term of incarceration imposed pursuant to section 25 of P.L.1982, c.77 (C.2A:4A-44) who has not paid an assessment imposed pursuant to section 2 of P.L.1979, c.396 (C.2C:43-3.1) or restitution shall have the assessment or restitution deducted from any income the inmate receives as a result of labor performed at the institution or on any type of work release program or, pursuant to regulations promulgated by the Commissioner of the Department of Corrections or the Juvenile Justice Commission, from any personal account established in the institution for the benefit of the inmate.

(2) All fines, assessments imposed pursuant to section 2 of P.L.1979, c.396 (C.2C:43-3.1) and restitution imposed by a municipal court shall be collected by the municipal court administrator except if such fine, assessments imposed pursuant to section 2 of P.L.1979, c.396 (C.2C:43-3.1), or restitution is ordered as a condition of probation in which event it shall be collected by the county probation division.

b. Except as provided in subsection c. with respect to fines imposed on appeals following convictions in municipal courts, all fines imposed by the Superior Court or otherwise imposed at the county level, shall be paid over by the officer entitled to collect same to:

(1) The county treasurer with respect to fines imposed on defendants who are sentenced to and serve a custodial term, including a term as a condition of probation, in the county jail, workhouse or penitentiary except where such county sentence is served concurrently with a sentence to a State institution; or

(2) The State Treasurer with respect to all other fines.

c. All fines imposed by municipal courts, except a central municipal court established pursuant to N.J.S.2B:12-1 on defendants convicted of crimes, disorderly persons offenses and petty disorderly persons offenses, and

all fines imposed following conviction on appeal therefrom, and all forfeitures of bail shall be paid over by the officer entitled to collect same to the treasury of the municipality wherein the municipal court is located.

In the case of an intermunicipal court, fines shall be paid into the municipal treasury of the municipality in which the offense was committed, and costs, fees, and forfeitures of bail shall be apportioned among the several municipalities to which the court's jurisdiction extends according to the ratios of the municipalities' contributions to the total expense of maintaining the court.

In the case of a central municipal court, established by a county pursuant to N.J.S.2B:12-1, all costs, fines, fees and forfeitures of bail shall be paid into the county treasury of the county where the central municipal court is located.

d. All assessments imposed pursuant to section 2 of P.L.1979, c.396 (C.2C:43-3.1) shall be forwarded and deposited as provided in that section.

e. All mandatory Drug Enforcement and Demand Reduction penalties imposed pursuant to N.J.S.2C:35-15 shall be forwarded and deposited as provided for in that section.

f. All forensic laboratory fees assessed pursuant to N.J.S.2C:35-20 shall be forwarded and deposited as provided for in that section.

g. All restitution ordered to be paid to the Victims of Crime Compensation Board pursuant to N.J.S.2C:44-2 shall be forwarded to the Board for deposit in the Victims of Crime Compensation Board Account.

h. All assessments imposed pursuant to section 11 of P.L.1993, c.220 (C.2C:43-3.2) shall be forwarded and deposited as provided in that section.

18. This act shall take effect on the 90th day after enactment.

Approved July 26, 1996.

CHAPTER 96

AN ACT concerning the installation of crossing control arms on school buses, supplementing P.L.1965, c.119 (C.39:3B-1 et seq.) and making an appropriation.

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

C.39:3B-1.1 School buses to be equipped with crossing control arm.

1. Every school bus in operation on the effective date of P.L.1996, c.96 (C.39:3B-1.1 et seq.) and every new or used school bus purchased on or after the effective date of P.L.1996, c.96 (C.39:3B-1.1 et seq.) used to transport

pupils pursuant to N.J.S.18A:39-1 et seq., including buses used to transport all nonpublic school pupils, shall be equipped with a crossing control arm at the right front corner of the bus. In each year subsequent to the effective date of P.L.1996, c.96 (C.39:3B-1.1 et seq.), 50 percent of all school bus fleets in operation on the effective date of P.L.1996, c.96 (C.39:3B-1.1 et seq.) owned by a board of education or a school bus contractor not already equipped with a crossing control arm shall be so equipped, provided, however that each vehicle used to transport elementary school students shall be given priority to be equipped with a crossing control arm in the first year following the effective date. The arm shall open and extend out from the front of the bus at least 5 1/2 feet each time the bus door is opened.

C.39:3B-1.2 Reimbursement for retrofitting school buses with crossing control arm.

2. Each school district that owns and operates its own school buses and each school bus contractor that provides transportation services pursuant to N.J.S.18A:39-1 shall receive reimbursement from the Department of Education in an amount up to, but not to exceed, $300 per bus for retrofitting those school buses in operation on the effective date of P.L.1996, c.96 (C.39:3B-1.1 et seq.) and an amount up to, but not to exceed, $200 per bus for buses put into operation after that date for the cost of including the crossing control arm on those buses. If any school district or school bus contractor chooses to equip more than 50 percent of its school buses in any one year, it shall receive a maximum reimbursement for 50 percent of its school buses for that year. Reimbursement for retrofitting more than 50 percent of its school buses will be paid in the subsequent year based on a schedule to be determined by the commissioner, not to exceed two years.

C.39:3B-1.3 Submission of list of vehicles, application for reimbursement.

3. Within 60 days of the effective date of P.L.1996, c.96 (C.39:3B-1.1 et seq.), each board of education and school bus contractor shall submit to the Commissioner of Education a list of all vehicles that are used to transport students pursuant to N.J.S.18A:39-1 on the effective date of P.L.1996, c.96 (C.39:3B-1.1 et seq.) including: the vehicle serial number; the year, make and license plate number as noted on the vehicle registration; and an indication as to whether the vehicle is currently equipped with a crossing control arm.

The owners of such vehicles may apply for reimbursement through the Department of Education in accordance with section 2 of P.L.1996, c.96 (C.39:3B-1.2) on an application form as the Commissioner of Education shall prescribe. The application shall be accompanied by a receipt for the purchase of the crossing control arm through an authorized dealer.

C.39:3B-1.4 Rules, regulations.

4. The State Board of Education shall adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) necessary to effectuate the purposes of this act.

5. There is appropriated from the General Fund the sum of $2,000,000 to the Department of Education to effectuate the purposes of this act.

6. This act shall take effect immediately.

Approved August 6, 1996.

CHAPTER 97

AN ACT concerning the use of firearms while trapping on Sundays and amending R.S.23:4-24.

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

1. R.S.23:4-24 is amended to read as follows:

Hunting prohibited on Sundays; penalty; exemptions.

23:4-24. No person shall hunt with a hound or with firearms or weapons of any kind, or carry a gun in the woods or fields or on the waters on Sunday, under a penalty of $20.00 for each offense; except that this section shall not apply to any person hunting raccoon between midnight on Saturday and sunrise on Sunday during the season prescribed in section 23:4-1 of this Title or to a person possessing a valid and proper rifle permit licensed to trap fur-bearing animals pursuant to the provisions of R.S.23:3-1 using a .22 caliber rifle and .22 caliber short rimfire cartridges to humanely dispatch legally trapped animals. This section shall not prevent farm land owners, lessees actually occupying or farming the land, members of their immediate families, or their farm employees from hunting and destroying at any time and in any manner crows, woodchuck, fox and vermin on that land.

2. This act shall take effect immediately.

Approved August 6, 1996.

CHAPTER 98

AN ACT agreeing with the State of New York with respect to rules and regulations for the control of traffic on vehicular crossings operated by

the Port Authority of New York and New Jersey and supplementing P.L.1950, c.192 (C.32:1-154.1 et seq.).

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

C.32:1-154.2a Liability of vehicle owner for noncompliance with toll collection regulations.

1. Notwithstanding any other provision of law and in accordance with the provisions of section 3 of this act, an owner of a vehicle may be held liable for failure of an operator thereof to comply with the toll collection regulations of the Port Authority of New York and New Jersey (hereinafter called Port Authority). The owner of a vehicle shall be liable pursuant to this section if such vehicle was used or operated with the permission of the owner, express or implied, in violation of the toll collection regulations of the Port Authority, and such violation is evidenced by information obtained from a photo-monitoring system; provided, however, that no owner of a vehicle shall be liable where the operator of such vehicle has been convicted of a violation of those toll collection regulations for the same incident.

C.32:1-154.2b Definitions relative to control of traffic on vehicular crossings.

2. As used in this act:

"Lessee" means any person, corporation, firm, partnership, agency, association or organization that rents, leases or contracts for the use of one or more vehicles and has exclusive use thereof for any period of time.

"Lessor" means any person, corporation, firm, partnership, agency, association or organization engaged in the business of renting or leasing vehicles to any lessee under a rental agreement, lease or other agreement which provides that the lessee has exclusive use of the vehicle for any period of time.

"Operator" means any person, corporation, firm, partnership, agency, association, organization or lessee that uses or operates a vehicle with or without the permission of the owner, and an owner who operates the owner's vehicle.

"Owner" means any person, corporation, partnership, firm, agency, association, lessor or organization which, at the time a vehicle is operated in violation of the toll collection regulations of the Port Authority: is the beneficial or equitable owner of the vehicle; or has title to the vehicle; or is the registrant or co-registrant of the vehicle registered with the Division of Motor Vehicles in the Department of Transportation of this State or registered with any other state, territory, district, province, nation or other jurisdiction; or uses the vehicle in its vehicle renting or leasing business; and includes a person entitled to the use and possession of a vehicle subject to a security interest in another person.

"Photo-monitoring system" means a vehicle sensor installed to work in conjunction with a toll collection facility which automatically produces one or more photographs, one or more microphotographs, a videotape or other recorded images of each vehicle at the time the vehicle is used or operated in violation of the toll collection regulations of the Port Authority.

"Port Authority" means the Port Authority of New York and New Jersey.

"Toll collection regulations" means the traffic regulations for interstate vehicular crossings operated by the Port Authority as set forth in P.L.1950, c.192 (C.32:1-154.1 et seq.) and in chapter 774 of the laws of New York of 1950, and specifically that section of the laws which prohibits traffic in or upon vehicular crossings operated by the Port Authority except upon the payment of such tolls and other charges as may from time to time be prescribed by the Port Authority and which further makes it unlawful for any person to refuse to pay, or to evade, or to attempt to evade the payment of such tolls or other charges.

"Vehicle" means every device in, upon, or by which a person or property is or may be transported or drawn upon a highway, except devices used exclusively upon stationary rails or tracks.

C.32:1-154.2c Imposition of liability.

3. a. The liability set forth in section 1 of this act shall be imposed upon an owner for a violation by an operator of the toll collection regulations of the Port Authority occurring within the territorial limits of the State of New Jersey in the same manner as a violation of section 2 of P.L.1950, c.192 (C.32:1-154.2) and the punishment for such violation shall be as set forth in section 16 of P.L.1950, c.192 (C.32:1-154.16).

b. An owner who is a lessor of a vehicle operated in violation of the toll collection regulations of the Port Authority shall not be liable for the violation of the toll collection regulations if the lessor submits a copy of the rental, lease or other contract document covering that vehicle on the date of the violation, with the name and address of the lessee clearly legible to the Port Authority and to the court or other entity having jurisdiction over the violation in a timely manner. Failure to provide such information in a timely manner shall render the lessor liable for the penalty prescribed by this section. Where the lessor complies with the provisions of this subsection, the lessee of such vehicle on the date of the violation shall be deemed the owner of the vehicle for purposes of this section and shall be subject to liability for the violation of the toll collection regulations of the Port Authority.

c. A certified report of an employee or agent of the Port Authority reporting a violation of the toll collection regulations and any information obtained from a photo-monitoring system shall be deemed records kept in the ordinary business of the Port Authority and shall, when relevant, be made available for inspection and admission into evidence in a proceeding concerning a violation of the toll collection regulations, but shall not be

deemed public records for the purpose of P.L.1963, c.73 (C.47:1A-1 et seq.) or the common law of access to public records; nor shall any such information be discoverable by any person, entity or governmental agency; nor shall it be admissible in evidence in any civil, criminal or administrative proceeding not directly related to a violation of the toll collection regulations.

C.32:1-154.2d Power to proceed against violators unaffected.

4. Nothing in this act shall be construed as limiting the power of the Port Authority to proceed against an owner or operator of vehicle for violation of its toll collection regulations as provided in P.L.1950, c.192 (C.32:1-154.1 et seq.).

C.32:1-154.2e Power to establish, assess tolls unaffected.

5. Nothing in this act shall be construed as extending or diminishing the authority of the Port Authority to establish or assess tolls for interstate vehicular crossings

C.32:1-154.2f Effective date.

6. This act shall take effect upon the enactment into law by the State of New York of legislation having an identical effect with section 1 of this act, but if the State of New York shall have already enacted such legislation, this act shall take effect immediately.

Approved August 6, 1996.

CHAPTER 99

AN ACT concerning salaries of county prosecutors and assistant prosecutors, amending N.J.S.2A:158-10, repealing various sections of Title 2A and making an appropriation.

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

1. N.J.S.2A:158-10 is amended to read as follows:

Salaries of county prosecutors.

2A:158-10. County prosecutors shall receive annual salaries to be fixed by the governing body of the county at $115,000.00.

There shall be appropriated annually to the Department of Community Affairs for payment to each county for additional salary costs resulting from the increase in the salary of county prosecutors an amount equal to the amount by which the annual salary paid to the county prosecutor under this section exceeds $100,000.00.

C.2A:158-15.3 Salaries of first assistant, principal assistant, assistant prosecutors.

2. a. The annual salary of a first assistant prosecutor, a county prosecutor's principal assistant or an assistant prosecutor shall be determined by the board of chosen freeholders on recommendation of the county prosecutor.

b. The salary of any person serving as a first assistant prosecutor, a county prosecutor's principal assistant or an assistant prosecutor prior to the effective date of P.L.1996, c.99 (C.2A:158-15.3 et al.) may not be reduced pursuant to the provisions of subsection a. of this section.

3. There is appropriated $157,500.00 to the Department of Community Affairs to reimburse counties for additional salary costs through June 30, 1996, resulting from the increase in the salary of the county prosecutor pursuant to P.L.1996, c.99.

Repealer.

4. Section 4 of P.L.1970, c. 6 (C.2A:158-15.2), N.J.S. 2A:158-16 and section 1 of P.L.1957, c.128 (C.2A:158-16.1) are repealed.

5. This act shall take effect immediately and shall be retroactive to January 1, 1996.

Approved August 12, 1996.

CHAPTER 100

AN ACT concerning physical examinations of school employees and amending N.J.S.18A:16-2.

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

1. N.J.S.18A:16-2 is amended to read as follows:

Physical examinations; drug testing; requirements.

18A:16-2. a. Every board of education may require its employees and shall require any candidate for employment who has received a conditional offer of employment to undergo a physical examination. The board may require individual psychiatric or physical examinations of any employee, whenever, in the judgment of the board, an employee shows evidence of deviation from normal, physical or mental health.

Any such examination may, if the board so requires, include laboratory tests or fluoroscopic or X-ray procedures for the obtaining of additional diagnostic data.

Nothing in this section shall be so construed as to affect screening for tuberculosis or fitness examinations for bus drivers as required pursuant to statute, rule or regulation.

b. A board of education may include testing for usage of controlled dangerous substances as they are defined in N.J.S.2C:35-2 as part of any physical examination which is required of a candidate for employment who has received a conditional offer of employment. Any testing shall be conducted by a physician or institution designated by the board of education and the costs shall be paid by the board.

The Department of Education, in consultation with the Department of Health, shall develop guidelines for school boards which elect to require the testing.

2. This act shall take effect immediately.

Approved August 19, 1996.

CHAPTER 101

AN ACT concerning any employees' retirement system established in a city of the first class having a population of less than 300,000 inhabitants, amending P.L.1964, c.275, P.L.1967, c.222 and P.L.1990, c.20.

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

1. Section 4 of P.L.1964, c.275 (C.43:13-22.53) is amended to read as follows:

C.43:13-22.53 Retirement for age and service after age 60.

4. (a) Any member who shall have established 20 or more years of creditable service in the retirement system and who shall have attained the age of 60 years shall, upon application by that member to the commission, be retired on a pension equal to 55% of final salary, plus 1% of such salary for each year of creditable service in excess of 20 years, if the member has more than 20 years of creditable service at retirement.

In no event shall the amount of any pension payable pursuant to the provisions of this subsection be less than $3,600 per annum.

(b) (Deleted by amendment, P.L.1990, c.20)

(c) Any member who upon attainment of 60 or more years of age shall have established less than 20 years of creditable service in the retirement system may retire on a pension equal to 2% of final salary for each year of

creditable service. In no event shall the amount of any pension payable pursuant to the provisions of this subsection be less than $3,600 per annum.

2. Section 1 of P.L.1967, c.222 (C.43:13-22.54a) is amended to read as follows:

C.43:13-22.54a Retirement for service prior to age 60; survivors' benefits.

1. (a) A member who resigns after having completed 25 years of service for which credit has been established in the pension fund and before reaching age 60 may elect to receive, in lieu of the payment provided in section 4 of P.L.1964, c.275 (C.43:13-22.53), or the benefit provided by subsection (b) of this section, a pension in the amount of 55% of final salary, plus 1% for each year of service in excess of 20 years; provided, however, that such pension shall be reduced by 2/12 of 1% for each month that the member lacks of being age 60; but if the member waits until age 60 to start collecting benefits, there shall be no reduction in benefits, and in no event shall the amount of any pension payable pursuant to the provisions of this subsection be less than $3,600 per annum.

Upon and after the death of such pensioner, the benefits provided by section 7 of P.L.1964, c.275 (C.43:13-22.56) shall be payable to any eligible survivors.

(b) A member who, after having completed 10 years of service for which credit has been established in the pension fund, becomes separated voluntarily or involuntarily from the service before reaching age 60 may elect to receive, in lieu of the benefit provided by subsection (a) of this section, a deferred pension beginning at age 60, in an amount equal to the proportional relation which the years of the member's service credited in the fund bear to the total number of years of service that the member could have achieved by continuing in service to age 60, multiplied by 1/2 of the member's final salary calculated as of the time that the member elected the deferred pension; but in no event shall the amount of any deferred pension payable pursuant to the provisions of this subsection be less than $3,600 per annum.

Upon and after the death of such pensioner, the benefits provided by section 7 of P.L.1964, c.275 (C.43:13-22.56) shall be payable to any eligible survivors.

3. Section 7 of P.L.1964, c.275 (C.43:13-22.56) is amended to read as follows:

C.43:13-22.56 Death benefits.

7. Death benefits.

(a) Upon the death of a member in service who shall have paid into the fund the full amount of contributions due and who shall die as a result of injuries or illness received or incurred in the performance of that member's

regular or assigned duties or who shall have served in the employ of the city for 20 or more years, a pension of 50% of the member's final salary shall be paid to the surviving widow, so long as she remains unmarried, or surviving widower, so long as he remains unmarried; if there is no surviving widow or widower or in case the widow or widower dies or remarries, a pension of 20% of such final salary shall be paid to one surviving child, 35% of such final salary shall be paid to two surviving children in equal shares, and if there be three or more children, 50% of such final salary shall be paid to such children in equal shares; and if there is no surviving widow, widower or child, a pension of 25% of such final salary shall be paid to one surviving dependent parent or a pension of 40% of such final salary shall be paid to two surviving dependent parents in equal shares.

(b) Upon the death of a member in service who shall have paid into the fund the full amount of contributions due and who shall die for causes other than injuries or illness received or incurred in the performance of that member's regular or assigned duties and who shall have served in the employ of the city for five or more years but less than 20 years, a pension in an amount equal to 50% of the member's final salary shall be paid to the surviving widow, so long as she remains unmarried, or surviving widower, so long as he remains unmarried; if there is no surviving widow or widower or in case the widow or widower dies or remarries, a pension of 20% of such final salary shall be paid to one surviving child, 35% of such final salary shall be paid to two surviving children in equal shares, and if there be three or more children, 50% of such final salary shall be paid to such children in equal shares; and if there is no surviving widow, widower or child, a pension of 25% of such final salary shall be paid to one surviving dependent parent or a pension of 40% of such final salary shall be paid to two surviving dependent parents in equal shares.

(c) Upon the death of a pensioner from the retirement system who has retired for age and service under the provisions of section 4 of P.L.1964, c.275 (C.43:13-22.53), or who has retired under the provisions of either subsection (a) or subsection (b) of section 1 of P.L.1967, c.222 (C.43:13-22.54a), or who has retired because of a disability under the provisions of section 6 of P.L.1964, c.275 (C.43:13-22.55), a pension equal to 50% of the amount of the pension, including any adjustment thereto under sections 7 through 13 of P.L.1990, c.20 (C.43:13-22.69 to 43:13-22.75), payable to the decedent at the time of death shall be paid to the surviving widow, so long as she remains unmarried, or surviving widower, so long as he remains unmarried; if there is no surviving widow or widower or in case the widow or widower dies or remarries, such pension shall be paid to one surviving child or to two or more surviving children in equal shares; and if there is no surviving widow, widower or child, such pension shall be paid to

one surviving dependent parent of the retirant or to both surviving dependent parents in equal shares.

(d) (1) In the event a pension shall be payable as a result of the death of a member in service and there are no eligible survivors at the time of such member's death, an amount equal to such member's contributions to the fund, without interest, shall be paid to the member's estate. If, after the payment of all pension and survivorship benefits payable by the retirement system to any eligible survivors of a deceased member or retirant, the total amount of those benefits, including adjustments under sections 7 through 13 of P.L.1990, c.20 (C.43:13-22.69 to 43:13-22.75), together with the total amount of any retirement allowance or pension benefits, including adjustments, which shall have been paid to the decedent during retirement, is less than the amount of the decedent's contributions during membership in the retirement system, the amount of the difference, without interest, shall be payable to the deceased member or retirant's estate.

(2) If at the time of the death of a member in service the sole eligible survivors of such member are minor children and the total of the aggregate payments on account of such children shall be an amount which is less than such member's contributions to the fund, without interest, the balance of such amount shall be payable to the guardian of such minor children.

4. Section 11 of P.L.1990, c.20 (C.43:13-22.73) is amended to read as follows:

C.43:13-22.73 Calculation of pension adjustment.

11. On or before October 1, 1996 and by the same date in each subsequent year, the Director of the Division of Pensions of the Department of the Treasury shall review the index and determine the percentum of change in the index from the retirement year index pursuant to the provisions of the "Pension Adjustment Act," P.L.1969, c.169 (C.43:3B-1 et seq.). The percentage of adjustment in the retirement allowances, pensions and survivorship benefits shall be 3/5 of the percentum of change. Any adjustment so calculated shall apply to all of the months of the following calendar year for eligible retirants and beneficiaries, except that for those qualifying for the first time, it shall apply only to those months of the following calendar year in which the retirant or beneficiary is eligible to receive the adjustment.

On the basis of information certified to the director by the retirement system concerning the amounts of all retirement allowances, pensions and survivorship benefits of eligible retirants and beneficiaries which are subject to adjustment under sections 7 through 13 of P.L.1990, c.20 (C.43:13-22.69 through 22.75), and any other relevant matters as the director may require, the director shall certify to the retirement system the amounts required to fund the benefits provided under those sections for the applicable year. The director shall include in that certification amounts sufficient to adjust the

retirement allowances, pensions or survivorship benefits payable to all eligible retirants and beneficiaries by 3/5 of the percentum of change in the index as such retirement allowances or pensions may have been originally granted, or increased for certain retirants and beneficiaries in accordance with the provisions of the "Pension Adjustment Act."

In no instance shall the amount of the retirement allowance, pension or survivorship benefit originally granted and payable to any retirant or beneficiary be reduced as a result of this adjustment.

5. This act shall take effect immediately.

Approved August 19, 1996.

CHAPTER 102

AN ACT concerning subacute care units in hospitals and supplementing Title 26 of the Revised Statutes.

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

C.26:2H-7.4 Findings, declarations.

1. The Legislature finds and declares that it is in the public interest for the State to facilitate the development of an effective and efficient spectrum of quality health care services; and that the conversion of existing hospital bed capacity to a less intensive and more appropriate level of care for post-acute care patients in order to create subacute care units will ensure an optimal quality of care, promote continuity of care and avoid the duplication of existing health care facility bed capacity through costly new construction.

C.26:2H-7.5 Definitions regarding subacute care units.

2. As used in this act:

"Commissioner" means the Commissioner of Health.

"Hospital" means an acute care general hospital licensed pursuant to P.L.1971, c.136 (C.26:2H-1 et seq.).

"Subacute care" means a comprehensive in-patient program for patients who have had an acute illness, injury or exacerbation of a disease process, have a determined course of treatment prescribed, and do not require intensive diagnostic or intensive invasive procedures, but the patient's condition requires physician direction, intensive nursing care, frequent recurrent patient assessment and review of the clinical course and treatment plan for a period of time, significant use of ancillary medical services and an interdisciplinary approach using professional teams of physicians, nurses and

other relevant professional disciplines to deliver complex clinical interventions.

"Subacute care unit" means a unit located within a hospital which provides utilizes licensed long-term care beds to provide subacute care for patients.

C.26:2H-7.6 Certificate of need for subacute care unit; requirements.

3. a. A hospital which proposes to utilize a portion of its licensed bed capacity for the purpose of establishing a subacute care unit shall apply to the Department of Health for a certificate of need to establish a subacute care unit pursuant to section 7 of P.L.1971, c.136 (C.26:2H-7). The application shall qualify for an expedited review as provided by regulation of the department and shall be processed within 90 days. In addition, the hospital shall be subject to the following requirements:

(1) the subacute care unit's beds shall be licensed by the Department of Health as long-term care beds and shall meet all applicable State licensing and federal certification requirements, including the physical requirements for skilled nursing beds under the federal Medicare program established pursuant to Pub.L.89-97 (42 U.S.C. s.1395 et seq.), with reasonable waiver provisions as determined by the commissioner or the federal Health Care Financing Administration, as appropriate;

(2) the maximum length of stay in the unit shall not exceed eight days;

(3) the unit shall be certified to participate in the Medicare program as a skilled nursing facility;

(4) the unit shall be comprised of not more than 7% of the hospital's licensed medical-surgical bed capacity or 12 beds, whichever is greater;

(5) the hospital's licensed medical-surgical bed capacity shall be reduced, by the commissioner, by the number of beds used to establish a subacute care unit under the provisions of this section. Long-term care beds in a hospital's subacute care unit shall not be transferred to, or combined with, a subacute care unit in another hospital. Bed limitations for a hospital shall include both conversions of existing acute care beds and any purchases or other acquisitions or rentals of beds to be used by a hospital for the provision of subacute care under this act;

(6) notwithstanding the provisions of section 10 of P.L.1971, c.136 (C.26:2H-10) to the contrary, the hospital shall be required to pay an application fee of $5,000 for a certificate of need to establish a subacute care unit; and

(7) the hospital shall be subject to the fee for the filing of an application for a license for long-term care beds and any renewal thereof as established by the Department of Health pursuant to section 12 of P.L.1971, c.136 (C.26:2H-12).

b. Subacute care shall not be covered by the Medicaid program established pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.). The long-term

care beds in a subacute care unit shall not be included in long-term care bed inventories for certificate of need review purposes.

C.26:2H-7.7 Patient diagnostic categories; inpatient rehabilitation criteria; admission to subacute care, requirements.

4. a. The determination of whether a hospital subacute care unit or a skilled nursing or comprehensive rehabilitation hospital or other type of facility is the preferred non-acute care placement for a patient shall be based on clinical considerations and the preference of the patient and his family; except that, as a condition of licensure of a hospital subacute care unit, clinically stable patients who are being treated in the diagnostic categories listed in paragraph (1) of this subsection and who meet the criteria for inpatient rehabilitation hospital care listed in paragraph (2) of this subsection, except as may be recommended by the comprehensive rehabilitation hospital or acute care hospital that has licensed comprehensive rehabilitation beds pursuant to subsection b. of this section, shall not be placed in a hospital subacute care unit.

(1) Diagnostic categories include patients with: strokes, congenital anomalies, major multiple trauma, polyarthritis including rheumatoid arthritis, neurological disorders including multiple sclerosis, motor neuron diseases, polyneuropathy, muscular dystrophy and Parkinson's disease, brain injury including traumatic or non-traumatic, spinal cord injury, amputations, joint replacements, fracture of the femur including hip fracture and burns.

(2) Criteria for inpatient rehabilitation hospital care include patients who meet or require all of the following:

(a) close medical supervision by a physician with specialized training or experience in rehabilitation;

(b) 24-hour rehabilitation nursing;

(c) a relatively intense level of rehabilitation services;

(d) a multi-disciplinary team approach to the delivery of the program;

(e) a coordinated program of care;

(f) significant practical improvement is expected in a reasonable period of time; and

(g) realistic goals of self-care or independence in activities of daily living.

b. An acute care hospital shall forward information on clinically stable patients to a licensed comprehensive rehabilitation hospital or an acute care hospital that has licensed comprehensive rehabilitation beds. The licensed comprehensive rehabilitation hospital or the acute care hospital that has licensed comprehensive rehabilitation beds shall then make a recommendation, signed by a physician with specialized training or experience in rehabilitation, regarding placement within 24-hours of receipt of the information from the acute care hospital and which, together with the concurring or alternate recommendation from a case manager at the acute care hospital, shall be forwarded to the patient's attending physician.

c. A patient in a skilled nursing home who is admitted to and discharged from an acute care hospital shall not be admitted to the hospital's subacute care unit unless the skilled nursing home is unable to readmit the patient within 24 hours after notification by the acute care hospital that the patient is ready for readmission to the skilled nursing home. If a patient is admitted to the hospital's subacute care unit because that patient could not be readmitted to the skilled nursing home, the patient shall be discharged to the skilled nursing facility of origin as soon as the home agrees to accept the patient.

d. In addition to the reports required in section 5 of P.L.1996, c.102 (C.26:2H-7.8), an acute care hospital with a subacute care unit shall file an annual report with the Department of Health demonstrating compliance with the provisions of this section. The report shall include information on the number of patients who were admitted to the hospital's subacute care unit when the admission was contrary to the recommendation of a physician with specialized training or experience in rehabilitation, provided however, that the recommendation of the physician was for immediate placement of the patient, that is, within 24-hours, in a licensed comprehensive rehabilitation hospital or an acute care hospital that has licensed comprehensive rehabilitation beds. The report also shall include information on the number of patients admitted to the hospital's subacute care unit pursuant to subsection c. of this section because the patient could not be readmitted to a skilled nursing home.

e. The commissioner shall develop a procedure to assess an acute care hospital with a hospital subacute care unit's compliance with the provisions of this section and section 3 of this act.

f. Failure to comply with the provisions of this section or section 3 of this act may result in the suspension or revocation of a hospital subacute care license.

g. If an acute care hospital which has a subacute care unit plans to transfer a patient from the hospital to the subacute care unit, the hospital shall discharge the patient from the hospital and admit the patient to the subacute care unit. Each admission to a subacute care unit shall be subject to a $35 health care quality fee to be paid to the Department of Health, the revenues from which shall be deposited in a dedicated fund to be established by the commissioner, and designated as the "Health Care Quality Monitoring Fund."

C.26:2H-7.8 Licensure requirements; quarterly reports.

5. a. A subacute care unit shall be subject only to existing State long-term care facility licensure requirements and federal regulations governing Medicare participation.

b. A hospital that has or converts beds for subacute care shall file with the Department of Health quarterly reports showing each patient admitted to the

subacute care unit during the quarter by diagnosis, the patient's length of stay in the unit, and any other information required by the department by regulation.

6. This act shall take effect immediately, and shall apply to subacute care units created after the effective date.

Approved August 19, 1996.

CHAPTER 103

AN ACT concerning the voting rights of certain members of school boards and amending P.L.1995, c.8.

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

1. Section 1 of P.L.1995, c. 8 (C.18A:38-8.1) is amended to read as follows:

C.18A:38-8.1 Representation of board of education of sending district; matters covered.

1. In addition to the members of the board of education of a Type I and Type II school district provided by law, in a school district which is receiving pupils from another district or districts pursuant to N.J.S.18A:38-8, there shall be an additional member as provided pursuant to section 2 of this act to represent the board of education of each sending district. Any additional member shall be a member of the board of education of a sending district designated annually by the board of that district and shall be eligible to vote on the following matters before the receiving district board of education:

a. Tuition to be charged the sending district by the receiving district and the bill lists or contracts for the purchase, operation or maintenance of facilities, equipment and instructional materials to be used in the education of the pupils of the sending district;

b. New capital construction to be utilized by sending district pupils;

c. Appointment, transfer or removal of teaching staff members providing services to pupils of the sending district, including any teaching staff member who is a member of the receiving district's central administrative staff; and

d. Addition or deletion of curricular and extracurricular programs involving pupils of the sending district.

2. This act shall take effect immediately.

Approved August 19, 1996.

CHAPTER 104

AN ACT concerning certain rolling stock and equipment purchases by the New Jersey Transit Corporation and amending P.L.1979, c.150.

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

1. Section 11 of P.L.1979, c.150 (C.27:25-11) is amended to read as follows:

C.27:25-11 Purchases, contracts or agreements; award; advertisement for bids; exemptions; bid bond; qualification of bidders.

11. a. All purchases, contracts or agreements pursuant to this act shall be made or awarded directly by the corporation, except as otherwise provided in this act, only after public advertisement for bids therefor, in the manner provided in this act, notwithstanding the provisions to the contrary of P.L.1948, c.92 (C.52:18A-1 et seq.) and chapters 25, 32, 33, 34 and 35 of Title 52 of the Revised Statutes.

b. Whenever advertising is required: (1) specifications and invitations for bids shall permit such full and free competition as is consistent with the procurement of supplies and services necessary to meet the requirements of the corporation; (2) the advertisement for bids shall be in such newspaper or newspapers selected by the corporation as will best give notice thereof to bidders and shall be sufficiently in advance of the purchase or contract to promote competitive bidding; (3) the advertisement shall designate the time and place when and where sealed proposals shall be received and publicly opened and read, the amount of the cash, certified check, cashier's check or bank check, if any, which shall accompany each bid, and such other terms as the corporation may deem proper.

c. The corporation may reject any or all bids not in accord with the advertisement of specifications, or may reject any or all bids if the price of the work materials is excessively above the estimate cost or when the corporation shall determine that it is in the public interest to do so. The corporation shall prepare a list of the bids, including any rejected and the cause therefor. The corporation may accept bids containing minor informalities. Awards shall be made by the corporation with reasonable promptness by written notice to the responsible bidder whose bid, conforming to the invitation for bids, will be the most advantageous to the State, price and other factors considered.

d. A bid bond in an amount, not to exceed 50% of the bid, to be determined by the corporation with such sureties as shall be approved by the corporation in favor of the State of New Jersey, or a deposit consisting of a cashier's check, certified check or letter of credit in an amount set forth by the

corporation, 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 notice, of award, properly executed and secured by satisfactory bonds in accordance with the provisions of N.J.S.2A:44-143 through N.J.S.2A:44-147 and specifications for the project. The corporation may require in addition to the bid bond or deposit such additional evidence of the ability of a contractor to perform the work required by the contract as it may deem necessary and advisable. All bid bonds or deposits which have been delivered with the bids, except those of the two lowest responsible bidders, shall be returned within 30 working days after such bids are received.

e. If the bidder fails to provide a satisfactory bid bond or deposit as provided in subsection d. of this section, the bid shall be rejected.

f. The corporation shall determine the terms and conditions of the various types of agreements or contracts, including provisions for adequate security, the time and amount or percentage of each payment thereon and the amount to be withheld pending completion of the contract, and it shall issue and publish rules and regulations concerning such terms and conditions, standard contract forms and such other rules and regulations concerning purchasing or procurement, not inconsistent with any applicable law, as it may deem advisable to promote competition and to protect the public interest.

g. Any purchase, contract or agreement pursuant to subsection a. hereof may be made, negotiated or awarded by the corporation without advertising under the following circumstances:

(1) When the aggregate amount involved does not exceed the amount determined pursuant to section 2 of P.L.1954, c.48 (C.52:34-7); or

(2) In all other cases when the corporation seeks:

(a) To acquire public or private entities engaged in the provision of public transportation service, used public transportation equipment or existing public transportation facilities or rights of way; or

(b) To acquire subject matter which is that described in section 4 of P.L.1954, c.48 (C.52:34-9); or

(c) To make a purchase or award or make a contract or agreement under the circumstances described in section 5 of P.L.1954, c.48 (C.52:34-10); or

(d) To contract pursuant to section 6 of P.L.1979, c.150 (C.27:25-6); or

(e) To acquire or overhaul motorbuses, light rail vehicles, rail cars, locomotives, signal systems or fare collection systems.

h. The corporation shall require that all persons proposing to submit bids on improvements to capital facilities and equipment shall first be classified by the corporation as to the character or amount or both of the work on which they shall be qualified to submit bids. Bids shall be accepted only from persons qualified in accordance with such classification.

2. This act shall take effect immediately.

Approved August 19, 1996.

CHAPTER 105

AN ACT appropriating $65,000,000 from the "Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995," P.L.1995, c.204, for the acquisition of lands by the State for recreation and conservation purposes, and appropriating certain interest earnings and reappropriating certain unexpended balances for the acquisition and development of lands by the State for recreation and conservation purposes.

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

1. a. There is appropriated to the Department of Environmental Protection from the "1995 New Jersey Green Acres Fund," established pursuant to section 22 of the "Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995," P.L.1995, c.204, the sum of $65,000,000 for the acquisition of lands by the State for recreation and conservation purposes. This sum shall include administrative costs and shall be allocated as follows:

ESTIMATED COST		PROJECT	COUNTY
$3,750,000	ADDITIONS		
		Allaire State Park	
		Howell Twp.	Monmouth
		Wall Twp.	Monmouth
		Cheesequake State Park	
		Old Bridge Twp.	Middlesex
		Kuser Mountain Greenway	
		Hopewell Twp.	Mercer
		Liberty State Park	
		Jersey City	Hudson
		Long Pond Ironworks State Park	
		Ringwood Borough	Passaic
		West Milford Twp.	Passaic
		Ramapo Mt. State Forest	
		Mahwah Twp.	Bergen
		Oakland Borough	Bergen
		Pompton Lakes Borough	Passaic
		Ringwood Borough	Passaic
		Wanaque Borough	Passaic
		Winslow WMA	
		Winslow Twp.	Camden
		Monroe Twp.	Gloucester

	Ringwood State Park	
	Mahwah Twp.	Bergen
	Ringwood Borough	Passaic
	Wharton State Forest	
	Waterford Twp.	Camden
	Winslow Twp.	Camden
$2,500,000	BLACK RIVER GREENWAY	
	Chester Twp.	Morris
	Washington Twp.	Morris
	Bedminster Twp.	Somerset
	Tewksbury Twp.	Hunterdon
$1,000,000	CAPE MAY ISLAND	
	Cape May Point State Park	
	Cape May Point Borough	Cape May
	Higbee Beach WMA	
	Lower Twp.	Cape May
	West Cape May Borough	Cape May
$4,000,000	HILLTOP PARK	
	North Caldwell Twp.	Essex
	Cedar Grove Twp.	Essex
	Verona Twp.	Essex
$6,250,000	DELAWARE BAY GREENWAY	
	Salem River/Mannington Greenway	
	Carneys Point Twp.	Salem
	Elsinboro Twp.	Salem
	Pilesgrove Twp.	Salem
	Mannington Twp.	Salem
	Pennsville Twp.	Salem
	Cohansey River Greenway	
	Fairfield Twp	Cumberland
	Greenwich Twp.	Cumberland
	Hopewell Twp.	Cumberland
	Bridgeton City	Cumberland
	Upper Deerfield Twp.	Cumberland
	Alloway Twp.	Salem
	Stow Creek Greenway	
	Lower Alloways Creek Twp.	Salem
	Quinton Twp.	Salem
	Alloways Twp.	Salem
	Stow Creek Twp.	Cumberland
	Greenwich Twp.	Cumberland
	Alloways Creek Greenway	
	Elsinboro Twp.	Salem
	Lower Alloways Creek Twp.	Salem
	Quinton Twp.	Salem
	Alloway Twp.	Salem
	Pilesgrove Twp.	Salem
	Upper Pittsgrove Twp.	Salem
	Maurice River Greenway	
	Dennis Twp.	Cape May
	Pittsgrove Twp.	Salem
	Vineland City	Cumberland
	Millville City	Cumberland
	Maurice River Twp.	Cumberland
	Commercial Twp.	Cumberland
	Franklin Twp.	Gloucester
	Newfield Borough	Gloucester
	Deerfield Twp.	Cumberland
	Dividing/Nantuxent/Cedar/	
	Back Creeks Greenway	
	Commercial Twp.	Cumberland

	Downe Twp.	Cumberland
	Lawrence Twp.	Cumberland
	Fairfield Twp.	Cumberland
$3,000,000	DELAWARE RIVER GREENWAY	
	Woodbury Creek Watershed	
	West Deptford Twp.	Gloucester
	National Park Borough	Gloucester
	Trenton Marsh	
	Trenton City	Mercer
	Hamilton Twp.	Mercer
	Bordentown Twp.	Burlington
	Chesterfield Twp.	Burlington
	Delaware River Bluffs	
	Hopewell Twp.	Mercer
	Frenchtown Borough	Hunterdon
	Milford Borough	Hunterdon
	Kingwood Twp.	Hunterdon
	Delaware Twp.	Hunterdon
	Oldmans Creek Greenway	
	Logan Twp.	Gloucester
	South Harrison Twp.	Gloucester
	Woolwich Twp.	Gloucester
	Oldmans Twp.	Salem
	Pilesgrove Twp.	Salem
	Upper Pittsgrove Twp.	Salem
	Raccoon Creek Greenway	
	Logan Twp.	Gloucester
	Woolwich Twp.	Gloucester
	Harrison Twp.	Gloucester
	Elk Twp.	Gloucester
	Big Timber Creek	
	Westville Borough	Gloucester
	Rancocas Creek Greenway	
	Delran Twp.	Burlington
	Moorestown Twp.	Burlington
	Willingboro Twp.	Burlington
	Mount Laurel Twp.	Burlington
	Hainesport Twp.	Burlington
	Westampton Twp.	Burlington
	Eastampton Twp.	Burlington
	Mt. Holly Twp.	Burlington
	Lumberton Twp.	Burlington
	Medford Twp.	Burlington
	Southampton Twp.	Burlington
	Pemberton Twp.	Burlington
	Springfield Twp.	Burlington
$1,000,000	DELAWARE AND RARITAN CANAL GREENWAY	
	Trenton City	Mercer
	Hopewell Twp.	Mercer
	Ewing Twp.	Mercer
	Princeton Twp.	Mercer
	Lambertville City	Hunterdon
	Stockton Borough	Hunterdon
	Franklin Twp.	Somerset
$3,000,000	HIGHLANDS GREENWAY	
	Hardyston Twp.	Sussex
	Sparta Twp.	Sussex
	Jefferson Twp.	Morris
	Rockaway Twp.	Morris
$1,999,000	GREAT EGG HARBOR GREENWAY	
	Egg Harbor Twp.	Atlantic

	Hamilton Twp.	Atlantic
	Estell Manor City	Atlantic
	Weymouth Twp.	Atlantic
	Corbin City	Atlantic
	Upper Twp.	Cape May
	Winslow Twp.	Camden
	Monroe Twp.	Gloucester
	Franklin Twp.	Gloucester
	Folsom Borough	Atlantic
$2,000,000	HISTORIC RESOURCES	
	Allaire State Park	
	Howell Twp.	Monmouth
	Wall Twp.	Monmouth
	Washington Crossing State Park	
	Hopewell Twp.	Mercer
	Ewing Twp.	Mercer
	Delaware & Raritan Canal	
	Ewing Twp.	Mercer
	Hamilton Twp.	Mercer
	Hopewell Twp.	Mercer
	Lawrence Twp.	Mercer
	West Windsor Twp.	Mercer
	Trenton City	Mercer
	New Brunswick City	Middlesex
	Plainsboro Twp.	Middlesex
	South Brunswick Twp.	Middlesex
	Monmouth Battlefield	
	Freehold Borough	Monmouth
	Manalapan Twp.	Monmouth
	Princeton Battlefield	
	Princeton Twp.	Mercer
	Proprietary House	
	City of Perth Amboy	Middlesex
	Twin Lights	
	Highlands Borough	Monmouth
$2,000,000	JENNY JUMP STATE PARK	
	Independence Twp.	Warren
	Hope Twp.	Warren
	Liberty Twp.	Warren
	Frelinghuysen Twp.	Warren
$2,000,000	MUSCONETCONG RIVER GREENWAY	
	Franklin Twp.	Warren
	Pohatcong Twp.	Warren
	Washington Twp.	Warren
	Mansfield Twp.	Warren
	Hackettstown Town	Warren
	Mt. Olive Twp.	Morris
	Holland Twp.	Hunterdon
	Alexandria Twp.	Hunterdon
	Bloomsbury Borough	Hunterdon
	Bethlehem Twp.	Hunterdon
	Hampton Borough	Hunterdon
	Lebanon Twp.	Hunterdon
$4,750,000	NATURAL AREAS	
	Budd Lake Bog	
	Mt. Olive Twp.	Morris
	Campus Swamp	
	Gloucester Twp.	Camden
	Hidden Lake	
	Gloucester Twp.	Camden

	Long-A-Coming Branch	
	Winslow Twp.	Camden
	High Mountain	
	Wayne Twp.	Passaic
	North Haledon Borough	Passaic
	Uttertown Bog	
	W. Milford Twp.	Passaic
	Ramapo Lake Natural Area	
	Wanaque Borough	Passaic
	Ringwood Borough	Passaic
	Ramapo Lake Natural Area	
	Oakland Borough	Bergen
	Strawberry Hill	
	Hopewell Twp.	Mercer
	Limestone Ridge	
	Blairstown Twp.	Warren
	Troy Meadows	
	Parsippany-Troy Hills Twp.	Morris
	Great Piece Meadows	
	Lincoln Park Borough	Morris
	Fairfield Twp.	Essex
	Crossley Preserve	
	Manchester Twp.	Ocean
	Berkeley Twp.	Ocean
	Milford Bluffs	
	Holland Twp.	Hunterdon
	Cheesequake State Park	
	Old Bridge Twp.	Middlesex
	Ramapo Mountain State Park	
	Mahwah Twp.	Bergen
	Oakland Borough	Bergen
	Pompton Lakes Borough	Passaic
	Wanaque Borough	Passaic
	Ringwood Borough	Passaic
	Mountain Lake Bog	
	White Twp.	Warren
	Oswego River Natural Area	
	Washington Twp.	Burlington
	Sunfish Pond	
	Pahaquarry Twp.	Warren
	Bill Henry Pond	
	Egg Harbor Twp.	Atlantic
	Five Acre Pond	
	Estell Manor City	Atlantic
	Woodbine Bogs	
	Upper Twp.	Cape May
	Ogdensburg Fen	
	Ogdensburg Borough	Sussex
	Phone-in-Fen	
	Hardwick Twp.	Warren
	Washington Crossing State Park	
	Hopewell Twp.	Mercer
$1,000,000	NON-PROFIT CAMPS	
	Alloway Twp.	Salem
	Alpine Borough	Bergen
	Pine Hill Borough	Camden
	Rockleigh Borough	Bergen
	Upper Pittsgrove Twp.	Salem
$2,000,000	NORVIN GREEN CONNECTORS	
	Bloomingdale Borough	Passaic

	Ringwood Borough	Passaic
	Wanaque Borough	Passaic
	West Milford Twp.	Passaic
$1,000,000	PARVIN STATE PARK	
	Pittsgrove Twp.	Salem
	Upper Pittsgrove Twp.	Salem
	Deerfield Twp.	Cumberland
	Upper Deerfield Twp.	Cumberland
$3,000,000	PAULINS KILL RIVER GREENWAY	
	Hampton Twp.	Sussex
	Stillwater Twp.	Sussex
	Fredon Two.	Sussex
	Lafayette Twp.	Sussex
	Sparta Twp.	Sussex
	Blairstown Twp.	Warren
	Knowlton Twp.	Warren
	Hardwick Twp.	Warren
	Frelinghuysen Twp.	Warren
$3,000,000	PEQUEST RIVER GREENWAY	
	Belvidere Town	Warren
	White Twp.	Warren
	Liberty Twp.	Warren
	Oxford Twp.	Warren
	Mansfield Twp.	Warren
	Independence Twp.	Warren
	Allamuchy Twp.	Warren
	Green Twp.	Sussex
	Andover Twp.	Sussex
	Andover Borough	Sussex
	Fredon Twp.	Sussex
$6,000,000	PINELANDS	
	Brigantine City	Atlantic
	Buena Borough	Atlantic
	Buena Vista Twp.	Atlantic
	Corbin City	Atlantic
	Egg Harbor City	Atlantic
	Egg Harbor Twp.	Atlantic
	Estell Manor City	Atlantic
	Folsom Borough	Atlantic
	Galloway Twp.	Atlantic
	Hamilton Twp.	Atlantic
	Hammonton Town	Atlantic
	Mullica Twp.	Atlantic
	Port Republic City	Atlantic
	Weymouth Twp.	Atlantic
	Bass River Twp.	Burlington
	Evesham Twp.	Burlington
	Medford Lakes Borough	Burlington
	Medford Twp.	Burlington
	New Hanover Twp.	Burlington
	North Hanover Twp.	Burlington
	Pemberton Twp.	Burlington
	Shamong Twp.	Burlington
	Southampton Twp.	Burlington
	Springfield Twp.	Burlington
	Tabernacle Twp.	Burlington
	Washington Twp.	Burlington
	Woodland Twp.	Burlington
	Wrightstown Borough	Burlington
	Berlin Borough	Camden
	Berlin Twp.	Camden

	Chesilhurst Borough	Camden
	Waterford Twp.	Camden
	Winslow Twp.	Camden
	Dennis Twp.	Cape May
	Middle Twp.	Cape May
	Upper Twp.	Cape May
	Woodbine Borough	Cape May
	Maurice River Twp.	Cumberland
	Vineland City	Cumberland
	Franklin Twp.	Gloucester
	Barnegat Twp.	Ocean
	Beachwood Borough	Ocean
	Berkeley Twp.	Ocean
	Dover Twp.	Ocean
	Eagleswood Twp.	Ocean
	Jackson Twp.	Ocean
	Lacey Twp.	Ocean
	Lakehurst Borough	Ocean
	Little Egg Harbor Twp.	Ocean
	Manchester Twp.	Ocean
	Ocean Twp.	Ocean
	Plumsted Twp.	Ocean
	South Toms River Borough	Ocean
	Stafford Twp.	Ocean
	Tuckerton Borough	Ocean
$1,500,000	SWARTSWOOD STATE PARK	
	Stillwater Twp.	Sussex
	Hampton Twp.	Sussex
$1,000,000	URBAN PARKS	
	Jersey City	Hudson
	Trenton City	Mercer
	Camden City	Camden
	North Caldwell Twp.	Essex
	Cedar Grove Twp.	Essex
	Verona Twp.	Essex
$1,000,000	WATER ACCESS SITES	
	Jersey City	Hudson
	Trenton City	Mercer
	Camden City	Camden
	West Deptford Twp.	Gloucester
	Manasquan Borough	Monmouth
$9,250,000	WATERSHED LANDS	
	Jefferson Twp.	Morris
	Rockaway Twp.	Morris
	Kinnelon Borough	Morris
	West Milford Twp.	Passaic

b. Any transfer of any funds listed in this section, section 1 of P.L.1995, c.198, section 1 of P.L.1993, c.386, section 1 of P.L.1993, c.217, section 1 of P.L.1991, c.522, or section 1 of P.L.1991, c.13, shall require the approval of the Joint Budget Oversight Committee or its successor.

c. There is reappropriated to the Department of Environmental Protection the unexpended balances of the amounts appropriated or reappropriated for State projects pursuant to (1) section 1 of P.L.1995, c.198, section 1 of P.L.1993, c.386, and section 1 of P.L.1993, c.217, from the "1992 New Jersey Green Acres Fund" established pursuant to section 21 of the "Green Acres, Clean Water, Farmland and Historic Preservation Bond

Act of 1992," P.L.1992, c.88, and (2) section 1 of P.L.1991, c.522, and section 1 of P.L.1991, c.13, from the "1989 New Jersey Green Acres Fund," established pursuant to section 18 of the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, for the State projects listed in this section, section 1 of P.L.1995, c.198, section 1 of P.L.1993, c.386, section 1 of P.L.1993, c.217, section 1 of P.L.1991, c.522, and section 1 of P.L.1991, c.13, for the acquisition and development of lands by the State for recreation and conservation purposes and for the purpose of administrative costs associated with any such projects, to the extent such funds are available as a result of project cancellations or cost savings.

d. There is appropriated to the Department of Environmental Protection such sums as may be or become available on or before June 30, 1997, due to interest earnings in the "1995 New Jersey Green Acres Fund" established pursuant to section 22 of the "Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995," P.L.1995, c.204, in the "1992 New Jersey Green Acres Fund" established pursuant to section 21 of the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, and in the "1989 New Jersey Green Acres Fund" established pursuant to section 18 of the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, for the State projects listed in this section, section 1 of P.L.1995, c.198, section 1 of P.L.1993, c.386, section 1 of P.L.1993, c.217, section 1 of P.L.1991, c.522, and section 1 of P.L.1991, c.13, for the acquisition and development of lands by the State for recreation and conservation purposes and for the purpose of administrative costs associated with any such projects.

2. The expenditure of the sums appropriated by this act is subject to the provisions and conditions of P.L.1995, c.204, P.L.1992, c.88, and P.L.1989, c.183, as appropriate.

3. This act shall take effect immediately.

Approved August 28, 1996.

CHAPTER 106

AN ACT appropriating $15,000,000 from the "Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995," P.L.1995, c.204, appropriating $3,782,325 from the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, reappropriating $1,876,838 from the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," and reappropriating $1,876,837 from the "Open Space Bond Act of 1989," P.L.1989, c.183, to provide matching grants to assist qualifying tax exempt

nonprofit organizations to acquire lands for recreation and conservation purposes.

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

1. a. There is appropriated to the Department of Environmental Protection from the "1995 New Jersey Green Trust Fund" established pursuant to section 23 of the "Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995," P.L.1995, c.204, the sum of $15,000,000, and from the "1992 New Jersey Green Trust Fund" established pursuant to section 22 of the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, the sum of $3,782,325, and there is reappropriated to the department from the "1992 New Jersey Green Trust Fund" established pursuant to section 22 of the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, the sum of $1,876,838, and from the "1989 New Jersey Green Acres Fund" established pursuant to section 18 of the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, the sum of $1,876,837, to provide matching grants to assist qualifying tax exempt nonprofit organizations to acquire lands for recreation and conservation purposes, which sum shall include administrative costs. The following projects are eligible for funding with the moneys appropriated pursuant to this section:

NONPROFIT ORGANIZATION	**PROJECT NAME**	**COUNTY**	**MUNICIPALITY**	**APPROVED AMOUNT**
American Littoral Society	Anchoring Point Acq.	Atlantic	Egg Harbor Twp.	$250,000
Passaic River Coalition	Passaic River Park	Bergen	Lyndhurst Twp.	$350,000
Cedar Run Conervancy, Inc.	Cedar Run Project	Burlington	Medford Twp.	$500,000
Audubon Wildlife Society, Inc.	Hawkin's Road Acq.	Burlington Burlington	Southampton and Medford Twps.	$ 80,000
NJ Conservation Foundation	Four Mile Circle	Burlington	Woodland Twp.	$ 50,000
Rancocas Conservancy	Springland Corp. Tract	Burlington	Southampton Twp.	$ 44,000
Rancocas Conservancy	Pemberton Beech Woods	Burlington	Pemberton Boro.	$133,000
Rancocas Conservancy	Rancocas Creek/ N/Branch Pres.	Burlington	Pemberton Twp.	$205,000

Woodford Cedar Run Wildlife Refuge, Inc.	Cedar Run Project	Burlington	Medford Twp.	$407,000
Merabash Museum Inc.	Johnstone Center	Burlington	Bordentown Twp.	$500,000
Rancocas	Arney's Mount	Burlington	Springfield and Pemberton Twps.	$500,000
The Nature Conservancy	Manumuskin River Additions 2	Cumberland	Millville City	$400,000
Natural Lands Trust Inc.	Maurice River Bluffs	Cumberland	Millville City	$500,000
South Jersey Land Trust	Upper Deerfield Park Acq.	Cumberland	Upper Deerfield Twp.	$191,000
Black United Fund of New Jersey, Inc.	Ambrose/Ward . Mansion Acq	Essex	East Orange City	$285,000
South Jersey Land Trust	Black Acres Acq.	Gloucester	Monroe Twp.	$500,000
Historic Beaver Brook Homestead,Inc.	Beaver Brook Farm Acq.	Hunterdon	Clinton Twp.	$500,000
The Nature Conservancy	Milford Bluffs Additions	Hunterdon	Holland Twp. and Milford Boro.	$400,000
Trust for Public Land	Readington Greenways Additions	Hunterdon	Readington Twp.	$500,000
NJ Conservation Foundation	Wickecheoke Creek Acq. Phase II	Hunterdon	Delaware and. Kingwood Twps	$500,000
Delaware & Raritan-Greenway, Inc.	Northern Stony Brook, Phase II	Hunterdon	East Amwell Twp.	$200,000
Megan's Place Fund, Inc.	Megan's Place	Mercer	Hamilton Twp.	$ 50,000
Delaware & Raritan Greenway, Inc.	Woolsey Brook	Mercer	Hopewell Twp.	$300,000
Delaware & Raritan Greenway, Inc.	Moore's Creek	Mercer	Hopewell Twp.	$500,000
Friends of Hopewell Valley Open Space	Jacobs Creek Greenway	Mercer	Hopewell Twp.	$500,000

Friends of Hopewell Valley Open Space	Hopewell Greenbelt 2	Mercer	Hopewell Twp.	$500,000
Friends of Hopewell Valley Open Space.	Upper Jacobs Creek Conserv	Mercer	Hopewell Twp.	$500,000
Delaware & Raritan Greenway, Inc.	Central Stony Brook II	Mercer	Hopewell Twp.	$500,000
Friends of Hopewell Valley Open Space	Hopewell-Watershed Connector	Mercer	Hopewell Twp.	$500,000
Monmouth Conservation Foundation	Roberts Swamp Brook Acq.	Monmouth	Manasquan Boro.	$203,000
Friends of Monmouth Battlefield	Monmouth Battlefield Adds. 2	Monmouth	Manalapan Twp.	$500,000
Morris Parks and Land Conservancy	Morris Conservation Area	Morris	Rockaway Twp.	$500,000
NJ Conservation Foundation	Black River Greenway	Morris	Chester Twp.	$500,000
Upper Raritan Watershed Assoc.	Hacklebarney Greenway	Morris	Washington Twp.	$500,000
Wildlife Preserves Inc.	Troy Meadows Acq. 1	Morris	Parsippany-Troy Hills Twp.	$500,000
Upper Raritan Watershed Assoc.	Black River Greenway	Morris	Chester Twp.	$500,000
Passaic River Coalition	Wildlife Refuge	Morris	East Hanover Twp.	$500,000
Holgate Environmental Land Protection, Inc.	The Holgate Marsh	Ocean	Long Beach Twp.	$500,000
Trust for Public Land	Barnegat Bay Watershed-Inland	Ocean	Berkeley, Lacey and Manchester Twps.	$500,000
Ocean County Izaak Walton League	Barnegat Bay Islands	Ocean	Dover, Barnegat and Long Beach Twps.	$300,000
NJ Conservation Foundation	Forked River Mountain-Additions	Ocean	Ocean and Lacey Twps.	$500,000
Forked River	Wells Mills	Ocean	Lacey and	$500,000

Mountain Coalition, Inc.	Park Corridor, Ph. 1		Ocean Twps.	
Trust for Public Land	Barnegat Bay Waterfront	Ocean	Berkeley and Ocean Twps.	$500,000
Ocean County Izaak Walton League	Reedy Creek	Ocean	Brick Twp.	$500,000
Passaic River Coalition	Clinton Woods	Passaic	West Milford Twp.	$250,000
The Nature Conservancy	Willow Grove Lake Acq.	Salem/ Cumberland	Pittsgrove Twp. and Vineland City	$400,000
NJ Conservation Foundation	Sourland Mountain Acq.	Somerset	Hillsborough Twp.	$450,000
Delaware & Raritan Greenway, Inc.	Simonson Brook	Somerset	Franklin Twp.	$100,000
Delaware & Raritan Greenway, Inc.	Ingersoll Rand	Somerset	Montgomery Twp.	$400,000
Passaic River Coalition	Russia Brook Sanctuary	Sussex/ Morris	Sparta and. Jefferson Twps.	$200,000
The Nature Conservancy	Arctic Meadows Preserve	Sussex	Stillwater Twp.	$100,000
The Nature Conservancy	Sussex Swamp	Sussex	Newton Town	$200,000
Ridge and Valley Conservancy	Paulins Kill River	Sussex/ Warren	Fredon, Hampton and Hardwick Twps.	$485,000
New Jersey Audubon Society	Sparta Mountain Acq.	Sussex/ Morris	Sparta, Hardyston and Jefferson Twps.	$500,000
The Nature Conservancy	Paulins Kill/ Pequest Openspace	Warren	Hardwick Twp.	$400,000
Ridge and Valley Conservancy	Bear Creek Preserve	Warren	Allamuchy and Frelinghuysen Twps.	$428,000
New Jersey Audubon Society	Bacon Run Corridor	Warren	Allamuchy and Independence Twps.	$250,000
The Nature Conservancy	Johnsonburg Swamp 2	Warren/ Sussex	Frelinghuysen and Green Twps.	$100,000
Ridge and Valley Conservancy	Limestone Forest Sinks and Springs	Warren	Hardwick Twp.	$425,000

Phillipsburg Riverview Organization	Mountain Greenway	Warren	Phillipsburg Town and Lopatcong Twp.	$500,000

b. Any transfer of any funds or project sponsor, or change in project site, listed in this section, subsection a. of section 1 of P.L.1994, c.38, or in paragraph (3) of subsection a. of section 1 of P.L.1991, c.522, shall require the approval of the Joint Budget Oversight Committee or its successor.

2. To the extent that moneys remain available after the projects listed in section 1 of this act are offered funding or additional funding pursuant thereto, the projects of qualifying tax exempt nonprofit organizations listed in subsection a. of section 1 of P.L.1994, c.38, and in paragraph (3) of subsection a. of section 1 of P.L.1991, c.522, shall be eligible for funding, including administrative costs, in a sequence consistent with the priority system established by the Department of Environmental Protection, and shall require the approval of the Joint Budget Oversight Committee or its successor.

3. The expenditure of the sums appropriated by this act is subject to the provisions and conditions of P.L.1995, c.204, P.L.1992, c.88, and P.L.1989, c.183, as appropriate.

4. This act shall take effect immediately.

Approved August 28, 1996.

CHAPTER 107

AN ACT appropriating $72,313,000 from the "Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995," P.L.1995, c.204, reappropriating $5,250,000 from the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, reappropriating $4,000,000 from the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, and reappropriating $4,000,000 from the "New Jersey Green Acres Bond Act of 1983," P.L.1983, c.354, and authorizing the use of unexpended balances, interest earnings, and loan repayments from certain Green Acres bond acts, to assist local government units to acquire and develop lands for recreation and conservation purposes; approving projects of certain local government units in southern New Jersey as eligible for funding with moneys made available from certain Green Acres bond acts; and approving development projects of certain local government units for recreation and conservation

purposes in keeping with the requirements, standards, and policies of State and federal law concerning handicapped or disabled persons as eligible for funding with moneys made available from certain Green Acres bond acts.

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

1. There is appropriated to the Department of Environmental Protection from the "1995 New Jersey Green Trust Fund" established pursuant to section 23 of the "Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995," P.L.1995, c.204, the sum of $72,313,000, and there is reappropriated to the department from the "1992 New Jersey Green Trust Fund" established pursuant to section 22 of the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, the sum of $5,250,000, from the "1989 New Jersey Green Trust Fund" established pursuant to section 19 of the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, the sum of $4,000,000, and from the "Green Trust Fund" established pursuant to section 16 of the "New Jersey Green Acres Bond Act of 1983," P.L.1983, c.354, the sum of $4,000,000, to provide loans or grants, or both, to assist local government units to acquire and develop lands for recreation and conservation purposes, which sums shall include administrative costs, for projects approved as eligible for such funding pursuant to section 5 of this act, section 6 of this act, section 1 of P.L.1996, c.108, section 1 of P.L.1996, c.109, and section 1 of P.L.1996, c.110.

2. a. There is reappropriated to the Department of Environmental Protection the unexpended balances of the amounts appropriated or reappropriated pursuant to P.L.1984, c.224, P.L.1985, c.479, P.L.1986, c.208, P.L.1988, c.23, P.L.1989, c.194, P.L.1991, c.13, P.L.1991, c.14, P.L.1991, c.15, P.L.1991, c.16, P.L.1991, c.522, P.L.1993, c.200, P.L.1993, c.201, P.L.1993, c.266, P.L.1993, c.267, P.L.1994, c.37, P.L.1994, c.45, P.L.1994, c.51, P.L.1994, c.52, P.L.1995, c.199, P.L.1995, c.200, P.L.1995, c.201, P.L.1995, c.202, and P.L.1995, c.203 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, from the "State Land Acquisition and Development Fund" established pursuant to the "New Jersey Green Acres Bond Act of 1978," P.L.1978, c.118, from the "Green Trust Fund" established pursuant to the "New Jersey Green Acres Bond Act of 1983," P.L.1983, c.354, from the "Green Trust Fund" established pursuant to the "New Jersey Green Acres, Cultural Centers and Historic Preservation Bond

Act of 1987," P.L.1987, c.265, from the "1989 New Jersey Green Trust Fund" established pursuant to the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, and from the "1992 New Jersey Green Trust Fund" established pursuant to the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, for the purpose of making loans or grants, or both, to local government units for the projects listed in P.L.1984, c.224, P.L.1985, c.479, P.L.1986, c.208, P.L.1988, c.23, P.L.1989, c.194, P.L.1991, c.13, P.L.1991, c.14, P.L.1991, c.15, P.L.1991, c.16, P.L.1991, c.522, P.L.1993, c.200, P.L.1993, c.201, P.L.1993, c.266, P.L.1993, c.267, P.L.1994, c.37, P.L.1994, c.45, P.L.1994, c.51, P.L.1994, c.52, P.L.1995, c.199, P.L.1995, c.200, P.L.1995, c.201, P.L.1995, c.202, P.L.1995, c.203, section 5 of this act, section 6 of this act, section 1 of P.L.1996, c.108, section 1 of P.L.1996, c.109, and section 1 of P.L.1996, c.110, and for the purpose of administrative costs associated with any such projects, to the extent such funds are available as a result of project withdrawals or cost savings.

b. There is appropriated to the Department of Environmental Protection such sums as may be or become available on or before June 30, 1997, due to interest earnings or loan repayments, in (1) the "Green Trust Fund" established pursuant to the "New Jersey Green Acres Bond Act of 1983," P.L.1983, c.354, (2) the "Green Trust Fund" established pursuant to the "New Jersey Green Acres, Cultural Centers and Historic Preservation Bond Act of 1987," P.L.1987, c.265, (3) the "1989 New Jersey Green Trust Fund" established pursuant to the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, (4) the "1992 New Jersey Green Trust Fund" established pursuant to the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, and (5) the "1995 New Jersey Green Trust Fund" established pursuant to the "Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995," P.L.1995, c.204, for the purpose of making loans or grants, or both, to local government units for the projects listed in P.L.1984, c.224, P.L.1985, c.479, P.L.1986, c.208, P.L.1988, c.23, P.L.1989, c.194, P.L.1991, c.13, P.L.1991, c.14, P.L.1991, c.15, P.L.1991, c.16, P.L.1991, c.522, P.L.1993, c.200, P.L.1993, c.201, P.L.1993, c.266, P.L.1993, c.267, P.L.1994, c.37, P.L.1994, c.45, P.L.1994, c.51, P.L.1994, c.52, P.L.1995, c.199, P.L.1995, c.200, P.L.1995, c.201, P.L.1995, c.202, P.L.1995, c.203, section 5 of this act, section 6 of this act, section 1 of P.L.1996, c.108, section 1 of P.L.1996, c.109, and section 1 of P.L.1996, c.110, and for the purpose of administrative costs associated with any such projects.

3. Pursuant to the provisions of subsection c. of section 7 of the "Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995," P.L.1995, c.204, subsection c. of section 7 of the "Green Acres, Clean

Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, subsection c. of section 9 of the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, subsection c. of section 9 of the "New Jersey Green Acres, Cultural Centers and Historic Preservation Bond Act of 1987," P.L.1987, c.265, and subsection d. of section 4 of the "New Jersey Green Acres Bond Act of 1983," P.L.1983, c.354, as appropriate, all loans made to local government units with moneys appropriated or reappropriated pursuant to this act shall bear interest of not more than 2% per year and shall be for a term of not more than 20 years. All principal and interest payments repaid by the local government units shall be deposited into the respective "Green Trust Fund" from which the moneys were appropriated or reappropriated in accordance with the terms of a written loan agreement. The terms of the loan agreement shall be completed and executed on a form approved by the State Treasurer or his designee.

4. The expenditure of the sums appropriated or reappropriated by this act is subject to the provisions and conditions of P.L.1995, c.204, P.L.1992, c.88, P.L.1989, c.183, P.L.1987, c.265, P.L.1983, c.354, P.L.1978, c.118, and P.L.1974, c.102, as appropriate.

5. a. The following projects are eligible for funding with the moneys appropriated or reappropriated pursuant to sections 1 and 2 of this act:

LOCAL GOVERNMENT UNIT	COUNTY	PROJECT	APPROVED AMOUNT
Absecon City	Atlantic	Absecon Rec. Ph. II Dev.	$500,000
Atlantic County	Atlantic	Absecon Inlet Dev. (in Absecon City)	$500,000
Atlantic County	Atlantic	Maine Ave. Waterfront Pk. Dev. (in Atlantic City)	$ 500,000
Margate City	Atlantic	Public Library Pk III Dev.	$150,000
Ventnor City	Atlantic	Boat House Renov. Dev.	$ 500,000
Burlington County	Burlington	Burlington Co. Camps Acq. (in Medford Twp.)	$1,400,000
Fieldsboro Boro	Burlington	Riverfront Walkway Dev.	$68,000
Florence Twp.	Burlington	Recreation Complex Dev.	$ 500,000
Medford Twp.	Burlington	DiStefano Tract Dev.	$ 500,000
Medford Twp.	Burlington	Burlington Co. Camps Acq.	$1,400,000
Pemberton Twp.	Burlington	Presidential Lakes Dev.	$ 400,000
Tabernacle Twp.	Burlington	Patty Bowker Rd. Pk. Dev.	$ 150,000
Camden City	Camden	RU Community Park Dev.	$1,000,000
Camden City	Camden	Childrens Garden Dev.	$1,000,000
Camden County	Camden	Childrens Garden Dev. (in Camden City)	$2,000,000
Gloucester City	Camden	Gloucester Point Riverfront Dev.	$2,000,000

Lindenwold Boro	Camden	Lindenwold Open Space Acq.	$ 180,000
Merchantville Boro	Camden	Wellwood Park	$ 150,000
Runnemede Boro	Camden	Runnemede Park Acq.	$ 215,000
Waterford Twp.	Camden	Thomas Richards Acq.	$ 225,000
Woodlynne Boro	Camden	Recreation Complex Dev.	$ 75,000
North Wildwood City	Cape May	Hereford Inlet Fishing Pier Dev.	$ 120,000
Bridgeton City	Cumberland	Cohansey Riverfront Plaza Dev.	$1,600,000
Bridgeton City	Cumberland	Rivers Edge Park Acq.	$ 157,000
Fairfield Twp.	Cumberland	Twp. Mun. Rec. Center Dev.	$ 100,000
Vineland City	Cumberland	Multi Park Improv. Dev.	$ 692,000
Deptford Twp.	Gloucester	Timber Creek Park Acq.	$ 400,000
Woodbury City	Gloucester	Woodbury Crk. Pk. Ph. II Dev.	$ 482,000

b. Any transfer of any funds or project sponsor, or change in project site, listed in subsection a. of this section shall require the approval of the Joint Budget Oversight Committee or its successor.

c. To the extent that moneys remain available after the projects listed in subsection a. of this section are offered funding pursuant thereto, the local government unit projects listed in P.L.1984, c.224, P.L.1985, c.479, P.L.1986, c.208, P.L.1988, c.23, P.L.1989, c.194, P.L.1991, c.13, P.L.1991, c.14, P.L.1991, c.15, P.L.1991, c.16, P.L.1991, c.522, P.L.1993, c.200, P.L.1993, c.201, P.L.1993, c.266, P.L.1993, c.267, P.L.1994, c.37, P.L.1994, c.45, P.L.1994, c.51, P.L.1994, c.52, P.L.1995, c.199, P.L.1995, c.200, P.L.1995, c.201, P.L.1995, c.202, P.L.1995, c.203, section 6 of this act, section 1 of P.L.1996, c.108, section 1 of P.L.1996, c.109, and section 1 of P.L.1996, c.110, shall be eligible for funding or additional funding, including administrative costs, in a sequence consistent with the priority system established by the Department of Environmental Protection, and shall require the approval of the Joint Budget Oversight Committee or its successor.

6. a. The following handicapped access development projects, which shall be in keeping with the requirements, standards, and policies of State and federal law concerning handicapped or disabled persons, including, but not limited to, the provisions of the "Americans with Disabilities Act of 1990," 42 U.S.C. §12101 et al., are eligible for funding with moneys appropriated or reappropriated pursuant to sections 1 and 2 of this act:

LOCAL GOVERNMENT UNIT	**COUNTY**	**APPROVED AMOUNT**
Atlantic County	Atlantic	$127,095
Bergen County	Bergen	$311,988
Burlington County	Burlington	$105,141
Camden County	Camden	$147,248
Cape May County	Cape May	$37,316
Cumberland County	Cumberland	$53,705
Essex County	Essex	$260,962

Gloucester County	Gloucester	$113,144
Hudson County	Hudson	$307,367
Hunterdon County	Hunterdon	$46,475
Mercer County	Mercer	$154,626
Middlesex County	Middlesex	$284,739
Monmouth County	Monmouth	$190,364
Morris County	Morris	$152,741
Ocean County	Ocean	$235,711
Passaic County	Passaic	$250,419
Salem County	Salem	$ 29,248
Somerset County	Somerset	$101,073
Sussex County	Sussex	$ 41,351
Union County	Union	$267,013
Warren County	Warren	$32,274

b. Any transfer of any funds or project sponsor, or change in project site, listed in subsection a. of this section shall require the approval of the Joint Budget Oversight Committee or its successor.

c. To the extent that moneys remain available after the projects listed in subsection a. of this section are offered funding pursuant thereto, the local government unit projects listed in P.L.1984, c.224, P.L.1985, c.479, P.L.1986, c.208, P.L.1988, c.23, P.L.1989, c.194, P.L.1991, c.13, P.L.1991, c.14, P.L.1991, c.15, P.L.1991, c.16, P.L.1991, c.522, P.L.1993, c.200, P.L.1993, c.201, P.L.1993, c.266, P.L.1993, c.267, P.L.1994, c.37, P.L.1994, c.45, P.L.1994, c.51, P.L.1994, c.52, P.L.1995, c.199, P.L.1995, c.200, P.L.1995, c.201, P.L.1995, c.202, P.L.1995, c.203, section 5 of this act, section 1 of P.L.1996, c.108, section 1 of P.L.1996, c.109, and section 1 of P.L.1996, c.110, shall be eligible for funding or additional funding, including administrative costs, in a sequence consistent with the priority system established by the Department of Environmental Protection, and shall require the approval of the Joint Budget Oversight Committee or its successor.

7. This act shall take effect immediately.

Approved August 28, 1996.

CHAPTER 108

AN ACT approving projects of certain local government units in central New Jersey as eligible for funding with moneys made available from the "Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995," P.L.1995, c.204, the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, or the "New Jersey Green Acres Bond Act of 1983," P.L.1983, c.354.

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

1. a. The following projects are eligible for funding with moneys made available from the "Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995," P.L.1995, c.204, the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, or the "New Jersey Green Acres Bond Act of 1983," P.L.1983, c.354, and which moneys are appropriated or reappropriated pursuant to sections 1 and 2 of P.L.1996, c.107:

LOCAL GOVERNMENT UNIT	COUNTY	PROJECT	APPROVED AMOUNT
West Windsor Twp.	Mercer	Community Park Add. Acq.	$1,290,000
New Brunswick City	Middlesex	4th Ward Park Dev.	$1,000,000
New Brunswick City	Middlesex	Youth Sports Complex Dev.	$1,000,000
Old Bridge Twp.	Middlesex	Geick Park Dev.	$1,000,000
Perth Amboy City	Middlesex	Neal J. Lucey Center Pk. Dev.	$195,000
Woodbridge Twp.	Middlesex	Sewaren Marina Park Dev.	$2,000,000
Freehold Twp.	Monmouth	Liberty Oak Park Dev.	$500,000
Keansburg Boro	Monmouth	St. John's Park Dev.	$ 830,000
Little Silver Boro	Monmouth	Sickles Farm Phase 3 Dev.	$150,000
Long Branch City	Monmouth	Lenna Conrow Park Dev.	$72,000
Marlboro Twp.	Monmouth	Municipal Park Dev.	$ 500,000
Matawan Boro	Monmouth	Lakefront Rec. Area Dev.	$ 496,000
Middletown Twp.	Monmouth	Lincroft Acres Pk.Dev.	$500,000
Monmouth County	Monmouth	Monmouth Camps Acq.(in Wall Twp. and Millstone Twp.)	$1,050,000
Neptune Twp.	Monmouth	Riverside Park Acq.	$ 200,000
Red Bank Boro	Monmouth	Riverside Gardens 2 Dev.	$500,000
South Belmar Boro	Monmouth	S. Belmar Playground Dev.	$125,000
Tinton Falls Boro	Monmouth	Falls Acq.	$200,000
Wall Twp.	Monmouth	Open Space Acq.	$3,000,000
West Long Branch Boro	Monmouth	Franklin Lake Park 2 Dev.	$150,000
West Long Branch Boro.	Monmouth	Open Space Acq.	$600,000
Barnegat Twp.	Ocean	Municipal Dock Complex Dev.	$500,000
Berkeley Twp.	Ocean	Recreation Area Acq.	$148,000
Berkeley Twp.	Ocean	Berkeley Veterans Pk. Dev.	$500,000
Brick Twp.	Ocean	Drum Point Rec. Dev.	$875,000
Little Egg Harbor Twp.	Ocean	Open Space Acq.	$300,000
Ocean Twp.	Ocean	Crystal Bay Peninsula Acq.	$607,000
Pine Beach Boro	Ocean	Adm. Farragut Dock Dev.	$148,000
Pine Beach Boro	Ocean	Adm. Farragut Academy Acq.	$1,460,000
Pine Beach Boro	Ocean	Adm. Farragut Main Dev.	$138,000
Stafford Twp.	Ocean	Ocean Acres Park Dev.	$380,000
Stafford Twp.	Ocean	Manahawkin Lake Dev.	$500,000
Stafford Twp.	Ocean	Ocean Acres Park Acq.	$95,000

b. Any transfer of any funds or project sponsor, or change in project site, listed in subsection a. of this section shall require the approval of the Joint Budget Oversight Committee or its successor.

c. To the extent that moneys remain available after the projects listed in subsection a. of this section are offered funding pursuant thereto, the local government unit projects listed in P.L.1984, c.224, P.L.1985, c.479, P.L.1986, c.208, P.L.1988, c.23, P.L.1989, c.194, P.L.1991, c.13, P.L.1991, c.14, P.L.1991, c.15, P.L.1991, c.16, P.L.1991, c.522, P.L.1993, c.200, P.L.1993, c.201, P.L.1993, c.266, P.L.1993, c.267, P.L.1994, c.37, P.L.1994, c.45, P.L.1994, c.51, P.L.1994, c.52, P.L.1995, c.199, P.L.1995, c.200, P.L.1995, c.201, P.L.1995, c.202, P.L.1995, c.203, sections 5 and 6 of P.L.1996, c.107, section 1 of P.L.1996, c.109, and section 1 of P.L.1996, c.110, shall be eligible for funding or additional funding, including administrative costs, in a sequence consistent with the priority system established by the Department of Environmental Protection, and shall require the approval of the Joint Budget Oversight Committee or its successor.

2. This act shall take effect immediately.

Approved August 28, 1996.

CHAPTER 109

AN ACT approving projects of certain local government units in northern New Jersey as eligible for funding with moneys made available from the "Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995," P.L.1995, c.204, the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, or the "New Jersey Green Acres Bond Act of 1983," P.L.1983, c.354.

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

1. a. The following projects are eligible for funding with moneys made available from the "Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995," P.L.1995, c.204, the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, or the "New Jersey Green Acres Bond Act of 1983," P.L.1983, c.354, and which moneys are appropriated or reappropriated pursuant to sections 1 and 2 of P.L.1996, c.107:

LOCAL GOVERNMENT UNIT	COUNTY	PROJECT	APPROVED AMOUNT
Lodi Boro	Bergen	Saddle River Pk. Dev.	$206,000
Lodi Boro	Bergen	Arnot St. Athletic Fld. Dev.	$445,000
Lodi Boro	Bergen	Saddle River Pk. Acq.	$500,000
Paramus Boro	Bergen	Paramus Conserv. Area Acq.	$1,750,000
Ridgefield Park Village	Bergen	Multi Park Dev.	$ 195,000
River Vale Twp.	Bergen	Green Acres Expansion Acq.	$250,000
Belleville Twp.	Essex	Mun. Stadium Complex Dev.	$2,000,000
Cedar Grove Twp.	Essex	Hilltop Acq.	$5,000,000
North Caldwell Twp.	Essex	Hilltop Rec. Expans. Acq.	$1,500,000
Verona Twp. Essex	Verona	Hilltop Park Acq.	$5,000,000
Frenchtown Boro	Hunterdon	Plessy Field Acq.	$350,000
High Bridge Boro	Hunterdon	Boro Golf Course Acq.	$1,900,000
Readington Twp.	Hunterdon	Kolodzinski Acq.	$250,000
Chester Twp.	Morris	Black River Greenway Acq.	$4,000,000
Mendham Twp.	Morris	Buttermilk Falls Acq.	$2,600,000
Passaic City	Passaic	Dundee Island Field Dev.	$400,000
Passaic City	Passaic	Third Ward Pk. Restor. Dev.	$500,000
Passaic County	Passaic	Lambert Castle Grounds Dev. (in Paterson City)	$1,000,000
Paterson City	Passaic	Park Program Ph. 3 Dev.	$ 534,000
Pompton Lakes Boro	Passaic	Lakeside Park Dev.	$ 500,000
Bridgewater Twp.	Somerset	Prince Rogers Park Dev.	$ 500,000
Montgomery Twp.	Somerset	Open Space 3 Acq.	$1,200,000
Montgomery Twp.	Somerset	Arboretum Dev.	$45,000
Frankford Twp.	Sussex	Frankford Rec. 3 Dev. $	150,000
Montague Twp.	Sussex	Recreational Dev.	$150,000
Wantage Twp.	Sussex	Wantage Twp. Park Dev.	$150,000
Belvidere Town	Warren	Pool Rehab. Dev.	$200,000
Warren County	Warren	Whitelake Greenway (in Hardwick Twp.)	$1,500,000

b. Any transfer of any funds or project sponsor, or change in project site, listed in subsection a. of this section shall require the approval of the Joint Budget Oversight Committee or its successor.

c. To the extent that moneys remain available after the projects listed in subsection a. of this section are offered funding pursuant thereto, the local government unit projects listed in P.L.1984, c.224, P.L.1985, c.479, P.L.1986, c.208, P.L.1988, c.23, P.L.1989, c.194, P.L.1991, c.13, P.L.1991, c.14, P.L.1991, c.15, P.L.1991, c.16, P.L.1991, c.522, P.L.1993, c.200, P.L.1993, c.201, P.L.1993, c.266, P.L.1993, c.267, P.L.1994, c.37, P.L.1994, c.45, P.L.1994, c.51, P.L.1994, c.52, P.L.1995, c.199, P.L.1995, c.200, P.L.1995, c.201, P.L.1995, c.202, P.L.1995, c.203, sections 5 and 6 of P.L.1996, c.107, section 1 of P.L.1996, c.108, and section 1 of P.L.1996, c.110, shall be eligible for funding or additional funding, including administrative costs, in a sequence consistent with the priority system established by the Department of Environmental Protection, and shall require the approval of the Joint Budget Oversight Committee or its successor.

2. This act shall take effect immediately.

Approved August 28, 1996.

CHAPTER 110

AN ACT approving projects of certain local government units in northeastern New Jersey as eligible for funding with moneys made available from the "Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995," P.L.1995, c.204, the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, or the "New Jersey Green Acres Bond Act of 1983," P.L.1983, c.354.

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

1.a. The following projects are eligible for funding with moneys made available from the "Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995," P.L.1995, c.204, the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, or the "New Jersey Green Acres Bond Act of 1983," P.L.1983, c.354, and which moneys are appropriated or reappropriated pursuant to sections 1 and 2 of P.L.1996:

LOCAL GOVERNMENT UNIT	COUNTY	PROJECT	APPROVED AMOUNT
Bayonne City	Hudson	Public Boat Ramp Dev.	$ 342,000
Guttenberg Town	Hudson	Baseball Field Dev.	$ 500,000
Harrison Town	Hudson	J.F.K. Stadium Dev.	$ 500,000
Hoboken City	Hudson	Hudson River Waterfront Pk. Dev.	$2,000,000
Hudson County	Hudson	Environmental Projects Dev. (in Jersey City, Harrison Town, and Kearny Town)	$2,000,000
Hudson County	Hudson	Laurel Hill Ext. Acq. (in Secaucus Town)	$ 500,000
Jersey City	Hudson	Fitzgerald/Holota Pk. Dev.	$ 230,000
Union City	Hudson	38th Street Park Dev.	$ 250,000
Union City	Hudson	Ellsworth Park Phase 2 Dev.	$1,500,000
Weehawken Twp.	Hudson	Weehawken Stadium III Dev.	$ 500,000
Weehawken Twp.	Hudson	Park Ave. Acq.	$ 80,000
West New York Town	Hudson	Donnelly Park II Dev.	$ 950,000
Elizabeth City	Union	Baseball Fld. & Rec. Dev.	$ 375,000
Plainfield City	Union	Multi Park Improvements Dev.	$ 170,000
Rahway City	Union	Union/Allen St. Conserv. Acq	$ 750,000

Roselle Boro	Union	Multi Playground Renov. Dev.	$418,000
Union Twp.	Union	Voorhees Park Dev.	$ 500,000

b. Any transfer of any funds or project sponsor, or change in project site, listed in subsection a. of this section shall require the approval of the Joint Budget Oversight Committee or its successor.

c. To the extent that moneys remain available after the projects listed in subsection a. of this section are offered funding pursuant thereto, the local government unit projects listed in P.L.1984, c.224, P.L.1985, c.479, P.L.1986, c.208, P.L.1988, c.23, P.L.1989, c.194, P.L.1991, c.13, P.L.1991, c.14, P.L.1991, c.15, P.L.1991, c.16, P.L.1991, c.522, P.L.1993, c.200, P.L.1993, c.201, P.L.1993, c.266, P.L.1993, c.267, P.L.1994, c.37, P.L.1994, c.45, P.L.1994, c.51, P.L.1994, c.52, P.L.1995, c.199, P.L.1995, c.200, P.L.1995, c.201, P.L.1995, c.202, P.L.1995, c.203, sections 5 and 6 of P.L.1996, c.107, section 1 of P.L.1996, c.108, and section 1 of P.L.1996, c.109, shall be eligible for funding or additional funding, including administrative costs, in a sequence consistent with the priority system established by the Department of Environmental Protection, and shall require the approval of the Joint Budget Oversight Committee or its successor.

2. This act shall take effect immediately.

Approved August 28, 1996.

CHAPTER 111

AN ACT concerning the sharing of certain personnel by school boards, amending various sections of the New Jersey Statutes and supplementing chapter 17 of Title 18A 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:17-14.1 is amended to read as follows:

Appointment of school business administrator; duties; subcontracting; tenure acquisition.

18A:17-14.1. A board or the boards of two or more districts may, under rules and regulations prescribed by the State board, appoint a school business administrator by a majority vote of all the members of the board, define his duties, which may include serving as secretary of one of the boards, and fix his salary, whenever the necessity for such appointment shall have been agreed to by the county superintendent of schools or the county superintendents of schools of the counties in which the districts are situate and approved by the commissioner and the State board. A school business administrator shall be appointed in the manner provided in this section,

however when the boards of education of two or more school districts determine to share a school business administrator, the appointment shall comply with the provisions of section 4 of P.L.1996, c.111 (C.18A:17-24.1).

Nothing in P.L.1996, c.111 (C.18A:17-24.1 et al.) shall prohibit a school district from subcontracting its school business administrator to another school district pursuant to the provisions of P.L.1973, c.208 (C.40:8A-1 et seq.), in which case credit toward tenure acquisition shall accrue only in the primary district of employment. The provisions of P.L.1996, c.111 (C.18A:17-24.1 et al.) concerning the arrangement to share a school business administrator by two or more school districts shall not apply when a school district subcontracts its school business administrator to another school district.

2. N.J.S.18A:17-15 is amended to read as follows:

Appointment of superintendents; terms; apportionment of expense.

18A:17-15. The board of education of a Type I district and of any Type II district, now having or hereafter authorized to have a superintendent of schools, may, by contract appoint, for a term of not less than three nor more than five years and expiring July 1, a superintendent of schools by the recorded roll call majority vote of the full membership of the board.

A superintendent of schools may be appointed for a like term also in any other Type II district or in any other two or more Type II districts as follows:

Application for the establishment of the office of superintendent of schools for a district or for two or more districts which determine to share a superintendent shall be made to the county superintendent of the county or the county superintendent of each of the counties in which such district or districts are situate and if said application is agreed to in writing by such county superintendent or county superintendents and shall be approved by the commissioner and the State board, the board of education of such a district so applying may appoint a superintendent of schools for a single district in the manner hereinbefore provided or may appoint a superintendent for two or more districts in the manner provided by section 4 of P.L1996, c.111 (C.18A:17-24.1).

3. N.J.S.18A:28-5 is amended to read as follows:

Tenure of teaching staff members.

18A:28-5. The services of all teaching staff members employed in the positions of teacher, principal, other than administrative principal, assistant principal, vice-principal, assistant superintendent, and all school nurses including school nurse supervisors, head school nurses, chief school nurses, school nurse coordinators, and any other nurse performing school nursing services and such other employees as are in positions which require them to hold appropriate certificates issued by the board of examiners, serving in any

school district or under any board of education, excepting those who are not the holders of proper certificates in full force and effect and school business administrators shared by two or more school districts, shall be under tenure during good behavior and efficiency and they shall not be dismissed or reduced in compensation except for inefficiency, incapacity, or conduct unbecoming such a teaching staff member or other just cause and then only in the manner prescribed by subarticle B of article 2 of chapter 6 of this Title, after employment in such district or by such board for:

(a) Three consecutive calendar years, or any shorter period which may be fixed by the employing board for such purpose; or

(b) Three consecutive academic years, together with employment at the beginning of the next succeeding academic year; or

(c) The equivalent of more than three academic years within a period of any four consecutive academic years.

For purposes of this chapter, tenure in any of the administrative or supervisory positions enumerated herein shall accrue only by employment in that administrative or supervisory position. Tenure so accrued shall not extend to any other administrative or supervisory position and nothing herein shall limit or restrict tenure rights which were or may be acquired pursuant to N.J.S.18A:28-6 in a position in which the individual actually served.

C.18A:17-24.1 Sharing of superintendent, school business administrator; procedure.

4. The boards of education of two or more school districts may share a superintendent or a school business administrator, or both. A shared superintendent or business administrator shall be subject to the same rules governing eligibility for employment as are superintendents or business administrators of a single district. The decision to share a school business administrator shall be made jointly by the boards of education of the districts, in consultation with the superintendents of the respective districts, subject to the final approval of the Commissioner of Education. The decision to share a superintendent shall be made jointly by the boards of education of the districts, subject to the final approval of the Commissioner of Education. The procedure shall be as follows:

a. Should two or more districts, after careful study and opportunity for community input, decide to share a superintendent or school business administrator, the districts shall mutually prepare a report for submission to the county superintendent or county superintendents if the districts are in different counties. The report shall outline the anticipated advantages to the districts and the feasibility of a shared arrangement. The report shall set forth a plan explaining how the shared arrangement will operate, and shall also address such items as community support for the arrangement, effect on services to the respective districts, division of the superintendent's or business administrator's time between the districts, availability of administra-

tive backup, likelihood of situations creating conflict of interest, and financial advantages of the arrangement.

b. The county superintendent or superintendents shall review the plan and forward a recommendation to the Commissioner of Education who shall approve or disapprove the plan.

C.18A:17-24.2 Contract for sharing superintendent, school business administrator.

5. Any boards obtaining the approval of the Commissioner of Education may contract with one another for the sharing of a superintendent or school business administrator. The contract shall be in writing and shall address the responsibilities of each district under the sharing relationship, including the apportionment of costs. The agreement shall be made contingent upon the districts' mutual agreement on a candidate to fill the shared position and shall be conterminous with the superintendent's or business administrator's employment contract. A candidate for the position of superintendent shall hold the standard certificate of school administrator and a candidate for the position of school business administrator shall hold the standard certificate of school business administrator.

a. The school districts shall together agree on how the initial costs of sharing a superintendent or business administrator shall be apportioned, which apportionment shall be expressed as a percentage for each district, and shall include the cost of salaries and benefits.

b. At least one year prior to the expiration of the first or any subsequent contract between school boards sharing a superintendent or business administrator, a board wishing to terminate the contract shall notify, in writing, the other board or boards and the superintendent or business administrator, that it wishes to terminate the contract.

c. Should a board give a notice of termination, the contract between the boards shall be terminated at the expiration of that term and the superintendent or business administrator shall not be reappointed by the joint boards at the end of the current term. However, the termination shall not preclude a board from reemploying the superintendent or business administrator on an individual basis.

d. Upon the expiration of a contract between school boards sharing a superintendent or business administrator, the boards shall submit a report to the county superintendent or superintendents, which shall include an evaluation of the sharing relationship and the feasibility of voluntarily forming a regional district.

C.18A:17-24.3 Appointment of shared superintendent, school business administrator; terms.

6. The boards of education may, by contract, appoint a shared superintendent or school business administrator for a term of not less than three nor more than five years and expiring July 1, by the recorded roll call majority vote of the membership of each board. At the conclusion of the term of the

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initial contract or of any subsequent contract, the superintendent or business administrator shall be deemed reappointed for another contracted term of the same duration as the previous contract unless either:

a. The boards shall together agree to reappoint the person by contract for a different term, which term shall not be less than three nor more than five years in which event reappointments thereafter shall be deemed for the new term unless a different term is again specified; or

b. At least one year prior to the expiration of the first or any subsequent contract a board shall notify the superintendent or business administrator and the other board or boards in writing that the person will not be reappointed at the end of the current term, in which event the person's employment shall cease at the expiration of that term. The contract between the boards shall also be terminated. However, the termination shall not preclude any board from reemploying the superintendent or business administrator on an individual basis. If a contract between boards of education is terminated because the superintendent or business administrator is not reappointed at the end of the term of employment, and the boards involved in the previous sharing relationship determine to enter into a new contract, the boards shall not be required to prepare and submit a report or receive the approval of the Commissioner of Education if the new contract is for the same shared position for which the boards previously received approval.

C.18A:17-24.4 Grounds for dismissal of shared superintendent, school business administrator.

7. During the term of any employment contract with the board, a shared superintendent or school business administrator shall not be dismissed or reduced in compensation except for inefficiency, incapacity, or conduct unbecoming or other just cause and then only in the manner prescribed by N.J.S.18A:6-9 et seq.

C.18A:17-24.5 Position of shared superintendent, business administrator not tenurable.

8. The position of shared superintendent or shared business administrator shall not be a tenurable position. If two or more boards of education appoint an individual from within one of the school districts to a shared position, the individual shall retain all tenure rights accrued in the positions in which he previously served within the district. However, in no event shall the districts be required to appoint a tenured individual from within any of the districts to fill a shared position.

C.18A:17-24.6 Determination of initial terms, conditions of employment contract.

9. The initial terms and conditions of the employment contract between the boards and the superintendent or school business administrator shall be determined by the boards and the superintendent or business administrator. The terms shall be maintained for the life of the contract.

Boards may mutually agree to provide additional benefits or compensation during the life of the superintendent's or business administrator's

contract, but if agreement is not possible, an individual board may do so unilaterally based upon the superintendent's or business administrator's performance and the needs of the district, and the responsibility for the cost of the additional benefits shall rest solely with that individual board.

C.18A:17-24.7 Individual evaluation of shared superintendent, school business administrator.

10. Each district shall ensure that the shared superintendent or school business administrator is evaluated individually in that district, in accordance with statute and regulation.

C.18A:17-24.8 Mediation of contract disputes.

11. The county superintendent or superintendents if the districts are in different counties shall serve as a mediator for any disputes arising over the interpretation of the contract between the boards of education sharing a superintendent or a school business administrator.

C.18A:17-24.9 Law supersedes "Interlocal Services Act."

12. The provisions of P.L.1996, c.111 (C.18A:17-24.1 et al.) shall govern the sharing of a superintendent or school business administrator by two or more boards of education and shall not be deemed inconsistent with the provisions of P.L.1973, c.208 (C.40:8A-1 et seq.) insofar as that act may authorize the subcontracting of school district administrative services.

13. This act shall take effect immediately, but the employment of a shared superintendent or school business administrator shall be effective on July 1, 1997 and thereafter.

Approved August 29, 1996.

CHAPTER 112

AN ACT concerning the taking of oysters, amending various sections of statutory law, and supplementing Title 23 of the Revised Statutes.

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

1. R.S.50:1-5 is amended to read as follows:

Control, direction of shellfish industry; terms defined.

50:1-5. The Commissioner of Environmental Protection shall have full control and direction of the shellfish industry and resource and of the protection of shellfish throughout the entire State, subject to the provisions of this title. The commissioner shall make such rules and regulations as may be necessary for the preservation and improvement of the shellfish industry and resource of the State, after consultation with the Shell Fisheries Council

and subject to the disapproval, as hereinbefore provided, of the Marine Fisheries Council. For purposes of this title, "oysters landed" means oysters taken for any purpose other than replanting;"shellfish" means any species of benthic mollusks, except for conchs (Busycon carica, Busycon contrarium and Busycotypus canaliculatum), the harvest of which is regulated pursuant to section 6 of P.L.1979, c.199 (C.23:2B-6), section 2 of P.L.1941, c.211 (C.23:5-24.2) and the rules and regulations adopted pursuant thereto, and shall include, but not be limited to, hard clams (Mercenaria mercenaria), soft clams (Mya arenaria), surf clams (Spisula solidissma) and oysters (Crassostrea virginica); and "commissioner" means the Commissioner of Environmental Protection.

2. R.S. 50:1-18 is amended to read as follows:

Shell Fisheries Council, membership, duties, division into sections.

50:1-18. a. The Shell Fisheries Council shall be composed of 10 members; one each residing in the counties of Monmouth, Ocean, Burlington, Atlantic and Salem, two residents of Cape May county, and three residents of Cumberland county; each of whom shall be a licensed and practicing shellfisherman and shall be chosen with due regard to his knowledge of and interest in the shellfish industry and in the conservation and management of shellfish. Each member of the council shall be appointed by the Governor, with the advice and consent of the Senate, for a term of four years and shall serve until a successor has been appointed and has qualified.

Any vacancies in the membership of the council occurring other than by expiration of term shall be filled by the Governor, with the advice and consent of the Senate, for the unexpired term only. Any member of the council may be removed from office by the Governor, for cause, upon notice and opportunity to be heard.

The members of the council shall serve without compensation but shall be reimbursed for necessary expenses incurred in the performance of their duties. Each section of the council shall annually elect a chairman of the council from its own members.

b. The council shall, subject to the approval of the commissioner, formulate comprehensive policies for the preservation and improvement of the shellfish industry and resource of the State. The council shall also: (1) consult with and advise the commissioner and the Marine Fisheries Council with respect to the implementation of the shellfisheries program; (2) study the activities of the shellfisheries program and hold hearings with respect thereto as it may deem necessary or desirable; and (3) initiate, by resolution of the council, proposed rules and regulations concerning shellfish to the commissioner.

c. No lease of any of the lands of the State under the tidal waters thereof, to be exclusively used and enjoyed by the lessee for the planting and

cultivating of shellfish, shall hereafter be allowed except when approved by a majority of the appropriate section of the council; and no such lease shall hereafter in any case be allowed except when approved and signed by the commissioner.

d. The council shall be divided into two sections, one to be known as the "Delaware Bay Section," consisting of the members from the counties of Cumberland and Salem, and one of the members from Cape May county, and the other to be known as the "Atlantic Coast Section," consisting of the members from the counties of Atlantic, Burlington, Ocean and Monmouth, and one of the members from Cape May county. In the event only one member from Cape May county has been appointed and has qualified as a member of the council, the qualified member may elect to serve in both sections of the council and participate in the exercise of the powers and performance of the duties of each of the sections until a second member from Cape May county has been appointed and has qualified as a member of the council.

Except as provided in subsection e. of this section, the Delaware Bay Section shall, subject to the approval of the commissioner, exercise all the powers and perform all the duties of the council in matters relating to the shellfish industry in the tidal waters of the Delaware river, Delaware bay and their tributaries.

The Atlantic Coast Section shall, subject to the approval of the commissioner, exercise all the powers and perform all the duties of the council in matters relating to the shellfish industry in all of the tidal waters of the State except in the tidal waters of the Delaware river, Delaware bay and their tributaries.

e. The commissioner, in consultation with the Delaware Bay Section of the Shell Fisheries Council, shall fix fees for all oysters landed from the Delaware river, Delaware bay and their tributaries. These fees shall be collected by and allocated to the Division of Fish, Game and Wildlife and shall be deposited in the "Oyster Resource Development Account," established pursuant to section 8 of P.L.1996, c.112 (C.23:3-12.2).

3. R.S.50:3-2 is amended to read as follows:

License, fee, issuance, disposition of fees.

50:3-2. The Delaware Bay Section of the council may fix the license fee at any sum, except that the fee shall be not less than $10, or less than $2 per gross ton of the boat or vessel, whichever is greater, for boats or vessels required to be licensed under R.S.50:3-1.

No license shall be issued for a period longer than one year.

All licenses shall be numbered and recorded by the commissioner.

All fees for licenses collected pursuant to this section shall be deposited in the "Oyster Resource Development Account," established pursuant to

section 8 of P.L.1996, c.112 (C.23:3-12.2), and shall be subject to all the terms and conditions of that section.

4. R.S.50:3-8 is amended to read as follows:

Season for taking oysters.

50:3-8. Season for taking oysters. Except in that area known as Section "E" as defined in R.S.50:1-23, no oysters shall be dredged for, caught or taken from any of the lands lying under the tidal waters of the Delaware river, Delaware bay or Maurice river cove, above the southwest line, except at the times and in the manner prescribed by the commissioner after consultation with the Delaware Bay Section of the Shell Fisheries Council.

5. R.S.50:3-11 is amended to read as follows:

Section "E" season for taking oysters; protection by lessees.

50:3-11. No oysters shall be dredged for, caught or taken from that area known as Section "E" as defined in R.S.50:1-23 or from any of the lands lying under the tidal waters of the Delaware bay and Maurice river cove below a line running direct from the mouth of Straight creek to Cross Ledge lighthouse, commonly known and hereinafter referred to as the "southwest line," at any time except from September 1 to June 30 then next, both inclusive, of each year; but the commissioner may, upon application, give permission, in writing, to any lessee of oyster grounds to dredge, catch or take oysters or to employ such methods for the protection of the oysters on the grounds.

6. Section 2 of P.L.1945, c.39 (C.50:3-20.11) is amended to read as follows:

C.50:3-20.11 License required for oyster shucking house, planter, dealer.

2. It shall be unlawful for any person to operate within this State an oyster shucking house or to engage in or carry on the business of an oyster planter or an oyster dealer, as defined in section 1 of P.L.1945, c.39 (C.50:3-20.10), without first obtaining a license for this purpose from the commissioner as provided in P.L.1945, c.39.

7. Section 4 of P.L.1945, c.39 (C.50:3-20.13) is amended to read as follows:

C.50:3-20.13 Issuance of license, disposition of fees.

4. The license to conduct an oyster shucking house or to engage in and conduct the business of an oyster planter or an oyster dealer shall be issued upon the payment of a license fee of $100. All license fees collected shall be deposited in the "Oyster Resource Development Account," established

pursuant to section 8 of P.L.1996, c.112 (C.23:3-12.2), and shall be subject to all the terms and conditions of that section.

C.23:3-12.2 "Oyster Resource Development Account."

8. a. There is established within the "hunters' and anglers' license fund," created pursuant to the provisions of R.S.23:3-11 and R.S.23:3-12, a separate and dedicated account to be known as the "Oyster Resource Development Account." This account shall be credited with all revenues received from oysters landed from the Delaware river, Delaware bay and their tributaries, including, but not limited to, all fees collected pursuant to R.S.50:1-18, R.S.50:3-2, and section 4 of P.L.1945, c.39 (C.50:3-20.13), and as provided in subsection c. of this section. The moneys in the account shall be allocated to the Division of Fish, Game and Wildlife within the Department of Environmental Protection and shall be disbursed only for the enhancement and management of the oyster resource in the Delaware bay in the amounts and manner prescribed by the commissioner, after consultation with the Delaware Bay Section of the Shell Fisheries Council.

b. The Department of Environmental Protection shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations necessary to administer the "Oyster Resource Development Account," established pursuant to subsection a. of this section.

c. Upon the adoption of the rules and regulations pursuant to subsection b. of this section, the Department of Environmental Protection shall repeal subchapter 4 of chapter 25A of Title 7 of the New Jersey Administrative Code establishing the "oyster cultch program" and the "Oyster Cultch Fund." The balance of the moneys remaining in the "Oyster Cultch Fund" upon the date of the repeal of the rules and regulations establishing the fund shall be deposited in the "Oyster Resource Development Account," established pursuant to subsection a. of this section.

9. This act shall take effect immediately.

Approved August 29, 1996.

CHAPTER 113

AN ACT concerning relief of certain mandates on local governments and amending and supplementing various sections of statutory law.

