

ASSEMBLY, No. 2352

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 3, 2020

Sponsored by:

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

Assemblywoman CAROL A. MURPHY

District 7 (Burlington)

SYNOPSIS

Permits fire districts to undertake capital projects upon resolution of board of fire commissioners.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/10/2020)

1 AN ACT concerning the approval of fire district capital projects and
2 debt issuances and amending various parts of the statutory law.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. N.J.S.40A:14-84 is amended to read as follows:

8 40A:14-84. a. **【**For a fire district that holds its annual election
9 at a time other than at the time of the general election, the legal
10 voters, at a regular meeting or at a special meeting called by the
11 commissioners of the fire district, may vote to raise money for a
12 firehouse, fire engines, apparatus, or other appliances for the
13 extinguishment of fires and acquire lands or buildings or erect
14 buildings for the housing of such equipment, or other buildings,
15 including but not limited to, administrative, communications, or
16 training buildings, or buildings for the maintenance of fire
17 apparatus, in an amount not exceeding 5 mills on the dollar of the
18 last assessed valuation of the property in the fire district. The
19 amount so voted for shall be included in the next succeeding annual
20 budget of the fire district under the section for capital
21 appropriations. Voting shall be open between the hours of 6:00
22 P.M. to 9:00 P.M., but the board may designate a later closing hour
23 on the same day, and the board shall take any necessary action to
24 ensure the secrecy and privacy of the casting of votes.

25 Any such special meeting shall be called on 10 days' notice by
26 the board of fire commissioners, to be posted in five public places
27 in the district, setting forth the time, place and object of the meeting
28 and the legal voters shall determine the amount of money to be
29 raised.**】** (Deleted by amendment, P.L. , c.) (pending before the
30 Legislature as this bill)

31 b. (1) **【**For a fire district that holds its annual election at the
32 time of the general election, the**】** The board of fire commissioners
33 of a fire district, at a regular meeting or at a special meeting called
34 by the commissioners of the fire district, may, by resolution adopted
35 by a vote of not less than 2/3 of the full membership thereof, raise
36 money for a firehouse, apparatus, appliances, land or buildings in
37 connection therewith for fire extinguishing purposes, including but
38 not limited to administrative or training buildings, in an amount not
39 exceeding 5 mills on the dollar of the last assessed valuation of the
40 property in the fire district. The amount so adopted shall be
41 included in the next succeeding annual budget of the fire district
42 under the section for capital appropriations.

43 (2) (a) Prior to such meeting, the resolution, or a summary
44 thereof, shall be published together with notice of the time and
45 place of the meeting, the opportunity of the public to be heard at the

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.

1 meeting, and the availability of copies of the resolution to the
2 members of the general public of the fire district from the date
3 following such publication up to and including the date of the
4 meeting. If a summary is published, the summary shall contain a
5 clear and concise statement prepared by the clerk of the board of
6 fire commissioners setting forth the purpose of the resolution and
7 the amount to be raised by the additional levy being authorized.

8 (b) If the resolution is to be adopted at a regular meeting, the
9 clerk of the board of fire commissioners shall, at least 10 days prior
10 to the date of the meeting, post the information required to be
11 published pursuant to this subsection in five public places in the fire
12 district, and shall advertise this information in a newspaper,
13 published in the fire district, if any, otherwise in a newspaper
14 circulating in the district.

15 (c) If the resolution is to be adopted at a special meeting, the
16 clerk shall, at least 21 days prior to the date of the meeting, post the
17 information required to be published pursuant to this subsection in
18 five public places in the fire district, and shall advertise this
19 information in a newspaper, published in the fire district, if any,
20 otherwise in a newspaper circulating in the district. The clerk shall,
21 not more than 20 days and at least 10 days prior to the date of the
22 meeting, again advertise this information in that newspaper.

23 (3) (a) All interested persons shall be given an opportunity to
24 be heard at a meeting subject to the provisions of this section.

25 (b) Copies of a resolution shall be made available to the
26 members of the general public of the fire district who shall request
27 such copies from the date following publication of the resolution up
28 to and including the date of the meeting.

