

[First Reprint]

## **ASSEMBLY, No. 5835**

# **STATE OF NEW JERSEY**

## **220th LEGISLATURE**

INTRODUCED DECEMBER 4, 2023

**Sponsored by:**

**Assemblyman LOUIS D. GREENWALD**

**District 6 (Burlington and Camden)**

**Assemblywoman PAMELA R. LAMPITT**

**District 6 (Burlington and Camden)**

**Senator JAMES BEACH**

**District 6 (Burlington and Camden)**

**Senator SHIRLEY K. TURNER**

**District 15 (Hunterdon and Mercer)**

**Co-Sponsored by:**

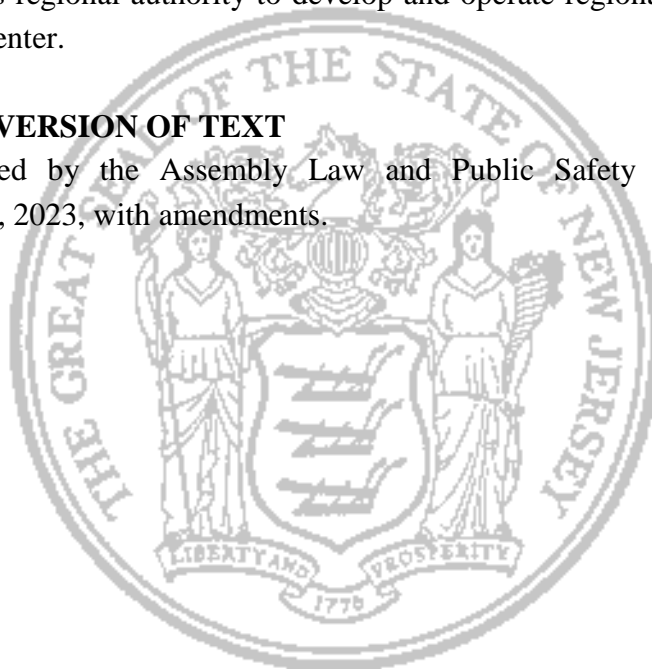
**Assemblyman Atkins and Assemblywoman Mosquera**

### **SYNOPSIS**

Authorizes regional authority to develop and operate regional rehabilitation and reentry center.

### **CURRENT VERSION OF TEXT**

As reported by the Assembly Law and Public Safety Committee on December 11, 2023, with amendments.



**(Sponsorship Updated As Of: 1/8/2024)**

1 AN ACT authorizing the establishment of a regional authority to  
2 develop and operate a rehabilitation and reentry center and  
3 supplementing 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. This act shall be known and may be cited as the "Regional  
9 Rehabilitation and Reentry Center Authority Act."

10  
11 2. As used in P.L. , c. (C. ) (pending before the  
12 Legislature as this bill):

13 "Authority" means a regional rehabilitation and reentry center  
14 authority established pursuant to section 3 of P.L. , c. (C. )  
15 (pending before the Legislature as this bill).

16 "Bonds" means any bonds, interim certificates, notes,  
17 debentures, or other obligations issued by the authority pursuant to  
18 P.L. , c. (C. ) (pending before the Legislature as this bill).

19 "Center" means a regional rehabilitation and reentry center  
20 developed, maintained, and operated by an authority pursuant to  
21 section 3 of P.L. , c. (C. ) (pending before the Legislature as  
22 this bill).

23 "Inter-county agreement" or "agreement" means an agreement as  
24 provided in section 3 of P.L. , c. (C. ) (pending before the  
25 Legislature as this bill), defining the rights and responsibilities of  
26 the authority and its members, as may be amended.

27 "Local Finance Board" means the Local Finance Board in the  
28 Division of Local Government Services in the Department of  
29 Community Affairs.

30 "Management committee" or "committee" means a management  
31 committee established pursuant to section 4 of P.L. , c. (C. )  
32 (pending before the Legislature as this bill).