WHEREAS, Over the past four decades, prior to adoption of the constitutional amendment prohibiting unfunded State mandates on local government, the State routinely and systematically imposed greater and greater numbers of mandates, orders, directives and burdens on local govern-

ment. This web of mandates and burdens came about as the result of the enactment and adoption of a plethora of unrelated laws and regulations addressing many and diverse issues. While these actions by State government occurred in order to address a variety of public concerns, they all shared a common philosophical underpinning: the mandatory implementation of State policy directives by local government officials; and

WHEREAS, While the overwhelming majority of these statutes and regulations were established by sincere-minded, and well intentioned public officials in order to address legitimate public concerns, the collective regulatory weight of these mandates on local officials continues to be a matter of deep concern and a subject that cries for legislative relief; and

WHEREAS, In response to this decades long pattern of seemingly inexorable increases in burdensome mandates from Trenton, local officials repeatedly petition the Legislature for relief. In response to entreaties of local officials, various committees of several Legislatures have determined to continue to address the problem of burdensome mandates on an expedited basis through the enactment of omnibus statutes that repeal or modify many of those mandates; now, therefore,

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

1. Section 3 of P.L.1941, c.151 (C.4:19-15.3) is amended to read as follows:

C.4:19-15.3 Application, renewal of dog license; fee; exemptions.

3. The person applying for the license and registration tag shall pay the fee fixed or authorized to be fixed in section 12 of this act, and the sum of $1.00 for a one-year registration tag or $3.00 for a three-year registration tag for each dog; and for each renewal, the fee for the license and for the registration tag shall be the same as for the original license and tag; and said licenses, registration tags and renewals thereof shall expire no later than June 30 in the year stated on the license; except that this expiration date shall not require a municipality to alter its schedule for administering rabies inoculations to any dog to be licensed and registered; nor shall this expiration date require a municipality to alter its schedule for renewing licenses and registration tags, provided that the registration period precedes June 30. The governing body of a municipality may stagger the expiration of such annual licenses so long as all expirations occur no later than June 30 in the calendar year stated on the license.

Only one license and registration tag shall be required in any licensing year for any dog owned in New Jersey, and such license and tag shall be accepted by all municipalities as evidence of compliance with this section.

Dogs used as guides for blind persons and commonly known as "seeing-eye" dogs, dogs used to assist handicapped persons and commonly known as "service dogs," or dogs used to assist deaf persons and commonly known as "hearing ear" dogs shall be licensed and registered as other dogs hereinabove provided for, except that the owner or keeper of such dog shall not be required to pay any fee therefor.

License forms and uniform official metal registration tags designed by the State Department of Health shall be furnished by the municipality and shall be numbered serially and shall bear the year of issuance and the name of the municipality.

2. Section 4 of P.L.1982, c.203 (C.4:19-15.3a) is amended to read as follows:

C.4:19-15.3a Staggered expiration of licenses, prorated fees.

4. Subsequent to the effective date of P.L.1982, c.203, the provisions of any law to the contrary notwithstanding:

a. All annual licenses required pursuant to the provisions of section 2 of P.L.1941, c.151 (C.4:19-15.2), section 3 of P.L.1941, c.151 (C.4:19-15.3) and section 8 of P.L.1941, c.151 (C.4:19-15.8) shall expire no later than June 30 in the calendar year next following issuance; provided that the license and registration tag fee shall be prorated for any license and registration tag which is valid for longer than 12 months. The governing body of a municipality may stagger the expiration of such annual licenses so long as all expirations occur no later than June 30 in the calendar year next following issuance.

b. Any three-year registration tag issued pursuant to the provisions of section 2 of P.L.1941, c.151 (C.4:19-15.2) or section 3 of P.L.1941, c.151 (C.4:19-15.3), which is due to expire January 31 of the year of the effective date of this act, shall be valid until June 30 of that year.

Upon renewal of the three-year licenses on June 30 of the calendar year next following issuance, the municipality may assess a fee, in addition to the annual fee, which reflects a prorated portion of the three-year fee for the period January 31 to June 30 preceding renewal.

3. The Department of State shall investigate the methods of reducing mandatory election costs in municipalities with populations of 500 persons or less. The Department of State shall report its finding to the Governor and to the Legislature on or before the first day of the seventh month following enactment of this provision.

4. R.S.26:3-66 is amended to read as follows:

Procedure in enactment of health ordinance code.

26:3-66. No health ordinance or code shall be finally adopted unless it shall have been:

a. Given a first reading, which first reading may be by title, at a meeting held at least one week prior to final passage;

b. Published, in summary form, in a newspaper published and circulating in the municipality or county for which the local board is organized, and in the case of a municipal board of health, if there be no such newspaper, then in at least one newspaper published and circulating in the county in which the municipality is located, at least two days prior to final passage.

The publication shall contain a notice stating the time and place when and where the local board will consider the final passage of the proposed ordinance or code;

c. Posted on the bulletin board or other place upon which public notices are customarily posted in the building where the local board regularly meets prior to the meeting for final consideration. Copies of the ordinance or code shall be made available to members of the general public of the county upon request; and

d. Upon the opening of the meeting for final consideration of the ordinance or code, given a second reading, which reading may be by title. Thereafter, the ordinance may be passed with or without amendments, or rejected.

5. R.S.26:3-67 is amended to read as follows:

Publication of summary of health ordinance, code, title.

26:3-67. Before any health ordinance or code shall take effect, a summary of the ordinance or code, or its title, shall be published at least once in a newspaper published and circulating as prescribed in section 26:3-66 of this title.

6. R.S.39:4-8 is amended to read as follows.

Commissioner of Transportation's approval required; exceptions.

39:4-8. a. Except as otherwise provided in this section, no ordinance or resolution concerning, regulating or governing traffic or traffic conditions, adopted or enacted by any board or body having jurisdiction over highways, shall be of any force or effect unless the same is approved by the Commissioner of Transportation, according to law. The commissioner shall not be required to approve any such ordinance, resolution or regulation, unless, after investigation by him, the same shall appear to be in the interest of safety and the expedition of traffic on the public highways.

b. In the case of totally self-contained streets under municipal jurisdiction which have no direct connection with any street in any other municipality,

or in the case of totally self-contained streets under county jurisdiction which have no direct connection with any street in any other county, the municipality or county may, by ordinance or resolution, as appropriate, without the approval of the Commissioner of Transportation, designate reasonable and safe speed limits, parking restrictions, no passing zones, mid-block crosswalks and crosswalks at intersections, and erect appropriate signs, designate any intersection as a stop or yield intersection and erect appropriate signs and place longitudinal pavement markings delineating the separation of traffic flows and the edge of the pavement, provided that the municipal or county engineer shall, under his seal as a licensed professional engineer, certify to the municipal or county governing body, as appropriate, that any designation or erection of signs or placement of markings: (1) has been approved by him after investigation by him of the circumstances, (2) appears to him to be in the interest of safety and the expedition of traffic on the public highways and (3) conforms to the current standards prescribed by the Manual of Uniform Traffic Control Devices for Streets and Highways, as adopted by the Commissioner of Transportation.

A certified copy of the adopted ordinance or resolution, as appropriate, shall be transmitted by the clerk of the municipality or county, as appropriate, to the commissioner within 30 days of adoption, together with a copy of the engineer's certification; a statement of the reasons for the engineer's decision; detailed information as to the location of streets, intersections and signs affected by any designation or erection of signs or placement of markings; and traffic count, accident and speed sampling data, when appropriate. The commissioner, at his discretion, may invalidate the provisions of the ordinance or resolution within 90 days of receipt of the certified copy if he reviews it and finds that the provisions of the ordinance or resolution are inconsistent with the Manual of Uniform Traffic Control Devices for Streets or Highways; are inconsistent with accepted engineering standards; are not based on the results of an accurate traffic and engineering survey; or place an undue traffic burden or impact on streets in an adjoining municipality or negatively affect the flow of traffic on the State highway system.

Nothing in this subsection shall allow municipalities to designate any intersection with any highway under State or county jurisdiction as a stop or yield intersection or counties to designate any intersection with any highway under State or municipal jurisdiction as a stop or yield intersection.

c. Subject to the provisions of R.S.39:4-138, in the case of any street under municipal or county jurisdiction, a municipality or county may, without the approval of the Commissioner of Transportation, do the following:

By ordinance or resolution:

(1) prohibit or restrict general parking;

(2) designate restricted parking under section 1 of P.L.1977, c.309 (C.39:4-197.6);

(3) designate time limit parking;

(4) install parking meters.

By ordinance, resolution or regulation:

(1) designate loading and unloading zones and taxi stands;

(2) approve street closings for periods up to 48 continuous hours; and

(3) designate restricted parking under section 1 of P.L.1977, c.202 (C.39:4-197.5).

Nothing in this subsection shall allow municipalities or counties to establish angle parking or to reinstate or add parking on any street, or approve the closure of streets for more than 48 continuous hours, without the approval of the Commissioner of Transportation.

7. R.S.40:49-2 is amended to read as follows:

Procedure for passage; "governing body" defined.

40:49-2. Except as otherwise provided in R.S.40:49-6 and 40:49-12, the procedure for the passage of ordinances shall be as follows:

a. Every ordinance after being introduced and having passed a first reading, which first reading may be by title, shall be published in its entirety or by title or by title and summary at least once in a newspaper published and circulated in the municipality, if there be one, and if not, in a newspaper printed in the county and circulating in the municipality, together with a notice of the introduction thereof, the time and place when and where it will be further considered for final passage, a clear and concise statement prepared by the clerk of the governing body setting forth the purpose of the ordinance, and the time and place when and where a copy of the ordinance can be obtained without cost by any member of the general public who wants a copy of the ordinance. If there be only one such publication the same shall be at least one 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 one week prior to the time fixed for further consideration for final passage.

b. 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. The opportunity to be heard shall include the right to ask pertinent questions concerning the ordinance by any resident of the municipality or any other person affected by the ordinance. Final passage thereof shall be at least 10 days after the first reading.

c. 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 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 principal municipal building of the municipality, and copies of the ordinance shall be made available to members of the general public of the municipality who shall request such copies. If any amendment be adopted, substantially altering the substance of the ordinance, the ordinance as so amended shall not be finally adopted until at least one week thereafter, and the ordinance as amended shall be read at a meeting of the governing body, which reading may be by title, and shall be published in its entirety or by title or by title and summary, together with a notice of the introduction, the time and place when and where a copy of the amended ordinance can be obtained without any cost by any member of the general public who desires a copy, a clear and concise statement prepared by the clerk of the governing body setting forth the purpose of the ordinance, and the time and place when and where the amended ordinance will be further considered for final passage, at least two 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 governing body may proceed to pass the ordinance, as amended, or again amend it in the same manner.

d. Upon passage, every ordinance, or the title, or the title and a summary, together with a notice of the date of passage or approval, or both, shall be published at least once in a newspaper circulating in the municipality, if there be one, and if not, in a newspaper printed in the county and circulating in the municipality. No other notice or procedure with respect to the introduction or passage of any ordinance shall be required.

Nothing herein shall be construed to affect the provisions of R.S.40:49-7 to 40:49-12 or R.S.40:49-27.

For the purposes of this section, "governing body" shall include any municipal or county agency, board or commission authorized by law to adopt ordinances.

8. Section 16 of P.L.1975, c.291 (C.40:55D-25) is amended to read as follows:

C.40A:55D-25 Powers of planning board.

16. a. The planning board shall follow the provisions of this act and shall accordingly exercise its power in regard to:

(1) The master plan pursuant to article 3;

(2) Subdivision control and site plan review pursuant to article 6;

(3) The official map pursuant to article 5;

(4) The zoning ordinance including conditional uses pursuant to article 8;

(5) The capital improvement program pursuant to article 4;

(6) Variances and certain building permits in conjunction with subdivision, site plan and conditional use approval pursuant to article 7.

b. The planning board may:

(1) Participate in the preparation and review of programs or plans required by State or federal law or regulation;

(2) Assemble data on a continuing basis as part of a continuous planning process; and

(3) Perform such other advisory duties as are assigned to it by ordinance or resolution of the governing body for the aid and assistance of the governing body or other agencies or officers.

c. (1) In a municipality having a population of 10,000 or less, a nine-member planning board, if so provided by ordinance, shall exercise, to the same extent and subject to the same restrictions, all the powers of a board of adjustment; but the Class I and the Class III members shall not participate in the consideration of applications for development which involve relief pursuant to subsection d. of section 57 of P.L.1975, c.291 (C.40:55D-70).

(2) In any municipality, a nine-member planning board, if so provided by ordinance, subject to voter referendum, shall exercise, to the same extent and subject to the same restrictions, all the powers of a board of adjustment; but the Class I and the Class III members shall not participate in the consideration of applications for development which involve relief pursuant to subsection d. of section 57 of P.L.1975, c.291 (C.40:55D-70).

d. In a municipality having a population of 2,500 or less, the planning board, if so provided by ordinance, shall exercise, to the same extent and subject to the same restrictions, all of the powers of an historic preservation commission, provided that at least one planning board member meets the qualifications of a Class A member of an historic preservation commission and at least one member meets the qualifications of a Class B member of that commission.

e. In any municipality in which the planning board exercises the power of a zoning board of adjustment pursuant to subsection c. of this section, a zoning board of adjustment may be appointed pursuant to law, subject to voter referendum permitting reconstitution of the board. The public question shall be initiated through an ordinance adopted by the governing body.

9. N.J.S.40A:2-3 is amended to read as follows:

Power to incur indebtedness, borrow money, issue bonds.

40A:2-3. Any local unit, by bond ordinance, may incur indebtedness, borrow money, authorize and issue negotiable obligations for financing:

a. any capital improvement or property which it may lawfully make or acquire;

b. any purpose for which it is authorized or required by law to make an appropriation, except current expenses and payment of obligations (other than those for temporary financing); or

c. the amount of any contribution by a local unit that is a sending municipality under a regional contribution agreement pursuant to section 12 of P.L.1985, c.222 (C.52:27D-312).

No local unit shall borrow money or issue its obligations for purposes authorized under this chapter except as provided in this chapter.

10. N.J.S.40A:4-19 is amended to read as follows:

Temporary appropriations.

40A:4-19. The governing body may and, if any contracts, commitments or payments are to be made prior to the adoption of the budget, shall, by resolution adopted within the first 30 days of the beginning of the fiscal year, make appropriations to provide for the period between the beginning of the fiscal year and the adoption of the budget.

The total of the appropriations so made shall not exceed 26.25% of the total of the appropriations made for all purposes in the budget for the preceding fiscal year excluding, in both instances, appropriations made for interest and debt redemption charges, capital improvement fund and public assistance.

Nothing herein contained shall prevent or relieve the governing body from making appropriations during the last 10 days of the year preceding the beginning of the fiscal year for all interest and debt redemption charges maturing during the fiscal year.

11. N.J.S.40A:4-39 is amended to read as follows:

Anticipation of dedicated revenues.

40A:4-39. a. In the budget of any local unit, dedicated revenues anticipated during the fiscal year from any dog tax, dog license, revenues collected pursuant to N.J.S.18A:39-1.2, solid fuel license, sinking fund for term bonds, bequest, escheat, federal grant, motor vehicle fine dedicated to road repairs, relocation costs deposited into a revolving relocation assistance fund established pursuant to section 2 of P.L.1987, c.98 (C.20:4-4.1a), receipts from franchise assessments levied pursuant to section 4 of P.L.1995, c.173 (C.40A:12A-53) to be retained by the municipality, refund payments from a joint insurance fund deposited into a joint insurance revolving fund established pursuant to section 12 of P.L.1996, c.113 (C.40A:10-36.2) and, subject to the prior written consent of the director, other items of like character when the revenue is not subject to reasonably accurate estimate in advance, may be included in said budget by annexing to said budget a statement in substantially the following form:

"The dedicated revenues anticipated during the year ..... from ..... (here insert one or more of the sources above, as the case may be) are hereby anticipated as revenue and are hereby appropriated for the purposes to which said revenue is dedicated by statute or other legal requirement."

b. Dedicated revenues included in accordance with this section shall be available for expenditure by the local unit as and when received in cash during the fiscal year. The inclusion of such dedicated revenues shall be subject to the approval of the director, who may require such explanatory statements or data in connection therewith as the director deems advisable for the information and protection of the public.

C.40A:10-36.2 Establishment of joint insurance revolving fund, use of appropriated moneys.

12. The governing body of any local unit that has established a joint insurance fund may by resolution or ordinance, as appropriate, establish a joint insurance revolving fund into which may be deposited any refunds paid to the local unit by the joint insurance fund to be dedicated for the payment of liabilities to the fund in future years. In no event shall amounts deposited in a joint insurance revolving fund exceed the annual amount contributed by the local unit to the joint insurance fund during the prior year.

Moneys appropriated from the joint insurance revolving fund shall be used by the local unit to cover losses attributable to claims being paid by the joint insurance fund in future years which exceed contributions paid into the joint insurance fund by the local unit.

13. N.J.S.40A:4-78 is amended to read as follows:

Approval of budget, exemptions.

40A:4-78. a. If the director finds that all requirements of law and of the regulations of the local government board have been met, he shall approve the budget, otherwise he shall refuse to approve it.

The director, in refusing to approve a budget, shall not substitute his discretion with respect to the amount of an appropriation when such amount is not made mandatory because of the requirements of law.

b. Notwithstanding the provisions of N.J.S.40A:4-10 and N.J.S.40A:4-76 through 40A:4-79, the Local Finance Board is authorized to adopt rules, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to exempt certain municipalities from the requirement that the director approve their annual budgets and to provide instead for a system of local examination and approval of such budgets by municipal officials, provided that:

(1) the director finds that such municipalities are fiscally sound and that their fiscal practices are conducted in accordance with law and sound administrative practice;

(2) the director shall examine the budgets of such municipalities in accordance with the provisions of N.J.S.40A:4-10 and N.J.S.40A:4-76 through 40A:4-79, at least every third year;

(3) the governing body and chief financial officer of each such municipality shall each file a certification with the director stating that, with reference to the adopted budget of the municipality, they have:

(a) examined the budget in the manner prescribed under N.J.S.40A:4-76;

(b) determined that the budget complies with the requirements set forth in N.J.S.40A:4-77; and

(c) determined that the budget complies with all other provisions of law, including, but not limited to, the "Local Budget Law," N.J.S.40A:4-1 et seq., P.L.1976, c.68 (C.40A:4-45.1 et seq.), and the regulations of the Local Finance Board;

(4) all budget documents required by law or the regulations adopted by the Local Finance Board shall be filed with the director on a timely basis;

(5) other criteria and responsibilities as established by the regulations adopted by the Local Finance Board are met.

c. The director shall act to require immediate compliance with the "Local Budget Law," N.J.S.40A:4-1 et seq., if the director finds that any such exemption impairs the fiscal integrity or solvency of any such municipality. Any appeal of a governing body's action in adopting an annual budget shall be made to the director.

14. Section 1 of P.L.1983, c.568 (C.40A:5-17.1) is amended to read as follows:

C.40A:5-17.1 Refund, delinquency of less than $10.00.

1. a. Notwithstanding the provision of any law to the contrary, the governing body of a municipality may adopt a resolution authorizing a municipal employee chosen by the governing body to process, without further action on the part of the governing body, any property tax refund of less than $10.00.

b. Notwithstanding subsection a. of this section or any provision of law to the contrary, the governing body of a municipality may adopt a resolution authorizing a municipal employee chosen by the governing body to process, without further action on the part of the governing body, the cancellation of any property tax refund or delinquency of less than $10.00.

15. Section 1 of P.L.1979, c.82 (C.40A:9-154.1) is amended to read as follows:

C.40A:9-154.1 Adult school crossing guards; appointment; term; revocation; qualifications; supervision and direction.

1. The governing body, or the chief executive, or the chief administrative officer, as appropriate to the form of government of any municipality, may

appoint adult school crossing guards for terms not exceeding one year and revoke such appointments for cause and after proper hearing before the chief of police or other chief law enforcement officer of the municipality. No person shall be appointed as an adult school crossing guard unless he:

a. Is a citizen and resident of this State;

b. Is sound in body and of good health;

c. Is of good moral character; and

d. Has not been convicted of any criminal offense involving moral turpitude.

An adult school crossing guard may be a member of the police department or force of the municipality and his powers and duties as an adult school crossing guard shall cease at the expiration of the term for which he was appointed. He shall not have the right to bear firearms or the power of arrest unless the crossing guard is also a member of a police department or force.

Every adult school crossing guard shall be under the supervision and direction of the chief of police or other chief law enforcement officer of the municipality wherein he is appointed and shall perform his duties only in such municipality. He shall comply with the rules and regulations applicable to the conduct and decorum of the regular police officers of the municipality. Before any adult school crossing guard is appointed the chief of police shall ascertain the eligibility of the applicant and make a report to the governing body, or the chief executive or chief administrative officer, as the case may be.

16. Section 2 of P.L.1979, c.82 (C.40A:9-154.2) is amended to read as follows:

C.40A:9-154.2 Training of adult school crossing guards.

2. Every adult school crossing guard shall be trained for the proper performance of his duties and responsibilities. Such training shall consist of a minimum of two hours of classroom instruction which shall include information on methods of traffic control and the duties and responsibilities of adult school crossing guards and a minimum of 20 hours of field training in which the trainee shall be supervised by an experienced adult school crossing guard or a regular police officer. This training requirement may be waived by the chief of police for an adult school crossing guard who is also a police officer.

17. Section 3 of P.L.1979, c.82 (C.40A:9-154.3) is amended to read as follows:

C.40A:9-154.3 Uniform provided to adult school crossing guard; exemption.

3. Before being assigned to any post, an adult school crossing guard shall be provided with a uniform which shall identify his function and which shall

be distinct from the uniform of a member of the regular police department or force. Such uniform shall include but not be limited to a safety vest, a hat, and breast and hat badges which shall bear an identification number, and the name of the municipality in which he is employed. A police officer appointed as an adult crossing guard shall wear such uniform as directed by the chief of police of the municipality.

18. 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. a. 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 in the fiscal year the total sum of $7,500.00 or the amount determined pursuant to subsection b. of this section, 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 24 consecutive months notwithstanding that such 24-month period does not coincide with the fiscal year, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L.1971, c.198 (C.40A:11-5) may be awarded for a period not exceeding 12 consecutive months. 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.

b. The Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of each odd-numbered year, adjust the threshold amount set forth in subsection a. of this section, or subsequent to 1985 the threshold amount resulting from any adjustment under this subsection or section 17 of P.L.1985, c.469, in direct proportion to the rise or fall of the Consumer Price Index for all urban consumers in the New York City and the Philadelphia areas as reported by the United States Department of Labor. The Governor shall, no later than June 1 of each odd-numbered year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of each odd-numbered year.

19. 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. All purchases, contracts or agreements for the performing of work or the furnishing of materials, supplies or services shall be made for a period not to exceed 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L.1971, c.198 (C.40A:11-5) shall be made for a period not to exceed 12 consecutive months. Contracts or agreements may be entered into for longer periods of time as follows:

(1) Supplying of:

(a) (Deleted by amendment, P.L.1996, c.113.)

(b) (Deleted by amendment, P.L.1996, c.113.)

(c) Thermal energy produced by a cogeneration facility, for use for heating or air conditioning or both, for any term not exceeding 40 years, when the contract is approved by the Board of Public Utilities. For the purposes of this paragraph, "cogeneration" means the simultaneous production in one facility of electric power and other forms of useful energy such as heating or process steam;

(2) (Deleted by amendment, P.L.1977, c.53.)

(3) The collection and disposal of municipal solid waste, the collection and disposition of recyclable material, or the disposal of sewage sludge, for any term not exceeding in the aggregate, five years;

(4) The collection and recycling of methane gas from a sanitary landfill facility, for any term not exceeding 25 years, when such contract is in conformance with a district 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 in the Department of Community Affairs and the Department of Environmental Protection. The contracting unit shall award the contract to the highest responsible bidder, notwithstanding that the contract price may be in excess of the amount of any necessarily related administrative expenses; except that if the contract requires the contracting unit to expend funds only, the contracting unit shall award the contract to the lowest responsible bidder. The approval by the Division of Local Government Services of public bidding requirements shall not be required for those contracts exempted therefrom pursuant to section 5 of P.L.1971, c.198 (C.40A:11-5);

(5) Data processing service, for any term of not more than three years;

(6) Insurance, for any term of not more than three years;

(7) Leasing or servicing of automobiles, motor vehicles, machinery and equipment of every nature and kind, for a period not to exceed three 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 Utilities for a term not exceeding five years;

(9) Any single project for the construction, reconstruction or rehabilitation of any public building, structure or facility, or any public works project, 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;

(10) The providing of food services for any term not exceeding three years;

(11) On-site inspections undertaken by private agencies pursuant to the "State Uniform Construction Code Act," P.L.1975, c.217 (C.52:27D-119 et seq.) for any term of not more than three years;

(12) The performance of work or services or the furnishing of materials or supplies for the purpose of conserving energy in buildings owned by, or operations conducted by, the contracting unit, the entire price of which to be established as a percentage of the resultant savings in energy costs, for a term not to exceed 10 years; provided, however, that such contracts shall be entered into only subject to and in accordance with rules and regulations promulgated by the Department of Environmental Protection establishing a methodology for computing energy cost savings;

(13) The performance of work or services or the furnishing of materials or supplies for the purpose of elevator maintenance for any term not exceeding three years;

(14) Leasing or servicing of electronic communications equipment for a period not to exceed five years; provided, however, such contract 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;

(15) Leasing of motor vehicles, machinery and other equipment primarily used to fight fires, for a term not to exceed seven years, when the contract includes an option to purchase, subject to and in accordance with rules and regulations promulgated by the Director of the Division of Local Government Services of the Department of Community Affairs;

(16) The provision of water supply services or the designing, financing, construction, operation, or maintenance, or any combination thereof, of a water supply facility, or any component part or parts thereof, including a water filtration system, for a period not to exceed 40 years, when the contract for these services is approved by the Division of Local Government Services in the Department of Community Affairs, the Board of Public Utilities, and the Department of Environmental Protection pursuant to P.L.1985, c.37

(C.58:26-1 et al.), except for those contracts otherwise exempted pursuant to subsection (30), (31), (34) or (35) of this section. For the purposes of this subsection, "water supply services" means any service provided by a water supply facility; "water filtration system" means any equipment, plants, structures, machinery, apparatus, or land, or any combination thereof, acquired, used, constructed, rehabilitated, or operated for the collection, impoundment, storage, improvement, filtration, or other treatment of drinking water for the purposes of purifying and enhancing water quality and insuring its potability prior to the distribution of the drinking water to the general public for human consumption, including plants and works, and other personal property and appurtenances necessary for their use or operation; and "water supply facility" means and refers to the real property and the plants, structures, interconnections between existing water supply facilities, 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 a political subdivision of the State or any agency thereof, for the purpose of augmenting the natural water resources of the State and making available an increased supply of water for all uses, or of conserving existing water resources, and any and all appurtenances necessary, useful or convenient for the collecting, impounding, storing, improving, treating, filtering, conserving or transmitting of water and for the preservation and protection of these resources and facilities and providing for the conservation and development of future water supply resources;

(17) The provision of resource recovery services by a qualified vendor, the disposal of the solid waste delivered for disposal which cannot be processed by a resource recovery facility or the residual ash generated at a resource recovery facility, including hazardous waste and recovered metals and other materials for reuse, or the design, financing, construction, operation or maintenance of a resource recovery facility for a period not to exceed 40 years when the contract is approved by the Division of Local Government Services in the Department of Community Affairs, and the Department of Environmental Protection pursuant to P.L.1985, c.38 (C.13:1E-136 et al.); and when the resource recovery facility is in conformance with a district solid waste management plan approved pursuant to P.L.1970, c.39 (C.13:1E-1 et seq.). For the purposes of this subsection, "resource recovery facility" means a solid waste facility constructed and operated for the incineration of solid waste for energy production and the recovery of metals and other materials for reuse; or a mechanized composting facility, or any other facility constructed or operated for the collection, separation, recycling, and recovery of metals, glass, paper, and other materials for reuse or for energy production; and "residual ash" means the bottom ash, fly ash, or any

combination thereof, resulting from the combustion of solid waste at a resource recovery facility;

(18) The sale of electricity or thermal energy, or both, produced by a resource recovery facility for a period not to exceed 40 years when the contract is approved by the Board of Public Utilities, and when the resource recovery facility is in conformance with a district solid waste management plan approved pursuant to P.L.1970, c.39 (C.13:1E-1 et seq.). For the purposes of this subsection, "resource recovery facility" means a solid waste facility constructed and operated for the incineration of solid waste for energy production and the recovery of metals and other materials for reuse; or a mechanized composting facility, or any other facility constructed or operated for the collection, separation, recycling, and recovery of metals, glass, paper, and other materials for reuse or for energy production;

(19) The provision of wastewater treatment services or the designing, financing, construction, operation, or maintenance, or any combination thereof, of a wastewater treatment system, or any component part or parts thereof, for a period not to exceed 40 years, when the contract for these services is approved by the Division of Local Government Services in the Department of Community Affairs and the Department of Environmental Protection pursuant to P.L.1985, c.72 (C.58:27-1 et al.), except for those contracts otherwise exempted pursuant to subsection (36) of this section. For the purposes of this subsection, "wastewater treatment services" means any services provided by a wastewater treatment system, and "wastewater treatment system" means equipment, plants, structures, machinery, apparatus, or land, or any combination thereof, acquired, used, constructed, or operated for the storage, collection, reduction, recycling, reclamation, disposal, separation, or other treatment of wastewater or sewage sludge, or for the final disposal of residues resulting from the treatment of wastewater, including, but not limited to, pumping and ventilating stations, facilities, plants and works, connections, outfall sewers, interceptors, trunk lines, and other personal property and appurtenances necessary for their operation;

(20) The supplying of materials or services for the purpose of lighting public streets, for a term not to exceed five years, provided that the rates, fares, tariffs or charges for the supplying of electricity for that purpose are approved by the Board of Public Utilities;

(21) In the case of a contracting unit which is a county or municipality, the provision of emergency medical services by a hospital to residents of a municipality or county as appropriate for a term not to exceed five years;

(22) Towing and storage contracts, awarded pursuant to paragraph u. of subsection (1) of section 5 of P.L.1971, c.198 (C.40A:11-5) for any term not exceeding three years;

(23) Fuel for the purpose of generating electricity for a term not to exceed eight years;

(24) The purchase of electricity or administrative or dispatching services related to the transmission of such electricity, from a public utility company subject to the jurisdiction of the Board of Public Utilities, a similar regulatory body of another state, or a federal regulatory agency, or from a qualifying small power producing facility or qualifying cogeneration facility, as defined by 16 U.S.C.s.796, by a contracting unit engaged in the generation of electricity for retail sale, as of May 24,1991, for a term not to exceed 40 years;

(25) Basic life support services, for a period not to exceed five years. For the purposes of this subsection, "basic life support" means a basic level of prehospital care, which includes but need not be limited to patient stabilization, airway clearance, cardiopulmonary resuscitation, hemorrhage control, initial wound care and fracture stabilization;

(26) Claims administration services, for any term not to exceed three years;

(27) The provision of transportation services to elderly, disabled or indigent persons for any term of not more than three years. For the purposes of this subsection, "elderly persons" means persons who are 60 years of age or older. "Disabled persons" means persons of any age who, by reason of illness, injury, age, congenital malfunction, or other permanent or temporary incapacity or disability, are unable, without special facilities or special planning or design to utilize mass transportation facilities and services as effectively as persons who are not so affected. "Indigent persons" means persons of any age whose income does not exceed 100 percent of the poverty level, adjusted for family size, established and adjusted under section 673(2) of subtitle B, the "Community Services Block Grant Act," Pub.L.97-35 (42 U.S.C. s.9902 (2));

(28) The supplying of liquid oxygen or other chemicals, for a term not to exceed five years, when the contract includes the installation of tanks or other storage facilities by the supplier, on or near the premises of the contracting unit;

(29) The performance of patient care services by contracted medical staff at county hospitals, correction facilities and long term care facilities, for any term of not more than three years;

(30) The acquisition of an equitable interest in a water supply facility pursuant to section 2 of P.L.1993, c.381 (C.58:28-2), or an agreement entered into pursuant to the "County and Municipal Water Supply Act," N.J.S.40A:31-1 et seq., if the agreement is entered into no later than January 7, 1995, for any term of not more than forty years;

(31) The provision of water supply services or the financing, construction, operation or maintenance or any combination thereof, of a water supply facility or any component part or parts thereof, by a partnership or copartner-

ship established pursuant to a contract authorized under section 2 of P.L.1993, c.381 (C.58:28-2), for a period not to exceed 40 years;

(32) Laundry service and the rental, supply and cleaning of uniforms for any term of not more than three years;

(33) The supplying of any product or the rendering of any service, including consulting services, by a cemetery management company for the maintenance and preservation of a municipal cemetery operating pursuant to the "New Jersey Cemetery Act," N.J.S.8A:1-1 et seq., for a term not exceeding 15 years;

(34) A contract between a public entity and a private firm pursuant to P.L.1995, c.101 (C.58:26-19 et al.) for the provision of water supply services may be entered into for any term which, when all optional extension periods are added, may not exceed 40 years;

(35) An agreement for the purchase of a supply of water from a public utility company subject to the jurisdiction of the Board of Public Utilities in accordance with tariffs and schedules of charges made, charged or exacted or contracts filed with the Board of Public Utilities, for any term of not more than 40 years;

(36) A contract between a public entity and a private firm or public authority pursuant to P.L.1995, c.216 (C.58:27-19 et al.) for the provision of wastewater treatment services may be entered into for any term of not more than 40 years, including all optional extension periods; and

(37) The operation and management of a facility under a license issued or permit approved by the Department of Environmental Protection, including a wastewater treatment system or a water supply or distribution facility, as the case may be, for any term of not more than seven years. For the purposes of this subsection, "wastewater treatment system" refers to facilities operated or maintained for the storage, collection, reduction, disposal, or other treatment of wastewater or sewage sludge, remediation of groundwater contamination, stormwater runoff, or the final disposal of residues resulting from the treatment of wastewater; and "water supply or distribution facility" refers to facilities operated or maintained for augmenting the natural water resources of the State, increasing the supply of water, conserving existing water resources, or distributing water to users.

All multiyear leases and contracts entered into pursuant to this section, 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 Utilities, contracts involving the supplying of electricity for the purpose of lighting public streets and contracts for thermal energy authorized pursuant to subsection (1) above, construction contracts authorized pursuant to subsection (9) above, contracts and agreements for the provision of work or the supplying of equipment to promote energy conservation authorized pursuant to subsection (12) above, contracts for water supply services or for

a water supply facility, or any component part or parts thereof authorized pursuant to subsection (16), (30), (31), (34), (35) or (37) above, contracts for resource recovery services or a resource recovery facility authorized pursuant to subsection (17) above, contracts for the sale of energy produced by a resource recovery facility authorized pursuant to subsection (18) above, contracts for wastewater treatment services or for a wastewater treatment system or any component part or parts thereof authorized pursuant to subsection (19), (36) or (37) above, and contracts for the purchase of electricity or administrative or dispatching services related to the transmission of such electricity authorized pursuant to subsection (24) 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.

20. Section 24 of P.L.1985, c.222 (C.52:27D-324) is amended to read as follows:

C.52:27D-324 Agency administration of controls, agreements to provide services.

24. The agency shall establish procedures for entering into, and shall enter into, contractual agreements with willing municipalities or developers of inclusionary developments whereby the agency will administer resale controls and rent controls in municipalities where no appropriate administrative agency exists. The contractual agreements shall be for the duration of the controls and shall involve eligibility determinations, determination of initial occupants, the marketing of units, maintenance of eligibility lists for subsequent purchasers or renters, and determination of maximum resale prices or rents. The agency may charge the municipality or inclusionary developer a reasonable per unit fee for entering into such an agreement, or may charge a reasonable fee to a low or moderate income household at the time the home is sold subject to the resale control or both. Agency fees shall be established according to methods or schedules approved by the State Treasurer.

Neither the agency nor any other entity entering into an agreement to provide services to a municipality under this section shall require, as a condition of that agreement, that these services be provided for all eligible housing units in the municipality. A municipality, at its discretion, may enter into an agreement for the provision of services for any reasonable portion of its eligible housing units.

21. Section 15 of P.L.1941, c.151 (C.4:19-15.15) is amended to read as follows:

C.4:19-15.15 Canvass of dogs, report.

15. Any person appointed for the purpose by the governing body of the municipality, shall, either annually or biennially, at the direction of the governing body, cause a canvass to be made of all dogs owned, kept or harbored within the limits of their respective municipalities and shall report, on or before September 1 of the year in which the census is taken, to the clerk or other person designated to license dogs in the municipality and to the local board of health, and to the State Department of Health the result thereof, setting forth in separate columns the names and addresses of persons owning, keeping or harboring unlicensed dogs, the number of unlicensed dogs owned, kept or harbored by each of said persons, together with a complete description of each of said unlicensed dogs.

22. This act shall take effect immediately.

Approved September 5, 1996.

CHAPTER 114

AN ACT concerning the coordination of services to sexual assault victims and amending P.L.1985, c.404.

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

1. Section 6 of P.L.1985, c.404 (C.52:4B-44) is amended to read as follows:

C.52:4B-44 Standards for law enforcement agencies to ensure rights of crime victims.

6. a. The Attorney General shall, through the Office of Victim-Witness Advocacy in the Division of Criminal Justice in the Department of Law and Public Safety and in consultation with the county prosecutors, promulgate standards for law enforcement agencies to ensure that the rights of crime victims are enforced.

b. The standards shall require that the Office of Victim-Witness Advocacy in the Division of Criminal Justice and each county prosecutor's office provide the following services upon request for victims and witnesses involved in the prosecution of a case:

(1) Orientation information about the criminal justice system and the victim's and witness's role in the criminal justice process;

(2) Notification of any change in the case status and of final disposition;

(3) Information on crime prevention and on available responses to witness intimidation;

(4) Information about available services to meet needs resulting from the crime and referrals to service agencies, where appropriate;

(5) Advance notice of the date, time and place of the defendant's initial appearance before a judicial officer, submission to the court of any plea agreement, the trial and sentencing;

(6) Advance notice of when presence in court is not needed;

(7) Advice about available compensation, restitution and other forms of recovery and assistance in applying for government compensation;

(8) A waiting or reception area separate from the defendant for use during court proceedings;

(9) An escort or accompaniment for intimidated victims or witnesses during court appearances;

(10) Information about directions, parking, courthouse and courtroom locations, transportation services and witness fees, in advance of court appearances;

(11) Assistance for victims and witnesses in meeting special needs when required to make court appearances, such as transportation and child care arrangements;

(12) Assistance in making travel and lodging arrangements for out-of-State witnesses;

(13) Notification to employers of victims and witnesses, if cooperation in the investigation or prosecution causes absence from work;

(14) Notification of the case disposition, including the trial and sentencing;

(15) Assistance to victims in submitting a written statement to a representative of the county prosecutor's office about the impact of the crime prior to the prosecutor's final decision concerning whether formal charges will be filed;

(16) Advice to victims about their right to make a statement about the impact of the crime for inclusion in the presentence report or at time of parole consideration, if applicable;

(17) Notification to victims of the right to make an in-person statement, prior to sentencing, directly to the sentencing court concerning the impact of the crime;

(18) Expediting the return of property when no longer needed as evidence;

(19) Advise and counsel, or refer for advice or counseling, victims of sexual assault, or other criminal acts involving a risk of transmission of disease, concerning available medical testing and assist such victims, or refer such victims for assistance, in obtaining appropriate testing, counseling and medical care and in making application to the Victims of Crime Compensation Board for compensation for the costs of such testing, counseling and care;

(20) Assistance to victims in submitting a written impact statement to a representative of the county prosecutor's office concerning the impact of the crime which shall be considered prior to the prosecutor's accepting a negotiated plea agreement containing recommendations as to sentence and assistance to victims in securing an explanation of the terms of any such agreement and the reasons for the agreement;

(21) Notification to the victim of the defendant's release from custody which shall include:

(a) notice of the defendant's escape from custody and return to custody following escape;

(b) notice of any other release from custody, including placement in an Intensive Supervision Program or other alternative disposition, and any associated conditions of release;

(c) notice of the filing by an inmate of an application for commutation of sentence pursuant to N.J.S.2A:167-4 and its disposition;

(d) notice of parole consideration pursuant to provisions of P.L.1979, c.441 (C.30:4-123.45 et seq.); and

(e) notice of the pending release of an inmate due to expiration of sentence; and

(22) Interpreting services for victims and witnesses when necessary to assist a victim or witness who is hearing impaired or developmentally disabled as defined in section 3 of P.L.1977, c.82 (C.30:6D-3) to understand questions and frame answers.

c. In a case involving a victim of aggravated sexual assault or sexual assault as defined in subsection a. or c. of N.J.S.2C:14-2, the Office of Victim-Witness Advocacy or the county prosecutor's office involved in the case shall:

(1) Notify the victim of the victim's right to obtain an approved serological test for acquired immune deficiency syndrome (AIDS) or infection with the human immunodeficiency virus (HIV) or any other related virus identified as a probable causative agent of AIDS, and assist the victim, or refer the victim for assistance, in obtaining a test and appropriate counseling and medical care;

(2) Notify the victim of the victim's right to obtain a court order pursuant to subsection a. of section 4 of P.L.1993, c.364 (C.2C:43-2.2) requiring the

offender to submit to an approved serological test for acquired immune deficiency syndrome (AIDS) or infection with the human immunodeficiency virus (HIV) or any other related virus identified as a probable causative agent of AIDS in the event that the offender is indicted, formally charged, convicted or adjudicated delinquent;

(3) Communicate the request of a victim who agrees to seek an order pursuant to subsection a. of section 4 of P.L.1993, c.364 (C.2C:43-2.2) to the prosecutor handling the case and notify the victim or arrange for the victim to be notified of the test result; and

(4) Assist the victim in applying to the Victims of Crime Compensation Board for compensation for the costs of testing, counseling and medical care.

d. The Attorney General shall, through the Office of Victim-Witness Advocacy and in consultation with the Commissioner of the Department of Health and Senior Services, the Director of the Division of State Police and representatives of providers of sexual assault services, to be designated by the Director of the Office of Victim-Witness Advocacy, coordinate the establishment of standard protocols for the provision of information and services to victims of sexual assault, and shall make such protocols available to victims upon request.

2. This act shall take effect immediately.

Approved September 11, 1996.

CHAPTER 115

AN ACT concerning law enforcement officers, and amending and supplementing parts of statutory law.

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

1. N.J.S.2C:11-3 is amended to read as follows:

Murder.

2C:11-3. Murder.

a. Except as provided in N.J.S.2C:11-4 criminal homicide constitutes murder when:

(1) The actor purposely causes death or serious bodily injury resulting in death; or

(2) The actor knowingly causes death or serious bodily injury resulting in death; or

(3) It is committed when the actor, acting either alone or with one or more other persons, is engaged in the commission of, or an attempt to commit, or flight after committing or attempting to commit robbery, sexual assault, arson, burglary, kidnapping or criminal escape, and in the course of such crime or of immediate flight therefrom, any person causes the death of a person other than one of the participants; except that in any prosecution under this subsection, in which the defendant was not the only participant in the underlying crime, it is an affirmative defense that the defendant:

(a) Did not commit the homicidal act or in any way solicit, request, command, importune, cause or aid the commission thereof; and

(b) Was not armed with a deadly weapon, or any instrument, article or substance readily capable of causing death or serious physical injury and of a sort not ordinarily carried in public places by law-abiding persons; and

(c) Had no reasonable ground to believe that any other participant was armed with such a weapon, instrument, article or substance; and

(d) Had no reasonable ground to believe that any other participant intended to engage in conduct likely to result in death or serious physical injury.

b. (1) Murder is a crime of the first degree but a person convicted of murder shall be sentenced, except as provided in subsection c. of this section, by the court to a term of 30 years, during which the person shall not be eligible for parole or to a specific term of years which shall be between 30 years and life imprisonment of which the person shall serve 30 years before being eligible for parole.

(2) If the victim was a law enforcement officer and was murdered while performing his official duties or was murdered because of his status as a law enforcement officer, the person convicted of that murder shall be sentenced, except as otherwise provided in subsection c. of this section, by the court to a term of life imprisonment, during which the person shall not be eligible for parole.

c. Any person convicted under subsection a.(1) or (2) who committed the homicidal act by his own conduct; or who as an accomplice procured the commission of the offense by payment or promise of payment of anything of pecuniary value; or who, as a leader of a narcotics trafficking network as defined in N.J.S.2C:35-3 and in furtherance of a conspiracy enumerated in N.J.S.2C:35-3, commanded or by threat or promise solicited the commission of the offense, shall be sentenced as provided hereinafter:

(1) The court shall conduct a separate sentencing proceeding to determine whether the defendant should be sentenced to death or pursuant to the provisions of subsection b. of this section.

Where the defendant has been tried by a jury, the proceeding shall be conducted by the judge who presided at the trial and before the jury which determined the defendant's guilt, except that, for good cause, the court may discharge that jury and conduct the proceeding before a jury empaneled for the purpose of the proceeding. Where the defendant has entered a plea of guilty or has been tried without a jury, the proceeding shall be conducted by the judge who accepted the defendant's plea or who determined the defendant's guilt and before a jury empaneled for the purpose of the proceeding. On motion of the defendant and with consent of the prosecuting attorney the court may conduct a proceeding without a jury. Nothing in this subsection shall be construed to prevent the participation of an alternate juror in the sentencing proceeding if one of the jurors who rendered the guilty verdict becomes ill or is otherwise unable to proceed before or during the sentencing proceeding.

(2) (a) At the proceeding, the State shall have the burden of establishing beyond a reasonable doubt the existence of any aggravating factors set forth in paragraph (4) of this subsection. The defendant shall have the burden of producing evidence of the existence of any mitigating factors set forth in paragraph (5) of this subsection but shall not have a burden with regard to the establishment of a mitigating factor.

(b) The admissibility of evidence offered by the State to establish any of the aggravating factors shall be governed by the rules governing the admission of evidence at criminal trials. The defendant may offer, without regard to the rules governing the admission of evidence at criminal trials, reliable evidence relevant to any of the mitigating factors. If the defendant produces evidence in mitigation which would not be admissible under the rules governing the admission of evidence at criminal trials, the State may rebut that evidence without regard to the rules governing the admission of evidence at criminal trials.

(c) Evidence admitted at the trial, which is relevant to the aggravating and mitigating factors set forth in paragraphs (4) and (5) of this subsection, shall be considered without the necessity of reintroducing that evidence at the sentencing proceeding; provided that the fact finder at the sentencing proceeding was present as either the fact finder or the judge at the trial.

(d) The State and the defendant shall be permitted to rebut any evidence presented by the other party at the sentencing proceeding and to present argument as to the adequacy of the evidence to establish the existence of any aggravating or mitigating factor.

(e) Prior to the commencement of the sentencing proceeding, or at such time as he has knowledge of the existence of an aggravating factor, the prosecuting attorney shall give notice to the defendant of the aggravating factors which he intends to prove in the proceeding.

(f) Evidence offered by the State with regard to the establishment of a prior homicide conviction pursuant to paragraph (4)(a) of this subsection may include the identity and age of the victim, the manner of death and the relationship, if any, of the victim to the defendant.

(3) The jury or, if there is no jury, the court shall return a special verdict setting forth in writing the existence or nonexistence of each of the aggravating and mitigating factors set forth in paragraphs (4) and (5) of this subsection. If any aggravating factor is found to exist, the verdict shall also state whether it outweighs beyond a reasonable doubt any one or more mitigating factors.

(a) If the jury or the court finds that any aggravating factors exist and that all of the aggravating factors outweigh beyond a reasonable doubt all of the mitigating factors, the court shall sentence the defendant to death.

(b) If the jury or the court finds that no aggravating factors exist, or that all of the aggravating factors which exist do not outweigh all of the mitigating factors, the court shall sentence the defendant pursuant to subsection b.

(c) If the jury is unable to reach a unanimous verdict, the court shall sentence the defendant pursuant to subsection b.

(4) The aggravating factors which may be found by the jury or the court are:

(a) The defendant has been convicted, at any time, of another murder. For purposes of this section, a conviction shall be deemed final when sentence is imposed and may be used as an aggravating factor regardless of whether it is on appeal;

(b) In the commission of the murder, the defendant purposely or knowingly created a grave risk of death to another person in addition to the victim;

(c) The murder was outrageously or wantonly vile, horrible or inhuman in that it involved torture, depravity of mind, or an aggravated assault to the victim;

(d) The defendant committed the murder as consideration for the receipt, or in expectation of the receipt of anything of pecuniary value;

(e) The defendant procured the commission of the offense by payment or promise of payment of anything of pecuniary value;

(f) The murder was committed for the purpose of escaping detection, apprehension, trial, punishment or confinement for another offense committed by the defendant or another;

(g) The offense was committed while the defendant was engaged in the commission of, or an attempt to commit, or flight after committing or attempting to commit murder, robbery, sexual assault, arson, burglary or kidnapping;

(h) The defendant murdered a public servant, as defined in N.J.S.2C:27-1, while the victim was engaged in the performance of his official duties, or because of the victim's status as a public servant;

(i) The defendant: (i) as a leader of a narcotics trafficking network as defined in N.J.S.2C:35-3 and in furtherance of a conspiracy enumerated in N.J.S.2C:35-3, committed, commanded or by threat or promise solicited the commission of the offense or (ii) committed the offense at the direction of a leader of a narcotics trafficking network as defined in N.J.S.2C:35-3 in furtherance of a conspiracy enumerated in N.J.S.2C:35-3;

(j) The homicidal act that the defendant committed or procured was in violation of paragraph (1) of subsection a. of N.J.S.2C:17-2; or

(k) The victim was less than 14 years old.

(5) The mitigating factors which may be found by the jury or the court are:

(a) The defendant was under the influence of extreme mental or emotional disturbance insufficient to constitute a defense to prosecution;

(b) The victim solicited, participated in or consented to the conduct which resulted in his death;

(c) The age of the defendant at the time of the murder;

(d) The defendant's capacity to appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of the law was significantly impaired as the result of mental disease or defect or intoxication, but not to a degree sufficient to constitute a defense to prosecution;

(e) The defendant was under unusual and substantial duress insufficient to constitute a defense to prosecution;

(f) The defendant has no significant history of prior criminal activity;

(g) The defendant rendered substantial assistance to the State in the prosecution of another person for the crime of murder; or

(h) Any other factor which is relevant to the defendant's character or record or to the circumstances of the offense.

(6) When a defendant at a sentencing proceeding presents evidence of the defendant's character or record pursuant to subparagraph (h) of paragraph (5) of this subsection, the State may present evidence of the murder victim's character and background and of the impact of the murder on the victim's survivors. If the jury finds that the State has proven at least one aggravating factor beyond a reasonable doubt and the jury finds the existence of a mitigating factor pursuant to subparagraph (h) of paragraph (5) of this subsection, the jury may consider the victim and survivor evidence presented by the State pursuant to this paragraph in determining the appropriate weight to give mitigating evidence presented pursuant to subparagraph (h) of paragraph (5) of this subsection.

d. The sentencing proceeding set forth in subsection c. of this section shall not be waived by the prosecuting attorney.

e. Every judgment of conviction which results in a sentence of death under this section shall be appealed, pursuant to the Rules of Court, to the Supreme Court. Upon the request of the defendant, the Supreme Court shall also determine whether the sentence is disproportionate to the penalty imposed in similar cases, considering both the crime and the defendant. Proportionality review under this section shall be limited to a comparison of similar cases in which a sentence of death has been imposed under subsection c. of this section. In any instance in which the defendant fails, or refuses to appeal, the appeal shall be taken by the Office of the Public Defender or other counsel appointed by the Supreme Court for that purpose.

f. Prior to the jury's sentencing deliberations, the trial court shall inform the jury of the sentences which may be imposed pursuant to subsection b. of this section on the defendant if the defendant is not sentenced to death. The jury shall also be informed that a failure to reach a unanimous verdict shall result in sentencing by the court pursuant to subsection b.

g. A juvenile who has been tried as an adult and convicted of murder shall not be sentenced pursuant to the provisions of subsection c. but shall be sentenced pursuant to the provisions of subsection b. of this section.

h. In a sentencing proceeding conducted pursuant to this section, no evidence shall be admissible concerning the method or manner of execution which would be imposed on a defendant sentenced to death.

i. For purposes of this section the term "homicidal act" shall mean conduct that causes death or serious bodily injury resulting in death.

2. N.J.S.40A:14-147 is amended to read as follows:

Removal, suspension of police officer.

40A:14-147. Except as otherwise provided by law, no permanent member or officer of the police department or force shall be removed from his office, employment or position for political reasons or for any cause other than incapacity, misconduct, or disobedience of rules and regulations established for the government of the police department and force, nor shall such member or officer be suspended, removed, fined or reduced in rank from or in office, employment, or position therein, except for just cause as hereinbefore provided and then only upon a written complaint setting forth the charge or charges against such member or officer. The complaint shall be filed in the office of the body, officer or officers having charge of the department or force wherein the complaint is made and a copy shall be served upon the member or officer so charged, with notice of a designated

hearing thereon by the proper authorities, which shall be not less than 10 nor more than 30 days from date of service of the complaint.

A complaint charging a violation of the internal rules and regulations established for the conduct of a law enforcement unit shall be filed no later than the 45th day after the date on which the person filing the complaint obtained sufficient information to file the matter upon which the complaint is based. The 45-day time limit shall not apply if an investigation of a law enforcement officer for a violation of the internal rules or regulations of the law enforcement unit is included directly or indirectly within a concurrent investigation of that officer for a violation of the criminal laws of this State. The 45-day limit shall begin on the day after the disposition of the criminal investigation. The 45-day requirement of this paragraph for the filing of a complaint against an officer shall not apply to a filing of a complaint by a private individual.

A failure to comply with said provisions as to the service of the complaint and the time within which a complaint is to be filed shall require a dismissal of the complaint.

The law enforcement officer may waive the right to a hearing and may appeal the charges directly to any available authority specified by law or regulation, or follow any other procedure recognized by a contract, as permitted by law.

3. Section 1 of P.L.1977, c.437 (C.40A:14-152.2) is amended to read as follows:

C.40A:14-152.2 Immunity from tort liability; provision of benefits for police, law enforcement officer exercising Statewide police powers; exemptions; terms defined.

1. Whenever any municipal police officer or other law enforcement officer has been conferred with Statewide police powers and is acting under lawful authority beyond the territorial limits of his employing municipality or other appointing authority, said police officer or law enforcement officer, as the case may be, shall have all of the immunities from tort liability and shall have all of the pension, relief, disability, workmen's compensation, insurance, and other benefits enjoyed while performing duties within said employing municipality or the jurisdictional responsibility of the other appointing authority, as the case may be; provided, however, in the case of a law enforcement officer other than a municipal police officer or a county law enforcement officer afforded such immunities and benefits under the provisions of section 1 of P.L.1977, c.439 (C.40A:14-107.1), the immunities from tort liability and other benefits enjoyed while performing duties within the jurisdictional responsibility of the appointing authority shall be extended only in those instances where (1) the law enforcement officer has been

requested by the other jurisdiction to perform law enforcement duties within its boundaries; or (2) the law enforcement officer is performing law enforcement duties within another jurisdiction upon the orders of his superiors.

As used in this section, "law enforcement officer" means any person who is employed as a permanent full-time member of any State, county or municipal law enforcement agency, department, or division of those governments who is statutorily empowered to act for the detection, investigation, arrest, conviction, detention, or rehabilitation of persons violating the criminal laws of this State and statutorily required to successfully complete a training course approved by, or certified as being substantially equivalent to such an approved course, by the Police Training Commission pursuant to P.L.1961, c.56 (C.52:17B-66 et seq.). "Law enforcement agency" means any public agency, other than the Department of Law and Public Safety, any police force, department or division within the State of New Jersey, or any county or municipality thereof, which is empowered by statute to act for the detection, investigation, arrest, conviction, detention, or rehabilitation of persons violating the criminal laws of this State.

4. Section 7 of P.L.1968, c.303 (C.34:13A-5.3) is amended to read as follows:

C.34:13A-5.3 Employee organizations; right to form or join; collective negotiations; grievance procedures.

7. Except as hereinafter provided, public employees shall have, and shall be protected in the exercise of, the right, freely and without fear of penalty or reprisal, to form, join and assist any employee organization or to refrain from any such activity; provided, however, that this right shall not extend to elected officials, members of boards and commissions, managerial executives, or confidential employees, except in a school district the term managerial executive shall mean the superintendent of schools or his equivalent, nor, except where established practice, prior agreement or special circumstances dictate the contrary, shall any supervisor having the power to hire, discharge, discipline, or to effectively recommend the same, have the right to be represented in collective negotiations by an employee organization that admits nonsupervisory personnel to membership, and the fact that any organization has such supervisory employees as members shall not deny the right of that organization to represent the appropriate unit in collective negotiations; and provided further, that, except where established practice, prior agreement, or special circumstances dictate the contrary, no policeman shall have the right to join an employee organization that admits

employees other than policemen to membership. The negotiating unit shall be defined with due regard for the community of interest among the employees concerned, but the commission shall not intervene in matters of recognition and unit definition except in the event of a dispute.

Representatives designated or selected by public employees for the purposes of collective negotiation by the majority of the employees in a unit appropriate for such purposes or by the majority of the employees voting in an election conducted by the commission as authorized by this act shall be the exclusive representatives for collective negotiation concerning the terms and conditions of employment of the employees in such unit. Nothing herein shall be construed to prevent any official from meeting with an employee organization for the purpose of hearing the views and requests of its members in such unit so long as (a) the majority representative is informed of the meeting; (b) any changes or modifications in terms and conditions of employment are made only through negotiation with the majority representative; and (c) a minority organization shall not present or process grievances. Nothing herein shall be construed to deny to any individual employee his rights under Civil Service laws or regulations. When no majority representative has been selected as the bargaining agent for the unit of which an individual employee is a part, he may present his own grievance either personally or through an appropriate representative or an organization of which he is a member and have such grievance adjusted.

A majority representative of public employees in an appropriate unit shall be entitled to act for and to negotiate agreements covering all employees in the unit and shall be responsible for representing the interest of all such employees without discrimination and without regard to employee organization membership. Proposed new rules or modifications of existing rules governing working conditions shall be negotiated with the majority representative before they are established. In addition, the majority representative and designated representatives of the public employer shall meet at reasonable times and negotiate in good faith with respect to grievances, disciplinary disputes, and other terms and conditions of employment. Nothing herein shall be construed as permitting negotiation of the standards or criteria for employee performance.

When an agreement is reached on the terms and conditions of employment, it shall be embodied in writing and signed by the authorized representatives of the public employer and the majority representative.

Public employers shall negotiate written policies setting forth grievance and disciplinary review procedures by means of which their employees or representatives of employees may appeal the interpretation, application or violation of policies, agreements, and administrative decisions, including disciplinary determinations, affecting them, provided that such grievance and

disciplinary review procedures shall be included in any agreement entered into between the public employer and the representative organization. Such grievance and disciplinary review procedures may provide for binding arbitration as a means for resolving disputes. The procedures agreed to by the parties may not replace or be inconsistent with any alternate statutory appeal procedure nor may they provide for binding arbitration of disputes involving the discipline of employees with statutory protection under tenure or civil service laws, except that such procedures may provide for binding arbitration of disputes involving the minor discipline of any public employees protected under the provisions of section 7 of P.L.1968, c.303 (C.34:13A-5.3), other than public employees subject to discipline pursuant to R.S.53:1-10. Grievance and disciplinary review procedures established by agreement between the public employer and the representative organization shall be utilized for any dispute covered by the terms of such agreement. For the purposes of this section, minor discipline shall mean a suspension or fine of less than five days unless the employee has been suspended or fined an aggregate of 15 or more days or received more than three suspensions or fines of five days or less in one calendar year.

C.2A:62A-1.1 Immunity from civil damages for certain law enforcement officers at accident scenes.

5. A municipal, county or State law enforcement officer is not liable for any civil damages as a result of any acts or omissions undertaken in good faith in rendering care at the scene of an accident or emergency to any victim thereof, or in transporting any such victim to a hospital or other facility where treatment or care is to be rendered; provided, however, that nothing in this section shall exonerate a law enforcement officer for gross negligence.

6. Section 6 of P.L.1961, c.56 (C.52:17B-71) is amended to read as follows:

C.52:17B-71 Powers, responsibilities, duties of commission.

6. The commission is vested with the power, responsibility and duty:

a. To prescribe standards for the approval and continuation of approval of schools at which police training courses authorized by this act and in-service police training courses shall be conducted, including but not limited to presently existing regional, county, municipal and police chief association police training schools or at which basic training courses and in-service training courses shall be conducted for State and county juvenile and adult corrections officers and juvenile detention officers;

b. To approve and issue certificates of approval to such schools, to inspect such schools from time to time, and to revoke any approval or certificate issued to such schools;

c. To prescribe the curriculum, the minimum courses of study, attendance requirements, equipment and facilities, and standards of operation for such schools. Courses of study in crime prevention may be recommended to the Police Training Commission by the Crime Prevention Advisory Committee, established by section 2 of P.L.1985, c.1 (C.52:17B-77.1). The Police Training Commission may prescribe psychological and psychiatric examinations for police recruits while in such schools;

d. To prescribe minimum qualifications for instructors at such schools and to certify, as qualified, instructors for approved police training schools and to issue appropriate certificates to such instructors;

e. To certify police officers, corrections officers, juvenile corrections officers and juvenile detention officers who have satisfactorily completed training programs and to issue appropriate certificates to such police officers, corrections officers, juvenile corrections officers and juvenile detention officers;

f. To advise and consent in the appointment of an administrator of police services by the Attorney General pursuant to section 8 of P.L.1961, c.56 (C.52:17B-73);

g. (Deleted by amendment, P.L.1985, c.491.)

h. To make such rules and regulations as may be reasonably necessary or appropriate to accomplish the purposes and objectives of this act;

i. To make a continuous study of police training methods and training methods for corrections officers, juvenile corrections officers and juvenile detention officers and to consult and accept the cooperation of any recognized federal or State law enforcement agency or educational institution;

j. To consult and cooperate with universities, colleges and institutes in the State for the development of specialized courses of study for police officers in police science and police administration;

k. To consult and cooperate with other departments and agencies of the State concerned with police training or the training of corrections officers, juvenile corrections officers and juvenile detention officers;

l. To participate in unified programs and projects relating to police training and the training of corrections officers, juvenile corrections officers and juvenile detention officers sponsored by any federal, State, or other public or private agency;

m. To perform such other acts as may be necessary or appropriate to carry out its functions and duties as set forth in this act;

n. To extend the time limit for satisfactory completion of police training programs or programs for the training of corrections officers, juvenile corrections officers and juvenile detention officers upon a finding that health,

extraordinary workload or other factors have, singly or in combination, effected a delay in the satisfactory completion of such training program;

o. To furnish approved schools, for inclusion in their regular police training courses and curriculum, with information concerning the advisability of high speed chases, the risk caused thereby, and the benefits resulting therefrom;

p. To review and approve new standards and course curricula developed by the Department of Corrections for both basic and in-service training of State and county corrections officers and juvenile detention officers. These courses for the State corrections officers and juvenile detention officers shall be centrally provided at the Corrections Officers' Training Academy of the Department of Corrections. Courses for the county corrections officers and juvenile detention officers shall also be centrally provided at the Corrections Officers' Training Academy unless an off-grounds training program is established by the county. A county may elect to establish and conduct a basic training program for corrections officers and juvenile detention officers seeking permanent appointment in that county. The Corrections Officers' Training Academy shall develop the curriculum of the basic training program to be conducted by a county;

q. To administer and distribute the monies in the Law Enforcement Officers Training and Equipment Fund established by section 9 of P.L.1996, c.115 (C.2C:43-3.3) and make such rules and regulations for the administration and distribution of the monies as may be necessary or appropriate to accomplish the purpose for which the fund was established.

C.2C:43-2.3 Orders for certain serological testing required under certain circumstances.

7. a. In addition to any other disposition made pursuant to law, a court shall order a person convicted of, indicted for or formally charged with a criminal offense, a disorderly persons offense or a petty disorderly persons offense, to submit to an approved serological test for acquired immune deficiency syndrome (AIDS) or infection with the human immunodeficiency virus (HIV) or any other related virus identified as a probable causative agent of AIDS if:

(1) in the course of the commission of the offense, including the immediate flight thereafter or during any investigation or arrest related to that offense, a law enforcement officer, the victim or other person suffered a prick from a hypodermic needle, provided there is probable cause to believe that the defendant is an intravenous user of controlled dangerous substances; or

(2) in the course of the commission of the offense, including the immediate flight thereafter or during any investigation or arrest related to that offense, a law enforcement officer, the victim or other person had

contact with the defendant which involved or was likely to involve the transmission of bodily fluids.

The court may order a person to submit to an approved serological test for AIDS or infection with the HIV or any other related virus identified as a probable causative agent of AIDS if in the course of the performance of any other law enforcement duties, a law enforcement officer suffers a prick from a hypodermic needle, provided that there is probable cause to believe that the defendant is an intravenous user of controlled dangerous substances, or had contact with the defendant which involved or was likely to involve the transmission of bodily fluids. The court shall issue such an order only upon the request of the law enforcement officer, victim of the offense or other affected person made at the time of indictment, charge or conviction. If a county prosecutor declines to make such an application within 72 hours of being requested to do so by the law enforcement officer, the law enforcement officer may appeal to the Division of Criminal Justice in the Department of Law and Public Safety for that officer to bring the application. The person shall be ordered by the court to submit to such repeat or confirmatory tests as may be medically necessary.

As used in this section, "formal charge" includes a proceeding by accusation in the event that the defendant has waived the right to an indictment.

b. A court order issued pursuant to subsection a. of this section shall require testing to be performed as soon as practicable by the Commissioner of the Department of Corrections pursuant to authority granted to the commissioner by sections 6 and 10 of P.L.1976, c.98 (C.30:1B-6 and 30:1B-10) or by a provider of health care or at a health care facility licensed pursuant to section 12 of P.L.1971, c.136 (C.26:2H-12). The order shall also require that the results of the test be reported to the offender, the appropriate Office of Victim-Witness Advocacy if a victim of an offense is tested, and the affected law enforcement officer. Upon receipt of the result of a test ordered pursuant to subsection a. of this section, the Office of Victim-Witness Advocacy shall provide the victim with appropriate counseling, referral for counseling and if appropriate, referral for health care. The office shall notify the victim or make appropriate arrangements for the victim to be notified of the test result.

c. In addition to any other disposition authorized, a court may order an offender at the time of sentencing to reimburse the State for the costs of the tests ordered pursuant to subsection a. of this section.

d. The result of a test ordered pursuant to subsection a. of this section shall be confidential and health care providers and employees of the Department of Corrections, the Office of Victim-Witness Advocacy, a health care facility or counseling service shall not disclose the result of a test performed pursuant to

this section except as authorized herein or as otherwise authorized by law or court order. The provisions of this section shall not be deemed to prohibit disclosure of a test result to the person tested.

e. Persons who perform tests ordered pursuant to subsection a. of this section in accordance with accepted medical standards for the performance of such tests shall be immune from civil and criminal liability arising from their conduct.

f. This section shall not be construed to preclude or limit any other testing for AIDS or infection with the HIV or any other related virus identified as a probable causative agent of AIDS which is otherwise permitted by statute, court rule or common law.

C.2A:4A-43.4 Orders for certain serological testing of juveniles required under certain circumstances.

8. a. In addition to any other disposition made pursuant to law, a court shall order a juvenile charged with delinquency or adjudicated delinquent for an act which, if committed by an adult would constitute a crime, a disorderly persons offense or a petty disorderly persons offense, to submit to an approved serological test for acquired immune deficiency syndrome (AIDS) or infection with the human immunodeficiency virus (HIV) or any other related virus identified as a probable causative agent of AIDS if:

(1) in the course of the commission of the act, including the immediate flight thereafter or during any investigation or arrest related to that act, a law enforcement officer, the victim or other person suffered a prick from a hypodermic needle, provided there is probable cause to believe that the juvenile is an intravenous user of controlled dangerous substances; or

(2) in the course of the commission of the act, including the immediate flight thereafter or during any investigation or arrest related to that act, a law enforcement officer, the victim or other person had contact with the juvenile which involved or was likely to involve the transmission of bodily fluids.

The court may order a juvenile to submit to an approved serological test for AIDS or infection with the HIV or any other related virus identified as a probable causative agent of AIDS if in the course of the performance of any other law enforcement duties, a law enforcement officer suffers a prick from a hypodermic needle, provided that there is probable cause to believe that the defendant is an intravenous user of controlled dangerous substances, or had contact with the defendant which involved or was likely to involve the transmission of bodily fluids. The court shall issue such an order only upon the request of the law enforcement officer, victim of the offense or other affected person made at the time of indictment, charge or conviction. If a county prosecutor declines to make such an application within 72 hours of being requested to do so by the law enforcement officer, the law

enforcement officer may appeal to the Division of Criminal Justice in the Department of Law and Public Safety for that officer to bring the application. The juvenile shall be ordered by the court to submit to such repeat or confirmatory tests as may be medically necessary.

b. A court order issued pursuant to subsection a. of this section shall require testing to be performed as soon as practicable by the Executive Director of the Juvenile Justice Commission pursuant to authority granted to the executive director by sections 6 and 10 of P.L.1976, c.98 (C.30:1B-6 and 30:1B-10) or by a provider of health care or at a health care facility licensed pursuant to section 12 of P.L.1971, c.136 (C.26:2H-12). The order shall also require that the results of the test be reported to the offender, the appropriate Office of Victim-Witness Advocacy if a victim of an offense is tested, and the affected law enforcement officer. Upon receipt of the result of a test ordered pursuant to subsection a. of this section, the Office of Victim-Witness Advocacy shall provide the victim with appropriate counseling, referral for counseling and if appropriate, referral for health care. The office shall notify the victim or make appropriate arrangements for the victim to be notified of the test result.

c. In addition to any other disposition authorized, a court may order a juvenile at the time of sentencing to reimburse the State for the costs of the tests ordered by subsection a. of this section.

d. The result of a test ordered pursuant to subsection a. of this section shall be confidential and health care providers and employees of the Juvenile Justice Commission, the Office of Victim-Witness Advocacy, a health care facility or counseling service shall not disclose the result of a test performed pursuant to this section except as authorized herein or as otherwise authorized by law or court order. The provisions of this section shall not be deemed to prohibit disclosure of a test result to the person tested.

e. Persons who perform tests ordered pursuant to subsection a. of this section in accordance with accepted medical standards for the performance of such tests shall be immune from civil and criminal liability arising from their conduct.

f. This section shall not be construed to preclude or limit any other testing for AIDS or infection with the HIV or any other related virus identified as a probable causative agent of AIDS which is otherwise permitted by statute, court rule or common law.

C.2C:43-3.3 Additional penalties for persons convicted of crime deposited in "Law Enforcement Officers Training and Equipment Fund."

9. a. In addition to any disposition made pursuant to the provisions of Title 2C of the New Jersey Statutes, any person convicted of a crime shall be assessed a penalty of $30.

b. In addition to any other disposition made pursuant to the provisions of section 24 of P.L.1982, c.77 (C.2A:4A-43) or any other statute indicating the dispositions that may be ordered for adjudications of delinquency, a juvenile adjudicated delinquent for an offense which if committed by an adult would be a crime shall be assessed a penalty of $15.

c. The penalties assessed under subsections a. and b. of this section shall be collected as provided for the collection of fines and restitution in section 3 of P.L.1979, c.396 (C.2C:46-4) and forwarded to the State Treasury for deposit in a separate account to be known as the "Law Enforcement Officers Training and Equipment Fund." The penalty assessed in this section shall be collected only after a penalty assessed in section 2 of P.L.1979, c.396 (C.2C:43-3.1) and any restitution ordered is collected.

The fund shall be used to support the development and provision of basic and in-service training courses for law enforcement officers by police training schools approved pursuant to P.L.1961, c.56 (C.52:17B-66 et seq.). In addition, the fund shall also be used to enable police training schools to purchase equipment needed for the training of law enforcement officers. Distributions from the fund shall only be made directly to such approved schools.

d. The Police Training Commission in the Department of Law and Public Safety shall be responsible for the administration and distribution of the fund pursuant to its authority under section 6 of P.L.1961, c.56 (C.52:17B-71).

e. An adult prisoner of a State correctional institution who does not pay the penalty imposed pursuant to this section shall have the penalty deducted from any income the inmate receives as a result of labor performed at the institution or any type of work release program. If any person, including an inmate, fails to pay the penalty imposed pursuant to this section, the court may order the suspension of the person's driver's license or nonresident reciprocity privilege, or prohibit the person from receiving or obtaining a license until the assessment is paid. The court shall notify the Director of the Division of Motor Vehicles of such an action. Prior to any action being taken pursuant to this subsection, the person shall be given notice and a hearing before the court to contest the charge of the failure to pay the assessment.

C.40A:14-181 Adoption of guidelines for internal affairs by law enforcement agency.

10. Every law enforcement agency shall adopt and implement guidelines which shall be consistent with the guidelines governing the "Internal Affairs Policy and Procedures" of the Police Management Manual promulgated by the Police Bureau of the Division of Criminal Justice in the Department of Law and Public Safety, and shall be consistent with any tenure or civil service laws, and shall not supersede any existing contractual agreements.

11. This act shall take effect on the 120th day following enactment.

Approved September 11, 1996.

CHAPTER 116

AN ACT concerning certain contact by members or employees of the Legislature with State agencies and amending P.L.1971, c.182.

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

1. Section 5 of P.L.1971, c.182 (C.52:13D-16) is amended to read as follows:

C.52:13D-16 Certain representations, prohibited; exceptions.

5. a. No special State officer or employee, nor any partnership, firm or corporation in which he has an interest, nor any partner, officer or employee of any such partnership, firm or corporation, shall represent, appear for, or negotiate on behalf of, or agree to represent, appear for or negotiate on behalf of, any person or party other than the State in connection with any cause, proceeding, application or other matter pending before the particular office, bureau, board, council, commission, authority, agency, fund or system in which such special State officer or employee holds office or employment.

b. No State officer or employee or member of the Legislature, nor any partnership, firm or corporation in which he has an interest, nor any partner, officer or employee of any such partnership, firm or corporation, shall represent, appear for, or negotiate on behalf of, or agree to represent, appear for, or negotiate on behalf of, any person or party other than the State in connection with any cause, proceeding, application or other matter pending before any State agency. Nothing contained herein shall be deemed to prohibit any such partnership, firm or corporation from appearing on its own behalf. This subsection shall not be deemed to prohibit a member of the Legislature or an employee on the member's behalf from: (1) making an inquiry for information on behalf of a constituent, which may include ascertaining the status of a matter, identifying the statutes or regulations involved in a matter or inquiring how to expedite a matter; (2) assisting the constituent in bringing the merits of the constituent's position to the attention of a State agency; or (3) making a recommendation on a matter or indicating support for a constituent's position to a State agency if no fee, reward,

employment, offer of employment, or other thing of value is promised to, given to or accepted by the member of the Legislature or an employee therefor, whether directly or indirectly, and the member or employee does not endeavor to use his official position to improperly influence any determination. As used in this subsection "constituent" shall mean any State resident or other person seeking legislative assistance. Nothing contained herein shall authorize contact with State agencies by members of the Legislature or their employees which is otherwise prohibited by the criminal law, this act or the Code of Ethics and nothing contained herein shall authorize contact with an administrative law judge or agency head during the hearing of a contested case.

c. Nothing contained in this section shall be deemed to prohibit any legislator, or any State officer or employee or special State officer or employee from representing, appearing for or negotiating on behalf of, or agreeing to represent, appear for, or negotiate on behalf of, any person or party other than the State in connection with any proceeding:

(1) Pending before any court of record of this State,

(2) In regard to a claim for compensation arising under chapter 15 of Title 34 of the Revised Statutes (Workers' Compensation),

(3) In connection with the determination or review of transfer inheritance or estate taxes,

(4) In connection with the filing of corporate or other documents in the office of the Secretary of State,

(5) Before the Division on Civil Rights or any successor thereof,

(6) Before the New Jersey State Board of Mediation or any successor thereof,

(7) Before the New Jersey Public Employment Relations Commission or any successor thereof,

(8) Before the Unsatisfied Claim and Judgment Fund Board or any successor thereof solely for the purpose of filing a notice of intention pursuant to P.L.1952, c.174, s.5 (C.39:6-65), or

(9) Before any State agency on behalf of a county, municipality or school district, or any authority, agency or commission of any thereof except where the State is an adverse party in the proceeding and provided he is not holding any office or employment in the State agency in which any such proceeding is pending.

2. This act shall take effect immediately.

Approved September 16, 1996.

CHAPTER 117

AN ACT establishing an arts based curriculum pilot program in the Department of Education and supplementing chapter 54 of Title 18A of the New Jersey Statutes.

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

C.18A:54G-1 Short title.

1. This act shall be known and may be cited as the "Arts Create Excellent Schools (ACES) Pilot Program Act."

C.18A:54G-2 Findings, declarations relative to arts based curriculum pilot program.

2. The Legislature finds and declares that:

a. Although there currently exists support for the arts in education within the public schools of this State, there is a vast difference in how local school districts implement arts education and a significant number of students graduate from New Jersey schools without any exposure to the arts;

b. The Literacy in the Arts Task Force, created in 1987 by the Legislature to examine the state of arts education in New Jersey, recommended that schools include both intensive arts experiences and integration of the arts across an interdisciplinary curriculum and urged districts to adopt a curriculum framework using the arts as a means of providing all students the tools for an effective and more enriched learning experience;

c. Since the Literacy in the Arts Task Force completed its work, there have been a number of other developments at the State and national level which have affirmed the value of incorporating the arts into the school curriculum as a strategy to engage and challenge students and thus advance their motivation and level of academic achievement;

d. The value of infusing the arts into the public school curricular core has been supported and advanced through the revision of New Jersey's State Goals for Education in 1992, the Department of Education's draft of Core Curriculum Standards, the Department of Education's Strategic Plan for Systemic Change, and the national education reform effort embodied in the Goals 2000: Educate America Act, all of which have pointed to the arts as a mechanism to improve the ability of students to think critically and to solve problems; and

e. In an era in which states and the federal government are searching for ways in which to advance the educational achievement of at-risk students, research has indicated that an arts-based curriculum offers a powerful tool to effectuate student academic achievement by increasing the motivation of students who may be disaffected from the learning process. There is

empirical evidence that academic disciplines such as reading, writing, languages, social studies, science and math are reinforced through an arts-infused curriculum.

The Legislature further finds, therefore, that a program which provides for the development of arts-infused model schools can serve an important public policy function by determining if the strategies utilized by the model schools are effective and can be successfully replicated in districts throughout the State to enhance overall student performance.

C.18A:54G-3 "Arts Create Excellent Schools (ACES) Pilot Program."

3. There is established in the Department of Education the "Arts Create Excellent Schools (ACES) Pilot Program" to be administered by the Commissioner of Education pursuant to the provisions of this act. The department shall consult with the New Jersey State Council on the Arts in the Department of State in the operation and administration of the program. The program shall provide for the development of three model schools which incorporate an innovative arts-infused curriculum into the student learning process. The model schools, which shall be developed through organizational partnerships including State and local government agencies and the private sector, shall have the following goals:

a. to prepare students for educational achievement by developing imagination, reasoning, judgment and the critical thinking skills necessary for problem solving and decision making;

b. to develop an arts-infused curriculum based on interdisciplinary and thematic units;

c. to broaden the role of the teacher through staff development to include such diverse roles as instructor, coach, mentor and exemplar;

d. to improve student performance as determined by standard measures and alternative assessment strategies;

e. to enhance student self-concept as determined by measures of self-esteem;

f. to encourage understanding of traditional, local and diverse cultures;

g. to integrate school activities with professional and community based arts organizations; and

h. to further evaluate and research arts education.

C.18A:54G-4 Request for proposals for development of ACES schools.

4. The Commissioner of Education shall forward a request for proposals for the development of ACES schools to local school districts. Each school district shall disseminate the request for proposals to all schools within the district. A school which wants to participate in the pilot program shall, upon securing the approval of the board of education, submit a proposal to the commissioner. The proposal shall outline the school's plan to infuse the arts

into all aspects of the curriculum to enhance academic excellence, student motivation and self-esteem. The proposal shall include, but not be limited to, the following information:

a. the specific mechanisms which will be used to integrate the arts within all academic disciplines offered in the school's curriculum;

b. the utilization of technology within the school to advance student levels of organizational ability, critical thinking, problem solving and creative skills; and

c. the manner in which professional development experiences in the arts will be factored into the school design to assist the teaching and administrative staff to define and implement the teaching strategies necessary to achieve the educational goals of an arts-infused curriculum.

C.18A:54G-5 Selection of schools to participate in program.

5. The commissioner shall select three schools to participate in the program based upon the commissioner's evaluation of the school's ability to successfully implement a model arts-based curriculum. In selecting the schools to participate, the commissioner shall seek a cross section of schools from urban, suburban, rural and State-operated school districts with equal consideration given to schools located in the north, central and southern geographical regions of the State. The selection process shall include visits to potential model schools to ascertain the administration and faculty commitment and ability to adopt an arts-based curriculum.

C.18A:54G-6 Evaluation component included within ACES program.

6. a. The commissioner shall provide for the inclusion of an evaluation component within the ACES program which shall be both formative and summative in nature. The assessment methods designed to evaluate the model schools shall be appropriate for assessing student educational outcomes and teacher development and shall place emphasis on student progress in problem solving, comprehension, critical thinking and reasoning.

b. During the initial four years of the ACES program each model school shall undergo an annual evaluation conducted by the Department of Education pursuant to subsection a. of this section. After the program's fourth year, the commissioner shall submit to the Governor and Legislature an evaluation of the ACES program and a recommendation on the advisability of its continuation and expansion to other schools within the State.

C.18A:54G-7 Rules, regulations.

7. The State Board of Education shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), the rules and regulations necessary to carry out the provisions of this act.

8. This act shall take effect immediately.

Approved September 16, 1996.

CHAPTER 118

AN ACT concerning development projects of the Casino Reinvestment Development Authority in Atlantic City, amending P.L.1984, c.218, and amending and supplementing P.L.1993, c.159.

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

1. Section 1 of P.L.1993, c.159 (C.5:12-173.1) is amended to read as follows:

C.5:12-173.1 Findings, declarations relative to redevelopment in Atlantic City.

1. The Legislature finds that the single most significant factor contributing to the cost of constructing, maintaining, operating and supporting highways, roads and infrastructure, in Atlantic City, and particularly in the "corridor" region of the city, is the heavy volume of motor vehicular traffic occasioned by the attraction of casino gambling in Atlantic City. This traffic is encouraged by the provision of free parking by casino operations, by the relative underdevelopment of public transportation services, and by the shortage of hotel accommodations in the city. While the Legislature has taken various measures, most notably the "South Jersey Transportation Authority Act," P.L.1991, c.252 (C.27:25A-1 et al.), to provide and improve public transportation services in the South Jersey region as an alternative to the use of motor vehicles, the heavy capital costs associated with reconstruction of the corridor region's infrastructure require a continuous source of public funding. The Legislature declares, therefore, that it is in the public interest to require a standard minimum charge for casino parking within Atlantic City, and to impose fees on amounts received from those charges, with the proceeds of those fees to be used by the Casino Reinvestment Development Authority for projects which are related to improving the highways, roads, infrastructure, traffic regulation and public safety of the city, or which are otherwise necessary or useful to the economic development and redevelopment of the city in this regard. It is also in the public interest to establish a special temporary fund for the use of existing moneys of the authority for the provision of financial assistance to

casino licensees to construct, reconstruct or rehabilitate hotel rooms in Atlantic City.

The Legislature declares that it is the public purpose of this amendatory act, P.L.1996, c.118 (C.5:12-173.3a et al.), that financial assistance to casino licensees to construct, reconstruct or rehabilitate hotel rooms in Atlantic City shall be determined after excluding costs reasonably related to space used for the conduct of casino gaming. It was, and continues to be, the public purpose of P.L.1993, c.159 (C.5:12-173.1 et seq.) that financial assistance may be provided to a project which includes, incorporates, facilitates or supports space used for the conduct of casino gaming in a casino hotel facility, but only for costs reasonably related to hotel rooms and their appurtenant facilities in the project.

2. Section 8 of P.L.1993, c.159 (C.5:12-173.8) is amended to read as follows:

C.5:12-173.8 Moneys set aside for hotel development projects.

8. a. From the moneys made available to the Casino Reinvestment Development Authority pursuant to section 3 of P.L.1984, c.218 (C.5:12-144.1), the authority shall, in such manner as it may reasonably determine, set aside $100,000,000 for investment on hotel development projects in Atlantic City undertaken by a casino licensee under the "Casino Control Act," P.L.1977, c.110 (C.5:12-1 et seq.), operating an approved hotel on the effective date of this amendatory and supplementary act, P.L.1993, c.159 (C.5:12-173.1 et al.), which result in the construction, reconstruction or rehabilitation of at least 200 hotel rooms in the City of Atlantic City. The authority shall, by regulation, adopt standards for determining the extent of construction, reconstruction or rehabilitation of hotel rooms or appurtenant facilities required in order to qualify for authority investment, which standards shall require at least that the hotel rooms be operated as part of a licensed casino facility or be first class hotel rooms located and operated in a manner consistent with an authority approved project. The authority shall require as a condition for authority investment that the hotel rooms be subject to an agreement with the authority that requires the rooms to be reserved, at certain times and under certain conditions agreeable to the authority, for convention business in connection with an authority approved project. A hotel development project may qualify for authority investment notwithstanding that it includes, incorporates, facilitates or supports an expansion of space used for the conduct of casino gaming in a casino hotel facility operated by a casino licensee. Any casino licensee which undertook a hotel development project that was approved by the authority prior to the effective date of this amendatory act,

P.L.1996, c.118 (C.5:12-173.3a et al.), for an investment out of moneys set aside pursuant to this subsection a., but which investment has not been received by the casino licensee as a result of the inclusion in the project of space for use for the conduct of casino gaming, shall be entitled pursuant to this subsection a. to receive the investment previously approved by the authority. The provisions of section 30 of P.L.1984, c.218 (C.5:12-178) shall not apply to investments made out of the moneys so set aside.

The authority shall determine the amount each casino licensee shall be eligible to receive out of the moneys so set aside. The form, amount and terms of the investment made by the authority shall be determined by the authority, but the maximum amount of the investment shall not exceed the lesser of the amount which the casino licensee applying therefor is eligible to receive, or the amount equal to 27% of the costs reasonably related to constructing, reconstructing or rehabilitating the hotel rooms or appurtenant facilities in the project excluding costs reasonably related to space used for the conduct of casino gaming.

For the purposes of determining each casino licensee's eligibility for authority investments from the moneys so set aside, the authority may by resolution permit the transfer of obligation to make payment under section 3 of P.L.1984, c.218 (C.5:12-144.1) to any other casino licensee which has received approval for investment in a project to construct, reconstruct or rehabilitate hotel rooms.

In approving a hotel development project, the authority shall establish a schedule for investments to be made by the authority as progressive stages of construction, reconstruction or rehabilitation are accomplished. Any moneys remaining in the special fund thereafter shall be available for investment in otherwise eligible projects of the authority.

b. From the moneys made available to the Casino Reinvestment Development Authority pursuant to section 3 of P.L.1984, c.218 (C.5:12-144.1), the authority shall, in such manner as it may reasonably determine, set aside $75,000,000 for investment on hotel development projects in Atlantic City, which shall be in addition to the moneys set aside pursuant to subsection a. of this section. Any moneys set aside pursuant to that subsection a. which are not invested by the authority as the result of the failure of a casino licensee to comply with requirements, regulations, conditions or determinations made under that subsection a. shall be available for authority investment pursuant to this subsection b. Authority investments under this subsection b. shall be subject to the requirements, regulations, conditions and determinations of that subsection a., except as follows:

(1) The authority may provide an additional investment amount to a casino licensee which has had a hotel development project approved prior to the effective date of this amendatory act, P.L.1996, c.118 (C.5:12-173.3a

et al.), but which the authority has approved for an amount out of the moneys set aside pursuant to that subsection a. that is less than the maximum amount of investment for the approved project because sufficient investment funds were not available to fund all projects approved under that subsection a. at the maximum amount of investment. The additional investment may be made only as the result of an application made to the authority on or before April 1, 1996. The additional investment amount shall not be greater than the difference between the maximum amount of investment for the approved project under that subsection a. and the amount which the authority actually approved for the project. The authority may provide an additional investment amount pursuant to this paragraph (1) only for those previously approved hotel development projects for which construction, reconstruction or rehabilitation has actually and substantially commenced on or before August 31, 1996.

(2) Thereafter, any casino licensee may be eligible to receive an investment out of moneys set aside pursuant to this subsection b.; provided, that the casino licensee shall apply for approval of a hotel development project by the authority within 90 days following the effective date of this amendatory act. The authority shall require as a condition for authority investment under this paragraph that construction, reconstruction or rehabilitation of the hotel development project actually and substantially commence within 12 months after the date upon which the authority and the casino licensee enter into a hotel room credit agreement.

3. Section 3 of P.L.1984, c.218 (C.5:12-144.1) is amended to read as follows:

C.5:12-144.1 Imposition of investment alternative tax.

3. a. (1) Commencing with the first annual tax return of a licensee for any calendar year beginning after December 31, 1983, there is imposed an investment alternative tax on the gross revenues as defined in section 24 of P.L.1977, c.110 (C.5:12-24) of the licensee in the amount of 2.5% of those gross revenues. The tax imposed with respect to each calendar year shall be due and payable on the last day of April next following the end of the calendar year. The State Treasurer shall have a lien against the property constituting the casino of a licensee for the amount of any tax not paid when due. No tax shall be imposed, however, on the gross revenues received by a licensee during the first 12 months of the operation of any casino that commences operation after January 1, 1984, but prior to the effective date of this act, P.L.1996, c.118 (C.5:12-173.3a et al.).

(2) A licensee shall pay to the State Treasurer on or before the 15th day of the first, fourth, seventh, and 10th months of each year as partial payment

of the investment alternative tax imposed pursuant to paragraph (1) of this subsection an amount equal to 1.25% of the estimated gross revenues for the three-month period immediately preceding the first day of those months. The moneys received shall be placed in an escrow account and shall be held until the licensee directs that the moneys be transferred to the Casino Reinvestment Development Authority for the purchase of bonds issued by or offered through the Casino Reinvestment Development Authority or pursuant to a contract for such a purchase, be made available to the licensee for a direct investment approved by the authority, or be transferred to the Casino Revenue Fund as partial payment of the investment alternative tax imposed pursuant to paragraph (1) of this subsection. Any interest derived from the moneys in the escrow account shall be paid or made available to the Casino Revenue Fund. If a licensee fails to pay the amount due or underpays by an unjustifiable amount, the Casino Control Commission shall impose a fine of 5% of the amount due or of the underpayment, as the case may be, for each month or portion thereof the licensee is in default of payment, up to 25% of the amount in default. Any fine imposed shall be paid to the Casino Reinvestment Development Authority and shall be used for the purposes of this 1984 amendatory and supplementary act.

b. Each licensee shall be entitled to an investment tax credit against the tax imposed by subsection a. of this section, provided the licensee shall pay over the moneys required pursuant to section 5 of P.L.1993, c.159 (C.5:12-173.5): (1) for the first 10 years of a licensee's tax obligation, in an amount equal to twice the purchase price of bonds issued by the Casino Reinvestment Development Authority pursuant to sections 14 and 15 of this 1984 amendatory and supplementary act, purchased by the licensee, or twice the amount of the investments authorized in lieu thereof, and (2) for the remainder of a licensee's tax obligation, in an amount equal to twice the purchase price of bonds issued by the Casino Reinvestment Development Authority pursuant to sections 14 and 15 of this 1984 amendatory and supplementary act, purchased by the licensee, or twice the amount of the investments authorized in lieu thereof, and twice the amount of investments made by a licensee in other approved eligible investments made pursuant to section 25 of this act. The Casino Reinvestment Development Authority shall have the power to enter into a contract or contracts with a licensee pursuant to which the Casino Reinvestment Development Authority agrees to issue and sell bonds to the licensee, and the licensee agrees to purchase the bonds issued by or offered through the Casino Reinvestment Development Authority, in annual purchase price amounts as will constitute a credit against at least 50% of the tax to become due in any future year or years. The contract may contain those terms and conditions relating to the terms of the bonds and to the issuance and sale of the bonds to the licensee as the

Casino Reinvestment Development Authority shall deem necessary or desirable. The contract shall not be deemed to be in violation of section 104 of P.L.1977, c.110 (C.5:12-104). After the first 10 years of a licensee's investment alternative tax obligation, a licensee will have the option of entering into a contract with the Casino Reinvestment Development Authority to have its tax credit comprised of direct investments in approved eligible projects. These direct investments shall not comprise more than 50% of a licensee's eligible tax credit in any one year.

The entering of a contract pursuant to this section shall be sufficient to entitle a licensee to an investment tax credit for the appropriate tax year.

c. A contract entered into between a licensee and the Casino Reinvestment Development Authority may provide for a deferral of payment for and delivery of bonds required to be purchased and for a deferral from making approved eligible investments in any year, but no deferral shall occur more than two years consecutively. A deferral of payment for any bonds required to be purchased by a licensee and a deferral from making approved eligible investments may be granted by the Casino Reinvestment Development Authority only upon a determination by the Casino Control Commission that purchase of these bonds or making approved eligible investments would cause extreme financial hardship to the licensee and a determination by the Casino Reinvestment Development Authority that the deferral of the payment would not violate any covenant or agreement or impair any financial obligation of the Casino Reinvestment Development Authority. The contract may establish a late payment charge to be paid in the event of deferral or other late payment at a rate as shall be agreed to by the Casino Reinvestment Development Authority. If a deferral of purchase or investment is granted, the licensee shall be deemed to have made the purchase or investment at the time required by the contract, except that if the purchase is not made at the time to which the purchase or investment was deferred, then the licensee shall be deemed not to have made the purchase or investment. The Casino Control Commission shall adopt regulations establishing a uniform definition of extreme financial hardship applicable to all these contracts. If a licensee petitions the Casino Reinvestment Development Authority for a deferral, the Casino Reinvestment Development Authority shall give notice of that petition to the Casino Control Commission and to the Division of Gaming Enforcement within three days of the filing of the petition. The Casino Control Commission shall render a decision within 60 days of notice as to whether the licensee has established extreme financial hardship, after consultation with the Division of Gaming Enforcement. The Casino Reinvestment Development Authority shall render a decision as to the availability of the deferral within 10 days of the receipt by it of the decision of the Casino Control Commission and shall notify the

Division of Gaming Enforcement and the Casino Control Commission of that decision. If a deferral is granted, the Casino Reinvestment Development Authority may determine whether the purchases or investments shall be made in a lump sum, made over a period of years, or whether the period of obligation shall be extended an additional period of time equivalent to the period of time deferred.

d. The license of any licensee which has defaulted in its obligation to make any purchase of bonds or investment in any approved eligible project under a contract entered into pursuant to subsection b. of this section for a period of 90 days may be suspended by the Casino Control Commission until that purchase is made or deferred in accordance with subsection b. of this section, or a fine or other penalty may be imposed upon the licensee by the commission. If the Casino Control Commission elects not to suspend the license of a licensee after the licensee has first defaulted in its obligation but instead imposes some lesser penalty and the licensee continues to be in default of its obligation after a period of 30 additional days and after any additional 30-day period, the commission may impose another fine or penalty upon the licensee, which may include suspension of that licensee's license. The fine shall be 5% of the amount of the obligation owed for each month or portion thereof a licensee is in default, up to 25% of that obligation; shall be paid to the Casino Reinvestment Development Authority; and shall be used for the purposes of this 1984 amendatory and supplementary act.

e. A contract entered into by a licensee and the Casino Reinvestment Development Authority pursuant to subsection b. of this section may provide that after the first 10 years of a licensee's investment alternative tax obligation imposed by subsection a. of this section, the Casino Reinvestment Development Authority may repurchase bonds previously sold to the licensee, which were issued after the 10th year of a licensee's investment alternative tax obligation, by the Casino Reinvestment Development Authority, if the Casino Reinvestment Development Authority determines that the repurchase will not violate any agreement or covenant or impair any financial obligation of the Casino Reinvestment Development Authority and that the licensee will reinvest the proceeds of the resale in an eligible project approved by the Casino Reinvestment Development Authority.

f. (1) During the 30 years a licensee is obligated to pay an investment alternative tax pursuant to subsection k. of this section, the total of (a) the proceeds of all bonds purchased by a licensee from or through the Casino Reinvestment Development Authority and (b) all approved investments in eligible projects by a licensee shall be devoted to the financing of projects in the following areas and amounts:

Areas	Yrs. 1-3	Yrs. 4-5	Yrs. 6-10	Yrs. 11-15	Yrs. 16-20	Yrs. 21-25	Yrs. 26-30
a) Atlantic City	100%	90%	80%	50%	30%	20%	
b) South Jersey		8%	12%	28%	43%	45%	
c) North Jersey		2%	8%	22%	27%	35%	35%
d) Atlantic City through the Atlantic City Fund							65%,

except that, with respect to the obligations for calendar years 1994 through 1998, the amount allocated for the financing of projects in North Jersey from each casino licensee's obligation shall be the amount allocated for calendar year 1993, and the difference between that amount and the amount to be allocated to North Jersey, on the basis of the above schedule, from each casino licensee's obligations for calendar years 1994 through 1998 shall be paid into or credited to the Atlantic City Fund established by section 44 of P.L.1995, c.18 (C.5:12-161.1) and be devoted to the financing of projects in Atlantic City through that fund. For the purposes of this paragraph, "South Jersey" means the counties of Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer, Ocean, and Salem; and "North Jersey" means the remaining 12 counties of the State. For the purposes of this 1984 amendatory and supplementary act, bond "proceeds" means all funds received from the sale of bonds and any funds generated or derived therefrom.

In the financing of projects outside Atlantic City, the Casino Reinvestment Development Authority shall give priority to the revitalization of the urban areas of this State in the ways specified in section 12 of this 1984 amendatory and supplementary act. Those areas shall include, but not be limited to, all municipalities qualifying for aid pursuant to P.L.1978, c.14 (C.52:27D-178 et seq.).

Within nine months from the effective date of this 1984 amendatory and supplementary act, the Casino Reinvestment Development Authority shall determine the allocation of projected available moneys to municipalities in South Jersey for the first seven years of their receipt of funds, giving priority to the revitalization of the urban areas of the region. Municipalities receiving such an allocation shall present to the Casino Reinvestment Development Authority for its approval comprehensive plans or projects for which the allocations shall be used. Any such comprehensive plan or project may be submitted to the Casino Reinvestment Development Authority for a determination of eligibility at any time prior to the year for which the funds are allocated, and the Casino Reinvestment Development Authority shall make a determination of eligibility of the plan or project within a reasonable amount of time. If the Casino Reinvestment Development Authority makes

a positive determination of eligibility for any comprehensive plan or project, or combination of comprehensive plans or projects, for any municipality whose total cost exceeds the amount allocated to that municipality for the first seven years of the receipt of funds by South Jersey municipalities, the Casino Reinvestment Development Authority shall make available sufficient funds in subsequent years necessary to complete those plans or projects, or to complete that portion of the plan or project originally agreed to be funded through the Casino Reinvestment Development Authority, from funds received by the Casino Reinvestment Development Authority in the years following the seventh year of the receipt of funds by South Jersey municipalities. If the comprehensive plan or project is determined by the Casino Reinvestment Development Authority not to be an eligible plan or project, the municipality may submit any other comprehensive plan or project for a determination of eligibility. If, however, the municipality fails to receive a positive determination of eligibility for any comprehensive plan or project, or combination of comprehensive plans or projects, sufficient to exhaust the total allocation to that municipality for any year prior to April 30 of the following year for which the allocation was made, the allocation to that municipality for that year shall cease, and the Casino Reinvestment Development Authority may apply those excess funds to any other comprehensive plan or project in any other municipality in the region whose comprehensive plan or project has received a positive determination of eligibility by the Casino Reinvestment Development Authority.

Within 36 months from the effective date of this 1984 amendatory and supplementary act, the Casino Reinvestment Development Authority shall determine the allocation of projected available moneys to municipalities in North Jersey for the first five years of their receipt of funds, giving priority to the revitalization of the urban areas of the region. Municipalities receiving such an allocation shall present to the Casino Reinvestment Development Authority for its approval comprehensive plans or projects for which the allocations shall be used. Any such comprehensive plan or project may be submitted to the Casino Reinvestment Development Authority for a determination of eligibility at any time prior to the year for which the funds are allocated, and the Casino Reinvestment Development Authority shall make a determination of eligibility of the plan or project within a reasonable amount of time. If the Casino Reinvestment Development Authority makes a positive determination of eligibility for any comprehensive plan or project, or combination of comprehensive plans or projects, for any municipality whose total cost exceeds the amount allocated to that municipality for the first five years of the receipt of funds by North Jersey municipalities, the Casino Reinvestment Development Authority shall make available sufficient funds in subsequent years necessary to complete those plans or projects, or

to complete that portion of the plan or project originally agreed to be funded through the Casino Reinvestment Development Authority, from funds received by the Casino Reinvestment Development Authority in the years following the fifth year of the receipt of funds by North Jersey municipalities. If the comprehensive plan or project is determined by the Casino Reinvestment Development Authority not to be an eligible plan or project, the municipality may submit any other comprehensive plan or project for a determination of eligibility. If, however, the municipality fails to receive a positive determination of eligibility for any comprehensive plan or project, or combination of comprehensive plans or projects, sufficient to exhaust the total allocation to that municipality for any year prior to April 30 of the following year for which the allocation was made, the allocation to that municipality for that year shall cease, and the Casino Reinvestment Development Authority may apply those excess funds to any other comprehensive plan or project in any other municipality in the region whose comprehensive plan or project has received a positive determination of eligibility by the Casino Reinvestment Development Authority.

(2) Commencing with the first year in which a licensee incurs a tax obligation pursuant to this section, and for the period of two years thereafter, 100% of the proceeds of all bonds purchased by a licensee from the Casino Reinvestment Development Authority which are devoted to the financing of projects in the city of Atlantic City pursuant to paragraph (1) of this subsection shall be used exclusively to finance the rehabilitation, development, or construction of, or to provide mortgage financing of, housing facilities in the city of Atlantic City for persons or families of low through middle income, as defined in this subsection. For the purposes of this subsection, the "rehabilitation, development, or construction of housing facilities" shall include expenses attributable to site preparation, infrastructure needs and housing-related community facilities and services, including supporting commercial development. Commencing with the fourth year in which a licensee incurs a tax obligation pursuant to this subsection, 50% of the proceeds of all bonds purchased by a licensee from the Casino Reinvestment Development Authority which are devoted to the financing of projects in the city of Atlantic City shall be used exclusively to finance the rehabilitation, development, or construction of housing facilities in the city of Atlantic City for persons or families of low through middle income. Commencing with the 11th year in which a licensee incurs a tax obligation pursuant to this section, 50% of the annual aggregate of the proceeds of bonds purchased by a licensee from the Casino Reinvestment Development Authority which are devoted to the financing of projects in the city of Atlantic City and investments in approved eligible projects commenced by a licensee in the city of Atlantic City shall be used exclusively to finance the rehabilitation,

development, or construction of, or to provide mortgage financing of, housing facilities in the city of Atlantic City for persons or families of low through middle income.

(3) The Legislature finds that it is necessary to provide for a balanced community and develop a comprehensive housing program. The Casino Reinvestment Development Authority shall determine the need for housing in the city of Atlantic City, in consultation with the city of Atlantic City and specifically its zoning and planning boards. This shall include determining the types and classes of housing to be constructed and the number of units of each type and class of housing to be built. The Casino Reinvestment Development Authority shall give priority to the housing needs of the persons and their families residing in the city of Atlantic City in 1983 and continuing such residency through the effective date of this 1984 amendatory and supplementary act. The actual percentage of the proceeds of bonds and investments in approved eligible projects commenced by a licensee in the city of Atlantic City, which shall be used exclusively to finance the rehabilitation, development, or construction of, or to provide mortgage financing of, housing facilities in the city of Atlantic City for persons or families of low through middle income, shall be based upon the authority's determination of the need for housing in the city of Atlantic City conducted pursuant to this subsection. Once the housing needs of the persons residing in the city of Atlantic City in 1983 and continuing such residency through the effective date of this 1984 amendatory and supplementary act have been met, as determined by the Casino Reinvestment Development Authority pursuant to this subsection, any required percentages for such housing in the city of Atlantic City may, in its sole discretion, be waived by the Casino Reinvestment Development Authority. To aid the Casino Reinvestment Development Authority in making these determinations, the Casino Reinvestment Development Authority shall review the proposal for a housing redevelopment program and strategy for the city of Atlantic City approved and adopted by the Casino Control Commission and shall give priority to same and any other plan or project which is consistent with the standards of this subsection and is acceptable to the Casino Reinvestment Development Authority, pursuant to section 25 of this 1984 amendatory and supplementary act. The Casino Reinvestment Development Authority may determine whether the funds used to finance housing facilities in the city of Atlantic City for persons or families of low, moderate, median range, and middle income are derived from the proceeds of bonds purchased by a licensee from the Casino Reinvestment Development Authority to be devoted to the financing of projects in the city of Atlantic City, investments in approved eligible projects commenced by a licensee in the city of Atlantic City, or a combination of both. Any investment made by a licensee in excess

of 100% of its eligible investment tax credit during the first three years and in excess of 50% thereafter in either the purchase of bonds or direct investments in approved eligible projects for low, moderate, median range, and middle income family housing facilities in the city of Atlantic City may be carried forward and credited against the licensee's obligation to make a 100% investment during the first three years and 50% thereafter in low, moderate, median range, and middle income family housing in any future year, with the approval of the Casino Reinvestment Development Authority. For the purposes of this act, "low income families" means families whose income does not exceed 50% of the median income of the area, with adjustments for smaller and larger families. "Moderate income families" means families whose income does not exceed 80% and is not less than 50% of the median income for the area, with adjustments for smaller and larger families. "Median range income families" means families whose income does not exceed 120% and is not less than 80% of the median income for the area, with adjustments for smaller and larger families. "Middle income families" means families whose income does not exceed 150% and not less than 120% of the median income for the area, with adjustments for smaller and larger families. "Median income" means an income defined as median within the Standard Metropolitan Statistical Area for Atlantic City by the United States Department of Housing and Urban Development.

In order to achieve a balanced community, the authority shall ensure that the development of housing for families of low and moderate income shall proceed at the same time as housing for families of median range and middle income, until such time as there is no longer a need for such facilities in the city of Atlantic City, as determined by the Casino Reinvestment Development Authority.

