

[First Reprint]

ASSEMBLY, No. 1265

STATE OF NEW JERSEY
213th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2008 SESSION

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District 40 (Bergen, Essex and Passaic)

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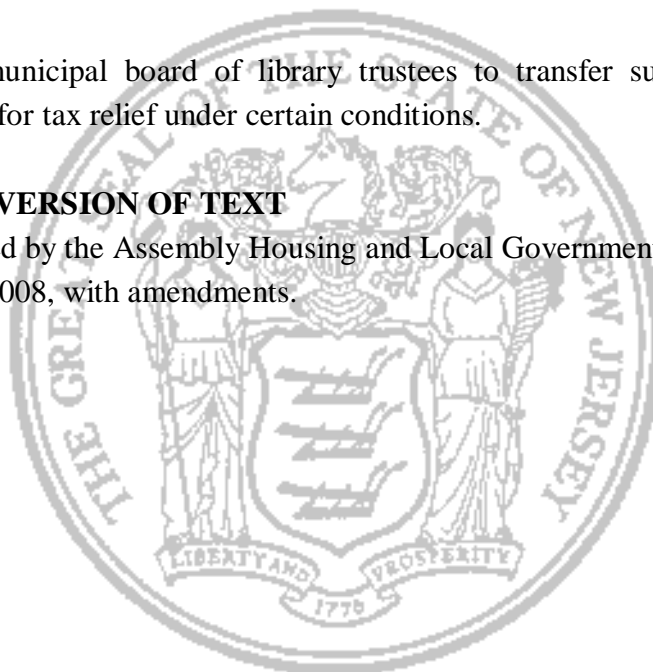
**Assemblyman Munoz, Assemblywoman Love, Assemblyman Biondi and
Senator Van Drew**

SYNOPSIS

Permits municipal board of library trustees to transfer surplus funds to municipality for tax relief under certain conditions.

CURRENT VERSION OF TEXT

As reported by the Assembly Housing and Local Government Committee on January 24, 2008, with amendments.



(Sponsorship Updated As Of: 3/18/2008)

1 AN ACT concerning amounts expended for municipal free library
2 purposes, amending R.S.40:54-15 and supplementing chapter 4 of
3 Title 40A of the New Jersey Statutes.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. R.S.40:54-15 is amended to read as follows:

9 40:54-15. a. The board of trustees shall make an annual report
10 to the chief financial officer of the municipality which shall include
11 a statement setting forth in detail all public revenues received by the
12 library, all State aid received by the library, all expenditures made
13 by the library and the balance of funds available. ¹[The]
14 Notwithstanding the requirements of R.S.40:54-8 pertaining to the
15 amount required to be raised and appropriated for library purposes,
16 the¹ annual report may identify excess funds that the board intends
17 to approve and transfer to the municipality as miscellaneous
18 revenue. The excess funds intended for transfer may be any amount
19 that exceeds the sum of the amount of the audited operating
20 expenditures of the library for the most recent available year, plus
21 an additional 25% of those operating expenditures, excluding funds
22 restricted for capital projects and grants, to be maintained as
23 surplus. The annual report shall also include an analysis of the state
24 and condition of the library and shall be sent to the municipal
25 governing body and to the State Library. The State Librarian shall
26 prescribe by regulation the form of all such reports.

27 b. (1) The board of trustees of a municipal free library may
28 adopt a resolution of its intent to transfer excess funds to the
29 municipality, as identified in its annual report pursuant to
30 subsection a. of this section.

31 (2) The board of trustees of a municipal free library established
32 after the effective date of P.L. , c. shall not adopt a resolution
33 of intent pursuant to this subsection before the eighth budget year
34 following its establishment.

35 c. Once the board of trustees has adopted a resolution of intent
36 pursuant to subsection b. of this section, it shall forward the
37 resolution to the State Librarian for approval, along with any other
38 information required by the State Librarian and in accordance with
39 procedures and forms promulgated by the State Librarian in
40 consultation with the Director of the Division of Local Government
41 Services in the Department of Community Affairs. The State
42 Librarian shall approve any resolution upon a determination that
43 ¹all of the following provisions are met:

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 underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AHO committee amendments adopted January 24, 2008.

1 (1)¹ the municipal free library will still retain a sum equal to the
2 amount of the audited operating expenditures of the library for the
3 most recent available year plus an additional 25% of that amount,
4 excluding funds restricted for capital projects and grants, to be
5 maintained as surplus ¹;

6 (2) the municipality and the municipal free library are in
7 compliance with all conditions imposed by rule or regulation
8 promulgated by the State Librarian for per capita library aid to
9 public libraries according to the "state library aid law,"
10 N.J.S.18A:74-1 et seq., and pertaining to appropriations for the
11 maintenance of a municipal free library according to R.S.40:54-8 or
12 section 2 of P.L.1959, c.155 (C.40:54-29.4) in the case of a joint
13 free public library;

14 (3) there are sufficient funds remaining in the municipal free
15 library's operating budget for the maintenance of the library for the
16 balance of the fiscal year in which the transfer of funds to the
17 municipality occurs; and

18 (4) the library board of trustees has a written plan of at least
19 three years that reflects that the long-term funding needs of the
20 library will be met, and that any capital expense will contribute to
21 the provision of efficient and effective library services, and that the
22 written plan has been approved by the State Librarian ¹.

23 d. Upon approval of its resolution of intent by the State
24 Librarian pursuant to subsection c. of this section, the board of
25 trustees may cause the amount of the excess funds identified in its
26 resolution to be transferred to the municipality.

27 (cf: P.L.2001, c.137, s.55)

28
29 2. (New section) Monies approved by the State Librarian for
30 transfer to a municipality by the board of trustees of its municipal
31 free library, pursuant to subsection c. of R.S.40:54-15 (as amended
32 by section 1 of this bill), may be anticipated by the municipality as
33 a miscellaneous revenue; provided, however, that the monies shall
34 be used solely and exclusively by the municipality for the purposes
35 of reducing the amount the municipality is required to raise by local
36 property tax levy for municipal purposes. The director shall certify
37 that each municipality has complied with this section. If the
38 director finds that monies transferred to a municipality by its
39 municipal free library pursuant to subsection d. of R.S.40:54-15 (as
40 amended by section 1 of this bill) are not used by that municipality
41 solely and exclusively to reduce the amount required to be raised by
42 the local property tax levy, then the director shall correct the
43 municipal budget, pursuant to N.J.S.40A:4-86, to ensure that the
44 transferred funds are used for that purpose only.

45
46 3. This act shall take effect immediately.