

[Second Reprint]

SENATE, No. 2500

STATE OF NEW JERSEY

215th LEGISLATURE

INTRODUCED JUNE 14, 2012

Sponsored by:

Senator STEPHEN M. SWEENEY

District 3 (Cumberland, Gloucester and Salem)

Senator THOMAS H. KEAN, JR.

District 21 (Morris, Somerset and Union)

Senator JOSEPH F. VITALE

District 19 (Middlesex)

Assemblywoman SHEILA Y. OLIVER

District 34 (Essex and Passaic)

Assemblyman JON M. BRAMNICK

District 21 (Morris, Somerset and Union)

Assemblywoman CELESTE M. RILEY

District 3 (Cumberland, Gloucester and Salem)

Assemblyman TROY SINGLETON

District 7 (Burlington)

Assemblyman ALBERT COUTINHO

District 29 (Essex)

Assemblyman THOMAS P. GIBLIN

District 34 (Essex and Passaic)

Co-Sponsored by:

Senators Allen, Bateman, Gordon, Ruiz, Stack and Turner

SYNOPSIS

“Building Our Future Bond Act”; authorizes the issuance of \$750,000,000 in general obligation bonds to finance higher educational capital projects for increasing of academic capacity; appropriates \$5,000.

CURRENT VERSION OF TEXT

As amended by the Senate on June 21, 2012.

(Sponsorship Updated As Of: 6/29/2012)

1 AN ACT authorizing the creation of a debt of the State of New
2 Jersey by providing for the issuance of bonds of the State in the
3 aggregate principal amount of \$750,000,000 for the purpose of
4 capital project grants for increasing of academic capacity at New
5 Jersey's public institutions and ²**[independent]** private²
6 institutions of higher education; authorizing the issuance of
7 refunding bonds; providing the ways and means to pay and
8 discharge the principal of and interest on the bonds; providing
9 for the submission of this act to the people at a general election;
10 and making an appropriation therefor.

11

12 **BE IT ENACTED** by the Senate and General Assembly of the State
13 of New Jersey:

14

15 1. This act shall be known and may be cited as the "Building
16 Our Future Bond Act."

17

18 2. The Legislature finds and declares that:

19 a. New Jersey's economic competitiveness and prosperity are
20 directly related to the quality and capacity of its colleges and
21 universities. Higher education is the foundation of this State's
22 economic well-being as well as being critical in the realization of
23 individual success;

24 b. According to The Report of the Governor's Task Force on
25 Higher Education issued in December, 2010, New Jersey's
26 workforce will require more baccalaureate degrees than the
27 workforce of any other state except Massachusetts;

28 c. Also according to the task force report, New Jersey leads the
29 nation in the net outmigration of college-bound students, losing
30 about 30,000 first-year students a year while admitting only about
31 4,000 students from other states; and the task force highlighted the
32 urgent need to stem the tide of the brightest high school graduates
33 leaving the State to attend college;

34 d. Demographic projections indicate that New Jersey will
35 experience significant growth in its population of 18 to 24-year
36 olds, and the lack of adequate facilities has left institutions of
37 higher education in the State entirely unprepared to accommodate
38 the anticipated growth in student population;

39 e. There has not been a voter-approved higher education bond
40 issue since 1988 and the deferral of State support for the
41 construction and capital maintenance needs of higher education
42 buildings has left the institutions with a critical lack of the academic
43 facilities, such as classrooms, laboratories, and libraries, which are
44 necessary to educate this increased student body, provide 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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SBA committee amendments adopted June 18, 2012.

²Senate floor amendments adopted June 21, 2012.

1 capacity necessary to stem the outmigration of talented students,
2 and ensure the educated workforce necessary to retain and attract
3 business and industry; and

4 f. This convergence of economic competitiveness, increased
5 workforce demands, and demographic trends makes increasing the
6 facilities capacity of institutions of higher education an issue that
7 deserves immediate attention, and requires the investment of the
8 State resources that are necessary to ensure and advance the State's
9 economic growth and prosperity in this knowledge-based global
10 economy.