33  
34 3. a. One or more county governing bodies, may, by adoption  
35 of an ordinance <sup>1</sup>or resolution,<sup>1</sup> or parallel ordinances or  
36 resolutions, as appropriate, establish a regional rehabilitation and  
37 reentry center authority to develop, construct, maintain, and operate  
38 a regional rehabilitation and reentry center. Upon adoption of the  
39 parallel ordinances or resolutions, the counties shall negotiate and  
40 agree to a proposed inter-county agreement for the operation of the  
41 authority. The counties that enter into the inter-county agreement  
42 may amend the agreement as provided in subsection c. of this  
43 section.

44 b. Copies of a proposed inter-county agreement shall be  
45 submitted to the Local Finance Board for review and consideration.

**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:

<sup>1</sup>Assembly ALP committee amendments adopted December 11, 2023.

1 The Local Finance Board shall approve or deny the agreement and  
2 file its approval or denial with the clerk of the board of  
3 commissioners of each county seeking to enter the agreement. If  
4 the Local Finance Board does not deny the proposed agreement  
5 within 60 days of receipt, the proposed agreement shall be deemed  
6 approved and the authority shall be established in accordance with  
7 the terms of the agreement.

8 c. A county may request to become a member of the authority  
9 by negotiating an amended inter-county agreement with the  
10 authority, through the management committee. Upon entry into a  
11 proposed amended inter-county agreement, the authority shall  
12 submit the proposed amended inter-county agreement to the Local  
13 Finance Board for approval or denial of the proposed amended  
14 agreement. If the Local Finance Board does not deny a proposed  
15 amended agreement within 60 days of receipt, the proposed  
16 amended agreement shall be deemed approved.

17  
18 4. An inter-county agreement made pursuant to section 3 of  
19 P.L. , c. (C. ) (pending before the Legislature as this bill)  
20 shall provide:

21 a. the name and purpose of the authority and the functions and  
22 services to be provided by the authority;

23 b. the establishment and organization of a governing committee  
24 for the authority, which shall be known as the management  
25 committee, in which the powers of the authority shall be vested.  
26 The management committee shall be comprised of one  
27 representative from each county who shall:

28 (1) be annually appointed by the board of commissioners of the  
29 county;

30 (2) hold the position for a period of one year, commencing on  
31 January 1 of each year; and

32 (3) be authorized to choose a designee to execute the duties of  
33 their position;

34 c. if there are an even number of counties, the county with the  
35 greatest number of inmates and pretrial detainees to be housed at  
36 the center at its opening and for any subsequent year the greatest  
37 number housed at the center as of November 1 in the year prior,  
38 shall appoint an additional committee member for a term of one  
39 year, commencing January 1 of each year;

40 d. the manner of selection of a head warden of the regional  
41 rehabilitation and reentry center and any related satellite facilities  
42 and the wardens that shall represent each county;

43 e. the manner of selection and duties of the director, deputy  
44 director, treasurer, chief financial officer, and secretary, who all  
45 shall serve a term of one year commencing January 1 of each year,  
46 and the selection of any other officers or authority staff, as  
47 determined by the committee;

1 f. the voting requirements for action by the committee,  
2 including the requirements for how many members constitute a  
3 quorum;

4 g. the duties of the committee, which shall include the  
5 obligation to comply with the "Local Authorities Fiscal Control  
6 Law," P.L.1983, c.313 (C.40A:5A-1 et seq.) except as otherwise  
7 provided in P.L. , c. (C. ) (pending before the Legislature as  
8 this bill), and the laws of this State and, in addition, with every  
9 provision in the inter-county agreement creating the authority on its  
10 part to be kept or performed;

11 h. in the event of a committee vacancy, the vacancy shall be  
12 filled by a majority vote of the management committee at the next  
13 meeting following the date of vacancy on an interim basis, until the  
14 time that the appointing board of county commissioners makes a  
15 formal appointment to the committee for the remainder of the term;

16 i. the manner in which counties may withdraw from  
17 participation in the inter-county agreement;

18 j. provisions for the disposition, division, or distribution of any  
19 property or assets of the authority on dissolution;

