

CHAPTER 302 LAWS OF N. J. 1985  
APPROVED 8/23/85  
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ASSEMBLY, No. 3829

# STATE OF NEW JERSEY

INTRODUCED JUNE 17, 1985

By Assemblyman MARSELLA

AN ACT authorizing the creation of a debt of the State of New Jersey by issuance of bonds of the State in the sum of \$30,000,000.00 for the purpose of providing grants and loans to local units of government in the pinelands area for infrastructure capital projects necessary to accommodate development in the regional growth area; providing the ways and means to pay the interest on the debt and also to pay and discharge the principal thereof; providing for the submission of this act to the people at a general election and making an appropriation therefor.

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

1 1. This act shall be known and may be cited as the "Pinelands  
2 Infrastructure Trust Bond Act of 1985."

1 2. The Legislature finds and declares that the "Pinelands Pro-  
2 tection Act," P. L. 1979, c. 111 (C. 13:18A-1 et seq.) was enacted  
3 and the comprehensive management plan was adopted thereunder  
4 to protect the unique natural, ecological, agricultural, scenic and  
5 recreational resources of the pinelands areas for the enjoyment of  
6 all of the citizens of the State but the land use restrictions im-  
7 posed and the development patterns encouraged to protect those  
8 resources will result in the increase in population in regional  
9 growth areas; that this growth will be accommodated through the  
10 pinelands development credit program which seeks to encourage  
11 landowners in areas wherein development is restricted to record  
12 use restrictions in the deeds to their land in return for monetary

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

Matter printed in italics *thus* is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

\*—Assembly committee amendments adopted June 24, 1985.

13 remuneration; that these pinelands development credits will be  
14 redeemed in regional growth areas permitting greater development  
15 densities; that this growth will require concomitant improvements  
16 to the infrastructure in these areas; that it is unreasonable and  
17 unjust to expect the taxpayers of these regional growth areas to  
18 assume the full financial burdens which result from the growth;  
19 and that it is altogether fitting and proper to provide for the capital  
20 investment in infrastructure improvements by the State through  
21 the issuance of bonds.

1 3. As used in this act:

2 a. "Commission" means the New Jersey Commission on Capital  
3 Budgeting and Planning;

4 b. "Commissioner" means the Commissioner of Environmental  
5 Protection;

6 c. "Comprehensive management plan" means the plan for the  
7 protection of the pinelands area, adopted pursuant to section 7  
8 of P. L. 1979, c. 111 (C. 13:18A-8);

9 d. "Cost" means the expenses incurred in connection with: the  
10 acquisition by purchase, lease or otherwise, the development, and  
11 the construction of any project authorized by this act; the acqui-  
12 sition by purchase, lease or otherwise, and the development of any  
13 real or personal property for use in connection with any project  
14 authorized by this act, including any rights or interests therein;  
15 the execution of any agreements and franchises deemed by the  
16 department to be necessary or useful and convenient in connection  
17 with any project authorized by this act; the procurement of engi-  
18 neering, inspection, planning, legal, financial or other professional  
19 services, including the services of a bond registrar or an authen-  
20 ticating agent; the issuance of bonds, or any interest or discount  
21 thereon; the administrative, organizational, operating or other  
22 expenses incident to the financing, completing and placing into  
23 service of projects authorized by this act; the establishment of  
24 a reserve fund or funds for working capital, operating, mainte-  
25 nance or replacement expenses and for the payment or security  
26 of principal or interest on bonds, as the Director of the Division  
27 of Budget and Accounting in the Department of the Treasury  
28 may determine; and reimbursement to any fund of the State of  
29 moneys which may have been transferred or advanced therefrom  
30 to any fund created by this act, or of any moneys which may have  
31 been expended therefrom for or in connection with any project  
32 authorized by his act;

33 e. "Department" means the Department of Environmental Pro-  
34 tection;