11
12 3. As used in this act:

13 "Bonds" mean the bonds authorized to be issued, or issued,
14 under this act.

15 "Construct" and "construction" mean the planning, erecting,
16 altering, repairing, purchasing, improving, developing,
17 constructing, reconstructing, extending, rehabilitating, renovating,
18 upgrading, demolishing, and equipping of higher education
19 buildings at public institutions and ²[independent] private²
20 institutions of higher education.

21 "Cost" means the expenses incurred in connection with: the
22 acquisition by purchase, lease, or otherwise, the development, and
23 the construction of any project authorized by this act; the
24 acquisition by purchase, lease, or otherwise, and the development of
25 any real or personal property for use in connection with a project
26 authorized by this act, including any rights of interest therein; the
27 execution of any agreements and franchises deemed by the
28 Secretary of Higher Education to be necessary or useful and
29 convenient in connection with any project; the procurement or
30 provision of engineering, architectural design, surveying,
31 inspection, planning, legal, financial, or other professional services,
32 estimates, studies, reports, or advice, including the services of a
33 bond registrar or an authenticating agent; feasibility studies; the
34 issuance of bonds, or any interest or discount thereon; the
35 administrative, organizational, operating, or other expenses incident
36 to the financing and completing of any project authorized by this
37 act; the establishment of a reserve fund or funds for working
38 capital, operating, maintenance, or replacement expenses and for
39 the payment or security of principal or interest on bonds, as the
40 Director of the Division of Budget and Accounting in the
41 Department of the Treasury may determine; and reimbursement to
42 any fund of the State of moneys which may have been transferred or
43 advanced therefrom to any fund created by this act, or of any
44 moneys which may have been expended therefrom for, or in
45 connection with, any project authorized by this act.

46 "Government securities" means any bonds or other obligations
47 which as to principal and interest constitute direct obligations of, or
48 are unconditionally guaranteed by, the United States of America,

1 including obligations of any federal agency, to the extent those
2 obligations are unconditionally guaranteed by the United States of
3 America, and any certificates or any other evidences of an
4 ownership interest in those obligations of, or unconditionally
5 guaranteed by, the United States of America or in specified portions
6 which may consist of the principal of, or the interest on, those
7 obligations.

8 “Higher education buildings” means buildings, structures and
9 facilities required for the operation of public institutions and
10 ²~~independent~~ private² institutions of higher education.

11 ²“Independent institutions of higher education” means
12 independent colleges or universities incorporated and located in
13 New Jersey, which by virtue of law or character or license, are
14 nonprofit educational institutions authorized to grant academic
15 degrees and which provide a level of education which is equivalent
16 to the education provided by the State's public institutions of higher
17 education as attested by the receipt of and continuation of regional
18 accreditation by the Middle States Association of Colleges and
19 Schools, and which are eligible to receive State aid under the
20 provisions of the Constitution of the United States of America and
21 the Constitution of the State of New Jersey, but does not include
22 any educational institution dedicated primarily to the education or
23 training of ministers, priests, rabbis, or other professional persons in
24 the field of religion.】

25 “Private institutions of higher education” means institutions of
26 higher education organized as nonprofit corporations under
27 N.J.S.15A:1-1 et seq., and acting under the authority of and
28 licensed by the State to confer degrees pursuant to N.J.S.18A:68-1
29 et seq.²

30 “Project” means the establishment and construction of higher
31 education buildings and the expansion and construction of
32 additional facilities at, and the acquisition and installation of
33 additional and upgraded equipment for, existing higher education
34 buildings for the purpose of increasing academic capacity, which
35 shall include, but not be limited to, classrooms, laboratories,
36 libraries, computer facilities, and other academic buildings and all
37 property appurtenant thereto, but shall not include dormitories,
38 administrative buildings, athletic facilities, or other revenue-
39 producing facilities.