20 k. the terms of the inter-county agreement and the method, if  
21 any, by which the inter-county agreement may be rescinded or  
22 terminated; however, the inter-county agreement shall not be  
23 rescinded or terminated so long as the authority has bonds  
24 outstanding, unless provision for full payment of the bonds, by  
25 escrow or otherwise, has been made pursuant to the terms of the  
26 bonds or the resolution, trust indenture, or security instrument  
27 securing the bonds; and

28 l. that the management committee shall conduct meetings in  
29 conformity with the "Senator Byron M. Baer Open Public Meetings  
30 Act," P.L.1975, c.231 (C.10:4-6 et seq.) and shall meet at least once  
31 during each quarter of the calendar year, with special meetings  
32 convened by the director or upon the request of at least two  
33 committee members, with at least 48 hours' notice by telephone or  
34 email to all members of the management committee.

35

36 5. An officer or employee of an authority shall not have or  
37 acquire an interest, direct or indirect, in property, a contract, or a  
38 proposed contract for materials, services, or supplies to be  
39 furnished, to or used by, the authority, any of the counties, or the  
40 center.

41

42 6. An authority shall be a public body politic and corporate,  
43 established as an instrumentality exercising public and essential  
44 governmental functions to provide for the public health and welfare.  
45 The authority shall have the duties, privileges, immunities, rights,  
46 liabilities, and disabilities of a public body politic and corporate and  
47 shall have taxing power. The authority shall be a "contracting unit"  
48 for purposes of the "Local Public Contracts Law," P.L.1971, c.198

1 (C.40A:11-1 et seq.), shall have perpetual succession until  
2 termination or dissolution in accordance with the agreement, and  
3 shall have the powers to:

- 4 a. adopt and have a common seal and to alter the same at  
5 pleasure;
- 6 b. sue and be sued;
- 7 c. acquire, own, rent, hold, lease, as lessor or lessee, use and  
8 sell or otherwise dispose of, mortgage, pledge, or grant a security  
9 in, any real or personal property, commodity, or service or interest  
10 therein;
- 11 d. plan, develop, acquire, construct, reconstruct, operate,  
12 manage, dispose of, participate in, maintain, repair, extend, or  
13 improve a center or satellite facility, and act as agent, or designate  
14 one or more other persons employed by or contracting with the  
15 center to act as its agent, in connection with the planning,  
16 acquisition, construction, operation, maintenance, repair, extension,  
17 or improvement of the center, and provision to the members of  
18 rehabilitation and reentry services, to meet the needs of the  
19 members and the State, which shall include the hiring of experts to  
20 perform a population review and projected bed needs;
- 21 e. make and execute additional contracts and other instruments  
22 necessary or convenient to the exercise of its powers;
- 23 f. employ agents and employees, without regard to the  
24 provisions of Title 11A, Civil Service, of the New Jersey Statutes,  
25 but does not preclude employees from entering or becoming party  
26 to a collective bargaining agreement;
- 27 g. contract with any person, entity, or public agency within or  
28 outside the State of New Jersey for the construction or operation of  
29 the center, or for any interest or share therein, on terms and for a  
30 period of time as its committee shall determine;
- 31 h. incur indebtedness through the issuance of bonds, provide  
32 for and secure the payment of any bonds and the rights of the  
33 holders thereof, and to purchase, hold, and dispose of any bonds;
- 34 i. accept gifts or grants of real or personal property, money,  
35 material, labor, or supplies solely for the purposes and exclusive use  
36 and benefit of the authority, and to make and perform those  
37 agreements and contracts as may be necessary or convenient in  
38 connection with the procuring, acceptance, or disposition of the  
39 gifts or grants;
- 40 j. make and enforce by-laws or rules and regulations for the  
41 management and regulation of its business and affairs and for the  
42 use, maintenance, and operation of its properties and to amend its  
43 by-laws;
- 44 k. do and perform any acts and things authorized by P.L. ,  
45 c. (C. ) (pending before the Legislature as this bill), through or  
46 by means of its own officers, agents, and employees, or by contract  
47 with any person;