35 f. "Infrastructure capital projects" or "project" means the  
 36 acquisition, construction, improvement, expansion, repair or re-  
 37 habilitation of all or part of any structure, facility or equipment  
 38 (1) necessary for or ancillary to any transportation system, waste-  
 39 water treatment system or water supply system, or (2) necessary  
 40 for or ancillary to any system which may be authorized and desig-  
 41 nated by the Legislature as an infrastructure capital project;

42 g. "Local unit" means any county, municipality, authority or  
 43 agency, which is not a State authority or agency, which has admin-  
 44 istrative jurisdiction over an area which would be served by, or  
 45 which exercises functions which are appropriate for, the manage-  
 46 ment of an infrastructure capital project;

47 h. "Pinelands area" means the area so designated by subsection  
 48 a. of section 10 of P. L. 1979, c. 111 (C. 13:18A-11);

49 i. "Pinelands commission" means the commission created pur-  
 50 suant to section 4 of P. L. 1979, c. 111 (C. 13:18A-4);

51 j. "Regional growth area" means an area designated in the  
 52 comprehensive management plan as a receiving area for pinelands  
 53 development credits to accommodate regional growth.

1 4. a. The commissioner shall adopt, pursuant to the "Admin-  
 2 istrative Procedure Act," P. L. 1968, c. 410 (C. 52:14B-1 et seq.),  
 3 rules and regulations to carry out the provisions of this act. The  
 4 commissioner shall review and consider the findings and recom-  
 5 mendations of the commission in the administration of the pro-  
 6 visions of this act.

7 b. The pinelands commission shall adopt an infrastructure master  
 8 plan for use in evaluating projects to be funded with funds made  
 9 available pursuant to this act.

1 5. a. Bonds of the State of New Jersey are authorized to be  
 2 issued in the aggregate principal amount of \$30,000,000.00 for the  
 3 purpose of providing grants and loans to any local unit in the  
 4 pinelands area for infrastructure capital projects necessary to  
 5 accommodate development in the regional growth area. These  
 6 projects shall be approved by the commissioner only upon a finding  
 7 that the master plan and zoning ordinance of the municipality,  
 8 and the master plan of the county wherein the project is to take  
 9 place has been certified by the pinelands commission to be in con-  
 10 formance with the comprehensive management plan and *\*upon a*  
 11 *finding by the pinelands commission\** that the project conforms  
 12 with the infrastructure master plan adopted by the pinelands com-  
 13 mission pursuant to subsection b. of section 4 of this act *\*and the*  
 13A *provisions of the Comprehensive Management Plan\**.

14 b. The interest rate of loans made to local units from the "Pine-  
 15 lands Infrastructure Trust Fund" shall not exceed 50% of the

16 average interest rate of the Bond Buyer Municipal Bond Index  
17 for bonds available for purchase during the last 26 weeks preceding  
18 the date of the approval of the loan by the department.

19 c. Payments of principal and interest on loans made from the  
20 "Pinelands Infrastructure Trust Fund" shall be paid to the "Pine-  
21 lands Infrastructure Trust Fund."

22 d. When a federal agency pays part of the cost of a project, the  
23 cost of the project shall be computed after deducting the federal  
24 contribution.

1 6. The bonds authorized under this act shall be serial bonds, term  
2 bonds, or a combination thereof, and shall be known as "Pinelands  
3 Infrastructure Trust Bonds." These bonds shall be issued from  
4 time-to-time as the issuing officials herein named shall determine,  
5 and may be issued in coupon form, fully-registered form or book-  
6 entry form. These bonds may be made subject to redemption prior  
7 to maturity and shall mature and be paid not later than 35 years  
8 from the dates of their issuance.

1 7. The Governor, the State Treasurer and the Director of the  
2 Division of Budget and Accounting in the Department of the Treas-  
3 ury, or any two of these officials, herein referred to as "the issuing  
4 officials," are authorized to carry out the provisions of this act  
5 relating to the issuance of bonds, and shall determine all matters  
6 in connection therewith, subject to the provisions of this act. If an  
7 issuing official is absent from the State or incapable of acting for  
8 any reason, the powers and duties of that issuing official shall be  
9 exercised and performed by the person authorized by law to act  
10 in an official capacity in the place of that issuing official.