(4) Notwithstanding any other law or section to the contrary, particularly this subsection regarding the waiver of the required percentages for housing in the city of Atlantic City, subsection i. of section 14, and sections 26, 27, 28, 29, and 31 of this 1984 amendatory and supplementary act, nothing shall be implemented or waived by the Casino Reinvestment Development Authority which would reduce, impair, or prevent the fulfillment of the priorities established and contained in this subsection of this 1984 amendatory and supplementary act.

g. If a person is a licensee with regard to more than one approved hotel pursuant to section 82 of P.L.1977, c.110 (C.5:12-82), the person shall separately account for the gross revenues, the investment alternative tax obligations, and the investments for a tax credit against the investment alternative tax for each approved hotel, and the tax obligations of the licensee under this section shall be determined separately for each approved hotel. The licensee may apportion investments between its approved hotels;

provided that no amount of investment shall be credited more than once. If a licensee receives the prior approval of the Casino Reinvestment Development Authority, the licensee may make eligible investments in excess of the investments necessary to receive a tax credit against the investment alternative tax for a given calendar year, and the licensee may carry forward this excess investment and have it credited to its next investment alternative tax obligation. If the Casino Reinvestment Development Authority approves of such excess investment and approves the carry forward of this excess investment, and a licensee elects to purchase bonds of the Casino Reinvestment Development Authority or makes direct investments in approved eligible projects in excess of the investments necessary to receive a tax credit against the investment alternative tax for its current obligation, the licensee shall be entitled to a reduction of the amount of investments necessary in future years, which amount shall be determined annually by the Casino Reinvestment Development Authority, taking into account a current market discount rate from the date of the purchase or investment to the date the purchase or investment would have been required to be made.

h. Each casino licensee shall prepare and file, in a form prescribed by the Casino Reinvestment Development Authority, an annual return reporting that financial information as shall be deemed necessary by the Casino Reinvestment Development Authority to carry out the provisions of this act. This return shall be filed with the Casino Reinvestment Development Authority and the Casino Control Commission on or before April 30 following the calendar year on which the return is based. The Casino Control Commission shall verify to the Casino Reinvestment Development Authority the information contained in the report, to the fullest extent possible. Nothing in this subsection shall be deemed to affect the due dates for making any investment or paying any tax under this section.

i. Any purchase by a licensee of bonds issued by or offered through the Casino Reinvestment Development Authority pursuant to sections 14 and 15 of this act and subsection b. of this section and all approved eligible investments made by a licensee pursuant to section 25 of this act and subsection b. of this section are to be considered investments and not taxes owed or grants to the State or any political subdivision thereof. As such, a licensee shall have the possibility of the return of principal and a return on the capital invested as with other investments. Investors in the bonds issued by or offered through the Casino Reinvestment Development Authority shall be provided with an opinion from a recognized financial rating agency or a financial advisory firm with national standing that each loan of bond proceeds by the Casino Reinvestment Development Authority has the minimum characteristics of an investment, in that a degree of assurance exists that interest and principal payments can be made and other terms of

the proposed investment be maintained over the period of the investment, and that the loan of the bond proceeds would qualify for a bond rating of "C" or better. If an opinion cannot be obtained from a recognized financial rating agency or a financial advisory firm with national standing, an opinion shall be obtained from an expert financial analyst with national standing, selected and hired by the Casino Reinvestment Development Authority. In order to achieve a balanced portfolio, assure the viability of the authority and the projects, facilities and programs undertaken pursuant to this 1984 amendatory and supplementary act, no more than 25% of the total investments made by or through the Casino Reinvestment Development Authority with the proceeds of bonds generated in each year shall be investments which would qualify for a bond rating of "C," unless all holders of obligations in each year agree to waive the 25% limit for that year. Nothing herein shall be interpreted as limiting the Casino Reinvestment Development Authority from taking any steps it deems appropriate to protect the characteristics of its investment in projects or any other investments from not being real investments with a prospect for the return of principal and a return on the capital invested. Anything contained in this section shall not be considered a guarantee by the State or any political subdivision thereof of any return of principal or interest, but any purchase by a licensee of bonds or approved eligible investments made by a licensee pursuant to this act shall be at the risk of the licensee. A licensee or the licensees purchasing an issue of bonds issued by the Casino Reinvestment Development Authority in any given year may arrange, at their option, for those bonds or the investments, made by or through the Casino Reinvestment Development Authority with the proceeds of those bonds, to be insured. The cost of any such insurance purchased by a licensee or licensees shall be paid by the licensee or licensees desiring such insurance.

j. The Casino Reinvestment Development Authority shall promulgate rules and regulations deemed necessary to carry out the purposes of this section.

k. The obligation of a licensee to pay an investment alternative tax pursuant to subsection a. of this section shall end for each licensed facility operated by the licensee 30 years after any investment alternative tax obligation is first incurred in connection with each licensed facility operated by the licensee, unless extended in connection with a deferral granted by the Casino Reinvestment Development Authority pursuant to subsection c. of this section.

4. Section 5 of P.L.1984, c.218 (C.5:12-153) is amended to read as follows:

C.5:12-153 Casino Reinvestment Development Authority.

5. a. There is established in, but not of, the Department of the Treasury a Casino Reinvestment Development Authority to consist of the following members:

(1) Six members appointed by the Governor with the advice and consent of the Senate for terms of four years, except that of the initial members to be appointed pursuant to this 1991 amendatory act, P.L.1991, c.219, one shall be appointed for a term of two years and one for a term of four years;

(2) One member appointed by the Governor upon the recommendation of the President of the Senate for a term of four years, except that the initial member to be appointed shall be appointed for a term of three years;

(3) One member appointed by the Governor upon the recommendation of the Speaker of the General Assembly for a term of four years, except that the initial member to be appointed shall be appointed for a term of one year;

(4) A member of the Casino Control Commission, who shall be appointed by the Governor and shall be a voting member of the authority;

(5) The mayor of Atlantic City, ex officio and voting;

(6) The Attorney General and the State Treasurer, ex officio and voting;

(7) Two casino industry representatives, both of whom shall be voting members, appointed by the Governor for terms of two years, except that of the initial appointees, one shall serve for a term of one year and one for a term of two years. No person shall be reappointed to succeed himself as a casino industry representative member, and no person appointed shall be an employee, officer or agent of the same casino licensee as the person whom he succeeds as a casino industry representative member; and

(8) One member appointed by the Governor to serve ex officio as a voting member, who shall be either the Commissioner of the Department of Commerce and Economic Development or the Commissioner of the Department of Community Affairs, or the Governor may appoint, in lieu thereof, an additional member of the Casino Control Commission as a voting member.

No more than four of the voting members appointed by the Governor pursuant to paragraph (1) of this subsection shall be of the same political party.

In the appointment of members of the authority, consideration should be given to achieving a membership of high quality and varied experience, with special emphasis on the fields of banking, finance, investment, and housing and urban development.

b. Each member appointed by the Governor shall hold office for the term of his appointment and until his successor shall have been appointed and qualified. A member shall be eligible for reappointment. Any vacancy in

the membership occurring other than by expiration of term shall be filled in the same manner as the original appointment but for the unexpired term only.

c. The member or members of the Casino Control Commission appointed by the Governor shall serve as a member or members of the Casino Reinvestment Development Authority at the pleasure of the Governor, subject to the limitations in subsections c., f., and h. of section 52 of P.L.1977, c.110 (C.5:12-52). Such a member may be removed or suspended from office as a member of the Casino Reinvestment Development Authority as provided in section 6 of this act. Any removal or suspension from office of a member of the Casino Control Commission from the Casino Reinvestment Development Authority shall not affect his office held as a member of the Casino Control Commission. Removal from office as a member of the Casino Control Commission may only be done in accordance with subsection g. of section 52 of P.L.1977, c.110 (C.5:12-52).

5. Section 7 of P.L.1984, c.218 (C.5:12-155) is amended to read as follows:

C.5:12-155 Officers; quorum.

7. The Governor shall designate from among the appointed and voting public members, a chairman and a vice chairman of the Casino Reinvestment Development Authority, who shall serve in those capacities at the pleasure of the Governor. The powers of the Casino Reinvestment Development Authority shall be vested in the members thereof in office from time to time and eight voting members of the Casino Reinvestment Development Authority shall constitute a quorum at any meeting thereof. Action may be taken by motions and resolutions adopted by the Casino Reinvestment Development Authority at any meeting thereof by the affirmative vote of at least eight members of the Casino Reinvestment Development Authority. No vacancy in the membership of the Casino Reinvestment Development Authority shall impair the right of a quorum of the members to exercise all the powers and perform all the duties of the Casino Reinvestment Development Authority.

6. Section 9 of P.L.1984, c.218 (C.5:12-157) is amended to read as follows:

C.5:12-157 Designation of representatives to attend meetings.

9. The Attorney General and the State Treasurer, and, where appropriate, the Commissioner of the Department of Commerce and Economic Development or the Commissioner of the Department of Community Affairs, may designate an officer or employee of their respective depart-

ments and the Casino Control Commission member or members on the Casino Reinvestment Development Authority may designate another commissioner or employee of the commission to represent them at meetings of the Casino Reinvestment Development Authority, and each designee may lawfully vote and otherwise act on behalf of the member for whom he constitutes the designee. Any designation shall be in writing delivered to the Casino Reinvestment Development Authority and shall continue in effect until revoked or amended by writing delivered to the Casino Reinvestment Development Authority.

C.5:12-173.3a Covenant by State with bond holders as to casino parking fee.

7. The State of New Jersey hereby covenants with the purchasers, holders and owners, from time to time, of any bonds secured by funds derived from fees imposed for the use of casino parking spaces pursuant to section 3 of P.L.1993, c.159 (C.5:12-173.3) that it shall not repeal or reduce the fee so imposed under that act, while bonds entitled to benefits from the fee so imposed are outstanding, and shall not modify or amend the provisions of that act so as to create any lien or charge on, or any pledge, assignment, diversion, withholding payment or other use of or deduction from the fee so imposed which is prior in time or superior in right to any payments required to be made pursuant to any bond covenants entered into with the purchasers, holders and owners of the bonds so secured.

8. This act shall take effect immediately.

Approved September 16, 1996.

CHAPTER 119

AN ACT concerning farm vehicles and amending R.S.39:3-24 and 39:3-25.

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

1. R.S.39:3-24 is amended to read as follows:

Farm tractors, traction equipment; registration; operation; fee.

39:3-24. (a) The director shall register farm tractors and traction equipment used for farm operation to travel upon the public highways. The fee for such registration shall be $5 per annum, whether the registration is issued for the yearly period or only a portion thereof. Such traction

equipment or farm tractors may draw farm machinery and implements while in transit from one farm to another without additional registration therefor.

(b) The director may register motor vehicles, not for hire, used exclusively as farm machinery or farm implements, to travel upon the public highways, from one farm, or portion thereof, to another farm, or portion thereof, both owned or managed by the registered owner of the vehicle or vehicles. The fee for such registration shall be $5 per annum, whether the registration is issued for a yearly period or only a portion thereof. Any vehicle so registered and any truck registered pursuant to the provisions of 39:3-25 of this Title may draw not more than one vehicle used exclusively on the farm and a vehicle so drawn need not be registered. A vehicle registered pursuant to this section or to R.S.39:3-25 may be used under contract with a municipality to remove snow upon a public highway.

(c) No vehicle registered pursuant to this section shall be operated on a public highway at any time from sunset to sunrise, except a vehicle being operated under contract with a municipality to remove snow. Every such vehicle when operated on a public highway shall have means adequate to control the movement of and to stop and hold such vehicle on any up or down grade and shall be operated in accordance with uniform rules and regulations prescribed by the Director of the Division of Motor Vehicles. Such rules and regulations shall specify the coverings that may be used on the wheels of such vehicles, the days, hours and conditions under which such vehicles can be operated, the circumstance under which escort vehicles shall be required, the distance that may be traveled upon the public highways and such vehicle equipment or other requirements or restrictions as may be necessary to protect the safety of the users of the public highways.

Motor vehicles, not for hire, which are used exclusively as farm tractors, traction equipment, farm machinery or farm implements which cannot be operated at a speed in excess of 20 miles per hour shall not be required to be registered under this section.

2. R.S.39:3-25 is amended to read as follows:

"Farmer" license plate, issuance, fee, expiration.

39:3-25. In addition to the motor vehicle licenses authorized to be issued pursuant to the provisions of this chapter, the director shall issue, upon application therefor, a license plate for trucks marked "farmer," which shall be issued upon evidence satisfactory to the director that the applicant is a farmer and is actually engaged in the growing, raising and producing of farm products as an occupation. License plates issued under authority of this section shall be placed upon motor trucks engaged exclusively in the carrying or transportation of applicant's farm products, raised or produced

on his farm, and farm supplies, and not engaged in hauling for hire, except for a truck being operated under contract with a municipality to remove snow.

Applicants for license plates herein authorized shall pay a registration fee of $25 plus $4.25 for each 1,000 pounds or portion thereof in excess of 5,000 pounds. If the registration cycle established by the director is for more or less than 11 months, applicants shall pay amounts proportionately less or greater than the fees established by law.

Except as otherwise provided in this section, every registration for a farm truck shall expire and the certificate thereof shall become void on the last day of the eleventh calendar month following the month in which the certificate was issued; except that the director may require registrations which shall expire, and issue certificates thereof which shall become void, on a date fixed by the director, which shall not be sooner than three months or later than 26 months after the date of issuance of such certificates, and the fees for such registrations, including any other fees or charges collected in connection with the registration fee, shall be fixed by the director in amounts proportionately less or greater than the fees established by law. The director may fix the expiration date for registration certificates at a date other than 11 months if the director determines that such change is necessary, appropriate or convenient in order to aid in implementing the vehicle inspection requirements of chapter 8 of Title 39 or for other good cause.

The term "farmer" as used in this section means any person engaged in the commercial raising, growing and producing of farm products on a farm not less than five acres in area, and who does not engage in the business of buying farm products for resale; and the term "farm products" means any crop, livestock or fur products.

3. This act shall take effect immediately.

Approved October 30, 1996.

CHAPTER 120

AN ACT concerning the membership of the district boards of election and amending various parts of the statutory law.

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

1. Section 3 of P.L.1976, c.83 (C.19:4-12) is amended to read as follows:

C.19:4-12 Allotment of voting machines, devices; appointment of additional members of district board.

3. Each district in which two voting machines or five electronic system voting devices are to be used shall contain, as nearly as is practicable, 1,000 voters, and each district in which three voting machines or eight electronic system voting devices are to be used shall contain, as nearly as is practicable, 1,500 voters.

Nothing herein shall prevent any election district from containing fewer voters than prescribed above, if necessary for the convenience of the voters.

In a district where more than two voting machines or five electronic system voting devices are to be used, two additional members of the district board, who shall not be members of the same political party, shall be appointed for each additional voting machine or system.

2. R.S.19:6-2 is amended to read as follows:

Application for membership on district board; qualifications.

19:6-2. a. Any legal voter (1) who is a member of a political party by virtue of having voted in a party primary or who shall have filed a party declaration form for the ensuing primary election for the general election with the commissioner of the county in which the voter is registered and who, for two years prior to making written application, has not espoused the cause of another political party or its candidates, or (2) who is not affiliated with a political party may make written application for service as a member of a district board of any municipality in the county in which he or she resides on a form to be prepared and furnished for that purpose by such board and signed by him or her and stating thereon, under the applicant's oath, the applicant's name and address and the political party to which he or she belongs or, if the applicant is not affiliated with a political party, the fact that the applicant is not so affiliated, and that the applicant is of good moral character and has not been convicted of any crime involving moral turpitude and possesses the following qualifications, namely: such eyesight as will enable the applicant, with or without eyeglasses, to read nonpareil type; ability to read the English language readily; ability to add and subtract figures correctly; ability to write in a legible hand with reasonable facility; reasonable knowledge of the duties to be performed by the applicant as an election officer under the election laws of this State and such health as will permit the applicant to discharge his or her duties as such election officer.

b. No person shall be precluded from applying to serve as a member of a district board of any municipality for failure to vote in any year such person was ineligible to vote by reason of age or residence.

3. R.S.19:6-3 is amended to read as follows:

Appointment of district board members by county board, Assignment Judge of Superior Court.

19:6-3. a. (1) The county board shall, on or before April 1, appoint the members of the district boards in the manner prescribed by paragraph (2) of this subsection. The members of any district board shall be equally apportioned between the two political parties which at the last preceding general election held for the election of all of the members of the General Assembly cast the largest and next largest number of votes respectively in this State for members of the General Assembly, except that if the county board is unable to fill all of the positions of the members of a particular district board from among qualified members of those two political parties, the county board shall appoint to any such unfilled position an otherwise qualified person who is unaffiliated with any political party, but no such appointment of an unaffiliated person shall be made prior to March 25, and in no event shall more than two such unaffiliated persons serve at the same time on any district board.

(2) In making appointments of members of the several district boards of the county, the county board shall consult with the chairperson of the county committee of each of the two political parties referred to in paragraph (1) of this subsection. On or before March 15 of each year, the county board shall transmit to each of those chairpersons a list of those positions on the membership of the several district boards that are subject to apportionment under that paragraph (1) to the political party of which that chairperson is a member, and to which the county board has been unable to make an appointment from among qualified members of that political party. The county board shall include with each such list a request that the chairperson to whom that list is transmitted return to the board a list of the names of candidates for those unfilled positions. On or before March 25, the county board shall, on the basis of the lists so returned to it, fill as many of the remaining unfilled positions in the membership of the several district boards as possible, and shall assign or reassign appointees as necessary to ensure that the membership of each district board within the county shall include at least one member of each of the two political parties. The county board shall then appoint to any unfilled position on a district board an otherwise qualified person who is unaffiliated with any political party.

b. In case the county board shall neglect, refuse or be unable to appoint and certify the members of the district boards as herein provided, the

Assignment Judge of the Superior Court shall, before April 10 in each year, make such appointments and certifications.

4. R.S.19:6-5 is amended to read as follows:

Removal of district board member; filing of vacancies.

19:6-5. Any member of a district board in an election district may be summarily removed from office, with or without cause, and vacancies filled, at any time by the members of the county board of the county in which such election district is located in the manner hereinafter provided. In the case of a member of the district board who was appointed as a member of a political party, removal shall be made by the members of the county board of that political party, and in the case of a member of the district board unaffiliated with a political party at the time of appointment, removal shall be made by the county board. Upon a removal the members of the county board so acting shall make a certificate of removal and file same with the county board.

The members of the county board removing such election officer shall forthwith proceed to fill the vacancy caused by the removal, and shall issue to the person selected to fill the vacancy a certificate which shall entitle that person to perform all the duties of a member of the district board for such election district.

5. R.S.19:6-10 is amended to read as follows:

Meeting, organization of district board.

19:6-10. Each district board shall, on or before the second Tuesday next preceding the primary election, meet and organize by the election of one of its members as judge, who shall be chairman of the board, and another of its members as inspector. The judge and inspector shall not be members or voters of the same political party. In case of failure to elect a judge as herein provided, after balloting or voting three times, the senior member of the board in respect to length of continuous service as a member of such district board shall become judge, and in case of failure to elect an inspector after balloting or voting three times, the next senior member of the board in respect to length of continuous service as a member of such district board shall become inspector; provided, that both the chairman and the inspector shall not be members or voters of the same political party. The other members of the board shall be clerks of election, and shall perform all the duties required by law of the clerks of district boards.

6. Section 2 of P.L.1944, c.230 (C.19:31A-8) is amended to read as follows:

C.19:31A-8 Signature comparison records; identification statements; disability certificates.

2. Every person qualified to vote in any election shall at any time after the opening of the polls be at liberty to enter the polling place or room and claim his right to vote at such election in his proper district, and he shall claim such right in person before the district board in the district. The board shall permit no person to vote whose name does not appear in the signature copy register of its election district. Each voter in claiming the right to vote shall first give his full name and address to the member of the district board having charge of the duplicate permanent registration binder and voting record and the signature comparison record. Such clerk shall thereupon locate the permanent registration form and voting record and signature comparison record of the voter and shall require the voter to thereupon sign his name in the proper space on his signature comparison record if the voter has previously signed his name on the line marked sample signature. If the voter has not so signed the member of the district board shall require the voter to sign the line marked sample signature and compare the sample signature with the signature made by such person at the time he registered and if satisfied that they were made by one and the same person he shall then permit the voter to sign his name in the proper space on the signature comparison record. The voter shall sign his name without assistance using black ink in the proper column on the signature comparison record. Such signature being completed on the signature comparison record the member of the board having charge of the duplicate permanent registration binder shall audibly and publicly announce the name of the claimant and if the member of the board has ascertained from the duplicate permanent registration binder that the claimant is registered as a qualified voter and upon comparison the member of the board is satisfied that the signature of the claimant and the sample signature on the signature copy register has been made by one and the same person, the member of the board who compared the signature of the voter shall place his initials in the proper column on the signature comparison record signifying that he has made such comparison and is satisfied that the signature of the claimant and sample signature has been made by one and the same person; whereupon the voter shall be eligible to receive a ballot unless it be shown to the satisfaction of a majority of the members of the district board that he is not entitled to vote in the district or has otherwise become disqualified.

In addition to signing the signature comparison record and after the comparison of the signature with the signature in the register, a person offering to vote at a primary election for the general election shall announce his name and the party primary in which he wishes to vote.

After a person has voted, the member of the district board having charge of the signature copy register shall place the number of the person's ballot in the proper column on the record of voting form of such person, which number shall constitute a record that the person has voted. In the case of a primary election for the general election such member of the district board shall also place in the proper column on the record of voting form the first three letters of the name of the political party whose primary ballot such person has voted.

No person shall be required to sign the signature comparison record as a means of identification if he shall have been unable to write his name when he registered, or if, having been able to write his name when registered, he subsequently shall have lost his sight or lost the hand with which he was accustomed to write or shall by reason of disease or accident be unable to write his name when he applies to vote, but each such person who alleges his inability to sign his name on the signature comparison record shall establish his identity as follows: one of the members of the district board shall read the same list of questions to the voter as were required upon registration, such questions shall be provided at each election by the commissioner of registration and are to be known as "identification statements for election day." The member of the board shall write the answers of the voter upon the identification statement. These statements shall be inserted in the front of the duplicate registry binders, at each election, and shall be numbered serially from one to twenty.

Each statement shall contain the same questions as the voter was required to answer upon registration. The questions answered upon registration shall not be turned to or inspected until the answers to the questions shall have been written on election day by the member of the board.

At the end of each list of questions shall be printed the following statement: "I certify that I have read to the above named voter each of the foregoing questions and that I have duly recorded his answers as above to each of said questions"; and the member of the board who has made the above record shall sign his name to such certificate and date the same, and note the time of day of making such record. If the answers to the questions asked of the voter on election day agree with the answers given by him to the same questions at the time he registered, he shall then be eligible to receive a ballot. Any person who shall permit or attempt to furnish the answers on behalf of the voter shall be guilty of a misdemeanor. The commissioner of registration shall furnish sufficient identification statements for each election district in each county. The statements shall be printed on sheets approximately ten by sixteen inches and shall contain a margin of approximately two inches for binding and shall be inserted in the front of the

duplicate registry binders each election and shall be in substantially the following form:

IDENTIFICATION STATEMENT FOR ELECTION DAY, 19

Affidavit Number	Name of Voter	What is, or was your father's full name?	What is, or was your mother's full name?	Are you Married or Single?	Where Did You Actually Reside Prior to Taking Up Your Present Residence? State Floor and Character Premises.	I Certify that I Have Read to the Elector Each of the Foregoing Questions and That I Have Truly Recorded His Answer to Each of the said Questions
1A						Signature of Member of the Board of Registry and Election.
2A						Signature of Member of the Board of Registry and Election.
3A						Signature of Member of the Board of Registry and Election.
4A						Signature of Member of the Board of Registry and Election.
5A						Signature of Member of the Board of Registry and Election.
6A						Signature of Member of the Board of Registry and Election.
7A						Signature of Member of the Board of Registry and Election.
8A						Signature of Member of the Board of Registry and Election.
9A						Signature of Member of the Board of Registry and Election.
10A						Signature of Member of the Board of Registry and Election.
11A						Signature of Member of the Board of Registry and Election.
12A						Signature of Member of the Board of Registry and Election.
13A						Signature of Member of the Board of Registry and Election.
14A						Signature of Member of the Board of Registry and Election.
15A						Signature of Member of the Board of Registry and Election.
16A						Signature of Member of the Board of Registry and Election.
17A						Signature of Member of the Board of Registry and Election.
18A						Signature of Member of the Board of Registry and Election.
19A						Signature of Member of the Board of Registry and Election.

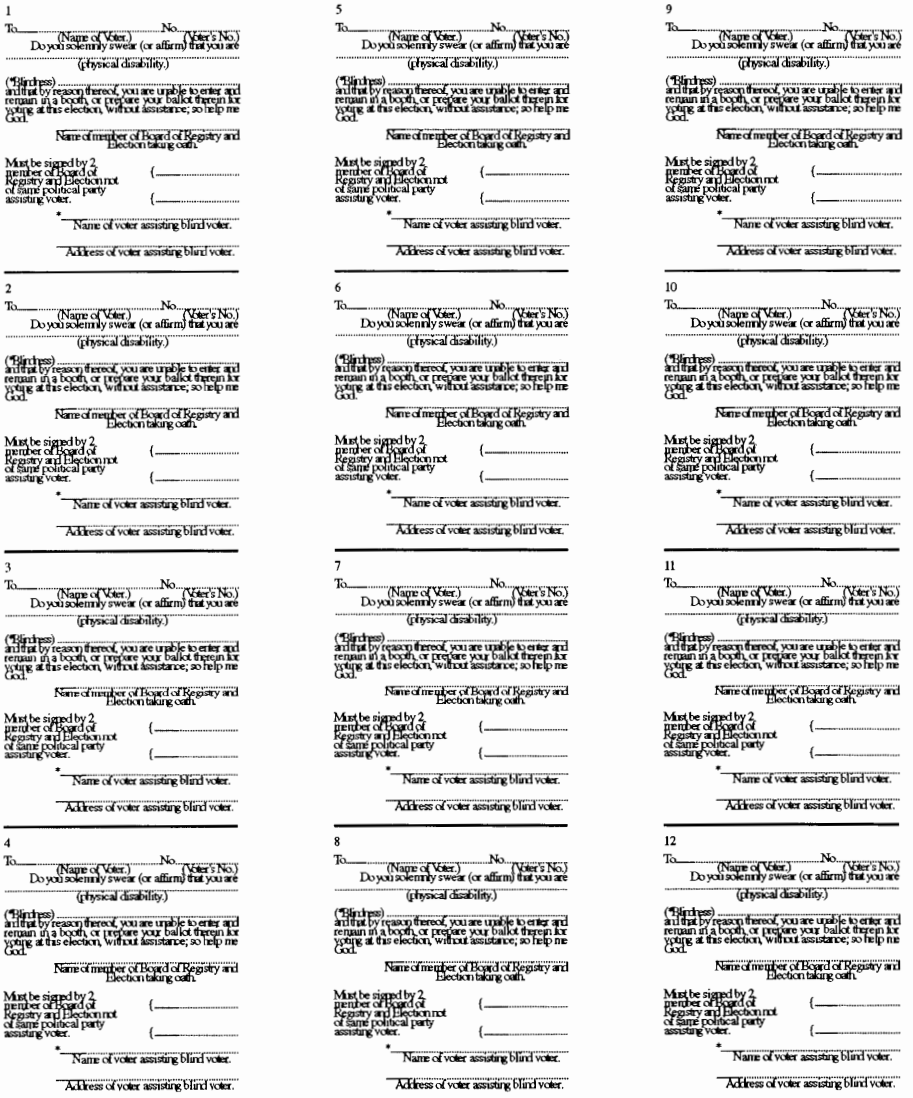
At any election any person who declares under oath and establishes to the satisfaction of a majority of all the members of the district board, that by reason of an inability to read or write, blindness or other physical disability he is unable to mark his ballot without assistance, shall have the assistance of two members of the board who shall not be members of the same political party, to be assigned by the board, in preparing his ballot. Such members shall retire with such voter to the booth and assist him in the preparation of his ballot and folding the same. The member acting as clerk of the district board shall make an entry on a disability certificate for assistance, which entry shall be in the form of an oath and be inserted in the front of the duplicate registry binders each election.

In every instance when such oath was administered to a voter as herein provided, it shall state briefly what facts were sworn to and the names of the members of the board who aided such voter. Any members of the district board shall be eligible to witness the preparation of the ballot of any such voter, but no other person shall be allowed to assist him in marking his ballot or to witness the marking of the same. No member of the board shall reveal the name of any person for whom such voter has voted or anything that took place while he was being assisted.

Such voter, if blind, disabled, or unable to read or write, may, in lieu of the assistance of the board as above provided, have assistance of some person of his own selection in preparing his ballot. Such person shall retire with such voter to the booth and assist him in the preparation of his ballot and folding the same. The name and address of such person shall be recorded as above. In such case, no other person than the one so selected by the voter shall be allowed to assist such voter in marking his ballot or witness the marking of the same. No person so selected shall reveal the name of any person for whom such voter has voted or anything that took place while he was being assisted.

The disability certificates shall be numbered serially one to twenty. The commissioner of registration shall furnish sufficient disability certificates for assistance for each election district in his county. The disability certificates for assistance shall be printed on sheets approximately ten by sixteen inches and shall contain a margin of approximately two inches for binding and shall be in substantially the following form:

DISABILITY CERTIFICATES FOR ASSISTANCE



1

To_____ (Name of Voter.) No._____ (Voter's No.)
Do you solemnly swear (or affirm) that you are
_____ (physical disability.)
(*Blindness) _____
and that by reason thereof, you are unable to enter and remain in a booth, or prepare your ballot therein for voting at this election, without assistance; so help me God.

Name of member of Board of Registry and Election taking oath.

Must be signed by 2 member of Board of Registry and Election not of same political party assisting voter. (_____
(_____

* Name of voter assisting blind voter.

Address of voter assisting blind voter.

2

To_____ (Name of Voter.) No._____ (Voter's No.)
Do you solemnly swear (or affirm) that you are
_____ (physical disability.)
(*Blindness) _____
and that by reason thereof, you are unable to enter and remain in a booth, or prepare your ballot therein for voting at this election, without assistance; so help me God.

Name of member of Board of Registry and Election taking oath.

Must be signed by 2 member of Board of Registry and Election not of same political party assisting voter. (_____
(_____

* Name of voter assisting blind voter.

Address of voter assisting blind voter.

3

To_____ (Name of Voter.) No._____ (Voter's No.)
Do you solemnly swear (or affirm) that you are
_____ (physical disability.)
(*Blindness) _____
and that by reason thereof, you are unable to enter and remain in a booth, or prepare your ballot therein for voting at this election, without assistance; so help me God.

Name of member of Board of Registry and Election taking oath.

Must be signed by 2 member of Board of Registry and Election not of same political party assisting voter. (_____
(_____

* Name of voter assisting blind voter.

Address of voter assisting blind voter.

4

To_____ (Name of Voter.) No._____ (Voter's No.)
Do you solemnly swear (or affirm) that you are
_____ (physical disability.)
(*Blindness) _____
and that by reason thereof, you are unable to enter and remain in a booth, or prepare your ballot therein for voting at this election, without assistance; so help me God.

Name of member of Board of Registry and Election taking oath.

Must be signed by 2 member of Board of Registry and Election not of same political party assisting voter. (_____
(_____

* Name of voter assisting blind voter.

Address of voter assisting blind voter.

5

To_____ (Name of Voter.) No._____ (Voter's No.)
Do you solemnly swear (or affirm) that you are
_____ (physical disability.)
(*Blindness) _____
and that by reason thereof, you are unable to enter and remain in a booth, or prepare your ballot therein for voting at this election, without assistance; so help me God.

Name of member of Board of Registry and Election taking oath.

Must be signed by 2 member of Board of Registry and Election not of same political party assisting voter. (_____
(_____

* Name of voter assisting blind voter.

Address of voter assisting blind voter.

6

To_____ (Name of Voter.) No._____ (Voter's No.)
Do you solemnly swear (or affirm) that you are
_____ (physical disability.)
(*Blindness) _____
and that by reason thereof, you are unable to enter and remain in a booth, or prepare your ballot therein for voting at this election, without assistance; so help me God.

Name of member of Board of Registry and Election taking oath.

Must be signed by 2 member of Board of Registry and Election not of same political party assisting voter. (_____
(_____

* Name of voter assisting blind voter.

Address of voter assisting blind voter.

7

To_____ (Name of Voter.) No._____ (Voter's No.)
Do you solemnly swear (or affirm) that you are
_____ (physical disability.)
(*Blindness) _____
and that by reason thereof, you are unable to enter and remain in a booth, or prepare your ballot therein for voting at this election, without assistance; so help me God.

Name of member of Board of Registry and Election taking oath.

Must be signed by 2 member of Board of Registry and Election not of same political party assisting voter. (_____
(_____

* Name of voter assisting blind voter.

Address of voter assisting blind voter.

8

To_____ (Name of Voter.) No._____ (Voter's No.)
Do you solemnly swear (or affirm) that you are
_____ (physical disability.)
(*Blindness) _____
and that by reason thereof, you are unable to enter and remain in a booth, or prepare your ballot therein for voting at this election, without assistance; so help me God.

Name of member of Board of Registry and Election taking oath.

Must be signed by 2 member of Board of Registry and Election not of same political party assisting voter. (_____
(_____

* Name of voter assisting blind voter.

Address of voter assisting blind voter.

9

To_____ (Name of Voter.) No._____ (Voter's No.)
Do you solemnly swear (or affirm) that you are
_____ (physical disability.)
(*Blindness) _____
and that by reason thereof, you are unable to enter and remain in a booth, or prepare your ballot therein for voting at this election, without assistance; so help me God.

Name of member of Board of Registry and Election taking oath.

Must be signed by 2 member of Board of Registry and Election not of same political party assisting voter. (_____
(_____

* Name of voter assisting blind voter.

Address of voter assisting blind voter.

10

To_____ (Name of Voter.) No._____ (Voter's No.)
Do you solemnly swear (or affirm) that you are
_____ (physical disability.)
(*Blindness) _____
and that by reason thereof, you are unable to enter and remain in a booth, or prepare your ballot therein for voting at this election, without assistance; so help me God.

Name of member of Board of Registry and Election taking oath.

Must be signed by 2 member of Board of Registry and Election not of same political party assisting voter. (_____
(_____

* Name of voter assisting blind voter.

Address of voter assisting blind voter.

11

To_____ (Name of Voter.) No._____ (Voter's No.)
Do you solemnly swear (or affirm) that you are
_____ (physical disability.)
(*Blindness) _____
and that by reason thereof, you are unable to enter and remain in a booth, or prepare your ballot therein for voting at this election, without assistance; so help me God.

Name of member of Board of Registry and Election taking oath.

Must be signed by 2 member of Board of Registry and Election not of same political party assisting voter. (_____
(_____

* Name of voter assisting blind voter.

Address of voter assisting blind voter.

12

To_____ (Name of Voter.) No._____ (Voter's No.)
Do you solemnly swear (or affirm) that you are
_____ (physical disability.)
(*Blindness) _____
and that by reason thereof, you are unable to enter and remain in a booth, or prepare your ballot therein for voting at this election, without assistance; so help me God.

Name of member of Board of Registry and Election taking oath.

Must be signed by 2 member of Board of Registry and Election not of same political party assisting voter. (_____
(_____

* Name of voter assisting blind voter.

Address of voter assisting blind voter.

The commissioner of registration in each county shall furnish sufficient certificates of signature comparison records for each election district in his county to be filled in and signed at the close of the polls by the members of the district board. A blank space shall also be provided for on the certificate for the signatures of the members of the election board. Under said certificate there shall also be printed the word "Remarks" together with a number of blank lines. The commissioner shall insert one of such certificates in the front of the signature copy register in each election district in the county. At primary elections the certificate shall be in substantially the following form:

PRIMARY ELECTION
CERTIFICATION OF SIGNATURE COMPARISON RECORD

The undersigned constituting the district board of election in the County of ..... in the .....
(City, Town, Township, Borough or Village)
Ward ..... District hereby certify that (.....) is the correct total of the number
(Figures)
of names of voters who actually signed the signature comparison records and voted in the DEMOCRATIC PRIMARY ELECTION held on the..... day of ..... 194... .

And hereby certify that (.....) is the correct total of
(Figures)
the number of names of voters who actually signed the signature comparison records and voted in the REPUBLICAN PRIMARY ELECTION held on the ..... day of ....., 194... .

DISTRICT
.....Judge ..... Clerk.
BOARD OF
.....Inspector ..... Clerk.
ELECTION

Remarks:.....
.....
.....
.....
.....
.....

At all other elections the certificates shall be in substantially the following form:

CERTIFICATION OF SIGNATURE COMPARISON RECORD

The undersigned constituting the district board of election in the County of ..... in the .....
(City, Town, Township, Borough or Village)
Ward ..... District hereby certify that (.....) is the correct total of the number
(Figures)
of names of voters who actually signed the signature comparison records and voted in the ..... election held on
(General, Special or other Election as the case may be)
the ..... day of ....., 194..... .

DISTRICT
..... Judge ..... Clerk.

BOARD OF
.....Inspector ..... Clerk.

ELECTION
Remarks:.....
.....
.....
.....
.....
.....
.....

After each election the commissioner of registration shall remove from the binders the identification statements, the disability certificates for assistance, and certifications of signature comparison records and shall preserve them in his office in a suitable place for a period of two years.

7. R.S.19:52-1 is amended to read as follows:

Preparation of polling places.

19:52-1. The district boards of each election district shall meet at the polling place three-quarters of an hour before the time set for opening of the polls at each election and shall proceed to arrange the furniture, stationery and voting machine or machines for the conduct of the election. The district boards shall then and there have the voting machine, ballots and stationery required to be delivered to them for such election by the officials charged by law with that duty. If not previously done, they shall insert in their proper

place on the voting machine the ballots containing the names of offices to be filled at such election and the names of candidates nominated therefor.

The keys to the voting machine shall be delivered to the district election officers in any manner that the county board of elections or the superintendent of elections or the municipal clerk, as the case may be, having custody of voting machines, may determine, at least three-quarters of an hour before the time set for opening the polls, in a sealed envelope, on which shall be written or printed the number and location of the voting machine, the number of the seal with which it is sealed, the number of the green seal with which the emergency ballot box is sealed, and the number registered on the protective counter or device, as reported by the custodian.

The envelope containing the keys shall not be opened until at least two members of the board who are not members of the same political party shall be present at the polling place and shall have examined the envelope to see that it has not been opened. Before opening the envelope all election officers present shall examine the number on the seal on the machine and the number registered on the protective counter, and shall ascertain if they are the same as the numbers written on the envelope; and if they are not the same, the machine must not be opened until such county board of elections or such superintendent of elections or such municipal clerk, as the case may be, after due notice of such discrepancy, shall have caused such machine to be re-examined and properly arranged by any person or persons employed or appointed pursuant to R.S.19:48-6. If the numbers on the voting machine seal and the protective counter are found to agree with the numbers on the envelope, the district election officers shall proceed to open the doors concealing the counters, and each district election officer shall carefully examine every counter and ascertain whether or not it registers zero (000), and the same shall be subject to the inspection of official watchers.

In addition, each district election officer shall carefully examine the emergency ballot box to ascertain whether or not it is properly sealed with a numbered green seal and examine the number to ascertain if it is the same as the number written on the voting machine key envelope. If the numbers are not the same, the county board of elections, the superintendent of elections, or the municipal clerk, as the case may be, shall be notified of the discrepancy.

The machine shall remain locked against voting until the polls are formally opened and shall not be operated except by voters in voting. If any counter is found not to register zero (000) the district board shall immediately notify such county board of elections or such superintendent of elections or such municipal clerk, as the case may be, who shall, if practicable, cause such counter to be adjusted at zero (000) by any person or persons employed or appointed pursuant to R.S.19:48-6. If it shall be

impracticable for such person or persons to arrive in time to so adjust such counter before the time set for opening the polls, the district election officers shall immediately make a written statement of the designating letter and number of such counter, together with the number registered thereon, and shall sign and post same upon the wall of the polling room, where it shall remain throughout election day, and in filling out the statement of canvass, they shall subtract such number from the number registered thereon at the close of the polls.

8. R.S.19:52-5 is amended to read as follows:

Locking, sealing of voting machine; reading, announcement of votes.

19:52-5. Immediately upon the close of the polls, the district election officers shall lock and seal the voting machine against further voting and open the counter compartment in the presence of persons who may be lawfully present at that time, giving full view of the counters. The judge of the district board, under the scrutiny of a member of such board who is not a member of the same political party as the judge, shall then in the order of the offices as their titles are arranged on the machine, read and announce in distinct tones the result as shown by the counters, and shall then read the votes recorded for each office on the irregular ballots. He shall also, in the same manner, read and announce the vote on each constitutional amendment, proposition or other question. As each vote is read and announced, it shall be recorded in two statements of canvass by two other members of such district board who are not members of the same political party, and when completed the record thereof shall be compared with the numbers on the counters of the machine. If found to be correct, the result shall be announced by the judge of such board and the statement of canvass, after being duly certified, shall be filed as now provided by law for filing election returns. After the reading and announcing of the vote and before the doors of the counter compartment of the voting machine shall be closed, ample opportunity shall be given to any person or persons lawfully present to compare the results so announced with the counters of the machine and any necessary corrections shall then and there be made by such district board. No tally sheets nor return blanks as required by law for use in election districts where paper ballots are used shall be furnished or used in election districts where voting machines are used, but in lieu thereof there shall be furnished two copies of a statement of canvass to conform to the requirements of the make and type of voting machine or machines being used.

9. Section 7 of P.L.1973, c.82 (C.19:53A-7) is amended to read as follows:

C.19:53A-7 Elections; conduct, report.

7. a. Thirty minutes before the opening of the polls the local district election officers shall arrive at the polling place, place the voting devices in position for voting, and examine them to see that they have the correct ballot labels by comparing them with the sample ballots, and are in proper working order. They shall open and check the ballot cards, supplies, records and forms, and post the sample ballots and instructions to voters.

b. Each voter requesting assistance shall be instructed how to operate the voting device before he enters the voting booth. If he needs additional instruction after entering the voting booth and requests assistance, two members of the district board who are not members of the same political party may if necessary enter the booth and give him additional instructions.

c. The district election official attending the voting machine shall inspect the face of the machine and the ballot at least once per hour to see that the face of the machine and the ballot are in their proper place and that neither has been mutilated, defaced, tampered with or changed and that the machine has not been changed.

d. After the voter has marked his ballot cards, he shall place the ballot card inside the envelope provided for this purpose and return it to the election officer, who shall remove the stub, place it on a file string, and deposit the envelope with the ballot card inside in the ballot box. No ballot card from which the stub has been detached shall be accepted by the election official in charge of the ballot box, but it shall be marked "Spoiled" and placed with the spoiled ballot cards.

e. Any voter who spoils his ballot card may return it enclosed in the envelope and secure another. The word "Spoiled" shall be written across the face of the envelope, which shall be placed on the same string with the stubs.

f. As soon as the polls have been closed and the last qualified voter has voted, all unused ballot cards shall be placed in a container and sealed for return to the board of elections. The ballot box shall be opened and any write-in votes counted, unless these votes are to be counted by duly appointed bipartisan tabulating teams at the counting center. Before write-in votes are counted they shall be compared with votes cast on the ballot card for the same office. If the voter has cast more votes for an office than he is entitled to vote for, the vote for that office shall be declared null and void and that vote shall not be counted for that office. Votes cast for duly nominated candidates on the ballot card will not be voided because of an invalid write-in vote, but if otherwise valid shall be counted. The voted ballot cards shall next be placed in the ballot card container for delivery to the

counting center, and the voting devices shall be placed in their containers for returning to the county board of elections.

g. The district board election officers shall prepare a report of the number of voters who have voted, as indicated by the poll list, the number of write-in votes and any other votes counted by the district board and the number of spoiled ballots, and shall place the original copy of this report in the ballot card container for delivery to the counting center, which thereupon shall be sealed so that no additional ballot cards may be deposited or removed. Such container shall be durably constructed so as to be resistant to fire, water and tampering. The duplicate copy of said report shall be returned to the county election board with other records. Two district election board officers who are not members of the same political party shall forthwith deliver the ballot card container to the counting center or other place designated by the county board. The county board may, in its discretion, direct that ballots be delivered to one or more collection points from which points the ballots shall be transported collectively to the counting center by two duly appointed deputies who are not members of the same political party. The district board shall receive a receipt before releasing the ballots to said deputies.

10. Section 8 of P.L.1973, c.82 (C.19:53A-8) is amended to read as follows:

C.19:53A-8 Counting of ballots; testing of equipment.

8. a. Prior to the start of the count of the ballots, each county board of elections shall have the automatic tabulating equipment tested to ascertain that it will accurately count the votes cast for all offices and on all measures. Public notice of the time and place of the test shall be given at least 48 hours prior thereto by publication once in three or more daily or weekly newspapers published in the county or jurisdiction where such equipment is used, if a newspaper is published therein, otherwise in a newspaper of general circulation therein; said newspapers shall be selected so as to give the widest possible notice to the voters of said county and one of said newspapers shall be the newspaper or one of the newspapers in which legal notices of the county are required to be published. The test shall be conducted by processing a preaudited group of ballot cards so punched as to record a predetermined number of valid votes for each candidate and on each measure, and shall include for each office one or more ballots which have votes in excess of the number allowed by law in order to test the ability of the automatic tabulating equipment to reject such votes. In such test a different number of valid votes shall be assigned to each candidate for an office, and for and against each measure. If any error is detected, the cause

therefor shall be ascertained and corrected and an errorless count shall be made and certified to by the county board of elections before the count is started. The tabulating equipment shall pass the same test at the conclusion of the count before the election returns are approved as official. On completion of the count, the programs, test materials, and ballot cards arranged by districts shall be sealed and retained as provided for paper ballots.

b. All proceedings at the counting center shall be under the direction of the county board of elections or persons designated by it; there shall always be two persons in charge who shall not be members of the same political party; and all proceedings shall be conducted under the observation of the public, but no persons except those authorized for the purpose shall touch any ballot card or return. All persons who are engaged in processing and counting of the ballots shall be deputized and take an oath that they will faithfully perform their assigned duties. If any ballot card is damaged or defective so that it cannot properly be counted by the automatic tabulating equipment, a true duplicate copy shall be made and substituted for the damaged ballot card. All duplicate ballot cards shall be clearly labeled "duplicate," and shall bear a serial number which shall be recorded on the damaged or defective ballot card. The damaged or defective ballot card as well as the "duplicate" shall be preserved with the other ballot cards. During the count the election officer or board in charge may from time to time release unofficial returns. Upon completion of the count the official returns shall be open to the public.

c. The return of the automatic tabulating equipment, to which have been added the write-in and absentee votes, shall, after being duly certified by the county board of elections, constitute the official return of each election district.

d. If for any reason it becomes impracticable to count all or a part of the ballot cards with tabulating equipment, the county board of elections may direct that they be counted manually, following as far as practicable the provisions governing the counting of paper ballots contained in Title 19 of the Revised Statutes.

11. A vacancy or vacancies in the membership of any district board of elections existing on the effective date of P.L.1996, c.120 may be filled in accordance with the provisions of R.S.19:6-3 as amended by section 3 thereof, but for the unexpired term only.

12. This act shall take effect immediately.

Approved October 31, 1996.

CHAPTER 121

AN ACT concerning employer trip reduction programs, amending and supplementing various sections of the statutory law and repealing sections 1 and 2, sections 5 through 7, sections 9 through 13, and section 15 of P.L.1992, c.32.

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

C.27:26A-4.1 Submission of revision of State Implementation Plan.

1. As authorized by Section 182(d)(1) of the Clean Air Act as amended by Pub.L.104-70, the Commissioner of Environmental Protection shall submit a revision of the State Implementation Plan submitted to the Environmental Protection Agency pursuant to the Clean Air Act removing provisions of the State Implementation Plan requiring employers to reduce work-related vehicle trips and miles traveled by employees.

C.27:26A-4.2 Compliance with Clean Air Act; rules, regulations; report.

2. In order to facilitate compliance with Section 182(d)(1) of the Clean Air Act as amended by Pub.L. 104-70, requiring that the State of New Jersey achieve emission reductions equivalent to those that would have been achieved with the provisions of the State Implementation Plan which are to be removed pursuant to this 1996 amendatory and supplementary act requiring employers to reduce work-related vehicle trips and miles traveled by employees, and to take steps to continue the congestion reduction measures as provided in P.L.1992, c.32 (C.27:26A-1 et seq.):

a. The Commissioner of Transportation, in consultation with the Commissioner of Environmental Protection, is authorized to adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), continuing the Travel Demand Management Program established pursuant to section 5 of P.L.1992, c.32 (C.27:26A-5) but only to the extent authorized by this 1996 amendatory and supplementary act. The program shall continue the studies and transportation control measures provided in section 4 of P.L.1992, c.32 (C.27:26A-4) and in lieu of the mandatory compliance plans required by section 5 of P.L.1992, c.32 (C.27:26A-5), repealed by this 1996 amendatory and supplementary act, the program shall establish a voluntary employer trip reduction program. The regulations may continue or revise the definitions and other provisions contained in the regulations establishing the mandatory employer trip reduction program, N.J.A.C. 16:50-1.1, as appropriate for a voluntary program.

b. The Commissioner of Environmental Protection shall report to the Legislature not later than 180 days after the effective date of this 1996 amendatory and supplementary act, as to what measures the commissioner proposes to recommend to ensure the State's compliance with the Clean Air Act, in light of the statutory provisions repealed by this 1996 amendatory and supplementary act, accompanying the report with drafts of any legislative bills which the commissioner proposes for consideration by the Legislature if, in the commissioner's opinion, any such bills are required for this purpose.

C.27:26A-4.3 Registration as participant in voluntary employer trip reduction program.

3. In order to certify to the Director of the Division of Taxation, in the Department of the Treasury, eligibility for the tax benefits provided under section 1 of P.L.1993, c.150 (C.27:26A-15) and section 1 of P.L.1993, c.108 (C.54A:6-23), the Commissioner of Transportation shall adopt regulations, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), establishing the procedure by which an employer may register with the Department of Transportation as a participant in a voluntary employer trip reduction program and the criteria to be met by that employer trip reduction program using alternative means of commuting to receive certification for providing commuter transportation benefits.

C.27:26A-4.4 Transfer of balances in "Travel Demand Management Program Account."

4. All balances remaining in the "Travel Demand Management Program Account" created pursuant to section 9 of P.L.1992, c.32 (C.27:26A-9) are hereby transferred to the Department of Transportation for use by the department to effectuate the purposes of this 1996 amendatory and supplementary act, including, but not limited to, grants to transportation management associations (TMA's).

5. Section 3 of P.L.1992, c.32 (C.27:26A-3) is amended to read as follows:

C.27:26A-3 Definitions relative to travel demand management.

3. As used in this amendatory and supplementary act:

"Alternative means of commuting" means travel between a person's place of residence and place of employment or termini near those places, other than in a motor vehicle occupied by one person. Alternative means of commuting include, but are not limited to, public transportation, car pools, van pools, bus pools, ferries, bicycling, telecommuting and walking, which may be used in conjunction with such strategies as flextime, staggered work hours, compressed work weeks and like measures.

"Clean Air Act" means the federal Clean Air Act, as amended by Pub.L.101-549 (42 U.S.C. s. 7401 et seq.) and as subsequently amended or supplemented.

"Commissioner" means the Commissioner of Transportation.

"Commuter transportation benefit" means the cost to employers of providing benefits to an employee for utilizing an alternative means of commuting and the cost of providing services and facilities which would encourage or facilitate use by employees of alternative means of commuting. The benefit shall include the costs of parking by employees at park-and-ride lots.

"Department" means the New Jersey Department of Transportation.

"Employee" means an employee hired or employed by the employer and who reports to the employer's work location, as specified by regulation of the department.

"Employer" means any person, partnership, association, corporation, trust, legal representative or any organized group of persons which hires or employs employees and shall also include all public and quasi-public employers, including without limitation the United States and any of its governmental instrumentalities, the State of New Jersey and its instrumentalities and subdivisions, and all State and bi-State authorities, corporations, commissions, boards and like bodies.

"Program" means the Travel Demand Management Program established pursuant to section 5 of P.L.1992, c.32 (C.27:26A-5) and continued pursuant to P.L.1996, c.121 (C.27:26A-4.1 et al.).

"Transportation management association" or "TMA" means a nonprofit corporation approved by the department as coordinating transportation services, including but not limited to public transportation, van pools, car pools, bicycling and pedestrian modes, as well as strategies such as flex time, staggered work hours, and compressed work weeks, for corporations, employees, developers, individuals and other groups.

"Travel demand management" or "TDM" means a system of actions whose purpose is to alleviate traffic-related problems through improved management of vehicle trip demand. These actions, which are primarily directed at commuter travel, are structured to reduce the dependence on and use of single occupancy vehicles, or to alter the timing of travel to other, less congested time periods or both.

6. Section 1 of P.L.1993, c.150 (C.27:26A-15) is amended to read as follows:

C.27:26A-15 Tax credit for providing commuter transportation benefits.

1. a. An employer that is a taxpayer subject to the provisions of the Corporation Business Tax Act (1945), P.L.1945, c.162 (C.54:10A-1 et seq.), the "Financial Business Tax Law (1946)," P.L.1946, c.174 (C.54:10B-1 et seq.), "The Savings Institution Tax Act," P.L.1973, c.31 (C.54:10D-1 et seq.), the tax imposed on marine insurance companies pursuant to R.S.54:16-1 et seq., the tax imposed on fire insurance companies pursuant to R.S.54:17-4 et al., the tax imposed on insurers generally, pursuant to P.L.1945, c.132 (C.54:18A-1 et seq.), the public utility franchise tax, public utilities gross receipts tax and public utility excise tax imposed pursuant to P.L.1940, c.4, and P.L.1940, c.5 (C.54:30A-16 et seq. and C.54:30A-49 et seq.), or that is a taxpayer in respect of a distributive share of partnership income under the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., which provides commuter transportation benefits as defined in section 3 of P.L.1992, c.32 (C.27:26A-3) shall be allowed a credit against that tax equal to 5% of the cost of commuter transportation benefits for the accounting or privilege period, beginning on or after January 1, 1994 and ending not later than January 1, 1995 subject to the limitations of subsection b. of this section. For accounting or privilege periods beginning on or after January 1, 1995, but ending not later than December 31, 2007, the credit allowed under this section shall be 10% of the cost of commuter transportation benefits for the relevant accounting or privilege period, as appropriate, subject to the limitations of subsection b. of this section. Notwithstanding the provisions of this section to the contrary, a taxpayer which filed a certified compliance plan with the Department of Transportation required by section 5 of P.L.1992, c.32 (C.27:26A-5) on or before May 31, 1996, shall be allowed a credit against that tax equal to 15% of the cost of commuter transportation benefits for the accounting or privilege periods ending on and after July 31, 1996 but ending not later than June 30, 1997, for the relevant accounting or privilege period, as appropriate, subject to the limitations of subsection b. of this section. In the case of a taxpayer receiving partnership income, an offset against that income subject to the limitations in paragraph (5) of subsection b. of this section shall be considered the credit.

b. (1) The credit granted a taxpayer for an accounting or privilege period shall not exceed the per employee limit multiplied by the number of employees participating in alternative means of commuting at the work location. The per employee limit shall be $36 for the accounting or privilege periods beginning on and after January 1, 1994 but before January 1, 1995, $72 for the accounting or privilege period beginning on or after January 1, 1995 but before January 1, 1997 and $100 for those periods thereafter. Notwithstanding the provisions of this section to the contrary, the per

employee limit for a taxpayer which filed a certified compliance plan with the Department of Transportation required by section 5 of P.L.1992, c.32 (C.27:26A-5) on or before the plan submittal date established by the department and which was filed on or before May 31, 1996, shall be $150 for the accounting or privilege periods ending on or after July 31, 1996 but ending not later than June 30, 1997. For those periods beginning on or after January 1, 1995, the Director of the Division of Taxation, in the Department of the Treasury, shall adjust the limit, rounded down to the nearest dollar, in proportion to the change in the average consumer price index for all urban consumers in the New York and Northeastern New Jersey and the Philadelphia areas, as reported by the United States Department of Labor, from calendar year 1994 to the calendar year ending immediately before the appropriate period.

(2) The taxpayer may only claim a credit for providing commuter transportation benefits based upon a direct expenditure made after the taxpayer has registered with the Department of Transportation and the taxpayer's employer trip reduction program has been certified for providing commuter transportation benefits by the Department of Transportation as prescribed in section 3 of P.L.1996, c.121 (C.27:26A-4.3). Notwithstanding any provisions of P.L.1996, c.121 (C.27:26A-4.1 et al.) to the contrary, the tax credit eligibility and reporting requirements found at N.J.A.C.16:50-15 shall remain in effect until such time as the Department of Transportation adopts new regulations pursuant to section 3 of P.L.1996, c.121 (C.27:26A-4.3).

(3) The amount of the credit allowed under this section for an accounting or privilege period shall not exceed 50% of the tax liability which would be otherwise due for any one of the taxes enumerated in subsection a. of this section after first applying the credits, if any, allowed under any other law and shall not reduce the amount of tax liability to less than the statutory minimum provided in subsection (e) of section 5 of P.L.1945, c.162 (C.54:10A-5), section 3 of P.L.1946, c.174 (C.54:10B-3) or section 3 of P.L.1973, c.31 (C.54:10D-3), as may be applicable.

(4) A taxpayer having liability for more than one of the taxes enumerated in subsection a. of this section for an accounting or privilege period shall allocate the credit amount available for that period to the liabilities for that period in the proportion that each liability bears to the total of the liabilities for that period, and each apportioned amount of credit shall be applied to only one amount of liability.

(5) A partnership shall not be allowed a credit under this section directly. A partnership shall be entitled to reduce total partnership income distributed to the partners and subject to tax under subsection k. of N.J.S.54A:5-1 by the lesser of 71.5 percent of the amount of commuter transportation benefits

provided pursuant to law or $515 for each employee receiving such benefits. For accounting and privilege periods beginning on or after January 1, 1995, but ending no later than December 31, 2007, the reduction to partnership income allowed under this section shall be the lesser of 143 percent of the cost of commuter transportation benefits provided or $1,030 for each employee receiving such benefits for the relevant accounting or privilege period, as appropriate, subject to the limitations of subsection b. of this section.

c. Each employee who receives money towards commuter transportation benefits from the employee's employer as an advance, a reimbursement, or both, shall furnish suitable proof to the employer, in the form of receipts, ticket stubs or the like, that the employee utilized monies provided by the employer for an alternative means of commuting, as defined pursuant to section 3 of P.L.1992, c.32 (C.27:26A-3).

d. For the purposes of verifying eligibility for the credit, the Commissioner of Transportation shall certify to the Director of the Division of Taxation a list of those employers which have registered with the department and have a certified voluntary employer trip reduction program. An employer trip reduction program of an employer who is a member of a TMA shall be considered certified by the department. "A member of a TMA" shall be defined in regulations promulgated by the department pursuant to section 3 of P.L.1996, c.121 (C.27:26A-4.3). The list shall be provided to the Director of the Division of Taxation within 90 days of registration.

e. The taxpayer shall file with the department a schedule of the expenditures for which the taxpayer has claimed a credit pursuant to this section on any tax return filed with the Director of the Division of Taxation, in such form and pursuant to such rules as shall be prescribed by the commissioner in consultation with the Director of the Division of Taxation.

7. Section 1 of P.L.1993, c.108 (C.54A:6-23) is amended to read as follows:

C.54A:6-23 Commuter transportation benefits not considered gross income.

1. a. For the purposes of the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., "gross income" shall not include employer provided commuter transportation benefits as defined pursuant to section 3 of P.L.1992, c.32 (C.27:26A-3), up to and including the limit per taxable year per employee pursuant to subsection b. of this section. Should an employee receive commuter transportation benefits in excess of those limits in a taxable year, only the amount in excess of those limits shall be included in gross income. If an employee receives money towards commuter transporta-

tion benefits from the employee's employer, as an advance, a reimbursement, or both, the employee shall furnish suitable proof to the employer in the form of receipts, ticket stubs or the like that the employee used the employer provided money for alternative means of commuting as defined pursuant to section 3 of P.L.1992, c.32 (C.27:26A-3).

b. The limit per taxable year per employee shall be $720 for the taxable years beginning on and after January 1, 1993 but before January 1, 1997. The limit per taxable year per employee shall be $1,000 for the taxable years beginning on and after January 1, 1997. For taxable years beginning on or after January 1, 1994, the director shall adjust the limit, rounded down to the nearest $5, in proportion to the change in the average consumer price index for all urban consumers in the New York and Northeastern New Jersey and the Philadelphia areas, as reported by the United States Department of Labor, from calendar year 1993 to the calendar year ending immediately before the taxable year.

c. The exclusion provided by subsection a. of this section shall not apply to any commuter transportation benefit unless such benefit is provided in addition to and not in lieu of any compensation otherwise payable to the employee.

Repealer.

8. The following are repealed: P.L.1992, c.32, ss. 1-2, 5-7, 9-13, and 15 (C.27:26A-1 through 27:26A-2, 27:26A-5 through 27:26A-7, 27:26A-9 through 27:26A-13, and 27:26A-14).

9. This act shall take effect immediately.

Approved November 1, 1996.

CHAPTER 122

AN ACT concerning the enforcement of certain music licenses and supplementing Title 56 of the Revised Statutes.

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

C.56:3A-1 Short title.

1. This act shall be known and may be cited as the "Music Licensing Practices Act."

C.56:3A-2 Definitions relative to music licensing practices.

2. As used in this act:

"Copyright owner" means the owner of a copyright of a musical work, other than a motion picture or audiovisual work;

"Performing rights society" means an association or corporation that licenses the nondramatic public performance of musical works on behalf of copyright owners, such as the American Society of Composers, Authors and Publishers (ASCAP), Broadcast Music, Inc. (BMI) and SESAC, Inc.;

"Proprietor" means the owner of a retail establishment, restaurant, inn, bar, tavern or any other similar place of business or professional office located in this State in which the public may assemble and in which musical works may be performed, broadcast, or otherwise transmitted for the enjoyment of the members of the public there assembled;

"Royalty" or "royalties" means the fees payable to a copyright owner or performing rights society for the nondramatic public performance of a musical work.

C.56:3A-3 Availability of list of performed copyrighted musical works.

3. a. Every performing rights society licensing music in this State shall make available in electronic form on the largest nonproprietary cooperative public computer network a current list of not less than the titles of the performed copyrighted musical works for which the performing rights society collects royalties on behalf of copyright owners and shall update the list at least weekly and shall provide the electronic address to the Secretary of State.

b. Upon request, any person may view the list in electronic form through the Office of the Secretary of State.

c. The list in electronic form at the time that a proprietor enters into a contract with a performing rights society, as supplemented by subsequent additions to the list, shall be binding between the parties for the period of the contract.

d. Every performing rights society shall provide a copy of its current list at a reasonable cost to any person upon request.

e. Every performing rights society licensing music in this State shall establish a toll free telephone number which can be used to answer inquiries regarding specific musical works licensed by that performing rights society.

C.56:3A-4 Information required to be provided to proprietors.

4. A performing rights society shall not enter into or execute a contract for the payment of royalties by a proprietor unless, no later than 72 hours prior to the execution of the contract, the performing rights society provides to the proprietor, in writing, the following:

a. a schedule of the rates and terms of royalties under the contract;

b. notice that the performing rights society shall, upon request by a proprietor, provide, before entering into a contract with that proprietor, a schedule of the rates and terms of royalties under agreements executed by the performing rights society and proprietors of comparable businesses in the same county;

c. in the case of a performing rights society which offers discounts to proprietors in the same county on any basis, the amounts and terms of those discounts;

d. notice of the provisions of section 3 of this act including the electronic address and the toll free telephone number; and

e. notice that the proprietor is entitled to the information required under this act and that the failure of the performing rights society to provide that information is a violation of this act.

C.56:3A-5 Contract between performing rights society and proprietor.

5. A contract between a performing rights society and a proprietor for the payment of royalties shall be offered for a term of one year, but the parties may agree to contract for a term other than one year. The provisions of this section shall not apply to a contract for a term negotiated between a performing rights society and a bona fide national trade association representing a substantial percentage of proprietors of the same type.

C.56:3A-6 Requirements for contracts.

6. Every contract between a performing rights society and a proprietor for the payment of royalties executed or renewed in this State shall:

a. be in writing;

b. be signed by the parties to the contract; and

c. include at least the following information:

(1) the proprietor's name and business address and the name and location of each place of business to which the contract applies;

(2) the name and business address of the performing rights society;

(3) the duration of the contract; and

(4) the schedule of rates and terms of royalties to be collected under the contract, including any sliding scale, discount or schedule for any increase or decrease of those rates for the duration of the contract.

C.56:3A-7 Performing rights society, prohibited practices.

7. No performing rights society, or any agent or employee thereof shall:

a. enter onto the premises of a proprietor's business for the purpose of discussing a contract for the payment of royalties by that proprietor without first identifying himself to the proprietor or his employees and disclosing that

he is acting on behalf of the performing rights society and disclosing the purpose of the discussion;

b. collect or attempt to collect a royalty payment or any other fee except as provided in a contract executed pursuant to the provisions of this act on or after the effective date of this act;

c. use or attempt to use any unfair or deceptive act or practice in dealing with a proprietor;

d. use or attempt to use any act or practice that is substantially disruptive to a proprietor's business; or

e. commence or threaten to commence legal proceedings in connection with an alleged copyright violation unless that performing rights society shall have advised the proprietor that the proprietor may comply with the federal copyright law pursuant to Title 17 of the United States Code with respect to copyrighted musical works in that performing rights society's repertory by:

(1) obtaining a license from that performing rights society; or

(2) discontinuing all nondramatic public performances of music in that performing rights society's repertory; or

(3) obtaining authorization for nondramatic public performances directly from the copyright owners who are members of that performing rights society.

C.56:3A-8 Obligations under federal copyright law.

8. Nothing in this act shall be construed to prevent a performing rights society from informing a proprietor of the proprietor's obligations under the federal copyright law pursuant to Title 17 of the United States Code.

C.56:3A-9 Court action by proprietor.

9. a. A proprietor may bring an action in a court of competent jurisdiction or assert a counterclaim against a performing rights society to enjoin a violation of this act and to recover actual damages sustained as a result of that violation.

b. The prevailing party in an action brought under this act shall be awarded reasonable attorney's fees and costs of suit.

C.56:3A-10 Application of act.

10. a. This act shall not apply to contracts between performing rights societies and broadcasters licensed by the Federal Communications Commission, except that if a performing rights society is licensed by the Federal Communications Commission, this act shall apply to contracts between that performing rights society and a proprietor as otherwise provided herein.

b. This act shall not apply to any conduct by law enforcement officers or other persons engaged in the enforcement of section 1 of P.L.1991, c.125 (C.2C:21-21).

11. This act shall take effect on the 90th day following enactment.

Approved November 1, 1996.

CHAPTER 123

AN ACT concerning certain municipal resolutions approving a tax exemption or abatement for low or moderate income senior citizen housing and amending P.L.1995, c.423.

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

1. Section 1 of P.L.1995, c.423 is amended to read as follows:

1. Any resolution heretofore adopted by the governing body of a municipality approving the application of an urban renewal entity to proceed with a housing project for low or moderate income senior citizens, and authorizing a tax exemption or abatement for that project, is hereby ratified, validated and confirmed notwithstanding that the urban renewal entity failed to make written application to the municipality for approval of the project prior to proceeding with that project, as required by section 8 of P.L.1991, c.431 (C.40A:20-8). Any such resolution adopted by a municipal governing body pursuant to this act may provide that such tax abatement or exemption shall be retroactive to the date construction commenced on the project.

Notwithstanding any other provision of law to the contrary, any project granted a tax exemption or abatement pursuant to this act shall be deemed to be an improvement made for the purpose of the clearance, replanning, development or redevelopment of any blighted area if the project was reviewed and approved by the planning board of the municipality in which the project is located.

2. This act shall take effect immediately.

Approved November 1, 1996.

CHAPTER 124

AN ACT concerning the closure, remediation and redevelopment of municipal landfill sites, and revising parts of the statutory law.

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

C.13:1E-116.1 Short title.

1. This act shall be known and may be cited as the "Municipal Landfill Site Closure, Remediation and Redevelopment Act."

C.13:1E-116.2 Definitions regarding municipal landfill sites.

2. As used in this act:

"Closure" means all activities associated with the design, purchase, construction or maintenance of all measures required by the department, pursuant to law, in order to prevent, minimize or monitor pollution or health hazards resulting from municipal solid waste landfills subsequent to the termination of operations at any portion thereof, including, but not necessarily limited to, the placement of final earthen or vegetative cover, the installation of methane gas vents or monitors and leachate monitoring wells or collection systems, and long-term operations and maintenance, at the site of any municipal solid waste landfill that is not listed on the National Priorities List pursuant to the "Comprehensive Environmental Response, Compensation, and Liability Act of 1980," 42 U.S.C. s. 9605.

"Closure and remediation costs" means all reasonable costs associated with the closure and remediation of a municipal solid waste landfill except that "closure and remediation costs" shall not include any costs incurred in financing the closure or remediation.

"Commercial solid waste" means any nonhazardous solid waste derived from wholesale, retail or service establishments, including stores, markets, theaters, offices, restaurants, warehouses, or from other non-manufacturing commercial activities.

"Developer" means any person that enters or proposes to enter into a redevelopment agreement with the State pursuant to the provisions of section 3 of P.L.1996, c.124 (C.13:1E-116.3).

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

"Household solid waste" means any solid waste derived from households, including but not limited to single and multiple residences, hotels and motels, bunkhouses, ranger stations, crew quarters, campgrounds, picnic grounds and day use recreation areas, except that "household solid waste"

shall not include septic waste as defined in section 3 of P.L.1970, c.40 (C.48:13A-3).

"Industrial solid waste" means any solid waste derived from manufacturing, industrial and research and development processes and operations that is not a hazardous waste as defined in section 1 of P.L.1976, c.99 (C.13:1E-38), except that "industrial solid waste" shall not include mining waste, oil waste, gas waste, or cement kiln dust waste.

"Municipal solid waste landfill" means a landfill that ceased operations prior to January 1, 1982 and received for disposal household solid waste and at least one of the following: (1) commercial solid waste; (2) industrial solid waste; or (3) waste material that was received for disposal prior to October 21, 1976 and that is included within the definition of hazardous waste adopted by the federal government pursuant to the "Resource Conservation and Recovery Act," 42 U.S.C. s.6921 et seq.; except that "municipal solid waste landfill" shall not include any landfill that is approved for disposal of hazardous waste and regulated pursuant to Subchapter III of the "Resource Conservation and Recovery Act," 42 U.S.C. s.6921 et seq.

"Project" or "redevelopment project" means a specific work or improvement, including lands, buildings, improvements, real and personal property or any interest therein, including lands under water, riparian rights, space rights and air rights, acquired, owned, developed or redeveloped, constructed, reconstructed, rehabilitated or improved, undertaken by a developer within an area of land whereon a municipal solid waste landfill is or has been located, under a redevelopment agreement with the State pursuant to section 3 of P.L.1996, c.124 (C.13:1E-116.3).

"Redevelopment agreement" means an agreement between the State and a developer under which the developer agrees to perform any work or undertaking necessary for the environmentally sound and proper closure and remediation of the municipal solid waste landfill located at the site of the redevelopment project, and for the clearance, development or redevelopment, construction or rehabilitation of any structure or improvement of commercial, industrial or public structures or improvements within an area of land whereon a municipal solid waste landfill is or has been located pursuant to section 3 of P.L.1996, c.124 (C.13:1E-116.3), and the State agrees that the developer shall be eligible for the reimbursement of 75% of the costs of closure and remediation of the municipal solid waste landfill from the fund established pursuant to section 6 of P.L.1996, c.124 (C.13:1E-116.6) as authorized pursuant to section 4 of P.L.1996, c.124 (C.13:1E-116.4).

"Remediation" or "remediate" means all necessary actions to investigate and clean up any known, suspected, or threatened discharge of contaminants, including, as necessary, the preliminary assessment, site investigation,

remedial investigation, and remedial action, as those terms are defined in section 23 of P.L.1993, c.139 (C.58:10B-1).

C.13:1E-116.3 Redevelopment agreement, negotiation.

3. a. The provisions of any other law, or rule or regulation adopted pursuant thereto, to the contrary notwithstanding, any developer may enter into a redevelopment agreement with the State pursuant to the provisions of this section.

The Commissioner of the Department of Commerce and Economic Development in consultation with the State Treasurer shall negotiate the terms and conditions of any redevelopment agreement on behalf of the State.

b. In negotiating a redevelopment agreement with a developer, the commissioner shall consider the following factors:

(1) the economic feasibility of the redevelopment project;

(2) the extent of economic and related social distress in the municipality and the area to be affected by the redevelopment project;

(3) the degree to which the redevelopment project will advance State, regional and local development strategies;

(4) the likelihood that the redevelopment project shall upon completion be capable of repaying the closure and remediation costs incurred;

(5) the relationship of the redevelopment project to a comprehensive local development strategy, including other major projects undertaken within the municipality; and

(6) the degree to which the redevelopment project enhances and promotes job creation and economic development.

C.13:1E-116.4 Reimbursement of costs of closure and remediation.

4. a. The provisions of any other law, or rule or regulation adopted pursuant thereto, to the contrary notwithstanding, any developer that enters into a redevelopment agreement pursuant to section 3 of P.L.1996, c.124 (C.13:1E-116.3), may be eligible for reimbursement of 75% of the costs of the closure and remediation of the municipal solid waste landfill pursuant to the provisions of this section upon the commencement of a business operation within a redevelopment project, the sales receipts of which are subject to the tax imposed under the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.).

b. To be eligible for reimbursement of 75% of the costs of closure and remediation , a developer shall submit an application, in writing, to the director for review and certification of the reimbursement. The director shall review the request for the reimbursement upon receipt of an application therefor, and shall approve or deny the application for certification on a timely basis.

The director shall certify a developer to be eligible for the reimbursement if the director shall find that:

(1) a place of business is located in the area subject to the redevelopment agreement for the purpose of making retail sales;

(2) non-exempt items are regularly exhibited and offered for retail sale at that location;

(3) the place of business is not utilized primarily for the purpose of catalogue or mail order sales; and

(4) the developer has entered into a memorandum of agreement with the Commissioner of Environmental Protection for the environmentally sound and proper closure and remediation of the municipal solid waste landfill located on the site of the redevelopment project pursuant to section 5 of P.L.1996, c.124 (C.13:1E-116.5) and is in compliance with the memorandum of agreement.

c. When filing an application for certification for a reimbursement pursuant to this section, the developer shall submit to the director a certification of the total closure and remediation costs incurred by the developer for the closure and remediation of the municipal solid waste landfill located at the site of the redevelopment project as provided in the redevelopment agreement.

C.13:1E-116.5 Memorandum of agreement to qualify for reimbursement certification.

5. a. To qualify for the certification of reimbursement of 75% of the closure and remediation costs authorized pursuant to section 4 of P.L.1996, c.124 (C.13:1E-116.4), a developer shall enter into a memorandum of agreement with the Commissioner of Environmental Protection for the environmentally sound and proper closure or remediation of the municipal solid waste landfill located on the site of the redevelopment project.

b. Under the memorandum of agreement, the developer shall agree to perform and complete any closure activity or remediation as may be required by the Department of Environmental Protection, pursuant to law, to ensure the environmentally sound and proper closure and remediation of the municipal solid waste landfill located at the site of the redevelopment project. Any activity necessary to remediate ground or surface water contamination caused by a municipal solid waste landfill shall be undertaken in compliance with the remediation standards adopted by the Department of Environmental Protection pursuant to P.L.1993, c.139 (C.58:10B-1 et al.).

c. After the developer has entered into a memorandum of agreement with the Commissioner of Environmental Protection, the commissioner shall submit a copy thereof to the developer, the clerk of the municipality in which the municipal solid waste landfill is located, the Commissioner of the Department of Commerce and Economic Development, and the director.

C.13:1E-116.6 Municipal Landfill Closure and Remediation Fund.

6. a. There is created in the Department of the Treasury a special fund to be known as the Municipal Landfill Closure and Remediation Fund. Moneys in the fund shall be dedicated to the purpose of reimbursing a developer who enters into a redevelopment agreement pursuant to section 3 of P.L.1996, c.124 (C.13:1E-116.3) and is certified for reimbursement pursuant to section 4 of P.L.1996, c.124 (C.13:1E-116.4) in an amount equal to 75% of the closure and remediation costs of the municipal solid waste landfill. A special account within the fund shall be created for each developer upon approval of a certification pursuant to section 4 of P.L.1996, c.124 (C.13:1E-116.4). The Legislature shall annually appropriate the entire balance of the fund for the purposes of reimbursement of closure and remediation costs as provided in section 7 of P.L.1996, c.124 (C.13:1E-116.7).

b. The fund shall be credited with one half of all taxes due and payable pursuant to the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.) by any person required to collect the tax at the site of a redevelopment project which is the subject of a redevelopment agreement with the State pursuant to section 3 of P.L.1996, c.124 (C.13:1E-116.3) until the amount credited equals 75% of the dollar amount of the closure and remediation costs actually and reasonably incurred by the developer, as certified to the director by the developer.

C.13:1E-116.7 Reimbursement of developer.

7. a. The State Treasurer shall reimburse the developer for 75% of the closure and remediation costs of the municipal solid waste landfill from the Municipal Landfill Closure and Remediation Fund upon approval of certification of the reimbursement pursuant to section 4 of P.L.1996, c.124 (C.13:1E-116.4). The developer shall be entitled to periodic payments from the fund in an amount equal to one half of the taxes due and payable pursuant to the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.) from any person required to collect the tax at the site of a redevelopment project which is subject to a redevelopment agreement between the developer and the State pursuant to section 3 of P.L.1996, c.124 (C.13:1E-116.3). Payments from the fund shall be made to a developer at the same frequency in which the payments are made to the State from the persons required to collect the tax. Payments to the developer shall be made within 15 days of receipt by the State of the taxes.

b. A developer shall submit to the director updated closure and remediation costs actually incurred by the developer for the closure or remediation of the municipal solid waste landfill located at the site of the redevelopment project as provided in the redevelopment agreement. The

reimbursement authorized pursuant to this section shall continue until such time as the aggregate dollar amount of the reimbursement equals 75% of the dollar amount of the closure and remediation costs actually incurred by the developer, as certified to the director by the developer. To remain entitled to the reimbursement authorized pursuant to this section, the developer shall perform and complete all closure and remediation activities during the closure and post-closure periods as may be required pursuant to the memorandum of agreement entered into with the Commissioner of Environmental Protection pursuant to section 5 of P.L.1996, c.124 (C.13:1E-116.5). The Department of Environmental Protection may review the closure and remediation costs incurred by the developer to determine if they are reasonable.

8. Section 21 of P.L.1983, c.303 (C.52:27H-80) is amended to read as follows:

C.52:27H-80 Tax exemption of 50% for retail sales.

21. Receipts of retail sales, except retail sales of motor vehicles, of alcoholic beverages as defined in the "Alcoholic Beverage Tax Law," R.S.54:41-1 et seq., cigarettes as defined in the "Cigarette Tax Act," P.L.1948, c.65 (C.54:40A-1 et seq.) and of manufacturing machinery, equipment or apparatus, made by a certified vendor from a place of business owned or leased and regularly operated by the vendor for the purpose of making retail sales, and located in a designated enterprise zone established pursuant to the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et al.), are exempt to the extent of 50% of the tax imposed under the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.).

Any vendor, which is a qualified business having a place of business located in a designated enterprise zone, may apply to the Director of the Division of Taxation in the Department of the Treasury for certification pursuant to this section. The director shall certify a vendor if he shall find that the vendor owns or leases and regularly operates a place of business located in the designated enterprise zone for the purpose of making retail sales, that items are regularly exhibited and offered for retail sale at that location, and that the place of business is not utilized primarily for the purpose of catalogue or mail order sales. The certification under this section shall remain in effect during the time the business retains its status as a qualified business meeting the eligibility criteria of section 27 of P.L.1983, c.303 (C.52:27H-86). However, the director may at any time revoke a certification granted pursuant to this section if he shall determine that the vendor no longer complies with the provisions of this section.

Notwithstanding the provisions of this act to the contrary, except as may otherwise be provided by section 7 of P.L.1983, c.303 (C.52:27H-66), the authority may, in its discretion, determine whether or not the provisions of this section shall apply to any enterprise zone designated after the effective date of P.L.1985, c.142 (C.52:27H-66 et al.); provided, however, that the authority may make such a determination only where the authority finds that the award of an exemption of 50 percent of the tax imposed under the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.) will not have any adverse economic impact upon any other urban enterprise zone.

Notwithstanding any other provisions of law to the contrary, except as provided in subsection b. of section 6 of P.L.1996, c.124 (C.13:1E-116.6), after first depositing 10 percent of the gross amount of all revenues received from the taxation of retail sales made by certified vendors from business locations in designated enterprise zones to which this exemption shall apply into the account created in the name of the authority in the enterprise zone assistance fund pursuant to section 29 of P.L.1983, c.303 (C.52:27H-88), the remaining 90 percent shall be deposited immediately upon collection by the Department of the Treasury, as follows:

a. In the first five-year period during which the State shall have collected reduced rate revenues within an enterprise zone, all such revenues shall be deposited in the enterprise zone assistance fund created pursuant to section 29 of P.L.1983, c.303 (C.52:27H-88);

b. In the second five-year period during which the State shall have collected reduced rate revenues within an enterprise zone, 66 2/3% of all those revenues shall be deposited in the enterprise zone assistance fund, and 33 1/3% shall be deposited in the General Fund;

c. In the third five-year period during which the State shall have collected reduced rate revenues within an enterprise zone, 33 1/3% of all those revenues shall be deposited in the enterprise zone assistance fund, and 66 2/3% shall be deposited in the General Fund;

d. In the final five-year period during which the State shall have collected reduced rate revenues within an enterprise zone, but not to exceed the life of the enterprise zone, all those revenues shall be deposited in the General Fund.

Commencing on the effective date of P.L.1993, c.144, all revenues in any enterprise zone to which the provisions of this section have been extended prior to the enactment of P.L.1993, c.144 shall be deposited into the enterprise zone assistance fund until there shall have been deposited all revenues into that fund for a total of five full years, as set forth in subsection a. of this section. The State Treasurer then shall proceed to deposit funds into the enterprise zone assistance fund according to the schedule set forth in subsections b. through d. of this section, beginning at the point where the

enterprise zone was located on that schedule on the effective date of P.L.1993, c.144. No enterprise zone shall receive the deposit benefit granted by any one subsection of this section for more than five cumulative years.

The revenues required to be deposited in the enterprise zone assistance fund under this section shall be used for the purposes of that fund and for the uses prescribed in section 29 of P.L.1983, c.303 (C.52:27H-88), subject to annual appropriations being made for those purposes and uses.

9. This act shall take effect immediately.

Approved November 6, 1996.

CHAPTER 125

AN ACT requiring health insurance benefits for testing for prostate cancer and supplementing Titles 17 and 26 of the Revised Statutes and Title 17B of the New Jersey Statutes.

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

C.17:48E-35.13 Health service corporation contract, prostate cancer testing.

1. No health service corporation contract providing hospital or medical expense benefits for groups with greater than 49 persons shall be delivered, issued, executed or renewed in this State, or approved for issuance or renewal in this State by the Commissioner of Insurance on or after the effective date of this act, unless the contract provides benefits to any named subscriber or other person covered thereunder for expenses incurred in conducting an annual medically recognized diagnostic examination including, but not limited to, a digital rectal examination and a prostate-specific antigen test for men age 50 and over who are asymptomatic and for men age 40 and over with a family history of prostate cancer or other prostate cancer risk factors.

The benefits shall be provided to the same extent as for any other medical condition under the contract.

This section shall apply to all health service corporation contracts in which the health service corporation has reserved the right to change the premium.

C.17:48-6p Hospital service corporation contract, prostate cancer testing.

2. No hospital service corporation contract providing hospital or medical expense benefits for groups with greater than 49 persons shall be delivered, issued, executed or renewed in this State, or approved for issuance or renewal in this State by the Commissioner of Insurance on or after the effective date of this act, unless the contract provides benefits to any named subscriber or other person covered thereunder for expenses incurred in conducting an annual medically recognized diagnostic examination including, but not limited to, a digital rectal examination and a prostate-specific antigen test for men age 50 and over who are asymptomatic and for men age 40 and over with a family history of prostate cancer or other prostate cancer risk factors.

The benefits shall be provided to the same extent as for any other medical condition under the contract.

This section shall apply to all hospital service corporation contracts in which the hospital service corporation has reserved the right to change the premium.

C.17:48A-7n Medical service corporation contract, prostate cancer testing.

3. No medical service corporation contract providing hospital or medical expense benefits for groups with greater than 49 persons shall be delivered, issued, executed or renewed in this State, or approved for issuance or renewal in this State by the Commissioner of Insurance on or after the effective date of this act, unless the contract provides benefits to any named subscriber or other person covered thereunder for expenses incurred in conducting an annual medically recognized diagnostic examination including, but not limited to, a digital rectal examination and a prostate-specific antigen test for men age 50 and over who are asymptomatic and for men age 40 and over with a family history of prostate cancer or other prostate cancer risk factors.

The benefits shall be provided to the same extent as for any other medical condition under the contract.

This section shall apply to all medical service corporation contracts in which the medical service corporation has reserved the right to change the premium.

C.17B:27-46.1o Group health insurance policy, prostate cancer testing.

4. No group health insurance policy providing hospital or medical expense benefits for groups with greater than 49 persons shall be delivered, issued, executed or renewed in this State, or approved for issuance or renewal in this State by the Commissioner of Insurance on or after the effective date of this act, unless the policy provides benefits to any named

insured or other person covered thereunder for expenses incurred in conducting an annual medically recognized diagnostic examination including, but not limited to, a digital rectal examination and a prostate-specific antigen test for men age 50 and over who are asymptomatic and for men age 40 and over with a family history of prostate cancer or other prostate cancer risk factors.

The benefits shall be provided to the same extent as for any other medical condition under the policy.

This section shall apply to all group health insurance policies in which the health insurer has reserved the right to change the premium.

C.26:2J-4.13 HMO certificate of authority, prostate cancer testing.

5. A certificate of authority to establish and operate a health maintenance organization in this State shall not be issued or continued by the Commissioner of Health on or after the effective date of this act unless the health maintenance organization provides health care services to any enrollee which include an annual medically recognized diagnostic examination including, but not limited to, a digital rectal examination and a prostate-specific antigen test for men age 50 and over who are asymptomatic and for men age 40 and over with a family history of prostate cancer or other prostate cancer risk factors.

The health care services shall be provided to the same extent as for any other medical condition under the contract.

The provisions of this section shall apply to all contracts for health care services by health maintenance organizations under which the right to change the schedule of charges for enrollee coverage is reserved.

6. This act shall take effect on the 30th day after enactment.

Approved November 6, 1996.

CHAPTER 126

AN ACT concerning genetic testing and privacy and medical underwriting, amending N.J.S.17B:30-12, amending and supplementing P.L.1945, c.169 and supplementing Titles 17 and 26 of the Revised Statutes and Title 17B of the New Jersey Statutes.

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

C.10:5-43 Short title.

1. Sections 1 through 10 of this act shall be known and may be cited as the "Genetic Privacy Act."

C.10:5-44 Findings, declarations relative to genetic information.

2. The Legislature finds and declares:

a. The DNA molecule contains information about an individual's probable medical future. This information is written in a code that is rapidly being broken.

b. Genetic information is personal information that should not be collected, retained or disclosed without the individual's authorization.

c. The improper collection, retention or disclosure of genetic information can lead to significant harm to the individual, including stigmatization and discrimination in areas such as employment, education, health care and insurance.

d. An analysis of an individual's DNA provides information not only about an individual, but also about the individual's parents, siblings and children, thereby impacting family privacy, including reproductive decisions.

e. Current legal protections for medical information, tissue samples and DNA samples are inadequate to protect genetic privacy.

f. Laws for the collection, storage and use of identifiable DNA samples and private genetic information obtained from those samples are needed both to protect individual privacy and to permit legitimate genetic research.

g. Progress in mapping the genes that cause breast cancer and other diseases has far outpaced the development of a legal and ethical context in which genetic information can be properly evaluated.

h. Effective tests to determine the presence of genes that cause breast cancer and other diseases carry with them the devastating potential for discrimination against carriers of these genes.

3. N.J.S.17B:30-12 is amended to read as follows:

Discrimination prohibited; terms defined.

a. No person shall discriminate against any person or group of persons because of race, creed, color, national origin or ancestry of such person or group of persons in the issuance, withholding, extension or renewal of any policy of life or health insurance or annuity or in the fixing of the rates, terms or conditions therefor, or in the issuance or acceptance of any application therefor.

b. No person shall use any form of policy of life or health insurance or contract of annuity which expresses, directly or indirectly, any limitation, or

discrimination as to race, creed, color, national origin or ancestry or any intent to make any such limitation or discrimination.

c. No person shall make or permit any unfair discrimination between individuals of the same class and equal expectation of life in the rates charged for any policy of life insurance or contract of annuity or in the dividends or other benefits payable thereon, or in any other of the terms and conditions of such policy of life insurance or contract of annuity.

d. No person shall make or permit any unfair discrimination between individuals of the same class and of essentially the same hazard in the amount of premium, policy fees, or rates charged for any policy or contract of health insurance or in the benefits payable thereunder, or in any of the terms or conditions of such policy or contract, or in any other manner whatever.

e. (1) No person shall discriminate against any individual on the basis of genetic information or the refusal to submit to a genetic test or make available the results of a genetic test to the person in the issuance, withholding, extension or renewal of any hospital confinement or other supplemental limited benefit insurance, as defined by regulation of the commissioner, or in the fixing of the rates, terms or conditions therefor, or in the issuance or acceptance of any application therefor.

(2) As used in this subsection and subsection f. of this section:

"Genetic characteristic" means any inherited gene or chromosome, or alteration thereof, that is scientifically or medically believed to predispose an individual to a disease, disorder or syndrome, or to be associated with a statistically significant increased risk of development of a disease, disorder or syndrome.

"Genetic information" means the information about genes, gene products or inherited characteristics that may derive from an individual or family member.

"Genetic test" means a test for determining the presence or absence of an inherited genetic characteristic in an individual, including tests of nucleic acids such as DNA, RNA and mitochondrial DNA, chromosomes or proteins in order to identify a predisposing genetic characteristic.

f. No person shall make or permit any unfair discrimination against an individual in the application of the results of a genetic test or genetic information in the issuance, withholding, extension or renewal of a policy of life insurance, including credit life insurance, an annuity, disability income insurance contract or credit accident insurance coverage. If the commissioner has reason to believe that such unfair discrimination has occurred, including that application of the results of a genetic test is not reasonably related to anticipated claim experience, and that a proceeding by the commissioner would be in the interest of the public, the commissioner shall,

in accordance with the provisions of N.J.S.17B:30-1 et seq., issue and serve upon the insurer a statement of the charges. Upon a determination that the practice or act of the insurer is in conflict with the provisions of this subsection, the commissioner shall issue an order requiring the insurer to cease and desist from engaging in the practice or act and may order payment of a penalty consistent with the provisions of N.J.S.17B:30-1 et seq.

If, in the issuance, withholding, extension or renewal of any policy of life insurance, including credit life insurance, an annuity, disability income insurance contract or credit accident insurance coverage, an insurer will use the results of a genetic test in compliance with this subsection, the insurer shall notify the individual who is the subject of the genetic test that such a test shall be required and shall obtain the individual's written informed consent for the test prior to the administration of the test, in accordance with the requirements of P.L.1985, c.179 (C.17:23A-1 et seq.). The insurer shall also provide that the physician or other health care professional designated by the individual shall promptly receive a copy of the results of the test and, if required, an interpretation of the test results by a qualified professional, and that the individual shall state in writing whether the individual elects to be informed of the results of the test.

g. Nothing contained in this section shall be construed to require any agent or company to take or receive the application for insurance or annuity of any person or to issue a policy of insurance or contract of annuity to any person.

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

C.10:5-5 Definitions relative to discrimination.

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" include 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 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.

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, ancestry or affectional or sexual orientation 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 a residence or the household of the owner's 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 the owner or occupant as a residence or the household of the owner's or occupant's 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. Nor does any provision under this act regarding discrimination on the basis of familial status apply with respect to housing for older persons.

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 salesperson" 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. "Handicapped" means suffering from 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 service or guide dog, wheelchair, or other remedial appliance or device, or from any mental, psychological or developmental disability resulting from anatomical, psychological, physiological or neurological conditions which prevents the normal exercise of any bodily or mental functions or is demonstrable, medically or psychologically, by accepted clinical or laboratory diagnostic techniques. Handicapped shall also mean suffering from AIDS or HIV infection.

r. "Blind person" means any individual whose central visual acuity does not exceed 20/200 in the better eye with correcting lens or whose visual acuity is better than 20/200 if accompanied by a limit to the field of vision in

the better eye to such a degree that its widest diameter subtends an angle of no greater than 20 degrees.

s. "Guide dog" means a dog used to assist deaf persons or which is fitted with a special harness so as to be suitable as an aid to the mobility of a blind person, and is used by a blind person who has satisfactorily completed a specific course of training in the use of such a dog, and has been trained by an organization generally recognized by agencies involved in the rehabilitation of the blind or deaf as reputable and competent to provide dogs with training of this type.

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

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

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

w. "Deaf person" means any person whose hearing is so severely impaired that the person is unable to hear and understand normal conversational speech through the unaided ear alone, and who must depend primarily on a supportive device or visual communication such as writing, lip reading, sign language, and gestures.

x. "Atypical hereditary cellular or blood trait" means sickle cell trait, hemoglobin C trait, thalassemia trait, Tay-Sachs trait, or cystic fibrosis trait.

y. "Sickle cell trait" means the condition wherein the major natural hemoglobin components present in the blood of the individual are hemoglobin A (normal) and hemoglobin S (sickle hemoglobin) as defined by standard chemical and physical analytic techniques, including electrophoresis; and the proportion of hemoglobin A is greater than the proportion of hemoglobin S or one natural parent of the individual is shown to have only normal hemoglobin components (hemoglobin A, hemoglobin A2, hemoglobin F) in the normal proportions by standard chemical and physical analytic tests.

z. "Hemoglobin C trait" means the condition wherein the major natural hemoglobin components present in the blood of the individual are hemoglobin A (normal) and hemoglobin C as defined by standard chemical and

physical analytic techniques, including electrophoresis; and the proportion of hemoglobin A is greater than the proportion of hemoglobin C or one natural parent of the individual is shown to have only normal hemoglobin components (hemoglobin A, hemoglobin A2, hemoglobin F) in normal proportions by standard chemical and physical analytic tests.

aa. "Thalassemia trait" means the presence of the thalassemia gene which in combination with another similar gene results in the chronic hereditary disease Cooley's anemia.

bb. "Tay-Sachs trait" means the presence of the Tay-Sachs gene which in combination with another similar gene results in the chronic hereditary disease Tay-Sachs.

cc. "Cystic fibrosis trait" means the presence of the cystic fibrosis gene which in combination with another similar gene results in the chronic hereditary disease cystic fibrosis.

dd. "Service dog" means any dog individually trained to a handicapped person's requirements including, but not limited to minimal protection work, rescue work, pulling a wheelchair or retrieving dropped items.

ee. "Qualified Medicaid applicant" means an individual who is a qualified applicant pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.).

ff. "AIDS" means acquired immune deficiency syndrome as defined by the Centers for Disease Control of the United States Public Health Service.

gg. "HIV infection" means infection with the human immunodeficiency virus or any other related virus identified as a probable causative agent of AIDS.

hh. "Affectional or sexual orientation" means male or female heterosexuality, homosexuality or bisexuality by inclination, practice, identity or expression, having a history thereof or being perceived, presumed or identified by others as having such an orientation.

ii. "Heterosexuality" means affectional, emotional or physical attraction or behavior which is primarily directed towards persons of the other gender.

jj. "Homosexuality" means affectional, emotional or physical attraction or behavior which is primarily directed towards persons of the same gender.

kk. "Bisexuality" means affectional, emotional or physical attraction or behavior which is directed towards persons of either gender.

ll. "Familial status" means being the natural parent of a child, the adoptive parent of a child, the foster parent of a child, having a "parent and child relationship" with a child as defined by State law, or having sole or joint legal or physical custody, care, guardianship, or visitation with a child, or any person who is pregnant or is in the process of securing legal custody of any individual who has not attained the age of 18 years.

mm. "Housing for older persons" means housing:

(1) provided under any State or federal program that the Attorney General determines is specifically designed and operated to assist elderly persons (as defined in the State or federal program); or

(2) intended for, and solely occupied by persons 62 years of age or older; or

(3) intended and operated for occupancy by at least one person 55 years of age or older per unit. In determining whether housing qualifies as housing for older persons under this subsection, the Attorney General shall adopt regulations which require at least the following factors:

(a) the existence of significant facilities and services specifically designed to meet the physical or social needs of older persons, or if the provision of such facilities and services is not practicable, that such housing is necessary to provide important housing opportunities for older persons; and

(b) that at least 80 percent of the units are occupied by at least one person 55 years of age or older per unit; and

(c) the publication of, and adherence to, policies and procedures which demonstrate an intent by the owner or manager to provide housing for persons 55 years of age or older.

Housing shall not fail to meet the requirements for housing for older persons by reason of: persons residing in such housing as of March 12, 1989 not meeting the age requirements of this subsection, provided that new occupants of such housing meet the age requirements of this subsection; or unoccupied units, provided that such units are reserved for occupancy by persons who meet the age requirements of this subsection.

nn. "Genetic characteristic" means any inherited gene or chromosome, or alteration thereof, that is scientifically or medically believed to predispose an individual to a disease, disorder or syndrome, or to be associated with a statistically significant increased risk of development of a disease, disorder or syndrome.

oo. "Genetic information" means the information about genes, gene products or inherited characteristics that may derive from an individual or family member.

pp. "Genetic test" means a test for determining the presence or absence of an inherited genetic characteristic in an individual, including tests of nucleic acids such as DNA, RNA and mitochondrial DNA, chromosomes or proteins in order to identify a predisposing genetic characteristic.

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

C.10:5-12 Unlawful employment practices, 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, affectional or sexual orientation, genetic information, sex or atypical hereditary cellular or blood trait of any individual, or because of the liability for service in the Armed Forces of the United States or the nationality of any individual, or because of the refusal to submit to a genetic test or make available the results of a genetic test to an employer, to refuse to hire or employ or to bar or to discharge or require to retire, unless justified by lawful considerations other than age, 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; provided further that nothing herein contained shall be construed to bar an employer from refusing to accept for employment or to promote any person over 70 years of age; 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; provided further, that it shall not be an unlawful employment practice to require the retirement of any employee who, for the two-year period immediately before retirement, is employed in a bona fide executive or a high policy-making position, if that employee is entitled to an immediate non-forfeitable annual retirement benefit from a pension, profit sharing, savings or deferred retirement plan, or any combination of those plans, of the employer of that employee which equals in the aggregate at least $27,000.00; and provided further that an employer may restrict employment to citizens of the United States where such restriction is required by federal law or is otherwise necessary to protect the national interest.

For the purposes of this subsection, a "bona fide executive" is a top level employee who exercises substantial executive authority over a significant number of employees and a large volume of business. A "high policy-making position" is a position in which a person plays a significant role in developing policy and in recommending the implementation thereof.

b. For a labor organization, because of the race, creed, color, national origin, ancestry, age, marital status, affectional or sexual orientation or sex of any individual, or because of the liability for service in the Armed Forces of the United States or nationality 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, affectional or sexual orientation 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 that person has opposed any practices or acts forbidden under this act or because that person has filed a complaint, testified or assisted in any proceeding under this act or to coerce, intimidate, threaten or interfere with any person in the exercise or enjoyment of, or on account of that person having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by 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, sex, affectional or sexual orientation or nationality of such person, or that the patronage or custom thereat of any person of any particular race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation 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, affectional or sexual orientation, familial status 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, affectional or sexual orientation or familial status 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, affectional or sexual orientation, familial status 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 of one sex to any individual of the exclusively opposite sex on the basis of sex.

h. For any person, including but not limited to, any real estate broker, real estate salesperson, 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, familial status, sex, affectional or sexual orientation or nationality of such person or group of persons, or to represent that any real property or 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 of facilities thereof to or from any person or group of persons because of the race, creed, color, national origin, ancestry, marital status, familial status, sex, affectional or sexual orientation or nationality of such person or group of persons;

(2) To discriminate against any person because of his race, creed, color, national origin, ancestry, marital status, familial status, sex or affectional or sexual orientation 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, familial status, sex, affectional or sexual orientation 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, affectional or sexual orientation 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, 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, sex, affectional or sexual orientation 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; or

(3) To discriminate on the basis of familial status in any manner described in paragraph (1) or (2) of this subsection with respect to any real property.

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 salesperson 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, familial status, sex, affectional or sexual orientation or nationality 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.

l. For any person to refuse to buy from, sell to, lease from or to, license, contract with, or trade with, provide goods, services or information to, or otherwise do business with any other person on the basis of the race, creed, color, national origin, ancestry, age, sex, affectional or sexual orientation, 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 requiring 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, affectional or sexual orientation, 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 provisions 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 l. and m. of section 11 of P.L.1945, c.169 (C.10:5-12), 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.

C.10:5-45 Informed consent required to obtain genetic information.

6. No person shall obtain genetic information from an individual, or from an individual's DNA sample, without first obtaining informed consent from the individual or the individual's representative according to regulations promulgated by the Commissioner of Health and Senior Services, in consultation with the Commissioner of Banking and Insurance, pursuant to subsection b. of section 9 of P.L.1996, c.126 (C.10:5-48).

a. The requirements of this section shall not apply to genetic information obtained:

(1) By a State, county, municipal or federal law enforcement agency for the purposes of establishing the identity of a person in the course of a criminal investigation or prosecution;

(2) To determine paternity in accordance with the provisions of section 11 of P.L.1983, c.17 (C.9:17-48);

(3) Pursuant to the provisions of the "DNA Database and Databank Act of 1994," P.L.1994, c.136 (C.53:1-20.17 et seq.);

(4) To determine the identity of deceased individuals;

(5) For anonymous research where the identity of the subject will not be released;

(6) Pursuant to newborn screening requirements established by State or federal law; or

(7) As authorized by federal law for the identification of persons.

b. In the case of a policy of life insurance or a disability income insurance contract, informed consent shall be obtained pursuant to the provisions of P.L.1985, c.179 (C.17:23A-1 et seq.).

C.10:5-46 Authorization to retain genetic information.

7. a. No person shall retain an individual's genetic information without first obtaining authorization under the informed consent requirement of section 6 of P.L.1996, c.126 (C.10:5-45) from the individual or the individual's representative, unless:

(1) Retention is necessary for the purposes of a criminal or death investigation or a criminal or juvenile proceeding;

(2) Retention is necessary to determine paternity in accordance with the provisions of section 11 of P.L.1983, c.17 (C.9:17-48);

(3) Retention is authorized by order of a court of competent jurisdiction;

(4) Retention is made pursuant to the provisions of the "DNA Database and Databank Act of 1994," P.L.1994, c.136 (C.53:1-20.17 et seq.); or

(5) Retention of information is for anonymous research where the identity of the subject will not be released.

b. The DNA sample of an individual from which genetic information has been obtained shall be destroyed promptly upon the specific request of that individual or the individual's representative, unless:

(1) Retention is necessary for the purposes of a criminal or death investigation or a criminal or juvenile proceeding; or

(2) Retention is authorized by order of a court of competent jurisdiction.

c. A DNA sample from an individual who is the subject of a research project shall be destroyed promptly upon completion of the project or withdrawal of the individual from the project, whichever occurs first, unless the individual or the individual's representative directs otherwise by informed consent.

d. A DNA sample from an individual for insurance or employment purposes shall be destroyed promptly after the purpose for which the sample was obtained has been accomplished unless retention is authorized by order of a court of competent jurisdiction.

e. An individual or an individual's representative, promptly upon request, may inspect, request correction of and obtain genetic information from the records of the individual unless the individual directs otherwise by informed consent pursuant to section 6 of P.L.1996, c.126 (C.10:5-45); except that, in the case of a policy of life insurance or a disability income insurance contract, the provisions of P.L.1985, c.179 (C.17:23A-1 et seq.) shall apply.

f. This section applies only to genetic information that can be identified as belonging to an individual or family. This section does not apply to any law, contract or other arrangement that determines a person's rights to compensation relating to substances or information derived from an individual's DNA sample.

C.10:5-47 Conditions for disclosure of genetic information.

8. a. Regardless of the manner of receipt or the source of genetic information, including information received from an individual, a person may not disclose or be compelled, by subpoena or any other means, to disclose the identity of an individual upon whom a genetic test has been performed or to disclose genetic information about the individual in a manner that permits identification of the individual, unless:

(1) Disclosure is necessary for the purposes of a criminal or death investigation or a criminal or juvenile proceeding;

(2) Disclosure is necessary to determine paternity in accordance with the provisions of section 11 of P.L.1983, c.17 (C.9:17-48);

(3) Disclosure is authorized by order of a court of competent jurisdiction;

(4) Disclosure is made pursuant to the provisions of the "DNA Database and Databank Act of 1994," P.L.1994, c.136 (C.53:1-20.17 et seq.);

(5) Disclosure is authorized by the tested individual or the tested individual's representative by signing a consent which complies with the requirements of the Department of Health and Senior Services;

(6) Disclosure is for the purpose of furnishing genetic information relating to a decedent for medical diagnosis of blood relatives of the decedent;

(7) Disclosure is for the purpose of identifying bodies;

(8) Disclosure is pursuant to newborn screening requirements established by State or federal law;

(9) Disclosure is authorized by federal law for the identification of persons; or

(10) Disclosure is by an insurer pursuant to the requirements of P.L.1985, c.179 (C.17:23A-1 et seq.).

b. The provisions of this section apply to any subsequent disclosure by any person after another person has disclosed genetic information or the identity of an individual upon whom a genetic test has been performed.

C.10:5-48 Notice to persons receiving genetic testing.