29 (cf: P.L.2017, c.206, s.20)

30
31 2. N.J.S.40A:14-85 is amended to read as follows:

32 40A:14-85. The board of fire commissioners of a fire district
33 may purchase a firehouse, fire engines, apparatus, or other
34 appliances for the extinguishment of fires and acquire lands or
35 buildings or erect buildings for the housing of such equipment, or
36 other buildings, including but not limited to, administrative,
37 communications, or training buildings, or buildings for the
38 maintenance of fire apparatus, at a cost not exceeding \$60,000.00 or
39 2% of the assessed valuation of the taxable property in the district,
40 whichever amount is larger. The money may be raised by a bond
41 issue, or through the creation of any other debt or liability,
42 including, but not limited to, through a lease-purchase agreement.
43 Any such bond issue, debt, or liability shall be authorized by a
44 resolution adopted by a vote of not less than 2/3 of the full
45 membership of the board of fire commissioners specifying the
46 amount and the purpose thereof. The resolution shall be inoperative
47 unless [and until it shall have been submitted to and approved by
48 the legal voters within said fire district at the annual election held

1 for the election of commissioners and appropriation of money for
2 fire extinguishing purposes, or at a special election for such
3 purpose.

4 The resolution shall be written or printed and the election shall
5 be upon notice stating the time and place. If said election is to be
6 the annual one, the notices shall be posted by the clerk of the board
7 of fire commissioners in 10 public places, at least 10 days prior to
8 the date of the election. The board of commissioners and the clerk,
9 in their or his discretion, may advertise the election in a newspaper,
10 published in the fire district, if any, otherwise in a newspaper
11 published in the county of said district and circulating in such
12 district. When a special election is specified notices shall be posted
13 in 10 public places, at least 21 days prior to the date of election, and
14 the clerk of said board shall advertise said notice in such a
15 newspaper at least twice prior to the election date] prior to the date
16 of the meeting at which the resolution is scheduled for
17 consideration, the resolution, or a summary thereof, shall be
18 published together with notice of the time and place of the meeting,
19 the opportunity of the public to be heard at the meeting, and the
20 availability of copies of the resolution to the members of the
21 general public of the fire district from the date following such
22 publication up to and including the date of the meeting. If a
23 summary is published, the summary shall contain a clear and
24 concise statement prepared by the clerk of the board of fire
25 commissioners setting forth the purpose of the resolution and the
26 amount to be raised by the bond issue, debt, or liability.

27 If the resolution is to be adopted at a regular meeting, the clerk
28 of the board of fire commissioners shall, at least 10 days prior to the
29 date of the meeting, post the information required to be published
30 pursuant to this section in five public places in the fire district, and
31 shall advertise this information in a newspaper, published in the fire
32 district, if any, otherwise in a newspaper circulating in the district.

33 If the resolution is to be adopted at a special meeting, the clerk
34 shall, at least 21 days prior to the date of the meeting, post the
35 information required to be published pursuant to this section in five
36 public places in the fire district, and shall advertise this information
37 in a newspaper, published in the fire district, if any, otherwise in a
38 newspaper circulating in the district. The clerk shall, not more than
39 20 days and at least 10 days prior to the date of the meeting, again
40 advertise this information in that newspaper.

41 All interested persons shall be given an opportunity to be heard
42 at a meeting subject to the provisions of this section.

43 Copies of a resolution shall be made available to the members of
44 the general public of the fire district who shall request such copies
45 from the date following publication of the resolution up to and
46 including the date of the meeting.

47 (cf: P.L.2017, c.206, s.21)

1 3. N.J.S.40A:14-86 is amended to read as follows:

2 40A:14-86. **【**The legal voters, at any election held for the
3 purpose of raising money by issuance of bonds, shall vote by ballot
4 on the question. The election shall be conducted in the same
5 manner as other fire district elections.**】**

6 If a **【**majority of the legal voters voting on the question favor the
7 issuance of such bonds the**】** board of fire commissioners **【**shall be
8 authorized to issue them.

