

[Third Reprint]

**ASSEMBLY, No. 2579**

**STATE OF NEW JERSEY**  
**216th LEGISLATURE**

INTRODUCED FEBRUARY 10, 2014

**Sponsored by:**

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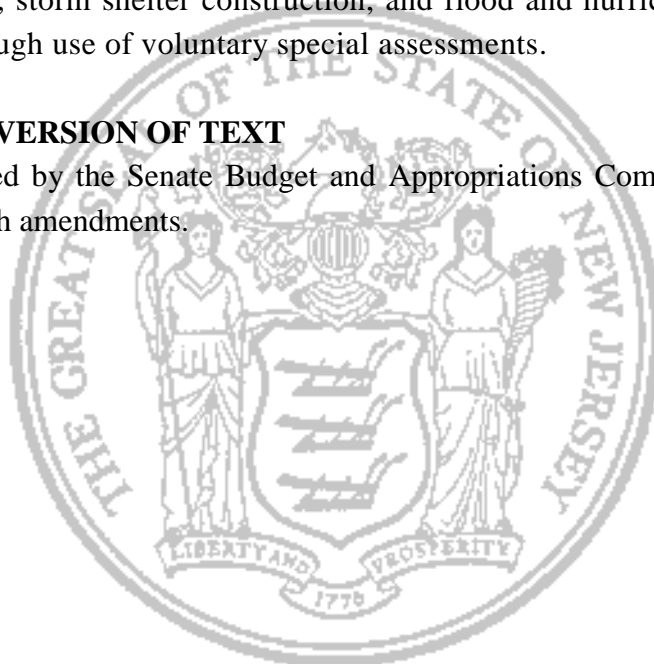
**Assemblymen Benson, McKeon, Assemblywoman Spencer and  
Assemblyman Gusciora**

**SYNOPSIS**

Authorizes municipalities to facilitate private financing of water conservation, storm shelter construction, and flood and hurricane resistance projects through use of voluntary special assessments.

**CURRENT VERSION OF TEXT**

As reported by the Senate Budget and Appropriations Committee on June 22, 2015, with amendments.



**(Sponsorship Updated As Of: 1/30/2015)**

1 AN ACT concerning the <sup>1</sup>**[financing]** implementation<sup>1</sup> of  
2 renewable energy and energy efficiency systems and<sup>1</sup> water  
3 conservation, storm shelter construction, and flood and  
4 hurricane resistance projects, <sup>1</sup>**[and]**<sup>1</sup> amending P.L.1960, c.183  
5 and P.L.2011, 187 <sup>1</sup>and supplementing chapter 56 of Title 40 of  
6 the Revised Statutes<sup>1</sup>.

7  
8 **BE IT ENACTED** by the Senate and General Assembly of the State  
9 of New Jersey:

10  
11 <sup>2</sup>1. (New section) The Legislature finds and declares it to be the  
12 public policy of this State that:

13 a. The implementation of and investing in energy and water  
14 efficiency improvements to, and flood and hurricane mitigation  
15 projects for existing properties is a critical component in conserving  
16 natural resources and mitigating the effects of floods and  
17 hurricanes, and is financially beneficial over time; upfront costs are  
18 a barrier to major energy improvements;

19 b. PACE legislation provides an innovative way for property  
20 owners to finance energy and water efficiency improvements which,  
21 in turn, result in homeowners saving a significant sum in energy  
22 costs and which also help communities create local jobs, result in  
23 lower mortgage foreclosures, and stimulate local economics and  
24 lower emissions; and

25 c. PACE financing will allow New Jersey municipalities to  
26 contribute in order to help meet community sustainability,  
27 greenhouse gas emissions reductions, and energy goals, and will  
28 provide a valuable service to the citizens of their communities.<sup>2</sup>

29  
30 <sup>2</sup>**[1.]** <sup>2</sup>2. (New section) As used in this section, and in  
31 P.L.2011, c.187 (C.40:56-1.4 et al.):

32 "Bonds" mean bonds or other obligations issued by a  
33 municipality <sup>3</sup>, ~~county;~~<sup>3</sup> or county improvement authority, as  
34 applicable, for the purposes set forth in this <sup>2</sup>**[act]** section and in  
35 P.L.2011, c.187 (C.40:56-1.4 et al.)<sup>2</sup>.