1 8. Bonds issued in accordance with the provisions of this act  
2 shall be direct obligations of the State of New Jersey, and the  
3 faith and credit of the State are pledged for the payment of the  
4 interest thereon when due and for the payment of the principal  
5 thereof at maturity. The principal of and interest on the bonds  
6 shall be exempt from taxation by the State or by any county,  
7 municipality or other taxing district of the State.

1 9. The bonds shall be signed in the name of the State by means  
2 of the manual or facsimile signature of the Governor under the  
3 Great Seal of the State, which seal may be by facsimile or by way  
4 of any other form of reproduction on the bonds, and attested by  
5 the manual or facsimile signature of the Secretary of State, or an  
6 assistant Secretary of State, and shall be countersigned by the  
7 facsimile signature of the Director of the Division of Budget and  
8 Accounting in the Department of the Treasury and may be man-  
9 ually authenticated by an authenticating agent or bond registrar,

10 as the issuing officials shall determine. Interest coupons, if any,  
11 attached to the bonds shall be signed by the facsimile signature  
12 of the director. The bonds may be issued notwithstanding that an  
13 issuing official signing them or whose manual or facsimile signature  
14 appears thereon has ceased to hold office at the time of issuance,  
15 or at the time of the delivery of the bonds to the purchaser thereof.

1 10. a. The bonds shall recite that they are issued for the purposes  
2 set forth in section 5 of this act, that they are issued pursuant to  
3 this act, that this act was submitted to the people of the State  
4 at the general election held in the month of November, 1985, and  
5 that this act was approved by a majority of the legally qualified  
6 voters of the State voting thereon at the election. This recital shall  
7 be conclusive evidence of the validity of the bonds and of the  
8 authority of the State to issue them. Any bonds containing this  
9 recital shall, in any suit, action or proceeding involving their  
10 validity, be conclusively deemed to be fully authorized by this act  
11 and to have been issued, sold, executed and delivered in conformity  
12 herewith and with all other provisions of laws applicable hereto,  
13 and shall be incontestable for any cause.

14 b. The bonds shall be issued in such denominations and in such  
15 form or forms, whether coupon, fully-registered or book-entry and  
16 with or without provisions for the interchangeability thereof, as  
17 may be determined by the issuing officials.

1 11. When the bonds are issued from time-to-time, the bonds of  
2 each issue shall constitute a separate series to be designated by  
3 the issuing officials. Each series of bonds shall bear such rate or  
4 rates of interest as may be determined by the issuing officials,  
5 which interest shall be payable semiannually; except that the first  
6 and last interest periods may be longer or shorter, in order that  
7 intervening semiannual payments may be at convenient dates.

1 12. The bonds shall be issued and sold at such price or prices  
2 and under such terms, conditions and regulations as the issuing  
3 officials may prescribe, after notice of the sale, published at least  
4 once in at least three newspapers published in this State, and at  
5 least once in a publication carrying municipal bond notices and  
6 devoted primarily to financial news, published in this State or  
7 in the city of New York, the first notice to appear at least five days  
8 prior to the day of bidding. The notice of sale may contain a pro-  
9 vision to the effect that any bid in pursuance thereof may be  
10 rejected. In the event of rejection or of failure to receive any  
11 acceptable bid, the issuing officials, at any time within 60 days  
12 from the date of the advertised sale, may sell the bonds at a private  
13 sale at such price or prices and under such terms and conditions

14 as the issuing officials may prescribe. The issuing officials may sell  
15 all or part of the bonds of any series as issued to any State fund or  
16 to the federal government or any agency thereof, at a private sale,  
17 without advertisement.

1 13. Until permanent bonds are prepared, the issuing officials may  
2 issue temporary bonds in such form and with such privileges as  
3 to their registration and exchange for permanent bonds as may be  
4 determined by the issuing officials.