9. a. A person who requires or requests that genetic testing be done or receives records, results or findings of genetic testing shall provide the person tested with notice that the test was performed and that the records, results or findings were received unless otherwise directed by informed consent pursuant to section 6 of P.L.1996, c.126 (C.10:5-45). The notice shall state that the information may not be disclosed to any person without the written consent of the person tested, unless disclosure is made pursuant to one of the exceptions provided for in section 8 of P.L.1996, c.126 (C. 10:5-47).

b. The Commissioner of Health and Senior Services, in consultation with the Commissioner of Banking and Insurance, shall promulgate regulations pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) governing procedures for obtaining informed written consent pursuant to P.L.1996, c.126, except where the procedures for obtaining informed written consent already are governed by national standards for informed consent as designated by the Commissioner of Health and Senior Services by regulation, which may include, but need not be limited to, guidelines from the Office of Protection for Research Risk, the Food and Drug Administration or other appropriate federal agencies.

c. The provisions of this section shall not apply to newborn screening requirements established by State or federal law.

C.10:5-49 Violations, penalties for unlawful disclosure of genetic information.

10. a. Any person violating the provisions of sections 6 through 9, inclusive, of P.L.1996, c.126 (C.10:5-45 through C.10:5-48) shall be a disorderly person and shall be punished by a fine of $1,000, a prison term of six months, or both.

b. Any person who willfully discloses an individual's genetic information to any third party in violation of P.L.1996, c.126 shall be punished by a fine of $5,000, a prison term of one year, or both.

c. Any person who discloses an individual's genetic information in violation of P.L.1996, c.126, shall be liable to the individual for all actual damages, including damages for economic, bodily, or emotional harm which is proximately caused by the disclosure.

C.17:48-6.18 Hospital service corporation contract, exclusion, rates, terms based on genetic information prohibited.

11. Every individual or group hospital service corporation contract providing hospital or medical expense benefits that is delivered, issued, executed or renewed in this State pursuant to P.L.1938, c.366 (C.17:48-1 et seq.) or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance on or after the effective date of this act shall not exclude any person or eligible dependent and shall not establish any rates or terms therefor on the basis of an actual or expected health condition or on the basis of any genetic characteristic. For the purposes of this section, "genetic characteristic" means any inherited gene or chromosome, or alteration thereof, that is scientifically or medically believed to predispose an individual to a disease, disorder or syndrome, or to be associated with statistically increased risk of development of a disease, disorder or syndrome.

C.17:48A-6.11 Medical service corporation contract, exclusion, rates, terms based on genetic information prohibited.

12. Every individual or group medical service corporation contract providing hospital or medical expense benefits that is delivered, issued, executed or renewed in this State pursuant to P.L.1940, c.74 (C.17:48A-1 et seq.) or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance on or after the effective date of this act shall not exclude any person or eligible dependent and shall not establish any rates or terms therefor on the basis of an actual or expected health condition or on the basis of any genetic characteristic. For the purposes of this section, "genetic characteristic" means any inherited gene or chromosome, or alteration thereof, that is scientifically or medically believed to predispose an individual to a disease, disorder or syndrome, or to be associated with statistically increased risk of development of a disease, disorder or syndrome.

C.17:48E-15.2 Health service corporation contract, exclusion, rates, terms based on genetic information prohibited.

13. Every individual or group health service corporation contract providing hospital or medical expense benefits that is delivered, issued, executed or renewed in this State pursuant to P.L.1985, c.236 (C.17:48E-1 et seq.) or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance on or after the effective date of this act shall not exclude any person or eligible dependent and shall not establish any rates or terms therefor on the basis of an actual or expected health condition or on the basis of any genetic characteristic. For the purposes of this section, "genetic characteristic" means any inherited gene or chromosome, or

alteration thereof, that is scientifically or medically believed to predispose an individual to a disease, disorder or syndrome, or to be associated with statistically increased risk of development of a disease, disorder or syndrome.

C.17B:26-3.2 Individual health insurance policy, exclusion, rates, terms based on genetic information prohibited.

14. Every individual health insurance policy providing hospital and medical expense benefits that is delivered, issued, executed or renewed in this State pursuant to Chapter 26 of Title 17B of the New Jersey Statutes or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance on or after the effective date of this act shall not exclude any person or eligible dependent and shall not establish any rates or terms therefor on the basis of an actual or expected health condition or on the basis of any genetic characteristic. For the purposes of this section, "genetic characteristic" means any inherited gene or chromosome, or alteration thereof, that is scientifically or medically believed to predispose an individual to a disease, disorder or syndrome, or to be associated with statistically increased risk of development of a disease, disorder or syndrome.

C.17B:27-36.2 Group health insurance, policy, exclusion, rates, terms based on genetic information prohibited.

15. Every group health insurance policy providing hospital or medical expense benefits that is delivered, issued, executed or renewed in this State pursuant to Chapter 27 of Title 17B of the New Jersey Statutes or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance on or after the effective date of this act shall not exclude any person or eligible dependent and shall not establish any rates or terms therefor on the basis of an actual or expected health condition or on the basis of any genetic characteristic. For the purposes of this section, "genetic characteristic" means any inherited gene or chromosome, or alteration thereof, that is scientifically or medically believed to predispose an individual to a disease, disorder or syndrome, or to be associated with statistically increased risk of development of a disease, disorder or syndrome.

C.26:2J-15.1 Health care services contract, exclusion, rates, terms based on genetic information prohibited.

16. Every contract for health care services that is delivered, issued, executed or renewed in this State pursuant to P.L.1973, c.337 (C.26:2J-1 et seq.) or approved for issuance or renewal in this State on or after the effective date of this act shall not exclude any person or eligible dependent and shall not establish any rates or terms therefor on the basis of an actual

or expected health condition or on the basis of any genetic characteristic. For the purposes of this section, "genetic characteristic" means any inherited gene or chromosome, or alteration thereof, that is scientifically or medically believed to predispose an individual to a disease, disorder or syndrome, or to be associated with statistically increased risk of development of a disease, disorder or syndrome.

17. This act shall take effect immediately and the provisions of sections 6 and 7 shall apply to genetic information obtained on or after the effective date of this act.

Approved November 19, 1996.

CHAPTER 127

AN ACT concerning the renewal of certain inactive alcoholic beverage licenses and amending P.L.1977, c.246.

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

1. Section 1 of P.L.1977, c.246 (C.33:1-12.39) is amended to read as follows:

C.33:1-12.39 Active use required for renewal of Class C license; fee.

1. No Class C license, as the same is defined in R.S.33:1-12, shall be renewed if the same has not been actively used in connection with the operation of a licensed premises within a period of two years prior to the commencement date of the license period for which the renewal application is filed unless the director, for good cause and after a hearing, authorizes a further application for one or more renewals within a stated period of years; provided, however that, if the licensee has been deprived of the use of the licensed premises as a result of eminent domain, fire or other casualty, and establishes by affidavit filed with the director that he is making a good faith effort to resume active use of the license in connection with the operation of a licensed premise then the period of two years provided for in this section shall be automatically extended for an additional period of two years.

Any request for relief under this section shall be accompanied by a nonreturnable filing fee of $100.00 payable to the director.

2. This act shall take effect immediately.

Approved November 20, 1996.

CHAPTER 128

AN ACT appropriating $475,000 from the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, and reappropriating $8,000 from the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, for farmland preservation and soil and water conservation.

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

1. There is appropriated from the "1992 Farmland Preservation Fund," established pursuant to section 24 of the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L. 1992, c.88, to the State Agriculture Development Committee the sum of $475,000 for the purpose of providing a grant to the appropriate county and municipality for up to 80% of the cost of acquisition of development easements on farmland, provided that any funds received for the transfer of a development easement shall be dedicated to the future purchase of development easements, for the following project hereby approved as eligible for such funding:

Project (farm)	**County**	**Municipality**	**Acres (+/-)**	**Amount of Grant Not To Exceed**
Johnson	Cumberland	Upper Deerfield	253	$475,000

2. There is reappropriated from the "1989 Farmland Preservation Fund," established pursuant to section 22 of the "Open Space Preservation Bond Act of 1989," P.L.1989, c.183, to the State Agriculture Development Committee the unexpended balance of $8,000 appropriated pursuant to P.L.1993, c.262, and P.L.1993, c.263, for the purpose of providing a grant to a landowner for up to 50% of the cost of the following soil and water conservation project hereby approved as eligible for such funding:

Project (farm)	**County**	**Municipality**	**SADC ID#**	**Amount of Grant Not To Exceed**
Campione	Atlantic	Mullica	0117-20F	$8,000

3. The expenditure of the sums appropriated or reappropriated by this act is subject to the provisions and conditions of P.L.1989, c.183 and P.L.1992, c.88, as appropriate.

4. This act shall take effect immediately.

Approved November 20, 1996.

CHAPTER 129

AN ACT establishing an Educational Technology Teacher Training Program in the Department of Education and supplementing chapter 6 of Title 18A of the New Jersey Statutes.

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

C.18A:6-103 Short title.

1. This act shall be known and may be cited as the "Educational Technology Teacher Training Act."

C.18A:6-104 Findings, declarations relative to Educational Technology Teacher Training.

2. The Legislature finds and declares that:

a. In order for all of New Jersey's students to acquire the critical thinking and problem solving skills necessary to become productive citizens in the next century, they will require access to the opportunities provided by modern technology;

b. It is imperative that teachers understand the potential of technology within the classroom to support curriculum goals and that they become proficient and sophisticated users of those technologies critical to educating New Jersey's students;

c. Many of this State's teachers ended their training before technology was pervasive within teacher education programs and as a result the most frequently mentioned issue in educational technology has been the need for staff training;

d. The Education Technology Task Force, formed by the Commission on Business Efficiency in the Public Schools to assist the Legislature and Executive branch in formulating a Statewide educational technology policy, noted in its March, 1996 report, Technology and New Jersey's Schools in the 21st Century, that some school districts have exemplary technology programs and also have developed exemplary staff training programs;

e. The task force also recommended that in order to provide access to technology to teachers in the most efficient manner possible, the State should build upon this expertise by providing grants to school districts with proven histories of success in applying technology to education so that these school districts may share that knowledge with other districts through training programs specifically developed for that purpose; and

f. The New Jersey Department of Education has repeatedly stressed the importance of technology training for educational personnel and in fact in its April, 1993 report, Educational Technology in New Jersey: A Plan for Action, emphasized the critical need for strategies that will provide and support effective staff development models in this regard.

C.18A:6-105 Educational Technology Teacher Training Program.

3. The Commissioner of Education shall develop and administer an Educational Technology Teacher Training Program. The purpose of the program shall be to provide grants to local school districts which have successfully integrated technology within their own educational programs to develop and offer educational technology training programs to the teachers and staff of other school districts and to the teachers and staff of non-public schools. The grants shall be allocated to school districts on a competitive basis and the commissioner may, if he deems appropriate, award grants to other appropriate applicants which he feels have the potential to develop and offer high quality educational technology training programs to school staff, including the staff of non-public schools.

C.18A:6-106 "Educational Technology Teacher Training Fund."

4. a. There is established within the Department of Education a fund to be known as the "Educational Technology Teacher Training Fund," hereinafter referred to as the "fund." The fund shall be used to provide grants to school districts or other applicants as approved by the commissioner to develop and administer educational technology training programs for school district staff. The grants shall be provided for a three-year period after which the technology training program shall be supported on a fee-for-service basis, through private sector-school district partnership funding, or both. During the initial three-year period, the grant funding shall be supplemented on a fee-for-service basis to offset costs which may exceed the grant amount.

b. The fund shall annually be credited with money appropriated by the Legislature, any moneys received from corporate donors or other private sector support, and any federal funds which may become available for teacher technology training.

c. Grants provided from the fund shall be used for the development of accessible training sites; costs associated with educational technology

training personnel; the acquisition of equipment necessary for technological training including hardware and software; subscription fees for telecommunications and data base services; and any other purpose approved by the commissioner.

C.18A:6-107 Proposals for training programs; grants; training sites.

5. a. Within 90 days of the effective date of this act, the commissioner shall forward a request for proposals for the establishment of educational technology teacher training programs to local school districts and other appropriate applicants. A local school district or other applicant which wants to participate in the program shall submit a proposal to the commissioner which outlines the district's or applicant's plan to offer educational technology training to teachers and other school staff. The proposal shall include information which outlines the manner in which the technology training program shall become self-supporting at the end of the three-year grant period through a fee-for-service arrangement, private sector support, or some other mechanism as developed by the grant recipient. The proposal shall also include any other information which the commissioner may require.

b. The commissioner shall select grant recipients based on the quality of the proposed educational technology teacher training program. In selecting grant recipients, the commissioner shall consider the leadership and experience of the grant applicant in the effective use of educational technology within the classroom; the location of the proposed training site; and the potential for the training program to operate independently of grant funds at the end of the three-year period.

c. The commissioner shall award grants to support at least 21 teacher training sites in the amount of $200,000 per site. The commissioner shall provide for a phase-in of training sites over the three-year period with at least seven sites established in the first year of the program, seven sites in the second year, and seven sites in the third year. In establishing a schedule for the phase-in of training sites, the commissioner shall ensure that there is an equitable distribution of sites in terms of their geographic location providing at a minimum for the establishment of one training site per county.

d. Each training site shall include:

(1) program offerings providing basic technology skills;

(2) program offerings related to word processing, data bases, spreadsheets, and design;

(3) a minimum of three educational multimedia program offerings;

(4) a minimum of two telecommunications program offerings; and

New Jersey State Library

(5) program offerings which provide instruction on implementing teaching strategies that support the integration of technology in the classroom.

C.18A:6-108 Evaluation by commissioner.

6. The commissioner shall annually evaluate the effectiveness of the teacher training programs being operated by grant recipients. Three years following the effective date of this act, the commissioner shall report to the Governor and the Legislature on the progress of the Educational Technology Teacher Training Program.

C.18A:6-109 Rules, regulations.

7. The State Board of Education shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), the rules and regulations necessary to carry out the provisions of this act.

8. This act shall take effect immediately.

Approved November 20, 1996.

CHAPTER 130

AN ACT concerning industrial hygiene and supplementing P.L.1960, c.39 (C.56:8-1 et seq.).

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

C.56:8-81 Short title.

1. This act shall be known and may be cited as the "Industrial Hygienist Truth in Advertising Act."

C.56:8-82 Findings, declarations relative to industrial hygiene.

2. The Legislature finds and declares that it is necessary to provide assurance to the public that individuals who represent themselves as being involved in the profession of industrial hygiene have met certain qualifications.

C.56:8-83 Definitions relative to industrial hygiene.

3. As used in this act:

"Accredited college or university" means a college or university that is accredited by one of the following six regional accrediting agencies: Middle States Association of Colleges and Schools, New England Association of

Schools and Colleges, North Central Association of Colleges and Schools, Northwest Association of Schools and Colleges, Southern Association of Colleges and Schools, or Western Association of Schools and Colleges. A college or university that is located outside of the United States will be considered on the basis of its accreditation status in the education system that has jurisdiction.

"Certified industrial hygienist" or "CIH" means a person who has met the education, experience, and examination requirements of an industrial hygiene certification organization and whose certification has not lapsed or been revoked.

"Certified industrial hygienist in training" or "CIHIT" is a person who has received the designation industrial hygienist in training from an industrial hygiene certification organization and whose certification has not lapsed or been revoked.

"Division" means the Division of Consumer Affairs in the Department of Law and Public Safety.

"Industrial hygiene" means the science and practice devoted to the anticipation, recognition, evaluation, and control of those factors and stresses arising in or from the workplace or the environment that may cause sickness, impaired health and well-being, or significant discomfort among workers or members of the community.

"Industrial hygiene certification organization" means a professional organization of certified industrial hygienists which has been in existence for at least five years and which has been established to improve the practice and educational standards of the profession of industrial hygiene by certifying individuals who meet its education, experience and examination requirements. The organization shall have its certifying examinations evaluated by a national testing service and shall maintain criteria that are at least the equivalent of the American Board of Industrial Hygiene.

"Industrial hygienist" means a person who has an industrial hygienist education as defined in this section.

"Industrial hygienist education" means a baccalaureate or graduate degree from an accredited college or university in industrial hygiene, biology, chemistry, engineering, physics, or a closely related physical or biological science; or a baccalaureate or graduate degree from an accredited college or university that contains at least 60 semester credit hours in undergraduate or graduate level courses in science, mathematics, engineering and technology, with at least 15 of those hours in courses offered at the upper (junior, senior or graduate) level. A degree that is heavily comprised of only one of those subject areas in the absence of others, may be judged unacceptable. An unacceptable baccalaureate degree may be remedied by additional science coursework from an accredited college or university or by

completion of a related graduate degree from an accredited college or university.

C.56:8-84 Unlawful practices.

4. a. It shall be an unlawful practice for any person to advertise or hold himself out as a certified industrial hygienist in training or "CIHIT," or as a certified industrial hygienist or "CIH," unless that person is certified by an industrial hygiene certification organization.

b. It shall be an unlawful practice for any person who does not have an industrial hygienist education to advertise or hold himself out as an industrial hygienist.

C.56:8-85 Nonapplicability of act to supervised apprentices, students.

5. This act shall not apply to:

a. A person employed as an apprentice under the supervision of an industrial hygienist, certified industrial hygienist in training or certified industrial hygienist; or

b. A student studying industrial hygiene engaging in supervised activities related to industrial hygiene.

6. This act shall take effect immediately.

Approved December 5, 1996.

CHAPTER 131

AN ACT concerning the eviction of residential tenants and amending P.L.1974, c.49.

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

1. Section 2 of P.L.1974, c.49 (C.2A:18-61.1) is amended to read as follows:

C.2A:18-61.1 Grounds for removal of tenants.

2. No lessee or tenant or the assigns, under-tenants or legal representatives of such lessee or tenant may be removed by the Superior Court from any house, building, mobile home or land in a mobile home park or tenement leased for residential purposes, other than (1) owner-occupied premises with not more than two rental units or a hotel, motel or other guest house or part thereof rented to a transient guest or seasonal tenant; (2) a

dwelling unit which is held in trust on behalf of a member of the immediate family of the person or persons establishing the trust, provided that the member of the immediate family on whose behalf the trust is established permanently occupies the unit; and (3) a dwelling unit which is permanently occupied by a member of the immediate family of the owner of that unit, provided, however, that exception (2) or (3) shall apply only in cases in which the member of the immediate family has a developmental disability, except upon establishment of one of the following grounds as good cause:

a. The person fails to pay rent due and owing under the lease whether the same be oral or written.

b. The person has continued to be, after written notice to cease, so disorderly as to destroy the peace and quiet of the occupants or other tenants living in said house or neighborhood.

c. The person has willfully or by reason of gross negligence caused or allowed destruction, damage or injury to the premises.

d. The person has continued, after written notice to cease, to substantially violate or breach any of the landlord's rules and regulations governing said premises, provided such rules and regulations are reasonable and have been accepted in writing by the tenant or made a part of the lease at the beginning of the lease term.

e. The person has continued, after written notice to cease, to substantially violate or breach any of the covenants or agreements contained in the lease for the premises where a right of reentry is reserved to the landlord in the lease for a violation of such covenant or agreement, provided that such covenant or agreement is reasonable and was contained in the lease at the beginning of the lease term.

f. The person has failed to pay rent after a valid notice to quit and notice of increase of said rent, provided the increase in rent is not unconscionable and complies with any and all other laws or municipal ordinances governing rent increases.

g. The landlord or owner (1) seeks to permanently board up or demolish the premises because he has been cited by local or State housing inspectors for substantial violations affecting the health and safety of tenants and it is economically unfeasible for the owner to eliminate the violations; (2) seeks to comply with local or State housing inspectors who have cited him for substantial violations affecting the health and safety of tenants and it is unfeasible to so comply without removing the tenant; simultaneously with service of notice of eviction pursuant to this clause, the landlord shall notify the Department of Community Affairs of the intention to institute proceedings and shall provide the department with such other information as it may require pursuant to rules and regulations. The department shall inform all parties and the court of its view with respect to the feasibility of compliance

without removal of the tenant and may in its discretion appear and present evidence; (3) seeks to correct an illegal occupancy because he has been cited by local or State housing inspectors or zoning officers and it is unfeasible to correct such illegal occupancy without removing the tenant; or (4) is a governmental agency which seeks to permanently retire the premises from the rental market pursuant to a redevelopment or land clearance plan in a blighted area. In those cases where the tenant is being removed for any reason specified in this subsection, no warrant for possession shall be issued until P.L.1967, c.79 (C.52:31B-1 et seq.) and P.L.1971, c.362 (C.20:4-1 et seq.) have been complied with.

h. The owner seeks to retire permanently the residential building or the mobile home park from residential use or use as a mobile home park, provided this subsection shall not apply to circumstances covered under subsection g. of this section.

i. The landlord or owner proposes, at the termination of a lease, reasonable changes of substance in the terms and conditions of the lease, including specifically any change in the term thereof, which the tenant, after written notice, refuses to accept; provided that in cases where a tenant has received a notice of termination pursuant to subsection g. of section 3 of P.L.1974, c.49 (C.2A:18-61.2), or has a protected tenancy status pursuant to section 9 of the "Senior Citizens and Disabled Protected Tenancy Act," P.L.1981, c.226 (C.2A:18-61.30), or pursuant to the "Tenant Protection Act of 1992," P.L.1991, c.509 (C.2A:18-61.40 et al.), the landlord or owner shall have the burden of proving that any change in the terms and conditions of the lease, rental or regulations both is reasonable and does not substantially reduce the rights and privileges to which the tenant was entitled prior to the conversion.

j. The person, after written notice to cease, has habitually and without legal justification failed to pay rent which is due and owing.

k. The landlord or owner of the building or mobile home park is converting from the rental market to a condominium, cooperative or fee simple ownership of two or more dwelling units or park sites, except as hereinafter provided in subsection l. of this section. Where the tenant is being removed pursuant to this subsection, no warrant for possession shall be issued until this act has been complied with. No action for possession shall be brought pursuant to this subsection against a senior citizen tenant or disabled tenant with protected tenancy status pursuant to the "Senior Citizens and Disabled Protected Tenancy Act," P.L.1981, c.226 (C.2A:18-61.22 et al.), or against a qualified tenant under the "Tenant Protection Act of 1992," P.L.1991, c.509 (C.2A:18-61.40 et al.), as long as the agency has not terminated the protected tenancy status or the protected tenancy period has not expired.

l. (1) The owner of a building or mobile home park, which is constructed as or being converted to a condominium, cooperative or fee simple ownership, seeks to evict a tenant or sublessee whose initial tenancy began after the master deed, agreement establishing the cooperative or subdivision plat was recorded, because the owner has contracted to sell the unit to a buyer who seeks to personally occupy it and the contract for sale calls for the unit to be vacant at the time of closing. However, no action shall be brought against a tenant under paragraph (1) of this subsection unless the tenant was given a statement in accordance with section 6 of P.L.1975, c.311 (C.2A:18-61.9);

(2) The owner of three or less condominium or cooperative units seeks to evict a tenant whose initial tenancy began by rental from an owner of three or less units after the master deed or agreement establishing the cooperative was recorded, because the owner seeks to personally occupy the unit, or has contracted to sell the unit to a buyer who seeks to personally occupy it and the contract for sale calls for the unit to be vacant at the time of closing;

(3) The owner of a building of three residential units or less seeks to personally occupy a unit, or has contracted to sell the residential unit to a buyer who wishes to personally occupy it and the contract for sale calls for the unit to be vacant at the time of closing.

m. The landlord or owner conditioned the tenancy upon and in consideration for the tenant's employment by the landlord or owner as superintendent, janitor or in some other capacity and such employment is being terminated.

n. The person has been convicted of or pleaded guilty to, or if a juvenile, has been adjudicated delinquent on the basis of an act which if committed by an adult would constitute an offense under the "Comprehensive Drug Reform Act of 1987," N.J.S.2C:35-1 et al. involving the use, possession, manufacture, dispensing or distribution of a controlled dangerous substance, controlled dangerous substance analog or drug paraphernalia within the meaning of that act within or upon the leased premises or the building or complex of buildings and land appurtenant thereto, or the mobile home park, in which those premises are located, and has not in connection with his sentence for that offense either (1) successfully completed or (2) been admitted to and continued upon probation while completing, a drug rehabilitation program pursuant to N.J.S.2C:35-14; or, being the tenant or lessee of such leased premises, knowingly harbors or harbored therein a person who has been so convicted or has so pleaded, or otherwise permits or permitted such a person to occupy those premises for residential purposes, whether continuously or intermittently, except that this subsection shall not apply to a person harboring or permitting a juvenile to occupy the

premises if the juvenile has been adjudicated delinquent upon the basis of an act which if committed by an adult would constitute the offense of use or possession under the said act. No action for removal may be brought pursuant to this subsection more than two years after the date of the adjudication or conviction or more than two years after the person's release from incarceration whichever is the later.

o. The person has been convicted of or pleaded guilty to, or if a juvenile, has been adjudicated delinquent on the basis of an act which if committed by an adult would constitute an offense under N.J.S.2C:12-1 or N.J.S.2C:12-3 involving assault, or terroristic threats against the landlord, a member of the landlord's family or an employee of the landlord; or, being the tenant or lessee of such leased premises, knowingly harbors or harbored therein a person who has been so convicted or has so pleaded, or otherwise permits or permitted such a person to occupy those premises for residential purposes, whether continuously or intermittently. No action for removal may be brought pursuant to this subsection more than two years after the adjudication or conviction or more than two years after the person's release from incarceration whichever is the later.

p. The person has been found, by a preponderance of the evidence, liable in a civil action for removal commenced under this act for an offense under N.J.S.2C:20-1 et al. involving theft of property located on the leased premises from the landlord, the leased premises or other tenants residing in the leased premises, or N.J.S.2C:12-1 or N.J.S.2C:12-3 involving assault or terroristic threats against the landlord, a member of the landlord's family or an employee of the landlord, or under the "Comprehensive Drug Reform Act of 1987," N.J.S.2C:35-1 et al., involving the use, possession, manufacture, dispensing or distribution of a controlled dangerous substance, controlled dangerous substance analog or drug paraphernalia within the meaning of that act within or upon the leased premises or the building or complex of buildings and land appurtenant thereto, or the mobile home park, in which those premises are located, and has not in connection with his sentence for that offense either (1) successfully completed or (2) been admitted to and continued upon probation while completing a drug rehabilitation program pursuant to N.J.S.2C:35-14; or, being the tenant or lessee of such leased premises, knowingly harbors or harbored therein a person who committed such an offense, or otherwise permits or permitted such a person to occupy those premises for residential purposes, whether continuously or intermittently, except that this subsection shall not apply to a person who harbors or permits a juvenile to occupy the premises if the juvenile has been adjudicated delinquent upon the basis of an act which if committed by an adult would constitute the offense of use or possession under the said "Comprehensive Drug Reform Act of 1987."

q. The person has been convicted of or pleaded guilty to, or if a juvenile, has been adjudicated delinquent on the basis of an act which if committed by an adult would constitute an offense under N.J.S.2C:20-1 et al. involving theft of property from the landlord, the leased premises or other tenants residing in the same building or complex; or, being the tenant or lessee of such leased premises, knowingly harbors therein a person who has been so convicted or has so pleaded, or otherwise permits such a person to occupy those premises for residential purposes, whether continuously or intermittently.

For purposes of this section, (1) "developmental disability" means any disability which is defined as such pursuant to section 3 of P.L.1977, c.82 (C.30:6D-3); (2) "member of the immediate family" means a person's spouse, parent, child or sibling, or a spouse, parent, child or sibling of any of them; and (3) "permanently" occupies or occupied means that the occupant maintains no other domicile at which the occupant votes, pays rent or property taxes or at which rent or property taxes are paid on the occupant's behalf.

2. This act shall take effect immediately.

Approved December 5, 1996.

CHAPTER 132

AN ACT concerning county and municipal parks and amending P.L.1992, c.101.

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

1. Section 1 of P.L.1992, c.101 (C.40:12-20) is amended to read as follows:

C.40:12-20 Findings, declarations relative to county, municipal parks.

1. The Legislature finds and declares that county and municipal parks in the State are deteriorating due to a lack of proper maintenance, operation, or improvement; that the use and enjoyment of such parks is diminished by their poor condition; that counties and municipalities often do not have the funds to expend for the proper maintenance, operation, or improvement of their parks; that proper maintenance, operation, and improvement helps extend the life of park facilities, thereby reducing the need in some cases for

large public capital expenditures for new park facilities and allowing any savings resulting therefrom to be used for other public purposes; that private businesses located near county or municipal parks have a public service interest as well as a private financial incentive in ensuring that such parks are well cared for; that such businesses often have financial and other resources available to them to devote to such a worthy purpose; that many nonprofit organizations would welcome the opportunity for their members and volunteers to assist counties or municipalities in the maintenance, operation, or improvement of county or municipal parks in a spirit of public service; and that, therefore, it is appropriate to authorize counties and municipalities and private businesses or nonprofit organizations to establish mutually beneficial partnerships in the manner prescribed by this act that will result in county and municipal parks that are better maintained, operated, and improved for the use and enjoyment of the public.

2. Section 2 of P.L.1992, c.101 (C.40:12-21) is amended to read as follows:

C.40:12-21 Definitions relative to county, municipal parks.

2. As used in this act:

"Improvement" means, but is not necessarily limited to, construction, reconstruction, stabilization, repair, rehabilitation, renovation, or restoration of a park or park facility, building, structure, infrastructure, or feature.

"Local government unit" means a county, municipality, or joint meeting, including any commission, utilities or other authority, board, or agency thereof, or a county park commission, county board of park commissioners, county or municipal board of recreation commissioners, municipal recreation commission, or similar entity.

"Operation" means, but is not necessarily limited to, the providing of park or recreation services, equipment, materials, supplies, or staff personnel.

"Park" means a park, playground, picnic area, square, monument, beach, waterfront, recreation area, conservation area, or similar place or property, or any open space, owned or controlled by a local government unit.

"Participating business entity" means a business entity that has entered into a park maintenance, operation, or improvement agreement with a local government unit in accordance with this act.

"Participating entity" means a business entity or nonprofit organization that has entered into a park maintenance, operation, or improvement agreement with a local government unit in accordance with this act.

3. Section 3 of P.L.1992, c.101 (C.40:12-22) is amended to read as follows:

C.40:12-22 Agreements to provide for maintenance, operation or improvement.

3. Any local government unit may enter into an agreement with a business entity or nonprofit organization located within or near the local government unit to provide for the maintenance, operation, or improvement of a park or any portion thereof located within the local government unit, at no cost to the local government unit except as provided pursuant to section 4 of P.L.1992, c.101 (C.40:12-23). No such park maintenance, operation, or improvement agreement may be entered into unless the business entity or nonprofit organization successfully demonstrates to the local government unit that the business entity or nonprofit organization is capable of maintaining, operating, or improving the park according to the agreed upon terms and conditions. A park maintenance, operation, or improvement agreement shall be for such period as may be agreed upon by the local government unit and the business entity or nonprofit organization, and may be terminated by the business entity or nonprofit organization upon at least six months' notice to the local government unit, or by the local government unit at any time without prior notice to the business entity or nonprofit organization, for any reason, including, but not limited to, failure of the participating business entity or nonprofit organization to comply with any term or condition of the park maintenance, operation, or improvement agreement.

4. Section 4 of P.L.1992, c.101 (C.40:12-23) is amended to read as follows:

C.40:12-23 Provision of equipment, materials, supplies, services.

4. A local government unit may provide at no cost to a participating entity such equipment, materials, supplies, or services that the local government unit deems appropriate to assist the participating entity with its park maintenance , operation, or improvement responsibilities, including, but not limited to, solid waste recycling or disposal services.

5. Section 5 of P.L.1992, c.101 (C.40:12-24) is amended to read as follows:

C.40:12-24 Advertising, promotion.

5. A local government unit may advertise and promote a park maintenance, operation, or improvement agreement program established by the local government unit pursuant to this act.

6. Section 6 of P.L.1992, c.101 (C.40:12-25) is amended to read as follows:

C.40:12-25 Public recognition of participating entity.

6. A local government unit may provide for appropriate public recognition of a participating entity, including, but not limited to:

a. issuance of a certificate of recognition; and

b. authorization for the participating entity to pay for and erect a sign or signs at the park maintained , operated, or improved by that participating entity indicating (1) the name and address of the participating entity, and (2) that it has assumed all or a portion of the maintenance, operation, or improvement responsibilities for the park as a public service in accordance with this act. The local government unit shall determine the size, color, style, and location of any such sign or signs that may be erected. A local government unit may pay for a sign or signs erected in accordance with this section if the participating entity is a nonprofit organization.

7. Section 7 of P.L.1992, c.101 (C.40:12-26) is amended to read as follows:

C.40:12-26 No liability in civil actions, insurance.

7. a. Except where permitted by the "New Jersey Tort Claims Act," N.J.S.59:1-1 et seq., no local government unit, or any employee or agent thereof, may be held liable in any civil action to any person for any injury or damages that may be caused or sustained by any participating entity, or any employee, agent, contractor, member, or volunteer thereof, during the course, or as a result of, maintaining , operating, or improving a park.

b. As a condition of any park maintenance , operation, or improvement agreement entered into in accordance with this act:

(1) a participating entity, and each employee, agent, contractor, member, or volunteer of that participating entity assisting in maintaining , operating, or improving a park, shall sign a waiver releasing the local government unit and its employees and agents from any civil liability for any injury or damages, except those arising from criminal or willful, wanton, or grossly negligent conduct, that may be sustained by the participating entity, or any employee, agent, contractor, member, or volunteer thereof, as the case may be, during the course, or as a result of, maintaining , operating, or improving a park;

(2) a participating business entity shall agree to indemnify, and if requested by the local government unit, defend, the local government unit and its employees and agents against all claims made by any person for injuries or damages that may be caused or sustained by the participating business entity, or any employee, agent, contractor, member, or volunteer

thereof, during the course, or as a result of, maintaining , operating, or improving a park; and

(3) a participating business entity shall obtain and retain insurance in an amount sufficient for the purposes set forth in this section.

8. Section 8 of P.L.1992, c.101 (C.40:12-27) is amended to read as follows:

C.40:12-27 Participating entity, not public, State employees.

8. While performing park maintenance, operation, or improvement responsibilities pursuant to a park maintenance, operation, or improvement agreement entered into in accordance with this act, a participating entity and its employees, agents, contractors, members, and volunteers shall not be considered to be "public employees" or "State employees" for the purposes of the "New Jersey Tort Claims Act," or otherwise be accorded any of the protections set forth therein.

9. Section 9 of P.L.1992, c.101 (C.40:12-28) is amended to read as follows:

C.40:12-28 Applicable laws, regulations.

9. a. Nothing in this act may be construed to supersede the provisions of R.S.40:12-1 et seq., R.S.40:61-1 et seq., chapters 32 and 37 of Title 40 of the Revised Statutes, or any rule or regulation established by a local government unit applicable to the maintenance, operation , or improvement of its parks for the benefit of all park users.

b. Any agreement entered into in accordance with this act shall not be subject to the requirements and provisions of the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.).

10. This act shall take effect immediately.

Approved December 5, 1996.

CHAPTER 133

AN ACT concerning the civil commitment of certain criminal defendants and amending various sections of Title 2C of the New Jersey Statutes and P.L.1987, c.116.

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

1. N.J.S.2C:4-6 is amended to read as follows:

Determination of fitness to proceed; effect of finding of unfitness; proceedings if fitness is regained; post-commitment hearing.

2C:4-6. Determination of fitness to proceed; Effect of Finding of Unfitness; Proceedings if Fitness is Regained; Post-Commitment Hearing. a. When the issue of the defendant's fitness to proceed is raised, the issue shall be determined by the court. If neither the prosecutor nor counsel for the defendant contests the finding of the report filed pursuant to section 2C:4-5, the court may make the determination on the basis of such report. If the finding is contested or if there is no report, the court shall hold a hearing on the issue. If the report is received in evidence upon such hearing, either party shall have the right to summon and examine the psychiatrists who joined in the report and to offer evidence upon the issue.

b. If the court determines that the defendant lacks fitness to proceed, the proceeding against him shall be suspended, except as provided in subsection c. of this section. At this time, the court may commit him to the custody of the Commissioner of Human Services to be placed in an appropriate institution if it is found that the defendant is so dangerous to himself or others as to require institutionalization, or it shall proceed to determine whether placement in an out-patient setting or release is appropriate; provided, however, that no commitment to any institution shall be in excess of such period of time during which it can be determined whether it is substantially probable that the defendant could regain his competence within the foreseeable future.

c. If the defendant has not regained his fitness to proceed within three months, the court shall hold a hearing on the issue of whether the charges against him shall be dismissed with prejudice or held in abeyance.

The hearing shall be held only upon notice to the prosecutor and with an opportunity for the prosecutor to be heard. When the charges are not dismissed, each defendant's case shall be specifically reviewed by the court at six-month intervals upon notice to the prosecutor and with an opportunity for the prosecutor to be heard until an order is made by the court that the defendant stand trial or that the charges be dismissed.

There shall be a presumption that charges against a defendant who is not competent to proceed shall be held in abeyance. The presumption can be overcome only if the court determines, using the factors set forth in this subsection, that continuing the criminal prosecution under the particular circumstances of the case would constitute a constitutionally significant injury to the defendant attributable to undue delay in being brought to trial.

In determining whether the charges shall be held in abeyance or dismissed, the court shall weigh the following factors: the defendant's

prospects for regaining competency; the period of time during which the defendant has remained incompetent; the nature and extent of the defendant's institutionalization; the nature and gravity of the crimes charged; the effects of delay on the prosecution; the effects of delay on the defendant, including any likelihood of prejudice to the defendant in the trial arising out of the delay; and the public interest in prosecuting the charges.

d. When the court, on its own motion or upon application of the commissioner, his designee or either party, determines after a hearing, if a hearing is requested, that the defendant has regained fitness to proceed, the proceedings shall be resumed.

e. (Deleted by amendment, P.L.1996, c.133).

f. The fact that the defendant is unfit to proceed does not preclude determination of any legal objection to the prosecution which is susceptible of fair determination prior to trial and without the personal participation of the defendant.

2. N.J.S.2C:4-8 is amended to read as follows:

Commitment of a person by reason of insanity.

2C:4-8. Commitment of a Person by Reason of Insanity. a. After acquittal by reason of insanity, the court shall order that the defendant undergo a psychiatric examination by a psychiatrist of the prosecutor's choice. If the examination cannot take place because of the unwillingness of the defendant to participate, the court shall proceed as in section 2C:4-5c. The defendant, pursuant to this section, may also be examined by a psychiatrist of his own choice.

b. The court shall dispose of the defendant in the following manner:

(1) If the court finds that the defendant may be released without danger to the community or himself without supervision, the court shall so release the defendant; or

(2) If the court finds that the defendant may be released without danger to the community or to himself under supervision or under conditions, the court shall so order; or

(3) If the court finds that the defendant cannot be released with or without supervision or conditions without posing a danger to the community or to himself, it shall commit the defendant to a mental health facility approved for this purpose by the Commissioner of Human Services to be treated as a person civilly committed. In all proceedings conducted pursuant to this section and pursuant to section N.J.S.2C:4-6 concerning a defendant who lacks the fitness to proceed, including any periodic review proceeding, the prosecuting attorney shall have the right to appear and be heard. The defendant's continued commitment, under the law governing civil commit-

ment, shall be established by a preponderance of the evidence, during the maximum period of imprisonment that could have been imposed, as an ordinary term of imprisonment, for any charge on which the defendant has been acquitted by reason of insanity. Expiration of that maximum period of imprisonment shall be calculated by crediting the defendant with any time spent in confinement for the charge or charges on which the defendant has been acquitted by reason of insanity.

c. No person committed under this section shall be confined within any penal or correctional institution or any part thereof.

3. N.J.S.2C:4-9 is amended to read as follows:

Release of persons committed by reason of insanity.

2C:4-9. Release of Persons Committed by Reason of Insanity.

a. If a person has been committed pursuant to section 2C:4-8 or section 2C:4-6 and if the commissioner, or his designee, or the superintendent of the institution to which the person has been committed, is of the view that a person committed to his custody, pursuant to section 2C:4-8 or section 2C:4-6, may be discharged or released on condition without danger to himself or to others, or that he may be transferred to a less restrictive setting for treatment, the commissioner or superintendent shall make application for the discharge or release of such person in a report to the court by which such person was committed and shall transmit a copy of such application and report to the prosecutor, the court, and defense counsel. The court may, in its discretion, appoint at least two qualified psychiatrists, neither of whom may be on the staff of the hospital to which the defendant had been committed, to examine such person and to report within 30 days, or such longer period as the court determines to be necessary for the purpose, their opinion as to his mental condition.

b. The court shall hold a hearing to determine whether the committed person may be safely discharged, released on condition without danger to himself or others, or treated as in civil commitment. The hearing shall be held upon notice to the prosecutor and with the prosecutor's opportunity to be heard. Any such hearing shall be deemed a civil proceeding. According to the determination of the court upon the hearing, the court shall proceed as in section 2C:4-8b. (1), (2) or (3).

c. A committed person may make application for his discharge or release to the court by which he was committed, and the procedure to be followed upon such application shall be the same as that prescribed above in the case of an application by the commissioner.

d. Each defendant's case shall be specifically reviewed as provided by the law governing civil commitment.

4. Section 15 of P.L.1987, c.116 (C.30:4-27.15) is amended to read as follows:

C.30:4-27.15 Court findings relative to involuntary commitment.

15. a. If the court finds by clear and convincing evidence that the patient needs continued involuntary commitment, it shall issue an order authorizing the involuntary commitment of the patient and shall schedule a subsequent court hearing in the event the patient is not administratively discharged pursuant to section 17 of P.L.1987, c.116 (C.30:4-27.17) prior thereto.

b. If the court finds that the patient does not need continued involuntary commitment, the court shall so order. A patient who is serving a term of incarceration shall be returned to the appropriate State, county or local authority to complete service of the term of incarceration imposed until released in accordance with law, and any other patient shall be discharged by the facility within 48 hours of the court's verbal order or by the end of the next working day, whichever is longer, with a discharge plan prepared pursuant to section 18 of P.L.1987, c.116 (C.30:4-27.18).

c. (1) The court may discharge the patient subject to conditions, if the court finds that the person does not need involuntary or continued involuntary commitment and the court finds:

(a) that the patient's history indicates a high risk of rehospitalization because of the patient's failure to comply with discharge plans; or

(b) that there is substantial likelihood that by reason of mental illness the patient will be dangerous to himself, others or property if the patient does not receive other appropriate and available services that render involuntary commitment unnecessary.

(2) Conditions imposed pursuant to this section shall include those recommended by the facility and mental health agency staff and developed with the participation of the patient. Conditions imposed on the patient shall be specific and their duration shall not exceed 90 days unless the court determines, in a case in which the Attorney General or a county prosecutor participated, that the conditions should be imposed for a longer period. If the court imposes conditions for a period exceeding six months, the court shall provide for a review hearing on a date the court deems appropriate but in no event later than six months from the date of the order. The review hearing shall be conducted in the manner provided in this section, and the court may impose any order authorized pursuant to this section.

(3) The designated mental health agency staff person shall notify the court if the patient fails to meet the conditions of the discharge plan, and the court shall issue an order directing that the person be taken to a screening service for an assessment. The court shall determine, in conjunction with the findings of a screening service, if the patient needs to be rehospitalized and,

if so, the patient shall be returned to the facility. The court shall hold a hearing within 20 days of the day the patient was returned to the facility to determine if the order of conditional discharge should be vacated.

d. Notwithstanding subsection a. of this section, or any provision of section 16, 17 or 18 of P.L.1987, c.116 (C.30:4-27.16, 30:4-27.17 or 30:4-27.18), no person committed while serving a term of incarceration shall be discharged by the court or administratively discharged prior to the date on which the person's maximum term would have expired had he not been committed. If the person is no longer in need of involuntary commitment, the person shall be returned to the appropriate State, county or local authority to complete service of the term of incarceration imposed until released in accordance with law, and the person shall be given day for day credit for all time during which the person was committed.

e. Notwithstanding subsection a. of this section, or any provision of section 16, 17 or 18 of P.L.1987, c.116 (C.30:4-27.16, 30:4-27.17 or 30:4-27.18), no person committed pursuant to N.J.S.2C:4-8 concerning acquittal of a criminal charge by reason of insanity or pursuant to N.J.S.2C:4-6 concerning lack of mental competence to stand trial shall be discharged by the court or administratively discharged unless the prosecuting attorney in the case receives prior notice and an opportunity to be heard.

5. Section 17 of P.L.1987, c.116 (C.30:4-27.17) is amended to read as follows:

C.30:4-27.17 Discharge determination.

17. a. The treatment team at a short-term care or psychiatric facility or special psychiatric hospital shall, subject to the limitations set forth in subsections b. and c. of this section, administratively discharge a patient from involuntary commitment status if the treatment team determines that the patient no longer needs involuntary commitment. If a discharge plan has not been developed pursuant to section 18 of this act, it shall be developed forthwith.

b. If the patient is confined pursuant to an order entered under section 15 of P.L.1987, c.116 (C.30:4-27.15) in a case in which the Attorney General or a county prosecutor participated, the treatment team shall, no less than 10 days prior to the proposed date of administrative discharge, provide written notice to the committing court and to the person or persons who presented the case for involuntary commitment. If, within five days of receipt of such notice, a person who presented the case for commitment files a request for a hearing on the issue of continuing need for commitment and serves notice of that request, in accordance with the provisions of section 13 of P.L.1987, c.116 (C.30:4-27.13), the treatment team shall delay the

administrative discharge and the court shall schedule a hearing on the issue. The hearing shall be conducted in the manner provided in section 15 of P.L.1987, c.116 (C.30:4-27.15).

c. If the patient is confined pursuant to an order entered under N.J.S.2C:4-8 concerning acquittal of a criminal charge by reason of insanity or under N.J.S.2C:4-6 concerning lack of mental competence to stand trial, the treatment team shall, no less than 10 days prior to the proposed date of administrative discharge, provide written notice to the committing court and to the prosecutor. If, within five days of receipt of such notice, the prosecutor files a request for a hearing on the issue of continuing need for commitment and serves notice of that request, in accordance with the provisions of section 13 of P.L.1987, c.116 (C.30:4-27.13), the treatment team shall delay the administrative discharge and the court shall schedule a hearing on the issue. The hearing shall be conducted in the manner provided in section 15 of P.L.1987, c.116 (C.30:4-27.15).

6. This act shall take effect immediately.

Approved December 5, 1996.

CHAPTER 134

AN ACT concerning certain negotiable instruments, supplementing chapter 3 of Title 12A of the New Jersey Statutes and amending N.J.S.3B:14-58.

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

Lost, destroyed, or stolen cashier's check, teller's check or certified check.

1. 12A:3-312. Lost, Destroyed, or Stolen Cashier's Check, Teller's Check or Certified Check.

a. In this section:

(1) "Check" means a cashier's check, teller's check, or certified check.

(2) "Claimant" means a person who claims the right to receive the amount of a cashier's check, teller's check, or certified check that was lost, destroyed, or stolen.

(3) "Declaration of loss" means a written statement, made under penalty of perjury, to the effect that: the declarer lost possession of a check; the declarer is the drawer or payee of the check, in the case of a certified check, or the remitter or payee of the check, in the case of a cashier's check or

teller's check; the loss of possession was not the result of a transfer by the declarer or a lawful seizure; and the declarer cannot reasonably obtain possession of the check because the check was destroyed, its whereabouts cannot be determined, or it is in the wrongful possession of an unknown person or a person that cannot be found or is not amenable to service of process.

(4) "Obligated bank" means the issuer of a cashier's check, teller's check or the acceptor of a certified check.

b. A claimant may assert a claim to the amount of a check by a communication to the obligated bank describing the check with reasonable certainty and requesting payment of the amount of the check, if: the claimant is the drawer or payee of a certified check or the remitter or payee of a cashier's check or a teller's check; the communication contains or is accompanied by a declaration of loss of the claimant with respect to the check; the communication is received at a time and in a manner affording the bank a reasonable time to act on it before the check is paid; and the claimant provides reasonable identification if requested by the obligated bank. Delivery of a declaration of loss is a warranty of the truth of the statements made in the declaration. If a claim is asserted in compliance with this subsection, the following rules apply:

(1) The claim becomes enforceable at the later of the time the claim is asserted, or the 90th day following the date of the check, in the case of a cashier's check or a teller's check, or the 90th day following the date of the acceptance, in the case of a certified check.

(2) Until the claim becomes enforceable, it has no legal effect and the obligated bank may pay the check or, in the case of a teller's check, may permit the drawee to pay the check. Payment to a person entitled to enforce the check discharges all liability of the obligated bank with respect to the check.

(3) If the claim becomes enforceable before the check is presented for payment, the obligated bank is not obliged to pay the check.

(4) When the claim becomes enforceable, the obligated bank becomes obliged to pay the amount of the check to the claimant if payment of the check has not been made to a person entitled to enforce the check. Subject to paragraph (1) of subsection a. of 12A:4-302, payment to the claimant discharges all liability of the obligated bank with respect to the check.

c. If the obligated bank pays the amount of a check to a claimant under paragraph (4) of subsection b. of this section and the check is presented for payment by a person having rights of a holder in due course, the claimant is obliged to refund the payment to the obligated bank if the check is paid, or pay the amount of the check to the person having rights of a holder in due course if the check is dishonored.

d. If a claimant has the right to assert a claim under subsection b. of this section and is also a person entitled to enforce a cashier's check, teller's check, or certified check which is lost, destroyed, or stolen, the claimant may assert rights with respect to the check either under this section or 12A:3-309.

2. N.J.S.3B:14-58 is amended to read as follows:

Deposit in fiduciary's personal account; liability of bank receiving deposit and paying checks.

3B:14-58. Deposit in fiduciary's personal account; liability of bank receiving deposit and paying checks.

a. If a fiduciary makes a deposit in a bank to his personal credit of checks drawn by him upon an account in his own name as fiduciary, or of checks drawn by him upon an account in the name of his principal, if he is empowered to draw thereon, or, except as provided in subsection b. of this section, if he otherwise makes a deposit of funds held by him as fiduciary, the bank receiving the deposit is not bound to inquire whether the fiduciary is committing thereby a breach of his obligation as fiduciary. The bank is authorized to pay the amount of the deposit of any part thereof upon the personal check of the fiduciary without being liable to the principal, unless the bank receives the deposit or pays the check with actual knowledge that the fiduciary is committing a breach of his obligation as fiduciary in making the deposit or in drawing the check, or with knowledge of facts that its action in receiving the deposit of paying the check amounts to bad faith.

b. In the case of an instrument payable to the principal or the fiduciary as fiduciary, the bank has notice of the breach of fiduciary duty if the instrument is deposited to an account other than an account of the fiduciary, as fiduciary, or an account of the principal.

3. This act shall take effect immediately

Approved December 5, 1996.

CHAPTER 135

AN ACT establishing a New Jersey Shade Tree and Community Forestry Program, providing for the issuance of certain license plates dedicated to the support and funding of the program, supplementing Title 13 and chapter 3 of Title 39 of the Revised Statutes and chapter 4 of Title 59 of the New Jersey Statutes, and amending R.S.40:64-14 and P.L.1958, c.41.

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

C.13:1L-17.1 Short title.

1. Sections 1 through 9 of this act shall be known and may be cited as the "New Jersey Shade Tree and Community Forestry Assistance Act."

C.13:1L-17.2 Findings, declarations relative to shade trees, forests in communities.

2. The Legislature finds and declares that shade trees and forests are a necessary and important part of community and urban environments, and are critical to the environmental, social and economic welfare of the State; that the ability of all county and municipal governments to care for and manage their shade trees could be enhanced through technical and financial assistance from a State community forestry program; that local governments have experienced recurring and damaging exposure to litigation due to the drastic decline and poor condition of the State's community tree resource; that properly planned and implemented local community forestry programs can provide the necessary basis for local governments to reduce or eliminate liability associated with local tree care programs and shade tree commissions; and that the viability of county and municipal shade tree commissions is essential to the preservation and enhancement of the State's community tree resource.

The Legislature therefore determines that it is appropriate for the State to encourage, promote and assist in the establishment, retention and enhancement of shade tree and community forestry programs by local governments; and that it is altogether fitting and proper to establish a shade tree and community forest preservation license plate, the revenues from which would be dedicated to the support of a State community forestry program.

C.13:1L-17.3 Definitions relative to community forestry.

3. As used in sections 1 through 9 of this act:

"Commissioner" means the Commissioner of Environmental Protection;

"Community forestry" means the planting, protection, care and management of trees and other related natural resources within a municipality or county;

"Department" means the Department of Environmental Protection;

"Local government" means a municipality, county or other political subdivision of the State, or any agency thereof;

"Shade tree commission" means a municipal body created pursuant to R.S.40:64-1 et seq. or a county body created pursuant to R.S.40:37-1 et seq.; and

"State Forester" means the State Forester designated pursuant to section 17 of P.L.1983, c.324 (C.13:1L-17).

C.13:1L-17.4 "New Jersey Shade Tree and Community Forestry Program" established.

4. There is established in the Division of Parks and Forestry in the Department of Environmental Protection, under the supervision of the State Forester, the "New Jersey Shade Tree and Community Forestry Program," the purposes of which shall be to:

a. Assist local governments and shade tree commissions in establishing and maintaining community forestry programs and in encouraging persons to engage in appropriate and approved practices with respect to tree management and care;

b. Advise local governments and shade tree commissions in the development and coordination of policies, programs and activities for the promotion of community forestry;

c. Provide grants to local governments and shade tree commissions applying for assistance in the development and implementation of a comprehensive community forestry plan approved pursuant to section 7 of P.L.1996, c.135 (C.13:1L-17.7), to the extent monies are appropriated or otherwise made available therefor;

d. Educate citizens on the importance of trees and forests and their role in the maintenance of a clean and healthy environment;

e. Provide technical assistance, planning and analysis for projects related to community forestry;

f. Provide training assistance to local governments and shade tree commissions regarding community forestry issues such as tree diseases, insect programs and tree planting and maintenance; and

g. Provide volunteer opportunities for the State's citizens and organizations interested in community forestry activities.

C.13:1L-17.5 Community Forestry Council, establishment, membership, powers.

5. a. There is established in the department a Community Forestry Council, which shall consist of 20 members, appointed by the State Forester, all of whom shall be citizens with expertise or interest in trees, forestry, or tree or forest management, maintenance or care. Each of the members appointed shall serve for a term of three years and until a successor is appointed and qualified, except that of the members first appointed, seven shall serve terms of one year and seven shall serve terms of two years. All vacancies, except those created through the expiration of term, shall be filled for the unexpired term only, and in the same manner as the original appointment. Each member shall be eligible for reappointment, but may be removed by the commissioner or the State Forester for cause.

b. A majority of the membership of the council shall constitute a quorum for the transaction of council business. Action may be taken and motions and resolutions adopted by the council at any meeting thereof by the affirmative vote of a majority of the full membership of the council.

c. Members of the council shall serve without compensation, but may be reimbursed for expenses necessarily incurred in the discharge of their official duties.

d. The State Forester shall appoint a chairperson and vice-chairperson and the council may elect such other officers as may be necessary. The council may appoint such staff or hire such experts as it may require within the limits of appropriations made for these purposes.

e. The council may call to its assistance such employees as are necessary and made available to it from any agency or department of the State or its political subdivisions.

f. The council may adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), and in consultation with the department, any rules and regulations necessary to carry out its responsibilities pursuant to P.L.1996, c.135 (C.13:1L-17.1 et al.).

g. The council shall advise the State Forester, the Division of Parks and Forestry and the department on issues concerning community forestry and assist with such other functions as may be authorized pursuant to P.L.1996, c.135 (C.13:1L-17.1 et al.) or any other law.

C.13:1L-17.6 Duties of State Forester.

6. The State Forester, with the advice and assistance of the council, shall establish minimum standards, and provide a training skills and accreditation program, for representatives of local governments and shade tree commissions, the content of which shall be the appropriate and approved methods for the planting, protection, care and management of trees and other related natural resources under their control.

C.13:1L-17.7 Development, distribution of comprehensive community forestry plan, approval.

7. a. The State Forester, with the advice and assistance of the council, shall develop and make available to local governments and shade tree commissions a list of guideline elements found within a comprehensive community forestry plan. These guidelines shall establish but not limit the basic framework of an approved plan. The State Forester, with the advice and assistance of the council, shall develop and make available to local governments and shade tree commissions a procedure for submitting for approval a comprehensive community forestry plan.

b. A local government may develop and submit to the State Forester for approval a comprehensive community forestry plan according to procedures established by the department.

c. The State Forester, after review and comment by the council, shall approve a comprehensive community forestry plan if all required parts of the plan adequately address the needs of the community and the tree resource.

C.13:1L-17.8 Annual report on status of New Jersey Shade Tree and Community Forestry Program.

8. The commissioner, with advice from the State Forester, shall prepare an annual report on the status of the New Jersey Shade Tree and Community Forestry Program established pursuant to section 4 of P.L.1996, c.135 (C.13:1L-17.4), which shall also include any recommendations for legislative or administrative action to improve implementation of that act, and transmit that report to the Governor, the President of the Senate, the Speaker of the General Assembly, and the chairpersons of the Senate Natural Resources and Economic Development Committee, the Senate Budget and Appropriations Committee, the Assembly Environment, Science and Technology Committee, and the Assembly Appropriations Committee, or the successors of those committees as designated respectively by the President of the Senate and the Speaker of the General Assembly.

C.13:1L-17.9 Rules, regulations.

9. The department shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), such rules and regulations as may be necessary to implement P.L.1996, c.135 (C.13:1L-17.1 et al.), including establishment of:

a. Guidelines for development of a comprehensive community forestry plan;

b. Criteria for proper selection, planting and care of trees;

c. Procedures to accept and evaluate submitted comprehensive community forestry plans;

d. Procedures for the review and approval of training skills and accreditation programs in tree care and management for local officials;

e. Guidelines for the provision of technical assistance under the program to local governments and shade tree commissions in the formation of comprehensive community forestry plans; and

f. Criteria for ranking grant applications received from local governments and shade tree commissions applying for assistance in the development and implementation of comprehensive community forestry plans.

C.39:3-27.79 Issuance of shade tree, community forest preservation license plates.

10. The Director of the Division of Motor Vehicles in the Department of Transportation shall, upon proper application therefor, issue shade tree and community forest preservation license plates for any motor vehicle owned or leased and registered in the State. In addition to the registration

number and other markings or identification otherwise prescribed by law, a shade tree and community forest preservation license plate shall display words or a slogan and an emblem indicating support for, or an interest in, shade tree and community forest preservation. The words or slogan and emblem shall be chosen by the director; however, the director shall solicit, in conjunction with the Legislature, input from the general public on the design of the plate and shall review the submissions prior to choosing the design. Issuance of shade tree and community forest preservation license plates in accordance with this section shall be subject to the provisions of chapter 3 of Title 39 of the Revised Statutes, except as hereinafter otherwise specifically provided.

C.39:3-27.80 Application, fee for shade tree, community forest preservation license plate.

11. a. Application for issuance of a shade tree and community forest preservation license plate shall be made to the Division of Motor Vehicles on forms and in a manner as may be prescribed by the director. In order to be deemed complete, an application shall be accompanied by a fee of $50 payable to the Division of Motor Vehicles, which fee shall be in addition to all fees otherwise required by law for the registration of the motor vehicle.

b. The annual fee for the registration certificate of a motor vehicle that has been issued a shade tree and community forest preservation license plate pursuant to the provisions of P.L.1996, c.135 (C.39:3-27.79 et al.) shall include in each year subsequent to the year of issuance a fee in the amount of $10, which fee shall be in addition to all fees otherwise required by law for the renewal of the registration of the motor vehicle and shall be collected by the Division of Motor Vehicles and deposited in the Shade Tree and Community Forest Preservation License Plate Fund created pursuant to section 12 of P.L.1996, c.135 (C.39:3-27.81).

C.39:3-27.81 Creation of "Shade Tree and Community Forest Preservation License Plate Fund."

12. a. There is created in the Department of Environmental Protection a special non-lapsing fund to be known as the "Shade Tree and Community Forest Preservation License Plate Fund." There shall be deposited in the fund the amount collected from all license plate fees collected pursuant to section 11 of P.L.1996, c.135 (C.39:3-27.80), less the amounts necessary to reimburse the Division of Motor Vehicles for all costs authorized pursuant to section 13 of P.L.1996, c.135 (C.39:3-27.82). Monies deposited in the fund shall be dedicated for support and funding of projects and programs concerned with shade tree and community forest preservation, including but not limited to the awarding of grants for such purposes to municipal shade tree commissions created pursuant to R.S.40:64-1 et seq., county shade tree commissions created pursuant to R.S.40:37-1 et seq., municipalities, and counties. Monies in the fund may also be awarded as

grants to local governments and shade tree commissions pursuant to subsection c. of section 4 of P.L.1996, c.135 (C.13:1L-17.4). Monies deposited in the fund shall be held in interest-bearing accounts in public depositories as defined pursuant to section 1 of P.L.1970, c.236 (C.17:9-41), and may be invested or reinvested in such securities as are approved by the State Treasurer. Interest or other income earned on monies deposited in the fund, and any monies which may be appropriated or otherwise become available for the purposes of the fund, shall be credited to and deposited in the fund for use as set forth in P.L.1996, c.135 (C.13:1L-17.1 et al.).

b. The Division of Parks and Forestry in the Department of Environmental Protection shall administer the fund and the distribution of grants pursuant to this section. The Division of Parks and Forestry shall, by rule or regulation adopted pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), establish qualifications for determining grant eligibility, criteria for ranking grant applications, and standards and authorized purposes for the use of such grants.

C.39:3-27.82 Reimbursement to Division of Motor Vehicles.

13. a. Prior to the deposit of license plate fees collected pursuant to section 11 of P.L.1996, c.135 (C.39:3-27.80) into the fund, amounts thereof as are necessary shall be used to reimburse the Division of Motor Vehicles for all costs reasonably and actually incurred, as stipulated by the director, for:

(1) producing, issuing, renewing, and publicizing the availability of shade tree and community forest preservation license plates; and

(2) any initial computer programming changes that may be necessary to implement the shade tree and community forest preservation license plate program established by P.L.1996, c.135 (C.39:3-27.79 et al.).

b. The Director of the Division of Motor Vehicles shall annually certify to the Commissioner of Environmental Protection the average cost per license plate incurred in the immediately preceding year by the Division of Motor Vehicles in producing, issuing, renewing, and publicizing the availability of shade tree and community forest preservation license plates. The annual certification of the average cost per license plate shall be approved by the Joint Budget Oversight Committee, or its successor.

c. In the event that the average cost per license plate as certified by the director and approved by the Joint Budget Oversight Committee, or its successor, is greater than the $50 application fee established in subsection a. of section 11 of P.L.1996, c.135 (C.39:3-27.80) in two consecutive fiscal years, the director may discontinue the issuance of shade tree and community forest preservation license plates.

C.39:3-27.83 Notification of availability of shade tree, community forest preservation plates.

14. The Director of the Division of Motor Vehicles shall notify eligible motorists of the opportunity to obtain shade tree and community forest preservation license plates by including a notice with all motor vehicle registration renewals, and by posting appropriate posters or signs in all facilities and offices of the Division of Motor Vehicles. The notices, posters, and signs shall be designed by the Commissioner of Environmental Protection. The designs shall be subject to the approval of the director, and the Commissioner of Environmental Protection shall supply the Division of Motor Vehicles with the notices, posters, and signs to be circulated or posted by that division.

C.39:3-27.84 Interagency memorandum of agreement.

15. The Commissioner of Environmental Protection, the Director of the Division of Motor Vehicles, and the State Treasurer shall develop and enter into an interagency memorandum of agreement setting forth the procedures to be followed by the departments and the Division of Motor Vehicles in carrying out their respective responsibilities under P.L.1996, c.135 (C.13:1L-17.1 et al.).

C.59:4-10 Immunity from liability relative to community forestry.

16. a. Except as provided pursuant to N.J.S.59:3-14, a shade tree commission, or a member of a shade tree commission, or a volunteer participating in a community forestry program as provided for by P.L.1996, c.135 (C.13:1L-17.1 et al.), is not liable for an injury or death caused directly or indirectly by a tree or shrub, or any part thereof, if:

(1) the tree or shrub, or pertinent part thereof, is on public property or on a public easement or right-of-way, or the tree or shrub, regardless of its location, is regulated, planted, cared for, controlled, or maintained by the shade tree commission; and

(2) the local government or the shade tree commission has participated in and successfully completed a training skills and accreditation program established pursuant to section 6 of P.L.1996, c.135 (C.13:1L-17.6) and has a comprehensive community forestry plan approved pursuant to section 7 of that act.

b. The existence of a municipal shade tree commission established pursuant to R.S.40:64-1 et seq. or a county shade tree commission established pursuant to R.S.40:37-1 et seq., or the fact that a municipality or county has otherwise provided for the regulation, planting, care, control, or maintenance of trees or shrubs within its jurisdiction, shall not be cause to immunize a private person from liability for an injury caused directly or

indirectly by a tree or shrub, or any part thereof, who otherwise would be liable for that injury.

17. R.S.40:64-14 is amended to read as follows:

No liability for death or injury.

40:64-14. No liability for death or injury. Nothing in this chapter contained shall be construed to make any shade tree commission or any member thereof, or any volunteer participating in a community forestry program as provided for by section 4 of P.L.1996, c.135 (C.13:1L-17.4), responsible for the death or injury of any person, or for an injury to any property or highway tree or shrub. Liability for any such death or injury shall be governed by the provisions of section 16 of P.L.1996, c.135 (C.59:4-10) and any other relevant provisions of the "New Jersey Tort Claims Act," N.J.S.59:1-1 et seq.

18. Section 7 of P.L.1958, c.41 (C.40:37-10.2) is amended to read as follows:

C.40:37-10.2 Immunity from liability for death, injury.

7. Nothing in this article contained shall be construed to make any shade tree commission or a member thereof, or any volunteer participating in a community forestry program as provided for by section 4 of P.L.1996, c.135 (C.13:1L-17.4), responsible for the death or injury of any person, or for an injury to any property or highway tree or shrub. Liability for any such death or injury shall be governed by the provisions of section 16 of P.L.1996, c.135 (C.59:4-10) and any other relevant provisions of the "New Jersey Tort Claims Act," N.J.S.59:1-1 et seq.

19. Sections 1 through 9 and sections 15 through 18 shall take effect immediately. Sections 10 through 14 shall take effect on the 180th day after enactment, but the Commissioner of Environmental Protection, the State Treasurer, and the Director of the Division of Motor Vehicles may take such anticipatory acts in advance of that date as may be necessary for the timely implementation of the provisions of those sections of this act upon the effective date thereof.

Approved December 5, 1996.

CHAPTER 136

AN ACT concerning the use of cardiac defibrillation and amending P.L.1989, c.314.

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

1. Section 1 of P.L.1989, c.314 (C.26:2K-39) is amended to read as follows:

C.26:2K-39 Definitions.

1. As used in this act:

"Commissioner" means the Commissioner of Health.

"Emergency medical service" means a program in a hospital staffed 24 hours-a-day by a licensed physician trained in emergency medicine.

"Emergency medical technician" means a person trained in basic life support services as defined in section 1 of P.L.1985, c.351 (C.26:2K-21) and who is certified by the Department of Health to perform these services.

"EMT-D" means an emergency medical technician who is certified by the commissioner to perform cardiac defibrillation.

"First Responder" means a police officer, firefighter or other person who has been trained to provide emergency medical first response services in a program recognized by the commissioner.

"First Responder-D" means a First Responder who is certified by the commissioner to perform cardiac defibrillation.

"Pre-hospital care" means those emergency medical services rendered to emergency patients at the scene of a traffic accident or other emergency and during transportation to emergency treatment facilities, and upon arrival within those facilities.

2. Section 2 of P.L.1989, c.314 (C.26:2K-40) is amended to read as follows:

C.26:2K-40 Certification as EMT-D, First Responder-D.

2. a. An emergency medical technician who has been certified by the commissioner as an EMT-D may perform cardiac defibrillation, with or without the assistance of another EMT-D, according to rules and regulations adopted by the commissioner. A person who has been certified by the commissioner as a First Responder-D may perform cardiac defibrillation, with or without the assistance of an EMT-D or another First Responder-D, according to rules and regulations adopted by the commissioner.

b. The commissioner shall establish written standards and application procedures which an emergency medical technician shall meet in order to obtain certification as an EMT-D, and which a person shall meet in order to obtain certification as a First Responder-D. The commissioner shall certify a candidate who provides evidence of satisfactory completion of an educational program which includes training in the performance of cardiac defibrillation and which is approved by the commissioner, and who passes an examination in the performance of cardiac defibrillation which is approved by the commissioner.

c. The commissioner shall maintain a register of all applications for certification as an EMT-D or a First Responder-D which shall include, but not be limited to:

(1) The name and residence of the applicant;

(2) The date of the application;

(3) Whether the applicant was rejected or approved and the date of that action.

d. The commissioner shall annually compile a list of certified EMT-D's and First Responder-D's which shall be available to the public.

e. A fee may be charged to a person who is enrolled in an educational program approved by the Department of Health which includes training in the performance of cardiac defibrillation, to cover the costs of training and testing for certification as an EMT-D or a First Responder-D.

3. Section 3 of P.L.1989, c.314 (C.26:2K-41) is amended to read as follows:

C.26:2K-41 Revocation of certification.

3. The commissioner, after notice and hearing, may revoke the certification of an EMT-D or a First Responder-D for violation of any provisions of this act or of any rule or regulation adopted pursuant to this act.

4. Section 4 of P.L.1989, c.314 (C.26:2K-42) is amended to read as follows:

C.26:2K-42 False advertising; impersonation of EMT-D, First Responder-D.

4. a. A person shall not advertise or disseminate information to the public that the person is an EMT-D or a First Responder-D unless the person is authorized to do so pursuant to this act.

b. A person shall not impersonate or refer to himself as an EMT-D or a First Responder-D unless he is certified pursuant to section 2 of this act.

5. Section 5 of P.L.1989, c.314 (C.26:2K-43) is amended to read as follows:

C.26:2K-43 Immunity relative to cardiac defibrillation.

5. An EMT-D, First Responder-D, EMT-intermediate, licensed physician, hospital or its board of trustees, officers and members of the medical staff, nurses, paramedics or other employees of the hospital, or officers and members of a first aid, ambulance or rescue squad shall not be liable for any civil damages as the result of an act or the omission of an act committed while in training to perform, or in the performance of, cardiac defibrillation in good faith and in accordance with this act.

6. Section 8 of P.L.1989, c.314 (C.26:2K-45) is amended to read as follows:

C.26:2K-45 Performance of functions necessary for orderly transfer.

8. Nothing in this act shall be construed to permit an EMT-D or a First Responder-D to perform the duties or fill the position of another health professional employed by a hospital, except that the EMT-D or First Responder-D may perform those functions that are necessary to assure the orderly transfer of a traffic accident victim or other emergency patient receiving pre-hospital care to hospital staff upon arrival at an emergency department and that are necessary to obtain the clinical training in the performance of cardiac defibrillation required by the department.

7. Section 10 of P.L.1989, c.314 (C.26:2K-47) is amended to read as follows:

C.26:2K-47 Performance of duties by other health care professional.

10. Nothing in this act shall be construed to prevent a licensed and qualified member of a health care profession from performing any of the duties of an EMT-D or a First Responder-D if the duties are consistent with the accepted standards of the member's profession.

8. This act shall take effect on the 180th day after the date of enactment.

Approved December 5, 1996.

CHAPTER 137

AN ACT concerning bank revolving credit plans and supplementing Title 17 of the Revised Statutes.

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

C.17:3B-29 Findings, declarations relative to bank revolving credit plans.

1. a. The Legislature finds and declares that:

(1) Interest that can be charged by issuers of bank credit cards may depend on the laws of the state under which a bank is chartered or in which a federally chartered bank has its principal office, or the laws of the state where such bank has a branch office;

(2) The United States Supreme Court has held, in accordance with the provisions of federal law, that a national bank issuer of a bank credit card can export the rate of interest allowed in its home state to other states, and this holding is now equally applicable to national and state banks;

(3) There has been significant and expensive litigation concerning the extent to which certain related charges constitute part of the exportable rate of interest, but federal and state courts and the Comptroller of the Currency have taken the expansive view that related charges constitute a part of the exportable rate of interest; and

(4) Consequently, issuers of bank credit cards have located and continue to locate in states which have the least restrictive laws regarding interest and related charges.

b. Therefore, the Legislature proposes to simplify State law with respect to interest on bank credit cards to make this State as equally attractive as other states for the location of bank credit card operations.

c. Moreover, since the rules applicable to revolving credit plans have been the subject of disputes by courts and regulators; since the New Jersey Department of Banking and Insurance has advised New Jersey-based banks that under State parity law there are no limits on late fees and related charges; and since any retroactive application of restrictions would impose upon New Jersey-based banks a competitive disadvantage, the Legislature proposes to "level the playing field" for New Jersey-based banks and to preclude potentially costly litigation by permitting this act to apply to all revolving credit plans entered into before and after the effective date of this act.

C.17:3B-30 Definitions relative to bank revolving credit plans.

2. As used in this act:

"Bank" means any state or federally charted bank, savings bank or savings and loan association.

"Borrower" means any corporation, partnership, association, government or governmental subdivision or agency, trust, individual or other entity.

"Individual borrower" means a borrower who is a natural person borrowing for personal, household or family purposes.

"Credit device" means any card, check, identification code or other means of identification contemplated by the agreement governing the plan.

"Loans" means cash advances or loans to be paid to or for the account of the borrower.

"Outstanding unpaid indebtedness" means, on any day, an amount not in excess of the total amount of purchases and loans charged to the borrower's account under the plan which is outstanding and unpaid at the end of the day, after adding the aggregate amount of any new purchases and loans charged to the account as of that day and deducting the aggregate amount of any payments and credits applied to that indebtedness as of that day and, if the agreement governing the plan so provides, may include the amount of any periodic interest, interest charges and other charges permitted by this act, including late or delinquency charges, which have accrued in the account and which are unpaid at the end of the day.

"Purchases" means payments for property of whatever nature, real or personal, tangible or intangible, and payments for services, licenses, taxes, official fees, fines, private or governmental obligations, or any other thing of value.

"Revolving credit plan" or "plan" means a plan contemplating the extension of credit under an account governed by an agreement between a bank and a borrower pursuant to which:

(1) the bank permits the borrower, and if the agreement governing the plan so provides, persons acting on behalf of or with authorization from the borrower, from time to time to make purchases or to obtain loans, or both, by use of a credit device;

(2) the amounts of purchases made and loans obtained are charged to the borrower's account under the plan;

(3) the borrower is required to pay the bank the amounts of all purchases and loans charged to the borrower's account under the plan, but has the privilege of paying the amounts outstanding from time to time in full or in installments; and

(4) interest may be charged and collected by the bank from time to time on the outstanding unpaid indebtedness under the plan.

C.17:3B-31 Bank permitted to offer credit under revolving credit plan.

3. A bank may, subject to any limitations on lending authority contained in its charter or otherwise imposed by law, and subject to other provisions of this act, offer and extend credit under a revolving credit plan to a borrower and in connection therewith may charge and collect periodic interest, interest charges and other charges permitted by this act and may take such security as collateral in connection therewith as may be acceptable to the bank. Without limitation of the foregoing, credit may be extended

under a revolving credit plan by a bank's acquisition of obligations arising out of the honoring by a merchant, a bank or other financial institution, whether chartered or organized under the laws of this or any other state, the District of Columbia, the United States or any district, territory or possession of the United States, or any foreign country, or a government or governmental subdivision or agency, of a credit device made available to a borrower under a plan, whether directly or indirectly by means of telephone, point of sale terminal, automated teller machine or other electronic or similar device, or through the mails.

C.17:3B-32 Bank permitted to charge, collect periodic interest under revolving credit plan.

4. A bank may charge and collect periodic interest under a revolving credit plan on outstanding unpaid indebtedness in the borrower's account under the plan at such daily, weekly, monthly, annual or other periodic percentage rate or rates as the agreement governing the plan provides or as established in the manner provided in the agreement governing the plan. If the applicable periodic percentage rate under the agreement governing the plan is other than daily, periodic interest may be calculated on an amount not in excess of the average outstanding unpaid indebtedness for the applicable billing period, determined by dividing the total of the amounts of outstanding unpaid indebtedness for each day in the applicable billing period by the number of days in the billing period. If the applicable periodic percentage rate under the agreement governing the plan is monthly, a billing period shall be deemed to be a month or monthly if the last day of each billing period is on the same day of each month or does not vary by more than four days therefrom.

C.17:3B-33 Periodic percentage rate, rates of interest may vary.

5. If the agreement governing the revolving credit plan so provides, the periodic percentage rate or rates of interest under the plan may vary in accordance with a schedule or formula. The periodic percentage rate or rates may vary from time to time as the rate determined in accordance with the schedule or formula varies and the periodic percentage rate or rates, as so varied, may be made applicable to all or any part of the outstanding unpaid indebtedness under the plan on or after the effective date of the variation, including any indebtedness arising out of purchases made or loans obtained prior to the variation in the periodic percentage rate or rates. Without limitation, a permissible schedule or formula hereunder may include provision in the agreement governing the plan for a change in the periodic percentage rate or rates of interest applicable to all or any part of outstanding unpaid indebtedness, whether by variation of the then applicable periodic percentage rate or rates of interest, variation of an index or margin or otherwise, or whether contingent upon the happening of any event or

circumstance specified in the plan, which event or circumstance may include the failure of the borrower to perform in accordance with the terms of the plan.

C.17:3B-34 Additional interest, charges permitted.

6. In addition to or in lieu of interest at a periodic rate or rates as provided pursuant to sections 4 and 5 of this act, a bank may, if the agreement governing the revolving credit plan so provides, charge and collect as interest, in the manner or form as the plan may provide, one or more of the following:

a. A daily, weekly, monthly, annual or other periodic charge in the amount or amounts as the agreement may provide for the privileges made available to the borrower under the plan.

b. A transaction charge or charges in the amount or amounts as the agreement may provide for each separate purchase or loan under the act.

c. A minimum charge for each daily, weekly, monthly, annual or other scheduled billing period under the plan during any portion of which there is an outstanding unpaid indebtedness under the plan.

d. Reasonable fees for services rendered or for reimbursement of expenses incurred in good faith by the bank or its agents in connection with the plan, or other reasonable fees incident to the application for and the opening, administration, and termination of a plan, including, without limitation, commitment, application and processing fees, official fees and taxes, costs incurred by reason of examination of title, inspection, appraisal, recording, mortgage satisfaction or other formal acts necessary or appropriate to the security for the plan, and filing fees.

e. Returned payment charges.

f. Documentary evidence charges.

g. Stop payment fees.

h. Over limit charges.

i. Automated teller machine charges or similar electronic or interchange fees or charges.

j. Any other fee expressly disclosed to the borrower prior to the imposition of the fee.

C.17:3B-35 Imposition of different terms.

7. A bank may, if the agreement governing a revolving credit plan so provides, impose different terms, including without limitation, the terms governing the periodic percentage rate or rates used to calculate interest, the method of computing the outstanding unpaid indebtedness to which the rate or rates are applied, the amounts of other charges and the applicable installment repayment schedule, in respect of indebtedness arising out of purchases and loans made under the plan.

C.17:3B-36 Customary checking charges may be imposed.

8. If credit under a revolving credit plan is offered and extended in connection with a demand deposit account or other transaction account maintained by the borrower with the bank pursuant to an agreement or arrangement whereby the bank agrees to honor checks, drafts or other debits to the account, which if paid would create or increase a negative balance in the account, by making extensions of credit to the borrower under a revolving credit plan, any charges customarily imposed by the bank under the terms governing the demand deposit or other transaction account in the absence of any associated revolving credit plan, including, without limitation, check charges, monthly maintenance charges, checkbook charges, charges for a check drawn on funds in excess of an available line of credit and other similar charges, may continue to be imposed on the account without specific reference thereto or incorporation thereof by reference in the agreement governing the revolving credit plan and the amount of any charge, to the extent the balance in the demand deposit or other transaction account is insufficient to pay the charge, may be charged to the borrower's account under the plan as a loan thereunder and may be included in the outstanding unpaid indebtedness in accordance with the terms of the agreement governing the revolving credit plan.

C.17:3B-37 Omission of monthly installments.

9. A bank may at any time and from time to time unilaterally extend to a borrower under a revolving credit plan the option of omitting one or more monthly installments.

C.17:3B-38 Insurance for borrower requested, required.

10. a. A bank may request but not require an individual borrower to be insured with respect to a revolving credit plan under a life, health, accident, health and accident or other credit or other permissible insurance policy, whether group or individual. If an individual borrower's outstanding unpaid indebtedness under the plan is secured by an interest in real or personal property, a bank may require the borrower to obtain insurance, from an insurer acceptable to the bank, against loss of or damage to the property, or against liability arising out of the ownership or use of the property, and may finance the premiums for the insurance.

b. In the case of a borrower borrowing under a revolving credit plan for other than personal, household or family purposes, a bank may require the borrower to obtain insurance, from an insurer acceptable to the bank, under a life, health, accident, health and accident or other credit or other permissible insurance policy, whether group or individual. If the borrower's outstanding unpaid indebtedness under the plan is secured by an interest in

real or personal property, the bank may require the borrower to obtain insurance, from an insurer acceptable to the bank, against loss of or damage to the property, or against liability arising out of the ownership or use of the property and may finance the premiums for the insurance.

c. The offer and placement of insurance under this section shall be subject in all respects to the applicable provisions of N.J.A.C.3:1-13.1 or 3:1-13.2, or both.

C.17:3B-39 Imposition of late, delinquency charge.

11. If the agreement governing a revolving credit plan so provides, a bank may impose, as interest, a late or delinquency charge upon any outstanding unpaid installment payments or portions thereof under the plan which are in default, except that: no more than one late or delinquency charge may be imposed with respect to any single installment payment or portion thereof regardless of the period during which it remains in default; and for the purpose only of the preceding proviso, all payments by the borrower shall be deemed to be applied to the satisfaction of installment payments in the order in which they become due. Nothing contained in this section shall limit, restrict or otherwise affect the right of the bank pursuant to section 5 of this act to change the periodic percentage rate or rates of interest applicable to the revolving credit plan between the bank and a borrower upon the occurrence of a delinquency or default or other failure of the borrower to perform in accordance with the terms of the plan.

C.17:3B-40 Default by borrower, attorney's, collection agency's fee.

12. If a borrower defaults under the terms of a plan and the bank refers the borrower's account for collection to an attorney or collection agency, not a regularly salaried employee of the bank, for collection, the bank may, if the agreement governing the revolving credit plan so provides, charge and collect from the borrower a reasonable attorney's or collection agency's fee and, in addition, if the agreement governing the plan so provides, the bank may recover from the borrower all court or other collection costs actually incurred by the bank.

C.17:3B-41 Terms of agreement, amendment.

13. a. A bank may, if the agreement governing a revolving credit plan so provides, at any time, or from time to time, amend the terms of the agreement, including without limitation, the terms governing the periodic percentage rate or rates used to calculate interest, the method of computing the outstanding unpaid indebtedness to which the rate or rates are applied, the amounts of other charges and the applicable installment repayment schedule, in accordance with the further provisions of this section.

b. (1) The bank shall notify each affected borrower of an amendment to the terms of the agreement in the manner set forth in the agreement governing the plan and in compliance with the requirements of the federal "Truth in Lending Act," 15 U.S.C. s.1601 et seq., and regulations promulgated thereunder, if applicable; except that if the amendment has the effect of increasing the periodic interest or interest charges to be paid by the borrower, the bank shall mail or deliver to the borrower, at least 30 days before the effective date of the amendment, a conspicuous written notice which shall clearly describe the amendment and shall also set forth the effective date of the amendment and the pertinent information contemplated by the following provisions of this section.

(2) If the amendment has the effect of increasing the periodic interest or interest charges to be paid by the borrower, the amendment shall, except as otherwise provided for in this section, become effective as to a particular borrower as of the first day of the billing cycle during which the effective date of the amendment occurs or as of any later date, in either case, in accordance with this section and as stipulated in the notice, so long as the borrower does not, within 30 days of the mailing or the delivery of the notice of the amendment, whichever is earlier, furnish written notice to the bank that the borrower does not agree to accept the amendment. The notice from the bank shall include: a statement that, absent the borrower's written notice to the bank, within 30 days of the earlier of the mailing or delivery of the notice of the amendment, that the borrower does not agree to accept the amendment, the proposed amendment will become effective and apply to the borrower and the borrower's account; and the address to which a borrower may send notice of the borrower's election not to accept the amendment. Any borrower who gives timely notice electing not to accept an amendment shall be permitted to pay the outstanding unpaid indebtedness in the borrower's account under the plan in accordance with the terms of the agreement governing the plan without giving effect to the amendment; except that if the borrower does not agree to accept the proposed amendment, the bank may convert the borrower's account to a closed-end credit account on credit terms substantially identical to or more favorable to the borrower than those set forth in the then existing agreement governing the borrower's account and the borrower will continue to be subject to the terms of the existing agreement or the more favorable terms until the borrower's account balance is paid in full. As a condition to the effectiveness of any notice that a borrower does not accept the amendment, the bank may require the borrower to return all credit devices. If after 30 days from mailing or delivery by the bank of a proposed amendment, a borrower uses a credit device to obtain credit under a plan, notwithstanding that the borrower has, prior to the use, given the bank notice that the borrower does

not accept an amendment, the amendment shall be deemed to have been accepted and shall become effective as to the borrower and the borrower's account as of the date that the amendment would have become effective but for the giving of notice by the borrower.

(3) Notwithstanding paragraph (2) of this subsection b., the bank may also amend the agreement governing the plan to require that any amendment shall become effective only if the borrower uses the plan after a date specified in the notice of the proposed amendment which is at least 30 days after the giving of the notice, but which need not be the date the amendment becomes effective, by making a purchase or obtaining a loan or if the borrower indicates to the bank the borrower's express agreement to the amendment. Any such amendment may become effective as to a particular borrower as of the first day of the billing period during which the borrower used the borrower's account or indicated agreement to the amendment. Any borrower who fails to use the borrower's account or to indicate agreement to an amendment shall be permitted to pay the outstanding unpaid indebtedness in the borrower's account under the plan in accordance with the terms of the agreement governing the plan without giving effect to the amendment subject to the right of the bank to convert the borrower's account to a closed-end credit account as provided in paragraph (2) of this subsection b.

c. If the terms of the agreement governing the plan, as originally drawn or as amended pursuant to this section, so provide, any amendment may, on and after the date upon which it becomes effective as to a particular borrower, apply to all then outstanding unpaid indebtedness in the borrower's account under the plan, including any indebtedness which shall have arisen out of purchases made or loans obtained prior to the effective date of the amendment.

d. For purposes of this section, the following shall not be deemed an amendment which has the effect of increasing the interest to be paid by the borrower:

(1) A decrease in the required amount of a periodic installment payment.

(2) A change in the schedule or formula used under a variable rate plan under section 5 of this act so long as the initial interest rate resulting from the change is not an increase.

(3) A change from a daily periodic rate to a periodic rate other than daily or from a periodic rate other than daily to a daily periodic rate under section 4 of this act.

e. The procedure for amendment by a bank of the terms of a plan to which the borrower, other than an individual borrower, is a party may, in lieu of the foregoing provisions of this section, be as the agreement governing the plan may otherwise provide.

C.17:3B-42 Other laws not applicable; exceptions.

14. Any other law of this State limiting the rate or amount of interest, discount, points, finance charges, service charges or other charges which may be charged, taken, collected, received or reserved shall not apply to extensions of credit under a revolving credit plan operated in accordance with this act; except that the periodic percentage rate of interest which may be charged, taken, collected, received or reserved under a revolving credit plan operated in accordance with this act shall not exceed the percentage rate permitted pursuant to N.J.S.2C:21-19.

C.17:3B-43 Nonexclusivity of act.

15. The provisions of this act are not exclusive and a bank may extend credit either pursuant to this act or as otherwise provided by applicable law.

C.17:3B-44 Charges considered interest.

16. Notwithstanding the characterization of certain charges in the act as interest, all charges permitted by this act which may be deemed interest by any rules, regulations or interpretations of the Comptroller of the Currency for purposes of section 85 of "The National Bank Act," 12 U.S.C. s.85, shall be considered interest for purposes of this act.

C.17:3B-45 Laws of State govern revolving credit plan, conditions.

17. A revolving credit plan between a bank and an individual borrower shall be governed by the laws of this State if the plan so provides and the bank has its principal office in this State or makes its loans from a branch or other facility in this State.

C.17:3B-46 Provisions of act may apply to any revolving credit plans.

18. a. A bank may apply the provisions of this act to any of its revolving credit plans.

b. A bank may apply this act to a revolving credit plan entered into prior to the effective date of this act and the act shall govern any limitations on fees and charges assessed under that plan, both before and after the effective date of this act.

c. The Department of Banking and Insurance may request information from any bank which applies this act to a revolving credit plan on the bank's interest rates, fees and charges which are imposed by the bank with respect to its revolving credit plan. A bank shall provide the department with the information requested within 30 days of receipt of the request. The department shall make the information received pursuant to this subsection c. generally available to residents of the State and any newspapers of general circulation in this State.

d. (1) Any bank which is requested to provide the Department of Banking and Insurance with information pursuant to subsection c. of this section and fails to provide the information to the department within the time period required shall not be precluded from applying this act to its revolving credit plans, but shall be subject to a penalty of up to $25,000 for each revolving credit plan to which this act is applied, which shall be paid to the department within a month of verification by the department that the bank is subject to the provisions of subsection c. of this section.

(2) Any bank which knowingly and with reckless disregard for the truth misstates in the information provided the department, its interest rates, fees or charges shall be assessed by and pay to the department a penalty of not more than $25,000 for each misstatement.

19. This act shall take effect immediately.

Approved December 6, 1996.

CHAPTER 138

AN ACT providing for the maintenance and support of a thorough and efficient system of free public schools and revising parts of the statutory law.

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

C.18A:7F-1 Short title.

1. This act shall be known and may be cited as the "Comprehensive Educational Improvement and Financing Act of 1996."

C.18A:7F-2 Findings, declarations relative to school funding.

2. a. The Legislature finds and declares that:

(1) The Constitution of the State of New Jersey states that the Legislature shall provide for the maintenance and support of a thorough and efficient system of free public schools for the instruction of all children in the State between the ages of 5 and 18 years.

(2) Although the New Jersey Supreme Court has held that prior school funding laws did not establish a system of public education that was thorough and efficient, the court has consistently held that the Legislature is responsible to substantively define what constitutes a thorough and efficient system of education responsive to that constitutional requirement.

(3) In spite of repeated legislative efforts, the education funding system in New Jersey has permitted disparate spending levels among the many districts without establishing specific educational standards of achievement and the absence of those standards has led to ever-increasing levels of taxation and funding without measurable improvement toward the constitutionally required level of education.

(4) The present system of school budget development, approval, and appeal has resulted in defining a thorough and efficient system of education as the sum of whatever elements an individual district determines and incorporates into its budget.

(5) As the court has acknowledged, equality of spending does not ensure equal academic achievement.

(6) Every child in New Jersey must have an opportunity for an education based on academic standards that meet the constitutional requirement regardless of where the child resides and public funds must be expended to support schools which are thorough and efficient in delivering those educational standards; school districts must in turn be assured the financial support to provide those constitutionally compelled educational standards.

b. The Legislature, therefore, provides and establishes:

(1) A definition of a thorough and efficient system of public education which is uniformly applicable to all districts in the State and specifies what must be learned with reference to academic standards that must be achieved by all students.

(2) The types of programs and services that will accomplish these goals in a manner that is thorough and efficient.

(3) A level of financial support sufficient to provide those programs and services.

(4) A funding mechanism to ensure that support.

(5) A system which ensures that the expenditure of public funds will be undertaken both with prudence and sound management and with accountability that includes mechanisms for enforcement in the event a district fails to meet the substantive standards established as set forth herein.

C.18A:7F-3 Definitions relative to school funding.

3. As used in this act, unless the context clearly requires a different meaning:

"Abbott district" means one of the 28 urban districts in district factor groups A and B specifically identified in the appendix to Raymond Abbott, et al. v. Fred G. Burke, et al. decided by the New Jersey Supreme Court on June 5, 1990 (119 N.J.287, 394);

"Bilingual education pupil" means a pupil enrolled in a program of bilingual education or in an English as a second language program approved by the State Board of Education;

"Budgeted local share" means the sum of designated general fund balance, miscellaneous revenues estimated consistent with GAAP, and that portion of the district's local tax levy contained in the T&E budget certified for taxation purposes;

"Capital outlay" means capital outlay as defined in GAAP;

"Commissioner" means the Commissioner of Education;

"Concentration of low-income pupils" shall be based on prebudget year pupil data and means, for a school district or a county vocational school district, the number of low-income pupils among those counted in modified district enrollment, divided by modified district enrollment. For a school, it means the number of low-income pupils recorded in the registers at that school, divided by the total number of pupils recorded in the school's registers;

"CPI" means the average annual increase, expressed as a decimal, in the consumer price index for the New York City and Philadelphia areas during the fiscal year preceding the prebudget year as reported by the United States Department of Labor;

"County special services school district" means any entity established pursuant to article 8 of chapter 46 of Title 18A of the New Jersey Statutes;

"County vocational school district" means any entity established pursuant to article 3 of chapter 54 of Title 18A of the New Jersey Statutes;

"County vocational school, special education services pupil" means a pupil who is attending a county vocational school and who is receiving specific services pursuant to chapter 46 of Title 18A of the New Jersey Statutes;

"Debt service" means and includes payments of principal and interest upon school bonds and other obligations issued to finance the purchase or construction of school facilities, additions to school facilities, or the reconstruction, remodeling, alteration, modernization, renovation or repair of school facilities, including furnishings, equipment, architect fees and the costs of issuance of such obligations and shall include payments of principal and interest upon bonds heretofore issued to fund or refund such obligations, and upon municipal bonds and other obligations which the commissioner approves as having been issued for such purposes. Debt service pursuant to the provisions of P.L.1978, c.74 (C.18A:58-33.22 et seq.), P.L.1971, c.10 (C.18A:58-33.6 et seq.) and P.L.1968, c.177 (C.18A:58-33.2 et seq.) is excluded;

"District factor group A district" means a school district, other than an Abbott district or a school district in which the equalized valuation per pupil

is more than twice the average Statewide equalized valuation per pupil and in which resident enrollment exceeds 2,000 pupils, which based on the 1990 federal census data is included within the Department of Education's district factor group A;

"District income" for the 1997-98 school year means the aggregate income of the residents of the taxing district or taxing districts, based upon data provided by the Bureau of the Census in the United States Department of Commerce for 1989. Beginning with the 1998-99 school year and thereafter, district income means the aggregate income of the residents of the taxing district or taxing districts, based upon data provided by the Division of Taxation in the New Jersey Department of the Treasury and contained on the New Jersey State Income Tax forms for the calendar year ending prior to the prebudget year. The commissioner may supplement data contained on the State Income Tax forms with data available from other State or federal agencies in order to better correlate the data to that collected on the federal census. With respect to regional districts and their constituent districts, however, the district income as described above shall be allocated among the regional and constituent districts in proportion to the number of pupils resident in each of them;

"Estimated minimum equalized tax rate" for a school district means the district's required local share divided by its equalized valuation; for the State it means the sum of the required local shares of all school districts in the State, excluding county vocational and county special services school districts as defined pursuant to this section, divided by the sum of the equalized valuations for all the school districts in the State except those for which there is no required local share;

"Equalized valuation" means the equalized valuation of the taxing district or taxing districts, as certified by the Director of the Division of Taxation on October 1, or subsequently revised by the tax court by January 15, of the prebudget year. With respect to regional districts and their constituent districts, however, the equalized valuations as described above shall be allocated among the regional and constituent districts in proportion to the number of pupils resident in each of them. In the event that the equalized table certified by the director shall be revised by the tax court after January 15 of the prebudget year, the revised valuations shall be used in the recomputation of aid for an individual school district filing an appeal, but shall have no effect upon the calculation of the property value multiplier, Statewide equalized valuation per pupil, estimated minimum equalized tax rate for the State, or Statewide average equalized school tax rate;

"GAAP" means the generally accepted accounting principles established by the Governmental Accounting Standards Board as prescribed by the State board pursuant to N.J.S.18A:4-14;

"Household income" means income as defined in 7CFR 245.2 and 245.6 or any subsequent superseding federal law or regulation;

"Lease purchase payment" means and includes payments of principal and interest for lease purchase agreements in excess of five years approved pursuant to subsection f. of N.J.S.18A:20-4.2 to finance the purchase or construction of school facilities, additions to school facilities, or the reconstruction, remodeling, alteration, modernization, renovation or repair of school facilities, including furnishings, equipment, architect fees and issuance costs. Approved lease purchase agreements in excess of five years shall be accorded the same accounting treatment as school bonds;

"Low-income pupils" means those pupils from households with a household income at or below the most recent federal poverty guidelines available on October 15 of the prebudget year multiplied by 1.30;

"Minimum permissible T&E budget" means the sum of a district's core curriculum standards aid, and required local share calculated pursuant to sections 5, 14 and 15 of this act;

"Modified district enrollment" means the number of pupils other than preschool pupils, evening school pupils, post-graduate pupils, and post-secondary vocational pupils who, on the last school day prior to October 16, are enrolled in the school district or county vocational school district; or are resident in the school district or county vocational school district and are: (1) receiving home instruction, (2) enrolled in an approved private school for the handicapped, (3) enrolled in a regional day school, (4) enrolled in a county special services school district, (5) enrolled in an educational services commission including an alternative high school program operated by an educational services commission, (6) enrolled in a State college demonstration school, (7) enrolled in the Marie H. Katzenbach School for the Deaf, or (8) enrolled in an alternative high school program in a county vocational school. Modified district enrollment shall be based on the prebudget year count for the determination of concentration of low-income pupils, and shall be projected to the current year and adjusted pursuant to section 5 of this act when used in the calculation of aid;

"Net budget" unless otherwise stated in this act, means the sum of the net T&E budget and the portion of the district's local levy that is above the district's maximum T & E budget;

"Net T&E budget" means the sum of the T&E program budget, early childhood program aid, demonstrably effective program aid, instructional supplement aid, transportation aid, and categorical program aid received pursuant to sections 19 through 22, 28, and 29 of this act;

"Prebudget year" means the school fiscal year preceding the year in which the school budget is implemented;

"Prebudget year equalized tax rate" means the amount calculated by dividing the district's general fund levy for the prebudget year by its equalized valuation certified in the year prior to the prebudget year;

"Prebudget year net budget" for the 1997-98 school year means the sum of the foundation aid, transition aid, transportation aid, special education aid, bilingual education aid, aid for at-risk pupils, technology aid, and county vocational program aid received by a school district or county vocational school district in the 1996-97 school year pursuant to P.L.1996, c.42, and the district's local levy for the general fund;

"Report on the Cost of Providing a Thorough and Efficient Education" or "Report" means the report issued by the Governor pursuant to section 4 of this act;

"Resident enrollment" means the number of pupils other than preschool pupils, post-graduate pupils, and post-secondary vocational pupils who, on the last school day prior to October 16 of the current school year, are residents of the district and are enrolled in: (1) the public schools of the district, excluding evening schools, (2) another school district, other than a county vocational school district in the same county on a full-time basis, or a State college demonstration school or private school to which the district of residence pays tuition, or (3) a State facility in which they are placed by the district; or are residents of the district and are: (1) receiving home instruction, or (2) in a shared-time vocational program and are regularly attending a school in the district and a county vocational school district. In addition, resident enrollment shall include the number of pupils who, on the last school day prior to October 16 of the prebudget year, are residents of the district and in a State facility in which they were placed by the State. Pupils in a shared-time vocational program shall be counted on an equated full-time basis in accordance with procedures to be established by the commissioner. Resident enrollment shall include regardless of nonresidence, the enrolled children of teaching staff members of the school district or county vocational school district who are permitted, by contract or local district policy, to enroll their children in the educational program of the school district or county vocational school district without payment of tuition. Handicapped children between three and five years of age and receiving programs and services pursuant to N.J.S.18A:46-6 shall be included in the resident enrollment of the district.

Beginning in 1997-98 and thereafter, resident enrollment shall also include those nonresident children who are permitted to enroll in the educational program without payment of tuition as part of a voluntary program of interdistrict public school choice approved by the commissioner;

"School district" means any local or regional school district established pursuant to chapter 8 or chapter 13 of Title 18A of the New Jersey Statutes;

"School enrollment" means the number of pupils other than preschool pupils, evening school pupils, post-graduate pupils, and post-secondary vocational pupils who, on the last school day prior to October 16 of the current school year, are recorded in the registers of the school;

"Special education services pupils" means a pupil receiving specific services pursuant to chapter 46 of Title 18A of the New Jersey Statutes;

"Spending growth limitation" means the annual rate of growth permitted in the net budget of a school district, county vocational school district or county special services school district as measured between the net budget of the prebudget year and the net budget of the budget year as calculated pursuant to subsection d. of section 5 of this act;

"Stabilization aid growth limit" means 10% or the rate of growth in the district's projected resident enrollment over the prebudget year, whichever is greater. For the 1997-98 school year, this means 8% or one-half the rate of growth in the district's projected resident enrollment and preschool enrollment between the October 1991 enrollment report as contained on the district's Application for State School Aid for 1992-93 and the 1997-98 school year, whichever is greater. For the 1998-99 and 1999-2000 school years, this means the greatest of the following: 10%, one-half the district's rate of growth in projected resident enrollment and preschool enrollment over the October 1991 enrollment report as contained on the district's Application for State School Aid for 1992-93, or the district's projected rate of growth in resident enrollment over the prebudget year;

"State facility" means a State developmental center; a State Division of Youth and Family Services' residential center; a State residential mental health center; a DHS Regional Day School; a State training school / Secure care facility; a State juvenile community program; a juvenile detention center or a boot camp under the supervisional authority of the Juvenile Justice Commission pursuant to P.L.1995, c.284 (C.52:17B-169 et seq.); or an institution operated by or under contract with the Department of Corrections or Human Services, or the Juvenile Justice Commission;

"Statewide average equalized school tax rate" means the amount calculated by dividing the general fund tax levy for all school districts, which excludes county vocational school districts and county special services school districts as defined pursuant to this section, in the State for the prebudget year by the equalized valuations certified in the year prior to the prebudget year of all taxing districts in the State except taxing districts for which there are no school tax levies;

"Statewide equalized valuation per pupil" means the equalized valuations of all taxing districts having resident enrollment in the State, divided by the resident enrollment for the State;

"T&E amount" means the cost per elementary pupil of delivering the core curriculum content standards and extracurricular and cocurricular activities necessary for a thorough regular education under the assumptions of reasonableness and efficiency contained in the Report on the Cost of Providing a Thorough and Efficient Education;

"T&E flexible amount" means the dollar amount which shall be applied to the T&E amount to determine the T&E range;

"T&E program budget" means the sum of core curriculum standards aid, supplemental core curriculum standards aid, stabilization aid, designated general fund balance, miscellaneous local general fund revenue and that portion of the district's local levy that supports the district's T&E budget;

"T&E range" means the range of regular education spending which shall be considered thorough and efficient. The range shall be expressed in terms of T&E budget spending per elementary pupil, and shall be delineated by alternatively adding to and subtracting from the T&E amount the T&E flexible amount;

"Total Statewide income" means the sum of the district incomes of all taxing districts in the State.

C.18A:7F-4 Review of core curriculum content standard; development, establishment of efficiency standards; Governor's recommendations; advisory cost benchmarks.

4. a. The State Board of Education shall review each core curriculum content standard no later than three years after the school year in which the standard is implemented. In conducting its review, the State board shall examine the curricula and programs offered in high performing schools and school districts. Thereafter, the State board shall review and update the core curriculum content standards every five years. The standards shall ensure that all children are provided the educational opportunity needed to equip them for the role of citizen and labor market competitor in the contemporary setting.

b. The Commissioner of Education shall develop and establish, through the report issued pursuant to subsection c. of this section, efficiency standards which define the types of programs, services, activities, and materials necessary to achieve a thorough and efficient education. The efficiency standards shall be reviewed biennially and revised as appropriate.

As part of the periodic review process for the standards established pursuant to this subsection and subsection a. of this section, the State board and commissioner shall review the portions of districts' local levies which are above the districts' maximum T&E budgets submitted in the intervening years to assess whether elements included in those portions should be incorporated into the revised standards. The Commissioner of Education shall also review the advisory cost benchmarks for the provision of non-

instructional services by school districts as developed by the Commission on Business Efficiency in the Public Schools pursuant to subsection d. of this section and shall consider the cost benchmarks in the development of the efficiency standards.

c. Biennially by March 15 of each even numbered year, the Governor, after consultation with the commissioner, shall recommend to the Legislature through the issuance of the Report on the Cost of Providing a Thorough and Efficient Education:

(1) the per pupil T&E amount, based upon the thoroughness and efficiency standards established pursuant to subsections a. and b. of this section;

(2) the T&E range as calculated pursuant to section 12 of this act; and

(3) additional per pupil amounts for the following aid programs:
special education;
early childhood programs;
demonstrably effective programs;
instructional supplement;
bilingual education;
county vocational schools; and
distance learning network.

The amounts, adjusted for inflation by the CPI in the second year to which the report applies, shall be deemed approved for the two successive fiscal years beginning one year from the subsequent July 1, unless between the date of transmittal and the subsequent October 15, the Legislature adopts a concurrent resolution stating that the Legislature is not in agreement with all or any part of the report. The concurrent resolution shall advise the Governor of the Legislature's specific objections to the report and shall direct the Commissioner of Education to submit to the Legislature a revised report which responds to those objections by December 1.

d. The Commission on Business Efficiency in the Public Schools shall develop advisory cost benchmarks for the efficient provision of non-instructional services by school districts including, but not limited to, food services, transportation, operation and maintenance of plant services, purchasing, extracurricular and cocurricular activities, health and guidance services, and other support services. The cost benchmarks developed by the commission shall incorporate factors which reflect the actual costs of similarly situated school districts throughout the State in the provision of those services. The commission shall make information on the cost benchmarks available to school districts.

C.18A:7F-5 Notification of districts of aid payable; budget submissions.

5. a. Biennially, within 30 days following the approval of the Report on the Cost of Providing a Thorough and Efficient Education, the commissioner shall notify each district of the T&E amount, the T&E flexible amount, the T&E range, early childhood program amount, demonstrably effective program amount, instructional supplement amount, and categorical amounts per pupil for the subsequent two fiscal years.

Annually, within two days following the transmittal of the State budget message to the Legislature by the Governor pursuant to section 11 of P.L.1944, c.112 (C.52:27B-20), the commissioner shall notify each district of the maximum amount of aid payable to the district in the succeeding school year pursuant to the provisions of this act, and shall notify each district of the district's T&E budget, maximum T&E budget, and minimum permissible T&E budget for the succeeding school year.