40 “Public institutions of higher education” means Rutgers, the
41 State University of New Jersey, the State colleges and universities
42 established pursuant to chapter 64 of Title 18A of the New Jersey
43 Statutes, the New Jersey Institute of Technology, the University of
44 Medicine and Dentistry of New Jersey, the county colleges, and any
45 other public university or college now or hereinafter established or
46 authorized by law.

47 “Public research universities” means Rutgers University-
48 Newark, Rutgers University-New Brunswick, Rutgers University-

1 Camden, the New Jersey Institute of Technology, the University of
2 Medicine and Dentistry of New Jersey, and any other public
3 research university now or hereinafter established or authorized by
4 law.

5 “Secretary” means the Secretary of Higher Education appointed
6 pursuant to section 2 of P.L.2009, c.308 (C.18A:3B-47).
7

8 4. The Secretary of Higher Education shall adopt, pursuant to
9 the "Administrative Procedure Act," P.L.1968 c.410 (C.52:14B-1 et
10 seq.), rules and regulations necessary to implement the provisions
11 of this act.
12

13 5. Bonds of the State of New Jersey are authorized to be issued
14 in the aggregate principal amount of \$750,000,000 to be allocated
15 as grants for the costs of projects as follows:

16 a. \$300,000,000 for the public research universities;

17 b. \$247,500,000 for the State colleges and universities
18 established pursuant to chapter 64 of Title 18A of the New Jersey
19 Statutes;

20 c. \$150,000,000 for the county colleges; and

21 d. \$52,500,000 for the ²[independent] private² institutions of
22 higher education, other than ²[an independent] a private²
23 institution having a total endowment of more than \$1,000,000,000.

24 e. (1) For any project approved by the secretary which is
25 financed by bond funds set forth in subsections a. and b. of this
26 section, the grant shall support 75% of the cost of the project and
27 the public research university or the State college or university shall
28 provide funds to support 25% of the cost of the project.

29 (2) For any project approved by the secretary which is financed
30 by bond funds set forth in subsections c. and d. of this section, the
31 grant shall support ²[50%] 75%² of the cost of the project and the
32 county college or the ²[independent] private² institution of higher
33 education shall provide funds to support ²[50%] 25%² of the cost
34 of the project.

35 f. Procedures for the review and approval of, and eligibility
36 criteria for, grants shall be established by the secretary. An
37 institution of higher education shall submit a long-range facilities
38 plan that details the facilities needs of the institution and the
39 institution's plans to address those needs. The institution shall
40 demonstrate how the project to be financed through bond funds
41 advances the goals of the long-range facilities plan, increases the
42 academic capacity of the institution, and provides a direct benefit to
43 students.

44 g. The secretary shall prepare a list of eligible projects.
45 Projects that are deemed construction-ready shall receive priority.

46 ¹[The] ²[To facilitate the appropriation of funds not later than June
47 30, 2013, the¹] The² secretary shall submit to the presiding officers

1 of each House of the Legislature on ¹“a date that both Houses are in
2 session a copy of” ²“or before March 1, 2013.” ¹“a date that both
3 Houses are in session a copy of” ²the list of eligible projects along
4 with the amount of the grant for each project. ¹“The list shall be
5 deemed to be approved in its entirety unless the Legislature adopts
6 a concurrent resolution stating that the Legislature is not in
7 agreement with the list within 60 days following the date of
8 transmittal of the list to the Legislature. The payment of project
9 grants on the list of projects shall be subject to the prior
10 appropriation of sufficient funds pursuant to section 15 of this act
11 for total project amounts so listed.” ¹ ²The list shall be deemed to be
12 approved in its entirety unless the Legislature adopts a concurrent
13 resolution stating that the Legislature is not in agreement with the
14 list within 60 days following the date of transmittal of the list to the
15 Legislature. The payment of project grants on the list of projects
16 shall be subject to the prior appropriation of sufficient funds
17 pursuant to section 15 of this act for total project amounts so
18 listed. ²

19

20 6. The bonds authorized under this act shall be serial bonds,
21 term bonds, or a combination thereof, and shall be known as
22 “Building Our Future Bonds.” They shall be issued from time to
23 time as the issuing officials herein named shall determine and may
24 be issued in coupon form, fully-registered form or book-entry form.
25 The bonds may be subject to redemption prior to maturity and shall
26 mature and be paid not later than 35 years from the respective dates
27 of their issuance.