1 l. enter into contracts, execute instruments, and do and  
2 perform all things necessary, convenient, or desirable for the  
3 purposes of the authority, or to carry out any power expressly  
4 authorized under P.L. , c. (C. ) (pending before the  
5 Legislature as this bill);

6 m. join organizations, including private or trade organizations,  
7 which the committee has deemed to be beneficial to the  
8 accomplishment of the authority's purposes;

9 n. invest any funds held in reserve or sinking funds, or any  
10 funds not required for immediate disbursement, including the  
11 proceeds from the sale of any bonds, in those obligations, securities,  
12 and other investments as the authority deems to be proper and are  
13 authorized pursuant to law **'[.] : and'**

14 o. introduce an annual budget by January **'[26] 26th'** of each  
15 year and adopt a budget by February 25th of each year. Procedures  
16 for budget introduction and adoption shall be made pursuant to the  
17 "Local Budget Law," N.J.S.40A:4-1 et seq., be subject to the cap on  
18 calculation of adjusted tax levy by local units pursuant to  
19 N.J.S.40A:4-45.45, and shall include the following:

20 (1) an amount to be raised by taxation, which shall be conveyed  
21 to the Board of Taxation in each participation county within 15 days  
22 of the adoption of the budget;

23 (2) the chief financial officer of the authority shall certify the  
24 Average Daily Population (ADP) of the inmates from each  
25 participating county, for the previous year, by February 1st of each  
26 year;

27 (3) based on the ADP, the chief financial officer of the authority  
28 shall certify each county's proportional share of inmates for the  
29 previous year. By February 15th of each year, the proportional  
30 share for each county shall be conveyed to the appropriate County  
31 Board of Taxation, to be used to calculate the amount of taxes to be  
32 levied in each of the participating counties. These taxes shall be  
33 assessed, levied, and collected within the respective taxing districts  
34 in the manner prescribed by law; and

35 (4) in each local budget year in which the function of a county  
36 jail is transferred from the county government to the authority, the  
37 county shall deduct from its final appropriations upon which its  
38 permissible county tax levy is calculated, the amount which the  
39 county expended for that function during the last full budget year it  
40 was included in the county budget.

41  
42 7. a. In order to construct and operate the center, the authority  
43 shall have the power to authorize or provide for the issuance of  
44 bonds pursuant to P.L. , c. (C. ) (pending before the  
45 Legislature as this bill) for the purpose of raising funds to pay the  
46 cost of the construction or operation of the center and to fund or  
47 refund any bonds.

1       b. The authority, prior to any bond issuance, shall adopt a bond  
2 resolution that shall:

3       (1) describe in brief and general terms sufficient for reasonable  
4 identification the center or part thereof, to be constructed or  
5 acquired, or describe the bonds which are to be funded or refunded,  
6 if any;

7       (2) state the cost or estimated cost of the center, if any; and

8       (3) provide for the issuance of the bonds in accordance with  
9 sections 8 through 15 of P.L.     , c.     (C.     through C.     )  
10 (pending before the Legislature as this bill).

11

12       8. Upon adoption of a bond resolution, the management  
13 committee, on behalf of the authority, shall have power to incur  
14 indebtedness, borrow money, and issue bonds for the purpose of  
15 financing the construction or operation of the center and any  
16 satellite facilities to meet the needs of its members or of funding or  
17 refunding the bonds issued pursuant to P.L.     , c.     (C.     )  
18 (pending before the Legislature as this bill). The bonds shall be  
19 authorized by the bond resolution and may be issued in one or more  
20 series and shall bear the date or dates, mature at a time or times not  
21 exceeding 40 years from the date thereof or through the date for the  
22 expected dissolution of the authority pursuant to the agreement,  
23 whichever occurs first, bear interest at a rate or rates within a  
24 maximum rate as permitted by law, be in a denomination or  
25 denominations, be in a form, either coupon or registered, carry  
26 conversion or registration privileges, have a rank or priority, be  
27 executed in a manner, be payable from sources in a medium of  
28 payment at a place or places within or without the State, and be  
29 subject to the terms of redemption, with or without a premium, as  
30 the bond resolution may provide.