Beginning in the 1998-99 school year, unless otherwise specified within this act, aid amounts payable for the budget year shall be based on budget year pupil counts, which shall be projected by the commissioner using data from prior years. Adjustments for the actual pupil counts of the budget year shall be made to State aid amounts payable during the school year succeeding the budget year. Additional amounts payable shall be reflected as revenue and an account receivable for the budget year.

Notwithstanding any other provision of this act to the contrary, each district's State aid payable for the 1997-98 school year, with the exception of transportation and facilities aids pursuant to sections 25, 26, and 27 of this act, shall be based on simulations employing the various formulas and State aid amounts contained in this act using projections based on the October 1995 pupil counts, December 1995 special education census data and October 1995 equalized valuations. Transportation aid shall be calculated based on the provisions of this act using pupil data used for the 1996-97 school year and adjusted to reflect the total amount of State aid disbursed in the 1996-97 school year. The commissioner shall prepare a report dated December 19, 1996 reflecting the State aid amounts payable by category for each district and shall submit the report to the Legislature prior to the adoption of this act. The amounts contained in the commissioner's report shall be the final amounts payable and shall not be subsequently adjusted because of changes in pupil counts or equalized valuations. The projected pupil counts and equalized valuations used for the calculation of State aid shall also be used for the calculation of maximum T&E budget, minimum T&E budget, local share, required local share, and spending growth limitation. State aid notification of debt service aid pursuant to section 27 of this act shall include a statement that debt service aid shall be determined in the budget.

Any school district which enrolls students who reside on federal property which were not included in the calculation of core curriculum standards aid for 1997-98 shall have its core curriculum standards aid recalculated for these additional enrollments through the 1997-98 school year using the property value multiplier, income value multiplier, equalized valuation, and district income which were used in the original Statewide calculation of core curriculum standards aid. The additional aid resulting from the recalculations shall be divided by 20 and the product shall be added to each of the remaining core curriculum standards aid payments for the 1997-98 school year. Additionally, the core curriculum standards aid calculation and payment schedule for 1998-99 shall be adjusted for such enrollments arriving after the last school day prior to October 16, 1997.

b. Each district shall have a required local share. For Abbott districts, the required local share for the purpose of determining its estimated minimum equalized tax rate and supplemental core curriculum standards aid shall equal the district's local share calculated at the middle of the T&E range (T&E amount x WENR, where WENR is the district's weighted enrollment pursuant to section 13 of this act).

Notwithstanding the above provision, no Abbott district shall raise a general fund tax levy which is less than the prior year general fund tax levy unless the sum of the levy and the other components of the T&E program budget equals or exceeds its maximum T&E budget calculated pursuant to section 13 of this act.

For district factor group A districts, the required local share shall equal the district's local share calculated at its minimum T&E budget pursuant to section 13 of this act.

For all other districts, the required local share shall equal the lesser of the local share calculated at the district's minimum T&E budget pursuant to section 13 of this act, or the district's budgeted local share for the prebudget year.

In order to meet this requirement, each district shall raise a general fund tax levy which, when added to the general fund balance designated for the budget year, miscellaneous local general fund revenues estimated consistent with GAAP to be realized during the budget year, supplemental core curriculum standards aid calculated pursuant to section 17 of this act and stabilization aid and supplemental school tax reduction aid calculated pursuant to section 10 of this act, equals its required local share or, for Abbott districts, the amount required when the calculation of required local share would result in a general fund tax levy which is less than the general fund tax levy of the prebudget year. For 1997-98, the budgeted local share for the prebudget year shall be the district's general fund tax levy.

For the 1997-98 school year, any tax increase which would be required of an Abbott district or district factor group A district to meet its required local share, after consideration of supplemental core curriculum standards aid, stabilization aid, and supplemental school tax reduction aid shall be fully funded by the State and recorded as supplemental core curriculum standards aid. The commissioner, in consultation with the Commissioner of the Department of Community Affairs and the Director of the Division of Local Government Services in the Department of Community Affairs, shall examine the fiscal ability of the Abbott districts and the district factor group A districts eligible for supplemental core curriculum standards aid to absorb any reduction in such aid and shall make recommendations to the Legislature and the Governor regarding the continuation of supplemental core curriculum standards aid to those districts. In making those recommendations, the commissioner shall consider the ratable base of the municipality or municipalities in which the district is located, the tax burden placed upon the local community due to other required municipal services, and the fiscal ability of the school district to raise its required local share. The commissioner shall not implement any of those recommendations until the recommendations are enacted into law.

No municipal governing body or bodies or board of school estimate, as appropriate, shall certify a general fund tax levy which does not meet the required local share provisions of this section.

c. Annually, on or before March 4, each district board of education shall adopt, and submit to the commissioner for approval, together with such supporting documentation as the commissioner may prescribe, a budget that provides no less than the minimum permissible T&E budget, plus categorical amounts required for a thorough and efficient education as established pursuant to the report, special revenue funds and debt service funds.

d. (1) A district proposing a budget which includes spending which exceeds the maximum T&E budget established pursuant to section 13 of this act shall submit, as appropriate, to the board of school estimate or to the voters of the district at the annual school budget election conducted pursuant to the provisions of P.L.1995, c.278 (C.19:60-1 et seq.), a general fund tax levy which when added to the other components of its net budget does not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the sum of three percent or the CPI, whichever is greater, multiplied by the prebudget year net budget, and adjustments for changes in enrollment, certain capital outlay expenditures, expenditures for pupil transportation services provided pursuant to N.J.S.18A:39-1.1, and special education costs per pupil in excess of $40,000. The adjustment for special education costs shall equal any increase in the sum of per pupil amounts in excess of $40,000 for the budget year less

the sum of per pupil amounts in excess of $40,000 for the prebudget year indexed by the CPI or three percent, whichever is greater. The adjustment for enrollments shall equal the increase in unweighted resident enrollments between the prebudget year and budget year multiplied by the per pupil general fund tax levy amount for the prebudget year indexed by the CPI or three percent, whichever is greater. The adjustment for capital outlay shall equal any increase between the capital outlay portion of the general fund budget for the budget year less any withdrawals from the capital reserve account and the capital outlay portion of the general fund budget for the prebudget year indexed by the CPI or three percent, whichever is greater. Any district with a capital outlay adjustment to its spending growth limitation shall be restricted from transferring any funds from capital outlay accounts to current expense accounts. The adjustment for capital outlay shall not become part of the prebudget year net budget for purposes of calculating the spending growth limitation of the subsequent year. The adjustment for pupil transportation costs provided pursuant to N.J.S.18A:39-1.1 shall equal the cost of providing such pupil transportation services for the budget year.

(2) A district proposing a budget set at or below the minimum T&E budget established pursuant to section 13 of this act shall submit, as appropriate, to the board of school estimate or to the voters of the district at the annual school budget election conducted pursuant to the provisions of P.L.1995, c.278 (C.19:60-1 et seq.), a general fund tax levy which when added to the other components of the net T&E budget shall not exceed the prebudget year net T&E budget or in 1997-98 the prebudget year net budget by more than the spending growth limitation calculated as follows: the sum of three percent or the CPI, whichever is greater, multiplied by the prebudget year net budget, and adjustments for changes in enrollment, certain capital outlay expenditures, expenditures for pupil transportation services provided pursuant to N.J.S.18A:39-1.1, and special education costs per pupil in excess of $40,000. The enrollment adjustment shall equal the increase in weighted resident enrollment between the prebudget year and the budget year multiplied by the T&E amount less the T&E flexible amount. The adjustments for special education costs, pupil transportation services, and capital outlay expenditures shall be calculated pursuant to the provisions of paragraph (1) of this subsection.

Notwithstanding the provisions of this paragraph, no district shall raise a net budget which is less than the local share required under the required local share provisions of this act plus the other components of its net budget.

(3) A district proposing a budget set at or below the maximum T&E budget, but including amounts in excess of the minimum T&E budget established pursuant to section 13 of this act, shall submit, as appropriate,

to the board of school estimate or to the voters at the annual school budget election conducted pursuant to the provisions of P.L.1995, c.278 (C.19:60-1 et seq.), a general fund tax levy which when added to the other components of its net T&E budget does not exceed the prebudget year net T&E budget or in 1997-98 the prebudget year net budget by more than the spending growth limitation calculated as follows: the sum of three percent or the CPI, whichever is greater, multiplied by the prebudget year net budget, and adjustments for changes in enrollment, certain capital outlay expenditures, expenditures for pupil transportation services provided pursuant to N.J.S.18A:39-1.1, and special education costs per pupil in excess of $40,000 per pupil. The enrollment adjustment shall equal the increase in the unweighted resident enrollment between the prebudget year and the budget year multiplied by the prebudget year T&E program budget per pupil indexed by the CPI or three percent, whichever is greater. For the 1997-98 school year, the T&E program budget for the prebudget year shall equal the sum of the general fund tax levy, foundation aid, and transition aid. The adjustment for special education costs, pupil transportation services, and capital outlay expenditures shall be made pursuant to the provisions of paragraph (1) of this subsection.

(4) Any debt service payment made by a school district during the budget year shall not be included in the calculation of the district's spending growth limitation.

(5) For the 1997-98 school year, a district's spending growth limitation shall be increased by the excess of county special services school district tuition over prebudget year county special services school district tuition indexed by the CPI or three percent, whichever is greater.

(6) For the purpose of determining a district's spending growth limitation for the 1997-98 school year, a district may apply to the commissioner to add all or a part of the district's original designated general fund balance for 1996-97 to the spending growth limitation if it can demonstrate through current accounting records and historical trend data that the fund balance will actually be spent in the budget year.

(7) If the use of early childhood program aid for the provision of full-day kindergarten and preschool classes and other early childhood programs and services will cause the district to exceed its spending growth limitation, the district may apply to the commissioner for an adjustment to that limitation.

(8) If an increase in tuition for the budget year charged to a sending district by the receiving district pursuant to the provisions of N.J.S.18A:38-19 would reduce the sending district's per pupil net budget amount below the prior year's per pupil net budget amount in order to comply with the

district's spending growth limitation, the district may apply to the commissioner for an adjustment to that limitation.

(9) Any district may submit at the annual school budget election a separate proposal or proposals for additional funds, including interpretive statements, specifically identifying the program purposes for which the proposed funds shall be used, to the voters, who may, by voter approval, authorize the raising of an additional general fund tax levy for such purposes. In the case of a district with a board of school estimate, one proposal for the additional spending shall be submitted to the board of school estimate. Any proposal or proposals rejected by the voters shall be submitted to the municipal governing body or bodies for a determination as to the amount, if any, that should be expended notwithstanding voter rejection. The decision of the municipal governing body or bodies or board of school estimate, as appropriate, shall be final and no appeals shall be made to the commissioner.

(10) Notwithstanding any provision of law to the contrary, if a district proposes a budget which exceeds the maximum T&E budget, the following statement shall be published in the legal notice of public hearing on the budget pursuant to N.J.S.18A:22-28, posted at the public hearing held on the budget pursuant to N.J.S.18A:22-29, and printed on the sample ballot required pursuant to section 10 of P.L.1995, c.278 (C.19:60-10):

"Your school district has proposed programs and services in addition to the core curriculum content standards adopted by the State Board of Education. Information on this budget and the programs and services it provides is available from your local school district."

e. (1) Any general fund tax levy rejected by the voters for a proposed budget in excess of the maximum T&E budget shall be submitted to the governing body of each of the municipalities included within the district for determination of the amount that should be expended notwithstanding voter rejection. In the case of a district having a board of school estimate, the general fund tax levy shall be submitted to the board for determination of the amount that should be expended. If the governing body or bodies or board of school estimate, as appropriate, reduce the district's proposed net budget, the district may appeal any of the reductions to the commissioner on the grounds that the reductions will negatively impact on the stability of the district given the need for long term planning and budgeting. In considering the appeal, the commissioner shall consider enrollment increases or decreases within the district; the history of voter approval or rejection of district budgets; the impact on the local levy; and whether the reductions will impact on the ability of the district to fulfill its contractual obligations. A district may not appeal any reductions on the grounds that the amount is necessary for a thorough and efficient education.

(2) Any general fund tax levy rejected by the voters for a proposed budget at or below the maximum T&E budget shall be submitted to the governing body of each of the municipalities included within the district for determination of the amount that should be expended notwithstanding voter rejection. In the case of a district having a board of school estimate, the general fund tax levy shall be submitted to the board for determination. Any reductions may be appealed to the commissioner on the grounds that the amount is necessary for a thorough and efficient education or that the reductions will negatively impact on the stability of the district given the need for long term planning and budgeting. In considering the appeal, the commissioner shall also consider the factors outlined in paragraph (1) of this subsection.

In the case of a school district in which the proposed budget is below, or after a reduction made by the municipal governing body or board of school estimate is below, the minimum T&E budget calculated pursuant to section 13 of this act, any reductions made by the municipal governing body or board of school estimate shall be automatically reviewed by the commissioner. In reviewing the budget, the commissioner shall also consider the factors outlined in paragraph (1) of this subsection. In addition, the municipal governing body or board of school estimate shall be required to demonstrate clearly to the commissioner that the proposed budget reductions shall not adversely affect the ability of the school district to provide a thorough and efficient education or the stability of the district given the need for long term planning and budgeting.

(3) In lieu of any budget reduction appeal provided for pursuant to paragraphs (1) and (2) of this subsection, the State board may establish pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), an expedited budget review process based on a district's application to the commissioner for an order to restore a budget reduction.

(4) When the voters, municipal governing body or bodies, or the board of school estimate authorize the general fund tax levy, the district shall submit the resulting budget to the commissioner within 15 days of the action of the voters or municipal governing body or bodies, whichever is later, or of the board of school estimate as the case may be.

f. Any district which is not an Abbott district but which was classified as a special needs district under the "Quality Education Act of 1990," P.L.1990, c.52 (C.18A:7D-1 et al.), may appeal any budget reduction made by the municipal governing body or board of school estimate, as appropriate, to the commissioner.

g. The commissioner shall annually review the budget of any district which was classified as a special needs district under the "Quality Education

Act of 1990," P.L.1990, c.52 (C.18A:7D-1 et al.), to determine if any educationally meritorious program or service established through State resources provided as a result of that funding law is proposed to be reduced or eliminated. If the commissioner determines that the program or service is in jeopardy and that a reallocation of resources is possible without jeopardizing other educationally meritorious programs or services, he may require the school board to fund the program or service through a reallocation of resources.

C.18A:7F-6 Approval of budget by commissioner.

6. a. The commissioner shall not approve any budget submitted pursuant to subsection c. of section 5 of this act unless he is satisfied that the district has adequately implemented within the budget the thoroughness and efficiency standards set forth pursuant to section 4 of this act. In those instances in which a district submits a budget set at less than its minimum T&E budget, the commissioner may, when he deems it necessary to ensure implementation of standards, direct additional expenditures, in specific accounts and for specific purposes, up to the district's T&E budget. A district which submits a budget set at less than its minimum T&E budget and which fails to meet core curriculum content standards in any school year shall be required to increase expenditures so as to meet at least the minimum T&E budget within the next two budget years. In those instances in which a district submits a budget at or above its minimum T&E budget, the commissioner may likewise, when he deems it necessary to ensure implementation of standards, direct additional expenditures, in specific accounts and for specific purposes, up to the T&E budget. In all cases, including those instances in which a district submits a budget above its T&E budget, up to and including its maximum T&E budget, the commissioner may direct such budgetary reallocations and programmatic adjustments, or take such other measures, as he deems necessary to ensure implementation of the required thoroughness and efficiency standards.

b. In addition, whenever the commissioner determines, through the results of Statewide assessments conducted pursuant to law and regulation, or during the course of an evaluation of school performance conducted pursuant to section 10 of P.L.1975, c.212 (C.18A:7A-10), that a district, or one or more schools within the district, is failing to achieve the core curriculum content standards, the commissioner may summarily take such action as he deems necessary and appropriate, including but not limited to:

(1) directing the restructuring of curriculum or programs;
(2) directing staff retraining or reassignment;
(3) conducting a comprehensive budget evaluation;
(4) redirecting expenditures;

(5) enforcing spending at the full per pupil T&E amount; and

(6) notwithstanding any provisions of the "New Jersey Employer-Employee Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.), to the contrary, reviewing the terms of future collective bargaining agreements.

For the purpose of evaluating a district's results on Statewide assessments pursuant to this subsection, the commissioner shall limit the use of these actions to those instances in which a school in a district has experienced at least three consecutive years of failing test scores.

The commissioner shall report any action taken under this subsection to the State board within 30 days. A board of education may appeal a determination that the district is failing to achieve the core curriculum content standards and any action of the commissioner to the State board.

Nothing in this section shall be construed to limit such general or specific powers as are elsewhere conferred upon the commissioner pursuant to law.

Nothing in this act shall be deemed to restrict or limit any rights established pursuant to the "New Jersey Employer-Employee Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.), nor shall the commissioner's powers under this act be construed to permit the commissioner to restrict, limit, interfere with, participate, or be directly involved in collective negotiations, contract administration, or processing of grievances, or in relation to any terms and conditions of employment. This provision shall apply to a State-operated school district only after the terms and conditions of a contract have been finalized.

c. Each Abbott district shall submit its proposed budget for the next school year to the commissioner seven days prior to the submission date for all other school district budgets. The review of the budget shall include, but not be limited to, an assessment of efforts to reduce class sizes, increase the breadth of program offerings, and direct funds into the classroom. If the commissioner determines during the review of an Abbott district budget that funds are not appropriately directed so that students in the districts are provided the educational opportunity to meet the core curriculum content standards, the commissioner shall direct the reallocation of funds within the budget. The commissioner shall approve any transfer of funds from instructional accounts to non-instructional accounts. In addition, if the commissioner directs the reallocation of funds from or between instructional accounts or from or between non-instructional accounts in the proposed budget, the district shall not transfer any funds to or from those accounts that were subject to reallocation without the prior approval of the commissioner. The commissioner shall, for any Abbott district, when he deems it necessary to ensure implementation of the thoroughness standards, direct additional expenditures above the T&E budget in specific accounts and for

specific purposes, up to the maximum T&E budget without approval of the local voters or board of school estimate, as applicable.

d. In addition to the audit required of school districts pursuant to N.J.S.18A:23-1, the accounts and financial transactions of any school district in which the State aid equals 80% or more of its net budget for the budget year shall be directly audited by the Office of the State Auditor on an annual basis.

e. Notwithstanding any provision of law to the contrary, in the review of a school district's budget pursuant to subsection c. or e. of section 5 of this act, the commissioner shall not eliminate, reduce, or reallocate funds contained within the budget for pupil transportation services provided pursuant to N.J.S.18A:39-1.1 nor require the district to eliminate these funds from the base budget and to submit a separate proposal to the voters or board of school estimate pursuant to paragraph (9) of subsection d. of section 5 of this act for the inclusion of the funds within the proposed budget. The decision to provide such pupil transportation services shall be made by the board of education of the school district. In the case of a school budget that is defeated by the voters or a budget that is not approved by the board of school estimate, that decision shall be made in consultation with the municipal governing body or board of school estimate, as appropriate, or, in the case of a regional district, the municipal governing bodies.

C.18A:7F-7 Undesignated general fund balances, use, limits.

7. a. If the amount of the budgeted general fund for the prebudget year is $100 million or less, an undesignated general fund balance in excess of 6% of that amount or $75,000, whichever is greater, shall be appropriated by a school district or county vocational school district for the purpose of the budget prepared pursuant to section 5 of this act. If the amount of the budgeted general fund for the prebudget year exceeds $100 million, an undesignated general fund balance in excess of 6% of the first $100 million and in excess of 3% of the amount which exceeds $100 million shall be appropriated by a school district or county vocational school district for the purpose of the budget prepared pursuant to section 5 of this act.

b. Notwithstanding the provisions of subsection a. of this section, if the district has a formal plan to expand, renovate or construct school facilities, join a distance learning network, or make a major replacement or acquisition of instructional equipment within the subsequent five years, the district may, with the approval of the commissioner, transfer the excess undesignated general fund balance to the capital reserve account established pursuant to N.J.S.18A:21-3 for that purpose.

c. If it is determined that the undesignated general fund balances at December 31, 1996 or June 30 of any school year exceed those permitted

under subsection a. of this section, the excess undesignated general fund balances shall be reserved and designated in the subsequent year's budget submitted to the commissioner pursuant to subsection c. of section 5 of this act.

d. The commissioner may withhold State aid in an amount not to exceed the excess undesignated general fund balances for failure to comply with subsection c. of this section.

C.18A:7F-8 Payments to school district by State Treasurer, dates.

8. The amounts payable to each school district and county vocational school district pursuant to this act shall be paid by the State Treasurer upon the certification of the commissioner and warrant of the Director of the Division of Budget and Accounting. Five percent of the appropriation for core curriculum standards aid, supplemental core curriculum standards aid, special education, transportation, early childhood programs, demonstrably effective programs, instructional supplement, bilingual, county vocational education program, distance learning network, and other aid pursuant to this act shall be paid on the first and fifteenth of each month from September through June. If a local board of education requires funds prior to the first payment, the board shall file a written request with the commissioner stating the need for the funds. The commissioner shall review each request and forward for payment those for which need has been demonstrated.

Facilities funds shall be paid as required to meet due dates for payment of principal and interest. Each school district, county vocational school district, and county special services school district shall file an annual report regarding facilities payments to the commissioner. The report shall include the amount of interest bearing school debt, if any, of the municipality or district then remaining unpaid, together with the rate of interest payable thereon, the date or dates on which the bonds or other evidences of indebtedness were issued, and the date or dates upon which they fall due. In the case of a Type I school district, the board secretary shall secure the schedule of outstanding obligations from the clerk of the municipality.

C.18A:7F-9 Receipt of State aid by school district; conditions.

9. In order to receive any State aid pursuant to this act, a school district, county vocational school district, or county special services school district shall comply with the rules and standards for the equalization of opportunity which have been or may hereafter be prescribed by law or formulated by the commissioner pursuant to law, including those implementing this act or related to the core curriculum content standards required by this act, and shall further comply with any directive issued by the commissioner pursuant to section 6 of this act. The commissioner is hereby authorized to withhold all or part of a district's State aid for failure to comply with any rule,

standard or directive. No State aid shall be paid to any district which has not provided public school facilities for at least 180 days during the preceding school year, but the commissioner, for good cause shown, may remit the penalty.

C.18A:7F-10 Stabilization aid per district; calculation.

10. a. Notwithstanding any other provision of this act to the contrary, the total stabilized aid for each district shall not be increased by more than the district's stabilization aid growth limit. In the event that total stabilized aid exceeds the prebudget year total by a rate greater than the stabilization aid growth limit, the commissioner shall adjust the components of total stabilized aid so that they total exactly the prebudget year total increased by the stabilization aid growth limit. For the 1997-98 school year, the prebudget year total shall include foundation aid, transition aid, categorical aids for special education, bilingual education and county vocational education, and transportation aid paid for the 1996-97 school year. For the 1998-99 school year and thereafter, the prebudget year total shall be the total for the same aid categories as included in total stabilized aid plus any stabilization aid the district has received pursuant to subsection b. of this section, as paid in the prebudget years. For the 1997-98 and 1998-99 school years, total stabilized aid shall include core curriculum standards aid, categorical aids for special education programs, bilingual education programs, and county vocational programs, transportation aid, and aid for adult and postsecondary programs calculated pursuant to sections 15, 19, 20, 21, 25, and 28 of this act. For the 1999-2000 school year and thereafter, total stabilized aid shall include core curriculum standards aid, supplemental core curriculum standards aid, distance learning network aid, categorical aids for special education programs, bilingual education programs, county vocational programs, early childhood program aid, demonstrably effective program aid, instructional supplement aid, transportation aid, aid for adult and postsecondary programs, and academic achievement rewards calculated pursuant to sections 15 through 22, 25, 28 and 29 of this act.

Notwithstanding any provision of this section to the contrary, the commissioner shall ensure that for any district with a stabilization reduction in 1997-98 that by the 1999-2000 school year and thereafter, the total stabilized aid for each school district reflects the actual pupil counts of the district.

b. Notwithstanding any other provision of this act to the contrary, the total of a district's stabilization aid, core curriculum standards aid, supplemental core curriculum standards aid, distance learning network aid, categorical aids for special education programs, bilingual education programs, county vocational programs, early childhood program aid,

demonstrably effective program aid, transportation aid, aid for adult and postsecondary programs, and academic achievement rewards calculated pursuant to subsection a. of this section and sections 15 through 17, subsection a. of section 18, 19 through 22, 25, 28 and 29 of this act, shall not be decreased by more than 10% below the amounts paid for these categories in the prebudget year. In the event that the sum of the formula entitlements calculated pursuant to those sections is less than 90% of the prebudget total, stabilization aid shall be paid in the amount of the difference between 90% of the prebudget year total and the sum of those entitlements. For the 1997-98 school year, the prebudget year total shall include foundation aid, transition aid, aid for at-risk pupils, technology aid and categorical aids for special education, bilingual education and county vocational education, and transportation aid.

c. For the 1997-98 school year, supplemental stabilization aid shall be paid to any district in which:

(1) the total aid payable for the categories listed in subsection b. of this section is less than the prebudget year total for the same aids; and

(2) resident enrollment projected for October 1997 exceeds 99 percent of the resident enrollment for October 1991 or resident enrollment projected for October 1997 is less than resident enrollment for October 1991 by 35 or fewer pupils or the prebudget year equalized tax rate exceeded the Statewide average equalized school tax rate by 10% or more.

An eligible district shall be aided in the amount of its total aid decline, after offset by any stabilization aid provided pursuant to subsection b. of this section, or $4,000,000, whichever is less. The commissioner, in consultation with the Commissioner of the Department of Community Affairs and the Director of the Division of Local Government Services in the Department of Community Affairs, shall examine the fiscal ability of districts eligible for supplemental stabilization aid to absorb aid losses and shall make recommendations to the Legislature and the Governor regarding the continuation of supplemental stabilization aid. The commissioner shall not implement any of those recommendations until the recommendations are enacted into law.

d. Additional supplemental stabilization aid of $500,000 per district shall be disbursed to any district which meets all of the following criteria:

(1) the district's projected resident enrollment for the 1997-98 school year exceeds 10,000 pupils;

(2) the district's 1996-97 net budget is less than the sum of its maximum T&E budget calculated pursuant to section 13 of this act and early childhood program aid, demonstrably effective program aid, instructional supplement aid, transportation aid, and categorical program aid received pursuant to sections 19 through 22, 28, and 29 of this act;

(3) the district's total aid payable for the categories listed in subsection b. of this section exceeds the prebudget year total for the same aids by no more than 10%;

(4) the district's original State aid notice for 1996-97 was not reduced pursuant to P.L.1995, c.236 (C.18A:7E-6 et seq.);

(5) the district's core curriculum standards aid as a percentage of its T&E budget is less than 50%; and

(6) the district was certified as of November 30, 1996.

e. For the 1997-98 school year, each district which had pupils placed in a county special services school district on October 15, 1995 shall receive additional supplemental stabilization aid as follows:

(1) when the sum of the district's total aid payable for the categories listed in subsection b. of this section, aid payable pursuant to subsections c. and d. of this section, and aid payable pursuant to subsection c. of section 18 of this act exceeds the prebudget year total for the same aids pursuant to subsection b. of this section, the district shall receive an amount equal to the excess of the State aid generated by such placements in the county special services school district in 1996-97 over the excess calculated pursuant to this paragraph; or

(2) when the district's prebudget year aid pursuant to subsection b. of this section equals or exceeds the sum of the total aid payable for the categories listed in subsection b. of this section, aid payable pursuant to subsections c. and d. of this section, and aid payable pursuant to subsection c. of section 18 of this act, the district shall receive an amount equal to the State aid generated by such placements in the county special services school district in 1996-97.

f. Supplemental school tax reduction aid shall be paid to any district which meets the following criteria:

(1) the district's 1996-97 net budget per pupil is less than 115% of the State average net budget per pupil;

(2) the district's 1996-97 equalized tax rate of the general fund is greater than 130% of the Statewide average equalized school tax rate;

(3) the district does not receive any supplemental core curriculum standards aid; and

(4) the district is not included within the Department of Education's district factor groups I or J based on the 1990 federal census data.

Each district which is determined to be eligible to receive aid pursuant to this subsection shall receive aid according to the following formula:

.75 X (ESTR - 1.30 X STESTR) X EVAL

where

ESTR is the district's equalized tax rate of the general fund for the 1996-97 school year;

STESTR is the Statewide average equalized school tax rate for the 1996-97 school year; and

EVAL is the district October 1995 equalized valuation.

No district shall receive more than $300,000 pursuant to this subsection.

g. Additional supplemental stabilization aid shall be paid to any district which is located in a municipality which has a population composed of more than 45% senior citizens age 65 or older according to the most recent federal decennial census. The aid shall equal $200 multiplied by the district's resident enrollment projected for October 1997.

h. Any stabilization aid, supplemental stabilization aid, and supplemental school tax reduction aid paid pursuant to this section shall be applied toward the required local share of the school district or county vocational school district which receives the aid.

C.18A:7F-11 Calculation of core curriculum standards aid.

11. The State's core curriculum standards aid contribution for the 1997-98 school year shall be $2,620,200,000. In subsequent years, the State's core curriculum standards aid contribution shall be the total Statewide core curriculum standards aid calculated pursuant to section 15 of this act for the prebudget year and prior to the application of section 10 indexed by the sum of 1.0, the CPI, and the State average enrollment growth percentage between the prebudget year and the budget year as projected by the commissioner.

C.18A:7F-12 Establishment of basic per pupil T&E amount.

12. The commissioner shall establish, based on the standards issued pursuant to section 4 of this act, a basic per pupil T&E amount, and shall develop appropriate weights reflecting the differing costs of providing education at the kindergarten, elementary school, middle school, and high school levels, which weights shall be applied in determining a district's T&E budget as set forth in section 13 of this act. The T&E amount for the 1997-1998 school year shall be $6,720, which shall be adjusted for inflation by the CPI for the 1998-1999 school year. The weights for kindergarten, elementary (grades 1-5), middle (grades 6-8), and high school (grades 9-12) levels for the 1997-98 school year shall be 0.5, 1.0, 1.12 and 1.20 respectively. In subsequent years, the T&E amount and the school level weights shall be established biennially in the Report on the Cost of Providing a Thorough and Efficient Education, with the T&E amount adjusted for inflation by the CPI in the second year to which the report applies.

For the 1997-98 school year, the T&E flexible amount shall be $336, and the T&E range shall be from $6,384 to $7,056. These figures shall be adjusted by the CPI for the 1998-99 school year. In subsequent years, the T&E range shall be established biennially in the Report on the Cost of

Providing a Thorough and Efficient Education, with the T&E range adjusted for inflation by the CPI in the second year to which the report applies.

C.18A:7F-13 Calculation of weighted enrollment, T&E budgets.

13. a. The weighted enrollment for each school district and each county vocational school district shall be calculated as follows:

WENR= PWxPENR + EWxEENR + MWxMENR + HWxHENR

where

PW is the T&E weight for kindergarten enrollment;

EW is the T&E weight for elementary enrollment;

MW is the T&E weight for middle school enrollment;

HW is the T&E weight for high school enrollment;

PENR is the resident enrollment for kindergarten;

EENR is the resident enrollment for grades 1-5;

MENR is the resident enrollment for grades 6 - 8; and

HENR is the resident enrollment for grades 9 - 12.

For the purposes of this section, ungraded pupils shall be counted in their age-equivalent grade.

b. The maximum T&E budget for each school district and each county vocational school district shall be calculated as follows:

MAXBUD= (TE + FL) x WENR

where

TE is the T&E amount; and

FL is the T&E flexible amount.

c. The minimum T&E budget for each school district and each county vocational school district shall be calculated as follows:

MINBUD= (TE - FL) x WENR

except in the case of Abbott districts, in which the minimum T&E budget shall equal the maximum T&E budget as calculated pursuant to subsection b. of this section

where

TE is the T&E amount;

FL is the T&E flexible amount; and

WENR is the district's weighted enrollment.

d. The T&E budget for each school district and each county vocational school district shall be calculated for 1997-98 as follows:

TEBUD= PBNB x (1 + CPI) - (CAT+DEP+ECP+IS);

provided that TEBUD shall be neither less than MINBUD nor greater than MAXBUD and where

PBNB is the district's prebudget year net budget;

CAT is the sum of aids calculated in accordance with sections 19, 20, 21, 22, 25, 28 and 29 of this act;

DEP is the aid calculated in accordance with section 18 of this act;

ECP is the aid calculated in accordance with section 16 of this act; and

IS is the aid calculated in accordance with section 18 of this act.

In subsequent years, the T&E budget shall be calculated as follows:

TEBUD = (WENR x PBNB/PBWENR) x (1 + CPI) - (CAT+DEP+ECP+IS);

provided that CPI shall not be less than .03 and

provided that TEBUD shall be neither less than MINBUD nor greater than MAXBUD and where

PBNB is the district's prebudget year net T&E budget;

CAT is the sum of aids payable in accordance with sections 19, 20, 21, 22, 25, 28 and 29 of this act;

DEP is the aid payable in accordance with section 18 of this act;

ECP is the aid payable in accordance with section 16 of this act; and

IS is the aid payable in accordance with section 18 of this act;

WENR is the district's weighted enrollment; and

PBWENR is the district's weighted enrollment for the prebudget year.

C.18A:7F-14 Calculation of local share for core curriculum standards aid.

14. Each school district and each county vocational school district shall receive core curriculum standards aid predicated on a local share determined by district property wealth and district income.

a. Each district's local share shall be calculated as follows:

LSHARE = (TEBUD/LSBASE) x (WRT x EQVAL + IRT x INC)/2

where

TEBUD is the T&E budget as determined pursuant to subsection d. of section 13 of this act;

LSBASE = (TE - FL) x WENR;

WRT is the Statewide property value multiplier determined pursuant to subsection c. of this section;

IRT is the Statewide income multiplier determined pursuant to subsection c. of this section;

EQVAL is the district's prebudget year equalized valuation; and

INC is the district's income.

b. The local share for each county vocational school district shall be calculated as follows:

LSHARE = (COLSHARE/COTEBUD) x TEBUD

where

COLSHARE is the sum of the local shares for all school districts in the county calculated pursuant to subsection a. of this section;

COTEBUD is the sum of the T&E budgets for all school districts in the county calculated pursuant to subsection d. of section 13 of this act; and

TEBUD is the county vocational district's T&E budget calculated pursuant to subsection d. of section 13 of this act.

c. The values for the property value multiplier and the income multiplier shall be annually determined by the commissioner as follows:

The property value multiplier shall be determined such that core curriculum standards aid equals the Statewide available core curriculum standards aid for all districts determined according to this act had each school district's and county vocational school district's local share equaled the product of the property value multiplier and the district's equalized valuation, and had each district's general fund levies equaled its local share.

The income multiplier shall be determined such that core curriculum standards aid equals the Statewide available core curriculum standards aid for all districts determined according to this act had each school district's and county vocational school district's local share equaled the product of the income multiplier and the district's income, and had each district's general fund levies equaled its local share.

In the event that these multipliers, when used in accordance with the provisions of this section and assuming that each district's general fund levy is equal to its local share, do not result in core curriculum standards aid for all districts equal to the Statewide available core curriculum standards aid, the commissioner shall adjust these multipliers appropriately, giving equal weight to each.

C.18A:7F-15 Calculation of district's core curriculum standards aid.

15. Each district's core curriculum standards aid shall be calculated as follows:

CCSAID= TEBUD - LSHARE provided that CCSAID shall not be less than zero; and

where

LSHARE is the district's local share calculated pursuant to section 14 of this act; and

TEBUD is the district's T&E budget calculated pursuant to subsection d. of section 13 of this act.

Each district's core curriculum standards aid for general fund expenses shall be expended to provide a thorough and efficient system of education consistent with the standards established pursuant to section 4 of this act.

A school district may make an appeal to the commissioner on the amount of its core curriculum standards aid on the basis that the calculation of income within the local share formula under section 14 of this act does not accurately reflect the district's income wealth.

C.18A:7F-16 Distribution of early childhood program aid.

16. Early childhood program aid shall be distributed to all school districts with high concentrations of low-income pupils, for the purpose of providing full-day kindergarten and preschool classes and other early childhood programs and services.

For districts in which the concentration of low income pupils is equal to or greater than 20% and less than 40%, aid shall be distributed according to the following formula:

Aid = A1 x Modified District Enrollment.

For districts in which the concentration of low income pupils is equal to or greater than 40%, aid shall be distributed according to the following formula for the purpose of expanding instructional services previously specified to three year olds, or of providing, in addition to the instructional services previously specified, transition and social services to primary grade students:

Aid = A2 X Modified District Enrollment

where

A1 = $465; and

A2 = $750.

For the 1998-1999 school year, the per pupil funding amounts shall be these amounts multiplied by the CPI. For subsequent years, the amounts shall be established biennially in the Report on the Cost of Providing a Thorough and Efficient Education and shall be derived from cost analyses of appropriate programmatic applications of these funds as identified in the report. The amounts shall be adjusted for inflation by the CPI in the second year of the period to which the report applies.

County vocational school districts and limited purpose regional high school districts meeting the eligibility criteria of this section shall receive aid payable under this section as demonstrably effective program aid in addition to amounts received pursuant to section 18 of this act.

Each district which receives early childhood program aid shall submit to the commissioner for approval an operational plan that shall be a subset of the district's comprehensive strategic plan, to establish preschool and full-day kindergarten for all four and five year olds by the 2001-2002 school year and to maintain them thereafter. Districts shall appropriate the aid in a special revenue fund for expenditure, but may place all or a portion of the aid in a capital reserve account during the first four years to establish facilities for these purposes. During the first four school years following enactment of this act, districts may use early childhood program aid for educationally meritorious programs or for the purpose of constructing new school facilities or enlarging existing school facilities for use by pupils other than

those enrolled in early childhood programs, provided the new or enlarged facilities are used for and are adequate to house the planned early childhood programs. Districts which maintain progress consistent with the implementation plan may also use the funds for demonstrably effective programs pursuant to section 18 prior to establishing the programs required pursuant to this section. The commissioner shall establish guidelines to track the specific purposes of expenditures under this section.

C.18A:7F-17 Criteria for eligibility for supplemental core curriculum standards aid.

17. a. Each school district and county vocational school district which meets the following criteria shall be eligible to receive supplemental core curriculum standards aid:

(1) the district's concentration of low-income pupils, relative to modified district enrollment, equals or exceeds 40%; and

(2) the district's estimated minimum equalized tax rate exceeds that estimated for the State as a whole by more than 10%; and

(3) in any district with a resident enrollment in excess of 2,000 pupils the district's equalized valuation per resident pupil is not more than twice the Statewide equalized valuation per pupil.

b. Each school district and county vocational school district which is determined to be eligible to receive aid pursuant to subsection a. of this section shall receive aid according to the following formula if the calculated result is greater than zero:

(MEQTXRT - 1.10 X STEQTXRT) X EQVAL

where

MEQTXRT is the district's estimated minimum equalized tax rate;

STEQTXRT is the estimated minimum equalized tax rate for the State; and

EQVAL is the district's equalized valuation.

C.18A:7F-18 Calculation of demonstrably effective program aid.

18. a. Demonstrably effective program aid shall be generated by individual schools and distributed to districts for the purpose of providing instructional, school governance, and health and social service programs to students enrolled in the generating school according to the following formulas:

Aid shall be distributed to districts with schools in which the concentration of low-income pupils is equal to or greater than 20% and less than 40% as follows:

Aid = B1 X SENR1

where

SENR1 is the sum of school enrollments for all schools in the district enrolling low-income pupils at rates equal to or greater than 20% but less than 40%.

Aid shall be distributed to districts with schools in which the concentration of low-income pupils is equal to or greater than 40% as follows:

Aid = B2X SENR2

where

SENR2 is the sum of the school enrollments for all schools in the district enrolling low-income pupils at rates equal to or greater than 40%;

where

B1 = $300; and

B2 = $425.

For the 1998-1999 school year, the per pupil funding amounts shall be these amounts multiplied by the CPI. For subsequent years, the amounts shall be established biennially in the Report on the Cost of Providing a Thorough and Efficient Education and be derived from cost analyses of appropriate programmatic applications as identified in the report. The amounts shall be adjusted for inflation by the CPI in the second year of the period to which the report applies.

b. The State Board of Education, upon the recommendation of the commissioner, shall adopt regulations governing the use of demonstrably effective program aid and an accounting mechanism to ensure that use. The rules shall provide for:

(1) Programs. A definition as recommended by the commissioner shall be established of the demonstrably effective programs and services which shall qualify for aid. The definition shall include for 1997-98, but not be limited to: alternative schools; community schools; class size reduction programs; parent education programs; job training programs; training institutes to improve homework response; telephone tutorial programs; teleconference and video tutoring programs; and HSPT/Early Warning test before school/after school preparation programs. The commissioner shall establish the per-pupil cost of providing these effective programs and services in the Report on the Cost of Providing a Thorough and Efficient Education.

(2) Accountability. A recipient district shall be required to obtain the approval of the Department of Education for the planned uses of demonstrably effective program funds. A periodic public process shall be established by which specific programmatic uses for the funds shall be identified and approved. A district failing to use the funds in the prescribed manner shall be subject to rescission of aid and additional monetary penalties as established by the commissioner.

(3) Monitoring. To facilitate State monitoring of the uses of the funds, districts shall be required to maintain separate program and service accounts in the special revenue section of district budgets and financial records in accordance with GAAP and specifications prescribed by the commissioner.

c. Instructional supplement aid shall be generated by school districts and county vocational school districts and distributed to districts for the purposes of providing supplemental services for students from low-income families. Aid shall be distributed to districts in which the concentration of low-income pupils is equal to or greater than 5% and less than 20%. Districts will receive $339 for each pupil from low-income families. For the 1998-99 school year, the per pupil funding amount shall be this amount multiplied by the CPI. For subsequent years, the amount shall be established biennially in the Report on the Cost of Providing a Thorough and Efficient Education and be derived from cost analyses of appropriate programmatic applications as identified in the report. The amount shall be adjusted for inflation by the CPI in the second year of the period to which the report applies. Instructional supplement aid shall be accounted for in a special revenue fund.

d. The Department of Education shall develop, in collaboration with the Departments of Human Services and Health and Senior Services, as well as other appropriate State departments and agencies, mechanisms necessary to coordinate the provision of programs and services at the local level.

C.18A:7F-19 Calculation of special education categorical aid.

19. a. Special education categorical aid for each school district and county vocational school district shall be calculated for the 1997-98 school year as follows:

Tier I is the number of pupils classified for other than speech correction services resident in the district which receive related services including, but not limited to, occupational therapy, physical therapy, speech and counseling. Aid shall equal 0.0223 of the T&E amount rounded to the nearest whole dollar for each of the four service categories provided per classified pupil.

Tier II is the number of pupils resident in the district meeting the classification definitions for perceptually impaired, neurologically impaired, educable mentally retarded and preschool handicapped; all classified pupils in shared time county vocational programs in a county vocational school which does not have a child study team receiving services pursuant to chapter 46 of Title 18A of the New Jersey Statutes; and nonclassified pupils in State training schools or secure care facilities. For the purpose of calculating State aid for 1997-98, each district, other than a county vocational school district, shall have its pupil count for perceptually impaired

reduced by perceptually impaired classifications in excess of one standard deviation above the State average classification rate at December 1995 or 9.8 percent of the district's resident enrollment. The perceptually impaired limitation shall be phased down to the State average of the prebudget year over a five-year period by adjusting the standard deviation as follows: 75 percent in 1998-99, 50 percent in 1999-2000, 25 percent in 2000-2001 and the State average in year five. No reduction in aid shall be assessed against any district in which the perceptually impaired classification rate is 6.5% or less of resident enrollment. Aid shall equal 0.4382 of the T&E amount rounded to the nearest whole dollar for each student meeting the Tier II criteria.

The commissioner shall develop a system to provide that each school district submits data to the department on the number of the district's pupils with a classification definition of perceptually impaired who are enrolled in a county vocational school. Such pupils shall be counted in the district of residence's resident enrollment for the purpose of calculating the limit on perceptually impaired classifications for Tier II State aid.

Tier III is the number of classified pupils resident in the district in categories other than speech correction services, perceptually impaired, neurologically impaired, educable mentally retarded, socially maladjusted, preschool handicapped, and who do not meet the criteria of Tier IV, intensive services; and nonclassified pupils in juvenile community programs. Aid shall equal 0.8847 of the T&E amount for each pupil meeting the Tier III criteria.

Tier IV is the number of classified pupils resident in the district receiving intensive services. For 1997-98, intensive services are defined as those provided in a county special services school district and services provided for pupils who meet the classification definitions for autistic, chronically ill, day training eligible, or visually handicapped, or are provided for pupils who meet the classification definition for multiply handicapped and are in a private school for the handicapped, educational services commission, or jointure commission placement in the 1996-97 school year. The commissioner shall collect data and conduct a study to determine intensive service criteria and the appropriate per pupil cost factor to be universally applied to all service settings, beginning in the 1998-99 school year. Aid shall equal 1.2277 of the T&E amount for each pupil meeting the Tier IV criteria.

Classified pupils in Tiers II through IV shall be eligible for Tier I aid. Classified pupils shall be eligible to receive aid for up to four services under Tier I.

For the 1998-99 school year, these cost factors shall remain in effect and special education aid growth shall be limited by the CPI growth rate applied to the T&E amount and changes in classified pupil counts. For subsequent

years, the additional cost factors shall be established biennially in the Report on the Cost of Providing a Thorough and Efficient Education.

For the purposes of this section, classified pupil counts shall include pupils attending State developmental centers, DHS Regional Day Schools, State Division of Youth and Family Services' residential centers, State residential mental health centers, and institutions operated by or under contract with the Department of Human Services. Classified pupils of elementary equivalent age shall include classified preschool handicapped and kindergarten pupils.

b. In those instances in which the cost of providing education for an individual classified pupil exceeds $40,000, after an assessment by the review panel of placements and placement costs for the applicable school year; in those cases in which the district must educate an extraordinary number of classified pupils; or in those instances in which the district is ordered to make a high cost placement by a tribunal of competent jurisdiction, the district may apply to the commissioner for additional aid. A panel established by the commissioner for this purpose shall review the district's application and determine whether to grant the district's request based on factors including, but not limited to: an assessment of whether the district is spending appropriate amounts of regular and special education funds on special education pupils; the facts of the particular case or cases at issue; the district's level of compliance with regulatory requirements; and the impact of the extraordinary costs on the district's budget. Additional State aid awarded for extraordinary special education costs shall be recorded by the district as revenue in the current school year and paid to the district in the subsequent school year.

c. A school district may apply to the commissioner to receive emergency special education aid for any classified pupil who enrolls in the district prior to March of the budget year and who is in a placement with a cost in excess of $40,000. The commissioner may debit from the student's former district of residence any special education aid which was paid to that district on behalf of the student.

C.18A:7F-20 Calculation of bilingual education categorical aid.

20. Bilingual education categorical aid for each school district and each county vocational school district shall be calculated as follows:

BAID = BACF x B

where

BACF is the additional cost factor for bilingual education categorical aid; and

B is the number of bilingual education pupils enrolled in the district.

C.18A:7F-21 Calculation of county vocational categorical aid.

21. County vocational categorical aid for each county vocational school district shall be calculated as follows:

CVAID = CVACF x CV

where

CVACF is the additional cost factor for county vocational categorical aid; and

CV is the number of county vocational pupils enrolled in the district. Pupils attending shared-time secondary programs shall be counted as 0.5.

C.18A:7F-22 Calculation of distance learning network aid.

22. a. Distance learning network aid shall be calculated for each school district and county vocational school district as follows:

TECHAID = TECHACF x RES

where

TECHACF is the additional cost factor for distance learning network aid; and

RES is the district's resident enrollment.

b. Statewide distance learning networks shall be established and each district shall be a member by the 2001-2002 school year. The distance learning networks shall be used to create a Statewide infrastructure for the delivery of voice, video and data, and shall provide all districts with the opportunity to share curricular offerings so as to expand the scope, quality, richness and diversity of curricula in all school districts and contribute to the redefining of teaching and learning in the contemporary setting. Distance learning network aid shall be accounted for in a special revenue fund. This aid may be used for equipment, wiring, access fees, software and supplies, professional development, staffing, maintenance, and other uses that may be necessary for the establishment of effective distance learning networks.

c. Each county special services school district shall receive a grant of $15,000 annually for the purposes of subsection b. of this section.

d. All funds from loan repayments into the Public School Facilities Code Compliance Loan Fund established under section 4 of P.L.1993, c.102 (C.34:1B-7.23) and the Public School Facilities Loan Assistance Fund established under section 5 of P.L.1993, c.102 (C.34:1B-7.24) shall be dedicated for school district technology capital projects as required pursuant to subsection b. of this section.

C.18A:7F-23 Additional cost factors.

23. The following additional cost factors shall be in effect for the purpose of calculating aid for the 1997-98 school year pursuant to sections 20 through 22 of this act:

BACF = $1,073;

CVACF = $1,662; and

TECHACF = $40.

For the 1998-99 school year, the additional cost factors shall be these cost factors inflated by the CPI.

For subsequent years, the additional cost factors shall be established biennially in the Report on the Cost of Providing a Thorough and Efficient Education and adjusted for inflation by the CPI for the second year of the period to which the report applies.

C.18A:7F-24 Submission of budget for educational programs in State facilities.

24. Annually by December 15, the Department of Corrections, the Department of Human Services, and the Juvenile Justice Commission shall each submit to the commissioner for approval, with respect to the facilities under their operational or supervisional authority, a budget for educational programs as set forth in section 8 of P.L.1979, c.207 (C.18A:7B-4) for the subsequent year, together with enrollments and per pupil costs. For the purposes of calculating a per pupil cost, enrollment shall be based on the number of pupils in the State facility on the last school day prior to October 16 of the prebudget year. In the subsequent year, pursuant to P.L.1979, c.207 (C.18A:7B-1 et seq.) for students resident in a district, approved per pupil amounts shall be deducted from each school district's State aid and remitted to the appropriate agency, except that for county juvenile detention centers, no deduction shall be made until Fiscal Year 1999; in that year and thereafter, 50% of approved per pupil amounts shall be deducted and remitted to the Juvenile Justice Commission.

C.18A:7F-25 Calculation of State aid for transportation.

25. a. Each school district's and county vocational school district's State aid for transportation shall consist of base aid (BA) and an incentive factor (IF) determined as follows:

BA = (BA1 x IF) + BA2

where

BA1 = CP1 x P1+CD1 x P1 x D1;

BA2 = CP2 xP2 + CD2 x P2 x D2;

P1 is the total number of regular education public pupils and regular nonpublic pupils eligible for transportation pursuant to N.J.S.18A:39-1, excluding preschool pupils except in districts that qualify for early childhood

aid pursuant to section 16 of this act, and of special education pupils eligible for transportation pursuant to N.J.S.18A:46-23 with no special transportation requirements, who are resident in the district as of the last school day prior to October 16 of the prebudget year;

D1 is the average home-to-school mileage for P1 pupils;

P2 is the total number of special education pupils eligible for transportation pursuant to N.J.S.18A:46-23 with special transportation requirements who are resident in the district as of the last school day prior to October 16 of the prebudget year;

D2 is the average home-to-school mileage for P2 pupils; and

CP1, CD1, CP2 and CD2 are cost coefficients with values set forth in subsection b. of this section.

IF is the incentive factor, which modifies base aid paid for pupils transported on regular vehicles according to each district's percentile rank in regular vehicle capacity utilization. For the school year 1997-98, IF = 1. The Governor shall submit to the Legislature at least 60 days prior to the 1998 budget address proposed transportation incentive factors applicable to the 1998-99 school year and thereafter along with supporting data. The incentive factors shall be deemed approved by the Legislature unless a concurrent resolution is passed within 60 days of the date of submission.

b. For 1997-98, the cost coefficients in subsection a. of this section shall have the following values:

CP1 = $ 280.24;
CD1 = $ 28.75;
CP2 = $ 1,192.69; and
CD2 = $ 80.12.

For 1998-99, the coefficients shall be inflated by the CPI.

In subsequent years, the coefficients shall be revised by the commissioner on a biennial basis and similarly adjusted by the CPI in intervening years.

c. For the 1997-1998 school year, each district's base aid shall be prorated such that the overall distribution of base aid does not exceed that distributed Statewide in the 1996-1997 school year.

C.18A:7F-26 Distribution of State aid for facilities.

26. Beginning in the 1998-99 school year, State aid for facilities shall be distributed to each school district, county vocational school district, and county special services school district through a formula which reimburses districts for all or part of the principal and interest payments on both debt service and lease purchase payments. The aidable base shall be that percentage of debt service or lease purchase payments equal to the ratio of

approved costs to the original issuance amount and shall be reduced for districts that fail to meet maintenance requirements on aided facilities.

The Governor shall submit to the Legislature at least 60 days prior to the 1998 budget address, criteria for determining approved costs, State support levels, and maintenance incentives applicable to the 1998-99 school year and thereafter along with supporting data. The criteria shall be deemed approved by the Legislature unless a concurrent resolution is passed within 60 days of the date of submission.

C.18A:7F-27 Determination of debt service aid for 1997-98.

27. For the 1997-98 school year, the amount and allocation of debt service aid shall be determined in the budget.

C.18A:7F-28 Distribution of State aid for adult school and post-high school programs.

28. For the 1997-98 school year, State aid shall be distributed on an unweighted per pupil basis for pupils enrolled in approved adult high schools, post-graduate programs and approved full-time post-secondary programs of county vocational schools. For 1997-98, districts will receive $1,345 for each adult pupil. The commissioner shall conduct a review of existing programs to determine programmatic definitions and establish appropriate per pupil amounts which shall recognize the higher costs of post-secondary programs at county vocational schools. For the 1998-99 school year, these amounts shall be distributed as inflated by the CPI. Thereafter, per pupil funding amounts shall be established in a supplement to the Report on the Cost of Providing a Thorough and Efficient Education.

C.18A:7F-29 Establishment of Academic Achievement Reward Program.

29. a. There is hereby established in the Department of Education the Academic Achievement Reward Program. The purpose of the program shall be to provide rewards to districts having one or more schools that meet criteria for attaining absolute success in or significant progress towards high student academic achievement, pursuant to subsection b. of this section. Rewards shall be based on performance as measured by the Statewide assessments of the most recent year with results available at the time of State aid notification. For the purposes of this section, schools shall be sorted into three groupings by enrollment for each of the Statewide assessments established pursuant to the provisions of P.L.1979, c.241 (C.18A:7C-1 et seq.).

b. Schools with 90% of student enrollment performing at or above the passing scores on one or more of the Statewide assessments as provided in subsection a. of this section shall qualify for the absolute success reward. Schools that do not qualify for the absolute success reward shall be eligible for the significant progress reward. All eligible schools shall be grouped into

five bands based on the initial passing rate for each of the three Statewide assessments. The 10% in each band with the highest level of improvement from the previous year's passing rate shall qualify for the significant progress reward.

c. The Legislature shall make an annual appropriation to effectuate the purposes of this section. The amount appropriated shall be divided proportionally according to the average size of schools within each enrollment grouping among all districts with schools determined to qualify for either the absolute success or the significant progress reward. Funds awarded shall be payable to the school district or county vocational school district in which the school is located.

C.18A:7F-30 Establishment of Consolidation of Services Grant Program; sending-receiving tuition pilot project.

30. a. The Commissioner of Education shall establish a Consolidation of Services Grant Program in the 1997-98 school year. The goal of the grant program shall be to utilize the county special services school districts to promote shared services and regionalization of such services as transportation, child study teams, related and other specialized services, programs of professional development, legal and arbitration services, technology, and purchasing.

A county special services school district which elects to participate in the grant program shall submit an application to the Department of Education based upon a request for proposal developed by the department in consultation with the county special services school districts. Three grants shall be awarded by the commissioner in the first year of the program and an additional two grants in the second year. The total grants awarded by the department in the first year of the program shall be in the amount of $600,000.

b. The commissioner may establish a five-year sending-receiving school district tuition calculation pilot project for the Ocean Township School District in Ocean County and the Barnegat School District in Ocean County. The project shall provide a procedure whereby the tuition charged by a receiving school district shall be established in relationship to the maximum T&E budget.

C.18A:7F-31 Creation of Regionalization Advisory Panel.

31. A Regionalization Advisory Panel shall be created to conduct a study and to develop recommendations regarding ways to encourage school districts to regionalize or share services. The panel shall determine the feasibility of regionalizing at the county level such education administration services as overall administration, purchasing, transportation, budgeting and accounting while maintaining local control at the school district or building

level for curriculum, instruction, personnel, and management of instructional processes. In addition, the panel shall study site-based management, use of local parent advisory councils, maintenance of local tax bases, and other issues related to regionalization of districts and services.

The panel shall consist of 12 members as follows: five public members appointed by the Governor, no more than three of whom shall be of the same political party; three members appointed by the President of the Senate, no more than two of whom shall be of the same political party; three members appointed by the Speaker of the General Assembly, no more than two of whom shall be of the same political party; and the Commissioner of Education, ex officio, or a designee.

Appointments to the panel shall be made no later than February 1, 1997. The panel shall issue its report to the Governor and the Legislature no later than February 1, 1998, and shall expire 30 days after that date.

C.18A:7F-32 Adjustment of State aid calculations in regional districts.

32. a. When State aid is calculated for any year and a part of any district becomes a new school district or a part of another school district, or comes partly under the authority of a regional board of education, the commissioner shall adjust the State aid calculations among the districts affected, or between the district and the regional board, as the case may be, on an equitable basis in accordance with the intent of this act.

Whenever an all-purpose regional school district is approved by the voters during any calendar year, the regional district shall become effective on the succeeding July 1 for the purpose of calculating State aid, and the commissioner shall request supplemental appropriations for such additional State aid as may be required. After a regional school district becomes entitled to State aid, it shall continue to be entitled to aid as calculated for a regional district notwithstanding the subsequent consolidation of the constituent municipalities of the regional school district.

b. For a period of five years following regionalization, each regional school district formed after the effective date of this act shall be eligible to receive supplemental State aid equal to the difference between the regional district's core curriculum standards aid calculated pursuant to section 15 of this act for the budget year and the sum of core curriculum standards aid received by each constituent district of that regional school district in the year prior to regionalization, multiplied by the transition weight. For the purpose of this section, the transition weight shall equal 1.0 for the first year following regionalization, .80 for the second year following regionalization, .60 for the third year following regionalization, .40 for the fourth year following regionalization, and .20 for the fifth year following regionalization.

C.18A:7F-33 Annual filing of district report with commissioner.

33. Annually, on or before October 20, the secretary of the board of education, with approval of the superintendent of schools, or if there is no superintendent of schools, with the approval of the county superintendent of schools, shall file with the commissioner a report prescribed by the commissioner containing all data necessary to effectuate the aid provisions of this act, which shall include but not be limited to, the number of pupils enrolled by grade, the number of these pupils classified as eligible for special education services other than speech corrections services, the number of pupils in approved programs for bilingual education, the number of low-income pupils, and the number of pupils in State facilities, county vocational schools, State college demonstration schools, evening schools, other public or private schools to which the district is paying tuition, or who are receiving home instruction on the last school day prior to October 16. In addition, districts shall file annual reports providing such information as the commissioner may require for pupils receiving special education services.

34. Section 3 of P.L.1975, c.212 (C.18A:7A-3) is amended to read as follows:

C.18A:7A-3 Definitions.

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

"Administrative order" means a written directive ordering specific corrective action by a district which has shown insufficient educational progress within a reasonable period of time in meeting goals and standards.

"Joint Committee on the Public Schools" means the committee created pursuant to P.L.1975, c.16 (C.52:9R-1 et seq.).

35. Section 10 of P.L.1975, c.212 (C:18A:7A-10) is amended to read as follows:

C.18A:7A-10 Statewide system for evaluating school performance.

10. For the purpose of evaluating the thoroughness and efficiency of all the public schools of the State, the commissioner, with the approval of the State board and after review by the Joint Committee on the Public Schools, shall develop and administer a uniform, Statewide system for evaluating the performance of each school. The system shall be based on such means as the commissioner deems proper in order to (a) determine pupil status and needs, (b) ensure pupil progress, and (c) assess the degree to which the thoroughness and efficiency standards established pursuant to section 4 of P.L.1996, c.138 (C.18A:7F-4) are being achieved.

36. Section 11 of P.L.1975, c.212 (C.18A:7A-11) is amended to read as follows:

C.18A:7A-11 Annual report by school district, commissioner.

11. Each school district and county vocational school district shall make an annual report of its progress in conforming to the standards for the evaluation of school performance adopted pursuant to section 10 of P.L.1975, c.212 (C.18A:7A-10). Each district's annual report shall include but not be limited to:

a. Demographic data related to each school;

b. Results of designated assessment programs, including Statewide assessment programs established pursuant to law and regulation;

c. Information on each school's fiscal operation, including the budget of each school;

d. (Deleted by amendment, P.L.1996, c.138).

e. Plans and programs for professional improvement;

f. Plans to carry out innovative educational programs designed to improve the quality of education;

g. Recommendations for school improvements during the ensuing year; and

h. Such additional information as may be prescribed by the commissioner.

Additionally, the State Board of Education may require each district to submit a facilities survey, including current use practices and projected capital project needs.

The district reports shall be submitted to the commissioner annually on a date to be prescribed by the commissioner, who shall make them the basis for an annual report to the Governor and the Legislature, describing the condition of education in New Jersey, the efforts of New Jersey schools in meeting the standards of a thorough and efficient education, the steps underway to correct deficiencies in school performance, and the progress of New Jersey schools in comparison to other state education systems in the United States.

37. Section 14 of P.L.1975, c.212 (C.18A:7A-14) is amended to read as follows:

C.18A:7A-14 Review, evaluation of reports.

14. a. (1) The commissioner shall review the results of the evaluations conducted and reports submitted pursuant to sections 10 and 11 of P.L.1975, c.212 (C.18A:7A-10 and 18A:7A-11). The commissioner shall establish a mechanism for parent, school employee and community resident input into the review process. If the commissioner shall find that a school

district or county vocational school district satisfies the evaluation criteria, the commissioner shall recommend that the State board certify the school district for a period of seven years as providing a thorough and efficient system of education, contingent on continued progress in meeting the standards. If the commissioner finds that a school district can correct the deficiency or deficiencies without additional diagnostic monitoring or technical assistance, the commissioner may certify the school district with the condition that the district correct the deficiency within a period of time to be determined by the commissioner. If the commissioner shall find that a school district has failed to show sufficient progress toward achieving the thoroughness and efficiency standards established pursuant to section 4 of P.L.1996, c.138 (C.18A:7F-4), the commissioner shall advise the local board of education of that determination, and shall direct that the district enter level II monitoring, as defined pursuant to law and regulation. Nothing herein shall preclude the commissioner from taking the steps set forth in section 6 of P.L.1996, c.138 (C.18A:7F-6) upon a finding that the district is failing to meet core curriculum content standards.

(2) The board of education of a school district which is directed to enter level II monitoring may appeal that decision to the State Board of Education. The State board may refer the hearing of that appeal to a committee of not less than three of its members, which committee shall hear the appeal and report thereon, recommending its conclusions, to the board and the board shall decide the appeal by resolution in open meeting. A determination of the appeal by the State board shall be considered final.

b. (1) When a district enters level II monitoring, the commissioner shall establish procedures whereby parents, school employees and community residents may meet with the commissioner or the commissioner's designee to discuss their concerns and the county superintendent shall appoint an external review team whose members shall be qualified by training and experience to examine the conditions in the specific district. In conjunction with the Department of Education, the team, at the direction of the commissioner, shall either examine only those aspects of the district's operations bearing on the areas of deficiency, or shall examine all aspects of the district's operation, including but not limited to education, governance, management and finance. In addition, the team shall examine conditions in the community which may adversely affect the ability of the pupils to learn and the team may recommend measures to mitigate the effects of those conditions. The team shall report its findings and conclusions, including directives to be utilized by the district in the preparation of a corrective action plan to achieve certification and recommendations as to the technical assistance which the district will require in order to effectively implement the corrective action plan, to the commissioner. The commissioner shall direct

the district to respond to the report of the external review team in establishing a corrective action plan. The corrective action plan shall be submitted to and approved by the commissioner. The commissioner shall assure that the local district's budget provides the resources necessary to implement the approved plan, including the necessary technical assistance. The entire cost of those activities associated with the review team shall be paid by the Department of Education. The commissioner shall also have the authority to order necessary budgetary reallocations within the district, or such other measures as he deems necessary and appropriate. Further, nothing herein shall preclude the commissioner from taking the steps set forth in section 6 of P.L.1996, c.138 (C.18A:7F-6) upon a finding that the district is failing to meet core curriculum content standards.

(2) If the commissioner finds that the district is unsuccessful in correcting the deficiencies noted in the evaluation process, the commissioner shall direct that the district enter level III monitoring, as defined pursuant to law and regulation. However, if the commissioner determines that a district is making reasonable progress toward correcting deficiencies, the commissioner may grant an extension for a specific period of time. During this extension the district will remain under level II monitoring. At the end of the extension the commissioner shall determine whether the district is eligible for certification or if the district must be directed to enter level III monitoring.

c. (1) When a district which has had a comprehensive examination of all aspects of the district's operations by an external review team pursuant to subsection b. of this section is directed to enter level III monitoring the commissioner shall prepare an administrative order directing the corrective actions which shall be taken by the district based upon the findings and conclusions of the level II external review team and the department's monitoring of the level II plan. The commissioner shall insure that technical assistance is provided to the district in order to implement those actions. The commissioner shall also have the power to order necessary budgetary reallocations within the district, or such other measures as the commissioner deems necessary and appropriate. Further, nothing herein shall preclude the commissioner from taking the steps set forth in section 6 of P.L.1996, c.138 (C.18A:7F-6) upon a finding that the district is failing to meet core curriculum content standards.

(2) When a district which has not had a comprehensive examination of all aspects of the district's operations by an external review team pursuant to subsection b. of this section is directed to enter level III monitoring, the commissioner shall designate the county superintendent to appoint an external review team whose members shall be qualified by training and experience to examine the conditions in the specific district. In conjunction with the Department of Education, the team shall examine all aspects of the

district's operations including but not limited to education, governance, management and finance. The team shall report its findings and conclusions, including directives to be utilized in the preparation of a corrective action plan to achieve certification, to the commissioner. The commissioner shall prepare an administrative order directing the corrective actions which shall be taken by the district based upon the findings and conclusions of the level III external review team and the department's monitoring of the level II plan. The commissioner shall insure that technical assistance is provided to the district in order to implement those actions. The commissioner shall also have the power to order necessary budgetary reallocations within the district, or such other measures as the commissioner deems necessary and appropriate. Further, nothing herein shall preclude the commissioner from taking the steps set forth in section 6 of P.L.1996, c.138 (C.18A:7F-6) upon a finding that the district is not meeting core curriculum content standards.

(3) The board of education of a school district which is directed to enter level III monitoring may appeal that decision to the State Board of Education. The State board may refer the hearing of that appeal to a committee of not less than three of its members, which committee shall hear the appeal and report thereon, recommending its conclusions, to the board and the board shall decide the appeal by resolution in open meeting. A determination of the appeal by the State board shall be considered final.

(4) If the commissioner finds, based upon the findings and directives of the level II or level III review team and the Department of Education, that conditions within the district may preclude the successful implementation of a corrective action plan or that the district has failed to make reasonable progress in the implementation of a corrective action plan to achieve certification, the commissioner shall direct that a comprehensive compliance investigation be conducted by the Department of Education. If the commissioner directs that a comprehensive compliance investigation be conducted, the commissioner may order any necessary action to insure the security of the books, papers, vouchers and records of the district.

d. Whenever a district in level II monitoring is directed to establish a corrective action plan or whenever a district in level III monitoring shall be required to implement an approved corrective action plan pursuant to this section, the commissioner shall determine the cost to the district of implementation of those portions of the corrective action plan which are directly responsive to the district's deficiencies as identified in the report of the external review team or, where applicable, by the commissioner. In making this fiscal assessment, the commissioner shall identify those aspects of the corrective action plan which are already contained in the district's current expense budget. Where appropriate, the commissioner shall reallocate funds within the district's budget to support the corrective action

plan. Once reallocated, any transfers among line items of the district's budget may occur only with the commissioner's approval. The commissioner shall further determine the amount of additional revenue, if any, needed to implement the corrective action plan and shall recertify a budget for the district.

e. A comprehensive compliance investigation shall entail a thorough and detailed examination of a district's educational programs, fiscal practices, governance and management. Based on the investigation, the commissioner shall issue a report which will document any irregularities and list all those aspects of the corrective action plan established pursuant to subsections b. and c. of this section which have not been successfully implemented by the district or the conditions which would preclude the district from successfully implementing a plan. A copy of this report shall be given to the district. The commissioner shall also order the local board to show cause why an administrative order, subject to the provisions of section 15 of P.L.1975, c.212 (C.18A:7A-15) and section 1 of P.L.1987, c.399 (C.18A:7A-34) should not be implemented. The plenary hearing before a judge of the Office of Administrative Law, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), upon said order to show cause shall be conducted in the manner prescribed by subdivision B of article 2 of chapter 6 of Title 18A of the New Jersey Statutes.

In the proceeding the State shall have the burden of showing that the recommended administrative order is not arbitrary, unreasonable or capricious.

38. Section 1 of P.L.1991, c.3 (C.18A:7A-14.1) is amended to read as follows:

C.18A:7A-14.1 Findings, declarations.

1. The Legislature finds and declares that:

a. It is the constitutional obligation of the Legislature to provide all children in New Jersey with a thorough and efficient system of free public schools;

b. The breadth and scope of such a system are defined by the Legislature through the commissioner and the State board pursuant to P.L.1996, c.138 (C.18A:7F-1 et al.) so as to insure quality educational programs for all children;

c. It is imperative that the program in every school district in this State includes all of the major elements identified as essential for that system consistent with standards adopted pursuant to section 10 of P.L.1975, c.212 (C.18A:7A-10);

d. It is the responsibility of the State to insure that any school district which is shown to be deficient in one or more of these major elements takes corrective actions without delay in order to remedy those deficiencies;

e. This responsibility can be fulfilled, in addition to the mechanisms for ensuring compliance established pursuant to section 6 of P.L.1996, c.138 (C.18A:7F-6), through an effective and efficient system of evaluation and monitoring which will insure quality and comprehensive instructional programming in every school district and provide for immediate and direct corrective action to insure that identified deficiencies do not persist, and which does so within the context of the maximum of local governance and management and the minimum of paperwork and unnecessary procedural requirements.

39. Section 17 of P.L.1987, c.399 (C.18A:7A-50) is amended to read as follows:

C.18A-7A-50 Budget development, presentation.

17. The State district superintendent of a State-operated school district shall develop a budget on or before March 22 and shall present this budget to the board of education to elicit the board's comments and recommendations. This budget shall conform in all respects with the requirements of chapter 22 of Title 18A of the New Jersey Statutes and shall be subject to the limitations on spending by local school districts otherwise required by P.L.1996, c.138 (C.18A:7F-1 et al.).

40. Section 19 of P.L.1987, c.399 (C.18A:7A-52) is amended to read as follows:

C.18A:7A-52 Determination of amount of appropriation for following school year.

19. a. After the public hearing provided for by section 18 of P.L.1987, c.399 (C.18A:7A-51) but not later than April 8, the State district superintendent shall fix and determine the amount of money necessary to be appropriated for the ensuing school year and shall certify the amounts to be raised by special district tax for school purposes as well as the sum necessary for interest and debt redemption, if any, to the county board of taxation and the amount or amounts so certified shall be included in the taxes assessed, levied and collected in the municipality or municipalities comprising the district. The State district superintendent shall follow the procedures established pursuant to section 5 of P.L.1996, c.138 (C.18A:7F-5).

b. (Deleted by amendment, P.L.1996, c.138).

c. (Deleted by amendment, P.L.1996, c.138).

41. Section 6 of P.L.1979, c.207 (C.18A:7B-2) is amended to read as follows:

C.18A:7B-2 Deductions, forwarding of sums to appropriate departments; disposition.

6. a. For each State-placed child who is resident in a district and in a State facility on the last school day prior to October 16 of the prebudget year, and for each district-placed child who is resident in a district and in a State facility on the last school day prior to October 16 of the budget year, the Commissioner of Education shall deduct from the State aid payable to that district an amount equal to the approved per pupil cost established pursuant to the provisions of section 24 of P.L.1996, c.138 (C.18A:7F-24); except that for a child in a county juvenile detention center, no deduction shall be made until Fiscal Year 1999, in which year and thereafter 50% of the per pupil cost shall be deducted.

b. If, for any district, the amount to be deducted pursuant to subsection a. of this section is greater than State aid payable to the district, the district shall pay to the Department of Education the difference between the amount to be deducted and the State aid payable to the district.

c. The amount deducted pursuant to subsection a. of this section and the amount paid to the Department of Education pursuant to subsection b. of this section shall be forwarded to the Department of Human Services if the facility is operated by or under contract with that department, or to the Department of Corrections if the facility is operated by or under contract with that department, or to the Juvenile Justice Commission established pursuant to section 2 of P.L.1995, c.284 (C.52:17B-170) if the facility is operated by or under contract with that commission, and shall serve as payment by the district of tuition for the child. In the case of county juvenile detention centers, the tuition shall be deemed to supplement funds currently provided by the county for this purpose under chapter 10 and chapter 11 of Title 9 of the Revised Statutes. In Fiscal Year 1998, a county shall not decrease its level of contribution as a result of the payment of tuition pursuant to this section. In Fiscal Year 1999 and thereafter, a county shall be required to pay 50% of the approved per pupil costs established pursuant to the provisions of section 24 of P.L.1996, c.138 (C.18A:7F-24) for the purpose of implementing chapters 10 and 11 of Title 9 of the Revised Statutes. Amounts so deducted shall be used solely for the support of educational programs and shall be maintained in a separate account for that purpose. No district shall be responsible for the tuition of any child admitted by the State to a State facility after the last school day prior to October 16 of the prebudget year.

42. Section 9 of P.L.1979, c.207 (C.18A:7B-5) is amended to read as follows:

C.18A:7B-5 Rules, regulations to ensure thorough and efficient education for children in State facilities.

9. The Commissioner of Education, with the approval of the State Board of Education, shall promulgate rules and regulations to ensure a thorough and efficient education, consistent with the provisions of P.L.1996, c.138 (C.18A:7F-1 et al.), for the children in State facilities. In the case of county juvenile detention centers, the Office of Education in the Juvenile Justice Commission shall develop, in consultation with the commissioner, appropriate standards, to be effective for Fiscal Year 1999, for the provision of a thorough and efficient education by the county for facilities established under chapter 10 and chapter 11 of Title 9 of the Revised Statutes.

The commissioner shall continually review the operation of educational programs in State facilities. If he finds that the operation of any of these programs does not meet the educational standard required by the regulations, he shall direct that a remedial plan be prepared by the education director of the facility in which the program is located, together with the director of educational services of the department which is operating or contracting with the facility. The plan shall be submitted to the Commissioner of Education for his approval. If he approves the plan, it shall be implemented in a timely and effective manner. If he finds the plan or its implementation to be insufficient, he may, until the insufficiency is corrected, withhold and place in a special account any State aid funds which otherwise would have been forwarded pursuant to section 6 of this act.

43. Section 11 of P.L.1979, c.207 (C.18A:7B-7) is amended to read as follows:

C.18A:7B-7 Request for administrative review concerning pupil in State facility.

11. a. Any parent or guardian of a pupil in a State facility and any pupil in a State facility between 18 and 20 years of age, may request an administrative review on matters of educational classification or educational program.

b. The administrative review process shall include the following sequence:

(1) A conference with teaching staff members or child study team personnel;

(2) A conference with the Director of Educational Services of the Department of Human Services, the Department of Corrections, or the Juvenile Justice Commission, whichever is appropriate;

(3) A hearing by the Commissioner of Education pursuant to law and regulation.

c. The due process rights available to children, parents and guardians in the public schools on matters of educational classification or educational program shall be available to children, parents and guardians in State facilities.

d. The placement of a child in a particular State facility shall not be subject to an administrative review or hearing pursuant to this section.

44. Section 19 of P.L.1979, c.207 (C.18A:7B-12) is amended to read as follows:

C.18A:7B-12 Determination of district of residence.

19. For school funding purposes, the Commissioner of Education shall determine district of residence as follows:

a. The district of residence for children in foster homes shall be the district in which the foster parents reside. If a child in a foster home is subsequently placed in a State facility or by a State agency, the district of residence of the child shall then be determined as if no such foster placement had occurred.

b. The district of residence for children who are in residential State facilities, or who have been placed by State agencies in group homes, private schools or out-of-State facilities, shall be the present district of residence of the parent or guardian with whom the child lived prior to his most recent admission to a State facility or most recent placement by a State agency.

If this cannot be determined, the district of residence shall be the district in which the child resided prior to such admission or placement.

c. The district of residence for children whose parent or guardian temporarily moves from one school district to another as the result of being homeless shall be the district in which the parent or guardian last resided prior to becoming homeless. For the purpose of this amendatory and supplementary act, "homeless" shall mean an individual who temporarily lacks a fixed, regular and adequate residence.

d. If the district of residence cannot be determined according to the criteria contained herein, or if the criteria contained herein identify a district of residence outside of the State, the State shall assume fiscal responsibility for the tuition of the child. The tuition shall equal the approved per pupil cost established pursuant to P.L.1996, c.138 (C.18A:7F-1 et al.). This amount shall be appropriated in the same manner as other State aid under this act. The Department of Education shall pay the amount to the Department of Human Services, the Department of Corrections or the Juvenile Justice Commission established pursuant to section 2 of P.L.1995,

c.284 (C.52:17B-170) or, in the case of a homeless child, the Department of Education shall pay the appropriate T&E amount and any appropriate additional cost factor for special education pursuant to section 19 of P.L.1996, c.138 (C.18A:7F-19) to the school district in which the child is enrolled.

45. Section 20 of P.L.1979, c.207 (C.18A:7B-13) is amended to read as follows:

C.18A:7B-13 Annual report by commissioner to Legislature.

20. Beginning in the school year 1997-98, the Commissioner of Education shall annually report to the Legislature, describing the condition of educational programs in State facilities, the efforts of the Departments of Corrections and Human Services and the Juvenile Justice Commission in meeting the standards of a thorough and efficient education in these facilities, the steps underway to correct any deficiencies in their educational programs, and the progress of the educational programs in New Jersey State facilities in comparison with those in the state facilities of other states. At that time the commissioner shall recommend to the Legislature any necessary or desirable changes or modifications in P.L.1979, c.207 (C.18A:7B-1 et al.).

46. Section 2 of P.L.1979, c.241 (C.18A:7C-2) is amended to read as follows:

C.18A:7C-2 Establishment of standards for graduation from secondary schools.

2. Pursuant to guidelines established by the Commissioner of Education, each board of education shall establish standards for graduation from its secondary schools. The standards shall include, but need not be limited to:

a. Satisfactory performance on the Statewide assessment test as provided for in section 1 of P.L.1979, c.241 (C.18A:7C-1);

b. Demonstration of proficiencies in those subject areas and skills identified by the board as necessary for graduation other than those assessed by the Statewide assessment tests.

The Commissioner of Education shall monitor local plans for the assessment of proficiencies required for graduation including techniques and instruments to be used to determine pupil proficiency; required programs designed to provide the opportunity for pupils to progress toward the mastery of proficiencies required for graduation; and remediation programs for pupils who fail to meet graduation proficiency standards in order to assure compliance with the requirement of P.L.1979, c.241 (C.18A:7C-1 et seq.).

The Commissioner of Education shall, upon request of the local board, provide such technical assistance as may be necessary to aid a district in the planning, implementation and evaluation of graduation standards.

47. N.J.S.18A:13-17 is amended to read as follows:

Submission of budget; other questions to voters; adherence to procedures.

18A:13-17. The regional board of education shall, at each annual school election, submit to the voters of the regional district the amount of money fixed and determined in its budget to be voted upon for the use of the regional schools of the district for the ensuing school year and may submit thereat any other question authorized by this law to be submitted at such an election. The board shall follow the procedures established in section 5 P.L.1996, c.138 (C.18A:7F-5) and N.J.S.18A:22-33.

48. N.J.S.18A:13-19 is amended to read as follows:

Procedure following school board rejection.

18A:13-19. If the voters reject any of the items submitted at the annual election, within two days thereafter the board of education of the regional district shall certify to the governing body of each municipality, included within the regional district, the item or items so rejected, and such governing bodies, after consultation with the board, and no later than May 19 shall determine the amount or amounts for the ensuing school year and cause the same to be certified by the respective municipal clerks to the board of education of the regional district. The board and the governing bodies shall follow the procedures established in section 5 of P.L.1996, c.138 (C.18A:7F-5) and N.J.S.18A:22-37.

49. N.J.S.18A:13-20 is amended to read as follows:

Determination, certification of amount by commissioner.

18A:13-20. Should said governing bodies fail to so certify or fail to agree and certify different amounts for said purposes, then the commissioner shall determine and certify the amount or amounts to the board of education of the regional district. The commissioner shall follow the procedures established in N.J.S.18A:22-38.

50. N.J.S.18A:13-23 is amended to read as follows:

Apportionment of appropriations.

18A:13-23. The annual or special appropriations for regional districts, including the amounts to be raised for interest upon, and the redemption of, bonds payable by the district, shall be apportioned among the municipalities

included within the regional district, as may be approved by the voters of each municipality at the annual school election or a special school election, upon the basis of:

a. the portion of each municipality's equalized valuation allocated to the regional district, calculated as described in the definition of equalized valuation in section 3 of P.L.1996, c.138 (C.18A:7F-3);

b. the proportional number of pupils enrolled from each municipality on the 15th day of October of the prebudget year in the same manner as would apply if each municipality comprised separate constituent school districts; or

c. any combination of apportionment based upon equalized valuations pursuant to subsection a. of this section or pupil enrollments pursuant to subsection b. of this section.

51. N.J.S.18A:21-3 is amended to read as follows:

Credits to capital reserve accounts.

18A:21-3. The account shall be established by resolution of the board of school estimate or the board of education, as the case may be, in such form as shall be prescribed by the commissioner, a true copy of which shall be filed with the department. For any school year an amount not to exceed 1.5 percent of the amount of core curriculum standards aid, as calculated pursuant to section 15 of P.L.1996, c.138 (C.18A:7F-15), plus any additional sum expressly approved by the voters of the district or the board of school estimate, and any undesignated general fund balance amount, authorized under section 7 of P.L.1996, c.138 (C.18A:7F-7), may be appropriated to the account. The account shall also include the earnings attributable to the investment of the assets of the account.

52. N.J.S.18A:21-4 is amended to read as follows:

Use of capital reserve accounts.

18A:21-4. A board of education may in any school year draw against its capital reserve account, up to the amount of the balance therein, to the extent that the withdrawal is anticipated as a revenue in the school budget for the then current school year or approved by the commissioner for good cause; provided, that no money drawn from the account may be used for current expenses of the general fund or debt service payments but shall be used exclusively for capital expenses of the general fund or capital projects fund when expressly authorized as part of a referendum.

53. N.J.S.18A:22-8 is amended to read as follows:

Contents of budget; format.

18A:22-8. The budget shall be prepared in such detail and upon such forms as shall be prescribed by the commissioner and to it shall be annexed a statement so itemized as to make the same readily understandable, in which shall be shown:

a. In tabular form there shall be set forth the following:

(1) The total expenditure for each item for the preceding school year, the amount appropriated for the current school year adjusted for transfers as of February 1 of the current school year, and the amount estimated to be necessary to be appropriated for the ensuing school year, indicated separately for each item as determined by the commissioner;

(2) The amount of the surplus account available at the beginning of the preceding school year, at the beginning of the current school year and the amount anticipated to be available for the ensuing school year;

(3) The amount of revenue available for budget purposes for the preceding school year, the amount available for the current school year as of February 1 of the current school year and the amount anticipated to be available for the ensuing school year in the following categories:

(a) Total to be raised by local property taxes

(b) Total State aid

(i) Core curriculum standards aid
(ii) Special education aid
(iii) Transportation aid
(iv) Early childhood program aid
(v) Demonstrably effective program aid
(vi) Instructional supplement aid
(vii) Supplemental core curriculum standards aid
(viii) Distance learning network aid
(ix) Bilingual aid
(x) Other (detailed at the discretion of the commissioner)

(c) Total federal aid

(i) Elementary and Secondary Education Act of 1965 (20 U.S.C. s.2701 et seq.)
(ii) Handicapped
(iii) Impact Aid
(iv) Vocational
(v) Other (detailed at the discretion of the commissioner)

(d) Other sources (detailed at the discretion of the commissioner).

b. (Deleted by amendment, P.L.1993, c.117).

c. In the event that the total expenditure for any item of appropriation is equal to $0.00 for: (1) the preceding school year, (2) the current school

year, and (3) the amount estimated to be necessary to be appropriated for the ensuing school year, that item shall not be required to be published pursuant to N.J.S.18A:22-11.

d. The instruction function of the budget shall be divided at a minimum into elementary (K-5), middle school (6-8), and high school (9-12) cost centers, each of which shall be further divided by the core curriculum content areas. The commissioner shall phase in these requirements as soon as practicable.

54. Section 3 of P.L.1979, c.294 (C.18A:22-8.2) is amended to read as follows:

C.18A:22-8.2 Certain transfers not allowed.

3. No transfer may be made under this section from appropriations or surplus accounts for:

a. Interest and debt redemption charges;

b. Capital reserve account;

c. Items classified as general fund expenses except to other items so classified, or to the capital projects fund to supplement the proceeds from a bond authorization or lease purchase agreement upon application to and a formal finding by the commissioner that the transfer is in the best interests of both the students and taxpayers of the district after consideration of alternative corrective actions.

55. N.J.S.18A:22-14 is amended to read as follows:

Board of school estimate of type I district to determine appropriation amount.

18A:22-14. At or after the public hearing but not later than April 8, the board of school estimate of a type I district shall fix and determine by official action taken at a public meeting of the board the amount of money necessary to be appropriated for the use of the public schools in the district for the ensuing school year pursuant to section 5 of P.L.1996, c.138 (C.18A:7F-5), exclusive of the amount which shall have been apportioned to it by the commissioner and shall make two certificates of the amount signed by at least three members of the board, one of which shall be delivered to the board of education and the other to the governing body of the district. Within 15 days after receiving the certificate the board of education shall notify the board of school estimate and governing body of the district if it intends to appeal to the commissioner the board of school estimate's determination as to the amount of money requested pursuant to the provisions of section 5 of P.L.1996, c.138 (C.18A:7F-5), necessary to be appropriated for the use of the public schools of the district for the ensuing school year.

56. N.J.S.18A:22-26 is amended to read as follows:

Board of school estimate of type II district to determine appropriation amount.

18A:22-26. At or after the public hearing but not later than April 8, the board of school estimate of a type II district having a board of school estimate shall fix and determine by a recorded roll call majority vote of its full membership the amount of money necessary to be appropriated for the use of the public schools in the district for the ensuing school year, exclusive of the amount which shall be apportioned to it by the commissioner for the year pursuant to the provisions of section 5 of P.L.1996, c.138 (C.18A:7F-5) and shall make a certificate of the amount signed by at least a majority of all members of the board, which shall be delivered to the board of education and a copy thereof, certified under oath to be correct and true by the secretary of the board of school estimate, shall be delivered to the county board of taxation on or before April 15 in each year and a duplicate of the certificate shall be delivered to the board or governing body of each of the municipalities within the territorial limits of the district having the power to make appropriations of money raised by taxation in the municipalities or political subdivisions and to the county superintendent of schools and the amount shall be assessed, levied and raised under the procedure and in the manner provided by law for the levying and raising of special school taxes voted to be raised at an annual or special election of the legal voters in type II districts and shall be paid to the treasurer of school moneys of the district for such purposes.

Within 15 days after receiving the certificate the board of education shall notify the board of school estimate, the governing body of each municipality within the territorial limits of the school district, and the commissioner if it intends to appeal to the commissioner the board of school estimate's determination as to the amount of money requested pursuant to the provisions of section 5 of P.L.1996, c.138 (C.18A:7F-5), necessary to be appropriated for the use of the public schools of the district for the ensuing school year.

57. N.J.S.18A:22-32 is amended to read as follows:

Appropriation determination for certain type II districts.

18A:22-32. At or after the public hearing on the budget but not later than 18 days prior to the election, 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 raised pursuant to section 5 of P.L.1996, c.138 (C.18A:7F-5) and any additional amounts to be voted upon by the legal voters of the district at the

annual election pursuant to section 5 of that act, which sum or sums shall be designated in the notice calling the election as required by law.

58. N.J.S.18A:22-33 is amended to read as follows:

Submission of budget and authorization of tax.

18A:22-33. The board of education of each type II district not having a board of school estimate shall at each annual school election, submit to the voters of the district, the amount of money fixed and determined in its budget pursuant to section 5 of P.L.1996, c.138 (C.18A:7F-5), excluding therefrom the sum or sums stated therein to be used for interest and debt redemption charges, in the manner provided by law, to be voted upon for the use of the public schools of the district for the ensuing school year, which amount shall be stated in the notice of the election, and the legal voters of the district shall determine at the election, by a majority vote of those voting upon the proposition, the sum or sums, not exceeding those stated in the notice of the election, to be raised by special district tax for said purposes, in the district during the ensuing school year and the secretary of the board of education shall certify the amount so determined upon, if any, and the sums so stated for interest and debt redemption charges, to the county board of taxation of the county within two days following the certification of the election results and the amount or amounts so certified shall be included in the taxes assessed, levied and collected in the municipality or municipalities comprising the district for such purposes.

59. N.J.S.18A:22-37 is amended to read as follows:

Determination by municipalities.

18A:22-37. If the voters reject any of the items submitted at the annual school election, the board of education shall deliver the proposed school budget pursuant to section 5 of P.L.1996, c.138 (C.18A:7F-5) to the governing body of the municipality, or of each of the municipalities included in the district within two days thereafter. The governing body of the municipality, or of each of the municipalities, included in the district shall, after consultation with the board, and by May 19, determine the amount which, in the judgment of the body or bodies, is necessary to be appropriated for each item appearing in the budget, pursuant to section 5 of P.L.1996, c.138 (C.18A:7F-5) and certify to the county board of taxation the totals of the amount so determined to be necessary for each of the following:

a. General fund expenses of schools; or

b. Appropriations to capital reserve account.

Within 15 days after the governing body of the municipality or of each of the municipalities included in the district shall make the certification to the county board of taxation, the board of education shall notify the governing body or bodies if it intends to appeal to the commissioner pursuant to section 5 of P.L.1996, c.138 (C.18A:7F-5) the amount which the body or bodies determined to be necessary to be appropriated for each item appearing in the proposed school budget.

60. N.J.S.18A:22-38 is amended to read as follows:

Failure to certify; commissioner to act; amount included in tax levy.

18A:22-38. If the governing body or bodies fail to certify any amount determined to be necessary pursuant to section 5 of P.L.1996, c.138 (C.18A:7F-5) for any item rejected at the annual school election, or in the event that the governing bodies of the municipalities comprising a school district, shall certify different amounts, then the commissioner shall determine the amount or amounts which in his judgment, are necessary to be appropriated, for each of the items appearing in the budget, submitted to the governing body or bodies, and certify to the county board of taxation the totals of the amount determined to be necessary for each of the following:

a. General fund expenses of schools; or

b. Appropriations to capital reserve account;

and the amounts certified shall be included in the taxes to be assessed, levied and collected in the municipality or municipalities for those purposes. For any district submitting a budget in excess of the maximum T&E budget, the commissioner shall certify a general fund tax levy pursuant to paragraph (1) of subsection e. of section 5 of P.L.1996, c.138 (C.18A:7F-5).

61. Section 2 of P.L.1976, c.39 (C.18A:24-87) is amended to read as follows:

C.18A:24-87 Definitions.

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

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

b. "Debt service" means and includes payments of principal and interest upon qualified bonds issued pursuant to the terms of this act or amounts required in order to satisfy sinking fund payment requirements with respect to such bonds;

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

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

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

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

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

h. "State school aid" means the funds made available to local school districts pursuant to sections 15 and 17 of P.L.1996, c.138 (C.18A:7F-15 and C.18A:7F-17).

62. Section 7 of P.L.1985, c.321 (C.18A:29-5.6) is amended to read as follows:

C.18A:29-5.6 Determination of teacher base salary.

7. a. The actual salary paid to each teacher under each district's or educational services commission's 1984-85 approved salary guide shall be considered a base salary for purposes of this act.

b. In addition to all other funds to which the local district or educational services commission is entitled under the provisions of P.L.1996, c.138 (C.18A:7F-1 et al.) and other pertinent statutes, each board of education or board of directors of an educational services commission shall receive from the State during the 1985-86 academic year and for two years thereafter an amount equal to the sum of the amounts by which the actual salary prescribed for each current full-time teaching staff member under the salary schedule adopted by the local board of education or board of directors for the 1984-85 academic year in the manner prescribed by law is less than $18,500.00, provided that the teaching staff member has been certified by the local board of education or board of directors as performing his duties in an acceptable manner for the 1984-85 school year pursuant to N.J.A.C.6:3-1.19 and 6:3-1.21. Each local board of education or board of directors shall receive from the State on behalf of the newly employed full-time teaching staff members for the 1985-86 academic year and for two years thereafter an amount equal to the sum of the amounts by which the actual salary prescribed for each newly employed full-time teaching staff member under the salary schedule adopted by the local board of education

or board of directors for the 1984-85 academic year is less than $18,500.00. All adjustments for teachers who are hired or who leave employment during the school year and who make less than $18,500.00 shall be made in the school year following the year in which they were hired or left employment.

c. For the 1988-89 academic year and thereafter, this act shall be funded in accordance with the recommendations of the State and Local Expenditure and Revenue Policy Commission created pursuant to P.L.1984, c.213. If the commission's recommendations for funding this program are not enacted into law, this act shall be funded in accordance with subsection d. of this section and sections 9 and 10 of this act.

d. For the purpose of funding this act in the 1988-89 academic year as determined pursuant to this section, each teacher's salary based on the 1984-85 salary guide shall be increased by the product of the base salary multiplied by 21%.

e. In each subsequent year the product of the base salary times 7% shall be cumulatively added to each teacher's salary as calculated in subsection d. of this section in determining the aid payable. In any year subsequent to the 1987-88 academic year in which the base salary plus the cumulative increases under this section exceed $18,500.00, aid will no longer be payable.

63. Section 3 of P.L.1988, c.12 (C.18A:38-7.9) is amended to read as follows:

C.18A:38-7.9 Apportionment of State aid, taxes.

3. a. In the event the designated district is composed of more than one municipality, when allocating equalized valuations or district incomes, pursuant to the provisions of section 3 of P.L.1996, c.138 (C.18A:7F-3), for the purpose of calculating State aid, persons attending schools in the designated district pursuant to section 2 of this act shall be assigned to each municipality comprising the designated district in direct proportion to the number of persons ordinarily attending school from each municipality in the designated district without considering the persons attending pursuant to this act.

b. In the event the designated district is a constituent district of a limited purpose regional district, when allocating equalized valuations or district incomes, pursuant to the provisions of section 3 of P.L.1996, c.138 (C.18A:7F-3), for the purpose of apportioning the amounts to be raised by taxes for the limited purpose regional district of which the designated district is a constituent district, persons attending schools in the designated district pursuant to section 2 of this act shall not be counted.

64. Section 4 of P.L.1988, c.105 (C.18A:38-7.13) is amended to read as follows:

C.18A:38-7.13 Designation of district for pupils residing in multi-district federal enclave.

4. The county superintendent of schools shall, within 120 days of the effective date of this act, certify to the Commissioner of Education which local school district shall be the designated district for persons of school age residing in a multi-district federal enclave. The district certified as the designated district shall count all pupils who reside in a multi-district federal enclave in the resident enrollment of the district for all State aid purposes and shall be designated by the commissioner to receive State aid and all federal funds provided under Pub.L.81-874, (20 U.S.C. s.236 et seq.).

For the purposes of calculating State aid pursuant to P.L.1996, c.138 (C.18A:7F-1 et al.), whenever pupils residing in one district are attending the schools of the designated district, the district income of the resident district shall be allocated between the resident district and the designated district in proportion to the number of pupils residing in the resident district attending the schools of the resident district and designated district.

65. Section 2 of P.L.1995, c.8 (C.18A:38-8.2) is amended to read as follows:

C.18A:38-8.2 Representation from sending school district to board of receiving district.

2. A school district which is sending pupils to another school district pursuant to N.J.S.18A:38-8 shall have representation on the board of education of the receiving school district as follows:

a. (1) If the pupils of the sending district comprise less than 10 percent of the total enrollment of the pupils in the grades of the receiving district in which the pupils of the sending district will be enrolled, the sending district shall have no representation on the receiving district board of education.

(2) If the pupils of the sending district comprise at least 10 percent of the total enrollment of the pupils in the grades of the receiving district in which the pupils of the sending district will be enrolled, the sending district shall have one representative on the receiving district board of education.

b. If the total number of pupils of two or more sending districts, which do not qualify for representation under subsection a. of this section, comprise at least 15 percent of the total enrollment of the pupils in the grades of the receiving district in which the pupils of the sending districts will be enrolled, they shall have collectively two representatives on the receiving district board of education. The annual designation of the representatives, in the event more than two districts collectively qualify under this subsection, shall be rotated among the boards of education of the

sending districts according to a schedule determined by the joint agreement of the boards.

c. Notwithstanding the provisions of subsections a. and b. of this section, the number of representatives designated by the sending districts to be additional members shall not exceed three additional members on a receiving board with originally nine or more members, two additional members on a receiving board with originally seven or eight members, and one additional member on a receiving board with originally less than seven members. In the event that this restriction results in an unequal representation of sending districts, the annual designation of the representative or representatives shall be rotated among the boards of education of the sending districts according to a schedule determined by the joint agreement of the boards.

d. A representative of a sending district board of education shall be designated at the meeting of the board which is closest in time to the annual organizational meeting of the receiving district board of education and shall serve a one-year term beginning with the organizational meeting of the receiving district board. The representative shall be subject to the rules and procedures of the receiving district board of education.

e. The calculation of percentages required under this section shall be based on the number of pupils reported as of the last school day prior to October 16 of each prebudget year.

66. Section 2 of P.L.1981, c.57 (C.18A:39-1a) is amended to read as follows:

C.18A:39-1a Adjustment of nonpublic school transportation costs.

2. Beginning in the 1998-99 school year and in each subsequent year, the maximum amount of nonpublic school transportation costs per pupil provided for in N.J.S.18A:39-1 shall be increased or decreased in direct proportion to the increase or decrease in the State transportation aid per pupil in the year prior to the prebudget year compared to the amount for the prebudget year. As used in this section, State transportation aid per pupil shall equal the total State transportation aid payments made pursuant to section 25 of P.L.1996, c.138 (C.18A:7F-25) divided by the number of pupils eligible for transportation.

67. N.J.S.18A:39-1.1 is amended to read as follows:

Transportation of other pupils by board.

18A:39-1.1. In addition to the provision of transportation for pupils pursuant to N.J.S.18A:39-1 and N.J.S.18A:46-23, the board of education of any district may provide, by contract or otherwise, in accordance with law

and the rules and regulations of the State board, for the transportation of other pupils to and from school.

Districts shall not receive State transportation aid pursuant to section 25 of P.L.1996, c.138 (C.18A:7F-25) for the transportation of pupils pursuant to this section.

68. N.J.S.18A:39-15 is amended to read as follows:

State aid for joint transportation.

18A:39-15. If the county superintendent of the county in which the districts are situate shall approve the necessity, the cost, and the method of providing joint transportation and the agreement whereby the same is to be provided, each board of education providing joint transportation shall be entitled to State transportation aid pursuant to section 25 of P.L.1996, c.138 (C.18A:7F-25).

69. Section 9 of P.L.1991, c.226 (C.18A:40-31) is amended to read as follows:

C.18A:40-31 Determination of support limit for school year.

9. a. The support limit for the 1997-98 school year shall be $61.44. For each school year thereafter the commissioner shall determine the support limit by multiplying the support limit for the previous school year times the sum of 1.0 plus the average annual percentage increase in the consumer price index for the New York and Philadelphia areas during the fiscal year preceding the prebudget year as reported by the United States Department of Labor.

b. On or before November 5 of each year, each board of education shall forward to the commissioner an estimate of the cost of providing, during the next school year, the services required pursuant to this act and the number of pupils attending nonpublic schools located within the district as of the last school day of October of the current school year, excluding those pupils who have refused nursing services pursuant to section 8 of this act. The commissioner shall provide State aid to each school district in an amount equal to the number of nonpublic school pupils within the district identified by the district on or before November 5 multiplied by the State support limit. In the event that the expenditure incurred by any district is less than the amount of State aid received, the district shall refund the unexpended State aid after the completion of the school year, but not later than December 1 of the following school year.

c. 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 that appropriation among the districts in proportion to the State aid each

district would have received had the full amount of State aid been appropriated. 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 for these purposes.

70. Section 11 of P.L.1987, c.387 (C.18A:40A-18) is amended to read as follows:

C.18A:40A-18 Employment of substance awareness coordinators in certain school districts.

11. The Commissioner of Education, in consultation with the Commissioner of Health and Senior Services, shall develop and administer a program which provides for the employment of substance awareness coordinators in certain school districts.

a. Within 90 days of the effective date of this act, the Commissioner of Education shall forward to each local school board a request for a proposal for the employment of a substance awareness coordinator. A board which wants to participate in the program shall submit a proposal to the commissioner which outlines the district's plan to provide substance abuse prevention, intervention and treatment referral services to students through the employment of a substance awareness coordinator. Nothing shall preclude a district which employs a substance awareness coordinator at the time of the effective date of this act from participating in this program. The commissioner shall select school districts to participate in the program through a competitive grant process. The participating districts shall include urban, suburban and rural districts from the north, central and southern geographic regions of the State with at least one school district per county. In addition to all other State aid to which the local district is entitled under the provisions of P.L.1996, c.138 (C.18A:7F-1 et al.) and other pertinent statutes, each board of education participating in the program shall receive from the State, for a three-year period, the amount necessary to pay the salary of its substance awareness coordinator.

b. The position of substance awareness coordinator shall be separate and distinct from any other employment position in the district, including, but not limited to district guidance counselors, school social workers and school psychologists. The State Board of Education shall approve the education and experience criteria necessary for employment as a substance awareness coordinator. The criteria shall include a requirement for certification by the State Board of Examiners. In addition to the criteria established by the State board, the Department of Education and the Department of Health and Senior Services shall jointly conduct orientation and training programs for substance awareness coordinators, and shall also provide for continuing education programs for coordinators.

c. It shall be the responsibility of substance awareness coordinators to assist local school districts in the effective implementation of this act. Coordinators shall assist with the in service training of school district staff concerning substance abuse issues and the district program to combat substance abuse; serve as an information resource for substance abuse curriculum development and instruction; assist the district in revising and implementing substance abuse policies and procedures; develop and administer intervention services in the district; provide counseling services to pupils regarding substance abuse problems; and, where necessary and appropriate, cooperate with juvenile justice officials in the rendering of substance abuse treatment services.

d. The Commissioner of Education, in consultation with the Commissioner of Health and Senior Services, shall implement a plan to collect data on the effectiveness of the program in treating problems associated with substance abuse and in reducing the incidence of substance abuse in local school districts. Six months prior to the expiration of the program authorized pursuant to this section, the Commissioner of Education shall submit to the Governor and the Legislature an evaluation of the program and a recommendation on the advisability of its continuation or expansion to all school districts in the State.

71. N.J.S.18A:44-1 is amended to read as follows:

Establishment of preschool.

18A:44-1. The board of education of any district may establish a preschool school or department in any school under its control, and shall admit to such preschool school or department any child who is under the age at which children are admitted to other schools or classes in such district.

72. N.J.S.18A:44-2 is amended to read as follows:

Establishment of kindergarten.

18A:44-2. The board of education of any district may establish a kindergarten school or kindergarten department, which in order to receive State aid shall be a one-year program in advance of or in preparation for entrance to first grade, in any school under its control, and may admit to such kindergarten school or department any child over the age of four and under the age of five and shall admit to such kindergarten school or department any child over the age of five and under the age of six years who is a resident of the district.

73. N.J.S.18A:44-4 is amended to read as follows:

Expenses; how paid.

18A:44-4. The expenses of preschool schools or departments and of kindergarten schools or departments shall be paid out of any moneys available for the general fund expenses of the schools, and in the same manner and under the same restrictions as the expenses of other schools or departments are paid, except when wholly or partly subsidized by restricted funding sources or restricted endowments.

74. N.J.S.18A:46-14 is amended to read as follows:

Enumeration of facilities and programs.

18A:46-14. The facilities and programs of education required under this chapter shall be provided by one or more of the following:

a. A special class or classes in the district, including a class or classes in hospitals, convalescent homes, or other institutions;

b. A special class in the public schools of another district in this State or any other state in the United States;

c. Joint facilities including a class or classes in hospitals, convalescent homes or other institutions to be provided by agreement between one or more school districts;

d. A jointure commission program;

e. A State of New Jersey operated program;

f. Instruction at school supplementary to the other programs in the school, whenever, in the judgment of the board of education with the consent of the commissioner, the handicapped pupil will be best served thereby;

g. Sending children capable of benefiting from a day school instructional program to privately operated day classes, in New Jersey or, with the approval of the commissioner to meet particular circumstances, in any other state in the United States, the services of which are nonsectarian whenever in the judgment of the board of education with the consent of the commissioner it is impractical to provide services pursuant to subsection a., b., c., d., e. or f. otherwise;

h. Individual instruction at home or in school whenever in the judgment of the board of education with the consent of the commissioner it is impracticable to provide a suitable special education program for a child pursuant to subsection a., b., c., d., e., f. or g. otherwise.

Whenever a child study team determines that a suitable special education program for a child cannot be provided pursuant to subsection a., b., c., d., e., f., g. or h. of this section, and that the most appropriate placement for that child is in an academic program in an accredited nonpublic school within the State or, to meet particular circumstances, in any other state in the

United States, the services of which are nonsectarian, and which is not specifically approved for the education of handicapped pupils, that child may be placed in that academic program by the board of education, with the consent of the commissioner, or by order of a court of competent jurisdiction. An academic program which meets the requirements of the child's Individual Education Plan as determined by the child study team and which provides the child with a thorough and efficient education, shall be considered an approved placement for the purposes of chapter 46 of this Title, and the board of education shall be entitled to receive State aid for that child as provided pursuant to P.L.1996, c.138 (C.18A:7F-1 et al.), and all other pertinent statutes.