28

29 7. The Governor, the State Treasurer and the Director of the
30 Division of Budget and Accounting in the Department of the
31 Treasury, or any two of these officials, herein referred to as “the
32 issuing officials,” are authorized to carry out the provisions of this
33 act relating to the issuance of bonds, and shall determine all matters
34 in connection therewith, subject to the provisions of this act. If an
35 issuing official is absent from the State or incapable of acting for
36 any reason, the powers and duties of that issuing official shall be
37 exercised and performed by the person authorized by law to act in
38 an official capacity in the place of that issuing official.

39

40 8. Bonds issued in accordance with the provisions of this act
41 shall be a direct obligation of the State of New Jersey, and the faith
42 and credit of the State are pledged for the payment of the interest
43 and redemption premium thereon, if any, when due, and for the
44 payment of the principal thereof at maturity or earlier redemption
45 date. The principal of and interest on the bonds shall be exempt
46 from taxation by the State or by any county, municipality or other
47 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 the
5 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 manually
9 authenticated by an authenticating agent or bond registrar, as the
10 issuing official shall determine. Interest coupons, if any, attached
11 to the bonds shall be signed by the facsimile signature of the
12 Director of the Division of Budget and Accounting in the
13 Department of the Treasury. The bonds may be issued
14 notwithstanding that an official signing them or whose manual or
15 facsimile signature appears on the bonds or coupons has ceased to
16 hold office at the time of issuance, or at the time of the delivery of
17 the bonds to the purchaser thereof.

18
19 10. a. The bonds shall recite that they are issued for the
20 purposes set forth in section 5 of this act, that they are issued
21 pursuant to this act, that this act was submitted to the people of the
22 State at the general election next occurring at least 70 days after
23 enactment as specified in section 23 of this act, and that this act was
24 approved by a majority of the legally qualified voters of the State
25 voting thereon at the election. This recital shall be conclusive
26 evidence of the authority of the State to issue the bonds and their
27 validity. Any bonds containing this recital shall, in any suit, action
28 or proceeding involving their validity, be conclusively deemed to be
29 fully authorized by this act and to have been issued, sold, executed
30 and delivered in conformity herewith and with all other provisions
31 of laws applicable hereto, and shall be incontestable for any cause.

32 b. The bonds shall be issued in those denominations and in the
33 form or forms, whether coupon, fully-registered or book-entry, and
34 with or without provisions for interchangeability thereof, as may be
35 determined by the issuing officials.

36
37 11. When the bonds are issued from time to time, the bonds of
38 each issue shall constitute a separate series to be designated by the
39 issuing officials. Each series of bonds shall bear such rate or rates
40 of interest as may be determined by the issuing officials, which
41 interest shall be payable semiannually; except that the first and last
42 interest periods may be longer or shorter, in order that intervening
43 semiannual payments may be at convenient dates.

44
45 12. The bonds shall be issued and sold at the price or prices and
46 under the terms, conditions and regulations as the issuing officials
47 may prescribe, after notice of the sale, published at least once in at
48 least three newspapers published in this State, and at least once in a

1 publication carrying municipal bond notices and devoted primarily
2 to financial news, published in this State or in the city of New York,
3 the first notice to appear at least five days prior to the day of
4 bidding. The notice of sale may contain a provision to the effect
5 that any bid in pursuance thereof may be rejected. In the event of
6 rejection or failure to receive any acceptable bid, the issuing
7 officials, at any time within 60 days from the date of the advertised
8 sale, may sell the bonds at a private sale at such price or prices
9 under the terms and conditions as the issuing officials may
10 prescribe. The issuing officials may sell all or part of the bonds of
11 any series as issued to any State fund or to the federal government
12 or any agency thereof, at a private sale, without advertisement.

