

Office of the Governor

NEWS RELEASE

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Gov. Christie Whitman today signed the following pieces of legislation:

A-262, sponsored by Assembly Member Rich Bagger (R-Middlesex/Morris/Somerset/ Union) and Carol Murphy (R-Essex/Morris/Passaic), which exempts certain sales by municipal electric utilities from sales taxes and the corporate business tax (CBT).

The bill includes changes recommended by Gov. Whitman through conditional veto. The Governor recommended an amendment to ensure equity and fairness in taxation. The bill was specifically targeted to apply to Butler Borough Municipal Corporation.

A-747, sponsored by Assembly Members Nicholas Asselta and John C. Gibson (R-Cape May/Atlantic/ Cumberland) and Senators Joseph Kyrillos (R-Middlesex/Monmouth) and John Mattheussen (R-Camden/Gloucester), which authorizes municipalities to establish downtown "special improvement districts" (SIDs) to enable them to continue to revitalize existing downtown areas throughout the state.

The Governor recommended that the state assist the municipalities through a revolving loan fund to allow for the continued replenishment and availability of funds for worthwhile municipal revitalization projects.

The legislation now includes a \$5 million appropriation from the General Fund for the newly-created downtown business improvement loan fund, and provides for the availability of technical assistance on improvement projects from the Department of Community Affairs.