31

32       9. An authority may sell bonds at public or private sale, and at  
33 a price or prices the authority shall determine subject to the  
34 provisions of the "Local Authorities Fiscal Control Law," P.L.1983,  
35 c.313 (C.40A:5A-1 et seq.).

36

37       10. An authority shall file a copy of a bond resolution adopted  
38 by the management committee in its office and in the office of the  
39 clerk of the board of commissioners, and may publish, in a  
40 newspaper published or circulating in each county's community, a  
41 notice stating the fact and date of adoption of the bond resolution  
42 and the places where the authority has filed the bond resolution for  
43 public inspection, the date of the first publication of the notice, and  
44 that an action or proceeding in a court questioning the validity or  
45 proper authorization of bonds provided for by the bond resolution,  
46 or the validity of any covenants, agreements, or contract provided  
47 for by the bond resolution, shall commence within 20 days after the  
48 first publication of the notice. If the notice shall be published and if

1 no action or proceeding questioning the validity of the  
2 establishment of the authority or the validity or proper authorization  
3 of bonds provided for by the bond resolution referred to in the  
4 notice, or the validity of any covenants, agreements, or contract  
5 provided for by the bond resolution shall be commenced or  
6 instituted within 20 days after the first publication of the notice,  
7 then the residents, taxpayers, and owners of property in each of the  
8 counties, and all other persons, shall be barred and foreclosed from  
9 instituting or commencing any action or proceeding in any court, or  
10 from pleading any defense to any action or proceedings, questioning  
11 the validity of the establishment of the authority, the validity or  
12 proper authorization of the bonds, or the validity of the covenants,  
13 agreements, or contracts. The authority shall be conclusively  
14 deemed to have been validly established and to be authorized to  
15 transact business and exercise powers as an authority pursuant to  
16 P.L. , c. (C. ) (pending before the Legislature as this bill),  
17 and the bonds, covenants, agreements, and contracts shall be  
18 conclusively deemed to be valid and binding obligations in  
19 accordance with their terms and tenor.

20

21 11. A bond or other obligation issued pursuant to P.L. ,  
22 c. (C. ) (pending before the Legislature as this bill) shall be  
23 fully negotiable for the purposes of the negotiable instruments law  
24 under Title 12A of the New Jersey Statutes, and each holder or  
25 owner of a bond or other obligation, or of any appurtenant coupon,  
26 by accepting the bond or coupon shall be conclusively deemed to  
27 have agreed that the bond, obligation, or coupon shall be fully  
28 negotiable for the purposes of the negotiable instruments law under  
29 Title 12A of the New Jersey Statutes.

30

31 12. Neither the members of the committee nor any person  
32 executing bonds issued pursuant to P.L. , c. (C. ) (pending  
33 before the Legislature as this bill) shall be liable personally on the  
34 bonds by reason of their issuance. Bonds or other obligations  
35 issued pursuant to P.L. , c. (C. ) (pending before the  
36 Legislature as this bill) shall not be a debt or liability of the State,  
37 and bonds or other obligations issued by the authority shall not be a  
38 debt or liability of the State, of any local unit, of any county, or of  
39 any municipality, and shall not create or constitute any  
40 indebtedness, liability, or obligation of the State of any local unit,  
41 of any county, or of any municipality, either legal, moral, or  
42 otherwise, and nothing in P.L. , c. (C. ) (pending before the  
43 Legislature as this bill) shall be construed to authorize the authority  
44 to incur indebtedness on behalf of or to obligate the State, any local  
45 unit, county, or municipality.