9 **Said**】** adopts a resolution authorizing the issuance of bonds
10 pursuant to N.J.S.40A:14-85, the bonds shall be serial bonds issued
11 in the corporate name of the fire district, in the authorized amount,
12 not exceeding in the aggregate \$60,000.00 or 2% of the assessed
13 valuation of the taxable property of the district, whichever amount
14 is larger. They shall be in the amounts and payable at the time
15 directed, with interest at any rate of interest that the board of fire
16 commissioners may approve and which shall be payable semi-
17 annually. The bonds shall not be issued for longer than a 30-year
18 period. They shall be signed by the manual or facsimile signature
19 of the chairman of the board of fire commissioners and attested by
20 the manual or facsimile signature of the clerk, and may be attested
21 by a registrar or authenticating agent. The bonds shall be coupon
22 bonds or registered bonds and shall be issued at such price or
23 prices, not less than par, as the board of fire commissioners shall
24 determine. The bonds shall be sold at public or private sale for the
25 best obtainable price.**

26 (cf: P.L.1983, c.381, s.1)

27

28 4. Section 1 of P.L.1981, c.188 (C.40A:14-86.1) is amended to
29 read as follows:

30 1. The board of fire commissioners of a fire district, following
31 the **【**authorization by voters of**】** adoption of a resolution
32 authorizing the issuance of bonds pursuant to **【**N.J.S. 40A:14-86**】**
33 N.J.S.40A:14-85, may by resolution borrow money and issue
34 negotiable notes in anticipation of the bond issue. Any note shall
35 be designated a "bond anticipation note" and shall contain a recital
36 that it is issued in anticipation of the issuance of bonds. Such notes
37 may be issued for a period not to exceed 1 year, and may be
38 renewed from time to time not to exceed 1 year; but all such notes,
39 including renewals, shall mature and be paid not later than the third
40 anniversary of the date of the original notes; provided, however,
41 that no notes shall be renewed beyond the first anniversary date of
42 the original notes unless an amount of such notes, at least equal to
43 the first legally payable installment of the bonds in anticipation of
44 which the notes are issued is paid and retired on or before the
45 second anniversary date, and if the notes are renewed beyond the
46 second anniversary date of the original notes, a like amount is paid
47 or retired on or before the third anniversary date from funds other

1 than the proceeds of obligations; except that the notes shall mature
2 and be paid not later than the first day of the fifth month following
3 the close of the third fiscal year next following the date of the
4 original notes, provided that, in addition to amounts paid and retired
5 pursuant to this section, an amount of such notes equal to not less
6 than the first legally payable installment of the bonds in anticipation
7 of which the notes are issued has been paid and retired not later
8 than the end of the third fiscal year from funds other than the
9 proceeds of obligations.

10 The period of usefulness as defined in N.J.S.40A:2-22 of any
11 purpose for which bonds are issued shall include the period during
12 which notes issued in anticipation of such bonds are outstanding,
13 including all renewals thereof.

14 Funds derived from the issuance of fire district bonds may be
15 used to redeem notes issued in anticipation of the bond issue.

16 (cf: P.L.1981, c.188, s.1)

17
18 5. This act shall take effect immediately.
19
20

21 STATEMENT

22
23 This bill would eliminate the requirement that the voters of a fire
24 district approve capital projects and bond issuances. Under the bill,
25 the board of fire commissioners of a fire district, regardless of the
26 date of its annual election, may, by resolution adopted by a vote of
27 not less than 2/3 of its full membership, authorize a capital project.
28 Current law allows fire districts that hold their annual election on
29 the date of the general election to approve the undertaking of a
30 capital project in this manner but require fire districts that hold their
31 annual election on another date to obtain approval to undertake a
32 capital project from the legal voters of the fire district. Under the
33 bill, prior to adoption of a resolution authorizing a capital project, a
34 fire district would be required to provide notice of the resolution to
35 the general public and afford the public an opportunity to be heard
36 at a duly noticed public meeting. This procedure is currently in
37 place for fire districts that hold their annual election on the date of
38 the general election.

39 Current law requires all fire districts to obtain voter approval
40 before a board of fire commissioners may authorize the issuance of
41 a bond or other debt to fund a capital project. The bill would
42 eliminate the requirement of voter approval and instead require a
43 board of fire commissioners to adopt a resolution authorizing the
44 issuance of debt by a vote of not less than 2/3 of its full
45 membership, after providing notice of the resolution to the general
46 public and affording the public an opportunity to be heard at a duly
47 noticed public meeting.