

SENATE, No. 1114

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JANUARY 30, 2020

Sponsored by:

Senator JOSEPH F. VITALE

District 19 (Middlesex)

SYNOPSIS

Revises “Local Bond Law” provisions to exempt certain energy projects from appropriation requirement for five percent down payment.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning bond ordinances for local energy projects and
2 amending N.J.S.40A:2-11.

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

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7 1. N.J.S.40A:2-11 is amended to read as follows:

8 40A:2-11. a. No bond ordinance shall be finally adopted unless
9 it appropriates to the purpose, or ratably to the respective purposes
10 to be financed, in addition to the obligations thereby authorized, a
11 sum as a down payment which is not less than 5% of the amount of
12 the obligations authorized.

13 b. Said sum so appropriated as a down payment must have been
14 made available prior to final adoption of the bond ordinance from
15 any one or more of the following:

16 1. by provision in a previously adopted budget or budgets of
17 the local unit for down payment or for capital improvement
18 purposes;

19 2. from moneys then actually held by the local unit and
20 previously contributed for such purpose other than by the local unit;
21 or

22 3. by emergency appropriation.

23 c. The provisions of this section shall not apply to a bond
24 ordinance which authorizes obligations solely for any purpose
25 referred to in paragraphs a., b., c., d., e. and h. of section 40A:2-7
26 **【or for】**, for financing any municipal or county solar, wind, or
27 geothermal energy projects, or for financing capital repairs deemed
28 necessary after the completion of an energy audit by the Board of
29 Public Utilities. The provisions of this section also shall not apply
30 to those bond ordinances which involve projects funded by State
31 grants such as Green Acres, Transportation Trust Fund, and other
32 similar programs, or for those bond ordinances which involve
33 environmental infrastructure projects, as defined in section 3 of
34 P.L.1985, c.334 (C.58:11B-3), funded by loans from the "New
35 Jersey Environmental Infrastructure Trust," created pursuant to
36 section 4 of P.L.1985, c.334 (C.58:11B-4), or the State, acting by
37 and through the Department of Environmental Protection.
38 (cf: P.L.2015, c.95, s.33)

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40 2. This act shall take effect immediately.

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43 STATEMENT

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45 This bill provides that a bond ordinance which authorizes
46 obligations for financing any municipal or county solar, wind, or
47 geothermal energy projects, or for financing capital repairs deemed

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.

S1114 VITALE

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1 necessary after the completion of an energy audit funded by the
2 Board of Public Utilities, shall be exempt from the mandatory
3 appropriation of a down payment which is not less than 5% of the
4 amount of the obligations authorized, pursuant to N.J.S.40A:2-11.