46

47 13. A bond resolution of an authority providing for or  
48 authorizing the issuance of bonds may contain provisions, and the



- 1 authority shall, in order to secure the payment of the bonds in  
2 addition to its other powers, have the power by the provisions in the  
3 bond resolution to covenant and agree with the several holders of  
4 the bonds, as to the:
- 5 a. custody, security, use, expenditure, or application of the  
6 proceeds of the bonds;
  - 7 b. construction and completion, or repair, of the center or a  
8 satellite facility;
  - 9 c. use, regulation, operation, maintenance, insurance, or  
10 disposition of the center, of the authority, or restrictions on the  
11 exercise of the powers of the authority to dispose of, limit, or  
12 regulate the use of all or any part of the center;
  - 13 d. payment of the principal of, or interest on, the bonds, or any  
14 other obligations, and the sources and methods thereof, the rank or  
15 priority of the bonds or obligations as to any lien or security, or the  
16 acceleration of the maturity of the bonds or obligations;
  - 17 e. use and disposition of any monies of the authority, including  
18 any of the authority's revenues, derived or to be derived from the  
19 operation of the center, including any parts that are constructed or  
20 acquired as any of the center's parts, extensions, or improvements;
  - 21 f. pledging, setting aside, depositing, or acting as trustee for all  
22 or any part of the revenues or other monies of the authority to  
23 secure the payment of the principal of, or interest on, the bonds or  
24 any other obligations, or the payment of expenses of operation or  
25 maintenance of the center or satellite facility, and the powers and  
26 duties of any trustee;
  - 27 g. setting aside moneys out of the revenues or other moneys of  
28 the authority including its reserves and sinking funds, and as to the  
29 source, custody, security, regulation, application, and disposition of  
30 the moneys described in this subsection;
  - 31 h. determination or definition of the revenues or of the  
32 expenses of operation and maintenance of the center or satellite  
33 facilities;
  - 34 i. rents, rates, fees, or other charges in connection with the use,  
35 products, or services of the center or satellite facilities, including  
36 any of the parts, extensions, replacements, or improvements of the  
37 center or satellite facilities constructed or acquired, and the fixing,  
38 establishment, collection, and enforcement of those charges, the  
39 amount of revenues produced, and the disposition and application of  
40 the amounts charged or collected;
  - 41 j. assumption or payment or discharge of any indebtedness,  
42 liens, or other claims relating to the center or satellite facility for  
43 any obligations having or which may have a lien on any part of the  
44 center;
  - 45 k. limitations on the issuance of additional bonds or any other  
46 obligations or on the incurrence of indebtedness of the authority;
  - 47 l. vesting in a trustee within or without the State any property,  
48 rights, powers, and duties in trust as the authority may determine,

1 which may include the rights, powers, and duties of the trustee  
2 appointed by the holders of bonds, and limiting or abrogating the  
3 right of the holders to appoint a trustee or limiting the rights, duties,  
4 and powers of the trustee;

5 m. payment of costs or expenses incident to the enforcement of  
6 the bonds or of the provisions of the bond resolutions or of any  
7 covenant or contract with the holders of the bonds;

8 n. procedure, if any, by which the terms of any covenant or  
9 contract with, or duty to, the holders of the bonds may be amended  
10 or abrogated, the amount of bonds that the holders of which must  
11 consent, and the manner in which the consent may be given or  
12 evidenced; and

13 o. any other matter or course of conduct which, by recital in the  
14 bond resolution, is declared to further secure the payment of the  
15 principal of, or interest on, the bonds.

16 The provisions of the bond resolution and the related covenants  
17 and agreements shall constitute valid and legally binding contracts  
18 between the authority and the several holders of the bonds,  
19 regardless of the time of issuance of the bonds, and shall be  
20 enforceable by any holder or holders by appropriate suit, action, or  
21 proceeding in any court of competent jurisdiction, or by proceeding  
22 in lieu of prerogative writ.

23  
24 14. a. If the bond resolution of an authority authorizing or  
25 providing for the issuance of a series of its bonds provides that the  
26 bond holders of the series are entitled to the benefits of this section,  
27 then, in the event that there is a default in the payment of the  
28 principal of, or interest on, any bonds of the series after the bonds  
29 become due, whether at maturity or upon call for redemption, and  
30 the default shall continue for a period of 30 days, or in the event  
31 that the authority fails or refuses to comply with the provisions of  
32 P.L. , c. (C. ) (pending before the Legislature as this bill) or  
33 fails or refuses to carry out and perform the terms of any contract  
34 with the holders of those bonds, and that failure or refusal shall  
35 continue for a period of 30 days after written notice to the authority  
36 of its existence and nature, the holders of 25 percent in aggregate  
37 principal amount of the bonds and the series then outstanding by  
38 instrument or instruments filed in the office of the Secretary of  
39 State and proved or acknowledged in the same manner as a deed to  
40 be recorded, the bond holders may appoint a trustee to represent the  
41 bond holders of the series for the purposes provided in this section.