13
14 13. Until permanent bonds are prepared, the issuing officials
15 may issue temporary bonds in the form and with those privileges as
16 to their registration and exchange for permanent bonds as may be
17 determined by the issuing officials.

18
19 14. The proceeds from the sale of bonds used to provide grants
20 to public institutions and ²[independent] private² institutions of
21 higher education as set forth in section 5 of this act shall be paid to
22 the State Treasurer, shall be held by the State Treasurer in a
23 separate fund, and shall be deposited in such depositories as may be
24 selected by the State Treasurer to the credit of the fund, which fund
25 shall be known as the "Building Our Future Fund."

26
27 15. a. The moneys in the "Building Our Future Fund" are
28 specifically dedicated and shall be applied to the cost of providing
29 grants to New Jersey's public institutions and ²[independent]
30 private² institutions of higher education for projects as set forth in
31 section 5 of this act. However, no moneys in the fund shall be
32 expended for those purposes, except as otherwise authorized by this
33 act, without the ²['specific']² appropriation thereof by the
34 Legislature, but bonds may be issued as herein provided,
35 notwithstanding that the Legislature shall not have then adopted an
36 act making ¹[an] ²[a specific]¹ an² appropriation of any of the
37 moneys. ²['Any act appropriating moneys from the "Building Our
38 Future Fund" shall identify the project to be funded by the
39 monies.']²

40 b. At any time prior to the issuance and sale of bonds under
41 this act, the State Treasurer is authorized to transfer from any
42 available moneys in any fund of the treasury of the State to the
43 credit of the "Building Our Future Fund" those sums as the State
44 Treasurer may deem necessary. The sums so transferred shall be
45 returned to the same fund of the treasury of the State by the State
46 Treasurer from the proceeds of the sale of the first issue of bonds.

1 c. Pending their application to the purposes provided in this
2 act, the moneys in the "Building Our Future Fund" may be invested
3 and reinvested as are other trust funds in the custody of the State
4 Treasurer, in the manner provided by law. Net earnings received
5 from the investment, reinvestment, or deposit of moneys in the
6 "Building Our Future Fund" shall be paid into the General Fund.

7
8 16. If any coupon bond, coupon or registered bond is lost,
9 mutilated or destroyed, a new bond or coupon shall be executed and
10 delivered of like tenor, in substitution for the lost, mutilated or
11 destroyed bond or coupon, upon the owner furnishing to the issuing
12 officials evidence satisfactory to them of the loss, mutilation or
13 destruction of the bond or coupon, the ownership thereof, and
14 security, indemnity and reimbursement for expenses connected
15 therewith, as the issuing officials may require.

16
17 17. The accrued interest, if any, received upon the sale of the
18 bonds shall be applied to the discharge of a like amount of interest
19 upon the bonds when due. Any expense incurred by the issuing
20 officials for advertising, engraving, printing, clerical,
21 authenticating, registering, legal or other services necessary to carry
22 out the duties imposed upon them by the provisions of this act shall
23 be paid from the proceeds of the sale of the bonds by the State
24 Treasurer, upon the warrant of the Director of the Division of
25 Budget and Accounting in the Department of the Treasury, in the
26 same manner as other obligations of the State are paid.

27
28 18. Bonds of each series issued hereunder shall mature,
29 including any sinking fund redemptions, not later than the 35th year
30 from the date of issue of that series, and in amounts as shall be
31 determined by the issuing officials. The issuing officials may
32 reserve to the State by appropriate provision in the bonds of any
33 series the power to redeem any of the bonds prior to maturity at the
34 price or prices and upon the terms and conditions as may be
35 provided in the bonds.