Whenever any child shall be confined to a hospital, convalescent home, or other institution in New Jersey or in any other state in the United States and is enrolled in an education program approved under this article, or shall be placed in any other State facility as defined in section 3 of P.L.1996, c.138 (C.18A:7F-3), the board of education of the district in which the child resides shall pay the tuition of that child. The board of education may also furnish (a) the facilities or programs provided in this article to any person over the age of 20 who does not hold a diploma of a high school approved in this State or in any other state in the United States, (b) suitable approved facilities and programs for children under the age of five.

75. Section 14 of P.L.1977, c.193 (C.18A:46-19.8) is amended to read as follows:

C.18A:46-19.8 Estimated cost of services; inclusion in budget; State aid.

14. On November 5 of each year, each board of education shall report the number of nonpublic school children who attended a nonpublic school located within the district who were identified as eligible to receive examination, classification, and speech correction services pursuant to this act during the previous school year. The number of these pupils requiring an initial evaluation or reevaluation for examination and classification shall be multiplied by $990.73. The number of these pupils requiring an annual review for examination and classification shall be multiplied by $297.06. The number requiring speech correction shall be multiplied by $786.70. These products shall be added to determine the estimated cost for providing examination, classification, and speech corrections services to nonpublic school children during the next school year. Each board of education shall report the number of nonpublic school children who attended a nonpublic school located within the district, who were identified as eligible for supplementary instruction services during the preceding school year. The number of these pupils shall be multiplied by $752.41. This product shall be

added to the estimated cost for providing examination, classification and speech correction services.

In preparing its annual budget, each board of education shall include as an expenditure the estimated cost of providing services to nonpublic school children pursuant to P.L.1977, c.193 (C.18A:46-19.1 et al.).

In preparing its annual budget, each board of education shall include as a revenue State aid in an amount equal to the estimated cost of providing services to nonpublic school children pursuant to P.L.1977, c.193 (C.18A:46-19.1 et al.).

During each school year, each district shall receive an amount of State aid equal to 10% of the estimated cost on the first day in September and on the first day of each month during the remainder of the school year. If a board of education requires funds prior to September, the board shall file a written request with the Commissioner of Education stating the need for the funds. The commissioner shall review each request and forward those for which need has been demonstrated to the appropriate officials for payment.

In the event the expenditures incurred by any district are less than the amount of State aid received, the district shall refund the unexpended State aid after completion of the school year. The refunds shall be paid no later than December 1. In any year, a district may submit a request for additional aid pursuant to P.L.1977, c.193 (C.18A:46-19.1 et al.). If the request is approved and funds are available from refunds of the prior year, payment shall be made in the current school year.

76. N.J.S.18A:46-23 is amended to read as follows:

Transportation of pupils; special classes; handicapped children; State aid.

18A:46-23. The board of education shall furnish transportation to all children found under this chapter to be handicapped who shall qualify therefor pursuant to law and it shall furnish the transportation for a lesser distance also to any handicapped child, if it finds upon the advice of the examiner, the handicap to be such as to make transportation necessary or advisable.

The board of education shall furnish transportation to all children being sent by local boards of education to an approved 12-month program pursuant to N.J.S.18A:46-14, or any other program approved pursuant to N.J.S.18A:46-14 and who qualify therefor pursuant to law, during the entire time the child is attending the program. The board shall furnish transportation for a lesser distance also to a handicapped child, if it finds upon the advice of the examiner, his handicap to be such as to make the transportation necessary or advisable.

The school district shall be entitled to State aid for the transportation pursuant to section 25 of P.L.1996, c.138 (C.18A:7F-25) when the necessity for the transportation and the cost and method thereof have been approved by the county superintendent of the county in which the district paying the cost of the transportation is situated.

77. Section 3 of P.L.1971, c.271 (C.18A:46-31) is amended to read as follows:

C.18A:46-31 Powers, duties of special services school district board of education.

3. a. Any school established pursuant to P.L.1971, c.271 (C.18A:46-29 et seq.) shall accept all eligible pupils within the county, so far as facilities permit. Pupils residing outside the county may be accepted should facilities be available only after provision has been made for all eligible pupils within the county. Any child accepted shall be classified pursuant to chapter 46 of Title 18A of the New Jersey Statutes.

b. The board of education of any county special services school district may receive such funds as may be appropriated by the county pursuant to section 13 of P.L.1971, c.271 (C.18A:46-41) and shall be entitled to collect and receive from the sending districts in which the pupils attending the county special services school reside, for the tuition of those pupils, a sum not to exceed the actual cost per pupil as determined for each special education program or for the special services school district, according to rules prescribed by the commissioner and approved by the State board. Whenever funds have been appropriated by the county, the county special services school district may charge a fee in addition to tuition for any pupils who are not residents of the county. The fee shall not exceed the amount of the county's per pupil appropriation to the county special services school district. For each special education program or for the special services school district, the tuition shall be at the same rate per pupil for each sending district whether within or without the county. Ten percent of the tuition amount and the nonresident fee amount, if any, shall be paid on the first of each month from September to June to the receiving district by each sending district. The annual aggregate amount of all tuition may be anticipated by the board of education of the county special services school district with respect to the annual budget of the county special services school district. The amounts of all annual payments or tuition to be paid by any other school district shall be raised in each year in the annual budget of the other school district and paid to the county special services school district.

Tuition charged to the resident district shall be deducted from the resident district's State aid and transferred directly to the county special services district by the Department of Education according to procedures

established by the commissioner. The transfers shall equal 1/20th of the tuition charged and shall occur on the same schedule of State aid payments for the resident districts. Beginning in May of the preceding year the county special services district shall report to the department and the resident districts the current enrollments and tuition rates by district. Enrollment changes reported at least 30 days in advance of a scheduled transfer shall be honored.

Unless specifically designated, county special services school districts shall not receive State aid under the provisions of P.L.1996, c.138 (C.18A:7F-1 et al.). The county special services general fund budget, exclusive of any county contribution, shall not exceed the general fund budget, exclusive of any county contribution, in the prebudget year adjusted by the CPI or three percent, whichever is greater, plus an enrollment factor.

An undesignated general fund balance of 10 percent of the general fund budget exclusive of tuition adjustments of prior years may be maintained. For the years 1997-98 through 2001-2002, State aid shall be provided to fund tuition losses when placements drop by more than five percent between the budget year and prebudget year. State aid shall equal the difference between 95 percent of the prebudget year enrollment on May 1 preceding the prebudget year multiplied by the budget year tuition rate and actual enrollments on May 1 preceding the budget year multiplied by the budget year tuition rate.

c. The board of education of any county special services school district, with the approval of the board of chosen freeholders of the county, may provide for the establishment, maintenance and operation of dormitory and other boarding care facilities for pupils in conjunction with any one or more of its schools for special services, and the board shall provide for the establishment, maintenance and operation of such health care services and facilities for the pupils as the board shall deem necessary.

d. (Deleted by amendment, P.L.1991, c.62).

78. Section 9 of P.L.1977, c.192 (C.18A:46A-9) is amended to read as follows:

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 per pupil aid amount for providing the equivalent service to children of limited English-speaking ability enrolled in the public schools, shall be $1274.03. The appropriate per pupil aid amount for compensatory education shall be $628.71.

b. The appropriate per pupil aid amount shall then be multiplied by the number of auxiliary services received for each pupil enrolled in the nonpublic schools who were identified as eligible to receive each auxiliary service as of the last school day of June of the prebudget year, to obtain each district's State aid for the next school year.

c. The per pupil aid amount for home instruction shall be determined by multiplying the T&E amount by a cost factor of 0.0037 by the number of hours of home instruction actually provided in the prior school year.

79. N.J.S.18A:51-7 is amended to read as follows:

Assessment for maintenance of audiovisual aids center.

18A:51-7. The commission shall assess against the participating school districts a sum which, together with any anticipated State aid and private donations, shall be required for the establishment and maintenance of the county educational audiovisual aids center during the first year and for the maintenance and operation of the same, during each year thereafter, which total annual assessment shall be apportioned among the participating school districts in the proportion which the resident enrollment of the pupils for the prebudget year of each such district shall bear to the total resident enrollment of the pupils for the prebudget year of all of the participating school districts as determined by the commissioner.

80. N.J.S.18A:54-28 is amended to read as follows:

Estimate by board of education of general fund expenses.

18A:54-28. On or before the fourth Tuesday in March in each year the board of education of a county vocational school district shall prepare and deliver to each member of the board of school estimate an itemized statement of the amount of money estimated to be necessary for the general fund expenses of the county vocational school district for the ensuing school year. The board of education shall follow the procedures established in section 5 of P.L.1996, c.138 (C.18A:7F-5).

81. N.J.S.18A:54-29 is amended to read as follows:

Fixing, determining amounts necessary to be raised.

18A:54-29. Between the fourth Tuesday in March and April 8 in each year the board of school estimate shall fix and determine by action taken at a public meeting of the board the amount of money necessary to be appropriated for the use of the county vocational school district for the ensuing school year exclusive of the amount to be received from the State as provided in section 18A:54-32. The board of education of the county

vocational school district and the board of school estimate shall follow the procedures established in section 5 of P.L.1996, c.138 (C.18A:7F-5).

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

Withholding of funds from district.

18A:55-2. The commissioner shall direct the State treasurer to withhold funds payable by the State from any district which fails to obey the law or the rules or directions of the State board or the commissioner.

The county superintendent with the approval of the commissioner may direct the treasurer of the school moneys of a school district to withhold all moneys received by him from the State treasurer and then remaining in his hands to the credit to the district, whenever the board of education of the district, or any officer thereof, or the legal voters of any school district, or any board or officer of the municipality in which any such school district is situate, shall neglect or refuse to perform any duty imposed upon such board, officer, or legal voters by this title or by the rules of the State board. The treasurer shall withhold such moneys until he shall receive notice from the county superintendent that the board, officer, or legal voters have performed such duty.

83. Section 6 of P.L.1974, c.79 (C.18A:58-37.6) is amended to read as follows:

C.18A:58-37.6 Expenditure of aid.

6. State aid provided pursuant to P.L.1996, c.138 (C.18A:7F-1 et al.) may be expended for the purchase and loan of textbooks for public school pupils in an amount which shall not exceed the State average budgeted textbook expense for the prebudget year per pupil in resident enrollment. Nothing contained herein shall prohibit a board of education in any district from purchasing textbooks in excess of the amounts provided pursuant to this act.

C.18A:7F-34 Rules, regulations.

84. The State Board of Education shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations necessary to effectuate the provisions of this act.

Repealer.

85. The following acts and parts of acts are hereby repealed:

P.L.1990, c.84 (C.18A:6-33.15 through 18A:6-33.17);

Sections 1, 2, 4 through 9, 12 and 48 of P.L.1975, c.212 (C.18A:7A-1, 18A:7A-2, 18A:7A-4 through 18A:7A-9, 18A:7A-12 and 18A:7A-31);

Section 5 of P.L.1991, c.3 (C.18A:7A-6.1);

Section 6 of P.L.1991, c.3 (C.18A:7A-14.2);
Sections 1 through 4, 6 through 10, 11 through 17, 80, 81, 18, 84, 19 through 22, 85, 23, 24, 87, 89, and 25 through 28 of P.L.1990, c.52 (C.18A:7D-1 through 18A:7D-4, 18A:7D-6 through 18A:7D-10 and 18A:7D-13 through 18A:7D-36);
Section 26 of P.L.1991, c.62 (C.18A:7D-21.1);
Section 3 of P.L.1993, c.80 (C.18A:7D-27.1);
Sections 33, 38, 34 and 36 of P.L.1991, c.62 (C.18A:7D-28.1 through 18A:7D-28.4);
Section 3 of P.L.1993, c.67 (C.18A:7D-37);
P.L.1995, c.236 (C.18A:7E-6 through 18A:7E-9);
N.J.S.18A:17-44;
Section 4 of P.L. 1979, c.294 (C.18A:22-8.3);
Sections 8 through 11, 13 and 14 of P.L.1985, c.321 (C.18A:29-5.7 through 18A:29-5.12);
Section 73 of P.L.1990, c.52 (C.18A:54-20.2);
N.J.S.18A:54-32;
N.J.S.18A:58-9;
P.L.1984, c.226 (C.18A:58-68 through 18A:58-76); and
Section 3 of P.L.1996, c. 48 (C.34:1B-7.23a).

86. This act shall take effect immediately and shall first apply to the 1997-98 school year.

Approved December 20, 1996.

CHAPTER 139

AN ACT concerning enrollment of certain State employees in the Public Employees' Retirement System and amending P.L.1954, c.84.

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

1. Section 7 of P.L.1954, c.84 (C.43:15A-7) is amended to read as follows:

C.43:15A-7 Public Employees' Retirement System, established; membership.

7. There is hereby established the Public Employees' Retirement System of New Jersey in the Division of Pensions of the Department of the Treasury. The membership of the retirement system shall include:

a. The members of the former "State Employees' Retirement System of New Jersey" enrolled as such as of December 30, 1954, who shall not have claimed for refund their accumulated deductions in said system as provided in this section;

b. Any person becoming an employee of the State or other employer after January 2, 1955 and every veteran, other than those whose appointments are seasonal, becoming an employee of the State or other employer after such date, including a temporary employee with at least one year's continuous service; and

c. Every employee veteran in the employ of the State or other employer on January 2, 1955, who is not a member of any retirement system supported wholly or partly by the State.

d. Membership in the retirement system shall be optional for elected officials other than veterans, and for school crossing guards, who having become eligible for benefits under other pension systems are so employed on a part-time basis. Any such part-time school crossing guard who is eligible for benefits under any other pension system and who was hired as a part-time school crossing guard prior to March 4, 1976, may at any time terminate his membership in the retirement system by making an application in writing to the board of trustees of the retirement system. Upon receiving such application, the board of trustees shall terminate his enrollment in the system and direct the employer to cease accepting contributions from the member or deducting from the compensation paid to the member. State employees who become members of any other retirement system supported wholly or partly by the State as a condition of employment shall not be eligible for membership in this retirement system. Notwithstanding any other law to the contrary, all other persons accepting employment in the service of the State shall be required to enroll in the retirement system as a condition of their employment, regardless of age. No person in employment, office or position, for which the annual salary or remuneration is fixed at less than $1,500.00, shall be eligible to become a member of the retirement system.

e. Membership of any person in the retirement system shall cease if he shall discontinue his service for more than two consecutive years.

f. The accumulated deductions of the members of the former "State Employees' Retirement System" which have been set aside in a trust fund designated as Fund A as provided in section 5 of this act and which have not been claimed for refund prior to February 1, 1955 shall be transferred from said Fund A to the Annuity Savings Fund of the Retirement System, provided for in section 25 of this act. Each member whose accumulated deductions are so transferred shall receive the same prior service credit, pension credit, and membership credit in the retirement system as he

previously had in the former "State Employees' Retirement System" and shall have such accumulated deductions credited to his individual account in the Annuity Savings Fund. Any outstanding obligations of such member shall be continued.

g. Any school crossing guard electing to terminate his membership in the retirement system pursuant to subsection d. of this section shall, upon his request, receive a refund of his accumulated deductions as of the date of his appointment to the position of school crossing guard. Such refund of contributions shall serve as a waiver of all benefits payable to the employee, to his dependent or dependents, or to any of his beneficiaries under the retirement system.

h. A temporary employee who is employed under the federal Job Training Partnership Act, Pub.L.97-300 (29 U.S.C. s.1501) shall not be eligible for membership in the system. Membership for temporary employees employed under the federal Job Training Partnership Act, Pub.L.97-300 (29 U.S.C. s.1501) who are in the system on the effective date of this 1986 amendatory act shall be terminated, and affected employees shall receive a refund of their accumulated deductions as of the date of commencement of employment in a federal Job Training Partnership Act program. Such refund of contributions shall serve as a waiver of all benefits payable to the employee, to his dependent or dependents, or to any of his beneficiaries under the retirement system.

i. Membership in the retirement system shall be optional for a special service employee who is employed under the federal Older American Community Service Employment Act, Pub.L.94-135 (42 U.S.C. s.3056). Any special service employee employed under the federal Older American Community Service Employment Act, Pub.L.94-135 (42 U.S.C. s.3056), who is in the retirement system on the effective date of this act, P.L.1996, c.139, may terminate membership in the retirement system by making an application in writing to the board of trustees of the retirement system. Upon receiving the application, the board shall terminate enrollment in the system and the member shall receive a refund of accumulated deductions as of the date of commencement of employment in a federal Older American Community Service Employment Act program. This refund of contributions shall serve as a waiver of all benefits payable to the employee, to any dependent or dependents, or to any beneficiary under the retirement system.

2. This act shall take effect immediately.

Approved December 20, 1996.

CHAPTER 140

AN ACT concerning the employment of certain firefighters by municipalities, and supplementing chapter 14 of Title 40A of the New Jersey Statutes.

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

C.40A:14-182 Federal firefighters, certain; appointment.

1. a. The provisions of any other law to the contrary notwithstanding, the appointing authority of a municipality which, pursuant to N.J.S.40A:14-7, has established and maintains a paid or part-paid fire department and force or the board of fire commissioners in the case of a fire district established pursuant to the provisions of N.J.S.40A:14-70 et seq., may appoint as a member or officer of that fire department or force any person who:

(1) was serving as a civilian federal firefighter in good standing at any U.S. military installation in the State;

(2) satisfactorily completed such firefighter training as is required for employment as a civilian federal firefighter; and

(3) was, as a consequence of the closure of a federal military installation in this State, terminated as a civilian federal firefighter within 48 months prior to the appointment.

b. A municipality may employ such a person notwithstanding that:

(1) Title 11A, Civil Service, of the New Jersey Statutes is operative in that municipality;

(2) the municipality has available to it an eligible or regular reemployment list of persons eligible for such appointments; and

(3) the appointed person is not on any eligible list. A municipality which has adopted Title 11A, Civil Service, may not employ such a person if a special reemployment list is in existence for the firefighter title to be filled.

c. If a municipality determines to appoint a person pursuant to the provisions of this act, it shall give first priority in making such appointments to residents of the municipality and second priority to residents of the county not residing in the municipality.

d. The seniority, seniority-related privileges and rank a civilian federal firefighter possessed while employed at a federal military installation shall not be transferable to a position in a municipal fire department and force obtained pursuant to the provisions of this section.

e. To effectuate the purposes of this section, the Department of Personnel shall prepare and circulate, to those municipalities which have

established and maintain fire departments and forces pursuant to N.J.S.40A:14-7, and to boards of fire commissioners in the case of fire districts established pursuant to the provisions of N.J.S.40A:14-70 et seq., a list of civilian federal firefighters eligible for appointment under the provisions of this section. The Department of Personnel shall also circulate the list to municipalities and fire districts that have not adopted Title 11A, Civil Service, of the New Jersey Statutes.

Placement on the list compiled by the department shall be governed by length of service as a federal firefighter. A federal firefighter may apply for placement on the list at the time he or she receives a notice of termination of position or a priority placement program notice, and shall remain on the list for a period of four years.

2. This act shall take effect immediately.

Approved December 20, 1996.

CHAPTER 141

AN ACT concerning police officers of the Delaware River and Bay Authority and supplementing chapter 11E of Title 32 of the Revised Statutes.

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

C.32:11E-1.6 Police officer's power of arrest; immunities; benefits.

1. a. Notwithstanding the provisions of any other law to the contrary, a full-time, permanently appointed police officer of the Delaware River and Bay Authority shall have full power of arrest for any crime committed in the officer's presence and committed anywhere within the territorial limits of the State of New Jersey.

b. Whenever a police officer of the Delaware River and Bay Authority has been conferred with Statewide police powers and is acting under lawful authority beyond the jurisdictional limits of the Delaware River and Bay Authority, the police officer shall have all of the immunities from tort liability and shall have all of the pension, relief, disability, workmen's compensation, insurance and other benefits enjoyed as a Delaware River and Bay Authority

officer while performing duties within the jurisdiction of the Delaware River and Bay Authority.

2. This act shall take effect immediately.

Approved December 20, 1996.

CHAPTER 142

AN ACT establishing pilot community coalitions to address the needs and concerns of grandparents raising their grandchildren and making an appropriation therefor.

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

1. The Commissioner of Human Services shall provide funding to six counties for a pilot project to establish broad-based community coalitions to address the needs and concerns of grandparents raising their grandchildren. The six counties shall be: Atlantic, Bergen, Essex, Mercer, Middlesex and Monmouth. The Division of Youth and Family Services in the Department of Human Services shall provide such assistance as may be required and as may be available for the purposes of carrying out the duties of the community coalitions under this act.

2. a. Each community coalition shall be comprised of 11 members, who shall be appointed by the county governing body. Membership in the community coalition shall include representatives from community agencies, law enforcement, and the courts, and from the fields of health, housing, child care, substance abuse and education. The community coalition shall also include grandparents raising their grandchildren.

b. The community coalitions shall organize as soon as possible after the appointment of their members.

3. The goal of the community coalition shall be to:

a. Identify the needs of grandparents raising their grandchildren;

b. Match areas of need with an awareness of existing resources;

c. Provide a comprehensive resource guide for grandparents based on existing programs and services; and

d. Recommend programs and services where they do not exist.

4. a. Each community coalition shall issue an initial report no later than six months after the community coalition has been organized and a final report no later than one year after the effective date of this act containing its findings and recommendations. The reports shall be submitted directly to the Commissioner of Human Services as well as to the chairpersons of the Senate Women's Issues, Children and Family Services and the Assembly Community Services Committees, or their successor committees. The final report shall include recommendations for the establishment of a Statewide system to provide monitoring and evaluation of entitlements, benefits and services for grandparents raising their grandchildren. The reports shall be provided also to the appropriate county governing body.

5. There is appropriated from the General Fund to the Department of Human Services $30,000 to provide each of the six community coalitions with a $5,000 grant to effectuate the purposes of this act.

6. This act shall take effect immediately and shall expire one year following enactment.

Approved December 20, 1996.

CHAPTER 143

AN ACT concerning use of strollers in certain public buildings and supplementing Title 10 of the Revised Statutes.

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

C.52:32-5.1 Use of stroller in public buildings; conditions.

1. A person with a permanent disability or limited mobility who holds an identification card issued by the Division of Motor Vehicles in the Department of Transportation pursuant to either P.L.1949, c.280 (C.39:4-204 et seq.) or P.L.1980, c.47 (C.39:3-29.2 et seq.) and who, due to that disability or limited mobility, needs to transport his child in a stroller is entitled to the use of a public building, notwithstanding the building's prohibition on the use of strollers, subject to the following conditions:

a. The person shall not leave the stroller unattended;

b. The person who transports a child in a stroller shall not be charged any extra fee or payment for admission to or use of a public building;

c. The person who transports a child in a stroller shall be liable for any damages done to the premises of a public building by the stroller.

As used in this section, "public building" means a public building as defined in section 3 of P.L.1975, c.220 (C.52:32-6), and "stroller" means a non-motorized, wheeled vehicle designed to push or otherwise transport a young child, including, but not limited to, a carriage, a folding-type umbrella stroller, or a full-size stroller.

2. This act shall take effect immediately.

Approved December 20, 1996.

CHAPTER 144

AN ACT imposing certain notification requirements on legislative agents and lobbyists and supplementing P.L.1971, c.183 (C.52:13C-18 et seq.).

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

C.52:13C-22.4 Report of benefits to recipients.

1. a. Each legislative agent and lobbyist shall provide to each member of the Legislature, legislative staff, the Governor, the Governor's staff, or an officer or staff member of the Executive Branch who receives a benefit that is required to be reported to the commission pursuant to section 2 of P.L.1981, c.150 (C.52:13C-22.1), a full written and certified report describing the benefit, including a description of the benefit, the amount of the benefit, the date it was provided and to whom it was paid.

b. The reports shall be transmitted to the member of the Legislature, legislative staff, the Governor, the Governor's staff, or an officer or staff member of the Executive Branch by each legislative agent or lobbyist no later than February 1 of each year and shall cover benefits provided in the immediately preceding calendar year. In the event that a legislative agent or lobbyist provides more than one benefit to a member of the Legislature, legislative staff, the Governor, the Governor's staff, or an officer or staff member of the Executive Branch during a calendar year, the reports describing those benefits required pursuant to subsection a. of this section may be combined into one report or filed as separate reports.

2. This act shall take effect on January 1 following enactment.

Approved December 20, 1996.

CHAPTER 145

AN ACT concerning the costs of graduation and supplementing P.L.1979, c.241 (C.18A:7C-1 et seq.).

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

C.18A:7C-5.1 Graduation, yearbook costs for pupils with financial hardship.

1. A board of education shall establish a policy to address the cost of the graduation ceremony and the cost of a yearbook for graduating pupils who have a financial hardship. No graduating pupil shall be excluded from a graduation ceremony whose parent, legal guardian or other person having legal custody of the pupil is unable to pay the fees required for that graduation ceremony because of financial hardship. In determining financial hardship, the criteria shall be the same as the Statewide eligibility standards established by the State Board of Education for free and reduced price meals under the State school lunch program.

2. This act shall take effect immediately.

Approved December 20, 1996.

CHAPTER 146

AN ACT to permit combinations of certain credit insurance coverages and supplementing chapter 29 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:29-3.1 Insurance offered with credit involuntary unemployment insurance.

1. a. The individual and group coverages permitted by N.J.S.17B:29-3 may be offered in combination with credit involuntary unemployment insurance, credit personal property insurance, or both, under separate and distinct policies, provided that the total combined premium amount or rate to be charged to the debtor shall be reduced by five percent or by a greater percentage at the discretion of the insurer.

b. When credit involuntary unemployment insurance is included in the combined coverages and (1) the debtor notifies the insurer in writing that he is or has become ineligible for credit involuntary unemployment insurance coverage by reason of being or becoming voluntarily unemployed, or by

reason of being or becoming self-employed, and states the date on which that ineligibility commenced; or (2) a claim is denied under the credit involuntary unemployment insurance coverage because the debtor became ineligible for that coverage, the insurer shall promptly remit a refund of the portion of the premium applicable to the credit involuntary unemployment insurance coverage during the period of ineligibility.

c. (1) Notwithstanding the provisions of N.J.S.17B:27-3 to the contrary, group life insurance coverage may be issued in combination with other coverages in accordance with this section.

(2) Insurers issuing insurance coverages combined in accordance with this section shall not be required to offer any of the coverages for separate purchase.

(3) The purchase of insurance coverages combined in accordance with this section shall be voluntary on the part of the debtor.

d. For the purpose of this section, "credit personal property insurance" means insurance covering direct or indirect damage or loss, by fire or other perils, including those of extended coverage, to the personal property of the debtor all or part of which is the security for the loan, which insurance shall be for an amount and term not to exceed the amount and term of the loan.

2. This act shall take effect immediately.

Approved December 20, 1996.

CHAPTER 147

AN ACT establishing Pinelands preservation license plates and supplementing chapter 3 of Title 39 and chapter 18A of Title 13 of the Revised Statutes.

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

C.39:3-27.85 Pinelands preservation license plates; fees.

1. a. The director may issue for a motor vehicle registered in this State special license plates bearing, in addition to the registration number and other markings or identification otherwise prescribed by law, words and an emblem indicating support for, or an interest in, Pinelands preservation. The license plate shall be designed by the director, in consultation with the Pinelands Commission created by section 4 of P.L.1979, c.111 (C.13:18A-4). Issuance of Pinelands preservation license plates shall be

subject to all applicable requirements of chapter 3 of Title 39 of the Revised Statutes, except as hereinafter otherwise specifically provided.

b. The director shall collect a $50 application fee for the Pinelands preservation license plate in addition to the fees otherwise prescribed by law for the registration of the motor vehicle. The director shall collect annually subsequent to the year of issuance of the license plate a $10 fee for the license plate in addition to the fees otherwise prescribed by law for the registration of the motor vehicle. The additional fees required by this subsection shall be deposited into the Pinelands Preservation Fund, established pursuant to section 2 of P.L.1996, c.147 (C.13:18A-55).

c. The director shall annually certify to the State Treasurer the average cost per license plate incurred in the immediately preceding year by the Division of Motor Vehicles in producing, issuing, renewing, making computer programming changes in connection with and publicizing the Pinelands preservation license plates. On a quarterly basis, the State Treasurer shall transfer a sum equal to the division's cost in connection with the Pinelands preservation license plates from the Pinelands Preservation Fund, established pursuant to section 2 of P.L.1996, c.147 (C.13:18A-55), to the division. The annual certification of the average cost per license plate shall be approved by the Joint Budget Oversight Committee, or its successor.

d. In the event that the average cost per license plate as certified by the director and approved by the Joint Budget Oversight Committee, or its successor, is greater than the $50 application fee established in subsection b. of this section in two consecutive fiscal years, the director may discontinue the issuance of Pinelands preservation license plates.

e. The Pinelands Commission and the director shall develop and enter into an interagency memorandum of agreement on procedures to be followed to carry out their respective responsibilities under this act.

C.13:18A-55 "Pinelands Preservation Fund."

2. a. There is created in the Department of the Treasury a non-lapsing, revolving fund to be known as the "Pinelands Preservation Fund." The fund shall be the depository of the fees collected pursuant to subsection b. of section 1 of P.L.1996, c.147 (C.39:3-27.85). Interest or other income earned on monies deposited into the Pinelands Preservation Fund shall be credited to the fund.

b. Moneys in the Pinelands Preservation Fund shall be appropriated and distributed exclusively: (1) to reimburse the Division of Motor Vehicles for all costs incurred by that division, as stipulated by the director of that division, in producing, issuing, renewing, making computer programming changes in connection with and publicizing the Pinelands preservation

license plates; (2) to pay for the costs of surveys and appraisals and other necessary costs incurred by the Department of Environmental Protection to acquire lands in the Pinelands National Reserve that have limited practical use because of their location and that are held by landowners who both own less than 50 acres in the reserve and have exhausted existing remedies to secure relief; and (3) to pay for Pinelands acquisition projects approved by the Commissioner of Environmental Protection in accordance with applicable State and federal laws relating to the protection of the Pinelands National Reserve and the pinelands area.

Of the initial fees collected from the issuance of Pinelands preservation license plates, an amount not to exceed $100,000 shall be allocated to the Division of Motor Vehicles to pay the cost of any computer programming changes that may be necessary to implement the Pinelands preservation license plates program established by this act.

3. This act shall take effect on the 180th day after enactment.

Approved December 20, 1996.

CHAPTER 148

AN ACT concerning the licensing of rooming and boarding homes and amending P.L.1993, c.290.

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

1. Section 5 of P.L.1993, c. 290 (C.40:52-13) is amended to read as follows:

C.40:52-13 Conditions for licensure.

5. It shall be the duty of the licensing authority to receive applications made pursuant to section 4 of this act and to conduct such investigations as may be necessary to establish:

a. With respect to the premises for which a license is sought (1) that they are in compliance with all applicable building, housing, health and safety codes and regulations; (2) that the location of the premises will not, in conjunction with the proximity of other rooming and boarding houses, lead to an excessive concentration of such facilities in the municipality or a particular section thereof;

b. With respect to the owner or owners of the premises: (1) if a natural person or persons, that he or they are 21 years of age or older, citizens of

the United States and residents of the State of New Jersey, and never convicted, in this State or elsewhere, of a crime involving moral turpitude, or of any crime under any law of this State licensing or regulating a rooming or boarding house, and have never had a license required pursuant to P.L.1979, c.496 (C.55:13B-1 et al.) revoked; (2) if a corporation, that all officers and members of the board of directors, and every stockholder holding 10% or more of the stock of the corporation, directly or indirectly having a beneficial interest therein, have the same qualifications as set forth in this subsection for an applicant who is a natural person;

c. With respect to the operator or proposed operator, that he meets the requirements for licensure by the Department of Community Affairs;

d. That the owner and operator, either individually or jointly, have established sufficient guarantee of financial and other responsibility to assure appropriate relocation of the residents of the rooming or boarding house to suitable facilities in the event that the license is subsequently revoked or its renewal denied. The Department of Community Affairs shall determine, in the case of each type of rooming and boarding house under its jurisdiction, what constitutes suitable facilities for this purpose; and

e. At the discretion of the licensing municipality and pursuant to an ordinance, that the owner has paid all municipal property taxes due and owing on the rooming and boarding house, or in the case of an initial application, the applicant has paid all municipal property taxes due and owing on any other rooming and boarding house located within the municipality and owned by the applicant, provided that the owner has received written notice of any payment delinquency which has remained unpaid for more than 120 days. The provisions of this subsection shall not be construed as denying or limiting the rights of any displaced residents to relocation assistance in accordance with P.L.1971, c.362 (C.20:4-1 et seq.).

2. This act shall take effect immediately.

Approved December 20, 1996.

CHAPTER 149

AN ACT concerning withholdings and deductions from unemployment compensation benefits and amending R.S. 43:21-15.

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

1. R.S. 43:21-15 is amended to read as follows:

Waiver of rights void.

43:21-15. (a) Waiver of rights void. Any agreement by an individual to waive, release, or commute his rights to benefits or any other rights under this chapter shall be void. No agreement by any individual in the employ of any person or concern to pay all or any portion of an employer's contributions, required under this chapter from such employer, shall be valid. No employer shall directly or indirectly make or require or accept any deduction from the remuneration of any individual in his employ to finance the employer's contributions required from him, or require or accept any waiver of any right hereunder by any individual in his employ. Any employer or officer or agent of an employer who violates any provision of this subsection shall, for each offense, be fined not less than one hundred dollars ($100.00) nor more than one thousand dollars ($1,000.00) or be imprisoned for not more than six months, or both.

(b) Limitation of fees. No individual claiming benefits shall be charged fees of any kind in any proceeding under this chapter by the division or its representatives or by any court or any officer thereof. Any individual claiming benefits in any proceeding before the board of review or a court may be represented by counsel or other duly authorized agent; but no such counsel or agents shall either charge or receive for such services more than an amount approved by the board of review. Any person who violates any provision of this subsection shall, for each such offense, be fined not less than fifty dollars ($50.00) nor more than five hundred dollars ($500.00), or imprisoned for not more than six months, or both.

(c) No assignment of benefits; exemptions. Any assignment, pledge, or encumbrance of any right to benefits which are or may become due or payable under this chapter shall be void; and such rights to benefits shall be exempt from levy, execution, attachment, or any other remedy whatsoever provided for the collection of debt; and benefits received by any individual, so long as they are not mingled with other funds of the recipient, shall be exempt from any remedy whatsoever for the collection of all debts except debts incurred for necessaries furnished to such individual or his dependents during the time when such individual was unemployed. Any waiver of any exemption provided for in this subsection shall be void.

(d) Notwithstanding the provisions of subsection (c) of this section:

(1) an individual filing a new claim for unemployment compensation on or after January 1, 1997 shall, at the time of filing that claim, be advised in writing that:

(A) unemployment compensation is subject to federal income tax;

(B) requirements exist pertaining to estimated tax payments;

(C) the individual may elect to have federal income tax deducted and withheld from the individual's payment of unemployment compensation at the amount specified in the Internal Revenue Code;

(D) the individual shall be permitted to change a previously elected withholding status.

(2) amounts deducted and withheld from unemployment compensation pursuant to this subsection (d) shall remain in the unemployment compensation fund until transferred to the federal taxing authority as a payment of income tax;

(3) the commissioner shall follow all procedures specified by the United States Department of Labor and the Internal Revenue Service pertaining to the deducting and withholding of income tax;

(4) amounts shall be deducted and withheld pursuant to this subsection only after amounts are deducted and withheld for any overpayments of unemployment compensation, child support obligations, food stamp over issuances or any other amounts required to be deducted and withheld under federal law.

2. This act shall take effect January 1, 1997.

Approved December 20, 1996.

CHAPTER 150

AN ACT concerning the operation of certain State facilities and supplementing Title 30 of the Revised Statutes and Title 38A of the New Jersey Statutes.

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

C.30:1-7.3 Definitions.

1. As used in sections 1 and 2 of P.L.1996, c.150 (C.30:1-7.3 and 30:1-7.4):

"Commissioner" means the Commissioner of Human Services.

"Facility" means a State psychiatric hospital or a State developmental center listed in R.S.30:1-7.

C.30:1-7.4 Conditions of closing facilities, privatizing services.

2. a. Except in the case of an emergency condition, the commissioner shall not implement a decision to close an existing facility or to privatize any services, functions or units of an existing facility, if the commissioner finds

that the decision shall result in the abolition of 100 or more non-vacant, full-time positions in the career service at the existing facility or facilities affected by the decision, unless the commissioner has complied with the procedures set forth in this section.

b. Pursuant to subsection a. of this section, the commissioner shall conduct at least one public hearing which shall be held in the region in which the facility is located, or a central location designated by the commissioner if more than one facility is affected by the decision, to provide an opportunity for the public to submit testimony on the proposed closing or privatization. The hearing shall be conducted at least 45 days in advance of a facility closure, or at least 30 days prior to the issuance of a Request for Proposal. For a facility closure, the public hearing shall be held within 15 days of publication of a Notice of Intent to close a facility by the commissioner in accordance with subsection c. of this section. The commissioner shall select a publicly convenient location for the hearing and shall give all persons the opportunity to testify in person or to submit written testimony.

c. The Notice of Intent to close a facility pursuant to subsection b. of this section shall be mailed, telephoned, telegrammed or hand delivered to at least two newspapers for publication, at least one of which shall be within the geographic boundaries of the county where the facility is located. Failure to comply with the requirements of this subsection shall not invalidate or delay any facility closure.

d. The commissioner shall prepare a report setting forth a fiscal impact analysis, policy rationale and summary of the testimony received at any hearing held pursuant to this section. This report shall be submitted to the chairmen of the Joint Budget Oversight Committee within five days of the issuance of a Notice of Intent to Award or within 30 days following the last scheduled public hearing for a facility closure.

C.30:1B-8.3 Definitions.

3. As used in sections 3 and 4 of P.L.1996, c.150 (C.30:1B-8.3 and 30:1B-8.4):

"Commissioner" means the Commissioner of Corrections.

"Facility" means a State correctional institution or facility listed in section 8 of P.L.1976, c.98 (C.30:1B-8).

C.30:1B-8.4 Conditions of closing facilities, privatizing services.

4. a. Except in the case of an emergency condition, the commissioner shall not implement a decision to close an existing facility or to privatize any services, functions or units of an existing facility, if the commissioner finds that the decision shall result in the abolition of 100 or more non-vacant, full-time positions in the career service at the existing facility or facilities affected

by the decision, unless the commissioner has complied with the procedures set forth in this section.

b. Pursuant to subsection a. of this section, the commissioner shall conduct at least one public hearing which shall be held in the region in which the facility is located, or a central location designated by the commissioner if more than one facility is affected by the decision, to provide an opportunity for the public to submit testimony on the proposed closing or privatization. The hearing shall be conducted at least 45 days in advance of a facility closure, or at least 30 days prior to the issuance of a Request for Proposal. For a facility closure, the public hearing shall be held within 15 days of publication of a Notice of Intent to close a facility by the commissioner in accordance with subsection c. of this section. The commissioner shall select a publicly convenient location for the hearing and shall give all persons the opportunity to testify in person or to submit written testimony.

c. The Notice of Intent to close a facility pursuant to subsection b. of this section shall be mailed, telephoned, telegrammed or hand delivered to at least two newspapers for publication, at least one of which shall be within the geographic boundaries of the county where the facility is located. Failure to comply with the requirements of this subsection shall not invalidate or delay any facility closure.

d. The commissioner shall prepare a report setting forth a fiscal impact analysis, policy rationale and summary of the testimony received at any hearing held pursuant to this section. This report shall be submitted to the chairmen of the Joint Budget Oversight Committee within five days of the issuance of a Notice of Intent to Award or within 30 days following the last scheduled public hearing for a facility closure.

C.38A:3-6.4a Definitions.

5. As used in sections 5 and 6 of P.L.1996, c.150 (C.38A:3-6.4a and 38A:3-6.4b):

"Adjutant General" means the Adjutant General of the Department of Military and Veterans' Affairs.

"Facility" means a veterans' facility as defined in section 1 of P.L.1989, c.162 (C.38A:3-6.3).

C.38A:3-6.4b Conditions of closing facilities, privatizing services.

6. a. Except in the case of an emergency condition, the Adjutant General shall not implement a decision to close an existing facility or to privatize any services, functions or units of an existing facility, if the Adjutant General finds that the decision shall result in the abolition of 100 or more non-vacant, full-time positions in the career service at the existing facility or facilities affected by the decision, unless the Adjutant General has complied with the procedures set forth in this section.

b. Pursuant to subsection a. of this section, the Adjutant General shall conduct at least one public hearing which shall be held in the region in which the facility is located, or a central location designated by the Adjutant General if more than one facility is affected by the decision, to provide an opportunity for the public to submit testimony on the proposed closing or privatization. The hearing shall be conducted at least 45 days in advance of a facility closure, or at least 30 days prior to the issuance of a Request for Proposal. For a facility closure, the public hearing shall be held within 15 days of publication of a Notice of Intent to close a facility by the Adjutant General in accordance with subsection c. of this section. The Adjutant General shall select a publicly convenient location for the hearing and shall give all persons the opportunity to testify in person or to submit written testimony.

c. The Notice of Intent to close a facility pursuant to subsection b. of this section shall be mailed, telephoned, telegrammed or hand delivered to at least two newspapers for publication, at least one of which shall be within the geographic boundaries of the county where the facility is located. Failure to comply with the requirements of this subsection shall not invalidate or delay any facility closure.

d. The Adjutant General shall prepare a report setting forth a fiscal impact analysis, policy rationale and summary of the testimony received at any hearing held pursuant to this section. This report shall be submitted to the chairmen of the Joint Budget Oversight Committee within five days of the issuance of a Notice of Intent to Award or within 30 days following the last scheduled public hearing for a facility closure.

7. This act shall take effect immediately.

Approved December 20, 1996.

CHAPTER 151

AN ACT concerning the New Jersey State Firemen's Association, and amending and repealing various parts of the statutory law.

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

1. R.S.43:17-1 is amended to read as follows:

Incorporation.

43:17-1. In any municipality or fire district in this State in which there is organized for doing public fire duty, including nonprofit corporations or associations incorporated pursuant to N.J.S.15A:1-1 et seq., one or more fire engine, hook and ladder, hose or supply companies or any fire association, fire department or board of firewardens, which is under the supervision or control of a municipal governing body, or board of fire commissioners, the chief or there being no chief, the next highest ranking officer, and the president, if any, of such fire association or department, and all members of any board of firewardens, or board of trustees of such fire association or department, and all firefighters belonging to such fire engine, hook and ladder, hose, or supply company or companies, of such municipality or fire district, may associate themselves and become incorporated under and by the name of "the _____ firemen's relief association," or any other name which shall indicate the object of such association, using the name of the municipality or fire district in which the association may be located.

2. R.S.43:17-2 is amended to read as follows:

Incorporation certificate; filing; powers.

43:17-2. The president and secretary of the corporation, when elected as hereinafter provided, shall forthwith sign a certificate and cause it to be recorded in the office of the clerk of the county in which the corporation is located and filed in the Office of the Secretary of State. The certificate, or a copy thereof, duly certified by the county clerk or the Secretary of State, shall be evidence in all courts and places. The certificate shall state the election of the representatives authorized to organize the corporation, the election by such representatives of a board of officers and a board of trustees, giving their names and official designations, the corporate name assumed, the location of the corporation and a reference to this article. In case of a reincorporation under this article, the certificate shall, instead thereof, state the former incorporation, the date thereof, the names and official designations of the officers of the corporation and a reference to this article.

Upon the recording and filing of the certificate the persons so associating shall be a corporation, under and by the name aforesaid and shall have perpetual succession and continuance, except as hereinafter provided, and be capable of suing and being sued, and may make and use a common seal, and alter the same at pleasure, and may receive, take, hold, purchase and convey, or mortgage, invest, and reinvest, real, personal and mixed estate, and may enter into, execute and enforce any contracts or agreements relating to, touching or concerning the objects of such corporation, and they and

their successors, and all who shall associate themselves together with them, shall, as such corporation, be entitled to all the rights, powers, privileges, benefits, advantages and immunities which now are or hereafter may be conferred upon corporations generally, under any law of this State.

3. R.S.43:17-3 is amended to read as follows:

Object of association.

43:17-3. The object of associations incorporated under this article shall be to establish, provide for and maintain a fund for the relief, support or burial of needy firefighters and their families, and any persons and the families of any persons who are injured or die in the course of doing public fire duty, or who may become needy or disabled or die as the result of doing such duty or be prevented by the injury or by illness arising from doing such duty, from attending to their usual occupation or calling. The relief, support or burial benefit shall be granted in accordance with the rules and regulations adopted by the New Jersey State Firemen's Association.

4. R.S.43:17-4 is amended to read as follows:

Reorganization, reincorporation of associations existing prior to March 25, 1885.

43:17-4. Any association organized prior to March twenty-fifth, one thousand eight hundred and eighty-five, for the purposes intended by this article, whether incorporated or not, shall be reorganized and incorporated or reincorporated under this article, except corporations which have been created or continued by special act of the legislature. A corporation incorporated by special act may, if it sees fit, be reorganized and reincorporated under this article. In case of incorporation or reincorporation, the president and secretary shall sign, record and file a certificate as provided in R.S.43:17-2. Thereupon the association or corporation shall be a corporation under this article and shall have all the powers and privileges conferred by this article on corporations formed under it, and no other powers or privileges. A corporation reorganized and reincorporated under this article shall succeed to and be seized of all the right, title and interest in any property belonging to it under its former organization. The representatives, trustees and other officers of any association or corporation reorganized and incorporated or reincorporated under this article, shall continue to serve as such until the election following the reorganization, and until their successors are respectively elected, and not thereafter, and the membership thereof shall be subject to the same conditions and have the same rights as provided in R.S.43:17-9. If any such association or corporation shall not have been reorganized and incorporated or reincorporated under this article within one

year after March twenty-fifth, one thousand eight hundred and eighty-five, it shall be deemed to have forfeited its charter.

5. R.S.43:17-7 is amended to read as follows:

Number of associations, limited; municipal consolidation.

43:17-7. There shall not be organized in any municipality or fire district having a fire department, company or association more than one relief association under this article. In any municipality or fire district where there is more than one association on the effective date of this act, those associations may continue to operate provided they comply with the provisions of R.S.43:17-1 et seq. and the rules and regulations adopted by the New Jersey State Firemen's Association.

In case of the consolidation of any two or more municipalities or fire districts, all relief associations then existing in the municipalities or fire districts shall consolidate by the formation of a new association under this article. Upon its formation, the relief associations so consolidated shall transfer their funds and members to the new association, whereupon the relief associations so consolidated shall dissolve, in accordance with this article.

6. R.S.43:17-8 is amended to read as follows:

Transfer of money, etc., to new associations.

43:17-8. If any such association forfeits its charter, or the charter is repealed or expires by limitation or the association is dissolved, or if a person has in possession or charge any moneys derived from any source for the relief of needy or disabled firefighters, or any balance thereof, property purchased therewith or securities in which the same may have been invested, or if any person is indebted for the loan or deposit of such moneys, other than the duly incorporated firemen's relief associations allowed by this article, or the treasurers thereof, then, the moneys, accounts payable, property or securities shall be delivered to the Treasurer of the New Jersey State Firemen's Association to be held in trust for needy firefighters or their families. If a new firemen's relief association is legally organized and incorporated or reincorporated in such municipality or fire district, there shall forthwith be paid over, assigned and conveyed to the new corporation, any money, accounts payable, property and securities remaining in the possession or charge of the Treasurer of the New Jersey State Firemen's Association in trust for the former local association or corporation, or of any person, for its use or otherwise, or any money, property or securities to which it may be entitled, at law or in equity, derived as aforesaid. An account shall be given therewith of all moneys theretofore had and received

from such sources and of the disposition thereof. All such moneys expended by it or them, other than for the benefit of needy or disabled firefighters or their families, shall also be paid over to the new corporation on demand.

7. R.S. 43:17-9 is amended to read as follows:

Membership qualifications.

43:17-9. The membership of such corporation shall consist, without any formal election thereto, of the officers and members of such fire engine, hook and ladder, hose and supply company or companies, fire association or fire department, or board of firewardens, as shall be under the supervision or control of the governing board or body of the municipality or fire district and who, at the time of their becoming eligible for membership in the New Jersey State Firemen's Association, shall be not less than 18 years of age and not more than 40 years of age and shall furnish evidence of good health in accordance with such reasonable rules and regulations as the executive committee of the New Jersey State Firemen's Association shall from time to time establish; the officers and members of any nonprofit corporations and associations incorporated pursuant to N.J.S.15A:1-1 et seq.; and the officers and members of any association therein of exempt firemen. The whole body of the membership of such corporation shall have the same rights therein as the charter members thereof.

8. R.S.43:17-10 is amended to read as follows:

Adoption of constitution, by-laws, rules.

43:17-10. A corporation, incorporated or reincorporated under this article may, through its representatives, make, adopt and use, and from time to time alter, amend or change, such constitution or by-laws, or both, and such rules for its government, the regulation of its affairs and the disposition and management of its funds and property as seem to the representatives to be proper. The same shall not be inconsistent with the constitution or laws of the United States or of this State, or the rules and regulations adopted by the New Jersey State Firemen's Association.

9. R.S.43:17-11 is amended to read as follows:

Board of representatives.

43:17-11. On or before the second Monday in December, in every year, each fire engine, hook and ladder, hose or supply company, and the board of trustees of any fire association or department, and any board of fire-wardens, which is under the supervision or control of any municipal governing body, board of fire commissioners, or nonprofit corporations and

associations incorporated pursuant to N.J.S.15A:1-1 et seq., and which is organized for and doing public fire duty in any municipality or fire district in this State, shall choose not more than three representatives, and the exempt firemen's association, if any such there be, shall choose not more than three representatives, who, together with the president, if any, of such fire association or department, and the chief, or, if there be no chief, then the next highest ranking officer, shall constitute a board of representatives, and shall have and exercise all the powers and perform all the duties herein committed to them, and shall hold office until their successors be chosen, and until their successors shall meet for the purpose of holding the annual election of officers, as provided in R.S.43:17-12.

10. R.S.43:17-12 is amended to read as follows:

Rotation of terms of members of board.

43:17-12. If the by-laws of any firemen's relief association provide for the election, by each of the several companies, associations, or boards of which the relief association is comprised, of more than one member of the board of representatives thereof, the firemen's relief association may provide for a rotation in the terms of office of the members of the board of representatives, and at any annual election thereafter, there may be elected one representative for one year, one for two years, and, if deemed desirable, one for three years. Thereafter at each election, one representative shall be elected for the longest term provided for, not exceeding three years, from each company, association, or board comprising the firemen's relief association.

11. R.S.43:17-13 is amended to read as follows:

Officers, trustees, election.

43:17-13. The board of representatives shall, on or before the third Monday in December in every year, elect by ballot from among their own number, or out of the whole membership of that association a president, vice president, treasurer and a secretary, who shall be the board of officers of the corporation, and not more than five members of a board of trustees.

At the first election after the incorporation or reincorporation, there shall be elected not less than three nor more than fifteen trustees, who shall then be divided by the representatives, by lot, into three classes, of not more than five persons each, those of the first class to hold office for one year, those of the second class to hold office for two years and those of the third class to hold office for three years after the date of their election, so that one class shall go out of office each year, and in each year after the first election not

more than five trustees, who shall hold office for three years after the date of their election, shall be elected at the annual election.

The trustees may be elected in the same manner and from the same source as the representatives are chosen, in which case they shall be divided by the representatives, by lot, into three classes for the aforesaid terms. When the term of any trustee so elected expires, the successor shall be selected from the same source as that from which the trustee was chosen, and shall hold office for three years after the date of the election.

All of the officers and trustees shall hold office until their respective successors are elected.

12. R.S.43:17-14 is amended to read as follows:

Oath of officers.

43:17-14. The officers shall, upon their election, take an oath of office for the faithful performance of their duties.

13. R.S.43:17-15 is amended to read as follows:

Bond of treasurer, officers; custodian.

43:17-15. The treasurer and officers of every firemen's relief association, organized or working under this article, shall in each year, upon assuming their office, be covered by a bond for the faithful discharge of their duties, with a surety company authorized to do business in this State as surety thereon, in a sum at least equal to the amount of money and convertible securities that may be in or coming into their hands, control or custody as such officers. The bond shall be procured, maintained and paid by the New Jersey State Fireman's Association.

The Treasurer of the New Jersey State Fireman's Association shall be the custodian of the official bond or bonds provided for in this section, and shall forward copies to the Commissioner of Banking and Insurance.

14. R.S.43:17-17 is amended to read as follows:

Quorum.

43:17-17. A majority of the board of representatives or of the board of trustees, as the case may be, shall constitute a quorum at the meetings of the respective boards.

15. R.S.43:17-18 is amended to read as follows:

Simultaneous service, not permitted.

43:17-18. No person shall at one time serve on the board of representatives and the board of trustees. If elected to both he shall resign one or the other, as he sees fit.

16. R.S.43:17-19 is amended to read as follows:

Annual election of chair, secretary.

43:17-19. The board of trustees shall once in each year, immediately after the election of the new members thereof, elect, by ballot, a chairperson and secretary.

17. R.S.43:17-20 is amended to read as follows:

Meetings.

43:17-20. The board of representatives shall be convened by its president at least five times a year and when the president thinks proper or is requested so to do by a majority of the representatives.

The board of trustees shall be convened by its chairperson at least twice a year and when the chairperson thinks proper or is requested so to do by any trustee.

The representatives may provide in their by-laws for regular stated meetings of the representatives and the trustees.

18. R.S.43:17-21 is amended to read as follows:

Office of representative, filling vacancies.

43:17-21. If a vacancy occurs in the office of representative, it shall be filled forthwith by the company, association or board by which the representative was elected, for the remainder of the term for which he was elected, at a special election held for that purpose.

19. R.S.43:17-22 is amended to read as follows:

Other officers, filling vacancies.

43:17-22. If a vacancy occurs in the office of president, vice president, treasurer, secretary or trustee, it shall be filled forthwith for the remainder of the term by the representatives at a special election held for that purpose.

20. R.S.43:17-23 is amended to read as follows:

Secretary, treasurer, reports.

43:17-23. The secretary and treasurer shall report to the board of representatives at its annual meeting and shall also report when requested.

21. R.S.43:17-24 is amended to read as follows:

Assistance applications.

43:17-24. All applications for assistance shall be referred to the trustees for their investigation and approval or disapproval. The trustees shall report their findings and recommendations to the board of representatives which may adopt or approve the same, or make its own determination in accordance with the provisions of R.S.43:17-35 and the rules and regulations adopted by the Executive Committee of the New Jersey State Firemen's Association.

No person shall be given assistance if the cause of the need or the reason for the disability or the nature or cause of the injury or sickness is not in the opinion of the board of representatives such as to entitle the applicant to assistance, or if the applicant is deemed financially unworthy of assistance.

22. R.S.43:17-25 is amended to read as follows:

Management of business, affairs.

43:17-25. The management of the business and affairs, the custody of the property and the disposal of the funds and property of the corporation shall be entrusted to the board of representatives thereof in accordance with R.S.43:17-35 and the rules and regulations adopted by the New Jersey State Firemen's Association.

23. R.S.43:17-26 is amended to read as follows:

Inquiry of applications; control of funds; violations.

43:17-26. The board of representatives may, at any meeting thereof, inquire into the applications for relief or payment thereof, the funds from which relief is available or paid, and shall oversee and control the funds, money and property of the corporation and ensure its proper allocation, disbursement or management in accordance with R.S.43:17-35 and the rules and regulations adopted by the New Jersey State Firemen's Association.

If the board of representatives determines there is a violation thereof, the board of representatives may suspend any trustee or officer pending a hearing by the board of representatives to determine if there are grounds for a charge of misconduct, malfeasance in office or violation of any law or the rules and regulations adopted by the New Jersey State Firemen's Association.

24. R.S.43:17-27 is amended to read as follows:

Violations, proceedings.

43:17-27. If any member of the board of representatives, or trustee or any officer is charged with misconduct or malfeasance in office or charged with a violation of any law or the rules and regulations adopted by the New Jersey State Firemen's Association, such person shall immediately be served with a copy of the complaint, including charges and specifications. The charges shall then be investigated by a member or committee of the membership of the local relief association elected thereby and a report of the investigation shall be submitted thereto. If the association by a majority vote of the membership present determines that there is probable cause that an offense has been committed or there is misconduct or malfeasance in office, then a hearing shall be conducted.

The person or persons charged may be represented in person or by an attorney-in-fact or attorney-at-law, and may examine, cross-examine, or present witnesses or testimony, and written or oral evidence. The hearing before the membership shall be conducted by an officer or other designated person selected by the association, and at the conclusion of the hearing the officer or such duly selected person shall make findings and recommendations which shall be submitted to the membership. A majority vote shall determine the guilt or innocence of the person or persons charged and any penalty to be imposed. If any person is found guilty of misconduct or malfeasance in office, the association or board of representatives may declare the office vacant and fill the vacancy as hereinbefore provided.

If the association or board of representatives does not take action to charge any person with a violation of law or the rules and regulations adopted by the New Jersey State Firemen's Association or for misconduct or malfeasance in office, the New Jersey State Firemen's Association may take such action or declare the association out of accord, seize control of all assets thereof in accordance with the rules and regulations adopted by the New Jersey State Firemen's Association, and take necessary action to protect and preserve the funds or property of the association.

25. R.S.43:17-29 is amended to read as follows

Convention of State Association; attendance, expenses.

43:17-29. Each firemen's relief association may pay to the delegates, life members and chief or the next highest ranking officer as shall attend and represent it and to each delegate who shall attend and represent the local exempt firemen's association at the annual convention of the New Jersey State Firemen's Association the cost incurred by them for travel, lodging, and other expenses as determined by the executive committee of the New Jersey State Firemen's Association in accordance with R.S.43:17-35 and the

rules and regulations adopted by the New Jersey Firemen's Association. Nothing contained in this article shall authorize the payment of such expenses a second time to any delegate.

26. R.S.43:17-31 is amended to read as follows:

Annual statements; filing, examination.

43:17-31. On or before February 10th in every year, each local firemen's relief association, however incorporated, shall file a financial report with the field examiner of the New Jersey State Firemen's Association who then shall file a sworn statement with the Secretary of State on or before May 1st showing:

a. The names of its representatives, trustees and other officers, and the amount of their respective fees or salaries, if any;

b. The names of the applicants approved for relief during or within the year preceding the statement and the amount of money paid to each of them;

c. The receipts and expenses during the year, which shall be stated in detail; and

d. The amount of money or other property in its possession at the date of making the statement and how the money is invested or secured and where it is deposited.

The executive committee shall cause an examination to be made of the local association and shall file a biannual report, certified by an accountant licensed by the State of New Jersey, with the Department of Banking and Insurance. The report shall provide the following: (1) a statement of the plan and procedures for the examination and report; (2) reasonable assurances that each local association's financial statement is free of material misstatements; (3) material instances of non-compliance or failures to follow State statutes, regulations, or policies and the rules and regulations of the New Jersey State Firemen's Association; (4) information to provide for the economical, fair, and non-discriminatory administration and efficient provisions for protection of the assets of the local association.

The statement of the plan and procedures shall be prepared by the executive committee of the New Jersey State Firemen's Association and be filed with the Department of Banking and Insurance. The plan or the procedures may be amended from time to time.

The report shall be filed with the Treasurer of the New Jersey State Fireman's Association and the Department of Banking and Insurance on or before June 1.

27. R.S.43:17-32 is amended to read as follows:

Penalties; disposition.

43:17-32. When a volunteer organization has been or shall hereafter be organized, reorganized, or reincorporated under R.S.43:17-1 et seq., in any municipality wherein the authorities shall have established fire limits and enacted ordinances for the violation of the building laws therein, all fines and penalties imposed by these ordinances shall be sued for and recovered by, and in the name of, the firemen's relief association of the municipality, before any court of competent jurisdiction. When recovered, the penalties shall be paid to the treasurer of the firemen's relief association of the municipality for the use and benefit of the relief association.

28. R.S.43:17-33 is amended to read as follows:

Investment of funds.

43:17-33. No firemen's relief association, however incorporated, shall invest its moneys in any manner, except as follows:

a. In stocks or bonds or interest-bearing notes or obligations of the United States, or those for which the full faith of the United States is distinctly pledged to provide for the payment of the principal and interest thereof;

b. In interest-bearing bonds of this State;

c. In bonds of any State of the United States that has not, within ten years previous to making the investment, defaulted in the payment of any part of principal or interest of any debt authorized by any law of that State to be contracted;

d. In stocks or bonds of any governmental entity of this State or any other state of the United States, which have been or may be issued pursuant to a law of that state, and in any interest-bearing obligations issued by a governmental entity in which the relief association is situated. No investment shall be made under this paragraph if that governmental entity has, within ten years previous to making the investment by the relief association, defaulted in the payment of any part of principal or interest of any debt authorized by the Legislature of that State to be contracted or if the total indebtedness of that governmental entity is not limited by law to ten per centum (10%) of its assessed valuation;

e. (Deleted by amendment, P.L.1996, c.151).

f. In such real estate only as has been or may hereafter be purchased by the association at sales upon the foreclosure of mortgages owned by the association, or upon judgments or decrees obtained or rendered for debts due to it, or in settlements effected to secure such debts. All this real estate shall be sold by the corporation within five years after the real estate is so purchased, unless upon application to the executive committee of the New

Jersey State Firemen's Association further time is given by the committee in which to sell the real estate or any part thereof;

g. (Deleted by amendment, P.L.1996, c.151).

h. In bonds, stocks, accounts or other financial instruments of any state or federal financial institutions organized and existing under the laws of the State of New Jersey or the United States of America, provided the bonds, stocks, accounts or other financial instruments are insured or guaranteed by the State of New Jersey or the United States Government, or any agency or instrumentality of either or both;

i. All investments authorized pursuant to this section shall be in the name of the local relief association.

29. R.S.43:17-34 is amended to read as follows:

Unlawful investments; crime of fourth degree.

43:17-34. A violation of any provision of R.S.43:17-33, by any or either of the members of the boards of officers or representatives, or other officers of the firemen's relief association, shall be a crime of the fourth degree.

30. R.S.43:17-35 is amended to read as follows:

Use of funds.

43:17-35. Any funds heretofore or hereafter received and held by a relief association organized and existing under this article, from any source, may be used for the relief, support and maintenance of qualified firefighters and their dependents, not only during the lives of the firefighters but after their death, in accordance with such reasonable rules and regulations in regard thereto as the executive committee of the New Jersey State Firemen's Association from time to time establishes. The executive committee may make and establish, alter, amend and supplement these rules and regulations, may put into effect and alter, from time to time, the methods of administration as may best accomplish such results and may provide for the restoration of the funds of any local relief association diminished by payments made by an assessment levied by the executive committee in such equitable manner as it prescribes.

31. R.S.43:17-37 is amended to read as follows:

Local association, dissolution.

43:17-37. A local firemen's relief association, incorporated or reincorporated under this article may be dissolved at any meeting thereof by a vote, by written or printed ballot, of two-thirds of the members present and voting in favor thereof. Notice of the meeting, and of the purpose thereof, signed

by at least ten of the members, shall have been mailed to each person entitled to vote thereat at least twenty days prior thereto and published for three weeks successively, once in each week, in a newspaper circulating in the neighborhood where the association is located. Notice of the dissolution shall be filed forthwith with the Secretary of State and the secretary of the New Jersey State Firemen's Association.

32. R.S.43:17-39 is amended to read as follows:

Associations unaffected.

43:17-39. Nothing contained in this chapter shall be deemed to repeal the charter of any incorporated association, or to dissolve any voluntary association, organized, prior to March twenty-fifth, one thousand eight hundred and eighty-five, by the exempt firefighters of any city, or by the volunteer firefighters therein, previous to, at or about the time for the organization therein of a paid fire department, or to prevent the incorporation of any such associations. This chapter shall not apply to or affect in any manner any funds which have been or may be accumulated by any such associations.

33. R.S.43:17-41 is amended to read as follows:

State association continued; conduct of affairs; expenses.

43:17-41. The New Jersey State Firemen's Association organized pursuant to an act entitled "An act concerning firemen's relief associations," approved March twenty-fifth, one thousand eight hundred and eighty-five (L.1885, c.122, p.144), and the amendments thereof and supplements thereto, is continued as heretofore, and there shall not be more than one such State association.

The delegates and alternates of the local firemen's relief associations, elected as hereinafter provided, and the chief or next highest ranking officer, representing the local relief associations, together with the delegates and alternates from exempt firemen's associations of this State, elected as hereinafter provided, and those recognized by the New Jersey State Firemen's Association, or who may hereafter be elected by it as life members under its by-laws and constitution, so long as they remain members, and the officers of the New Jersey State Firemen's Association, shall conduct the affairs of the New Jersey State Firemen's Association.

The New Jersey State Firemen's Association shall have the same rights, powers and privileges as the local firemen's relief associations, including providing for the distribution of any fund for the relief of disabled or needy firefighters and their families. The expense of maintaining the New Jersey State Firemen's Association shall be borne equally by all of the local

firemen's relief associations in accordance with the rules and regulations adopted by the New Jersey State Firemen's Association.

34. R.S.43:17-42 is amended to read as follows:

Delegates, representatives of local firemen's relief associations.

43:17-42. On or before June 1st in each year, the board of representatives of each duly incorporated local firemen's relief association in this State shall choose, out of the whole body of the membership thereof, three delegates to the convention or meetings of the New Jersey State Firemen's Association and three alternates, one or more of whom shall act in the place of any delegate so chosen who may be unable to attend the convention or meetings of the New Jersey State Firemen's Association. They, together with the chief, or if there is no chief the next highest ranking officer, shall represent the local association at the conventions or meetings of the New Jersey State Firemen's Association.

35. R.S.43:17-43 is amended to read as follows:

Delegates of exempt firemen's association.

43:17-43. On or before June 1st in every year, each duly incorporated exempt firemen's association shall choose, by ballot, one delegate and one alternate who shall act in the place of the delegate who may be unable to attend the convention or meeting of the New Jersey State Firemen's Association out of the whole body of the membership thereof, who shall represent and vote for the local exempt firemen's association at the convention or meetings of the New Jersey State Firemen's Association. This delegate or alternate shall have the same rights, powers and privileges as the delegates elected to the New Jersey State Firemen's Association by the local firemen's relief associations.

36. R.S.43:17-44 is amended to read as follows:

Annual convention; election of officers.

43:17-44. At each annual convention of the New Jersey State Firemen's Association, there shall be elected, by ballot, a president, vice president, secretary, treasurer, first assistant secretary, second assistant secretary, executive committee and such other officers as the constitution and by-laws adopted by the New Jersey State Firemen's Association require. The president, secretary and other officers and such other persons or committees as the constitution and by-laws of the New Jersey State Firemen's Association provide, shall constitute the executive committee of the New Jersey State Firemen's Association. The president and secretary, after each

election, shall file with the Commissioner of Banking and Insurance a sworn statement of the fact of the election and of the names of the officers so elected. The first certificate filed after March twenty-fifth, one thousand eight hundred and eighty-five, which contained a reference to the act entitled "An act concerning firemen's relief associations," approved March twenty-fifth, one thousand eight hundred and eighty-five (L.1885, c.122, p.144), stated the intention to incorporate thereunder and had thereon an impression of the common seal of the New Jersey State Firemen's Association shall be deemed to be the certificate of incorporation of the New Jersey State Firemen's Association.

The executive committee of the New Jersey State Firemen's Association has the power to adopt and revise the constitution and by-laws from time for time in accordance with R.S.43:17-35.

At each annual convention the New Jersey State Firemen's Association may adopt for its use and government any amendment submitted by any local association or the executive committee to amend the constitution and by-laws as seem best for its uses and purposes.

37. R.S.43:17-45 is amended to read as follows:

Executive committee powers; annual report.

43:17-45. The executive committee of the New Jersey State Firemen's Association shall have the supervision and power of control of the funds and other property of all firemen's relief associations, shall see that the same are properly guarded and legally invested and expended and shall examine the annual reports of each association. It shall report to the Commissioner of Banking and Insurance, on or before June 10th in each year, a list of all associations which have complied with the law in all respects. Only associations so reported shall be entitled to the pro rata share of the moneys arising from the two per cent on premiums.

38. R.S.43:17-46 is amended to read as follows:

Field examiner, examination of books.

43:17-46. For the purpose of proper supervision and control of the funds and property of the local firemen's relief associations, the executive committee may, each year, elect a field examiner, who shall, by virtue of his office, be a member of the executive committee. The field examiner shall examine the books, bonds and property of any association whenever it may seem necessary for the proper care, safety and custody of the funds and property thereof, and for that purpose may demand and receive, for examination, all bonds and papers necessary to a full and fair examination thereof.

39. R.S.43:17-47 is amended to read as follows:

Annual certificate, filing; share in relief fund.

43:17-47. On or before June 1st in each year, the field examiner of the New Jersey State Firemen's Association shall file in the Office of the Secretary of State a sworn certificate, countersigned by the president of the New Jersey State Firemen's Association, stating the name and address of the treasurer of each local firemen's relief association which has complied with the requirements of this chapter.

No firemen's relief association or any of the officers thereof, shall share in the distribution of or be entitled to have or receive any part of any fund for the relief of needy or disabled firefighters, unless the association and officers shall have complied with R.S.43:17-31, and shall be so certified to the Secretary of State.

Repealer.

40. The following sections are repealed:
R.S.43:17-48
R.S.43:17-49
R.S.43:17-50
R.S.43:17-51
R.S.43:17-52
R.S.43:17-53
R.S.43:17-54.

41. This act shall take effect on the first day of the third month after enactment.

Approved December 27, 1996.

CHAPTER 152

AN ACT concerning alcohol brand registration and amending R.S.33:1-2.

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

1. R.S.33:1-2 is amended to read as follows:

License required, terms; personal use; brand registration; fees.

33:1-2. a. It shall be unlawful to manufacture, sell, possess with intent to sell, transport, warehouse, rectify, blend, treat, fortify, mix, process, bottle or distribute alcoholic beverages in this State, except pursuant to and within

the terms of a license, or as otherwise expressly authorized, under this chapter; but any drink actually intended for immediate personal use may be mixed by any person. Except as hereinafter provided, a person may, without limitation, purchase any amount of alcoholic beverages intended in good faith to be used solely for personal use and may personally transport those alcoholic beverages so purchased for personal use in any vehicle from a point within this State. Alcoholic beverages intended in good faith solely for personal use may be transported, by the owner thereof, in a vehicle other than that of the holder of a transportation license, from a point outside this State to the extent of, not exceeding 1/4 barrel or one case containing not in excess of 12 quarts in all, of beer, ale or porter, and one gallon of wine and two quarts of other alcoholic beverages within any consecutive period of 24 hours; provided, however, that except pursuant to and within the terms of a license or permit issued by the director, no person shall transport into this State or receive from without this State into this State, alcoholic beverages where the alcoholic beverages are transported or received from a state which prohibits the transportation into that state of alcoholic beverages purchased or otherwise obtained in the State of New Jersey. If any person or persons desire to transport alcoholic beverages intended only for personal use in quantities in excess of those above-mentioned, an application may be made to the director who may, upon being satisfied of the good faith of the applicant, and upon payment of a fee of $25.00 issue a special permit limited by such conditions as the director may impose, authorizing the transportation of alcoholic beverages in quantities in excess of those above-mentioned.

b. A holder of a Class B license under R.S.33:1-11 shall not sell or deliver for sale in New Jersey any brand of alcoholic beverage for resale in this State unless the alcoholic beverage is acquired from the brand owner, or his authorized agent, or a wholesale licensee designated as the registered distributor by the brand owner, or his authorized agent.

c. No licensee shall knowingly sell, offer for sale, deliver, receive or purchase, for resale in this State, any alcoholic beverage, including private label brands owned by a retailer and exclusive brands owned by a manufacturer or wholesaler and offered for sale or sold by such manufacturer or wholesaler exclusively to one New Jersey retailer or affiliated retailer, unless the brand owner or his authorized agent files with the Director of the Division of Alcoholic Beverage Control a brand registration schedule containing such information as the director shall by rule or regulation require. Each brand registration schedule must be renewed annually by January 1 of each year.

d. Each person who files a brand registration schedule and amendments thereto shall pay a filing fee of $23 per filing for each initial brand registra-

tion and annual renewal and $10 for each amendment. All wines shall be subject to the initial brand registration and annual renewal filings and fees, except that different vintages of the same wine shall not require separate brand registrations or renewals. Any registration may be suspended or revoked in the same manner as an alcoholic beverage license for any violation of Title 33 of the Revised Statutes and the rules and regulations promulgated thereto.

e. Nothing contained in this section shall be deemed to limit or modify the prohibition against discrimination in the sale of any nationally advertised brand of alcoholic beverages to currently authorized wholesalers as set forth in P.L.1966, c.59 (C.33:1-93.6 et seq.) nor shall this section be deemed to require the sale to anyone other than authorized retailers of private label brands which are owned by a retailer or exclusive brands which are owned by a manufacturer or wholesaler and offered for sale or sold by the manufacturer or wholesaler exclusively to one retailer or affiliated retailer, in this State.

2. This act shall take effect immediately.

Approved December 27, 1996.

CHAPTER 153

AN ACT concerning vacancies in the membership of school boards and amending N.J.S.18A:12-15.

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

1. N.J.S.18A:12-15 is amended to read as follows:

Filling vacancies.

18A:12-15. Vacancies in the membership of the board shall be filled as follows:

a. By the county superintendent, if the vacancy is caused by the absence of candidates for election to the school board or by the removal of a member because of lack of qualifications, or is not filled within 65 days following its occurrence;

b. By the county superintendent, to a number sufficient to make up a quorum of the board if, by reason of vacancies, a quorum is lacking;

c. By special election, if in the annual school election two or more candidates qualified by law for membership on the school board receive an equal number of votes. Such special election shall be held only upon recount

and certification by the county board of elections of such election result, shall be restricted to such candidates, shall be held within 60 days of the annual school election, and shall be conducted in accordance with procedures for annual and special school elections set forth in Title 19 of the Revised Statutes. The vacancy shall be filled by the county superintendent if in such special election two or more candidates qualified by law for membership on the school board receive an equal number of votes;

d. By special election if there is a failure to elect a member at the annual school election due to improper election procedures. Such special election shall be restricted to those persons who were candidates at such annual school election, shall be held within 60 days of such annual school election, and shall be conducted in accordance with the procedures for annual and special school elections set forth in Title 19 of the Revised Statutes;

e. By the commissioner if there is a failure to elect a member at the annual school election due to improper campaign practices; or

f. By a majority vote of the remaining members of the board after the vacancy occurs in all other cases.

Each member so appointed shall serve until the organizational meeting following the next annual election unless he is appointed to fill a vacancy occurring within the 60 days immediately preceding such election to fill a term extending beyond such election, in which case he shall serve until the organizational meeting following the second annual election next succeeding the occurrence of the vacancy, and any vacancy for the remainder of the term shall be filled at the annual election or the second annual election next succeeding the occurrence of the vacancy as the case may be.

2. This act shall take effect immediately.

Approved December 27, 1996.

CHAPTER 154

AN ACT requiring the use of uniform prescription blanks, amending R.S.45:14-14, N.J.S.2C:20-2 and N.J.S.2C:21-1 and supplementing chapter 14 of Title 45 of the Revised Statutes.

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

C.45:14-14.1 Findings, declarations relative to uniform prescription blanks.

1. The Legislature finds and declares that the welfare of the citizens of this State and the financial integrity of the governmental reimbursement programs administered for their benefit are threatened by the growing problem of prescription drug abuse, particularly the widespread trafficking in forged and altered prescriptions for oral drugs and items; the submission of these forged prescriptions for payment by State and federal funds through the Medicaid, Pharmaceutical Assistance to the Aged and Disabled, and general assistance programs and by private health insurers drive the cost of health care up for all citizens of New Jersey; and to reduce the ease with which such forgeries can be accomplished and to deter drug abuse, the implementation of a program by which prescriptions shall be written on a uniform prescription blank, printed on non-reproducible, non-erasable safety paper, subject to stringent security controls, is required.

The Legislature further finds and declares that it is likely that prior authorization programs to control fraud and abuse may become unnecessary upon the passage and implementation of P.L.1996, c.154 (C.45:14-14.1 et al.).

C.45:14-14.2 Use of New Jersey Prescription Blanks by licensed prescriber required.

2. a. Beginning 180 days after the effective date of P.L.1996, c.154 (C.45:14-14.1 et al.), a licensed prescriber shall use non-reproducible, non-erasable safety paper New Jersey Prescription Blanks bearing that prescriber's license number whenever the prescriber issues prescriptions for controlled dangerous substances, prescription legend drugs or other prescription items. The prescription blanks shall be secured from a vendor approved by the Division of Consumer Affairs in the Department of Law and Public Safety.

Notwithstanding the provisions of this subsection to the contrary, the Director of the Division of Consumer Affairs may temporarily suspend the operative date of this subsection if the director finds that an insufficient number of licensed prescribers have obtained the required prescription blanks by the operative date with the result that persons seeking to have prescriptions filled would be substantially inconvenienced. The director shall promptly notify the licensed prescribers of the new operative date of this subsection.

b. A licensed prescriber shall maintain a record of the receipt of New Jersey Prescription Blanks. The prescriber shall notify the Office of Drug Control in the Division of Consumer Affairs as soon as possible but no later than 72 hours of being made aware that any New Jersey Prescription Blank in the prescriber's possession has been stolen. Upon receipt of notification,

the Office of Drug Control shall take appropriate action, including notification to the Department of Human Services and the Attorney General.

C.45:14-14.3 Use of New Jersey Prescription Blanks by health care facility required.

3. a. Beginning 180 days after the effective date of P.L.1996, c.154 (C.45:14-14.1 et al.), prescriptions issued by a health care facility licensed pursuant to P.L.1971, c.136 (C.26:2H-1 et seq.) shall be written on non-reproducible, non-erasable safety paper New Jersey Prescription Blanks. The prescription blanks shall be secured from a vendor approved by the Division of Consumer Affairs in the Department of Law and Public Safety. The New Jersey Prescription Blanks shall bear the unique provider number assigned to that health care facility for the issuing of prescriptions for controlled dangerous substances, prescription legend drugs or other prescription items.

Notwithstanding the provisions of this subsection to the contrary, the Director of the Division of Consumer Affairs may temporarily suspend the operative date of this subsection if the director finds that an insufficient number of licensed health care facilities have obtained the required prescription blanks by the operative date with the result that persons seeking to have prescriptions filled would be substantially inconvenienced. The director shall promptly notify the licensed health care facilities of the new operative date of this subsection.

b. A health care facility shall maintain a record of the receipt of New Jersey Prescription Blanks. The health care facility shall notify the Office of Drug Control in the Division of Consumer Affairs as soon as possible but no later than 72 hours of being made aware that any New Jersey Prescription Blank in the facility's possession has been stolen. Upon receipt of notification, the Office of Drug Control shall take appropriate action, including notification to the Department of Human Services and the Attorney General.

C.45:14-14.4 Use of New Jersey Prescription Blanks for filling of prescription by pharmacist required.

4. a. Beginning 180 days after the effective date of P.L.1996, c.154 (C.45:14-14.1 et al.), a prescription issued by a licensed prescriber or health care facility shall not be filled by a pharmacist unless the prescription is issued on a New Jersey Prescription Blank bearing the prescriber's license number or the unique provider number assigned to a health care facility, as required pursuant to section 2 or 3 of P.L.1996, c.154 (C.45:14-14.2 or C.45:14-14.3).

Notwithstanding the provisions of this subsection to the contrary, the Director of the Division of Consumer Affairs in the Department of Law and Public Safety may temporarily suspend the operative date of this subsection if the director finds that an insufficient number of licensed prescribers or licensed health care facilities have obtained the required prescription blanks

by the operative date with the result that persons seeking to have prescriptions filled would be substantially inconvenienced. The director shall notify licensed pharmacists of the new operative date of this subsection.

b. Notwithstanding the provisions of subsection a. of this section to the contrary, for the 90 days following the 180-day period or such other operative date as may be determined by the Director of the Division of Consumer Affairs pursuant to subsection a. of this section, a pharmacist, prior to filling a prescription, shall request verification, in writing or orally, of the prescription from the prescriber or health care facility if the pharmacist receives a prescription that is not issued on a New Jersey Prescription Blank as required by section 2 or 3 of P.L.1996, c.154 (C.45:14-14.2 or C.45:14-14.3).

C.45:14-14.5 Transmission of prescription by telephone, electronic means.

5. Nothing contained in P.L.1996, c.154 (C.45:14-14.1 et al.) shall preclude a licensed prescriber from transmitting to a pharmacist by telephone or electronic means a prescription, as otherwise authorized by law, if that prescriber provides the prescriber's Drug Enforcement Administration registration number or prescriber's license number, as appropriate, to the pharmacist at the time the prescriber transmits the prescription.

C.45:14-14.6 Establishment of format for New Jersey Prescription Blanks.

6. a. The Division of Consumer Affairs in the Department of Law and Public Safety shall establish the format for uniform, non-reproducible, non-erasable safety paper prescription blanks, to be known as New Jersey Prescription Blanks, which format shall include an identifiable logo or symbol that will appear on all prescription blanks. The division shall establish the format and solicit vendors within 10 days after the effective date of P.L.1996, c.154 (C.45:14-14.1 et al.). The division shall, within 45 days of the effective date of P.L.1996, c.154, approve a sufficient number of vendors to ensure production of an adequate supply of New Jersey Prescription Blanks for licensed prescribers and health care facilities Statewide.

b. The Division of Consumer Affairs shall mail to all licensed prescribers in this State designated under R.S.45:14-14 to write prescriptions, to all licensed pharmacists and to all licensed health care facilities a notice of the requirements of P.L.1996, c.154 (C.45:14-14.1 et al.) and the names and addresses of the vendors approved to produce New Jersey Prescription Blanks. The notice shall be mailed 30 days prior to the operative date of sections 2, 3 and 4 of P.L.1996, c.154 (C.45:14-14.2, C.45:14-14.3 and C.45:14-14.4).

7. a. No later than May 1, 1997, the Department of Human Services, in conjunction with the Department of Health and Senior Services, shall submit a written report to the Legislature and the Senate Budget and Appropriations Committee and the Assembly Appropriations Committee, or their successors, documenting the costs and savings directly attributable to prior authorization programs in order to determine whether prior authorization programs are both cost effective and not duplicative of other programs in reducing fraud and abuse related to prescription drugs.

b. No later than February 1, 1998, the Department of Human Services, in conjunction with the Department of Health and Senior Services, shall submit a report to the Legislature and the Senate Budget and Appropriations Committee and the Assembly Appropriations Committee, or their successors, detailing the impact of P.L.1996, c.154 (C.45:14-14.1 et al.).

8. R.S.45:14-14 is amended to read as follows:

"Prescription" defined.

45:14-14. The term "prescription" as used in R.S.45:14-13, and R.S.45:14-15 to R.S.45:14-17 means an order for drugs or medicines or combinations or mixtures thereof, written or signed by a duly licensed physician, dentist, optometrist, veterinarian, other medical practitioner, a certified nurse midwife, a nurse practitioner/clinical nurse specialist or a physician assistant, licensed or approved to write prescriptions intended for the treatment or prevention of disease in man or animals, and includes orders for drugs or medicines or combinations or mixtures thereof, on a New Jersey Prescription Blank obtained from a vendor approved by the Division of Consumer Affairs in the Department of Law and Public Safety pursuant to section 6 of P.L.1996, c.154 (C.45:14-14.6), transmitted to pharmacists through word of mouth, telephone, telegraph or other means of communication by a duly licensed physician, dentist, optometrist, veterinarian, other medical practitioner, a certified nurse midwife, a nurse practitioner/clinical nurse specialist or a physician assistant, licensed or approved to write prescriptions intended for the treatment or prevention of disease in man or animals, and such prescriptions received by word of mouth, telephone, telegraph or other means of communication shall be recorded in writing by the pharmacist and the record so made by the pharmacist shall constitute the original prescription to be filed by the pharmacist as provided for in R.S.45:14-15, but no prescription, for any narcotic drug, except as provided in section 15 of P.L.1970, c.226 (C.24:21-15), shall be given or transmitted to pharmacists, in any other manner, than in writing signed by the physician, dentist, veterinarian, other medical practitioner, certified nurse midwife,

nurse practitioner/clinical nurse specialist or a physician assistant, giving or transmitting the same, nor shall such prescription be renewed or refilled.

9. N.J.S.2C:20-2 is amended to read as follows:

Consolidation of theft offenses; grading; provisions applicable to theft generally.

2C:20-2. Consolidation of Theft Offenses; Grading; Provisions Applicable to Theft Generally. a. Consolidation of Theft Offenses. Conduct denominated theft in this chapter constitutes a single offense, but each episode or transaction may be the subject of a separate prosecution and conviction. A charge of theft may be supported by evidence that it was committed in any manner that would be theft under this chapter, notwithstanding the specification of a different manner in the indictment or accusation, subject only to the power of the court to ensure fair trial by granting a bill of particulars, discovery, a continuance, or other appropriate relief where the conduct of the defense would be prejudiced by lack of fair notice or by surprise.

b. Grading of theft offenses.

(1) Theft constitutes a crime of the second degree if:

(a) The amount involved is $75,000.00 or more;

(b) The property is taken by extortion;

(c) The property stolen is a controlled dangerous substance or controlled substance analog as defined in N.J.S.2C:35-2 and the quantity is in excess of one kilogram; or

(d) The property stolen is a person's benefits under federal or State law, or from any other source, which the Department of Human Services or an agency acting on its behalf has budgeted for the person's health care and the amount involved is $75,000 or more.

(2) Theft constitutes a crime of the third degree if:

(a) The amount involved exceeds $500.00 but is less than $75,000.00;

(b) The property stolen is a firearm, motor vehicle, vessel, boat, horse or airplane;

(c) The property stolen is a controlled dangerous substance or controlled substance analog as defined in N.J.S.2C:35-2 and the amount involved is less than $75,000.00 or is undetermined and the quantity is one kilogram or less;

(d) It is from the person of the victim;

(e) It is in breach of an obligation by a person in his capacity as a fiduciary;

(f) It is by threat not amounting to extortion;

(g) It is of a public record, writing or instrument kept, filed or deposited according to law with or in the keeping of any public office or public servant;

(h) The property stolen is a person's benefits under federal or State law, or from any other source, which the Department of Human Services or an agency acting on its behalf has budgeted for the person's health care and the amount involved is less than $75,000;

(i) The property stolen is any real or personal property related to, necessary for, or derived from research, regardless of value, including, but not limited to, any sample, specimens and components thereof, research subject, including any warm-blooded or cold-blooded animals being used for research or intended for use in research, supplies, records, data or test results, prototypes or equipment, as well as any proprietary information or other type of information related to research ; or

(j) The property stolen is a New Jersey Prescription Blank as referred to in R.S.45:14-14.

(3) Theft constitutes a crime of the fourth degree if the amount involved is at least $200.00 but does not exceed $500.00. If the amount involved was less than $200.00 the offense constitutes a disorderly persons offense.

(4) The amount involved in a theft shall be determined by the trier of fact. The amount shall include, but shall not be limited to, the amount of any State tax avoided, evaded or otherwise unpaid, improperly retained or disposed of. Amounts involved in thefts committed pursuant to one scheme or course of conduct, whether from the same person or several persons, may be aggregated in determining the grade of the offense.

c. Claim of right. It is an affirmative defense to prosecution for theft that the actor:

(1) Was unaware that the property or service was that of another;

(2) Acted under an honest claim of right to the property or service involved or that he had a right to acquire or dispose of it as he did; or

(3) Took property exposed for sale, intending to purchase and pay for it promptly, or reasonably believing that the owner, if present, would have consented.

d. Theft from spouse. It is no defense that theft was from the actor's spouse, except that misappropriation of household and personal effects, or other property normally accessible to both spouses, is theft only if it occurs after the parties have ceased living together.

10. N.J.S.2C:21-1 is amended to read as follows:

Forgery and related offenses.

2C:21-1. a. Forgery. A person is guilty of forgery if, with purpose to defraud or injure anyone, or with knowledge that he is facilitating a fraud or injury to be perpetrated by anyone, the actor:

(1) Alters or changes any writing of another without his authorization;

(2) Makes, completes, executes, authenticates, issues or transfers any writing so that it purports to be the act of another who did not authorize that act or of a fictitious person, or to have been executed at a time or place or in a numbered sequence other than was in fact the case, or to be a copy of an original when no such original existed; or

(3) Utters any writing which he knows to be forged in a manner specified in paragraph (1) or (2).

"Writing" includes printing or any other method of recording information, money, coins, tokens, stamps, seals, credit cards, badges, trademarks, and other symbols of value, right, privilege, or identification.

b. Grading of forgery. Forgery is a crime of the third degree if the writing is or purports to be part of an issue of money, securities, postage or revenue stamps, or other instruments, certificates or licenses issued by the government, New Jersey Prescription Blanks as referred to in R.S.45:14-14, or part of an issue of stock, bonds or other instruments representing interest in or claims against any property or enterprise.

Otherwise forgery is a crime of the fourth degree.

c. Possession of forgery devices. A person is guilty of possession of forgery devices, a crime of the third degree, when with purpose to use, or to aid or permit another to use the same for purposes of forging written instruments, he makes or possesses any device, apparatus, equipment or article specially designed or adapted to such use.

11. This act shall take effect immediately.

Approved January 6, 1997.

CHAPTER 155

AN ACT concerning certain dividends paid by certain domestic insurers and amending P.L.1994, c.189.

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

1. Section 1 of P.L.1994, c.189 (C.17:17-20) is amended to read as follows:

C.17:17-20. Change of domicile for insurers.

1. a. An insurer that is formed under the laws of another state and is admitted to transact the business of insurance in this State may become a domestic insurer upon the commissioner's determination that the company has complied with all applicable requirements of Title 17 of the Revised Statutes relating to the formation of a domestic insurer of the same type. If the commissioner approves the domestication of a foreign insurer pursuant to this section, the insurer shall be entitled to a certificate of authority equivalent to that which was previously held as a foreign insurer and the insurer shall be subject to the authority and jurisdiction of this State. The newly domesticated insurer shall amend its articles of incorporation to provide that the corporation is a continuation of the corporate existence of the original foreign corporation through the adoption of this State as its corporate domicile, and that the original date of incorporation in its original domiciliary state is the date of incorporation of such domestic insurer. For purposes of the premium tax laws, pursuant to P.L.1945, c.132 (C.54:18A-1 et seq.), however, the date of licensure shall be the date on which the commissioner approves the domestication in this State.

b. Any domestic insurer may, upon the written approval of the commissioner, transfer its domicile to any other state in which it is admitted to transact the business of insurance. The company shall cease to be a domestic insurer as of the effective date of the transfer approved by the commissioner. Such a company shall be admitted to transact the business of insurance in this State if the company is otherwise qualified as a foreign insurer pursuant to the applicable requirements of Title 17 of the Revised Statutes.

c. Every insurer authorized to transact business in the State shall notify the commissioner of the details of any proposed transfer of domicile at least 60 days prior to the effective date of the proposed transfer, however, the commissioner may approve a shorter period for providing such notice. Such an insurer shall file promptly any resulting amendments to corporate documents filed or required to be filed with the commissioner.

d. Prior to granting approval for any foreign insurer to become a domestic insurer, or for a domestic insurer to transfer its domicile to another state, the commissioner may conduct whatever investigations, examinations or hearings he deems necessary, and may subject the issuance of his approval to the conditions and restrictions that he determines are reasonable and necessary for the protection of the company's policyholders or the public.

e. The transfer of domicile of an insurer pursuant to the provisions of this section shall not be construed to alter either the existing rights,

franchises and interests, or the duties, obligations and liabilities of the insurer transferring domicile, except as otherwise provided by law. Insurers who transfer domicile shall continue to be subject to all the liabilities, claims and demands against the company which were in existence prior to the transfer of domicile. Any action or proceeding pending at the time of the consummation of the process by which the domicile is transferred in which the company is a party shall not abate or discontinue by reason of the transfer of domicile, but shall be prosecuted to a final resolution in the same manner as if the transfer of domicile had not taken place.

f. The certificate of authority, insurance producer appointments and licenses, rating systems and other documents required to be maintained for regulatory purposes, which are in existence and approved for use in this State at the time any insurer licensed to transact the business of insurance in this State transfers its corporate domicile to this or any other state by merger, consolidation, transfer, or any other lawful method, shall continue in full force and effect upon such transfer if the commissioner is satisfied that the insurer remains duly qualified to transact the business of insurance in this State. All outstanding policies of any transferring insurer shall remain in full force and effect and need not be endorsed as to the new name of the company or its new location unless so ordered by the commissioner. To the extent required by law, every transferring insurer shall file new policy forms with the commissioner on or before the effective date of the transfer, but may use existing policy forms with appropriate endorsements if allowed by, and under such conditions as approved by, the commissioner.

g. When two foreign insurers of the same insurance holding company system domiciled in different states are approved for domestication pursuant to subsection a. of this section during the calendar year following enactment of P.L.1994, c.189 (C.17:17-20 et al.), these insurers shall thereafter file financial statements in this State pursuant to R.S. 17:23-1 that are consistent with the financial statements filed by each other with respect to the same or similar financial transactions notwithstanding any inconsistent financial statements filed previously as required by insurance regulators of the prior respective domiciles. Any dividends previously paid by these insurers pursuant to the laws of the former domiciliary states in excess of the earned surplus of these insurers shall, to the extent of such excess, be reported on the financial statements filed by each insurer after domestication in this State as a return of capital distributed from gross paid in and contributed surplus rather than as negative earnings.

2. This act shall take effect immediately.

Approved January 8, 1997.

CHAPTER 156

AN ACT concerning the New Jersey Property-Liability Insurance Guaranty Association and the New Jersey Surplus Lines Insurance Guaranty Fund and amending P.L.1974, c.17 and P.L.1984, c.101.

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

1. Section 5 of P.L.1974, c.17 (C.17:30A-5) is amended to read as follows:

C.17:30A-5 Definitions relative to the Property-Liability Insurance Guaranty Association.

5. As used in this act:

a. (Deleted by amendment.)

b. "Association" means the New Jersey Property-Liability Insurance Guaranty Association created under section 6;

c. "Commissioner" means the Commissioner of Banking and Insurance of this State;

d. "Covered claim" means an unpaid claim, including one of unearned premiums, which arises out of and is within the coverage, and not in excess of the applicable limits of an insurance policy to which this act applies, issued by an insurer, if such insurer becomes an insolvent insurer after January 1, 1974, and (1) the claimant or insured is a resident of this State at the time of the insured event; or (2) the property from which the claim arises is permanently located in this State. "Covered claim" shall not include any amount due any reinsurer, insurer, insurance pool, or underwriting association, as subrogation recoveries or otherwise; provided, that a claim for any such amount, asserted against a person insured under a policy issued by an insurer which has become an insolvent insurer, which, if it were not a claim by or for the benefit of a reinsurer, insurer, insurance pool, or underwriting association, would be a "covered claim," may be filed directly with the receiver of the insolvent insurer, but in no event may any such claim be asserted in any legal action against the insured of such insolvent insurer.

A "covered claim" shall not include amounts for interest on unliquidated claims, punitive damages unless covered by the policy, counsel fees for prosecuting suits for claims against the association, and assessments or charges for failure of such insolvent insurer to have expeditiously settled claims.

A "covered claim" shall not include a claim filed with the association after the final date set by the court for the filing of claims against the liquidator or receiver of an insolvent insurer unless the claimant demon-

strates unusual hardship and the commissioner approves of treatment of the claim as a "covered claim." "Unusual hardship" shall be defined in regulations promulgated by the commissioner. With respect to insurer insolvencies pending as of the effective date of this 1996 amendatory act, a "covered claim" shall not include a claim filed with the association: (1) more than one year after the effective date of this 1996 amendatory act or (2) the date set by the court for the filing of claims against the liquidator or receiver of the insolvent insurer, whichever date occurs later;

e. "Insolvent insurer" means (1) a licensed insurer admitted pursuant to R.S.17:32-1 et seq. or authorized pursuant to R.S.17:17-1 et seq., or P.L.1945, c.161 (C.17:50-1 et seq.) to transact the business of insurance in this State either at the time the policy was issued or when the insured event occurred, and (2) which is determined to be insolvent by the court of competent jurisdiction. "Insolvent insurer" does not include any unauthorized or nonadmitted insurer whether or not deemed eligible for surplus lines pursuant to P.L.1960, c.32 (C.17:22-6.37 et seq.);

f. "Member insurer" means any person who (1) writes any kind of insurance to which this act applies under section 2 b. including the exchange of reciprocal or interinsurance contracts and (2) is a licensed insurer admitted or authorized to transact the business of insurance in this State. "Member insurer" does not include any unauthorized or nonadmitted insurer whether or not deemed eligible for surplus lines pursuant to P.L.1960, c.32 (C.17:22-6.37 et seq.);

g. "Net direct written premiums" means direct gross premiums written in this State on insurance policies to which this act applies, less return premiums thereon and dividends paid or credited to policyholders on such direct business. "Net direct written premiums" does not include premiums on contracts between insurers or reinsurers, and does not include premiums on policies issued by an insurer as a member of the New Jersey Insurance Underwriting Association pursuant to P.L.1968, c.129 (C.17:37A-1 et seq.).

2. Section 12 of P.L.1974, c.17 (C.17:30A-12) is amended to read as follows:

C.17:30A-12 Recovery of covered claims, exhaustion of other sources.

12. a. Any person having a covered claim which may be recovered from more than one insurance guaranty association or its equivalent shall seek recovery first from the association of the place of residence of the insured at the time of the insured event except that if it is a first party claim for damage to property with a permanent location, he shall seek recovery first from the association of the location of the property. Any recovery under this act shall be reduced by the amount of recovery from any other insurance guaranty

association or its equivalent. However, if recovery is denied or deferred by the association, a person may proceed to recover from any other insurance guaranty association or its equivalent from which recovery may be legally sought.

b. Any person having a claim against an insurer, whether or not the insurer is a member insurer, under any provision in an insurance policy other than a policy of an insolvent insurer which is also a covered claim, shall be required to exhaust first his right under that other policy. An amount payable on a covered claim under P.L.1974, c.17 (C.17:30A-1 et seq.) shall be reduced by the amount of recovery under any such insurance policy.

3. Section 3 of P.L.1984, c.101 (C.17:22-6.72) is amended to read as follows:

C.17:22-6.72 Definitions relative to the Surplus Lines Insurance Guaranty Fund.

3. As used in this act:

a. "Association" means the New Jersey Property-Liability Insurance Guaranty Association created pursuant to P.L.1974, c.17 (C.17:30A-1 et seq.).

b. "Covered claim" means an unpaid claim, including a claim for unearned premiums, which arises out of and is within the coverage, and not in excess of the applicable limits of an insurance policy to which this act applies, and which was issued by a surplus lines insurer which was eligible to transact insurance business in this State at the time the policy was issued and which has been determined to be an insolvent insurer on or after June 1, 1984, if (1) the claimant or policyholder is a resident of this State at the time of the occurrence of the insured event for which a claim has been made, or (2) the property from which the claim arises is permanently located in this State.

"Covered claim" shall not include any amount due any reinsurer, insurance pool or underwriting association, as subrogation recoveries or otherwise, except that a claim for any such amount, asserted against a person insured under a policy issued by a surplus lines insurer which has become an insolvent insurer, which, if it were not a claim by or for the benefit of a reinsurer, insurer, insurance pool, or underwriting association, would be a "covered claim," may be filed directly with the receiver of the insolvent insurer, but in no event may any such claim be asserted in any legal action against the insured of that insolvent insurer. "Covered claim" shall also not include amounts for interest on unliquidated claims, punitive damages unless covered by the policy, counsel fees for prosecuting suits for claims against the fund, and assessments or charges for failure by an insolvent insurer to have expeditiously settled claims.

A "covered claim" shall not include a claim filed with the fund after the final date set by the court for the filing of claims against the liquidator or receiver of an insolvent insurer unless the claimant demonstrates unusual hardship and the commissioner approves of treatment of the claim as a "covered claim." "Unusual hardship" shall be defined in regulations promulgated by the commissioner. With respect to insurer insolvencies pending as of the effective date of this 1996 amendatory act, a "covered claim" shall not include a claim filed with the fund: (1) more than one year after the effective date of this 1996 amendatory act or (2) the date set by the court for the filing of claims against the liquidator or receiver of the insolvent insurer, whichever date occurs later.

c. "Fund" means the New Jersey Surplus Lines Insurance Guaranty Fund created pursuant to section 4 of this act.

d. "Insolvent insurer" means an insurer which was an eligible surplus lines insurer at the time the insurance policy was issued or when the insured event occurred, and which is determined to be insolvent by a court of competent jurisdiction in this State or the state or place in which the surplus lines insurer is domiciled. "Insolvent insurer" does not include an admitted insurer issuing insurance pursuant to section 10 of P.L.1960, c.32 (C.17:22-6.44).

e. "Member insurer" means an eligible, nonadmitted or surplus lines insurer required to be a member of, and that is subject to, assessments by the fund.

f. "Net direct written premiums" means direct gross premiums on insurance policies written by a surplus lines insurer to which this act applies, less return premiums thereon and dividends paid or credited to policyholders on that direct business. If a policy issued by a surplus lines insurer covers risks or exposures only partially in this State, the "net direct written premiums" shall be computed, for assessment purposes, on that portion of the premium subject to the premium receipts tax levied in accordance with section 25 of P.L.1960, c.32 (C.17:22-6.59). "Net direct written premiums" do not include premiums on contracts between insurers or reinsurers.

g. "Surplus lines insurer" means a nonadmitted insurer approved as an eligible, nonadmitted or unauthorized insurer pursuant to section 11 of P.L.1960, c.32 (C.17:22-6.45) at the time the policies were issued against which a covered claim may be filed in accordance with this act.

4. Section 10 of P.L.1984, c.101 (C.17:22-6.79) is amended to read as follows:

C.17:22-6.79 Recovery of covered claims, exhaustion of other sources.

10. a. Any person having a covered claim that may be recovered from more than one insurance guaranty association, or its equivalent, shall seek recovery first from the association of the place of residence of the policyholder at the time of the insured event, except that if it is a first party claim for damage to property with a permanent location, he shall seek recovery first from the association of the jurisdiction in which the property is located. Any recovery under this act shall be reduced by the amount of recovery from any other insurance guaranty association; except that, if recovery is denied or deferred by that association, a person may proceed to recover from any other insurance guaranty association from which recovery may be legally sought.

b. Any person having a claim against an insurer, whether or not the insurer is a member insurer, under any provision in an insurance policy other than a policy of an insolvent insurer which is also a covered claim, shall be required to exhaust first his right under that other policy. An amount payable on a covered claim under P.L.1984, c.101 (C.17:22-6.70 et seq.) shall be reduced by the amount of recovery under any such insurance policy.

5. This act shall take effect immediately and shall apply to all pending unpaid claims and all claims filed on or after the effective date of this act.

Approved January 8, 1997.

CHAPTER 157

AN ACT concerning licensed lenders, supplementing Title 17 of the Revised Statutes, and amending and repealing various parts of the statutory law.

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

C.17:11C-1 Short title.

1. Sections 1 through 49 of this act shall be known and may be cited as the "New Jersey Licensed Lenders Act."

C.17:11C-2 Definitions regarding licensed lenders.

2. As used in this act:

"Billing cycle" means the time interval between periodic billing dates. A billing cycle shall be considered monthly if the closing date of the cycle is the same date each month or does not vary by more than four days from such date.

"Borrower" means any person applying for a loan from a lender licensed under this act, whether or not the loan is granted, and any person who has actually obtained such a loan.

"Closed-end loan" means a secondary mortgage loan pursuant to which the licensee advances a specified amount of money and the borrower agrees to repay the principal and interest in substantially equal installments over a stated period of time, except that: (1) the amount of the final installment payment may be substantially greater than the previous installments if the term of the loan is at least 36 months, or under 36 months if the remaining term of the first mortgage loan is under 36 months; or (2) the amount of the installment payments may vary as a result of the change in the interest rate as permitted by this act.

"Consumer loan business" means the business of making loans of money, credit, goods or things in action in the amount or value of $15,000 or less and charging, contracting for, or receiving a greater rate of interest, discount or consideration therefor than the lender would be permitted by law to charge if he were not a licensee hereunder, except as authorized by this act and without first obtaining a license from the commissioner. Any person directly or indirectly engaging in the business of soliciting or taking applications for such loans of $15,000 or less, or in the business of negotiating or arranging or aiding the borrower or lender in procuring or making such loans of $15,000 or less, or in the business of buying, discounting or indorsing notes, or of furnishing, or procuring guarantee or security for compensation in amounts of $15,000 or less, shall be deemed to be engaging in the consumer loan business.

"Commissioner" means the Commissioner of Banking and Insurance.

"Consumer lender" means a person licensed, or a person who should be licensed, under this act to engage in the consumer loan business.

"Consumer loan" means a loan of $15,000 or less made by a consumer lender pursuant to the terms of this act, and not a first mortgage loan or a secondary mortgage loan.

"Controlling interest" means ownership, control or interest of 25% or more of the licensee or applicant.

"Correspondent mortgage banker" means a mortgage banker which: (1) in the regular course of business, does not hold mortgage loans in its portfolio, or service mortgage loans, for more than 90 days; and (2) has shown to the department's satisfaction an ability to fund loans through warehouse agreements, table funding agreements or otherwise.

"Department" means the Department of Banking and Insurance.

"Depository institution" means a state or federally chartered bank, savings bank, savings and loan association, building and loan association or credit union.

"First mortgage loan" means any loan secured by a first mortgage on real property on a one to six family dwelling, a portion of which may be used for nonresidential purposes.

"Licensee" means a person who is licensed under this act.

"Mortgage banker" means any person, not exempt under section 4 of this act and licensed pursuant to the provisions of this act, who for compensation or gain, or in the expectation of compensation or gain, either directly or indirectly originates, acquires or negotiates first mortgage loans in the primary market.

"Mortgage broker" means any person, not exempt under section 4 of this act and licensed pursuant to the provisions of this act, who for compensation or gain, or in the expectation of compensation or gain, either directly or indirectly negotiates, places or sells for other, or offers to negotiate, place or sell for others, first mortgage loans in the primary market.

"Open-end loan" means a secondary mortgage loan or consumer loan made by a secondary lender or consumer lender pursuant to a written agreement with the borrower whereby:

(1) The lender may permit the borrower to obtain advances of money from the secondary lender from time to time or the secondary lender may advance money on behalf of the borrower from time to time as directed by the borrower;

(2) The amount of each advance and permitted interest and charges are debited to the borrower's account and payments and other credits are credited to the same account;

(3) Interest is computed on the unpaid principal balance or balances of the account from time to time; and

(4) The borrower has the privilege of paying the account in full at any time or, if the account is not in default, in monthly installments of fixed or determinable amounts as provided in the agreement.