42 b. The trustee, appointed pursuant to subsection a. of this  
43 section, may and upon written request of the holders of 25 percent  
44 in aggregate principal amount of the bonds of the series then  
45 outstanding shall, in the trustee's or its own name:

46 (1) by any action, writ, proceeding in lieu of prerogative writ, or  
47 other proceeding, enforce all rights of the holders of the bonds,  
48 including to require an authority to carry out and perform the terms

1 of a contract with the holders of the bonds or its duties pursuant to  
2 P.L. , c. (C. ) (pending before the Legislature as this bill);

3 (2) bring an action upon all or any part of the bonds or  
4 appurtenant interest coupons or claims;

5 (3) by action, require authority to account as if it were the  
6 trustee of an express trust for the holders of the bonds;

7 (4) by action, enjoin any acts that may be unlawful or in  
8 violation of the rights of the holders of the bonds; and

9 (5) declare all the bonds due and payable, whether or not in  
10 advance of maturity, upon 30 days' prior notice in writing to the  
11 authority and, if all defaults shall be made good, then with the  
12 consent of the holders of 25 percent of the principal amount of the  
13 bonds then outstanding, annul the declaration and its consequences.

14 c. The trustee shall, in addition to the powers provided in  
15 subsections a. and b. of this section, possess all of the powers  
16 necessary for the exercise of the functions specifically set forth  
17 herein or incident to the general representation of the holders of  
18 bonds of the series in the enforcement and protection of their rights.

19 d. In any action or proceeding by the trustee, the fees, counsel  
20 fees and expenses of the trustee and of the receiver, if any,  
21 appointed pursuant to P.L. , c. (C. ) (pending before the  
22 Legislature as this bill), shall constitute taxable costs and  
23 disbursements, and all costs and disbursements, allowed by the  
24 court, shall be a first charge upon any service charges and system  
25 revenues of the authority pledged for the payment or security of  
26 bonds of the series.

27  
28 15. If the bond resolution of an authority authorizing or  
29 providing for the issuance of a series of its bonds provides that the  
30 bond holders of the series are entitled to the benefits of section 14  
31 of P.L. , c. (C. ) (pending before the Legislature as this bill),  
32 and further provides that any trustee appointed pursuant to that  
33 section or having the powers of a trustee shall have the powers  
34 provided by this section, then the trustee, whether or not all of the  
35 bonds of the series have been declared due and payable, shall be  
36 entitled as of right to the appointment of a receiver of the assets of  
37 the authority, and the receiver may enter upon and take possession  
38 of the assets of the authority and, subject to any pledge or contract  
39 with the holders of the bonds, shall take possession of all monies  
40 and other property derived from or applicable to the acquisition,  
41 construction, operation, maintenance, or reconstruction of the assets  
42 of the authority, and proceed with the acquisition, construction,  
43 operation, maintenance, or reconstruction that an authority is under  
44 an obligation to do, and operate, maintain, and reconstruct a center,  
45 and fix, charge, collect, enforce, and receive the revenues thereafter  
46 arising subject to any pledge thereof or contract with the holders of  
47 the bonds and perform the public duties and carry out the contracts

1 and obligations of an authority in the same manner as the authority,  
2 and under the direction of the court.

3  
4 16. All property of an authority shall be exempt from levy and  
5 sale by virtue of an execution of a court of competent jurisdiction  
6 and no execution or other judicial process shall issue against an  
7 authority nor shall any judgment against an authority be a charge or  
8 lien upon its property, provided that nothing in this section shall  
9 apply to or limit the rights of the holder of any bonds to pursue a  
10 remedy for the enforcement of any pledge or lien given by an  
11 authority, revenues, or other monies.