36
37 19. Any bond or bonds issued hereunder which are subject to
38 refinancing pursuant to the "Refunding Bond Act of 1985,"
39 P.L.1985, c.74 as amended by P.L.1992, c.182 (C.49:2B-1 et seq.),
40 shall no longer be deemed to be outstanding, shall no longer
41 constitute a direct obligation of the State of New Jersey, and the
42 faith and credit of the State shall no longer be pledged to the
43 payment of the principal of, redemption premium, if any, and
44 interest on the bonds, and the bonds shall be secured solely by and
45 payable solely from moneys and government securities deposited in
46 trust with one or more trustees or escrow agents, which trustees and
47 escrow agents shall be trust companies or national or state banks
48 having powers of a trust company, located either within or without

1 the State, as provided herein, whenever there shall be deposited in
2 trust with the trustees or escrow agents, as provided herein, either
3 moneys or government securities, including government securities
4 issued or held in book-entry form on the books of the Department of
5 Treasury of the United States, the principal of and interest on which
6 when due will provide money which, together with the moneys, if
7 any, deposited with the trustees or escrow agents at the same time,
8 shall be sufficient to pay when due the principal of, redemption
9 premium, if any, and interest due and to become due on the bonds
10 on or prior to the redemption date or maturity date thereof, as the
11 case may be; provided the government securities shall not be
12 subject to redemption prior to their maturity other than at the option
13 of the holder thereof. The State of New Jersey hereby covenants
14 with the holders of any bonds for which government securities or
15 moneys shall have been deposited in trust with the trustees or
16 escrow agents as provided in this section that, except as otherwise
17 provided in this section, neither the government securities nor
18 moneys so deposited with the trustees or escrow agents shall be
19 withdrawn or used by the State for any purpose other than, and shall
20 be held in trust for, the payment of the principal of, redemption
21 premium, if any, and interest to become due on the bonds; provided
22 that any cash received from the principal or interest payments on
23 the government securities deposited with the trustees or escrow
24 agents, to the extent the cash will not be required at any time for
25 that purpose, shall be paid over to the State, as received by the
26 trustees or escrow agents, free and clear of any trust, lien, pledge or
27 assignment securing the bonds; and to the extent the cash will be
28 required for that purpose at a later date, shall, to the extent
29 practicable and legally permissible, be reinvested in government
30 securities maturing at times and in amounts sufficient to pay when
31 due the principal of, redemption premium, if any, and interest to
32 become due on the bonds on and prior to the redemption date or
33 maturity date thereof, as the case may be, and interest earned from
34 the reinvestments shall be paid over to the State, as received by the
35 trustees or escrow agents, free and clear of any trust, lien or pledge
36 securing the bonds. Notwithstanding anything to the contrary
37 contained herein: a. the trustees or escrow agents shall, if so
38 directed by the issuing officials, apply moneys on deposit with the
39 trustees or escrow agents pursuant to the provisions of this section,
40 and redeem or sell government securities so deposited with the
41 trustees or escrow agents, and apply the proceeds thereof to (1) the
42 purchase of the bonds which were refinanced by the deposit with
43 the trustees or escrow agents of the moneys and government
44 securities and immediately thereafter cancel all bonds so purchased,
45 or (2) the purchase of different government securities; provided
46 however, that the moneys and government securities on deposit
47 with the trustees or escrow agents after the purchase and
48 cancellation of the bonds or the purchase of different government

1 securities shall be sufficient to pay when due the principal of,
2 redemption premium, if any, and interest on all other bonds in
3 respect of which the moneys and government securities were
4 deposited with the trustees or escrow agents on or prior to the
5 redemption date or maturity date thereof, as the case may be; and b.
6 in the event that on any date, as a result of any purchases and
7 cancellations of bonds or any purchases of different government
8 securities, as provided in this sentence, the total amount of moneys
9 and government securities remaining on deposit with the trustees or
10 escrow agents is in excess of the total amount which would have
11 been required to be deposited with the trustees or escrow agents on
12 that date in respect of the remaining bonds for which the deposit
13 was made in order to pay when due the principal of, redemption
14 premium, if any, and interest on the remaining bonds, the trustees or
15 escrow agents shall, if so directed by the issuing officials, pay the
16 amount of the excess to the State, free and clear of any trust, lien,
17 pledge or assignment securing the refunding bonds.