"Person" means an individual, association, joint venture, partnership, limited partnership association, limited liability company, corporation, trust, or any other group of individuals however organized.

"Primary market" means the market wherein first mortgage loans are originated between a lender and a borrower, whether or not through a mortgage broker or other conduit.

"Sales finance company" shall have the meaning ascribed to it in section 1 of P.L.1960, c.40 (C.17:16C-1).

"Secondary lender" means a person licensed, or a person who should be licensed, under this act to engage in the secondary mortgage loan business.

"Secondary mortgage loan" means a loan made to an individual, association, joint venture, partnership, limited partnership association,

limited liability company, trust, or any other group of individuals, however organized, except a corporation, which is secured in whole or in part by a lien upon any interest in real property, including but not limited to shares of stock in a cooperative corporation, created by a security agreement, including a mortgage, indenture, or any other similar instrument or document, which real property is subject to one or more prior mortgage liens and on which there is erected a structure containing one, two, three, four, five or six dwelling units, a portion of which structure may be used for nonresidential purposes, except that the following loans shall not be subject to the provisions of this act: (1) a loan which is to be repaid in 90 days or less; (2) a loan which is taken as security for a home repair contract executed in accordance with the provisions of the "Home Repair Financing Act," P.L.1960, c.41 (C.17:16C-62 et seq.); or (3) a loan which is the result of the private sale of a dwelling, if title to the dwelling is in the name of the seller and the seller has resided in that dwelling for at least one year, if the buyer is purchasing that dwelling for his own residence and, if the buyer, as part of the purchase price, executes a secondary mortgage in favor of the seller.

"Secondary mortgage loan business" means advertising, causing to be advertised, soliciting, negotiating, offering to make or making a secondary mortgage loan in this State, whether directly or by any person acting for his benefit, or becoming the subsequent holder of a promissory note or mortgage, indenture or any other similar instrument or document received in connection with a secondary mortgage loan.

"Solicitor" means any person not licensed as a mortgage banker or mortgage broker who is employed as a solicitor by one, and not more than one, licensee, who is subject to the direct supervision and control of that licensee, and who solicits, provides or accepts first mortgage loan applications, or assists borrowers in completing first mortgage loan applications, and whose compensation is in any way based on the dollar amount or volume of first mortgage loan applications, first mortgage loan closings or other first mortgage loan activity.

C.17:11C-3 License required for mortgage banker, broker, secondary mortgage, consumer loan business.

3. a. No person shall act as a mortgage banker or mortgage broker, engage in the secondary mortgage loan business or engage in the consumer loan business without first obtaining a license under this act, except that a person licensed as a mortgage banker may act as a mortgage broker or mortgage solicitor, and a person licensed as a mortgage broker may act as a mortgage solicitor.

b. The department shall issue licenses under this act which specify whether a licensee may act as a mortgage banker or mortgage broker, a secondary lender or a consumer lender. A licensee may not engage in a licensed activity under the act unless the license issued by the department specifies that the licensee may engage in that licensed activity.

c. No person shall act as a solicitor without first being registered with the department.

d. No corporation, partnership, association or any other entity shall be issued or hold a license as a mortgage banker or broker or secondary lender unless one officer or principal has an individual license of that same type sought or held. The commissioner may, by regulation, require a licensed mortgage banker or broker to employ additional licensed individuals to properly supervise the licensee and its branch offices. If the employed individual licensee allows his license to lapse or for some other reason is no longer affiliated with the employing licensee, the employing licensee shall notify the commissioner within 10 days, and shall appoint another licensed individual within 90 days or such longer period as permitted by the commissioner.

C.17:11C-4 Nonapplicability of act.

4. The requirements of this act which apply to a mortgage banker, mortgage broker or mortgage solicitor shall not apply to :

a. Depository institutions and insurance companies; but subsidiaries and service corporations of these institutions or companies shall not be exempt.

b. A person making, acquiring or selling mortgage loans for private investment or gain and not in the regular course of business. Only a person not engaged in the financial services industry who makes one or two mortgage loans in a calendar year, or a person employed in the financial services industry who makes one or two private mortgage loans in a calendar year outside of his employment, shall qualify for this exemption.

c. An attorney at law of this State, not actively and principally engaged in the business of a mortgage banker or broker, when the attorney renders services in the course of his practice.

d. A person licensed as a real estate broker or salesperson pursuant to R.S.45:15-1 et seq., and not engaged in the business of a mortgage banker or broker. Any person holding a license under this act as a mortgage banker or mortgage broker shall be exempt from the licensing and other requirements of R.S.45:15-1 et seq. in the performance of those functions authorized by this act.

e. Builders who secure mortgages for their own construction or for sale of their own construction.

C.17:11C-5 Exemptions from licensing.

5. a. Depository institutions and insurance companies are exempt from licensing as secondary mortgage lenders; but subsidiaries and service corporations of these institutions or companies shall not be exempt.

b. A real estate broker or salesperson licensed in New Jersey pursuant to R.S.45:15-1 et seq. is not required to obtain a license to negotiate a secondary mortgage loan in the normal course of business as a real estate broker or salesman.

c. An attorney authorized to practice law in New Jersey is not required to obtain a license to negotiate a secondary mortgage loan in the normal course of business as an attorney.

d. Any person who makes one or two secondary mortgage loans in this State during any calendar year which are at an interest rate which is not in excess of the usury rate in existence at the time the loan is made, as established in accordance with the law of this State, and on which the borrower has not agreed to pay, directly or indirectly, any charge, cost, expense or any fee whatsoever, other than that interest, shall not be required to obtain a license under this act.

e. Any employer who provides secondary mortgage loans to his employees as a benefit of employment which are at an interest rate which is not in excess of the usury rate in existence at the time the loan is made, as established in accordance with the law of this State, and on which the borrower has not agreed to pay, directly or indirectly, any charge, cost, expense or any fee whatsoever, other than said interest, is not required to be licensed.

f. A municipality, its officer, employee or any agency or instrumentality thereof, which, in accordance with a housing element that has received substantive certification from the Council on Affordable Housing pursuant to the "Fair Housing Act," P.L.1985, c.222 (C.52:27D-301 et seq.), or in fulfillment of a regional contribution agreement with a municipality that has received such certification, employs or proposes to employ municipally generated funds, funds obtained through any State or federal subsidy, or funds acquired by the municipality under a regional contribution agreement, to finance the provision of affordable housing by extending loans or advances the repayment of which is secured by a lien, subordinate to any prior lien, upon the property that is to be rehabilitated, is not required to be licensed.

C.17:11C-6 Exempt consumer loan business, certain.

6. A depository institution, trust company, insurance company, or pawnbroker operating under R.S.45:22-1 et seq., may conduct consumer

loan business without obtaining a license under this act and without being subject to this act.

C.17:11C-7 Conditions for issuance of license.

7. The commissioner shall issue a license under this act if the following conditions are met:

a. A written application for a new license or for a renewal of a license shall be submitted to the commissioner on the forms and in the manner, and accompanied by such evidence in support of the application, as required by this act and as may be prescribed by the commissioner, and shall be accompanied by the required fees.

b. An individual applicant for a new license shall qualify by examination, the content and form of which shall be approved by the commissioner. The commissioner may designate an independent testing service to prepare and administer the examinations. In addition, the commissioner by regulation may establish additional requirements for licensure as an individual, including education and experience.

c. If the commissioner finds that the financial responsibility, experience, character, and general fitness of the applicant for a new license or for a renewal of a license demonstrate that the business will be operated honestly, fairly, and efficiently within the purposes of this act, and if all other licensing requirements of this act and regulations promulgated by the commissioner are met, the commissioner shall issue the license of the type sought by the applicant.

d. A person holding a license under this act or as a sales finance company pursuant to the "Retail Installment Sales Act of 1960," P.L.1960, c.40 (C.17:16C-1 et seq.), who is in full compliance with this act, the "Retail Installment Sales Act of 1960," and the regulations promulgated thereunder, as applicable, may apply to the commissioner for a license to act as a mortgage banker or mortgage broker, a secondary lender, a consumer lender or a sales finance company, or any combination of these capacities for which the person is not already licensed, by filing with the commissioner an abbreviated application containing the information which the commissioner deems necessary when considering whether to license that person for that specific activity, an application fee, and the necessary additional license fee.

C.17:11C-8 Application, fee.

8. a. Every application for an initial license shall be accompanied by an application fee of not more than $500, as established by the commissioner by regulation. When the applicant at the same time seeks a license to engage in more than one activity, only one application fee may be charged. The license fee, as prescribed by the commissioner by regulation, shall be based on the number of the following activities in which the person is licensed to

engage under this act or the "Retail Installment Sales Act of 1960," P.L.1960, c.40 (C.17:16C-1 et seq.): a mortgage banker or mortgage broker; a secondary lender; a consumer lender; or a sales finance company. The fee for a biennial license or a renewal thereof shall be set according to the following schedule:

(1) If the person is licensed to engage in one activity, the fee shall not be more than $3,000;

(2) If the person is licensed to engage in two activities, the fee shall not be more than $4,000;

(3) If the person is licensed to engage in three activities, the fee shall not be more than $5,000; and

(4) If the person is licensed to engage in all four activities, the fee shall not be more than $6,000.

b. When the initial license is issued in the second year of the biennial licensing period, the license fee shall equal one-half of the license fee for the biennial period set forth above. In lieu of, or in addition to, the fees set forth above, the department may impose other fees and charges as provided by regulation.

C.17:11C-9 Maintenance of branch offices by licensee.

9. a. A licensee may maintain a branch office or offices. The licensee shall license all branch offices in this State and all branch offices outside this State from which the licensee has direct contact with New Jersey consumers regarding origination or brokering.

b. The commissioner shall issue a branch office license if:

(1) The licensee has submitted a completed application form, a branch application fee of not more than $300 as set by regulation, and a branch license fee;

(2) The application for the branch office demonstrates that the office is in a suitable location; and

(3) The application contains a certification that the office is covered by the surety bond.

c. The license fee for a branch office shall be based on the number of activities in which the person is authorized to engage at that location pursuant to the schedule provided in section 8 of this act.

C.17:11C-10 Information on license; posting, disposition of license.

10. a. The license shall state the name of the licensee and the licensee's place of business or businesses, as applicable, and shall contain such other information as the commissioner may see fit to require.

b. The license shall be posted conspicuously in the place or places of business of the licensee.

c. A licensee or any other person shall not photocopy or otherwise reproduce the license except for legitimate business purposes.

d. Licenses issued pursuant to this act or the "Retail Installment Sales Act of 1960," P.L.1960, c.40 (C.17:16C-1 et seq.) shall not be transferable or assignable, other than as provided by section 12 of this act.

e. No licensee shall change the name or address of the licensee's place or places of business without notice to the commissioner.

C.17:11C-11 Issuance of licenses.

11. a. Each license issued pursuant to this act shall expire at the end of the biennial period. The first biennial period shall begin on July 1, 1997, and shall end on June 30, 1999. Every licensee shall on or before June 30 of every other year pay to the commissioner a biennial license fee for the next biennial period. The license fee shall be determined by the provisions of sections 8 and 9 of this act.

b. Licenses issued to persons under the "Secondary Mortgage Loan Act," P.L.1970, c.205 (C.17:11A-34 et seq.) or the "Consumer Loan Act," R.S.17:10-1 et seq. or under the "Retail Installment Sales Act of 1960," P.L.1960, c.40 (C.17:16C-1 et seq.) as a sales finance company, and in effect prior to the operative date of this act shall expire on July 1, 1997. All such persons shall receive a credit of $250 to renew any authority to engage in the secondary mortgage loan business, the consumer loan business or the sales finance company business.

c. The commissioner may by regulation provide for individual mortgage banker, mortgage broker and secondary lender licenses to continue in existence in an inactive status for a specified period of time.

C.17:11C-12 Approval of transfer, sale.

12. Any sale or transfer of a controlling interest in a licensee's or applicant's business shall be approved by the commissioner prior to the transfer or sale, after the licensee or applicant has provided written notice of the proposed sale or transfer to the commissioner. The commissioner shall approve the transfer or sale unless the commissioner determines, following an opportunity for a hearing, that sufficient grounds exist to deny, revoke or suspend the license. The sale or transfer shall be deemed approved if the commissioner does not deny the application within 30 days after receipt, or 10 days when the sale or transfer is to another licensee under this act. The commissioner may charge such fee as set by regulation, not to exceed $200, for considering an application for a sale or transfer of a controlling interest.

C.17:11C-13 Bond required for licensee.

13. A licensee, prior to doing business as a mortgage banker or broker or as a secondary lender, shall obtain a bond in an amount and form

prescribed by regulations of the commissioner, but not less than $25,000. The bond shall be obtained from a surety company authorized by law to do business in this State. In lieu of individual bonds, a licensee may procure a blanket bond to cover all employees licensed under the provisions of this act in an amount as prescribed by regulations of the commissioner. The bond shall run to the State for the benefit of any person injured by the wrongful act, default, fraud or misrepresentation of the licensee or its employees. No bond shall comply with the requirements of this section unless the bond contains a provision that it shall not be canceled for any cause unless notice of intention to cancel is filed in the department at least 30 days before the day upon which cancellation shall take effect.

C.17:11C-14 Tangible net worth requirements for mortgage bankers, brokers.

14. a. Each applicant for a license as a mortgage banker shall demonstrate that it has tangible net worth of $250,000, except that an applicant for a correspondent mortgage banker license shall demonstrate that it has tangible net worth of at least $150,000. Each applicant for a license as a mortgage broker shall demonstrate that it has tangible net worth of at least $50,000.

b. Each licensed mortgage banker shall maintain at all times tangible net worth of at least $250,000, except that a correspondent mortgage banker shall maintain at all times tangible net worth of at least $150,000. Each licensed mortgage broker shall maintain at all times tangible net worth of at least $50,000.

c. In the case of the application of an officer, partner, member, employee or other principal of a corporation, partnership, association or other entity, that individual shall not be required to demonstrate that the individual has the tangible net worth required by this section.

d. The commissioner may by regulation: define the term "tangible net worth;" provide for a phase-in period for licensees acting as mortgage bankers or mortgage brokers to comply with the tangible net worth requirements of this section; and establish standards for determining compliance with those requirements and any remedial action, including suspension of a license, for failure to comply with those requirements.

e. The net worth and liquid asset requirements of this section and of sections 15 and 16 of this act are not cumulative, and the net worth and liquid assets necessary to satisfy the requirements for one licensed activity may also be used to satisfy another licensed activity.

C.17:11C-15 Net worth requirements for secondary lenders.

15. a. Each applicant for a license as a secondary lender shall demonstrate that the applicant has liquid assets of at least $150,000 available for the purpose of making secondary mortgage loans and a net worth of at least

$150,000 except that, in the case of the application of an officer, partner, member or other principal of a corporation, partnership, association or other entity, that individual shall not be required to demonstrate that the individual has liquid assets and a net worth of at least $150,000.

b. Each secondary lender shall maintain a net worth and liquid assets of $150,000.00 at all times except that, in the case of an officer, partner, member or other principal of a corporation, partnership, association or other entity, that individual shall not be required to maintain a net worth of at least $150,000.

c. In lieu of the liquid asset requirement of this section, the commissioner may, by regulation, require that a licensee demonstrate to the satisfaction of the commissioner that it has adequate means to fund loans through lines of credit, or otherwise.

C.17:11C-16 Net worth requirements for consumer lenders.

16. a. Every applicant for a license as a consumer lender shall prove in a form satisfactory to the commissioner, that the applicant has a net worth of at least $100,000, and has available for the purpose of making consumer loans liquid assets of at least $100,000.

b. Every consumer lender shall have at all times a net worth of at least $100,000 and shall maintain at all times assets of at least $100,000 in liquid form available for or actually used in the making of consumer loans.

C.17:11C-17 Maintenance of place of business.

17. a. A licensee engaging in business as a mortgage banker or mortgage broker, a secondary lender or a consumer lender shall have and maintain a place of business in this State for the transaction of business. Nothing in this act or in the "Retail Installment Sales Act of 1960," P.L.1960, c.40 (C.17:16C-1 et seq.), shall be construed to require an entity licensed as only a sales finance company to maintain a branch office in this State so long as it is qualified to do business here and has a registered agent for service of process.

b. If a licensee maintains a branch office or offices, one of the offices shall be designated as a principal office.

c. A licensee which changes the address of its principal office or a branch office shall file with the commissioner those documents required by regulation, and shall pay an administrative fee not in excess of $100.

C.17:11C-18 Refusal to issue, revocation, suspending, refusal to renew license; imposition of penalty.

18. a. The commissioner may refuse to issue and may revoke, suspend or refuse to renew a license or impose a penalty pursuant to this act, or refuse to register or rescind or revoke a solicitor registration, if the

commissioner finds, after notice and an opportunity for a hearing in accordance with the "Administrative Procedure Act," P.L.1968, c. 410 (C.52:14B-1 et seq.) and any rules adopted thereunder, that any person, applicant for or holder of the license has:

(1) Violated any of the provisions of this act or any order, rule or regulation made or issued pursuant to this act;

(2) Withheld information or made a material misstatement in the application for the license;

(3) Been convicted of an offense involving breach of trust, moral turpitude or fraudulent or dishonest dealing, or had a final judgment entered against him in a civil action upon grounds of fraud, misrepresentation or deceit;

(4) Become insolvent, or failed to attain or maintain the required net worth;

(5) Demonstrated unworthiness, incompetence, bad faith or dishonesty in the transaction of business as a licensee; or

(6) Engaged in any other conduct which would be deemed by the commissioner to be the cause for denial of the license.

b. A license of a corporation, partnership, association or other entity may be suspended or revoked if any officer, director or member of the licensee has committed any act which would be cause for suspending or revoking a license issued to him as an individual.

c. If the license issued to an individual is revoked or suspended, the license issued to the partnership, association, corporation or other entity shall also be revoked or suspended by the commissioner, unless within the time fixed by the commissioner, in the case of a partnership, the connection therewith of the member whose license has been revoked shall be severed and that member's interest in the partnership and share in its activities brought to an end, or in the case of an association, corporation, or other entity, the offending officer or director shall be discharged and shall have no further participation in its activity. Officers and directors of the corporation shall be required to fully divest themselves of all stock, bonds or other corporate holdings.

d. The department may suspend or revoke the entire license of a person whose license is suspended or revoked for only one of its authorized licensed activities.

e. Any licensee may surrender any license by delivering to the commissioner written notice that the license is surrendered, along with the license, but the surrender shall not affect the licensee's civil or criminal liability for an act committed prior to the surrender.

C.17:11C-19 Maintenance of books, accounts, records, documents.

19. a. Every licensee shall maintain, at the place of business in this State designated in the license, those books, accounts, records and documents of the business conducted under the license as may be prescribed by the commissioner to enable the commissioner to determine whether the business of the licensee is being conducted in accordance with the provisions of this act and the orders, rules and regulations issued hereunder.

b. A licensee operating two or more licensed places of business in this State shall maintain the records of all licensed places at any one of the licensed places. Upon appropriate notice to the commissioner and if a change in location of records is made, the commissioner shall be notified in writing of the change within five business days of the change.

c. Every licensee shall preserve all books, accounts, records and documents pertaining to its business, and keep them available for examination by the commissioner, for at least three years from the date of original entry, or such longer time as prescribed by the commissioner by regulation.

d. A licensee may, upon approval of the commissioner, keep records at a location, designated by the licensee, outside this State, provided that the licensee shall make the records available in this State upon request of the commissioner, or, at its option have the records examined at its out-of-State location and shall pay the reasonable expenses of the commissioner for the examination.

C.17:11C-20 Prohibited practices.

20. a. No person or licensee shall advertise, print, display, publish, distribute, telecast or broadcast, or cause or permit to be advertised, printed, displayed, published, distributed, televised or broadcast, in any manner, any statement or representation which is false, misleading or deceptive.

b. No licensee shall transact business provided for by this act under any name other than that named in the license.

c. No licensee shall make any statement or representation that the licensee will provide "immediate approval" of a mortgage loan application or "immediate closing" of a loan or will afford unqualified access to credit.

C.17:11C-21 Purchase of insurance by borrowers.

21. a. A borrower shall not be required to purchase credit life or accident and health insurance or credit involuntary unemployment insurance in connection with a first mortgage loan, a secondary mortgage loan or a consumer loan. If the borrower or borrowers consent thereto in writing, a licensee may obtain or provide:

(1) Insurance on the life and on the health or disability, or both, of one borrower, and on the lives, health or disability of two borrowers pursuant to the provisions of N.J.S. 17B:29-1 et seq.; and

(2) Credit involuntary unemployment insurance in accordance with forms and rates filed and approved by the commissioner pursuant to applicable regulations.

b. If a licensee obtains or provides any credit insurance for a borrower or borrowers pursuant to subsection a. of this section, a licensee may deduct from the principal of a loan and retain an amount equal to the premium lawfully charged by the insurance company. The premium may be charged monthly in the case of an open-end loan or open-end consumer loan. The amount so deducted and retained shall not be considered a prohibited charge or amount of any examination, service, brokerage, commission, expense, fee or bonus or other thing or otherwise.

c. If a borrower or borrowers obtain such insurance from or through a licensee, the licensee shall show the amount of the charge for the insurance and cause to be delivered to the borrower or borrowers a copy of the policy, certificate or other evidence of that insurance when the loan is made. Nothing in this act shall prohibit the licensee from collecting the premium or identifiable charge for insurance permitted by this section and from receiving and retaining any dividend, or any other gain or advantage resulting from that insurance.

d. A licensee may require a borrower to demonstrate that the property securing a first mortgage loan or secondary mortgage loan is insured against damage or loss due to fire and other perils, including those of extended coverage, for a term not to exceed the term of the loan and in an amount not to exceed the amount of the secondary loan, together with the amount needed to satisfy all prior liens on that property.

The licensee shall provide the borrower with the following written statement, to be printed in at least 10-point bold type:

NOTICE TO THE BORROWER
YOU MAY BE REQUIRED TO PURCHASE PROPERTY INSURANCE AS A CONDITION OF RECEIVING THE LOAN.
IF PROPERTY INSURANCE IS REQUIRED, YOU MAY SECURE INSURANCE FROM A COMPANY OR AGENT OF YOUR OWN CHOOSING.

e. Incident to a consumer loan, a licensee may make available, insurance covering direct or indirect damage or loss, by fire or other perils, including those of extended coverage, to the personal property of the borrower all or

part of which is security for the loan. The insurance shall be for an amount and term not to exceed the total amount of payments and term of the loan.

The licensee shall provide the borrower with the following written statement, to be printed in at least 10-point bold type:

NOTICE TO THE BORROWER
YOU ARE NOT REQUIRED TO PURCHASE PERSONAL PROPERTY INSURANCE AS A CONDITION OF RECEIVING THE CONSUMER LOAN. IF YOU DESIRE PERSONAL PROPERTY INSURANCE YOU MAY SECURE INSURANCE FROM A COMPANY OR AGENT OF YOUR OWN CHOOSING.

C.17:11C-22 Mortgage bankers, brokers; prohibited practices.

22. a. No person shall use the word "mortgage" or similar words in any advertising, signs, letterheads, cards, or like matter which tend to represent that the person arranges first mortgage loans unless that person is licensed to act as a mortgage banker or mortgage broker under this act, or is exempt from licensing under section 4 of this act. No person licensed under this act shall be granted a license in a name containing such words as "insured," "bonded," "guaranteed," "secured" and the like. Notwithstanding the provisions of section 18 of P.L.1948, c.67 (C.17:9A-18) or any other law to the contrary, a person licensed under this act to act as a mortgage banker or mortgage broker may use the terms "mortgage banker" or "mortgage broker," respectively, as part of the licensee's name.

b. No mortgage banker or mortgage broker shall, in connection with or incidental to the making of a first mortgage loan, require or permit the mortgage instrument or bond or note to be signed by a party to the transaction if the instrument contains any blank spaces to be filled in after it has been signed, except blank spaces relating to recording.

c. No mortgage banker or mortgage broker shall charge or exact directly or indirectly from the mortgagor or any other person fees, commissions or charges not authorized by this act.

d. No person shall receive any commission, bonus or fee in connection with arranging or originating a first mortgage loan for a borrower unless that person is licensed or exempt from licensure as a mortgage banker or mortgage broker, except that a registered mortgage solicitor may receive a commission, bonus, or fee from his employer.

e. No person or licensee authorized to act as a mortgage banker or mortgage broker shall pay any commission, bonus or fee to any person not licensed or not exempt under the provisions of this act in connection with arranging for or originating a mortgage loan for a borrower, except that a

registered mortgage solicitor may be paid a bonus, commission or fee by his employer.

f. No person shall obtain or attempt to obtain a license by fraud or misrepresentation.

g. No mortgage banker or mortgage broker shall misrepresent, circumvent, or conceal the nature of any material particular of any transaction to which the mortgage banker or broker is a party.

h. No mortgage banker or mortgage broker shall fail to disburse funds in accordance with the mortgage banker's or broker's agreements, unless otherwise ordered by the commissioner or a court of this State or of the United States.

i. No mortgage banker or mortgage broker shall fail without good cause to account or deliver to any person any personal property, money, fund, deposit, check, draft, mortgage, document or thing of value, which is not the mortgage banker's or broker's property, or which the mortgage banker or broker is not in law or equity entitled to retain under the circumstances, at the time which has been agreed upon, or is required by law or, in the absence of a fixed time, upon demand of the person entitled to such accounting and delivery.

j. No person or licensee shall fail to place in escrow, immediately upon receipt, any money, fund, deposit, check or draft entrusted to him by any person dealing with him as a mortgage banker or mortgage broker, in a manner approved by the commissioner, or to deposit the funds in a trust or escrow account maintained by him with a financial institution the deposits of which are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, wherein the funds shall be kept until the disbursement thereof is properly authorized.

k. No mortgage banker or mortgage broker shall fail (1) to present a certified check, cashier's check or bank check for the proceeds of the first mortgage loan; (2) to arrange an electronic fund transfer for the proceeds of the loan; or (3) to provide for payment by any other means which is ethically permissible to the purchaser, acting on the purchaser's own behalf, or to the attorney for the purchaser, at a reasonable time and place prior to the time of the mortgage closing transaction. This subsection shall not prevent a person or licensee from utilizing any method of payment which is agreed upon by the person or licensee and the closing agent; nor shall it prevent the person or licensee from assessing a reasonable charge as set forth by regulation by the commissioner to reflect the additional cost to the person or licensee for the issuance of a certified, cashier's or bank check, an electronic fund transfer, or any other means of payment which is ethically permissible. That reasonable charge shall be fully disclosed at application or at or prior to the issuance of the loan commitment. A "bank check" means

a negotiable instrument drawn by a state or federally chartered bank, savings bank or savings and loan association on itself or on its account in another state or federally chartered bank, savings bank or savings and loan association doing business in this State.

C.17:11C-23 Fees allowed to be charged by mortgage bankers.

23. a. Notwithstanding the provisions of any other law, a person licensed as a mortgage banker, incidental to the origination, processing and closing of a mortgage loan transaction, shall have the right to charge only the following fees: (1) credit report fee; (2) appraisal fee; (3) application fee; (4) commitment fee; (5) warehouse fee; (6) fees necessary to reimburse the mortgage banker for charges imposed by third parties; and (7) discount points.

b. Notwithstanding the provisions of any other law, a person licensed as a mortgage broker, incidental to the brokering of a first mortgage loan transaction, shall have the right to charge only the following fees: (1) application fee; and (2) discount points.

c. No person licensed as a mortgage banker or mortgage broker may charge any fee either not expressly authorized by this section or authorized by the commissioner by regulation.

C.17:11C-24 Secondary lenders permitted to make closed-end loans.

24. a. Notwithstanding the provisions of R.S. 31:1-1 or any other law to the contrary, a person licensed as a secondary lender may make closed-end loans, and may charge, contract for and receive thereon interest at an annual percentage rate agreed to by the licensee and the borrower.

b. The note evidencing a closed-end loan may provide for a variation in the interest rate in which adjustments to the interest rate shall correspond directly to the movement of an interest rate index which is readily available to and verifiable by the borrower and is beyond the control of the lender. If the note provides for a variation in the interest rate, that fact shall be clearly described in plain language, in at least eight-point bold face type on the face of the note. If the note provides for a final payment which is substantially greater than the previous installments, that fact, together with a statement that the lender is under no obligation to refinance the loan, unless the lender unconditionally obligates itself to do so, shall be clearly disclosed in plain language, in at least eight-point bold face type on the face of the note. No rate increase or decrease shall take effect during the first six months of the term of the loan. Thereafter, no rate increase or decrease shall take effect unless at least 30 days prior to the effective date of that increase or decrease, a written notice has been mailed or delivered to the borrower that clearly and conspicuously describes the increase or decrease, and unless at least six months have elapsed without any increase in the rate.

c. Upon written request from the borrower, a secondary lender shall give to the borrower, without charge, within five days from the date of receipt of that request, a written statement of the borrower's account, which shall show the dates and amounts of all installment payments on a closed-end loan credited to the borrower's account, the dates, amounts and explanation of all other charges or credits to the account and the unpaid balance thereof. A secondary lender shall not be required to furnish more than two such statements in any 12-month period.

C.17:11C-25 Secondary lenders permitted to make open-end loans.

25. Notwithstanding the provisions of R.S.31:1-1 or any other law to the contrary, and subject to all applicable provisions of this act, a person licensed as a secondary lender shall have authority to make open-end loans as defined in section 2 of this act, upon the same terms and conditions permitted to banks, savings banks, savings and loan associations pursuant to State and federal laws and regulations promulgated thereunder, and may charge, contract for, and receive thereon, interest at an annual percentage rate agreed to by the licensee and the borrower, provided however, that with respect to fees and other charges permitted in connection with open-end loans, secondary mortgage lenders shall be subject to the provisions of this act.

C.17:11C-26 Requirements for instruments evidencing secondary mortgage loan.

26. An instrument evidencing a secondary mortgage loan shall:

a. Be in the form of a promissory note for a closed-end loan, and in the form of a loan agreement for an open-end loan, and shall be identifiable by the use of the words "Secondary Mortgage Loan" printed prominently, in 14-point bold type or larger, centered and at the top of the promissory note or loan agreement.

b. Provide for the payment, in full, of the total amount of the secondary mortgage loan in substantially equal payment periods, measured in terms of weeks or months, and, except as otherwise permitted, substantially equal installment payment amounts, except that the initial payment period may be deferred for 60 days, and, provided further, when appropriate for the purpose of facilitating payment in accordance with the borrower's intermittent income, a promissory note or loan agreement may provide an installment schedule which reduces or omits payments over any period or periods of time during which the borrower's income is reduced or suspended, and the final installment may be $1 more or less than the amount of all other installment payments.

c. Contain the following notice printed prominently, in the identical form indicated below, in 10-point bold type or larger, directly above the space provided for the signature of the borrower.

"NOTICE TO BORROWER

Read this promissory note or loan agreement before you sign.

Do not sign this promissory note or loan agreement if it contains blank spaces.

The promissory note or loan agreement is secured by a secondary mortgage on your real property."

d. Be completed in full before it is signed by the borrower. In the event that it is unnecessary to fill in a blank space provided for in any instrument, the figure -0-, a dash, line or the word "none" shall be inserted in such blank space.

C.17:11C-27 Prohibited provisions in writings executed in connection with secondary mortgage loan.

27. No writing of any kind executed in connection with a secondary mortgage loan shall contain:

a. A power of attorney to confess judgment;

b. An assignment of or order for the payment of any salary, wages, commissions or any other compensation for services, or any part thereof, earned or to be earned.

c. An agreement to pay any amount other than the unpaid balance of the promissory note or loan agreement or any other charge authorized by this act.

d. A provision relieving the licensee from liability for any claim, or from any legal remedy, which the borrower may have against the licensee under the terms of the promissory note or loan agreement.

e. A provision whereby the borrower waives any right of action against the licensee, a subsequent holder or any person acting on the licensee's or holder's behalf for any illegal act committed in the collection of payments under the promissory note or loan agreement.

f. An acceleration clause under which the unpaid balance of the promissory note or loan agreement not yet matured or any part thereof may be declared due and payable because the licensee or subsequent holder deems himself to be insecure.

C.17:11C-28 Secondary lenders, charges, fees allowed.

28. a. A secondary lender shall not contract for, charge, receive or collect directly or indirectly, any of the following in connection with a secondary mortgage loan: a broker's or finder's fee; commission; expense; fine; penalty; premium; or any other thing of value other than the charges authorized by this act; except the expenses incurred on actual sale of the real property in foreclosure proceedings or upon the entry of judgment, which are otherwise authorized by law; provided, however, that:

(1) A secondary lender may charge and receive no more than three discount points computed as a percentage of the principal amount of the loan and may add such discount points to the principal balance of the loan, which discount points shall be fully earned when the loan is made. The annual percentage rate charged to the borrower, including the discount points, if any, shall be subject to N.J.S.2C:21-19. As used in this paragraph, "discount point" means one percent of the principal amount of the loan; and

(2) A secondary lender may require a borrower to pay a reasonable legal fee at the time of the execution of the secondary mortgage loan, provided that any legal fee shall represent a charge actually incurred in connection with the secondary mortgage loan and shall not be paid to any person other than an attorney authorized to practice law in this State; provided further that the legal fee shall be evidenced by a statement issued to the licensee from the attorney.

b. Secondary lenders shall have authority to collect fees for title examination, abstract of title, survey, title insurance, credit reports, appraisals, and recording fees when those fees are actually paid by the licensee to a third party for those services or purposes and to include those fees in the amount of the loan principal.

c. Secondary lenders shall also have the authority to charge and collect a returned check fee in an amount not to exceed $20 which the secondary lender may charge the borrower if a check of the borrower is returned to the licensee uncollected due to insufficient funds in the borrower's account. Licensees shall also have the authority to charge and collect a late charge in any amount as may be provided in the note or loan agreement, but no late charge shall exceed 5% of the amount of payment in default. Not more than one late charge shall be assessed on any one payment in arrears.

d. A secondary lender shall not make any other charge or accept an advance deposit prior to the time a secondary mortgage loan is closed, except that a secondary lender may charge:

(1) an application fee at closing; and

(2) on an open-end loan, an annual fee of $50 or 1% of the line of credit, whichever is less.

e. A promissory note of loan agreement may provide for the payment of attorney fees in the event it becomes necessary to refer the promissory note or loan agreement to an attorney for collection; provided, however, that any such provision shall be void and unenforceable unless:

(1) The promissory note or loan agreement is referred to an attorney authorized to practice law in this State;

(2) The attorney to whom the promissory note or loan agreement is referred is not a partner, officer, director or employee, whether salaried or commissioned, of the secondary lender; and

(3) Suit is actually filed by the attorney to whom the promissory note or loan agreement is referred and subsequently decided in favor of the secondary lender, in which event the attorney fees shall not exceed 15% of the first $500, 10% of the next $500 and 5% of any excess amount due and owing under the promissory note or loan agreement and, provided further that at least 15 days prior to the commencement of the suit, the secondary lender or his attorney shall send to the borrower, by certified or registered mail, return receipt requested, at the borrower's last known address, a statement of the secondary lender's intention to sue, which statement shall also specify the amount of principal, interest and any other charge due and owing to the secondary lender.

C.17:11C-29 Collection of additional charges by secondary lender.

29. a. If a secondary lender charges or collects interest, costs or other charges on a secondary mortgage loan in excess of those permitted by this act, the licensee may collect only the principal amount of the loan, and may not collect interest, costs or other charges with respect to the loan. In addition, a licensee who knowingly and willfully violates any provision of this act shall also forfeit to the borrower three times any amount of the interest, costs or other charges collected in excess of that authorized by law.

b. A secondary lender shall have no liability on a secondary mortgage loan for an unintentional error if within 90 days after discovering an error the licensee notifies the borrower of the error and makes adjustments in the account as necessary to assure that the borrower will not be required to pay any interest, costs or other charges which aggregate in excess of the charges permitted under this act for secondary mortgage loans. The discovery of an unintentional error within the meaning of this section shall include an entry of a judgment by a court of competent jurisdiction holding that a rule or regulation with which the licensee acted in conformity was invalid or in violation of this act, and a licensee shall have no liability for that unintentional error if the licensee takes the actions required upon discovery of an error pursuant to this section within the time stated therein following entry of such a judgment.

C.17:11C-30 Obligations of secondary lender to borrower.

30. A secondary lender shall:

a. Give to the borrower, without charge, a copy of every instrument, document or other writing the borrower signs, and written evidence of any insurance obtained from the licensee.

b. Give to the borrower, without charge, at the time a closed-end loan is made, and at the time of the first advance on an open-end loan, a closing statement which itemizes the individual amounts disbursed to or on behalf of the borrower, including, but not limited to, the premium for insurance, if

any, the total amount of funds so disbursed, the amount of the interest charge, total amount of the loan, the amount, number and due date of the installment payments and the interest charge expressed as an annual percentage rate, as applicable.

c. In the event a borrower's application for a secondary mortgage loan is denied, notify the borrower, in writing, of that denial and provided further, the name of any such borrower or a list of such borrowers shall not be referred by the licensee, in any manner whatsoever, to any other lender, retail seller of personal property or services or to any other person, whether in this or any other state.

d. If a secondary mortgage loan is not consummated, return all documents executed by or belonging to the borrower.

e. When payment is made in cash on an account of a secondary mortgage loan, give to the borrower, without charge, at the time that payment is actually received, a written receipt which shall show the name and address of the licensee, the name and address of the borrower, account number or other identification mark or symbol, date and amount paid.

f. When a closed-end loan is paid in full, or when an open-end loan is paid in full and the borrower has notified the licensee in writing to discontinue his account with the licensee:

(1) Refund or credit to the borrower, in accordance with regulations promulgated by the commissioner, any unearned portion of the premium for any insurance, if a premium for such insurance was disbursed on behalf of the borrower at the time the secondary mortgage loan was originally made.

(2) Stamp or write on the face of the promissory note or loan agreement evidencing the borrower's secondary mortgage loan indebtedness "Paid in Full" or "Canceled," the date paid and the name and address of the licensee and, within 45 days, return the promissory note or loan agreement to the borrower.

(3) Release any lien on real property and cancel the same of record pursuant to P.L.1975, c.137 (C.46:18-11.2 et seq.), and, at the time the promissory note or loan agreement evidencing the borrower's secondary mortgage loan indebtedness is returned, deliver to the borrower such good and sufficient assignments, releases or any other certificate, instrument or document as may be necessary to vest the borrower with complete evidence of title, insofar as the applicable secondary mortgage loan is concerned, to the real property, except that the licensee may require the borrower to pay any charge imposed upon the licensee by a county recording officer to effect the cancellation or release.

C.17:11C-31 Secondary lenders, prohibited practices.

31. A secondary lender shall not:

a. Transact any business subject to the provisions of this act under any other name or at any other location except that designated in his license. For the purpose of this section, the transaction of business includes, but is not limited to, the signing of any instrument, document or any other form by the borrower, except that a borrower's application for a secondary mortgage loan need not be signed in the office of the licensee and a secondary mortgage loan need not be closed at the office of a licensee so long as it is closed in New Jersey at the office of an attorney admitted to practice in this State.

b. Request that a borrower incorporate in connection with a secondary mortgage loan or aid or abet such a scheme.

c. Make a secondary mortgage loan which has been referred by a retail seller, who, in connection with that referral, has required the borrower to purchase personal property or services or has indicated that such a purchase is necessary as a condition precedent for that loan.

d. Require or accept from a borrower any collateral or security for a secondary mortgage loan other than a mortgage, indenture or any other similar instrument or document which creates a lien upon any real property or an interest in real property including, but not limited to, shares of stock in a cooperative corporation.

e. Solicit secondary mortgage loan business through any other person by paying, directly or indirectly, for such business referred to the licensee by any such person, except that a licensee may solicit secondary mortgage loan business on behalf of another licensee or lender expressly authorized to make secondary mortgage loans in this State if (1) that solicitation results in no additional cost or expense to the borrower; and (2) the application and all advertising in connection therewith clearly disclose the identity of the person or entity which will be making the loan. If those conditions are met, a licensee may collect a fee or a commission from the lender as consideration for the solicitation.

C.17:11C-32 Consumer loans permitted by licensees, terms.

32. a. Notwithstanding the provisions of R.S.31:1-1 or any other law to the contrary, every licensee authorized to engage in the consumer loan business may loan any sum of money not exceeding $15,000, repayable in installments, and may charge, contract for and receive thereon interest at an annual percentage rate or rates agreed to by the licensee and the borrower.

b. A closed-end consumer loan contract may provide for a variation in the interest rate in which adjustments to the interest rate shall correspond directly to the movement of an interest rate index which is readily available to and verifiable by the borrower and is beyond the control of the lender. No increase during the entire loan term shall result in an interest rate of more

than 6% per annum over the rate applicable initially, nor shall the rate be raised more than 3% per annum during any 12-month period. The lender shall not be obligated to decrease the interest rate more than 6% over the term of the loan, nor more than 3% per annum during any 12-month period. If a rate increase is applied to the loan, the lender shall also be obligated to adopt and implement uniform standards for decreasing the rate. If the contract provides for the possibility of an increase or decrease or both in the rate, that fact shall be clearly described in plain language, in at least 8-point bold face type on the face of the contract. No rate increase shall take effect unless (1) at least 90 days prior to the effective date of the first such increase, or 30 days prior to the effective date of any subsequent increase, a written notice has been mailed or delivered to the borrower that clearly and conspicuously describes such increase, and (2) unless at least 365 days have elapsed without any increase in the rate. Where the loan contract so provides for an increase or decrease in the rate of interest, the installments may vary in amount, notwithstanding any other law to the contrary, except that if the rate increases, the borrower may request, and the lender shall provide for, either an increase in the amount of the installment payment or an extension of the term of the loan, or some combination of an increase in the amount of the installment payment and extension of the term.

c. An open-end loan agreement may provide that the lender may at any time, or from time to time, change the terms of the agreement, including the terms governing the periodic interest rate, calculation of interest or the method of computing the required amount of periodic installment payments, provided however, that:

(1) the periodic interest rate shall not be changed more than once in each billing cycle;

(2) any change in the periodic interest rate shall correspond to the movement of a market interest rate index specified in the agreement which is readily verifiable by the borrower and beyond the control of the lender;

(3) a change in any term of the agreement, including the periodic interest rate, may be permitted to apply to any then-outstanding unpaid indebtedness in the borrower's account, including any indebtedness which shall have arisen from advances obtained prior to the effective date of the change, so long as that fact is clearly and conspicuously disclosed in the agreement;

(4) if the agreement provides for the possibility of a change in any term of the agreement, including the rate, that fact shall be clearly described in plain language, in at least 8-point bold face type on the face of the written notice; and

(5) no change in any term of the agreement or of the index specified in the agreement shall be effective unless: (a) at least 30 days prior to the

effective date of the change, a written notice has been mailed or delivered to the borrower that clearly and conspicuously describes the change and the indebtedness to which it applies, and states that the incurrence by the borrower or another person authorized by him of any further indebtedness under the law to which the agreement relates on or after the effective date of the change specified in the notice shall constitute acceptance of the change; and (b) either the borrower agrees in writing to the change or the borrower or another person authorized by him incurs further indebtedness on or after the effective date of the change stated in that notice, which indebtedness may include outstanding balances. Any borrower who fails to use the borrower's account or so to indicate agreement to the change shall be permitted to pay the outstanding unpaid indebtedness in the borrower's account in accordance with the terms governing the open-end consumer loan agreement without giving effect to the change.

d. The consumer lender shall notify each affected borrower in a consumer loan agreement of any change in the manner set forth in the closed-end and open-end agreement governing the plan and in compliance with the requirements of the federal "Truth in Lending Act" (15 U.S.C.s.1601 et seq.) and regulations promulgated thereunder, as in effect from time to time, if applicable.

e. The interest and periodic payments for consumer loans at these rates shall be computed from the standard tables based on the actuarial or annuity method which conforms to the so-called "United States Rule of Partial Payments," which provides that interest shall be calculated whenever a payment is made and the payment shall be first applied to the payment of interest and if it exceeds the interest due, the balance is to be applied to diminish principal. If the payment is insufficient to pay the entire amount of interest, the balance of interest due shall not be added to principal, so as to produce interest thereon.

f. No interest on a consumer loan shall be paid, deducted, or received in advance. Interest shall not be compounded and shall be computed only on unpaid principal balances. For the purpose of computing interest, all installment payments shall be applied on the date of receipt, and interest shall be charged for the actual number of days elapsed at the daily rate of 1/365 of the yearly rate.

g. No consumer lender shall induce or permit any person nor any husband and wife, jointly or severally, to become obligated, directly or contingently or both, under more than one contract of a consumer loan at the same time for the purpose of obtaining a higher rate of interest than would otherwise be permitted by this section. This prohibition shall not apply to any loan made pursuant to any other law of this State.

C.17:11C-33 Additional charges prohibited on consumer loan; violations.

33. a. In addition to the interest herein provided for on a consumer loan, no further or other charge, or amount whatsoever for any examination, service, brokerage, commission, expense, fee, or bonus or other thing or otherwise shall be directly or indirectly charged, contracted for, or received, except for any amount actually paid by a licensee to a public official for the recording of a security interest in connection with security given for the loan and (1) amounts for insurance obtained or provided by the licensee in accordance with the provisions of this act; (2) on actual sale of the security in foreclosure proceedings or upon the entry of judgment; (3) a returned check fee in an amount not to exceed $20, which the licensee may charge the borrower if a check of the borrower is returned to the licensee uncollected due to insufficient funds in the borrower's account; and (4) an annual fee on open-end accounts which may not exceed an amount equal to one percent of the line of credit or $50, whichever is less.

b. A consumer lender who violates or participates in the violation of any provision of section 3, 19, 20, 21 34, 35 or 36 or subsection a., b., or c. of section 32, or subsection a. of this section, or subsection e. or f. of section 41 of this act, shall be guilty of a crime of the fourth degree. A contract of loan not invalid for any other reason, in the making or collection of which any act shall have been done which constitutes a crime of the fourth degree under this section, shall be void and the lender shall have no right to collect or receive any principal, interest or charges unless the act was the result of a good faith error, including a good faith error made as a result of a licensee's acting in conformity with a rule or regulation of the commissioner which is later held to be invalid or in violation of any provision of this act by a judgment of a court of competent jurisdiction, and the licensee notifies the borrower of the error within 90 days after discovering it and makes adjustments in the account necessary to assure that the borrower will not be required to pay any interest, costs, or other charges which aggregate in excess of the charges permitted under this act. If any interest, consideration or charges in excess of those permitted are charged, contracted for or received, except as the result of a good faith error, the consumer lender may collect only the principal amount of the loan, and may not collect interest, costs or other charges with respect to the loan. In addition, a consumer lender who knowingly and willfully violates any provision of this act shall also forfeit to the borrower three times any amount of the interest, costs or other charges collected in excess of that authorized by law.

c. A consumer lender shall have no liability on a consumer loan for an unintentional error if within 90 days after discovering an error the licensee notifies the borrower of the error and makes adjustments in the account as necessary to assure that the borrower will not be required to pay any

interest, costs or other charges which aggregate in excess of the charges permitted under this act for consumer loans. The discovery of an unintentional error within the meaning of this section shall include an entry of a judgment by a court of competent jurisdiction holding that a rule or regulation with which the consumer lender acted in conformity was invalid or in violation of this act, and a consumer lender shall have no liability for such unintentional error if the consumer lender takes the actions required by this section upon discovery of such an error within the time stated therein following entry of such a judgment.

C.17:11C-34 Requirements for consumer lender relative to closed-end loan.

34. Every consumer lender, incident to a closed-end consumer loan, shall:

a. Deliver to the borrower at the time a loan is made a statement in the English language showing in clear and distinct terms the amount and date of the loan and its maturity, the nature of the security, if any, for the loan, the name and address of the borrower and of the licensee, the payment schedule, the amount of interest charges, and the annual percentage rate of interest;

b. Give to any borrower who makes a payment in cash a plain and complete receipt for all payments made on account of the loan at the time payments are made, specifying the amount applied to interest and the amount, if any, applied to principal, and stating the unpaid balance, if any of the loan;

c. Permit payment to be made in advance in any amount on any contract of loan at any time, but the licensee may apply the payment first to all interest in full at the agreed rate up to the date of payment;

d. Upon repayment of the loan in full, mark indelibly every obligation and security signed by the borrower, or a copy thereof, with the word "paid" or "canceled," and release, or give the borrower evidence to release any mortgage, or security interest which no longer secures an obligation to the licensee, restore any pledge, cancel and return any note or a copy thereof, and cancel and return any assignment or a copy thereof given to the licensee by the borrower.

No consumer lender shall take any confession of judgment incident to a closed-end consumer loan. No consumer lender shall, incident to a closed-end consumer loan take any note, promise to pay, or security that does not accurately disclose the amount of the loan, the date of the loan, the payment schedule, the amount of interest charges, and the annual percentage rate of interest, nor any instrument in which blanks are left to be filled in after the loan is made.

C.17:11C-35 Limits on closed-end consumer loans.

35. a. No closed-end consumer loan in an amount of $1,000 or less shall be made for a greater period of time than 36 months and 15 days.

b. No closed-end consumer loan in an amount in excess of $1,000, but not exceeding $2,500, shall be made for a greater period of time than 48 months and 15 days.

c. No closed-end consumer loan in an amount in excess of $2,500, but not exceeding $5,000, shall be made for a greater period of time than 60 months and 15 days.

d. No closed-end consumer loan in an amount in excess of $5,000, but not exceeding $10,000, shall be made for a greater period of time than 84 months and 15 days.

e. No closed-end consumer loan in an amount in excess of $10,000 shall be made for a greater period of time than 120 months and 15 days.

C.17:11C-36 Open-end consumer loans; conditions, terms.

36. a. A licensee authorized to engage in the consumer loan business may make open-end consumer loans and may contract for and receive thereon interest at an annual percentage rate or rates agreed to by the licensee and the borrower.

b. A consumer lender shall not compound interest on an open-end consumer loan by adding any unpaid interest authorized by this act to the principal balance of the borrower's account but the unpaid principal balance may include other charges permitted by this act.

c. Interest on an open-end consumer loan shall be computed in each billing cycle by one of the following methods:

(1) By converting each yearly rate to a daily rate and multiplying that daily rate by the applicable portion of the daily unpaid principal balance of the account, in which case each daily rate is determined by dividing each yearly rate by 365; or

(2) By multiplying one-twelfth of each yearly rate by the applicable portion of the average daily unpaid principal balance of the account in the billing cycle, in which case the average daily unpaid principal balance is the sum of the amount unpaid each day during the cycle divided by the number of days in the cycle; or

(3) By converting each yearly rate to a daily rate and multiplying that daily rate by the applicable portion of the average daily unpaid principal balance of the account in the billing cycle, in which case each daily rate is determined by dividing each yearly rate by 365, and the average daily unpaid principal balance is the sum of the amount unpaid each day during the cycle divided by the number of days in the cycle.

d. For all of the above methods of computation, the billing cycle shall be monthly and the unpaid principal balance on any day shall be determined by adding to any balance unpaid as of the beginning of that day all advances and other permissible amounts charged to the borrower and deducting all payments and other credits made or received that day.

e. In an open-end consumer loan, the borrower may at any time pay all or any part of the unpaid balance in his account; or, if the account is not in default, the borrower may pay the unpaid principal balance in monthly installments, subject to the following minimum payment requirements. Minimum monthly payments shall be in an amount which would result in the full repayment of the initial loan advance, exclusive of any interest, within the maximum term set forth for other loans of the same amount in section 35 of this act, except that the minimum payment for any initial advance not exceeding $2,500 shall be in an amount which would result in full repayment of the initial loan advance within the maximum term of 48 months and 15 days. This minimum payment shall continue at that amount until such time as an additional advance to the borrower is made, other than for permitted charges, at which time the minimum monthly payment shall be determined and shall be in that amount which would result in the full repayment of the unpaid principal balance of the loan, after the advance and including the advance, within the maximum term set forth for the other loans of the same amount, except that if the principal balance of the loan, after the advance and including the advance, does not exceed $2,500, the minimum payment shall be in that amount which would result in full repayment of the principal balance of the loan within the maximum term of 48 months and 15 days. Minimum payments after each subsequent advance shall be determined in the same manner. No minimum payment shall exceed the amount required to pay the balance in full, including unpaid interest and charges to date.

f. In addition to interest, a licensee may contract for and receive on an open-end consumer loan the charges permitted under this act for other consumer loans, subject to all the conditions and restrictions on those charges, with the following variations:

(1) If credit life, disability or involuntary unemployment insurance is provided and if the insured dies or becomes disabled or involuntarily unemployed when there is an outstanding open-end loan indebtedness, the insurance shall be sufficient to pay the total balance of the loan due on the date of the borrower's death in the case of credit life insurance, all minimum payments which become due on the loan during the covered period of disability in the case of credit disability insurance or all covered minimum payments which become due on the loan during the covered period of involuntary unemployment in the case of involuntary unemployment insurance. The additional charge for credit life insurance, credit disability

insurance or credit involuntary unemployment insurance shall be calculated in each billing cycle by applying the current monthly premium rate for that insurance, as determined by the commissioner, to the unpaid balances in the borrower's account, using any of the methods specified in subsection c. of this section for the calculation of interest;

(2) No credit life, disability or involuntary unemployment insurance written in connection with an open-end loan shall be canceled by the licensee because of delinquency of the borrower in the making of the required minimum payments on the loan unless one or more of the payments is past due for a period of 90 days or more; and the licensee shall advance to the insurer the amounts required to keep the insurance in force during that period, which amounts may be debited to the borrower's account.

g. A consumer lender may take a security interest in personal property to secure an open-end consumer loan. Any security may be retained until the open-end account is terminated, except that if the security interest covers consumer goods, then within one month, or within 10 days following written demand by the borrower, after there is no outstanding balance in the account and no commitment by the licensee to make advances, the licensee shall release the security interest. If a security interest is taken, the open-end consumer loan agreement shall state the nature and extent of that security interest.

h. No licensee in connection with an open-end consumer loan shall take any confession of judgment or power of attorney, or take any instrument in which blanks are left to be filled in after the loan is made.

C.17:11C-37 Prohibited charges for large consumer loans.

37. No licensee authorized to engage in the consumer loan business shall directly or indirectly charge, contract for, or receive any interest, discount, or consideration greater than he would be permitted by law to charge if he were not a licensee under this act upon the loan, use, or sale of credit, of the amount or value of more than $15,000. The foregoing prohibition shall also apply to any licensee who permits any person, as borrower or as indorser, guarantor, or surety for any borrower, or otherwise, to owe directly or contingently or both under one or more loan contracts to the licensee at any time the sum of more than $15,000 for principal.

C.17:11C-38 Certain payments deemed loan secured by assignment.

38. The payment of $15,000 or less in money, credit, goods or things in action, as consideration for any sale, assignment or order for the payment of wages, salary, commissions or other compensation for services, whether earned or to be earned, shall, for the purposes of this act, be deemed a loan secured by the assignment. The transaction shall be governed by and subject

to the provisions of this act and any such sale, assignment or order hereafter made shall, for the purposes of this act, be void and of no effect.

C.17:11C-39 Validity of chattel mortgage, security interest, conditions.

39. No chattel mortgage or security interest, as defined in N.J.S.12A:1-201, in, or other lien on, household furniture then in the possession and use of the borrower, taken in connection with a consumer loan, shall be valid unless that chattel mortgage and the financing statement and the security agreement are in writing, signed in person by the borrower, and if the borrower is married, unless it is signed in person by both husband and wife. The written assent of a spouse shall not be required when husband and wife have been living separate and apart for a period of at least five months prior to the making of the mortgage or lien or security interest.

C.17:11C-40 Loans secured by property.

40. The payment of $15,000 or less in money, credit, goods or things in action as consideration for any sale of personal property which is made on condition that the property be sold back at a greater price shall, for the purposes of this act, be deemed to be a loan secured by the property and the amount by which the repurchase price exceeds the original payment actually paid shall be deemed interest or charges upon the loan from the date the original payment is made until the date the repurchase price is paid. The transaction shall be governed by and be subject to the provisions of this act as if it were a consumer loan.

C.17:11C-41 Consumer lenders, prohibited practices.

41. a. No consumer lender shall make any loan upon security of any assignment of or order for the payment of any salary, wages, commissions or other compensation for services earned, or to be earned, nor shall any such assignment or order be taken by a licensee at any time in connection with any consumer loan, or for the enforcement or repayment thereof, and any such assignment or order hereafter so taken or given to secure any loan made by any licensee under this act shall be void and of no effect.

b. No consumer lender shall take a lien upon real estate as security for any consumer loan, except a lien created by law upon the recording of a judgment.

c. No licensee shall conduct the consumer loan business within any office, room, or place of business in which any other business is solicited or engaged in, or in association or conjunction therewith, except as may be authorized in writing by the commissioner.

d. Every consumer loan contract, other than an open-end consumer loan contract or a variable rate closed-end consumer loan contract under subsection b. of section 32 of this act, shall provide for repayment of

principal and interest combined in installments which shall be payable at approximately equal periodic intervals of time and which shall be so arranged that no installment is substantially greater in amount than any preceding installment, except that the repayment schedule may reduce or omit installments when necessary because of the seasonal nature of the borrower's income.

e. No person, except as authorized by this act, shall directly or indirectly charge, contract for, or receive any interest, discount, or consideration greater than the lender would be permitted by law to charge if he were not a licensee hereunder upon the loan, use, or forbearance of money, goods, or things in action, or upon the loan, use, or sale of credit of the amount of $15,000 or less. This prohibition shall apply to any person who, by any device, subterfuge, or pretense, shall charge, contract for, or receive greater interest, consideration, or charges than is authorized by this act for the loan, use, or forbearance of money, goods, or things in action or for the loan, use, or sale of credit.

f. No consumer loans of the amount or value of $15,000 or less for which a greater rate of interest, consideration, or charge than is permitted by this act has been charged, contracted for, or received, whenever made, shall be enforced in this State and any person, partnership, association or corporation in any way participating therein in this State shall be subject to the provisions of this act. The foregoing shall not apply to loans legally made in any state which then has in effect a regulatory small loan law similar in principle to this act, but an action to enforce any loan made in any state to a person then residing in this State may be maintained in this State only if the amount of interest, discount, consideration or other charge for that loan, demanded to be paid in the action, does not exceed that permitted to a licensee authorized to engage in the consumer loan business by this act for a loan of the same amount repayable in the same manner.

C.17:11C-42 Investigations, examinations of licensees.

42. a. The commissioner may make such investigations and examinations of any licensee or other person as the commissioner deems necessary to determine compliance with this act and the orders, rules and regulations issued hereunder. For these purposes, the commissioner may examine the books, accounts, records and other documents or matters of any licensee or other person. Each licensee shall be subject to an examination by the commissioner, not more than once in any 18-month period, unless the commissioner has reason to believe that the licensee is not complying with the provisions of this act or any rule or regulation promulgated thereunder, or is not transacting business in accordance with law, at which time the commissioner may conduct an examination at any time. The commissioner

shall have the power to compel by subpoena the production of all relevant books, records and other documents and materials relative to an examination or investigation. Examinations conducted under the provisions of this act shall be confidential except as required in the administration, enforcement and prosecution of violations under this act or pursuant to court order. The cost of the investigations and examinations shall be borne by the licensee.

b. The commissioner or the commissioner's designee shall have power to issue subpoenas to compel the attendance of witnesses and the production of documents, papers, books, records and other evidence before him in any matter over which he has jurisdiction pursuant to this act, and to administer oaths and affirmations to any person.

c. If any person shall refuse to obey a subpoena, or to give testimony or to produce evidence as required thereby, the commissioner may apply ex parte to any court having jurisdiction over that person for an order compelling the appearance of the witness before the commissioner to give testimony or to produce evidence as required thereby, or both.

C.17:11C-43 Annual report by licensees.

43. A licensee shall annually file a report before April 1 with the commissioner which shall set forth such information as the commissioner shall require concerning the business conducted as a licensee during the preceding calendar year. The report shall be in writing under oath and on a form provided by the commissioner. The commissioner shall charge a fee for the filing of the report to defer the department's administrative expense.

C.17:11C-44 Agreements unenforceable, void.

44. Any agreement to waive any provision of this act shall be unenforceable and void.

C.17:11C-45 Applicability of act to mortgages.

45. The provisions of this act shall apply to any first mortgage loan or secondary mortgage loan:

a. Advertised, caused to be advertised, solicited, negotiated, offered, or otherwise transacted within this State, in whole or in part, whether by the ultimate lender or any other person;

b. Made or executed within this State; or

c. Which is secured by real property located in this State, notwithstanding the place of execution.

C.17:11C-46 Validity of mortgages.

46. The failure of any person to comply with the provisions of this act shall not affect the validity or enforceability of any mortgage loan or secondary mortgage loan, and no person acquiring such a loan shall be

required to ascertain if a licensee has made such a loan in compliance with the provisions of this act.

C.17:11C-47 Injunctions by commissioner.

47. If the commissioner has reason to believe that any person or licensee has engaged, is engaged, or is about to engage in any practice or transaction prohibited by this act, the commissioner may, in addition to any other remedies he may have, bring a summary action in the name and on behalf of the State against the person or licensee and any other person concerned or in any way participating in or about to participate in those practices or those actions in violation of this act, to enjoin the person or licensee from continuing the practices or transactions or engaging therein or doing any act in furtherance thereof or in violation of this act.

C.17:11C-48 Violations, penalties.

48. a. Any person or licensee who engages in any conduct or practice prohibited by this act may be liable to a penalty not exceeding $5,000 to be recovered in a summary proceeding under the "penalty enforcement law" (N.J.S.2A:58-1 et seq.). Each violation shall constitute a separate offense, and the penalty under this section shall be in addition to any suspension or revocation of license. In addition, the commissioner may order any licensee to refund any fee taken illegally or in violation of this act or rules, regulations or orders issued pursuant hereto. Willful violations of this act shall be considered a crime of the third degree.

b. After notice and an opportunity for a hearing, the commissioner may order that any person who has purposely and knowingly violated any provision of this act, or of the rules and regulations issued pursuant hereto, and has thereby caused financial harm to consumers, be barred for a term not exceeding 10 years from acting as a licensee, a stockholder, a partner or other owner, or an employee of a licensee, an officer of a licensee, a director of a licensee or in any other capacity pursuant to this act. Violations of such a final order shall be considered a crime of the third degree.

C.17:11C-49 Rules, regulations.

49. The commissioner may issue and promulgate rules and regulations, in accordance with the "Administrative Procedure Act," P.L.1968, c. 410 (C.52:14B-1 et seq.), necessary to effectuate the provisions of this act.

50. Section 7 of P.L.1992, c.66 (C.17:10B-7) is amended to read as follows:

C.17:10B-7 Nonapplicability of act.

7. The provisions of this act shall not apply to State or federally chartered banks, savings banks, savings and loan associations or credit

unions; mortgage solicitors as defined by section 2 of P.L.1996, c.157 (C.17:11C-2); licensees regulated pursuant to P.L.1996, c.157 (C.17:11C-1 et al.), P.L.1960, c.40 (C.17:16C-1 et seq.), P.L.1968, c.223 (C.17:16C-61.1 et seq.), P.L.1960, c.41 (C.17:16C-62 et seq.) and P.L.1968, c.224 (C.17:16C-95 et seq.); attorneys licensed to practice in this State; certified public accountants licensed to practice in this State pursuant to P.L.1977, c.144 (C.45:2B-1 et seq.); or insurance companies.

51. Section 3 of P.L.1960, c.40 (C.17:16C-3) is amended to read as follows:

C.17:16C-3 License application.

3. An application for a new license or for a renewal thereof shall be accompanied by the required application and license fees, as appropriate, and shall be made on the forms and in the manner and accompanied by such evidence in support of the application as may be prescribed by the commissioner.

52. Section 7 of P.L.1960, c.40 (C.17:16C-7) is amended to read as follows:

C.17:16C-7 Application fee, license fee for sales finance companies.

7. Every application for a new license shall be accompanied by an application fee of not more than $300, as established by the commissioner by regulation. Every sales finance company shall pay to the commissioner at the time of making the application and biennially thereafter upon renewal a license fee for its principal place of business and for each additional place of business conducted in this State. The commissioner shall charge for a license such fee as he shall prescribe by rule or regulation. The license fee, as prescribed by the commissioner by regulation, shall be based on the number of the following activities in which the person is licensed to act: as a mortgage banker or mortgage broker, as a secondary mortgage lender, as a consumer lender, or as a sales finance company. The fee shall be set according to the following schedule:

a. If the person is licensed to engage in one activity, the fee shall not be more than $3,000;

b. If the person is licensed to engage in two activities, the fee shall not be more than $4,000;

c. If the person is licensed to engage in three activities, the fee shall not be more than $5,000; and

d. If the person is licensed to engage in all four activities, the fee shall not be more than $6,000.

The license shall run from the date of issuance to the end of the biennial period. When the initial license is issued in the second year of the biennial licensing period, the license fee shall be an amount equal to one-half of the fee for the biennial licensing period.

For the purpose of coordination with licensing under the "New Jersey Licensed Lenders Act," P.L.1996, c.157 (C.17:11C-1 et al.), each sales finance company license issued pursuant to the "Retail Installment Sales Act of 1960," P.L.1960, c.40 (C.17:16C-1 et seq.), shall expire at the end of the biennial period. The first biennial period shall begin on July 1, 1997, and shall end on June 30, 1999.

53. Section 10 of P.L.1960, c.40 (C.17:16C-10) is amended to read as follows:

C.17:16C-10 Grounds for refusal to issue, revocation, suspension, refusal to renew license.

10. a. The commissioner may refuse to issue and may revoke, suspend or refuse to renew a license or impose a penalty pursuant to this act if the commissioner finds, after notice and an opportunity for a hearing in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) and any rules adopted thereunder, that any person, applicant for or holder of the license has:

(1) violated any of the provisions of P.L.1960, c.40 (C.17:16C-1 et seq.) or any order, rule or regulation made or issued pursuant to that act;

(2) Withheld information or made a material misstatement in the application for the license;

(3) Been convicted of an offense involving breach of trust, moral turpitude or fraudulent or dishonest dealing, or had a final judgment entered against him in a civil action upon grounds of fraud, misrepresentation or deceit;

(4) Become insolvent, or failed to attain or maintain the required net worth;

(5) Demonstrated unworthiness, incompetence, bad faith or dishonesty in the transacting of business as a licensee; or

(6) Engaged in any other conduct which would be deemed by the commissioner to be the cause for denial of the license.

b. A license of a corporation, partnership, association or other entity may be suspended or revoked if any officer, director or member of the licensee has committed any act which would be cause for suspending or revoking a license to him as an individual.

c. No license issued under this act to a motor vehicle installment seller shall be valid unless such seller is the holder of a valid and subsisting license issued pursuant to chapter 10 of Title 39 of the Revised Statutes.

C.17:11C-50 Continuation of licensees.

54. a. A person licensed as a mortgage banker or mortgage broker pursuant to the provisions of P.L.1981, c.18 (C.17:11B-1 et seq.), a secondary mortgage lender licensed pursuant to the "Secondary Mortgage Loan Act," P.L.1970, c. 205 (C.17:11A-34 et seq.), a consumer loan lender licensed pursuant to the "Consumer Loan Act," R.S.17:10-1 et seq., or a sales finance company, licensed pursuant to the "Retail Installment Sales Act of 1960," P.L.1960, c.40 (C.17:16C-1 et seq.), shall continue as a licensee under this act until July 1, 1997, at which time, if the licensee intends to continue to engage in activities regulated by this act, the licensee shall renew the license as a licensee under the provisions of this act.

b. Any licensee to whom the provisions of subsection a. of this section apply, shall be subject to a one-time administrative fee for each license the licensee seeks to renew, provided however, that a licensee seeking to renew a license to engage in one activity under this act shall not be subject to this one-time administrative fee. The administrative fee shall be set by the commissioner by regulation in an amount not to exceed $200 for each license a licensee seeks to renew.

Repealer.

55. The following are repealed:

The "Consumer Loan Act," R.S.17:10-1 through 17:10-3 and 17:10-5 through 17:10-26;

P.L.1962, c.159, s.1 (C.17:10-14.1);

P.L.1983, c.348, s.1 (C.17:10-14.1a);

P.L.1979, c.493, ss.5 and 6 (C.17:10-14.2 and 17:10-14.3);

The "Secondary Mortgage Loan Act," P.L.1970, c.205 (C.17:11A-34 through 17:11A-38, 17:11A-41 through 17:11A-55, 17:11A-57 and 17:11A-59 through 17:11A-63);

P.L.1987, c.230, ss.4-7 and 19-23 (C.17:11A-45.1, 17:11A-39.1, 17:11A-45.2 and 17:11A-45.3, 17:11A-44.7 through 17:11A-44.9 and 17:11A-59.1 and 17:11A-59.2);

P.L.1983, c.348, s.2 (C.17:11A-49.1);

P.L.1983, c.437, s.8 (C.17:11A-44.6); and

P.L.1981, c.18 (C.17:11B-1 et seq.).

56. Sections 49 and 54 of this act shall take effect immediately and the remainder of this act shall take effect on July 1, 1997.

Approved January 8, 1997.

CHAPTER 158

AN ACT concerning continuing education requirements for plumbers and supplementing P.L.1968, c.362 (C.45:14C-1 et seq.).

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

C.45:14C-18.1 Continuing education required for master plumber.

1. The State Board of Examiners of Master Plumbers shall require each master plumber, as a condition for biennial license renewal pursuant to section 18 of P.L.1968, c.362 (C.45:14C-18), to complete any continuing education requirements imposed by the board pursuant to section 2 of this act.

C.45:14C-18.2 Standards for continuing plumbing education.

2. a. The board shall:

(1) Establish standards for continuing plumbing education, including the subject matter and content of courses of study, the selection of instructors, and the number and type of continuing education credits required of a licensed master plumber as a condition for biennial license renewal, except that the number of credits required shall not exceed five in any biennial license period;

(2) Approve educational programs offering credit towards the continuing plumbing education requirements; and

(3) Approve other equivalent educational programs, and shall establish procedures for the issuance of credit upon satisfactory proof of the completion of these programs.

b. In the case of education courses and programs, each hour of instruction shall be equivalent to one credit.

C.45:14C-18.3 Waiving of requirements.

3. The board may, in its discretion, waive requirements for continuing plumbing education on an individual basis for reasons of hardship such as illness or disability, retirement of the license or other good cause.

C.45:14C-18.4 Completion not required for initial renewal of license.

4. The board shall not require completion of continuing plumbing education credits for an initial renewal of license.

C.45:14C-18.5 Carrying over of credits permitted.

5. In the event a master plumber completes a number of continuing education credit hours in excess of the number required by the board pursuant to section 2 of this act, the board may allow that those credits be

carried over to satisfy the master plumber's continuing education requirement for the next biennial licensure period, but shall not be applicable thereafter.

6. This act shall take effect on the 90th day following enactment, except that the State Board of Examiners of Master Plumbers may, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), promulgate regulations to effectuate the provisions of this act immediately.

Approved January 8, 1997.

CHAPTER 159

AN ACT concerning the eligibility of certain organizations to conduct raffles and supplementing P.L.1954, c.5 (C.5:8-50 et seq.).

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

C.5:8-51.3 Conduct of raffles by student loan funds, permitted.

1. A nonprofit corporation organized under the laws of this State for the sole purpose of making loans to students from a single New Jersey school district to defray the costs of post-secondary education shall be deemed to be a bona fide educational organization which is eligible to conduct raffles and the net proceeds of such raffles shall be deemed to be devoted to educational uses.

2. This act shall take effect immediately.

Approved January 8, 1997.

JOINT RESOLUTIONS

(1115)

Joint Resolutions

JOINT RESOLUTION No. 1

A JOINT RESOLUTION designating the second Saturday of June each year as "Delaware Bay Day" in New Jersey.

WHEREAS, The Delaware bay is a thriving ecosystem, a wetland of international significance, and home to 130 fish species, hundreds of thousands of shore birds, waterfowl and raptors; and

WHEREAS, A major river system of the Delaware bay, the Maurice river and its tributaries, has been included in the National Wild and Scenic Rivers System; and

WHEREAS, A healthy, prosperous integration of industry and the environment can be based on the recognition that the life of the Delaware bay is important to our economy; and

WHEREAS, The rich natural and cultural heritage of the Delaware bay has been celebrated on "Delaware Bay Day" since 1993 with family activities, crafts, exhibits and entertainment; and

WHEREAS, The host of this event has been the Delaware Bay Schooner Project, whose mission "is to build stewardship and provide education to conserve and enrich the culture, history, and natural resources of the Delaware Estuary;" and

WHEREAS, It is appropriate for the State of New Jersey to recognize and celebrate the importance and beauty of the Delaware bay ecosystem in the early part of June each year; now, therefore,

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

C.36:2-37 "Delaware Bay Day" designated.

1. The second Saturday in June of each year shall be designated as "Delaware Bay Day" in New Jersey for the purposes of recognizing and celebrating the importance and beauty of the Delaware bay ecosystem.

C.36:2-38 Observation of "Delaware Bay Day."

2. The people of the State and all appropriate State and local governmental entities are urged to observe "Delaware Bay Day" by participating in activities that recognize and celebrate the importance and beauty of the Delaware bay ecosystem.

3. Duly authenticated copies of this resolution shall be transmitted to the Director of the Division of Travel and Tourism, in the Department of Commerce and Economic Development, the Commissioner of Environmental Protection, and the governing body of every municipality located within a county bordering on the Delaware bay.

4. This joint resolution shall take effect immediately.

Approved June 6, 1996.

JOINT RESOLUTION No. 2

A JOINT RESOLUTION designating a portion of State Highway Route No. 18, as the "Purple Heart Memorial Highway."

WHEREAS, Two thousand three hundred purple heart veterans reside in New Jersey and are members of 21 chapters of the Military Order of the Purple Heart throughout the State; and

WHEREAS, The number of purple heart veterans residing in New Jersey exceeds that of any other state in the nation; and

WHEREAS, A permanent memorial established in honor of these veterans would forever commemorate their courage and sacrifices; and

WHEREAS, It is especially timely that a permanent designation be made in light of the 50th Anniversary of the D-Day landing in Normandy which was recently observed on June 6, 1994; and

WHEREAS, In honor of our veterans who served so bravely in times of war, it is fitting and proper that a portion of State Highway Route No. 18, a major thoroughfare in Middlesex County, bear the permanent designation of the "Purple Heart Memorial Highway," honoring all purple heart veterans; and

WHEREAS, The Township of Old Bridge has agreed that the portion of State Highway No. 18 which is situated in Old Bridge should be designated as the "Purple Heart Memorial Highway;" now, therefore,

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

1. The Commissioner of Transportation shall designate that portion of State Highway Route No. 18 which is situated in the Township of Old Bridge, as the "Purple Heart Memorial Highway."

2. The commissioner is authorized to erect appropriate and permanent route and directional signs bearing that designation, and indicating that the portion of the highway bearing that designation is located within the Township of Old Bridge, at appropriate sites on each side of the highway corresponding to the points of entry and exit to the Township of Old Bridge.

3. This joint resolution shall take effect immediately.

Approved June 18, 1996.

JOINT RESOLUTION No. 3

A JOINT RESOLUTION designating the week ending October 12 of every year as Italian-American History and Heritage Week.

WHEREAS, The history of America and the State of New Jersey have been significantly influenced by the rich heritage of Italy; and

WHEREAS, The cultural heritage of Italy includes the classical civilization of Rome, the fine arts of the Renaissance, the scientific and artistic genius of Leonardo Da Vinci, the literary works of Dante and Petrarch, the operas of Verdi and Puccini and many other contributions that have enriched civilization; and

WHEREAS, Over 5.4 million Italians emigrated to the United States between the years 1820 and 1991; and

WHEREAS, Over 2 million New Jerseyans are of Italian descent, according to the 1990 U.S. Census; and

WHEREAS, Italian-Americans have made many contributions to the history of the United States and New Jersey; and

WHEREAS, The voyages of the Italian explorer Christopher Columbus brought together the civilizations of Europe and the Americas; and

WHEREAS, Columbus' first contact with the New World in 1492 is celebrated as a State and federal holiday every year on the second Monday in October; and

WHEREAS, It is altogether fitting and proper to designate a week honoring the significant accomplishments and contributions of the Italian-American community by designating the week ending October 12 annually as Italian-American History and Heritage Week; and

WHEREAS, It is appropriate to encourage American history classes in this State to highlight the contributions which Italian-Americans have made throughout American history; now, therefore,

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

C.36:2-39 Italian-American History and Heritage Week designated.

1. The week ending on October 12 of every year is designated as Italian-American History and Heritage Week.

2. The Governor and Legislature of the State of New Jersey encourage American history classes throughout the State to discuss and examine the contributions which Italian-Americans have made to the history of this country during Italian-American History and Heritage Week.

3. This joint resolution shall take effect immediately.

Approved June 20, 1996.

JOINT RESOLUTION No. 4

A JOINT RESOLUTION permanently designating May 25 as "Children's Memorial Day."

WHEREAS, Many of the holidays observed by the citizens of this State pay tribute to specific events or celebrate the accomplishments of certain individuals; and

WHEREAS, For example, Mother's Day and Father's Day allow individuals to celebrate the special contributions mothers and fathers have made in their lives, while Memorial Day honors the memory of soldiers who lost their lives fighting in armed conflicts; and

WHEREAS, The parents, relatives and friends of children that have died in this State deserve a similar day in which to memorialize them and to remember that although these children did not live long enough to make a lasting contribution to society as a whole, their lives did make a difference to those who knew them; now, therefore,

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

C.36:2-40 Children's Memorial Day designated.

1. May 25 shall be permanently established as "Children's Memorial Day."

2. The Governor shall be requested to issue a proclamation calling upon public officials and citizens of this State to observe the day with appropriate activities and programs.

3. This joint resolution shall take effect immediately.

Approved June 20, 1996.

JOINT RESOLUTION No. 5

A JOINT RESOLUTION honoring Chief Justice Robert N. Wilentz for his years of distinguished service.

WHEREAS, Chief Justice Robert N. Wilentz was appointed Chief Justice by Governor Brendan Byrne to replace Chief Justice Richard Hughes in August of 1979 and was appointed to a second term and tenure by Governor Thomas Kean; and

WHEREAS, Chief Justice Robert N. Wilentz has served well the citizens of this State in that capacity for almost 17 years and also has served in the Legislature as an Assemblyman from Middlesex County for two terms from 1966 to 1970; and

WHEREAS, Chief Justice Robert N. Wilentz will be remembered not only for his landmark judicial decisions but also for his managerial acumen in overseeing the day-to-day operations of the State court system; and

WHEREAS, The fine national reputation enjoyed by the New Jersey Supreme Court was continued and enhanced by Chief Justice Robert N. Wilentz's leadership, scholarship and integrity; and

WHEREAS, Chief Justice Robert N. Wilentz has left his mark on the New Jersey judicial system by the establishment of such programs as the New Jersey Judicial College and the Municipal Court Judicial College; and

WHEREAS, Chief Justice Robert N. Wilentz led the unification of the trial courts into a Statewide court system; and

WHEREAS, Chief Justice Robert N. Wilentz initiated many reforms in the area of case management including the implementation of management teams, a speedy trial program, complementary dispute resolution and a general modernization of the municipal court system to include computerization, training and coordination with the leadership of the vicinage assignment judges; and

WHEREAS, Chief Justice Robert N. Wilentz was instrumental in the overall automation of the court system including electronic filing, coordination and cooperation with government agencies and other computer-related advances in management; and

WHEREAS, Under the guidance of Chief Justice Robert N. Wilentz a comprehensive Family Court system was implemented which provided one of the settings for the use of volunteers in the court system such as persons working with youth services planning; and

WHEREAS, Chief Justice Robert N. Wilentz received national recognition for his leadership role in establishing the Task Force on Women in the Courts and continued his policy of supporting equal access initiatives by creating a similar body addressing the concerns of minorities in the courts; and

WHEREAS, Chief Justice Wilentz's tenure in office may be characterized best by borrowing a phrase from his statement issued on June 13, 1996 announcing his retirement which referred to "commitment to judicial independence, total and uncompromising;" now, therefore,

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

1. Chief Justice Robert N. Wilentz is hereby honored for his dedication to the public good and his years of distinguished service on the bench and as a member of the Legislature.

2. Upon approval by the Governor, a duly authenticated copy of this joint resolution shall be transmitted to Chief Justice Robert N. Wilentz.

3. This joint resolution shall take effect immediately.

Approved June 28, 1996.

JOINT RESOLUTION No. 6

A JOINT RESOLUTION establishing a task force to study the revitalization of the oyster industry.

WHEREAS, The culture of oysters in New Jersey estuarine areas is the oldest type of aquaculture practiced in the State; and

WHEREAS, This practice gave rise to a very significant industry for more than one hundred years; however, in the last forty years the production of oysters has steadily declined to an average value of less than ten percent of the levels previously achieved; and

WHEREAS, This decline is attributable to a complex set of factors, many of which are beyond the control of the practitioners of this type of culture; and

WHEREAS, There is ample evidence that the biological potential for oyster production, especially in the Delaware bay, remains high; and

WHEREAS, The persons involved in the shellfish industry clearly recognize the need for the introduction of innovative changes in culture practices in order to again realize this potential; and

WHEREAS, Such innovation, including commercial scale trials of new operational strategies, is seriously impeded by the current antiquated statutory and regulatory structure controlling the use of this natural resource; and

WHEREAS, Reformulation of the regulatory structure is urgently needed to permit the technological updating of oyster culture practices that will permit the circumvention of the current adverse conditions and foster the revitalization of the New Jersey oyster industry; now, therefore,

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

1. There is established a task force to be known as the "Oyster Industry Revitalization Task Force." The task force shall consist of 13 members each having expertise in oyster culture to be appointed by the Governor as follows: two representatives from the Department of Environmental Protection, two representatives from the Department of Agriculture, one representative from the Delaware Bay Section of the Shell Fisheries Council, three representatives from the Haskin Shellfish Research Laboratory, three representatives from the oyster industry, including at least one member from the New Jersey Oyster Planters and Packers Association, the marine science representative of the Statewide Advisory Committee of the New Jersey Agricultural Experiment Station Board of Managers, and one member from the New Jersey Aquaculture Association. Appointments to the task force shall be made within 60 days of the effective date of this joint resolution.

2. It shall be the duty of the task force to examine the status of oyster culture as currently practiced in New Jersey. The task force shall evaluate the technological, sociological and regulatory aspects of the harvesting and culture of oysters in the Delaware bay and adjacent waters. The task force shall define the problems confronting the oyster industry, including the causes for its reduced production and diminished economic return, examine feasible alternative strategies that might be utilized in reversing the negative trend in the industry, and provide a comprehensive plan of action for revitalization of the industry, including recommendations for actions to be taken by the Legislature and the Governor to address the technical, regulatory, and legal problems impeding the proper utilization of this

valuable natural resource. The task force shall present a final report of its findings and recommendations to the Governor and the Legislature no later than 180 days following the appointment of the members of the task force. The task force shall dissolve upon the issuance of its final report.

3. The members of the task force shall serve without compensation.

4. This joint resolution shall take effect immediately and shall expire upon the submission of the report required pursuant to section 2 of this act.

Approved July 12, 1996.

JOINT RESOLUTION No. 7

A JOINT RESOLUTION designating the fourth Friday in September as "Native American Day."

WHEREAS, Native Americans were the original inhabitants of New Jersey and were of great influence on the cultural and agricultural development of this State; and

WHEREAS, Native Americans, who had formed clearings and trails prior to the arrival of the colonists, made possible the formation of the very earliest colonial towns; and

WHEREAS, Many early settlements would have become extinct if the Native Americans had not supplied the colonists with food or guided the people to profitable hunting grounds; and

WHEREAS, Native Americans cultivated and developed many agricultural products such as corn, squash, beans, and tobacco and the method of growing them; and

WHEREAS, Many towns, streams, lakes and mountains in New Jersey still retain the original Native American names from pre-colonial times; and

WHEREAS, Native Americans today continue to share a rich cultural tradition with all the people of New Jersey; now, therefore,

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

C.36:2-41 "Native American Day," dedicated, proclaimed.

1. The fourth Friday of September of every year shall be dedicated and proclaimed as "Native American Day."

2. The citizenry of this State is urged to observe "Native American Day" by recognizing the important part Native Americans played in the development of New Jersey and the continuing contributions of Native Americans today in New Jersey.

3. This joint resolution shall take effect immediately.

Approved September 27, 1996.

JOINT RESOLUTION No. 8

A JOINT RESOLUTION designating October as New Jersey Seafood Promotion Month.

WHEREAS, New Jersey is a leader in the nation's commercial and recreational seafood industries, ranking ninth in the nation in pounds of seafood landed and tenth in the nation in the dollar value of its seafood harvest; and

WHEREAS, Renewable seafood resources support a commercial fishing industry in the State worth half a billion dollars and a recreational fishing industry worth one billion dollars; and

WHEREAS, The commercial and recreational fisheries in New Jersey provide an economic, environmental and recreational base for the State's coastal tourism industry; and

WHEREAS, The port of Cape May/Wildwood is the leading East Coast port in pounds of seafood landed and is second only to New Bedford in the value of its seafood harvest; and

WHEREAS, New Jersey leads the nation in the production of clams and harvests two-thirds of the nation's sea clams; and

WHEREAS, New Jersey is a national leader in developing fisheries for underutilized species, such as Atlantic mackerel and squid, for foreign and domestic markets; and

WHEREAS, Fishermen in this State have been industry leaders in developing vessel refrigeration systems and freezing at sea to ensure the finest quality seafood for the citizens of this State and for export markets; now, therefore,

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

C.36:2-42 New Jersey Seafood Promotion Month designated.

1. October is hereby designated as New Jersey Seafood Promotion Month.

2. Duly authenticated copies of this resolution shall be transmitted to the Governor of the State of New Jersey and to the Secretary of Agriculture.

3. This joint resolution shall take effect immediately.

Approved October 30, 1996.

JOINT RESOLUTION No. 9

A JOINT RESOLUTION calling on Congress and the United States Postal Service to name the Post Office at 1 Morris Street in Morristown after the late Congressman Dean Gallo.

WHEREAS, On November 6, 1994, Dean Gallo, Representative in the United States Congress from the 11th Congressional District, died of cancer at the age of 58; and

WHEREAS, His death terminated a distinguished career in public service of over 25 years, beginning in 1968 with election to the Parsippany-Troy Hills Township Council, continuing with election to the Morris County Board of Freeholders and, in 1975, to the New Jersey General Assembly, and concluding with election in 1984, and reelection four times thereafter, to the United States House of Representatives; and

WHEREAS, At almost every level of public office in which he served, he held leadership positions: as vice president and president of the Parsippany-Troy Hills Township Council, as Freeholder Director of the Morris County Board of Freeholders, as minority leader in the New Jersey General Assembly; and

WHEREAS, As a member of the United States House of Representatives, he served on the powerful House Appropriations Committee and its subcommittees on energy and water development, veterans' affairs, and housing and urban development, and he exerted leadership in promoting and effectuating significant environmental legislation, a prime example of which was the legislation requiring double-hulled oil tankers to prevent a repeat of the Exxon Valdez environmental disaster; and

WHEREAS, Political friends and adversaries alike were attracted by his congenial nature and respected him as a man of integrity, honesty, and dedication and as a gentleman who truly cared about people and about helping people; and

WHEREAS, It would be a fitting tribute to this man who served so well and in such a distinguished manner not only the constituents of his district but all the people of New Jersey to name the Post Office at 1 Morris Street in Morristown after him; now, therefore,

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

1. The Legislature and Governor of the State of New Jersey call upon the Congress and the United States Postal Service to name the Post Office at 1 Morris Street in Morristown after the late Congressman Dean Gallo.

2. Duly authenticated copies of this joint resolution shall be transmitted to the Postmaster General of the United States, to the presiding officers of the United States Senate and House of Representatives, and to every member of the Congress elected from this State.

3. This joint resolution shall take effect immediately.

Approved December 20, 1996.

AMENDMENT
ADOPTED IN 1996
TO THE 1947 CONSTITUTION

(1129)

Amendment Adopted in 1996 to the 1947 Constitution

ARTICLE VIII, SECTION II PARAGRAPH 6

Amend Article VIII, section II by adding a new paragraph 6 to read as follows:

6. There shall be credited annually to a special account in the General Fund an amount equivalent to 4% of the revenue annually derived from the tax imposed pursuant to the "Corporation Business Tax Act (1945)," P.L.1945, c.162 (C.54:10A-1 et seq.), as amended and supplemented, or any other State law of similar effect.

The amount annually credited pursuant to this paragraph shall be dedicated and shall be appropriated from time to time by the Legislature only for the following purposes: paying or financing costs incurred by the State for the remediation of discharges of hazardous substances, which costs may include performing necessary operation and maintenance activities relating to remedial actions and costs incurred for providing alternative sources of public or private water supplies, when a water supply has been, or is suspected of being, contaminated by a hazardous substance discharge; providing funding, including the provision of loans or grants, for the upgrade, replacement, or closure of underground storage tanks that store or were used to store hazardous substances, and for the costs of remediating any discharge therefrom; and for paying or financing the cost of water quality point and nonpoint source pollution monitoring, watershed based water resource planning and management, and nonpoint source pollution prevention projects.

It shall not be competent for the Legislature, under any pretense whatever, to borrow, appropriate, or use the amount credited to the special account pursuant to this paragraph, or any portion thereof, for any purpose or in any manner other than as enumerated in this paragraph. It shall not be competent for the Legislature, under any pretense whatever, to borrow, appropriate, or use the amount credited to the special account pursuant to this paragraph, or any portion thereof, for the payment of the principal or

interest on any general obligation bond that was approved by the voters prior to this paragraph becoming part of this Constitution.

(a) A minimum of one-sixth of the amount annually credited pursuant to this paragraph, or a minimum of an amount equal to $5,000,000.00 per year, whichever is less, shall be dedicated, and shall be appropriated from time to time by the Legislature, only for paying or financing the cost of water quality point and nonpoint source pollution monitoring, watershed based water resource planning and management, and nonpoint source pollution prevention projects.

(b) A minimum of one-third of the amount annually credited pursuant to this paragraph shall be dedicated, and shall be appropriated from time to time by the Legislature, only for providing funding, including the provision of loans or grants, for the upgrade, replacement, or closure of underground storage tanks that store or were used to store hazardous substances, and for the costs of remediating any discharge therefrom, except that the dedication of moneys pursuant to this subparagraph (b) shall expire on December 31, 2008 and may thereafter be dedicated and appropriated from time to time by the Legislature for any of the purposes authorized pursuant to subparagraphs (a), (b), or (c) of this paragraph. All moneys derived from repayments of any loan issued from the amount dedicated pursuant to this subparagraph (b) shall be dedicated, and shall be appropriated from time to time by the Legislature, only for the purposes authorized pursuant to this subparagraph (b). The dedication of moneys derived from loan repayments shall not expire. No moneys appropriated pursuant to this subparagraph (b) may be expended on any direct or indirect administrative costs of the State or any of its departments, agencies, or authorities. No moneys appropriated pursuant to this subparagraph (b) may be expended on any upgrade, replacement, or closure of any underground storage tank, or for the remediation of any discharge therefrom, for any underground storage tank owned by the State or any of its departments, agencies, or authorities.

(c) A minimum of one-half of the amount annually credited pursuant to this paragraph shall be dedicated, and shall be appropriated from time to time by the Legislature, only for paying or financing costs incurred by the State for the remediation of discharges of hazardous substances, which costs may include performing necessary operation and maintenance activities relating to remedial actions and costs incurred for providing alternative sources of public or private water supplies, when a water supply has been, or is suspected of being, contaminated by a hazardous substance discharge. No moneys appropriated pursuant to this subparagraph (c) may be expended for any indirect administrative costs of the State, its departments, agencies, or authorities. No more than nine percent of the moneys annually credited pursuant to this paragraph, which shall be taken from the amount dedicated

pursuant to this subparagraph (c), may be expended for any direct program administrative costs of the State, its departments, agencies, or authorities. If the Legislature dedicates for the purposes of this subparagraph (c) any moneys above the minimum that is required to be dedicated pursuant to this subparagraph (c), those moneys may not be expended for any direct or indirect administrative costs of the State, its departments, agencies, or authorities.

Adopted November 5, 1996.
Effective December 5, 1996.

EXECUTIVE ORDERS

EXECUTIVE ORDER NO. 45

WHEREAS, Severe weather conditions of January 7, 1996 caused by snow and blizzard conditions, including hazardous road conditions, high tides and coastal flooding in the State of New Jersey; and

WHEREAS, These weather conditions pose a threat and constitute a disaster from a natural cause which threatens and presently does endanger the health, safety or resources of the residents of more than one municipality and county of this State; and which is in some parts of the State and may become in other parts of the State too large in scope to be handled in its entirety by the normal municipal operating services; and

WHEREAS, The Constitution and statutes of the State of New Jersey, particularly the provisions of the Laws of 1942, Chapter 251 (N.J.S.A. App.A: 9-30 et seq.) and the Laws of 1979, Chapter 240 (N.J.S.A.38A:3-6.1) and the Laws of 1963, Chapter 109 (N.J.S.A.38A:2-4) and all amendments and supplements thereto, confer upon the Governor of the State of New Jersey certain emergency powers.

THEREFORE, I, Christine Todd Whitman, Governor of the State of New Jersey, in order to protect the health, safety and welfare of the people of the State of New Jersey do declare and proclaim that a State of Emergency has and presently exists in the entire State of New Jersey.

NOW THEREFORE, in accordance with the Laws of 1963, Chapter 109 (N.J.S.A.38A:2-4), I hereby authorize the Adjutant General of the New Jersey National Guard to order to active duty such members of the New Jersey National Guard that, in his judgment, are necessary to provide aid to those localities where there is a threat or danger to the public health, safety, and welfare. He may authorize the employment of any supporting vehicles, equipment, communications or supplies as may be necessary to support the members so ordered.

FURTHERMORE, in accordance with the Laws of 1942, Chapter 251 as supplemented and amended, I hereby empower the Superintendent of the Division of State Police, who is the State's Director of Emergency Management, through the police agencies under his control, to determine the control and direction of the flow of such vehicular traffic on any State Highway, municipal or county road, including the right to detour, reroute

or divert any or all traffic and to prevent ingress or egress from any area that he, in his discretion, deems necessary for the protection of the health, safety and welfare of the public.

The Superintendent of the Division of State Police is further authorized and empowered to utilize all facilities owned, rented, operated and maintained by the State of New Jersey to house and shelter persons who may need to be evacuated from their residences during the course of this emergency.

FURTHERMORE, the Superintendent of the Division of State Police is hereby authorized to order the evacuation of all persons, except for those emergency and governmental personnel whose presence he deems necessary, from any area where their continued presence would present a danger to their health, safety, or welfare because of the conditions created by the emergency.

FURTHERMORE, in accordance with the Laws of 1942, Chapter 251, I reserve the right to utilize and employ all available resources of the State government and of each and every political subdivision of the State, whether of men, properties, or instrumentalities, and to commandeer and utilize any personal services and any privately owned property necessary to protect against this emergency.

This order shall take effect immediately and it shall remain in effect until such time as it is determined that an emergency no longer exists.

Dated January 7, 1996.

EXECUTIVE ORDER NO. 46

WHEREAS, Executive Order No. 45, declaring a state of emergency, was issued on January 8, 1996 because of severe weather conditions; and

WHEREAS, The severity of the weather conditions necessitating the declaration of a state of emergency has eased;

THEREFORE, I, Christine Todd Whitman, Governor of the State of New Jersey, announce that the state of emergency is hereby terminated effective at noon on January 13, 1996.

I wish to express my appreciation to the people of New Jersey for the manner in which they cooperated during this emergency and to the law enforcement and other emergency response personnel of the State for their untiring efforts.

Dated January 12, 1996.

EXECUTIVE ORDER NO. 47

WHEREAS, The President of the United States has authorized the deployment of United States military forces to Bosnia and surrounding locations as part of a NATO and multinational peacekeeping force, in accordance with law; and

WHEREAS, The President has authorized the Secretary of Defense to call up select members of the Reserve and National Guard to active duty, and has authorized the Secretary of Transportation to call up members of the Coast Guard Reserve; and

WHEREAS, Reserve and National Guard members who are activated during these crises serve a vital national interest for which they deserve the full support of the citizens of this State; and

WHEREAS, The State of New Jersey recognizes that a strong, ready Reserve and National Guard are essential to the defense of this country and vital to this State in times of emergency; and

WHEREAS, The State of New Jersey recognizes the personal and economic sacrifices of its employees serving in the Reserve and the National Guard who are called to active duty during the Bosnian Peacekeeping Mission;

NOW, THEREFORE, I, CHRISTINE TODD WHITMAN, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the Statutes of this State, do hereby ORDER and DIRECT:

1. New Jersey State employees who are called to active duty during the Bosnian Peacekeeping Mission shall be entitled upon termination of active duty to return to State employment with full seniority and benefits consistent with State and federal military reemployment and seniority rights.

2. During active duty for the duration of their activation in these crises, these State employees shall be entitled to receive a salary equal to the differential between the employee's State salary and the employee's military pay.

3. These State employees shall be entitled to State employee health benefits, life insurance and pension coverage during active duty service for which they receive differential salary as prescribed in this Order as if they were on paid leave of absence.

4. The Commissioner of Personnel shall implement this Executive Order and each department, office, division or agency of the State is authorized and directed, to the extent not inconsistent with law, to cooperate with the Commissioner of Personnel and to make available to the Commissioner such information, personnel and assistance as necessary to accomplish the purposes of this Order.

5. This Order shall take effect immediately.

Dated February 29, 1996.

EXECUTIVE ORDER NO. 48

WHEREAS, The State prisons and other penal and correctional institutions of the New Jersey Department of Corrections continue to house populations of inmates in excess of their capacities and remain overcrowded; and

WHEREAS, On April 4, 1994, the State Legislature enacted P.L.1994, c.12, which declared a continuing state of emergency in the State prisons and other penal and correctional institutions of the New Jersey Department of Corrections and conferred upon the Governor the authority to issue executive orders, for a period not to exceed 2 years, to address the effects of the continuing state of emergency declared therein; and

WHEREAS, On April 4, 1994, Executive Order No. 16 was issued pursuant to P.L.1994, c.12 to address the effects of the continuing state of emergency in the State prisons and other penal and correctional institutions of the New Jersey Department of Corrections; and

WHEREAS, From April 1994, until this month, the total adult inmate population of State-sentenced inmates has increased from 23,608 to 27,950; and

WHEREAS, From April 1994, until this month, the total adult inmate population of State-sentenced inmates housed in county jails has increased from 4,020 to 4,517; and

WHEREAS, In April 1994, the State's adult and youth correctional institutions were operating at 134.3 percent of design capacity and are presently operating at 148.1 percent of design capacity; and

WHEREAS, The State's correctional system is receiving 100 more inmates per month than it is releasing from the system; and

WHEREAS, These conditions exist despite the addition of 2,145 beds to the State's correctional system since the issuance of Executive Order No. 16; and

WHEREAS, Since April 1994, various initiatives have been implemented by the Department of Corrections as alternatives to incarceration to help lessen the State's inmate population; and

WHEREAS, Efforts are continuing to address the problem, including the anticipated opening of Phase I of a new prison facility by March 1997 that will house 1,000 State-sentenced inmates; and

WHEREAS, The State continues to make a good faith effort to reduce the population of State-sentenced inmates in county facilities; and

WHEREAS, Despite best efforts, overcrowding conditions continue to endanger the safety, welfare and resources of the residents of this State; and

WHEREAS, The scope of this crisis prevents local governments from safeguarding the people, property and resources of the State and continues to warrant a centralized management approach to inmate housing assignments; and

WHEREAS, The overcrowding conditions specified in Executive Order No. 16 of April 4, 1994, continue to create a state of emergency in

the State prisons and other penal and correctional institutions of the New Jersey Department of Corrections; and

WHEREAS, P.L. 1994, c.12 and Executive Order No. 16 expire on April 4, 1996; and

WHEREAS, The State Legislature, by enactment of P.L.1996, c.9, has declared that the state of emergency in the State prisons and other penal and correctional institutions of the New Jersey Department of Corrections, which was declared pursuant to P.L.1994, c.12, continues; and

WHEREAS, The State Legislature, by enactment of P.L.1996, c.9, has extended the Governor's authority to issue executive orders pursuant to that act to address the effects of the continuing state of emergency declared therein;

NOW, THEREFORE, I, CHRISTINE TODD WHITMAN, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the Statutes of this State, do hereby ORDER and DIRECT as follows:

1. I invoke such powers as are conferred upon me by P.L. 1996, c.9.

2. I hereby direct that the authority to designate the place of confinement of any State-sentenced inmate shall be exercised for the duration of this Order by the designee of the Governor to address the emergency conditions within the State prisons and other penal and correctional institutions of the New Jersey Department of Corrections.

3. I hereby designate the Commissioner of the New Jersey Department of Corrections (the "Commissioner") to effectuate the provisions of this Order.

4. The Commissioner may designate as a place of confinement any available, suitable and appropriate institution or facility, whether owned by the State, a county, or any political subdivision of this State, or any other person, for the confinement of inmates confined or to be confined in the State and/or county penal or correctional institutions.

5. The Commissioner shall consult with the appropriate county officials prior to implementation of any substantial change in the population of State-sentenced inmates housed in that county.

6. The Commissioner shall have full authority to adopt such rules, regulations, orders and directives as he shall deem necessary to effectuate the provisions of this Order.

7. The Commissioner is authorized to establish rates of compensation for counties that house State-sentenced inmates as he deems appropriate.

8. This Order shall take effect immediately.

Dated March 28, 1996.

EXECUTIVE ORDER NO. 49

WHEREAS, Violence in the workplace is a growing concern at all levels of government; and

WHEREAS, Violence against employees can take many forms including harassment, threats and physical acts of violence; and

WHEREAS, The State of New Jersey recognizes its obligation to provide a safe, respectful and harmonious work environment for each of its employees; and

WHEREAS, Each employee has the right to a workplace free from violence and threats of violence; and

WHEREAS, Because of the unique nature of their work, government employees may be at increased risk of violence in the workplace; and

WHEREAS, The Department of Personnel has conducted relevant research on workplace violence and is responsible for all aspects of employment and employee development on behalf of the citizen-employees in State departments, agencies and organizations;

NOW, THEREFORE, I, CHRISTINE TODD WHITMAN, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the Statutes of this State, do hereby ORDER and DIRECT:

1. The policy of the State of New Jersey shall be that harassment, intimidation, violence or threats of violence by or against its employees shall not be tolerated, and that the State of New Jersey shall not tolerate any violence or threats of violence against any State property or installation.

2. The Commissioner of Personnel shall recommend strategies for prevention, action and reaction to incidents of workplace violence and provide each department, office, division or agency of State government with technical assistance and/or consultative services in order to implement this policy.

3. This Order shall take effect immediately.

Dated April 17, 1996.

EXECUTIVE ORDER NO. 50

WHEREAS, Fraud exists in all corners of the health marketplace and is perpetrated on and by consumers, health care facilities, practitioners, insurance companies and others. Nationally, as much as 50 billion health care dollars are lost each year to fraud in various forms, including false claims, fraudulent subcontracts, unreliable billing practices, excessive salaries, bribery, tax evasion and kickbacks; and

WHEREAS, Ultimately the members of the public, as consumers and taxpayers, bear the cost of these fraudulent activities since providers and insurers shift the cost to government, employers and to those who can afford insurance, while too often the poorest members of society are left with inadequate medical services; and

WHEREAS, Health care is a large and profitable business and presents a significant opportunity for financial gain in which any lack of effective regulatory and legal controls and enforcement mechanism invites fraud; and

WHEREAS, New Jersey cannot wait for the conclusion of the national dialogue to decide how best to allocate scarce health care resources, achieve access to quality care for all New Jersey citizens and rid the marketplace of fraud; and

WHEREAS, New Jersey must ensure that its regulatory and legal efforts are as strong and effective as possible in both preventing health care fraud and in identifying and prosecuting such fraud where it exists; and

WHEREAS, There have been enforcement successes in the ongoing battle against health care fraud, including the investigation and prosecution of alleged broad based schemes involving fraudulent insurance claims submitted by health care providers and others to private insurance companies, self-funded insurance programs and the Medicaid program. More, however, needs to be done; and

WHEREAS, Health care fraud will be better policed by a broad "systematic" approach and greater coordination of prevention and enforcement efforts;

NOW, THEREFORE, I, CHRISTINE TODD WHITMAN, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the Statutes of this State, do hereby ORDER and DIRECT:

1. The establishment of the Health Care Fraud Task Force (the "Task Force"), which shall function as the policy development body for the Executive Branch in establishing a comprehensive health care fraud enforcement plan.

2. The Task Force shall identify and catalogue the forms of health care fraud existing within the New Jersey marketplace and identify all Executive Branch agencies and resources currently involved or which should be involved in health care fraud prevention and enforcement.

3. The Task Force shall identify priority prevention and enforcement areas, as well as design and implement coordination strategies among all Executive Branch agencies for the centralized investigation and prosecution of all civil and criminal cases involving significant or widespread fraud in the health care industry, as well as strategies for the effective handling and disposition of other cases.

4. The Task Force shall develop and recommend an Executive Branch budget for the support of a comprehensive and effective health care fraud prevention and enforcement strategy from existing resources and identify emerging technologies necessary for an effective and comprehensive strategy.

5. The Task Force shall design and implement measures (1) to educate the public and health care industry, and in particular to eliminate their tolerance of health care fraud and (2) to reduce the opportunities for individual gain through fraudulent health care practices.

6. The Task Force shall develop ongoing outreach activities with the industries and professions which make up the health care delivery system to insure that the needs and concerns of those entities are reflected in the comprehensive health care fraud enforcement plan.

7. Finally, the Task Force shall identify statutory, regulatory and administrative changes or improvements related to health care fraud prevention and enforcement.

8. The Task Force shall consist of the Attorney General, who shall serve as chairperson of the Task Force; the Treasurer; the Commissioner of Health; the Commissioner of Insurance; and the Commissioner of Human Services.

9. The Task Force shall report to me periodically regarding its progress in establishing a comprehensive health care fraud enforcement plan. The first report shall be issued no later than six months following the date of this Order, and the second report no later than one year following the date of this Order. Subsequent reports as to status of the plan shall be issued every year thereafter.

10. This Order shall take effect immediately.

Dated May 28, 1996.