12  
13 17. Notwithstanding the provisions of any law to the contrary,  
14 the State and all public officers, municipalities, counties, political  
15 subdivisions of public bodies, and agencies thereof, all banks,  
16 bankers, trust companies, savings banks and institutions, building  
17 and loan associations, savings and loan associations, investment  
18 companies, and other persons carrying on a banking business, all  
19 insurance companies, insurance associations, and other persons  
20 carrying on an insurance business, and all executors, administrators,  
21 guardians, trustees, and other fiduciaries, may legally invest any  
22 sinking funds, monies, or other funds, in any bonds of an authority,  
23 and the bonds shall be authorized security for public deposits.

24  
25 18. The center, any satellite facilities, and any associated  
26 property or projects owned by an authority, including any pro rata  
27 share of any property that is owned by an authority in conjunction  
28 with any other person or public agency and used in connection with  
29 a center shall be public property and devoted to an essential public  
30 and governmental function and purpose, and the property, an  
31 authority, and its income shall be exempt from taxes and special  
32 assessments of the State or any subdivision of the State. The bonds  
33 issued by the authority shall be for an essential public and  
34 governmental purpose and to be a public instrumentality in the  
35 bonds, and the interest and the income and funds, revenues, and  
36 other monies pledged or available to pay or secure the payment of  
37 the bonds, or interest, shall be exempt from taxation except for  
38 transfer, inheritance and estate taxes, and taxes on transfers by or in  
39 contemplation of death.

40  
41 19. The State of New Jersey shall pledge to and covenant and  
42 agree with the holders of any bonds issued pursuant to a bond  
43 resolution of the authority, that the State shall not limit or alter the  
44 rights vested in an authority to acquire, construct, operate, and  
45 participate in the construction and operation of a center, and to  
46 fulfill the terms of any agreement made with the holders of the  
47 bonds or other obligations, shall not in any way impair the rights or  
48 remedies of these holders, and shall not modify in any way the

1 exemptions from taxation provided for in P.L. , c. (C. )  
2 (pending before the Legislature as this bill) until the bonds, together  
3 with their interest, with interest on any unpaid installments of  
4 interest, and all costs and expenses in connection with an action or  
5 proceeding by or on behalf of these holders, are fully met and  
6 discharged.

7  
8 20. All banks, bankers, trust companies, savings banks,  
9 investment companies, and other persons carrying on a banking  
10 business shall be authorized to give to an authority a sufficient  
11 undertaking with those sureties as shall be approved by the  
12 authority to the effect that the bank or banking institution shall  
13 faithfully keep and pay over to the order of or upon the warrant of  
14 an authority or its authorized agent, all funds as may be deposited  
15 with it by the authority and agreed interest, at times or upon  
16 demands as may be agreed with the authority or in lieu of these  
17 sureties, deposit with the authority or its agent or any trustee  
18 therefor or for the holders of any bonds, as collateral, the securities  
19 as the authority may approve. The deposits of the authority may be  
20 evidenced or secured by a depository collateral agreement in a form  
21 and upon terms and conditions as may be agreed upon by the  
22 authority and the bank or banking institution.

23  
24 21. An authority shall conduct an annual audit of its accounts,  
25 and for this purpose shall employ a certified public accountant  
26 licensed pursuant to the laws of the State. The audit shall be  
27 completed and filed with the authority within four months after the  
28 close of its fiscal year and the authority shall file a certified  
29 duplicate with the Director of the Division of Local Government  
30 Services in the Department of Community Affairs within five days  
31 after the original report is filed with the authority.

32  
33 22. The authority shall file a copy of each bond resolution  
34 adopted by it with the Director of the Division of Local  
35 Government Services in the Department of Community Affairs,  
36 together with a summary of the dates, amounts, maturities, and  
37 interest rates of the issued bonds.

38  
39 23. Anything not considered in P.L. , c. (C. ) (pending  
40 before the Legislature as this bill) but necessary for the operation of  
41 the authority shall be negotiated in the agreement between the  
42 authority and the participating counties.

43  
44 24. This act shall take effect immediately.