18
19 20. Refunding bonds issued pursuant to P.L.1985, c.74 as
20 amended by P.L.1992, c.182 (C.49:2B-1 et seq.) may be
21 consolidated with bonds issued pursuant to section 5 of this act or
22 with bonds issued pursuant to any other act for purposes of sale.

23
24 21. To provide funds to meet the interest and principal payment
25 requirements for the bonds and refunding bonds issued under this
26 act and outstanding, there is appropriated in the order following:

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

30 b. If, at any time, funds necessary to meet the interest,
31 redemption premium, if any, and principal payments on outstanding
32 bonds issued under this act are insufficient or not available, there
33 shall be assessed, levied and collected annually in each of the
34 municipalities of the counties of this State, a tax on the real and
35 personal property upon which municipal taxes are or shall be
36 assessed, levied and collected, sufficient to meet the interest on all
37 outstanding bonds issued hereunder and on the bonds proposed to
38 be issued under this act in the calendar year in which the tax is to be
39 raised and for the payment of bonds falling due in the year
40 following the year for which the tax is levied. The tax shall be
41 assessed, levied and collected in the same manner and at the same
42 time as are other taxes upon real and personal property. The
43 governing body of each municipality shall cause to be paid to the
44 county treasurer of the county in which the municipality is located,
45 on or before December 15 in each year, the amount of tax herein
46 directed to be assessed and levied, and the county treasurer shall
47 pay the amount of the tax to the State Treasurer on or before
48 December 20 in each year.

1 If on or before December 31 in any year, the issuing officials, by
2 resolution, determine that there are moneys in the General Fund
3 beyond the needs of the State, sufficient to pay the principal of
4 bonds falling due and all interest and redemption premium, if any,
5 payable in the ensuing calendar year, the issuing officials shall file
6 the resolution in the office of the State Treasurer, whereupon the
7 State Treasurer shall transfer the moneys to a separate fund to be
8 designated by the State Treasurer, and shall pay the principal,
9 redemption premium, if any, and interest out of that fund as the
10 same shall become due and payable, and the other sources of
11 payment of the principal, redemption premium, if any, and interest
12 provided for in this section shall not then be available, and the
13 receipts for the year from the tax specified in subsection a. of this
14 section shall be considered and treated as part of the General Fund,
15 available for general purposes.

16
17 22. Should the State Treasurer, by December 31 of any year,
18 deem it necessary, because of the insufficiency of funds collected
19 from the sources of revenues as provided in this act, to meet the
20 interest and principal payments for the year after the ensuing year,
21 then the State Treasurer shall certify to the Director of the Division
22 of Budget and Accounting in the Department of the Treasury the
23 amount necessary to be raised by taxation for those purposes, the
24 same to be assessed, levied and collected for and in the ensuing
25 calendar year. The director shall, on or before March 1 following,
26 calculate the amount in dollars to be assessed, levied and collected
27 in each county as herein set forth. This calculation shall be based
28 upon the corrected assessed valuation of each county for the year
29 preceding the year in which the tax is to be assessed, but the tax
30 shall be assessed, levied and collected upon the assessed valuation
31 of the year in which the tax is assessed and levied. The director
32 shall certify the amount to the county board of taxation and the
33 treasurer of each county. The county board of taxation shall include
34 the proper amount in the current tax levy of the several taxing
35 districts of the county in proportion to the ratables as ascertained for
36 the current year.