1 14. The proceeds from the sale of the bonds shall be paid to the  
2 State Treasurer, to be held thereby in a separate fund, which shall  
3 be known as the "Pinelands Infrastructure Trust Fund." The  
4 proceeds of this fund shall be deposited in such depositories as  
5 may be selected by the State Treasurer to the credit of the fund.

1 15. a. The moneys in the "Pinelands Infrastructure Trust Fund"  
2 are specifically dedicated and shall be applied to the cost of the  
3 purposes set forth in section 5 of this act, and all such moneys  
4 are appropriated for those purposes, and no such moneys shall be  
5 expended for those purposes, except as otherwise authorized in  
6 this act, without the specific appropriation thereof by the Legis-  
7-8 lature, but bonds may be issued as herein provided, notwithstand-  
9 ing that the Legislature has not adopted an act making a specific  
10 appropriation of any of the moneys.

11 b. At any time prior to the issuance and sale of bonds under this  
12 act, the State Treasurer is authorized to transfer from available  
13 money in any fund of the treasury of the State to the credit of the  
14 "Pinelands Infrastructure Trust Fund," such sum as he may deem  
15 necessary. The sum so transferred shall be returned to the same  
16 fund of the treasury by the State Treasurer from the proceeds  
17 of the sale of the first issue of bonds.

18 c. Pending their application to the purposes provided in this  
19 act, the moneys in the "Pinelands Infrastructure Trust Fund"  
20 may be invested and reinvested as are other trust funds in the  
21 custody of the State Treasurer, in the manner provided by law.  
22 Net earnings received from the investment or deposit of the fund  
23 shall be paid into the "Pinelands Infrastructure Trust Fund."

1 16. If any coupon bond, coupon or registered bond is lost, muti-  
2 lated or destroyed, a new bond or coupon shall be executed and  
3 delivered of like tenor, in substitution for the lost, mutilated or  
4 destroyed bond or coupon, upon the owner furnishing to the issuing  
5 officials such evidence satisfactory to them of the loss, mutilation  
6 or destruction of the bond or coupon; the ownership thereof; and  
7 the security, indemnity and reimbursement for expenses connected  
8 therewith, as the issuing officials may require.

1 17. The accrued interest received upon the sale of the bonds shall  
2 be applied to the discharge of a like amount of interest upon the  
3 bonds when due. Any expense incurred by the issuing officials for  
4 advertising, engraving, printing, clerical, authenticating, register-  
5 ing, legal or other services necessary to carry out the duties im-  
6 posed upon them by the provisions of this act shall be paid from  
7 the proceeds of the sale of the bonds by the State Treasurer,  
8 upon the warrant of the Director of the Division of Budget and  
9 Accounting in the Department of the Treasury, in the same manner  
10 as other obligations of the State are paid.

1 18. Bonds of each series issued hereunder shall mature, including  
2 any sinking fund redemptions, not later than the 35th year from  
3 the date of issue of such series, and in such amounts as shall be  
4 determined by the issuing officials. The issuing officials may reserve  
5 to the State by appropriate provision in the bonds of any series  
6 the power to redeem any of the bonds prior to maturity at such  
7 price or prices and upon such terms and conditions as may be  
8 in the bonds.

1 19. The issuing officials may at any time and from time to time  
2 issue refunding bonds for the purpose of refunding in whole or in  
3 part an equal principal amount of the bonds of any series issued  
4 and outstanding hereunder, which by their terms are subject to  
5 redemption prior to maturity, provided the refunding bonds shall  
6 mature at any time or times not later than the latest maturity date  
7 of that series, and the aggregate amount of interest to be paid on  
8 the refunding bonds, plus the premium, if any, to be paid on the  
9 bonds refunded, shall not exceed the aggregate amount of interest  
10 which would be paid on the bonds refunded if the bonds were not so  
11 refunded. Refunding bonds shall constitute direct obligations of  
12 the State of New Jersey, and the faith and credit of the State are  
13 pledged for the payment of the principal thereof and the interest  
14 thereon. The proceeds received from the sale of refunding bonds  
15 shall be held in trust and applied to the payment of the bonds re-  
16 funded thereby. Refunding bonds shall be entitled to all the bene-  
17 fits of this act and subject to all its limitations except as to the  
18 maturities thereof and to the extent herein otherwise expressly  
19 provided.