EXECUTIVE ORDER NO. 51

WHEREAS, An Executive Reorganization for the transfer, consolidation and reorganization of all senior services within the Department of Health and the redesignation of the Department of Health as the

Department of Health and Senior Services was filed with the Legislature on May 2, 1996 as Reorganization Plan No. 001-1996; and

WHEREAS, Reorganization Plan No. 001-1996 was to become effective on July 1, 1996 or at such later date as the Governor may establish, if not disapproved by the Legislature; and

WHEREAS, July 6, 1996 begins the first State employee pay period in Fiscal Year 1997; and

WHEREAS, It is necessary to delay the effective date of certain provisions of Reorganization Plan No. 001-1996 until July 6, 1996 due to personnel changes in the Department of Health as a result of the Fiscal Year 1997 State Budget;

NOW, THEREFORE, I, CHRISTINE TODD WHITMAN, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution, by the Statutes of this State and by Reorganization Plan No. 001-1996, do hereby ORDER and DIRECT:

1. That the effective date of the provisions of Reorganization Plan No. 001-1996 that transfer employees to the Department of Health and Senior Services shall be July 6, 1996.

2. This Order shall take effect immediately.

Dated June 28, 1996.

EXECUTIVE ORDER NO. 52

WHEREAS, an Executive Reorganization Plan transferring the Division of the State Library in the Department of Education to the Department of State was filed with the Legislature on May 2, 1996 as Reorganization Plan No. 002-1996; and

WHEREAS, Reorganization Plan No. 002-1996 was to become effective on July 1, 1996 or at such later date as the Governor may establish, if not disapproved by the Legislature; and

WHEREAS, It is necessary to delay the effective date of Reorganization Plan No. 002-1996 until July 6, 1996 due to personnel changes in the Department of State as a result of the FY'97 State Budget;

NOW, THEREFORE, I, CHRISTINE TODD WHITMAN, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution, by the Statutes of this State and by Reorganization Plan No. 002-1996, do hereby ORDER and DIRECT:

1. That the effective date for Reorganization Plan No. 002-1996, which transfers the Division of the State Library in the Department of Education to the Department of State, shall be July 6, 1996.

2. This Order shall take effect immediately.

Dated June 28, 1996.

EXECUTIVE ORDER No. 53

WHEREAS, Severe weather conditions on June 12 through June 24, 1996 caused torrential thunderstorms, hailstorms, tornadoes and high winds which produced severe flooding, loss of life and widespread destruction of buildings, roads, trees and crops in the State of New Jersey; and

WHEREAS, Comprehensive field surveys were performed by the Federal Emergency Management Agency (FEMA), the Small Business Administration (SBA), the Federal Highway Administration (FHWA), and the United States Department of Agriculture (USDA), in close coordination with the New Jersey Office of Emergency Management (NJOEM) and other State agencies and these surveys have evaluated, quantified and verified the extent, magnitude and impact of these extraordinarily destructive weather events upon the affected counties; and

WHEREAS, These weather events pose a continuous threat and constitute a disaster from a natural cause which threatens and endangers the health, safety and resources of the residents of more than one municipality and county of this State and these events have caused damage that is too large in scope to be handled in its entirety by normal municipal operating services; and

WHEREAS, The Constitution and Statutes of the State of New Jersey, particularly the provisions of the Laws of 1942, Chapter 251 (N.J.S.A. App.A: 9-30 et seq.) and the Laws of 1979, Chapter 240 (N.J.S.A.38A:3-6.1) and the Laws of 1963, Chapter 109 (N.J.S.A.38A:2-4) and all amendments and supplements thereto, confer upon the Governor of the State of New Jersey certain emergency powers;

THEREFORE, I, CHRISTINE TODD WHITMAN, Governor of the State of New Jersey, in order to protect the health, safety and welfare of the people of the State of New Jersey do declare and proclaim that a State of Emergency has occurred and presently exists in the Counties of Mercer and Burlington.

NOW, THEREFORE, in accordance with the Laws of 1963, Chapter 109 (N.J.S.A. 38A:2-4), I hereby authorize the Adjutant General of the New Jersey National Guard to order to active duty such members of the New Jersey National Guard that, in his judgment, are necessary to provide aid and recovery assistance to those localities where there is a threat or danger to the public health, safety, and welfare. He may authorize the employment of any supporting vehicles, equipment, communications or supplies as may be necessary to support the members so ordered.

FURTHERMORE, in accordance with the Law of 1942, Chapter 251, as supplemented and amended, I hereby empower the Superintendent of the Division of State Police, who is the State's Director of Emergency Management, through the New Jersey Office of Emergency Management, to coordinate the recovery effort from this natural disaster with all Federal, State, county and local government agencies, volunteer organizations and the private sector.

FURTHERMORE, the Superintendent of the Division of State Police is hereby authorized to order the evacuation of all persons, except for those emergency and governmental personnel whose presence he deems necessary, from any area where their continued presence would present a danger to their health, safety, or welfare because of the conditions created by this emergency.

FURTHERMORE, in accordance with the Laws of 1942, Chapter 251, I reserve the right to utilize and employ all available resources of the State government and each and every political subdivision of the State,

whether persons, properties or instrumentalities, necessary to protect against this emergency.

FURTHERMORE, I am directing the Secretary of Agriculture, in coordination with the Superintendent of the Division of State Police as the State Director of Emergency Management, to apply to the U.S. Department of Agriculture for an Agricultural Disaster Declaration and to identify other available assistance for farmers in the affected areas.

FURTHERMORE, I am directing the Commissioner of Transportation, in coordination with the Superintendent of the Division of State Police as the State Director of Emergency Management, to apply to the Federal Highway Administration for disaster assistance to repair and restore all eligible roadways, bridges and culverts in the affected areas.

FURTHERMORE, I am directing the chairperson of the State Hazard Mitigation Team to assemble the appropriate local, State and Federal agencies to evaluate and develop recommendations to reduce the affected areas' vulnerability to recurrent flooding.

This order shall take effect immediately and it shall remain in effect until such time as I determine that an emergency no longer exists.

Dated June 28, 1996.

EXECUTIVE ORDER NO. 54

WHEREAS, Assemblyman John S. Watson was born in Camden in 1924, served honorably with the United States Merchant Marine fleet during World War II, and devoted many years in public service to the people of the State of New Jersey; and

WHEREAS, Assemblyman Watson had the distinction of being Mercer County's first African-American Freeholder in 1970; and

WHEREAS, He became the State's first African-American chosen President of a Freeholder Board in 1977 in Mercer County; and

WHEREAS, he served the people of New Jersey in the Assembly for 12 years and sponsored, among other important measures, legislation

to preserve thousands of acres of farmland through the Open Space Preservation Bond Act; and

WHEREAS, He served as Chairman of the Assembly Appropriations Committee; and

WHEREAS, It is with deep sadness that we mourn the loss of Assemblyman Watson and extend our sincerest sympathy to his family and friends; and

WHEREAS, It is fitting and appropriate to honor the memory and the passing of Assemblyman Watson;

NOW, THEREFORE, I, CHRISTINE TODD WHITMAN, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the Statutes of this State, do hereby ORDER and DIRECT:

1. The flag of the United States of America and the flag of the State of New Jersey shall be flown at half-staff at all State departments, offices, agencies and instrumentalities during appropriate hours on Tuesday, July 9, 1996 in recognition and mourning of the passing of Assemblyman Watson.

2. This Order shall take effect immediately.

Dated July 9, 1996.

EXECUTIVE ORDER NO. 55

WHEREAS, William Thomas Cahill, born to Irish immigrants in Philadelphia in 1912, served more than thirty years of his life in public service to the people of his beloved State of New Jersey, culminating with his term as Governor from 1970 to 1974; and

WHEREAS, Governor Cahill's foresight and determined leadership brought extraordinary changes that still have a profound impact on the way our government operates today; and

WHEREAS, He will be remembered as a pioneer of tax reform in the State; and

WHEREAS, His efforts in creating the New Jersey Sports and Exposition Authority and attracting the football Giants to New Jersey have resulted in decades of enjoyment and entertainment for the people of New Jersey; and

WHEREAS, His prescient interest in environmental issues led to the creation of the Department of Environmental Protection and the passage of the Coastal Area Facility Review Act (CAFRA), setting a precedent of protecting the State's wetlands and coastal areas; and

WHEREAS, The Cahill Administration, reflecting its leader's devotion to pursuing the best public policy for the citizens of the State, established the Division of Consumer Affairs to field, investigate and act upon consumer complaints; reconstituted the Board of Public Utilities to oversee and regulate the rates of the State's utility companies more effectively; established the Department of Community Affairs with the primary goal of pursuing a comprehensive urban development agenda; and created the Division of Youth and Family Services to protect abused and neglected children throughout the State; and

WHEREAS, Governor Cahill oversaw the implementation of the New Jersey Lottery, which was the nation's first daily Statewide lottery, and, indeed, purchased the State's first lottery ticket on December 16, 1970; and

WHEREAS, In an act of gracious bipartisanship he appointed his predecessor, Governor Richard J. Hughes, to be Chief Justice of the State Supreme Court; and

WHEREAS, In the wake of the prison riot in Attica in New York State that resulted in many deaths, he drew national accolades for participating personally in negotiations on Thanksgiving Day in 1971 that quelled an inmate uprising at Rahway State Prison without the loss of a single life; and

WHEREAS, He did not permit his public service to the State to detract from his love and devotion to his large family and many friends; and

WHEREAS, It is with deep sadness that we mourn the loss of Governor Cahill and extend our sincere sympathies to his family and friends; and

WHEREAS, It is fitting and appropriate for the State of New Jersey to mourn the passing of Governor Cahill and to honor his selfless career in fulfilling what he termed his "civic duty" to our State;

NOW, THEREFORE, I, CHRISTINE TODD WHITMAN, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the Statutes of this State, do hereby ORDER and DIRECT:

1. The flag of the United States of America and the flag of the State of New Jersey shall be flown at half-staff at all State departments, offices, agencies and instrumentalities during appropriate hours beginning on Tuesday, July 9, 1996 and through and including Monday, July 22, 1996 in recognition and mourning of the passing of Governor William T. Cahill.

2. This Order shall take effect immediately.

Dated July 9, 1996.

EXECUTIVE ORDER NO. 56

WHEREAS, Executive Order No. 53, declaring a state of emergency, was issued on June 28, 1996 because of severe weather conditions; and

WHEREAS, The severity of the conditions necessitating the declaration of a state of emergency has eased;

NOW, THEREFORE, I, CHRISTINE TODD WHITMAN, Governor of the State of New Jersey, declare that the state of emergency is hereby terminated effective at noon on July 12, 1996.

Dated July 12, 1996.

EXECUTIVE ORDER NO. 57

WHEREAS, Robert N. Wilentz, born in Perth Amboy in 1927, devoted more than twenty years of his life in public service to the people of the State of New Jersey; and

WHEREAS, In 1965, he was elected to the General Assembly and served for two terms; and

WHEREAS, He was appointed Chief Justice of the New Jersey Supreme Court by Governor Brendan Byrne in 1979 and subsequently provided leadership of the highest order until his retirement; and

WHEREAS, Through his keen administrative judgment and his dedication to the independence of the judiciary, Chief Justice Wilentz was the primary force in making the New Jersey State court system the envy of the nation; and

WHEREAS, The extensive jurisprudence of the Wilentz Court, including opinions that upheld mandatory prison terms for persons convicted of crimes that involve the use of guns, recognized "battered women's syndrome" as a defense for women charged in homicides, mandated that a municipality has an obligation to provide its fair share of low-income housing, banned surrogate-motherhood contracts, concluded that the State's school-aid formula was unconstitutional and upheld the registration and community notification requirements contained in "Megan's Law" helped significantly to shape New Jersey's public policy for nearly two decades; and

WHEREAS, He brought pride to our State by drawing national recognition for his profound intellectual and administrative abilities during his remarkable tenure as the leader of the State's courts; and

WHEREAS, He was devoted to his wife and family and was considerate and compassionate to his friends and colleagues; and

WHEREAS, It is with deep sadness that we mourn the loss of Chief Justice Wilentz and extend our sincere sympathies to his family and friends; and

WHEREAS, It is fitting and appropriate for the State of New Jersey to mourn the passing of Chief Justice Wilentz and to honor his distinguished career in public service to our State;

NOW, THEREFORE, I, CHRISTINE TODD WHITMAN, Governor of the State of New Jersey, by virtue of the authority vested in

me by the Constitution and by the Statutes of this State, do hereby ORDER and DIRECT:

1. The flag of the United States of America and the flag of the State of New Jersey shall be flown at half-staff at all State departments, offices, agencies and instrumentalities during appropriate hours beginning on Friday, July 26, 1996 and through and including Friday, August 2, 1996 in recognition and mourning of the passing of Chief Justice Robert N. Wilentz.

2. This Order shall take effect immediately.

Dated July 25, 1996.

EXECUTIVE ORDER NO. 58

WHEREAS, The State of New Jersey seeks to preserve the safety of its neighborhoods and communities while recognizing the rights of persons at State psychiatric facilities who have been found to be criminally insane; and

WHEREAS, Recent events at Greystone Park Psychiatric Hospital evidence a need to assess the manner in which the State houses and handles the criminally insane;

NOW, THEREFORE, I, CHRISTINE TODD WHITMAN, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the Statutes of this State, do hereby ORDER and DIRECT:

1. The creation of the Task Force for the Review of the Treatment of the Criminally Insane (hereinafter "Task Force") to study the current practices employed by State psychiatric facilities in housing and handling the criminally insane.

2. The Task Force shall be composed of the Attorney General or his designee; the Commissioner of the Department of Human Services or his designee; a designee of the New Jersey Supreme Court Chief Justice; a Senator to be appointed by the Senate President; an Assembly member to be appointed by the Assembly Speaker; and not more than five members of the public appointed by the Governor who may be professionals or

advocates experienced in the field of either criminal justice or mental health. The Governor shall designate a chairman and vice-chairman of the Task Force from among the members of the Task Force. The members shall serve without compensation, but shall be reimbursed for necessary expenses incurred in the performance of their duties subject to the availability of funds therefor. The Department of Human Services and all other State departments and agencies are hereby directed, to the extent not inconsistent with law and within budgetary constraints, to cooperate with the Task Force and to furnish it with such information, personnel and assistance as are necessary to accomplish the purposes of this Order.

3. The Task Force is charged with considering such issues as security at State psychiatric facilities and the rights of patients and persons who reside nearby. Among the issues the Task Force will consider are community notification of the identity of patients who leave hospital grounds who have been found not guilty by reason of insanity, and whether the current practice of housing the criminally insane with the general facility population is appropriate. The Task Force shall also identify possible options for the housing and handling of the criminally insane.

4. The Task Force shall complete its study and report to the Governor within six months of the date the Task Force first convenes.

5. This Order shall take effect immediately.

Dated September 12, 1996.

EXECUTIVE ORDER NO. 59

WHEREAS, Welfare reform is a priority of the Whitman Administration and for State government in general; and

WHEREAS, The "Personal Responsibility and Work Opportunities Reconciliation Act of 1996" was signed into federal law on August 22, 1996; and

WHEREAS, The principal goal of New Jersey's welfare reform initiative, entitled "Work First New Jersey," is to change the welfare system from an income maintenance program that fosters dependency among its participants into a temporary assistance system that

emphasizes the development of workforce readiness, fosters personal responsibility and encourages recipients to obtain full-time unsubsidized employment; and

WHEREAS, The scope of reform necessary to meet the far-reaching objectives of "Work First New Jersey" extends beyond the authority of the Department of Human Services and the services that it can provide; and

WHEREAS, Welfare reform in New Jersey shall include reforms in the areas of economic development, job training and development, banking, education, housing, transportation, technology and health services; and

WHEREAS, There is an immediate need for a comprehensive, coordinated plan and implementation involving various Departments of State government to address the broad array of challenges associated with successful welfare reform; and

WHEREAS, The Departments of Human Services, Banking and Insurance, Commerce and Economic Development, Community Affairs, Education, Health and Senior Services, Labor and Transportation are charged with the responsibility of implementing welfare reform in the State of New Jersey;

NOW, THEREFORE, I, CHRISTINE TODD WHITMAN, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the Statutes of this State, do hereby ORDER and DIRECT:

1. Within 30 days of the issuance of this Order, the Governor's Office shall convene a "Work First New Jersey" Interdepartmental Coordinating Committee ("Committee") that shall comprise the respective Commissioners of the Departments, or their designees, and members of the Governor's staff as the Governor determines. The chairperson of the Committee shall be the Director of the Governor's Office of Policy and Planning, or her designee.

2. The Committee shall develop and implement policies and programs within each Department that augment and support comprehensive welfare reform in New Jersey and implement the "Work First New Jersey" initiative.

3. The Committee shall receive administrative staff support as needed from the participating Departments.

4. This Order shall take effect immediately.

Dated October 22, 1996.

EXECUTIVE ORDER NO. 60

WHEREAS, The New Jersey Constitution of 1844 was amended in 1939 to authorize horse racing and pari-mutuel betting; and

WHEREAS, The Legislature in 1940 created the New Jersey Racing Commission and vested it with the authority to regulate horse racing and the system of pari-mutuel betting; and

WHEREAS, The Legislature in 1971 created the New Jersey Sports and Exposition Authority in, but not of, the Department of Community Affairs to promote the general welfare, health and prosperity of the people of the State, and the principal source of the Authority's revenue is from proceeds derived from pari-mutuel betting at race tracks operated by the Authority; and

WHEREAS, The Legislature in 1985 enacted the Simulcast Racing Act, which provided for pari-mutuel betting at one race track on a race at another race track, either in the State or out of the State; and

WHEREAS, Despite these significant changes to the laws regulating horse racing, there has been no thorough and comprehensive review of the entire horse racing industry since 1940; and

WHEREAS, The horse racing industry is feeling the strain of increased competition from other forms of legalized gambling in the State and from neighboring states that are expanding, or considering expanding, legalized gambling in a variety of ways, including telephone wagering on horse races and slot machines at race tracks; and

WHEREAS, Tens of thousands of people are employed in industries directly related to horse racing that play a vital role in preserving farmland in a State that values open space;

NOW, THEREFORE, I, CHRISTINE TODD WHITMAN, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the Statutes of this State, do hereby ORDER and DIRECT:

1. There is hereby established the Racing Industry Study Commission, hereinafter referred to as the Commission.

2. The Commission shall consist of 17 members to be appointed as follows: two State Senators appointed by the President of the Senate, two State Assembly Members appointed by the Speaker of the Assembly, 13 members appointed by the Governor as follows: the Attorney General, the State Treasurer, the Secretary of Agriculture, the Commissioner of the Department of Commerce and Economic Development, one member of the New Jersey Racing Commission, one licensee of the New Jersey Racing Commission, one member of the New Jersey Sports and Exposition Authority, one private race track permit holder, one member of the Council on Compulsive Gambling of New Jersey, Inc., one member of the New Jersey Thoroughbred Horsemen's Benevolent Association, one member of the Thoroughbred Breeders Association of New Jersey, one member of the Standardbred Breeders and Owners Association of New Jersey, and one member of the Casino Association of New Jersey. The chairperson and vice-chairperson of the Commission shall also be designated by the Governor. All members of the Commission shall be appointed no later than December 1, 1996. Vacancies shall be filled in the same manner as the original appointments were made.

3. The Commission shall undertake a thorough and comprehensive study of the horse racing industry in New Jersey, including existing statutes and regulations, in-State competition for the gambling dollar and legislation in neighboring states that impacts on the economic growth and prosperity of New Jersey's horse racing industry.

4. The Commission shall meet as soon as practicable after December 1, 1996.

5. The Commission is authorized to call upon any department, office or agency of State government to provide such information, resources or other assistance deemed necessary to discharge its responsibilities under this Order. Each department, officer, division and agency of this State is hereby required to cooperate with the Commission and to

furnish it with such information, personnel and assistance as is necessary to accomplish the purposes of this Order.

6. The Commission shall file a report with the Governor no later than 6 months following the first meeting of the Commission, which report shall include short-range and long-range recommendations, including any recommendations for legislative bills.

7. This Order shall take effect immediately.

Dated October 31, 1996.

EXECUTIVE ORDER NO. 61

WHEREAS, Torrential rains and severe weather conditions occurred in the State of New Jersey on October 18 through October 21, 1996, bringing more than seven inches of rain in parts of the State; and

WHEREAS, This heavy precipitation resulted in severe flooding in the State, with many of the State's streams and rivers overflowing for a period of several days, causing substantial damage to structures, property, roads, bridges, drainage facilities and other facilities and systems; and

WHEREAS, According to the U.S. Geological Survey, this event was the flood of record along the Upper Passaic River; the Passaic River crested above the 100-year flood stage, and the Raritan and its North Branch crested just below the flood of record, making this the second highest recorded flood; and

WHEREAS, The flooding associated with this storm was of such magnitude that many of the State's roadways were impassable, leaving many residents stranded and without electrical utilities and heat; and

WHEREAS, Due to the emergent management needed to protect the health, safety and welfare of the people of New Jersey from the consequences of the severe flooding, I directed at 2 a.m. on Sunday, October 20, 1996, the activation of the State Emergency Operations Plan, including the activation of the State Emergency Operating Center in order that the center coordinate State emergency response and recovery activity; and

WHEREAS, On Monday, October 21, 1996, two State Rapid Deployment Teams were dispatched to the affected areas to assist overwhelmed local authorities with needs assessment and disaster recovery operations; and

WHEREAS, The circumstances above constituted a disaster from a natural cause which threatened and endangered the health, safety and resources of the residents of one or more municipalities or counties of this State, and which was in some parts of the State too large in scope to be handled by the normal municipal operating services;

NOW, THEREFORE, I, CHRISTINE TODD WHITMAN, Governor of the State of New Jersey, do memorialize the declaration and proclamation that a State of Emergency existed from October 18, 1996 through October 21, 1996, which emergency necessitated the exercise of emergency powers conferred upon the Governor of the State of New Jersey, pursuant to the Constitution and Statutes of the State of New Jersey, particularly the provisions of the Laws of 1942, Chapter 251 (N.J.S.A. App.A: 9-30 et seq.) and the Laws of 1979, Chapter 240 (N.J.S.A. 38A:3-6.1) and the Laws of 1963, Chapter 109 (N.J.S.A. 38A:2-4) and all supplements and amendments thereto.

Dated November 6, 1996.

EXECUTIVE ORDER NO. 62

I, CHRISTINE TODD WHITMAN, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the Statutes of this State, do hereby ORDER and DIRECT:

1. November 29, 1996, the day following Thanksgiving, shall be granted as a day off to employees who work in the Executive Departments of State Government and who are paid from State funds or from federal funds made available to the State, whose functions, in the opinion of their appointing authority, permit such absence.

2. An alternate day shall be granted to the aforementioned category of employees whose functions, in the opinion of their appointing authority, precludes such absence on November 29, 1996.

Dated November 20, 1996.

EXECUTIVE ORDER NO. 63

WHEREAS, Executive Order No. 60 established the Racing Industry Study Commission, consisting of 17 members; and

WHEREAS, In recognition of the appropriateness of having a representative of the casino industry on the Commission, Executive Order No. 60 provides that the membership of the Commission shall include a member of the Casino Association of New Jersey, but that Association, although it has not formally dissolved, has ceased active operations since Executive Order No.60 was issued; and

WHEREAS, It is appropriate for a member of the public to represent the public's interest on the Commission, and

WHEREAS, The public officers serving on the Commission in an ex officio capacity, namely the Attorney General, the State Treasurer, the Secretary of Agriculture and the Commissioner of the Department of Commerce and Economic Development, should have the discretion and flexibility to designate a member of their respective departments to represent them on the Commission;

NOW, THEREFORE, I, CHRISTINE TODD WHITMAN, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the Statutes of this State, do hereby ORDER and DIRECT:

1. Membership in the Racing Industry Study Commission created by Executive Order No. 60 is hereby expanded from 17 members to 19 members.

2. In addition to appointing a member of the Casino Association as provided for in Executive Order No. 60, the Governor shall, no later than December 31, 1996, appoint another representative of the casino industry from a casino that is not a member of the Casino Association of New Jersey to serve as a member of the Commission.

3. The Governor shall, no later than December 31, 1996, appoint a member of the public to serve as a member of the Commission.

4. The public officers serving on the Commission in their ex officio capacity, namely the Attorney General, the State Treasurer, the Secretary

of Agriculture and the Commissioner of the Department of Commerce and Economic Development, may designate a member of their respective departments to represent them on the Commission.

5. The New Jersey Sports and Exposition Authority is hereby directed, to the extent not inconsistent with law and within budgetary constraints, to cooperate with the Commission and furnish it with such information, personnel and assistance as is reasonably available to accomplish the purposes of Executive Order No. 60 and this Order.

6. The remaining provisions of Executive Order No. 60 shall remain in full force and effect.

7. This Order shall take effect immediately.

Dated December 12, 1996.

EXECUTIVE ORDER NO. 64

WHEREAS, Senator C. William Haines was born in Mount Holly in 1928, served honorably with the 7th Cavalry during the Korean War, and devoted many years in public service to the people of the State of New Jersey; and

WHEREAS, Senator Haines served the people of New Jersey in both the General Assembly (1982-84) and the Senate (1985-96) and sponsored, among other important measures, legislation which created the Transportation Trust Fund which provides nearly $1 billion per year in State and federal funds for transit needs, and legislation which benefited agriculture in this State; and

WHEREAS, He served as Chairman of the Senate Transportation Committee and Vice-Chairman of the Senate Senior Citizens, Veterans' Affairs and Agriculture Committee; and

WHEREAS, It is with deep sadness that we mourn the loss of Senator Haines and extend our sincerest sympathy to his family and friends; and

WHEREAS, It is fitting and appropriate to honor the memory and the passing of Senator Haines;

NOW, THEREFORE, I, CHRISTINE TODD WHITMAN, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the Statutes of this State, do hereby ORDER and DIRECT:

1. The flag of the United States of America and the flag of the State of New Jersey shall be flown at half-staff at all State departments, offices, agencies and instrumentalities during appropriate hours from Monday, December 23, 1996 until Monday, December 30, 1996 in recognition and mourning of the passing of Senator Haines.

2. This Order shall take effect immediately.

Dated December 23, 1996.

REORGANIZATION PLANS

(1165)

REORGANIZATION PLAN NO.001-1996
A PLAN FOR THE TRANSFER, CONSOLIDATION AND REORGANIZATION OF ALL SENIOR SERVICES WITHIN THE DEPARTMENT OF HEALTH AND THE REDESIGNATION OF THE DEPARTMENT OF HEALTH AS THE DEPARTMENT OF HEALTH AND SENIOR SERVICES

PLEASE TAKE NOTICE that on May 2, 1996, Governor Christine Todd Whitman hereby issues this Reorganization Plan, No. 001-1996 (the "Plan"), to provide for the transfer, consolidation and reorganization of all senior services within the Department of Health and the redesignation of the Department as the Department of Health and Senior Services. The Plan is part of the continuing effort to consolidate and align the structure and functions of the Executive Branch in the interest of efficiency and economy, without qualitative or quantitative diminution of services to the public.

GENERAL STATEMENT OF PURPOSE

This Plan will foster the efficient implementation of a coherent public policy for the elder citizens of the State. Four departments of the Executive Branch currently administer the major policies and programs that affect the health and well-being of elder New Jersey citizens. The Department of Community Affairs, through its Division on Aging, administers programs and services that provide assistance to individuals and organizations concerned with the well-being of older citizens and maintains oversight of a Statewide network of Area Agencies on Aging. The Division on Aging also includes the Public Guardian and the Ombudsman for the Institutionalized Elderly and is charged with the protection of the State's frail elder residents. The Department of Human Services, through its Division of Medical Assistance and Health Services and its Division of Youth and Family Services, administers programs and provides financial reimbursement for a broad variety of services to eligible elder beneficiaries. The Senior Health Unit of the Department of Insurance provides information to Medicare beneficiaries concerning supplemental and long-term care alternatives. The Department of Health, through its licensing and planning functions, promotes and insures quality of health care services for seniors from wellness to long-term care alternatives. The current allocations of responsibilities among these various agencies create overlapping responsibilities and fragmentation of services, making it difficult for older adults and their caregivers to access services.

Seniors will benefit from having one department in State government provide to them the policy prominence that they deserve. Improved policy

New Jersey State Library

making capabilities and integration of programs will result in expanded service options and improved service delivery. This Plan will designate a State agency with Senior Services as a priority. Programs from the four departments will be merged with the Department of Health and Senior Services. The Plan will ensure the coordination of local programs, improve consumer access to a full range of services, increase high quality options to promote independence among older citizens, encourage and work with older citizens and their organizations, maintain service and care accountability through quality outcomes and act as an advocate for the State's older citizens.

NOW, THEREFORE, pursuant to the "Executive Reorganization Act of 1969," P.L.1969, c.203 (C.52:14C-1 et seq.), I find, with respect to the transfer, consolidation and reorganization provided for in this Plan, that each aspect is necessary to accomplish the purposes set forth in Section 2 of that Act and that each aspect will:

1. promote the more effective management of the Executive Branch by consolidating senior service-related functions and activities within one agency;

2. promote better and more efficient execution of the laws and the expeditious administration of the public business by consolidating and integrating within one agency similar functions;

3. group, coordinate and consolidate functions in a more consistent and practical manner according to major purposes;

4. promote economy to the fullest extent consistent with the efficient operations of the Executive Branch;

5. increase the efficiency of the operations of the Executive Branch to the fullest extent practicable; and

6. eliminate duplication and overlapping of effort that have resulted from the dispersion of senior services throughout the Executive Branch and, thereby, better utilize State resources.

PROVISIONS OF THE REORGANIZATION PLAN

Therefore, I hereby order the following reorganization:

1. a. The Department of Health, created pursuant to P.L.1947, c.177 (C.26:1A-1 et seq.) as amended, together with all of its functions, powers and duties, is continued and is constituted and redesignated as the Department of Health and Senior Services. The Commissioner of the Department of Health shall be redenominated as the Commissioner of the Department of Health and Senior Services.

b. Whenever any law, rule, regulation, order, contract, tariff, document, judicial or administrative proceeding or otherwise refers to the Department of Health and the Commissioner thereof, the same shall mean the Department of Health and Senior Services and the Commissioner thereof.

c. The Commissioner of the Department of Health and Senior Services shall have the power, not inconsistent with P.L.1947, c.177, section 13 as amended and supplemented (C.26:1A-13) or with this Reorganization Plan, to organize the work of the Department in such organizational units as the Commissioner may determine to be necessary for its efficient and effective operation.

d. The Commissioner of the Department of Health and Senior Services shall provide an action plan to the Department of Personnel, in a format prescribed by the Commissioner of the Department of Personnel, at least 30 days prior to the effective date of the Plan.

2. a. The Division on Aging, created as the "Division of the Aging" pursuant to P.L.1957, c.72 (C.26:1A-107 et seq.), transferred to the Department of State pursuant to P.L.1959, c.143, transferred to the Department of Community Affairs pursuant to P.L.1966, c.293 (C.52:27D-1 et seq.), designated the Office on Aging pursuant to the Reorganization Plan of the Department of Community Affairs filed June 20, 1972, reconstituted in the Department of Community Affairs as the Division on Aging pursuant to P.L.1975, c.36 and reorganized pursuant to the Reorganization Plan of the Department of Community Affairs filed November 21, 1994, together with all of its powers, functions and duties, is continued and is transferred to and into the Department of Health and Senior Services. These functions, powers and duties shall be organized and implemented within the Department of Health and Senior Services as determined by the Commissioner of the Department of Health and Senior Services after consultation with the Commissioner of the Department of Community Affairs.

b. All employees of the Division on Aging shall be employees of the Department of Health and Senior Services and shall be transferred to that Department pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.). Additionally, all records, property, appropriations and any unexpended balance of funds appropriated or otherwise available to the

Division on Aging shall be transferred to the Department of Health and Senior Services pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

c. Whenever any law, rule, regulation, order, contract, tariff, document, judicial or administrative proceeding or otherwise refers to the Division on Aging within the Department of Community Affairs, the same shall mean the Division on Aging within the Department of Health and Senior Services.

3. a. The Office of the Ombudsman for the Institutionalized Elderly, created pursuant to P.L.1977, c.239 (C.52:27G-1 et seq.) as amended and supplemented and transferred to the Division on Aging pursuant to the Reorganization Plan of the Department of Community Affairs filed November 21, 1994, together with all of its employees, powers, functions and duties, is hereby continued and transferred to the Department of Health and Senior Services. Notwithstanding said allocation, the Office of the Ombudsman for the Institutionalized Elderly shall be independent of any supervision or control of the Department of Health and Senior Services or any board or officer thereof regarding investigations, findings, any and all enforcement, civil or criminal actions recommended by said office, or civil actions brought by said office. The Office of the Ombudsman for the Institutionalized Elderly shall continue to report annually to the Governor and the Legislature pursuant to the provisions of P.L.1977, c.239, section 9 (C.52:27G-9h).

b. The position of Ombudsman for the Institutionalized Elderly, created pursuant to P.L.1977, c.239, section 4 (C.52:27G-4), is continued and transferred to the Department of Health and Senior Services. The Ombudsman for the Institutionalized Elderly shall continue to be appointed as provided in P.L.1977, c.239, section 4 (C.52:27G-4).

c. All employees of the Office of the Ombudsman for the Institutionalized Elderly shall be allocated to the Department of Health and Senior Services pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.). Additionally, all records, property, appropriations and any unexpended balance of funds appropriated or otherwise available to the Office of the Ombudsman for the Institutionalized Elderly shall be allocated to the Department of Health and Senior Services pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

d. Whenever any law, rule, regulation, order, contract, tariff, document, judicial or administrative proceeding or otherwise refers to the Office of the Ombudsman for the Institutionalized Elderly allocated to the Department of Community Affairs, the same shall mean and refer to the Office of the Ombudsman for the Institutionalized Elderly allocated to the Department of Health and Senior Services.

4. a. The Office of the Public Guardian for Elderly Adults, created pursuant to P.L.1985, c.298 (C.52:27G-21 et seq.) as amended and supplemented and transferred to the Division on Aging pursuant to the Reorganization Plan of the Department of Community Affairs filed November 21, 1994, together with all of its employees, powers, functions and duties, is hereby continued and transferred to the Department of Health and Senior Services. Notwithstanding said allocation, the Office of the Public Guardian for Elderly Adults shall be independent of any supervision or control by the Department of Health and Senior Services or by any board or officer thereof with respect to the Public Guardian's duties pursuant to P.L.1985, c.298 (C.52:27G-21 et seq.) and Title 3B and any other applicable statute, regulation, court rule or case law.

b. The position of Public Guardian for Elderly Adults, created pursuant to P.L.1985, c.298, section 5 (C.52:27G-24), is continued and transferred to the Department of Health and Senior Services. The Public Guardian for Elderly Adults shall continue to be appointed as provided in P.L.1985, c.298, section 5 (C.52:27G-24).

c. All employees of the Office of the Public Guardian for Elderly Adults shall be transferred to the Department of Health and Senior Services pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.) and consistent with the provisions of P.L.1985, c.298 (C.52:27G-21 et seq.). Additionally, all records, property, appropriations and any unexpended balance of funds appropriated or otherwise available to the Office of the Public Guardian for Elderly Adults shall be allocated to the Department of Health and Senior Services pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.) and consistent with the provisions of P.L.1985, c.298 (C.52:27G-21 et seq.).

d. Whenever any law, rule, regulation, order, contract, tariff, document, judicial or administrative proceeding or otherwise refers to the Office of the Public Guardian for Elderly Adults allocated to the Department of Community Affairs, the same shall mean and refer to the Office of the Public Guardian for Elderly Adults allocated to the Department of Health and Senior Services.

5. a. The Congregate Housing Services Program, together with all of its powers, functions and duties pursuant to P.L.1981, c.553 (C.52:27D-182 et seq.) as amended and supplemented, and allocated in the Department of Community Affairs, is hereby continued and transferred to and into the Department of Health and Senior Services. These functions, powers and duties shall be organized and implemented within the Department of Health and Senior Services as determined by the Commissioner of the Department

of Health and Senior Services after consultation with the Commissioner of the Department of Community Affairs.

b. All employees of the Department of Community Affairs who are employed in the Congregate Housing Services Program shall be employees of the Department of Health and Senior Services and shall be transferred to that Department pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.). Additionally, all records, property, appropriations and any unexpended balance of funds appropriated or otherwise available to the Congregate Housing Services Program, shall be transferred to the Department of Health and Senior Services pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

c. Whenever any law, rule, regulation, order, contract, tariff, document, judicial or administrative proceeding or otherwise refers to the Congregate Housing Services Program within the Department of Community Affairs or the Commissioner of the Department of Community Affairs, the same shall mean and refer to the Department of Health and Senior Services or the Commissioner thereof.

6. a. The Adult Protective Services Program, together with all of its powers, functions and duties pursuant to P.L.1993, c.249 (C.52:27D-406 et seq.) as amended and supplemented, and allocated in the Department of Community Affairs, is hereby continued and transferred to and into the Department of Health and Senior Services. These functions, powers and duties shall be organized and implemented within the Department of Health and Senior Services as determined by the Commissioner of the Department of Health and Senior Services after consultation with the Commissioner of the Department of Community Affairs.

b. All employees of the Department of Community Affairs who are employed in the Adult Protective Services Program shall be employees of the Department of Health and Senior Services and shall be transferred to that Department pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.). Additionally, all records, property, appropriations and any unexpended balance of funds appropriated or otherwise available to the Adult Protective Services Program, shall be transferred to the Department of Health and Senior Services pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

c. Whenever any law, rule, regulation, order, contract, tariff, document, judicial or administrative proceeding or otherwise refers to the Adult Protective Services Program within the Department of Community Affairs or the Commissioner of the Department of Community Affairs, the same shall mean and refer to the Department of Health and Senior Services or the Commissioner thereof.

7. a. The Pharmaceutical Assistance to the Aged and Disabled ("PAAD") Program, P.L.1975, c.194 (C.30:4D-20 et seq.) as amended, together with all of its functions, powers and duties, is hereby continued and transferred to and into the Department of Health and Senior Services from the Division of Medical Assistance and Health Services of the Department of Human Services. This transfer may be organized and implemented pursuant to an inter-agency agreement entered into by the Commissioner of the Department of Human Services and the Commissioner of the Department of Health and Senior Services.

b. All employees of the Department of Human Services who are employed in the PAAD Program shall be employees of the Department of Health and Senior Services and shall be transferred to that Department pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.). Additionally, all records, property, appropriations and any unexpended balance of funds appropriated or otherwise available to the PAAD Program shall be transferred to the Department of Health and Senior Services pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

c. Whenever any law, rule, regulation, order, contract, tariff, document, judicial or administrative proceeding or otherwise pertaining to the PAAD program refers to the Department of Human Services or the Commissioner of the Department of Human Services, the same shall mean and refer to the Department of Health and Senior Services or the Commissioner thereof.

8. a. The Lifeline Credit Program, created pursuant to P.L.1979, c.197 (C.48:2-29.15 et seq.) and transferred from the Board of Public Utilities to the Department of Human Services pursuant to P.L.1980, c.92 (C.48:2-29.22 et seq.), together with all of its functions, powers and duties, is hereby continued and transferred to and into the Department of Health and Senior Services from the Division of Medical Assistance and Health Services in the Department of Human Services. This transfer may be organized and implemented pursuant to an inter-agency agreement entered into by the Commissioner of the Department of Human Services and the Commissioner of the Department of Health and Senior Services.

b. All employees of the Department of Human Services who are employed in the Lifeline Credit Program shall be employees of the Department of Health and Senior Services and shall be transferred to that Department pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.). Additionally, all records, property, appropriations and any unexpended balance of funds appropriated or otherwise available to the Lifeline Credit Program shall be transferred to the Department of Health and

Senior Services pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

c. Whenever any law, rule, regulation, order, contract, tariff, document, judicial or administrative proceeding or otherwise pertaining to the Lifeline Credit Program refers to the Department of Human Services or the Commissioner of the Department of Human Services, the same shall mean and refer to the Department of Health and Senior Services or the Commissioner thereof.

9. a. The Tenants' Lifeline Assistance Program, created pursuant to P.L.1981, c.210 (C.48:2-29.30 et seq.), together with all of its functions, powers and duties and allocated in the Division of Medical Assistance and Health Services in the Department of Human Services, is hereby continued and transferred to and into the Department of Health and Senior Services from the Division of Medical Assistance and Health Services in the Department of Human Services. This transfer may be organized and implemented pursuant to an inter-agency agreement entered into by the Commissioner of the Department of Human Services and the Commissioner of the Department of Health and Senior Services.

b. All employees of the Department of Human Services who are employed in the Tenants' Lifeline Assistance Program shall be employees of the Department of Health and Senior Services and shall be transferred to that Department pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.). Additionally, all records, property, appropriations and any unexpended balance of funds appropriated or otherwise available to the Tenants' Lifeline Assistance Program shall be transferred to the Department of Health and Senior Services pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

c. Whenever any law, rule, regulation, order, contract, tariff, document, judicial or administrative proceeding or otherwise pertaining to the Tenants' Lifeline Assistance Program refers to the Department of Human Services or the Commissioner of the Department of Human Services, the same shall mean and refer to the Department of Health and Senior Services or the Commissioner thereof.

10. a. The Hearing Aid Assistance to the Aged and Disabled ("HAAAD") Program, created pursuant to P.L.1987, c.298 (C.30:4D-36 et seq.), together with all of its functions, powers and duties and allocated in the Division of Medical Assistance and Health Services in the Department of Human Services, is hereby continued and transferred to and into the Department of Health and Senior Services from the Division of Medical Assistance and Health Services of the Department of Human Services. This

transfer may be organized and implemented pursuant to an inter-agency agreement entered into by the Commissioner of the Department of Human Services and the Commissioner of the Department of Health and Senior Services.

b. All employees of the Department of Human Services who are employed in the HAAAD Program shall be employees of the Department of Health and Senior Services and shall be transferred to that Department pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.). Additionally, all records, property, appropriations and any unexpended balance of funds appropriated or otherwise available to the HAAAD Program shall be transferred to the Department of Health and Senior Services pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

c. Whenever any law, rule, regulation, order, contract, tariff, document, judicial or administrative proceeding or otherwise pertaining to the HAAAD Program refers to the Department of Human Services or the Commissioner of the Department of Human Services, the same shall mean and refer to the Department of Health and Senior Services or the Commissioner thereof.

11. a. The AIDS Drug Distribution Program, together with all of its powers, functions and duties and allocated in the Division of Medical Assistance and Health Services in the Department of Human Services, is hereby continued and transferred to and into the Department of Health and Senior Services. These functions, powers and duties shall be organized and implemented within the Department of Health and Senior Services as determined by the Commissioner of the Department of Health and Senior Services after consultation with the Commissioner of the Department of Human Services.

b. All employees of the Department of Human Services who are employed in the AIDS Drug Distribution Program shall be employees of the Department of Health and Senior Services and shall be transferred to that Department pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C. 52:14D-1 et seq.). Additionally, all records, property, appropriations and any unexpended balance of funds appropriated or otherwise available to the AIDS Drug Distribution Program, shall be transferred to the Department of Health and Senior Services pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

c. Whenever any law, rule, regulation, order, contract, tariff, document, judicial or administrative proceeding or otherwise pertaining to the AIDS Drug Distribution Program refers to the Department of Human Services or the Commissioner of the Department of Human Services, the same shall

mean and refer to the Department of Health and Senior Services or the Commissioner thereof.

12. a. The component of the Bureau of Home and Community Services that includes the Community Care Program for the Elderly and Disabled established pursuant to P.L.1988, c.92 (C.30:4E-5) and the program existing pursuant to the Assisted Living/Alternate Family Care waiver, together with all of its functions, powers and duties and allocated in the Division of Medical Assistance and Health Services in the Department of Human Services, is hereby continued and transferred to and into the Department of Health and Senior Services from the Division of Medical Assistance and Health Services in the Department of Human Services.

b. All employees of the Department of Human Services who are employed in the component of the Bureau of Home and Community Services that includes the Community Care Program for the Elderly and Disabled and the program existing pursuant to the Assisted Living/Alternate Family Care waiver shall be employees of the Department of Health and Senior Services and shall be transferred to that Department pursuant to "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.). Additionally, all records, property, appropriations and any unexpended balance of funds appropriated or otherwise available to the component of the Bureau of Home and Community Services that includes the Community Care Program for the Elderly and Disabled and the program existing pursuant to the Assisted Living/Alternate Family Care waiver shall be transferred to the Department of Health and Senior Services pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

c. Whenever any law, rule, regulation, order, contract, tariff, document, judicial or administrative proceeding or otherwise pertaining to the component of the Bureau of Home and Community Services that includes the Community Care Program for the Elderly and Disabled and the program existing pursuant to the Assisted Living/Alternate Family Care waiver refers to the Department of Human Services or the Commissioner of the Department of Human Services, the same shall mean and refer to the Department of Health and Senior Services or the Commissioner thereof pursuant to federal waiver amendments.

13. a. The Bureau of Nursing Facility Level Services, which includes Preadmission Screening established pursuant to P.L.1988, c.97 (C.30:4D-17.10 et seq.), together with all of its functions, powers and duties with the exception of the inspection of care and periodic medical review functions and allocated in the Division of Medical Assistance and Health Services in the Department of Human Services, is hereby continued and

transferred to and into the Department of Health and Senior Services from the Division of Medical Assistance and Health Services of the Department of Human Services. This transfer may be organized and implemented pursuant to an inter-agency agreement entered into between the Commissioner of the Department of Human Services and the Commissioner of the Department of Health and Senior Services.

b. All employees of the Department of Human Services who are employed in the Bureau of Nursing Facility Level Services, with the exception of those employed in the inspection of care and periodic medical review functions, shall be employees of the Department of Health and Senior Services and shall be transferred to that Department pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.). Additionally, all records, property, appropriations and any unexpended balance of funds appropriated or otherwise available to the Bureau of Nursing Facility Level Services, with the exception of those appropriated or otherwise available to the inspection of care and periodic medical review functions, shall be transferred to the Department of Health and Senior Services pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

c. Whenever any law, rule, regulation, order, contract, tariff, document, judicial or administrative proceeding or otherwise pertaining to the Bureau of Nursing Facility Level Services, with the exception of the inspection of care and periodic medical review functions of the Bureau, refers to the Department of Human Services or the Commissioner of the Department of Human Services, the same shall mean and refer to the Department of Health and Senior Services or the Commissioner thereof.

14. a. The Bureau of Nursing Facility Policy and Reimbursement, together with all of its powers, functions and duties and allocated in the Division of Medical Assistance and Health Services in the Department of Human Services, is hereby continued and transferred to and into the Department of Health and Senior Services. These functions, powers and duties shall be organized and implemented within the Department of Health and Senior Services as determined by the Commissioner of the Department of Health and Senior Services after consultation with the Commissioner of the Department of Human Services.

b. All employees of the Department of Human Services who are employed in the Bureau of Nursing Facility Policy and Reimbursement shall be employees of the Department of Health and Senior Services and shall be transferred to that Department pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.). Additionally, all records, property, appropriations and any unexpended balance of funds appropriated or otherwise available to the Bureau of Nursing Facility Reimbursement, shall

be transferred to the Department of Health and Senior Services pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

c. Whenever any law, rule, regulation, order, contract, tariff, document, judicial or administrative proceeding or otherwise pertaining to the Bureau of Nursing Facility Policy and Reimbursement refers to the Department of Human Services or the Commissioner of the Department of Human Services, the same shall mean and refer to the Department of Health and Senior Services or the Commissioner thereof.

15. a. The Bureau of Program Development for the Office of Elder and Disabled Affairs, together with all of its functions, powers and duties except for the school-based initiative function, and allocated in the Division of Medical Assistance and Health Services in the Department of Human Services, is hereby continued and transferred to and into the Department of Health and Senior Services. This transfer may be organized and implemented pursuant to an inter-agency agreement entered into by the Commissioner of the Department of Human Services and the Commissioner of the Department of Health and Senior Services.

b. All employees of the Department of Human Services who are employed in the Bureau of Program Development for the Office of Elder and Disabled Affairs, except for those employed in the school-based initiative function, shall be employees of the Department of Health and Senior Services and shall be transferred to that Department pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.). Additionally, all records, property, appropriations and any unexpended balance of funds appropriated or otherwise available to the Bureau of Program Development for the Office of Elder and Disabled Affairs, except for those appropriated or otherwise available to the school-based initiative function of the Bureau, shall be transferred to the Department of Health and Senior Services pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

c. Whenever any law, rule, regulation, order, contract, tariff, document, judicial or administrative proceeding or otherwise pertaining to the Bureau of Program Development for the Office of Elder and Disabled Affairs, with the exception of the school-based initiative function, refers to the Department of Human Services or the Commissioner of the Department of Human Services, the same shall mean and refer to the Department of Health and Senior Services or the Commissioner thereof.

16. a. The Statewide Respite Care Program, created pursuant to P.L.1987, c.119 (C.30:4F-7 et seq.), together with all of its functions, powers and duties and allocated in the Division of Medical Assistance and

Health Services in the Department of Human Services, is hereby continued and transferred to and into the Department of Health and Senior Services. These functions, powers and duties shall be organized and implemented within the Department of Health and Senior Services as determined by the Commissioner of the Department of Health and Senior Services after consultation with the Commissioner of the Department of Human Services.

b. All employees of the Department of Human Services who are employed in the Statewide Respite Care Program shall be employees of the Department of Health and Senior Services and shall be transferred to that Department pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.). Additionally, all records, property, appropriations and any unexpended balance of funds appropriated or otherwise available to the Statewide Respite Care Program shall be transferred to the Department of Health and Senior Services pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

c. Whenever any law, rule, regulation, order, contract, tariff, document, judicial or administrative proceeding or otherwise pertaining to the Statewide Respite Care Program refers to the Department of Human Services or the Commissioner of the Department of Human Services, the same shall mean and refer to the Department of Health and Senior Services or the Commissioner thereof.

17. a. The enrollment component of the Specified Low-Income Medicare Beneficiaries Program, together with all of its powers, functions and duties, and allocated in the Division of Medical Assistance and Health Services in the Department of Human Services, is hereby continued and transferred to and into the Department of Health and Senior Services. These functions, powers and duties shall be organized and implemented within the Department of Health and Senior Services as determined by the Commissioner of the Department of Health and Senior Services after consultation with the Commissioner of the Department of Human Services.

b. All employees of the Department of Human Services who are employed in the enrollment component of the Specified Low-Income Medicare Beneficiaries Program shall be employees of the Department of Health and Senior Services and shall be transferred to that Department pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.). Additionally, all records, property, appropriations and any unexpended balance of funds appropriated or otherwise available to the enrollment component of the Specified Low-Income Medicare Beneficiaries Program shall be transferred to the Department of Health and Senior Services pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

c. Whenever any law, rule, regulation, order, contract, tariff, document, judicial or administrative proceeding or otherwise pertaining to the enrollment component of the Specified Low-Income Beneficiaries Program refers to the Department of Human Services or the Commissioner of the Department of Human Services, the same shall mean and refer to the Department of Health and Senior Services or the Commissioner thereof.

18. a. The Senior Health Insurance Unit, together with all of its powers, functions and duties and allocated in the Department of Insurance, is hereby continued and transferred to and into the Department of Health and Senior Services. These functions, powers and duties shall be organized and implemented within the Department of Health and Senior Services as determined by the Commissioner of the Department of Health and Senior Services after consultation with the Commissioner of the Department of Insurance.

b. All employees of the Department of Insurance who are employed in the Senior Health Insurance Unit shall be employees of the Department of Health and Senior Services and shall be transferred to that Department pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.). Additionally, all records, property, appropriations and any unexpended balance of funds appropriated or otherwise available to the Senior Health Insurance Unit, shall be transferred to the Department of Health and Senior Services pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

c. Whenever any law, rule, regulation, order, contract, tariff, document, judicial or administrative proceeding or otherwise pertaining to the Senior Health Insurance Unit refers to Department of Insurance or the Commissioner of the Department of Insurance, the same shall mean and refer to the Department of Health and Senior Services or the Commissioner thereof.

GENERAL PROVISIONS

19. I find that each aspect of this reorganization is necessary to accomplish the purposes set forth in Section 2 of P.L.1969, c.203. Specifically, this reorganization will promote the more effective management of the Executive Branch and its agencies, it will promote economy to the fullest extent consistent with the efficient operation of the Executive Branch according to major purposes, it will reduce the number of agencies by consolidating those having a similar function under a single head and it will eliminate overlapping and duplication of effort.

20. Any section or part of this Plan that conflicts with federal law or regulation shall be considered null and void unless and until addressed for

the purpose of this Plan through an interagency agreement or a federal waiver.

21. The Commissioners of the Department of Human Services and the Department of Health and Senior Services shall enter into inter-agency agreements, as necessary and appropriate, to effectuate the provisions of this Plan. Nothing in this Plan shall be construed to change the Single State Agency status of the Division of Medical Assistance and Health Services of the Department of Human Services.

22. All acts and parts of acts inconsistent with any of the provisions of this Plan are superseded to the extent of such inconsistencies.

23. If any provisions of this Plan or the application thereof to any person, or circumstances, or the exercise of any power or authority hereunder are held invalid or contrary to law, such holding shall not affect other provisions or applications of the Plan, which can be given effect without the invalid provisions or applications of the Plan or affect other exercises of power or authority under said provisions not contrary to law. To this end, the provisions of this Plan are declared to be severable.

24. This Plan is intended to protect and promote the public health, safety and welfare and shall be liberally construed to attain the objectives and effect the purposes thereof.

A copy of this Plan was filed on May 2, 1996 with the Secretary of State and the Office of Administrative Law for publication in the New Jersey Register. This Plan shall become effective in 60 days, on July 1, 1996, unless disapproved by each House of the Legislature by the passage of a Concurrent Resolution stating in substance that the Legislature does not favor this Plan, or at a date later than July 1, 1996, should the Governor establish such a later date for the effective date of the Plan, or any part thereof, by Executive Order.

PLEASE TAKE NOTICE that this Plan, if not disapproved, has the force and effect of law and will be printed and published in the annual edition of the Public Laws and in the New Jersey Register under the heading "Reorganization Plans."

Filed May 2, 1996.
Effective July 6, 1996.

REORGANIZATION PLAN NO.002-1996
A PLAN FOR THE TRANSFER AND REORGANIZATION OF THE STATE LIBRARY WITHIN THE DEPARTMENT OF STATE

PLEASE TAKE NOTICE that on May 2, 1996, Governor Christine Todd Whitman hereby issues this Reorganization Plan, No. 002-1996 (the Plan), providing for the transfer and reorganization of the State Library.

The Plan represents an ongoing effort to streamline and downsize the structure and functions of the Executive Branch in the interests of efficiency and economy without quantitative or qualitative diminution of services to the public.

GENERAL STATEMENT OF PURPOSE

Prior to 1983, the State Library, State Museum, Bureau of Records Management Services, Archives Section and New Jersey Historical Commission were all located within the Division of the State Library, Archives and History in the Department of Education. Pursuant to 1983 reorganization plans, the State Museum, Historical Commission, Bureau of Records Management and Archives sections were transferred to the Department of State in order to consolidate all cultural and historical entities within the Department of State. The State Library remained in the Department of Education as the Division of the State Library.

The Division of the State Library (the Division) is charged with operating the State Library, coordinating a Statewide system of libraries, administering State and federal programs for the development of libraries, and promoting library services in the State. The Division also operates the Library Network pursuant to P.L.1983, c.486 (C.18A:73-35a et seq.). The Division of the State Library is headed by an assistant commissioner who also serves as the State Librarian. An advisory council (the council) is also located within the Division. The council consists of eight members, seven appointed by the Governor plus the State Librarian. The council makes recommendations to the Commissioner of Education and State Librarian regarding the responsibilities of the Division.

The Division of the State Library is also responsible for administering the various State library aid programs established pursuant to Chapter 74 of Title 18A of the New Jersey Statutes and P.L.1983, c.486 (C.18A:73-35a et seq.) and distributing federal library aid.

Under this Reorganization Plan, the Division of the State Library shall be reconstituted as a division within the Department of State.

The purpose of this Reorganization Plan will be to further concentrate the cultural and heritage functions of the State in a single department while focusing the core mission of the Department of Education on the elementary and secondary education of the children of this State. Many State institutions of higher education are allocated to the Department of State and it is envisioned under this Reorganization Plan that the Secretary of State may delegate certain responsibilities to an institution of higher education such as Thomas A. Edison State College in order to maximize the productivity of the State Library.

NOW, THEREFORE, pursuant to the "Executive Reorganization Act of 1969," P.L.1969, c.203 (C.52:14C-1 et seq.) (the Act), I find, with respect to the transfer and reorganization provided for in this Plan, that each aspect is necessary to accomplish the purposes set forth in section 2 of the Act and that each aspect will:

1. promote the better execution of the laws, the more effective management of the Executive Branch and of its agencies and functions, and the expeditious administration of the public business;

2. reduce expenditures and/or increase economy to the fullest extent consistent with the efficient operation of the Executive Branch;

3. increase the efficiency of the operations of the Executive Branch to the fullest extent practicable;

4. group, coordinate, and consolidate agencies and functions of the Executive Branch as nearly as possible according to major purposes;

5. reduce the number of agencies by consolidating those having similar functions under a single head, and abolish such agencies or functions as are not necessary for the efficient conduct of the Executive Branch; and

6. eliminate overlapping and duplication of effort.

PROVISIONS OF THE REORGANIZATION PLAN

1. a. The Division of the State Library in the Department of Education established pursuant to P.L.1969, c.158 (C.18A:73-26), and its powers, functions, and duties under P.L.1969, c.158 (C.18A:73-26), P.L.1983, c.486 (C.18A:73-35a et seq.), P.L.1980, c.149 (C.18A:73-35.1 et seq.), P.L.1986, c.174 (C.18A:73-35g1 et seq.), P.L.1985, c.172 (C.18A:73-43.1

et seq.), P.L.1983, c.487 (C.18A:74-3.1 et seq.), P.L.1985, c.297 (C.18A:74-3.2 et seq.), P.L.1981, c.225 (C.18A:74-4.1 et seq.), P.L.1973, c.381 (C.18A:74-14 et seq.), N.J.S. 18A:74-1 et seq., as amended and supplemented and as set forth in Chapters 9A, 33 and 54 of Title 40 of the New Jersey Statutes, is hereby continued and transferred to and into the Department of State, subject to the following allocations of said powers, functions, and duties.

b. The position of State Librarian and the position of Assistant Commissioner of the Division of the State Library established pursuant to section 17 of P.L.1969, c.158 (C.18A:73-32) and N.J.S.18A:4-34 are abolished. The authority provided by law to the State Librarian, Assistant Commissioner of the Division of the State Library, Commissioner of Education, and State Board of Education regarding the work of the Division of the State Library is continued and transferred to the Secretary of State, to be exercised through such employees as the Secretary of State may designate including employees of an institution of higher education allocated to the Department of State such as Thomas A. Edison State College.

c. The authority of the Commissioner of Education, pursuant to section 19 of P.L.1969, c.158 (C.18A:73-34), as amended and supplemented, to appoint, employ, and remove, subject to the provisions of Title 11A, Civil Service, such assistants and employees as may be necessary to carry out the purposes of the Division of the State Library, is continued and transferred to the Secretary of State, to be exercised through such employees as the Secretary of State may designate including employees of an institution of higher education allocated to the Department of State such as Thomas A. Edison State College. In the event of a subsequent transfer of employees of the Division of the State Library to an institution of higher education allocated to the Department of State such as Thomas A. Edison State College, the employees shall retain their career service status and all rights afforded to them under Title 11A.

d. The disbursement of State Library aid pursuant to N.J.S.18A:74-1 et seq., P.L.1983, c.486 (C.18A:73-35a et seq.), P.L.1983, c.487 (C.18A:74-3.1 et seq.), P.L.1985, c.297 (C.18A:74-3.2 et seq.), P.L.1981, c.225 (C.18A:74-4.1 et seq.), P.L.1973, c.381 (C.18A:74-14 et seq.), as amended and supplemented, shall be made by the State Treasurer upon his approval and certification of the Secretary of State or her designee. The Treasurer may also withhold State aid pursuant to N.J.S.18A:74-12 upon the request of the Secretary of State or her designee.

e. The Department of State, or an agency allocated to the Department of State, shall be the State agency designated to carry out the purpose of any federal law concerning libraries pursuant to sections 24 and 25 of P.L.1969, c.158 (C.18A:73-39 and 40) and to apply for, receive and disburse federal

aid pursuant to section 26 of P.L.1969, c.158 (C.18A:73-41). However, the Governor shall retain the right to designate another State agency to carry out this function pursuant to section 25 of P.L.1969, c.158 (C.18A:73-40).

f. The Advisory Council of the Division of the State Library established pursuant to section 13 of P.L.1969, c.158 (C.18A:73-28) is continued and transferred to the Department of State to be known as the "State Library Advisory Council" (the council). The membership of the Commissioner of Education, ex officio, on the council is terminated and the designation of the State Librarian as secretary to the council is terminated. The Secretary of State or her designee shall serve as a member of the council, ex officio, and the Secretary of State shall appoint a secretary to the council. The advisory council shall make recommendations to the Secretary of State and such other persons as the Secretary of State may designate.

g. The responsibility of the State Board of Education and Board of Examiners to certify professional librarians pursuant to N.J.S.45:8A-1 is continued in those entities.

I find this Plan is necessary to accomplish the purposes set forth in section 2 of P.L.1969, c.203 (C.52:14C-2). In addition to the reasons set forth above, this Plan will result in increased efficiency and also will result in greater coordination and improved functioning of the State's library system. Further, this Plan will streamline State government for the benefit of all of New Jersey's citizens.

2. All records, property, appropriations and any unexpended balance of funds appropriated or otherwise available to the State Library are transferred to the Department of State.

3. Whenever, in any law, rule, regulation, order, contract, document, or judicial or administrative proceeding, or otherwise thereunder concerning the functions of the Division of the State Library in the Department of Education, reference is made to the State Librarian, Assistant Commissioner of the Division of the State Library, Commissioner of Education, and State Board of Education, the same shall mean and refer to the Secretary of State or her designee.

4. All acts and parts of acts inconsistent with any of the provisions of this Plan are superseded to the extent of such inconsistencies.

5. Unless otherwise specified in this Plan, all transfers directed by this Plan shall be effected pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

6. If any provisions of this Plan or the application thereof to any person or circumstances, or the exercise of any power or authority hereunder are held invalid or contrary to law, such holding shall not affect other provisions or applications of the Plan, which can be given effect without the invalid provisions or applications of the Plan, or affect other exercises of power or authority under said provisions not contrary to law. To this end, the provisions of this Plan are declared to be severable.

7. This Plan is intended to protect and promote the public health, safety and welfare, and shall be liberally construed to obtain the objectives and effect the purposes thereof.

A copy of this Plan was filed on May 2, 1996 with both Houses of the Legislature and with the Secretary of State for publication in the New Jersey Register. This Plan shall become effective in 60 days on July 1, 1996, unless disapproved by each House of the Legislature by the passage of a Concurrent Resolution stating in substance that the Legislature does not favor this Plan, or at a date later than July 1, 1996, should the Governor establish such a later date for the effective date of this Plan, or any part hereof, by Executive Order.

PLEASE TAKE NOTE that this Plan, if not disapproved, has the force and effect of law and will be printed and published in the annual edition of the Public Laws and in the New Jersey Register under the heading of "Reorganization Plans."

Filed May 2, 1996.
Effective July 6, 1996.

REORGANIZATION PLAN NO.003-1996
A PLAN FOR THE REORGANIZATION OF THE DEPARTMENT OF TRANSPORTATION

PLEASE TAKE NOTICE that on November 7, 1996 Governor Christine Todd Whitman hereby issues the following Reorganization Plan No. 003-1996 (the Plan), providing for the increased efficiency, coordination and functioning of the Department of Transportation.

The Plan is part of the continuing effort to consolidate and align the structure and functions of the Executive Branch in the interests of efficiency and economy without qualitative or quantitative diminution of services to the public.

GENERAL STATEMENT OF PURPOSE

Pursuant to its present statutory authority, it is the duty of the Department of Transportation, among other responsibilities, to solve or assist in the solution of the problems of all modes of transportation; to construct needed transportation systems; to promote an efficient, fully integrated and balanced transportation system for the State; to prepare and implement comprehensive plans and programs for all modes of transportation development in the State; and to coordinate the transportation activities of State agencies, State- created public authorities and other public agencies with transportation responsibilities within the State.

Currently, the Commissioner of Transportation is assisted by a Deputy Commissioner and five Assistant Commissioners: one for Policy and Planning, one for Motor Vehicle Services, one for Design and Right of Way (who also serves as the State Transportation Engineer), one for Finance and Administration and one for Construction and Maintenance. This Plan abolishes the position of Assistant Commissioner for Design and Right of Way and creates in its place the position of Assistant Commissioner for Capital Program Management; abolishes the position of Assistant Commissioner for Construction and Maintenance and creates in its place the position of Assistant Commissioner for Operations; and abolishes the position of Assistant Commissioner for Policy and Planning and creates in its place the position of Assistant Commissioner for External and Governmental Affairs. The existing positions of Assistant Commissioner for Finance and Administration and Assistant Commissioner for Motor Vehicle Services are retained without change under this Plan.

This Plan supplements efforts by the Commissioner of Transportation to consolidate and coordinate certain of the Department's functions pursuant to the Commissioner's existing statutory authority under section 6 of P.L.1966, c.301 (C.27:1A-6).

NOW, THEREFORE, pursuant to the "Executive Reorganization Act of 1969," P.L.1969, c.203 (C.52:14C-1 et seq.) (the Act), I find, with respect to the reorganization provided for in this Plan, that each aspect is necessary to accomplish the purposes set forth in Section 2 of the Act and that each aspect will:

1. promote the better and more efficient execution of the law by consolidating the project delivery and operational functions of the Department in a more consistent and practical way according to major purposes;

2. promote the expeditious administration of the public business by coordinating and consolidating the capital construction, operational and

intergovernmental functions of the Department in accordance with the Plan to increase departmental efficiency and output; and

3. eliminate some overlapping and duplication within the Department by consolidating and reallocating certain functions and responsibilities and thereby better utilizing the resources of the Department.

PROVISIONS OF THE REORGANIZATION PLAN

1. a. The position of Assistant Commissioner for Design and Right of Way, created pursuant to Reorganization Plan No. 001-1988, is hereby abolished. In its place there is hereby created the position of Assistant Commissioner for Capital Program Management, which person shall be appointed by and shall serve at the pleasure of the Commissioner. This Assistant Commissioner shall receive such compensation as may be provided by law. The Assistant Commissioner for Capital Program Management shall be a professional engineer qualified by training and experience in the design and construction of highways, bridges and other transportation facilities. Whenever in any law, rule, regulation, order, contract, document, judicial or administrative proceeding or otherwise, reference is made to the Assistant Commissioner for Design and Right of Way, the same shall mean and refer to the Assistant Commissioner for Capital Program Management.

b. The position of Assistant Commissioner for Construction and Maintenance created pursuant to Reorganization Plan No. 001-1988, is hereby abolished. In its place there is hereby created the position of Assistant Commissioner for Operations, which person shall be appointed by and shall serve at the pleasure of the Commissioner. The Assistant Commissioner shall receive such compensation as may be provided by law. The Assistant Commissioner for Operations shall be qualified by training and experience in the maintenance and operation of highways, bridges and other transportation facilities. Whenever in any law, rule, regulation, order, contract, document, judicial or administrative proceeding or otherwise, reference is made to the Assistant Commissioner for Construction and Maintenance, the same shall mean and refer to the Assistant Commissioner for Operations or Assistant Commissioner for Capital Program Management, as appropriate.

c. The position of Assistant Commissioner of Transportation Services and Planning created pursuant to N.J.S.A.27:1A-8(a) and (b), which position was renamed the Assistant Commissioner for Policy and Planning by Reorganization Plan No. 001-1988, is hereby abolished. There is hereby created in its place the position of Assistant Commissioner for External and Governmental Affairs, which person shall serve at the pleasure of the Commissioner. The Assistant Commissioner shall receive such compensa-

tion as may be provided by law. The Assistant Commissioner for External and Governmental Affairs shall be qualified by training and experience in intergovernmental relations and community involvement activities. Whenever in any law, rule, regulation, order, contract, document, judicial or administrative proceeding or otherwise, reference is made to the Assistant Commissioner of Transportation Services and Planning, the same shall mean and refer to the Assistant Commissioner for External and Governmental Affairs.

d. The position of State Transportation Engineer created pursuant to Reorganization Plan No. 001-1988 is continued. The Commissioner shall designate an existing Department position which shall be held by a professional engineer and which, in addition to its existing responsibilities, shall serve as State Transportation Engineer.

e. The position of Legislative Liaison, together with all of its functions and duties as established within the Office of the Commissioner pursuant to Reorganization Plan No. 001-1988, is hereby transferred from the Office of the Commissioner to the newly established Assistant Commissioner for External and Governmental Affairs.

I find that each aspect of this reorganization is necessary to accomplish the purposes set forth in Section 2 of P.L.1969, c.203. Specifically, this reorganization will enable the Department to meet the challenges of efficiently building and operating a transportation system to satisfy the future needs of the citizens of this State. It will foster a more economical and efficient operation within the Department and ensure that projects are delivered on a timely basis.

The abolition of the positions of Assistant Commissioner for Design and Right of Way and the Assistant Commissioner for Construction and Maintenance and the creation of the positions of Assistant Commissioner for Capital Program Management and Assistant Commissioner for Operations will enable the Department to better manage two of its primary functions: the building and operating of transportation systems. It will serve to increase departmental efficiency and promote the more expeditious administration of the public business. The abolition of the position of the Assistant Commissioner for Policy and Planning and the creation of the position of Assistant Commissioner for External and Governmental Affairs will emphasize the importance of intra- and inter-governmental relationships and the community outreach responsibilities of the Department. Each of these changes will enable the public to more fully understand the functions of these Assistant Commissioners by clarifying the names of major Department sections and will aid in the administration of the Department.

2. Nothing contained in this Plan shall be construed to limit the authority of the Commissioner of Transportation to organize the Department pursuant to C.27:1A-6.

3. All acts and parts of acts inconsistent with any of the provisions of this Plan are superseded to the extent of such inconsistencies.

4. Unless otherwise specified in this Plan, all transfers directed by this Plan shall be effected pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

5. If any provisions of this Plan or the application thereof to any person or circumstances, or the exercise of any power or authority hereunder are held invalid or contrary to law, such holding shall not affect other provisions or applications of this Plan which can be given effect without the invalid provisions or applications of the Plan or affect other exercises of power or authority under said provisions not contrary to law. To this end, the provisions of this Plan are declared to be severable.

6. This Plan is intended to make the operations of the Executive Branch more efficient and effective and shall be liberally construed to attain the objectives and effect the purposes thereof.

A copy of this Plan was filed on November 7, 1996 with the Secretary of State and the Office of Administrative Law for publication in the New Jersey Register. This Plan shall become effective in 60 days on January 6, 1997, unless disapproved by each House of the Legislature by the passage of a Concurrent Resolution stating in substance that the Legislature does not favor this Plan, or at a date later than January 6, 1997, should the Governor establish such a later date for the effective date of this Plan, or any part thereof, by Executive Order.

PLEASE TAKE NOTICE that this Plan, if not disapproved, has the force and effect of law and will be printed and published in the annual edition of the Public Laws and in the New Jersey Register under the heading of "Reorganization Plans."

Filed November 7, 1996.
Effective January 6, 1997.

REORGANIZATION PLAN NO.004-1996
A PLAN FOR THE TRANSFER, CONSOLIDATION AND REORGANIZATION OF CONSTRUCTION-RELATED REVIEW AND ENFORCEMENT FUNCTIONS WITHIN THE DEPARTMENT OF COMMUNITY AFFAIRS

PLEASE TAKE NOTICE that on November 7, 1996 Governor Christine Todd Whitman hereby issues this Reorganization Plan, No.004-1996 (the "Plan"), to provide for the transfer, consolidation and reorganization of plan review for the administration and enforcement of Federal and State standards applicable to the construction, alteration, demolition or maintenance of hospital and health care facilities and the review of construction plans for the issuance of certain construction approvals conferred upon the Department of Education within the Department of Community Affairs.

The Plan is part of the continuing effort to consolidate and align the structure and functions of the Executive Branch in the interest of efficiency and economy, without qualitative or quantitative diminution of services to the public.

GENERAL STATEMENT OF PURPOSE

This Plan will foster the efficient implementation of a coherent public policy for construction plan review and standards enforcement. Three departments of the Executive Branch currently are responsible for review of construction plans and enforcement of construction standards. The Department of Community Affairs, through its Division of Codes and Standards, is fully responsible for the adoption and enforcement of State construction codes for all facilities except hospitals and health care and educational facilities. The Department of Education reviews construction plans for compliance with State construction codes and for compliance with educational adequacy standards adopted by the Department of Education. The Department of Health and Senior Services conducts plan reviews for compliance with State construction codes and for compliance with Federal standards applicable to the construction, alteration, demolition or maintenance of hospital and health care facilities. The current allocations of responsibilities among these various agencies create overlapping responsibilities, making it difficult to ensure the uniform enforcement of construction standards and, in the case of the Departments of Community Affairs and Education, forcing the public to seek code-related services from more than one agency.

Citizens of this State will benefit from having one department in State government review construction plans and enforce construction standards

for all facilities. This integration of functions will result in improved efficiency and will enable the public to obtain construction code-related services from one agency. Functions from the three departments will be merged with the Department of Community Affairs. The Plan will ensure the coordination of efforts and improve uniform enforcement of construction standards.

NOW, THEREFORE, pursuant to the "Executive Reorganization Act of 1969," P.L.1969, c.203 (C.52:14C-1 et seq.), I find, with respect to the transfer, consolidation and reorganization provided for in this Plan, that each aspect is necessary to accomplish the purposes set forth in section 2 of the Act and that each aspect will:

1. promote the more effective management of the Executive Branch by consolidating construction review and standards enforcement functions and activities within one agency;

2. promote better and more efficient execution of the laws and the expeditious administration of the public business by consolidating and integrating within one agency similar functions;

3. group, coordinate and consolidate functions in a more consistent and practical manner according to major purposes;

4. promote economy to the fullest extent consistent with the efficient operations of the Executive Branch;

5. increase the efficiency of the operations of the Executive Branch to the fullest extent practicable; and

6. eliminate duplication and overlapping of effort that have resulted from the dispersion of construction review and standards enforcement functions throughout the Executive Branch and, thereby, better utilize State resources.

PROVISIONS OF THE REORGANIZATION PLAN

Therefore, I hereby order the following reorganization:

1. a. The authority conferred upon the Department of Health and Senior Services, pursuant to N.J.A.C.5:23-4.9(c), to serve as the sole plan review agency for the administration and enforcement of Federal and State standards applicable to the construction, alteration, demolition or maintenance of hospital and health care facilities, shall henceforth be exercised by the Department of Community Affairs. The powers, functions and duties

hereby transferred shall be organized and implemented within the Department of Community Affairs after consultation with the Commissioner of Health and Senior Services.

b. All employees of the Department of Health and Senior Services who are employed to conduct plan reviews for the administration and enforcement of Federal and State standards applicable to the construction, alteration, demolition or maintenance of hospital and health care facilities shall be employees of the Department of Community Affairs and shall be transferred to that Department pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.). Additionally, all records, property, appropriations and any unexpended balance of funds appropriated or otherwise available to the Department of Health and Senior Services in connection with such plan review activities shall be transferred to the Department of Community Affairs pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

c. The Department of Community Affairs shall:

(1) Assist the Department of Health and Senior Services' licensing program in updating and amending physical plant and construction standards for its rules establishing programmatic, space, layout and equipment requirements for each classification of health care facility and continue to provide consultation services to the licensing program regarding interpretation of those requirements;

(2) Enforce compliance with physical plant and construction standards adopted within the Department of Health and Senior Services' licensing regulations for each classification of health care facility through plan review and, as needed, inspection of all newly constructed health care facilities and/or additions, renovations or alterations to existing health care facilities;

(3) Assist the Department of Health and Senior Services with construction status information relating to health care facility construction projects; and

(4) Assist health care facilities, through schematic preliminary reviews, to assure proper functional design of the facilities based on Department of Health and Senior Services licensing requirements which may not be specifically within the scope of the State Uniform Construction Code.

d. Whenever any law, rule, regulation, order, contract, tariff, document, judicial or administrative proceeding or otherwise relating to plan review for the administration and enforcement of federal and State standards applicable to the construction, alteration, demolition or maintenance of hospital and health care facilities refers to the Department of Health and Senior Services, the same shall mean the Department of Community Affairs.

2. a. All powers, functions and duties of the Department of Education relating to the review of construction plans for the issuance of construction permits conferred upon the Department of Education "approvals" by P.L.1975, c.217, section 12, as amended by P.L.1983, c.496, section 4 (C.52:27D-130), are transferred to the Department of Community Affairs; provided, however, that the Department of Education shall retain the authority to make final determinations regarding educational adequacy. The powers, functions and duties hereby transferred shall be organized and implemented within the Department of Community Affairs as determined by the Commissioner of Community Affairs after consultation with the Commissioner of Education.

b. All employees of the Department of Education whose primary responsibility involves construction code enforcement shall be employees of the Department of Community Affairs and shall be transferred to that Department pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.). Additionally, all records, property, appropriations and any unexpended balance of funds for code construction review which are appropriated or otherwise available to the Department of Education for the discharge of the powers, functions and duties hereby transferred to the Department of Community Affairs shall be transferred to that Department pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

c. The Department of Community Affairs shall provide assistance to the Department of Education in the evaluation of schematic and preliminary plans for educational adequacy, so that the Department of Education may carry out its duties under N.J.A.C. 6:22.

d. Whenever any law, rule, regulation, order, contract, tariff, document, judicial or administrative proceeding or otherwise relating to the construction of public school facilities, or review for educational adequacy in connection with such construction, refers to the Department of Education, the same shall mean the Department of Community Affairs; provided, however, that the approval of educational adequacy of facilities shall continue to be the responsibility of the Department of Education and reference to that Department in relation to such approval shall not be deemed to be reference to the Department of Community Affairs.

3. I find that each aspect of this reorganization is necessary to accomplish the purposes set forth in section 2 of P.L.1969, c.203. Specifically, this reorganization will promote the more effective management of the Executive Branch and its agencies, and it will promote economy to the fullest extent consistent with the efficient operation of the Executive Branch.

4. Any section or part of this Plan that conflicts with federal law or regulation shall not be effective unless and until addressed for the purpose of this Plan through an interagency agreement or a federal waiver.

5. All acts and parts of acts inconsistent with any of the provisions of this Plan are superseded to the extent of such inconsistencies.

6. If any provisions of this Plan or the application thereof to any person, or circumstances, or the exercise of any power or authority hereunder are held invalid or contrary to law, such holding shall not affect other provisions or applications of the Plan, which can be given effect without the invalid provisions or applications of the Plan or affect other exercises of power or authority under said provisions not contrary to law. To this end, the provisions of this Plan are declared to be severable.

7. This Plan is intended to protect and promote the public health, safety and welfare and shall be liberally construed to attain the objectives and effect the purposes thereof.

8. All transfers directed by this Plan shall be effective pursuant to the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

A copy of this Plan was filed on November 7, 1996 with the Secretary of State and the Office of Administrative Law for publication in the New Jersey Register. This Plan shall become effective in 60 days on January 6, 1997, unless disapproved by each House of the Legislature by the passage of a Concurrent Resolution stating in substance that the Legislature does not favor this Plan, or at a date later than January 6, 1997, should the Governor establish such a later date for the effective date of the Plan, or any part thereof, by Executive Order.

PLEASE TAKE NOTICE that this Plan, if not disapproved, has the force and effect of law and will be printed and published in the annual edition of the Public Laws and in the New Jersey Register under the heading "Reorganization Plans."

Filed November 7, 1996.
Effective January 6, 1997.

INDEX

ALCOHOLIC BEVERAGES
Alcohol brand registration, fee; increased, vintage wines, registration procedures; changed, amends R.S.33:1-2, Ch.152.
Prepackaged gift items, sale at any time by alcoholic beverage licensees, certain; permitted, amends R.S.33:1-12, Ch.83.
Retail licenses, renewal under certain circumstances; permitted, amends C.33:1-12.39, Ch.127.

ANIMALS
Animal cruelty laws, certain, criminal penalties; increased, amends R.S.4:22-17 et seq., Ch.64.

APPROPRIATIONS
Annual, Ch.42.
Community Affairs, Department, prosecutors' salary increases, $157,500, Ch.99.
Corrections, Department:
From "Correctional Facilities Construction Fund of 1987," for 75 State beds in Bergen County, $6,266,135, Ch.78.
From "Public Purpose Buildings and Community-Based Facilities Construction Fund," for construction of 200 beds in Camden county, $5,978,000, Ch.80.
Replacement of heat distribution system at Bayside State Prison, $5,000,000, Ch.61.
Council on Local Mandates, $350,000, Ch.24.
Education, Department, for installation of control arms on school buses, $2,000,000, Ch.96.
Environmental Protection, Department:
From "Water Supply Fund", loans to local governments to upgrade facilities, $20,000,000, Ch.6.
From "Petroleum Overcharge Reimbursement Fund" to Board of Public Utilities for energy conservation loans, grants, $8,000,000, Ch.51.
From State disability benefits fund to General Fund, $250,000,000, Ch.47.
Green Acres bond acts, various, for projects located in southern New Jersey, $19,000,000, Ch.54; northern New Jersey, Ch.55; farmland preservation program implementation costs, $2,000,000; farmland conservation grants, $376,100, Ch.56; for acquisition of land for recreation, conservation purposes: $65,000,000, Ch.105; for matching grants to nonprofit entities, $22,536,000, Ch.106; local government units in southern New Jersey, $85,563,000, Ch.107; in central New Jersey, $21,009,000, Ch.108; in northern New Jersey, $32,775,000, Ch.109; in northeastern New Jersey, $11,565,000,.Ch.110.

APPROPRIATIONS (continued)
Health, Department, improve reporting, analysis capabilities of New Jersey Cancer Registry, $400,000, Ch.74.
Human Services, Department, establishment of pilot community coalitions to address needs of grandparents raising grandchildren, $30,000, Ch.142.
Korean Veterans' Memorial Committee, $25,000, Ch.72.
Law and Public Safety, Department:
Juvenile Justice Commission for construction projects at New Jersey Training School for Boys, $5,000,000, Ch.57.
Victims of Crime Compensation, $2,236,000, Ch.1.
Legal services, $8,000,000; additional judgeships, $3,000,000; law school clinical programs, $600,000, Ch.52.
"New Jersey Urban Redevelopment Act," $10,000,000, Ch.62.
Public utilities gross receipts, franchise taxes, excess amount, certain; appropriated, amends P.L.1995, c.164, Ch.50.
State Agriculture Development Committee, from "1992 Farmland Preservation Fund," for farmland preservation, $475,000; from "Open Space Preservation Bond Act of 1989," for soil, water conservation project, $8,000, Ch.128.
Supplemental, various departments from various funds, $114,450,000, Ch.49.
Transportation Trust Fund, for road repair, maintenance, $25,000,000, Ch.19.
Treasury, Department:
Division of Taxation, amnesty program, $10,000,000, Ch.2.
Wastewater treatment system projects, $5,000,000, Ch.86; $75,000,000, Ch.87.
Wastewater treatment system projects, loans authorized; priority list, Ch.85.

AUTHORITIES
Casino Reinvestment Development Authority, development projects; statutes revised, C.5:12-173.3a, amends C.5:12-173.1 et al., Ch.118.
Delaware River and Bay Authority, police officers, power of arrest; provided, C.32:11E-1.6, Ch.141.
Electronic collection of tolls by Port Authority, laws; clarified, C.32:1-154.2a et seq., Ch.98.

BANKING
Bank revolving credit plans; laws revised, C.17:3B-29 et seq., Ch.137.
"Department of Banking and Insurance Act of 1996," C.17:1-13 et seq., amends R.S.17:1-1 et al., repeals R.S.17:1-3 et al., Ch.45.

BANKING (continued)
Interstate banking, branching, foreign bank entry, provided; insured depositories, act as agent for affiliates, permitted, C.17:9A-20.1 et al., amends C.17:9-41 et al., Ch.17.
"New Jersey Licensed Lenders Act," C.17:11C-1 et seq., amends C.17:10B-7 et al., repeals R.S.17:10-1 et al., Ch.157.

BOATING
Operation of power vessels, persons under 16; law amended, amends C.12:7-61 and P.L.1995, c.401, s.17, Ch.15.
Personal watercraft, law requirements; delayed to July 1997, amends C.12:7-61 et al., Ch.59.

BONDS
New Jersey Wastewater Treatment Trust, debt ceiling, suspended for one year, amends C.58:11B-6, Ch.88.
"Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration, and Delaware Bay Area Economic Development Bond Act of 1996," Ch.70.

CHILDREN
Child abuse, records, access, certain; permitted, amends C.9:6-8.10a, Ch.32.

CIVIL ACTIONS
Blood product manufacturer, damages based on personal injury to recipients; no accrual deemed prior to July 13, 1995, certain, C.2A:14-26.1 and 2A:14-26.2, Ch.23.
Filing fees, certain; increased, C.22A:2-51, amends N.J.S.22A:2-1 et al., Ch.52.

CIVIL RIGHTS
"Genetic Privacy Act," C.10:5-43 et al., amends N.J.S.17B:30-12 et al., Ch.126.

CIVIL SERVICE
Examinations, certain, application fee; increased, amends C.11A:4-1.1, Ch.46.

COLLEGES AND UNIVERSITIES
Supplemental Annuity Collective Trust, transfer of funds by public employees, certain; permitted, C.52:18A-113.6, Ch.77.

COMMERCE AND INDUSTRY
"Business Employment Incentive Program Act," C.34:1B-124 et seq., amends C.34:1B-5 et al., Ch.26.
"Business Relocation Assistance Act," C.34:1B-112 et seq., Ch.25.
Small businesses, entrepreneurial assistance network, toll-free information line; established, C.52:27H-21.14a, Ch.37.
Tax benefits for voluntary employer trip reduction programs; authorized, mandatory programs; repealed, C.27:26A-4.1 et seq., amends C.27:26A-3 et al., repeals C.27:26A-1 et al., Ch.121.

COMMISSIONS
Governor's Council on Alcoholism and Drug Abuse; membership, increased, amends C.26:2BB-2, Ch.5.

COMMUNICATIONS
Paging devices, possession by school students, regulations; changed, amends C.2C:33-19, repeals C.2C:33-18, Ch.94.

COMMUNITY AFFAIRS
Building construction codes, revisions; adoption, C.52:27D-122.1, amends C.52:27D-123, Ch.53.

CONFLICTS OF INTEREST
Legislative contact with State agencies, certain circumstances; permitted, amends C.52:13D-16, Ch.116.

CONSTITUTION, STATE
Corporation Business Tax, 4% revenue dedication; water quality, underground storage tank upgrade, hazardous discharge cleanup projects, Article VIII, Section II, paragraph 6; adopted.

CORRECTIONS
Civil actions filed by inmates; procedures, established, C.30:4-16.2 et seq., Ch.11.
County corrections officers, privileges, immunity, certain; provided, amends N.J.S.2A:154-3, Ch.40.
Prison overcrowding; Governor's emergency powers through executive orders, extended, Ch.9.

COUNTIES
"Adopt a park" law, county, municipal, operations, improvements; included, amends C.40:12-20 et seq., Ch.132.

COUNTIES (continued)
Law enforcement officers, certain; appointments, authorized, amends C.40A:14-180, Ch.13.
Mandates, State, certain; relief provided, C.40A:10-36.2, amends C.4:19-15.3 et al., Ch.113.
Office of register of deeds and mortgages, Union County, eliminated; powers, duties, transferred to county clerk, amends N.J.S.40A:9-80, Ch.12.
Prosecutors, assistants, salaries; law revised, C.2A:158-15.3, amends N.J.S.2A:158-10, repeals C.2A:158-15.2 et al., Ch.99.

COURTS
Municipal court, central, establishment by counties, certain; permitted, C.2B:12-27, amends N.J.S.2B:12-1 et al., Ch.95.

CRIMES AND OFFENSES
Disarming a law enforcement, corrections officer; crime, degrees, created, C.2C:12-11, Ch.14.
False 9-1-1 calls; disorderly persons offense, amends N.J.S.2C:33-3 et al., Ch.63.
Sexual assault; statute of limitations, eliminated, amends N.J.S.2C:1-6, Ch.22.
Sexual assault victims, coordination of services; standardization, amends C.52:4B-44, Ch.114.

CRIMINAL PROCEDURE
Civil commitment of criminal defendants, certain; procedures clarified, amends N.J.S.2C:4-6 et al., Ch.133.
Stalking, statutes; revised, C.2C:12-10.1, amends C.2C:12-10 et al., Ch.39.

DOMESTIC RELATIONS
Child abuse, records, access, certain; permitted, amends C.9:6-8.10a, Ch.32.
Nonpayment of child support; motor vehicle, occupational licenses, registrations, certificates, certain, revocation, suspension, allowed, C.2A:17-56.40 et seq., amends C.2A:17-56.8, Ch.7.

ELECTIONS
County boards of election, method of selecting chairman, secretary; revised, amends R.S.19:6-22, Ch.90.
District boards of election, membership requirements; changed, amends C.19:4-12 et al., Ch.120.

ELECTIONS (continued)
School elections, one polling place to serve multiple districts; permitted, amends C.19:60-3 et al., Ch.3.

ENVIRONMENT
Large Site Landfill Reclamation and Improvement Law," C.40A:12A-50a et al., amends C.40:12A-50 et al., repeals C.40A:12A-55, Ch.73.
"New Jersey Shade Tree and Community Forestry Assistance Act," C.13:1L-17.1 et al., amends R.S.40:65-14 et al., Ch.135.
Pinelands Preservation fund; created, C.13:18A-55 et al., Ch.147.

ESTATES AND TRUSTS
Trustees, certain, powers of distribution; limited, C.3B-11-4.1, Ch.41.

EXECUTIVE ORDERS
C. William Haines; death commemorated, No.64.
Department of Health and Senior Services, effective date of Reorganization Plan No.001; July 6, 1996, No. 51.
Department of Transportation designated to carry out provisions of federal State Safety Oversight of Fixed Guideway Systems, No.65.
Health Care Fraud Task Force; established, No.50.
John S. Watson; death commemorated, No.54.
Racing Industry Study Commission; established, No.60; membership expanded, No.63.
Robert N. Wilentz; death commemorated, No.57.
State employees, November 29, 1996; granted as a day off, No.62.
State employees, policy against harassment, intimidation, violence and threats in the workplace; declared, No.49.
State employees serving during Bosnian Peacekeeping Mission, salary, benefits; continued; No.47.
State Library, effective date of Reorganization Plan No. 002; July 6, 1996, No.52.
State of emergency in State prisons, correctional institutions; continued, No.48.
State of emergency, severe weather conditions in Mercer and Burlington counties, declared, No.53; terminated No.56; October rain and flooding declared and memorialized, No.61.
State of emergency, snow and blizzard conditions, declared, No.45; terminated, No.46.
Task Force for the Review of the Treatment of the Criminally Insane; created, No.58.
William Thomas Cahill; death commemorated, No.55.

EXECUTIVE ORDERS (continued)
"Work First New Jersey" Interdepartmental Coordinating Committee; convened, No.59.

FEDERAL RELATIONS
Congressman Dean Gallo, Postal Service, Congress; called upon to name Post Office at 1 Morris Street, Morristown after, J.R.9.

FIRE SAFETY
Firemen's relief associations, laws regulating; revised, amends R.S.43:17-1 et al., repeals R.S.43:17-48 et seq., Ch.151.

FISH, GAME AND WILDLIFE
Legally trapped animals, use of firearm to kill on Sunday; permitted, amends R.S.23:4-24, Ch.97.
Lobster, trapping restrictions; revised, amends R.S.23:5-9, Ch.21.
New Jersey Waterfowl Stamp, fees; increased, amends C.23:3-77, Ch.43.
New Jersey Seafood Promotion Month; designated, C.36:2-42, J.R.8.
"Oyster Industry Revitalization Task Force"; established, J.R.6.
Oysters, taking of; statutes amended, Shell Fisheries Council, membership; increased, licensing fees; established, C.23:3-12.2, amends R.S.50:1-5 et al., Ch.112.

GAMES AND GAMBLING
Casinos, expansion to multiple rooms; permitted, sale of keno tickets, area permitted; expanded, amends C.5:12-6 et al., Ch.84.
Raffles, certain, prize limits; imposed, advertising; limited, C.5:8-63.1, amends C.5:8-62 and C.5:8-63, Ch.36.
Raffles, conduct by nonprofit student loan funds, certain; permitted, C.5:8-51.3, Ch.159.

HANDICAPPED PERSONS
Strollers, use in public buildings by disabled persons, certain; permitted, C.52:32-5.1, Ch.143.

HEALTH
Cardiac defibrillation, performance by police, firefighters; permitted, amends C.26:2K-39 et al., Ch.136.
"Genetic Privacy Act," C.10:5-43 et al., amends N.J.S.17B:30-12 et al., Ch.126.

HEALTH (continued)
Health Access NJ program, drug abuse treatment programs, funding; provided, C.26:2H-18.66 et al., amends C.26:2H-18.65 et seq., Ch.29.
Health care services, provision to low income persons, C.26:2H-18.59e et al., amends C.26:2H-18.52 et al., Ch.28.
Hypodermic needle, syringe, prescription time; increased, amends C.24:21-51, Ch.66.
New Jersey Cancer Registry, reporting requirements; changed, amends C.26:2-106, Ch.74.
Prostate cancer testing, insurance benefits; required, C.17:48E-35.13 et al., Ch.125.
State medical examiner, signing of corrections to death certificates; permitted, amends R.S.26:8-52, Ch.67.
Uniform New Jersey Prescription Blanks, use; required, C.45:14-14.1 et seq., amends R.S.45:14-14 et al., Ch.154.

HIGHWAYS, ROADS AND BRIDGES
"Purple Heart Memorial Highway"; designated, J.R.2.

HISTORICAL AFFAIRS
Task Force on New Jersey History, date for submission of report; changed, amends P.L.1994, c.146, s.7, Ch.68.

HOLIDAYS
"Children's Memorial Day"; designated, C.36:2-40, J.R.4.
"Delaware Bay Day"; designated, C.36:2-37 et seq., J.R.1.
Italian-American History and Heritage Week; designated, C.36:2-39, J.R.3.
"Native American Day"; designated, C.36:2-41, J.R.7.

HOSPITALS
Health care services, low income persons, C.26:2H-59e et al., amends C.26:2H-18.52 et al., Ch.28.
Subacute care units; establishment authorized, C.26:2H-7.4 et seq., Ch.102.

HOUSING
Construction permit fees for residential renovations by disabled persons; waived, amends C.52:27D-126e et al., Ch.92.

HUMAN SERVICES
Grandparents raising grandchildren, address needs, pilot community coalitions; established, Ch.142.

INSURANCE
Blanket bonds, certain, provided; loss, theft of moneys, securities; insured by county, municipal joint funds, allowed, amends C.40A:5-34.1 et al., Ch.4.
Credit insurance coverages, certain; combinations permitted, C.17B:29-3.1, Ch.146.
"Department of Banking and Insurance Act of 1996," C.17:1-13 et seq., amends R.S.17:1-1 et al., repeals R.S.17:1-3 et al., Ch.45.
Health insurance providers, benefits for testing for prostate cancer; required, C.17:48E-35.13 et al., Ch.125.
New Jersey Property-Liability Insurance Guaranty Association, Surplus Lines Insurance Guaranty Fund claim procedures, certain; clarified, amends C.17:30A-5 et al., Ch.156.
Redomesticated insurers, accounting treatment for dividends paid, certain; clarified, amends C.17:17-20, Ch.155.
Surplus lines; law revised, C.17:22A-14.1, amends C.17:22-6.41 et al., repeals C.17:22-6.51, Ch.69.

JOINT RESOLUTIONS
Chief Justice Robert N. Wilentz; honored, J.R.5.
"Children's Memorial Day"; designated, C.36:2-40, J.R.4.
Congressman Dean Gallo, Postal Service, Congress; called upon to name Post Office at 1 Morris Street, Morristown after, J.R.9.
"Delaware Bay Day"; designated, C.36:2-37 et seq., J.R.1.
Italian-American History and Heritage Week; designated, C.36:2-39, J.R.3.
"Native American Day"; designated, C.36:2-41, J.R.7.
New Jersey Seafood Promotion Month; designated, C.36:2-42, J.R.8.
"Oyster Industry Revitalization Task Force"; established, J.R.6.
"Purple Heart Memorial Highway"; designated, J.R.2.

JUDGES
Chief Justice Robert N. Wilentz; honored, J.R.5.
Superior Court; additional, amends N.J.S.2B:2-1 et al., Ch.52.

LANDLORD AND TENANT
Residential tenant, eviction for theft under certain circumstances; permitted, amends C.2A:18-61.1, Ch.131.

LEGISLATURE
Legislative agents, lobbyists, notification requirements, certain; imposed, C.52:13C-22.4, Ch.144.

LEGISLATURE (continued)
State agencies, contact with under certain circumstances; permitted, amends C.52:13D-16, Ch.116.

MILITARY AND VETERANS
Korean Veterans' Memorial Committee, established, C.52:18A-218 et al., Ch.72.
Vietnam Veterans' Memorial Committee, continuance until completion of Vietnam Era Educational Center, amends C.5:5-44.7, Ch.75.
War veterans' organizations, conduct of income-producing activities while retaining property tax exempt status; permitted, amends R.S.54:4-3.5 et al., Ch.82.

MOTOR VEHICLES
Crossing control arms on school buses, installation; required, C.39:3B-1.1 et seq., Ch.96.
Farm tractors, certain, exemption from registration; permitted, amends R.S.39:3-24, Ch.31.
Farm vehicles; permitted on roadways for snow removal, amends R.S.39:3-24 et seq., Ch.119.
Pinelands preservation license plates; issuance permitted, fees; established, C.39:3-27.85 et al., Ch.147.

MUNICIPALITIES
"Adopt a park" law, county, municipal, operations, improvements; included, amends C.40:12-20 et seq., Ch.132.
Firefighters, unemployed, certain; hiring permitted, C.40A:14-182, Ch.140.
"Large Site Landfill Reclamation and Improvement Law," C.40A:12A-50a et al., amends C.40:12A-50 et al., repeals C.40A:12A-55, Ch.73.
Law enforcement officers, certain; appointments, authorized, amends C.40A:14-180, Ch.13.
Mandates, State, certain; relief provided, C.40A:10-36.2, amends C.4:19-15.3 et al., Ch.113.
"Municipal Landfill Site Closure, Remediation and Redevelopment Act," C.13:1E-116.1 et seq., amends C.52:27H-80, Ch.124.
Municipal public utilities, deemed self-liquidating purpose; certain circumstances, amends N.J.S.40A:2-45, Ch.76.
"New Jersey Urban Redevelopment Act," C.55:19-20 et seq., amends R.S.54:5-86 et al., repeals C.52:27D-250 et seq., Ch.62.
Payroll taxes, certain, expiration date; extended, enactment of local; limited, amends C.40:48C-19, Ch.33.

MUNICIPALITIES (continued)
Rooming, boarding houses, denial of license to for unpaid property taxes; permitted, amends C.40:52-13, Ch.148.

PENSIONS AND RETIREMENT
Jersey City retirement system, benefits; revised, amends C.43:13-22.53 et al., Ch.101.
Police and Firemen's Retirement System, marriage requirement for pension, duration; shortened, dependency requirement; eliminated, amends C.43:16A-1 et al., Ch.89.
Public Employees' Retirement System, special service employees, certain, exempt from enrollment, amends C.43:15A-7, Ch.139.

POLICE
Law enforcement officers, statutes concerning; amended, C.2A:62A-1.1 et al., amends N.J.S.2C:11-3 et al., Ch.115.

PROFESSIONS AND OCCUPATIONS
"Certified tree expert;" certification, law revised, C.45:15C-2.1 et al., amends C.45:15C-3 et al., repeals C.45:15C-2 et al., Ch.20.
"Industrial Hygienist Truth in Advertising Act," C.56:8-81 et seq., Ch.130.
"Landscape Irrigation Contractor Certification Act of 1991," enforcement; delayed, expiration date of existing certifications; extended, amends P.L.1991,c.27,s.12, Ch.34.
Master plumbers, continuing education requirements; established, C.45:14C-18.1 et seq., Ch.158.
"Music Licensing Practices Act," C.56:3A-1 et seq., Ch.122.
"New Jersey Licensed Lenders Act," C.17:11C-1 et seq., amends C.17:10B-7 et al., repeals R.S.17:10-1 et al., Ch.157.
Real estate brokers, salespersons; two-year license, amends R.S.45:15-10 et al., Ch.38.

PUBLIC CONTRACTS
Federal Supply Schedules, purchase of goods, services; State, authorities, public colleges, local governments, etc., cooperative purchasing agreements, certain, permitted, C.52:34-6.1 et seq., amends C.40A:11-12 et al., Ch.16.
"Municipal Mechanics' Lien Law"; revised, amends N.J.S.2A:44-128 et al., Ch.81.
Public work projects, violations of law, certain; bidder's remedies, C.34:11-56.47, Ch.71.

PUBLIC EMPLOYEES
State Health Benefits Program; provisions, certain, changed, C.52:14-17.28b et al., amends C.52:14-17.26 et al., Ch.8.

RAILROADS
Rail passenger service, Camden to Trenton; NJT study, required, Ch.18.

REAL PROPERTY
Condominium association, enforcement of rules, collection of assessments, methods; clarified, amends C.46:8B-13 et al., Ch.79.

REORGANIZATION PLANS
Construction-related review, enforcement functions, consolidated within the Department of Community Affairs, No.004-1996.
Department of Health, redesignated as the Department of Health and Senior Services, No.001-1996.
Department of Transportation, assistant commissioners, functions, No.003-1996.
State Library, transfer, reorganization within Department of State, No.002-1996.

SCHOOLS
"Arts Create Excellent Schools (ACES) Pilot Program Act," C.18A:54G-1 et seq., Ch.117.
Candidates for employment, drug testing; permitted, amends N.J.S.18A:16-2, Ch.35.
"Comprehensive Educational Improvement and Financing Act of 1996," C.18A:7F-1 et seq., amends C.18A:7A-3 et al., repeals C.18A:6-33.15 et al., Ch.138.
Crossing control arms on school buses, installation; required, C.39:3B-1.1 et seq., Ch.96.
Dress codes, adoption by school board; permitted, C.18A:11-7 et seq., Ch.93.
"Educational Technology Teacher Training Act," C.18A:6-103 et seq., Ch.129.
Graduating pupils under financial hardship, exclusion from graduation ceremony, receipt of yearbook; prohibited, C.18A:7C-5.1, Ch.145.
Paging devices, possession by students, regulations; changed, amends C.2C:33-19, repeals C.2C:33-18, Ch.94.
Physical examinations; required of candidates, permitted for employees, amends N.J.S.18A:16-2, Ch.100.

SCHOOLS (continued)
Public school facilities loan fund repayments, certain, transfer to General Fund; authorized, C.34:1B-7.23a, amends C.34:1B-7.23 et seq., Ch.48.
School board vacancies, procedure for filling; changed, amends N.J.S.18A:12-15, Ch.153.
Sending district, representative to receiving district, voting rights; matters clarified, amends C.18A:38-8.1, Ch.103.
Sending-receiving relationships, withdrawal; permitted, admission to regional school districts, certain conditions; permitted, amends C.18A:38-21.1, Ch.91.
Superintendent, business administrator, sharing by districts, procedure; established, C.18A:17-24.1 et seq., amends N.J.S.18A:17-14.1 et al., Ch.111.
Tenure for staff members, certain; law clarified, amends N.J.S.18A:28-5, Ch.58.

SOLID WASTE
"Municipal Landfill Site Closure, Remediation and Redevelopment Act," C.13:1E-116.1 et seq., amends C.52:27H-80, Ch.124.

STATE GOVERNMENT
Building construction codes, revisions; adoption, C.52:27D-122.1, amends C.52:27D-123, Ch.53.
Closure of human services, corrections, veterans facilities, prior public hearing, report; required, C.30:1-7.3 et al., Ch.150.
Council on Local Mandates, law on State mandates; established, C.52:13H-1 et seq., Ch.24.
Legislative agents, lobbyists, notification requirements, certain; imposed, C.52:13C-22.4, Ch.144.
"New Jersey Urban Redevelopment Act," C.55:19-20 et seq., amends R.S.54:5-86 et al., repeals C.52:27D-250 et seq., Ch.62.
State Commission of Investigation; statutes revised, C.52:9M-8.1 et al., amends C.52:9M-8 et al., Ch.44.

TAXATION
Gross income tax; "Property Tax Deduction Act," C.54A:3A-15 et al., Ch.60.
Payment system, State tax, automated; amnesty period, provided, C.54:48-4.2 et seq. and C.54:53-17, Ch.2.
Tax benefits for voluntary employer trip reduction programs; authorized, mandatory programs; repealed, C.27:26A-4.1 et seq., amends C.27:26A-3 et al., repeals C.27:26A-1 et al., Ch.121.

TAXATION (continued)
Taxpayer signature on gross income tax return, requirement; manner established by Director of the Division of Taxation, amends N.J.S.54A:8-1, Ch.10.
War veterans' organizations, conduct of income-producing activities while retaining property tax exempt status; permitted, amends R.S.54:4-3.5 et al., Ch.82.

TRADE REGULATION
"Music Licensing Practices Act," C.56:3A-1 et seq., Ch.122.

TRANSPORTATION
New Jersey Transit, rolling stock, equipment contracts, certain; negotiation permitted, amends C.27:25-11, Ch.104.
Rail passenger service, Camden to Trenton; NJT study, required, Ch.18.

UNEMPLOYMENT COMPENSATION
Emergency benefits; provided, funding; revised, C.43:21-24.21 et seq., amends R.S.43:21-7 et seq., Ch.30.
State disability benefits fund, moneys transferred, amends C.43:21-47, Ch.47
Withholding of federal income tax; conformance with federal law, amends R.S.43:21-15, Ch.149.

UNIFORM COMMERCIAL CODE
Negotiable instruments, certain, loss claims, notice of breach of fiduciary duty; clarified, N.J.S.12A:3-312, amends N.J.S.3B:14-58, Ch.134.

VALIDATING
School district bonds, Ch.27.
Tax abatement for low, moderate income senior citizen housing project in Sayreville, amends P.L.1995, c.423, s.1, Ch.123.

WELFARE
Attorneys' fees in Supplemental Security Income appeals; provided, C.44:8-110.1 et seq., Ch.65.