37
38 23. For the purpose of complying with the provisions of the
39 State Constitution, this act shall be submitted to the people at the
40 general election next occurring at least 70 days after enactment. To
41 inform the people of the contents of this act, it shall be the duty of
42 the Secretary of State, after this section takes effect, and at least 60
43 days prior to the election, to cause this act to be published at least
44 once in one or more newspapers of each county, if any newspapers
45 be published therein and to notify the clerk of each county of this
46 State of the passage of this act; and the clerks respectively, in
47 accordance with the instructions of the Secretary of State, shall
48 have printed on each of the ballots the following:

1 If you approve of the act entitled below, make a cross (x), plus
2 (+), or check (✓) mark in the square opposite the word "Yes."
3 If you disapprove of the act entitled below, make a cross (x),
4 plus (+), or check (✓) mark in the square opposite the word "No."
5 If voting machines are used, a vote of "Yes" or "No" shall be
6 equivalent to these markings respectively.
7

| | |
|-----|--|
| YES | <p>BUILDING OUR FUTURE BOND ACT</p> <p>Do you approve the “Building Our Future Bond Act”? This bond act authorizes the State to issue bonds in the aggregate principal amount of \$750 million to provide matching grants to New Jersey’s colleges and universities. Money from the grants will be used to build, equip and expand higher education facilities for the purpose of increasing academic capacity.</p> |
| NO | <p>INTERPRETIVE STATEMENT</p> <p>Approval of this act will allow the State to issue bonds in the total principal amount of \$750 million. Proceeds from the bonds will be used to provide grants to New Jersey’s public and ²[independent] <u>private</u>² colleges and universities to construct and equip higher education buildings to increase academic capacity.</p> <p>Bond proceeds will be allocated as follows:</p> <ul style="list-style-type: none">• \$300 million for public research universities;• \$247.5 million for State colleges and other State universities;• \$150 million for county colleges; and• \$52.5 million for ²[independent] <u>private</u>² institutions with an endowment of \$1 billion or less. <p>Public ²[research universities and State] <u>and private</u>² colleges and universities which receive grants will be required to provide funds to support 25% of a project. ²[County colleges and independent institutions of higher education will be required to provide funds to support 50% of a project.]²</p> |

8
9 The fact and date of the approval or passage of this act, as the
10 case may be, may be inserted in the appropriate place after the title
11 in the ballot. No other requirements of law of any kind or character

1 as to notice or procedure, except as herein provided, need be
2 adhered to.

3 The votes so cast for and against the approval of this act, by
4 ballot or voting machine, shall be counted and the result thereof
5 returned by the election officer, and a canvass of the election had in
6 the same manner as is provided for by law in the case of the
7 election of a Governor, and the approval or disapproval of this act
8 so determined shall be declared in the same manner as the result of
9 an election for a Governor, and if there is a majority of all the votes
10 cast for and against it at the election in favor of the approval of this
11 act, then all the provisions of this act not made effective theretofore
12 shall take effect forthwith.

13

14 24. There is appropriated the sum of \$5,000 to the Department
15 of State for expenses in connection with the publication of notice
16 pursuant to section 23 of this act.

17

18 25. The Secretary of Higher Education shall submit to the State
19 Treasurer and the New Jersey Commission on Capital Budget and
20 Planning with the secretary's annual budget request a plan for the
21 expenditure of funds from the "Building Our Future Fund" for the
22 upcoming fiscal year. This plan shall include the following
23 information: a performance evaluation of the expenditures made
24 from the funds to date; a description of programs planned during the
25 upcoming fiscal year; a copy of the regulations in force governing
26 the operation of programs that are financed, in part or in whole, by
27 funds from the "Building Our Future Fund"; and an estimate of
28 expenditures for the upcoming fiscal year.

29

30 26. Immediately following the submission to the Legislature of
31 the Governor's annual budget message, the secretary shall submit to
32 the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-
33 19.1), and to the Joint Budget Oversight Committee, or its
34 successor, copies of the plan called for under section 25 of this act,
35 together with such changes therein as may have been required by
36 the Governor's budget message.

37

38 27. Except as otherwise provided by this act, all appropriations
39 from the "Building Our Future Fund" established by this act shall
40 be by specific allocation for each project, and any transfer of any
41 funds so appropriated shall require the approval of the Joint Budget
42 Oversight Committee or its successor.

43

44 28. This section and sections 23 and 24 of this act shall take
45 effect immediately and the remainder of this act shall take effect as
46 and when provided in section 23 of this act.