1 20. To provide funds to meet the interest and principal payment  
2 requirements for the bonds issued under this act and outstanding,  
3 there is appropriated in the order following:

4 a. Revenue derived from the collection of taxes under the "Sales  
5 and Use Tax Act," P. L. 1966, c. 30 (C. 54:32B-1 et seq.), or so  
6 much thereof as may be required; and

7 b. If, at any time, funds necessary to meet the interest and  
8 principal payments on outstanding bonds issued under this act,  
9 are insufficient or not available, there shall be assessed, levied and  
10 collected annually in each of the municipalities of the counties of  
11 this State, a tax on the real and personal property upon which  
12 municipal taxes are or shall be assessed, levied and collected,  
13 sufficient to meet the interest on all outstanding bonds issued  
14 hereunder and on the bonds proposed to be issued under this act in  
15 the calendar year in which the tax is to be raised and for the pay-  
16 ment of bonds falling due in the year following the year for which  
17 the tax is levied. The tax shall be assessed, levied and collected  
18 in the same manner and at the same time as other taxes upon real  
19 and personal property. The governing body of each municipality  
20 shall pay to the treasurer of the county in which the municipality  
21 is located, on or before December 15 in each year, the amount of  
22 tax herein directed to be assessed and levied, and the county  
23 treasurer shall pay the amount of the tax to the State Treasurer  
24 on or before December 20 in each year.

25 If on or before December 31 in any year, the issuing officials,  
26 by resolution, determine that there are moneys in the General  
27 Fund beyond the needs of the State, sufficient to meet the principal  
28 of bonds falling due and all interest payable in the ensuing calendar  
29 year, the issuing officials shall file the resolution in the office of  
30 the State Treasurer, whereupon the State Treasurer shall transfer  
31 the moneys to a separate fund to be designated by him, and shall pay  
32 the principal and interest out of the fund as the same shall become  
33 due and payable, and the other sources of payment of the principal  
34 and interest provided for in this section shall not then be available,  
35 and the receipts for the year from the tax specified in subsection a.  
36 of this section shall be considered part of the General Fund, avail-  
37 able for general purposes.

✓ 1 21. Should the State Treasurer, by December 31 of any year,  
2 deem it necessary, because of the insufficiency of funds collected  
3 from the sources of revenues as provided in this act, to meet the  
4 interest and principal payments for the year after the ensuing  
5 year, then the State Treasurer shall certify to the Director of  
6 the Division of Budget and Accounting in the Department of the  
7 Treasury the amount necessary to be raised by taxation for those  
8 purposes, which is to be assessed, levied and collected for and in  
9 the ensuing calendar year. The director shall, on or before March 1  
10 following, calculate the amount in dollars to be assessed, levied  
11 and collected in each county as herein set forth. This calculation  
12 shall be based upon the corrected assessed valuation of each county

13 for the year preceding the year in which the tax is to be assessed,  
14 but the tax shall be assessed, levied and collected upon the assessed  
15 valuation of the year in which the tax is assessed and levied. The  
16 director shall certify the amount to the county board of taxation  
17 and the treasurer of each county. The county board of taxation  
18 shall include the proper amount in the current tax levy of the  
19 several taxing districts of the county in proportion to the ratables  
20 as ascertained for the current year.

1 22. For the purpose of complying with the provisions of the  
2 State Constitution, this act shall be submitted to the people at  
3 the general election to be held in the month of November, 1985.  
4 To inform the people of the contents of this act, it shall be the  
5 duty of the Secretary of State, after this section takes effect, and  
6 at least 15 days prior to the election, to publish this act in at least  
7 10 newspapers published in this State and to notify the clerk of  
8 each county of this State of the passage of this act; and the clerks  
9 respectively, in accordance with the instructions of the Secretary  
10 of State, shall have each of the ballots printed as follows:

11 If you approve of the act entitled below, make a cross (X),  
12 plus (+), or check (✓) mark in the square opposite the word "Yes."

13 If you disapprove of the act entitled below, make a cross (X),  
14 plus (+), or check (✓) mark in the square opposite the word "No."

15 If voting machines are used, a vote of "Yes" or "No" shall be  
16 equivalent to these markings respectively.

	Yes.	<p style="text-align: center;">PINELANDS PROTECTION BOND ACT</p> <p>Shall the act entitled the "Pinelands Infrastructure Trust Bond Act of 1985," which authorizes the State to issue bonds in the amount of \$30,000,000.00 for the purpose of providing grants and loans to local units in the pinelands area for infrastructure capital projects necessary to accommodate development in the regional growth area in a manner prescribed by law, and which provides ways and means to pay the interest on the debt by the sale of the bonds, be approved?</p>
	No.	<p style="text-align: center;">INTERPRETIVE STATEMENT</p> <p>Approval of this act will provide \$30,000,000.00 for appropriation by the Legislature for grants and loans for transportation, wastewater treatment, water supply, and other infrastructure systems in the pinelands area. These projects would be approved only upon a finding that the master plan and zoning ordinance of the municipality, and the master plan of the county wherein the project is to take place has been certified by the pinelands commission to be in conformance with a comprehensive management plan and that the project conforms with the infrastructure master plan adopted by the pinelands commission.</p>

17 The fact and date of the approval or passage of this act, as the  
 18 case may be, may be inserted in the appropriate place after the  
 19 title in the ballot. No other requirements of law of any kind or  
 20 character as to notice or procedure except as herein provided need  
 21 be adhered to.

22 The votes so cast for and against the approval of this act, by  
 23 ballot or voting machines, shall be counted and the result thereof  
 24 returned by the election officer, and a canvass of the election had in  
 25 the same manner as is provided for by law in the case of the election  
 26 of a Governor, and the approval or disapproval of this act so  
 27 determined shall be declared in the same manner as the result of an  
 28 election for a Governor, and if there shall be a majority of all the  
 29 votes cast for and against it at the election in favor of the approval  
 30 of this act, then all the provisions of this act not made effective  
 31 theretofore shall take effect immediately.

1 23. There is appropriated from the General Fund the sum of  
 2 \$5,000.00 to the Department of State for expenses in connection  
 3 with the publication of notice pursuant to section 22 of this act.

1 24. The commissioner shall submit to the State Treasurer and  
2 the commission with the department's annual budget request a  
3 plan for the expenditure of funds from the "Pinelands Infrastruc-  
4 ture Trust Fund" for the upcoming fiscal year. This plan shall  
5 include the following information: a performance evaluation of  
6 the expenditures made from the fund to date; a description of  
7 programs planned during the upcoming fiscal year; a copy of the  
8 regulations in force governing the operation of programs that are  
9 financed, in part or whole, by funds from the fund; and an estimate  
10 of expenditures for the upcoming fiscal year.

1 25. Immediately following the submission to the Legislature of  
2 the Governor's annual budget message, the commissioner shall  
3 submit to the General Assembly Agriculture and Environment  
4 Committee, the Senate Energy and Environment Committee, or  
5 their successors, and the Subcommittee on Transfers of the Joint  
6 Appropriations Committee, or its successor, a copy of the plan  
7 called for under section 24 of this act, together with such changes  
8 therein as may have been required by the Governor's budget  
9 message.

1 26. Not less than 30 days prior to entering into any contract,  
2 lease, obligation, or agreement to effectuate the purposes of this  
3 act, the commissioner shall report to and consult with the Sub-  
4 committee on Transfers of the Joint Appropriations Committee,  
5 or its successor.

1 27. This section and sections 22 and 23 of this act shall take effect  
2 immediately and the remainder of the act shall take effect as pro-  
3 vided in section 22.

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