36 <sup>3</sup>~~**["Director" means the Director of the Division of Local**~~  
37 ~~**Government Services in the Department of Community Affairs.]**~~<sup>3</sup>

38 "Energy efficiency improvement" means an improvement to  
39 reduce energy consumption through conservation or a more  
40 efficient use of electricity, natural gas, propane, or other forms of  
41 energy, including, but not limited to: air sealing; installation of  
42 insulation; installation of energy-efficient electrical, heating,

property owners

““Director” means the Director of the Division of Local Government Services in the Department of Community Affairs.”

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 AAP committee amendments adopted December 15, 2014.

<sup>2</sup>Senate SBA committee amendments adopted May 14, 2015.

<sup>3</sup>Senate SBA committee amendments adopted June 22, 2015.

1 cooling or ventilation systems; building modifications to increase  
2 the use of daylight; replacement of windows; installation of energy  
3 controls or energy recovery systems; installation of electric vehicle  
4 charging equipment; and installation of efficient lighting  
5 equipment.

6 "Flood resistant construction project" means a project that  
7 mitigates the likelihood of substantial flood damage, including but  
8 not limited to the installation of break-away walls and building  
9 elevation alterations.

10 "Hurricane resistant construction project" means an improvement  
11 that brings a component of a structure into compliance with the  
12 standards for a "wind-borne debris region" pursuant to the "State  
13 Uniform Construction Code Act," P.L.1975, c.217 (C.52:27D-119  
14 et seq.), or into compliance with a successor standard under that  
15 code.

16 "PACE" is an acronym for the term "property assessed clean  
17 energy."

18 "PACE project" means the purchase, lease, or installation, or any  
19 combination thereof, of renewable energy systems or the energy  
20 produced by such systems, energy efficiency improvements, water  
21 conservation projects, flood resistant construction projects,  
22 hurricane resistant construction projects, storm shelter projects, or  
23 safe room projects, undertaken by property owners <sup>3</sup>through a  
24 purchase contract, lease, power purchase agreement, or through  
25 other agreements or means, <sup>3</sup> on properties within a municipality.

26 "PACE program" means a program established by a municipality  
27 by ordinance, providing for the imposition of PACE special  
28 assessments on <sup>3</sup>[<sup>2</sup>qualifying<sup>2</sup>]<sup>3</sup> properties within the municipality,  
29 in which the owner of such property has requested the PACE  
30 special assessment.

31 "PACE special assessment" means a <sup>2</sup>[special] local  
32 improvement<sup>2</sup> assessment <sup>2</sup>, in accordance with chapter 56 of Title  
33 40 of the Revised Statutes,<sup>2</sup> to be imposed on a property in  
34 connection with a PACE project.

35 <sup>2</sup>"Private entity" means a private for-profit or non-profit  
36 corporation, partnership, or any other form of private organization,  
37 including but not limited to a "related competitive business segment  
38 of a public utility holding company," or a "related competitive  
39 business segment of an electric public utility or gas public utility,"  
40 as defined under section 3 of P.L.1999, c.23 (C.48:3-51), so long as  
41 the organization is not subject to the jurisdiction of the Board of  
42 Public Utilities.<sup>2</sup>

43 "Project costs" mean the costs associated with a PACE project,  
44 and shall be deemed to include: the hard costs of leasing,  
45 purchasing, constructing or acquiring the project; soft costs,  
46 including but not limited to engineering fees, inspection fees and  
47 permits, and costs relating to the measurement and verification of

1 project savings; costs of utilizing the PACE program, including but  
2 not limited to program fees <sup>2</sup>[and] <sup>2</sup> closing costs <sup>2</sup>, and interest  
3 and other financing charges<sup>2</sup> ; and bond issuance costs, including  
4 but not limited to professional fees and the costs of funding  
5 capitalized interest, if any, or a debt service reserve fund, if any.

6 "Property" means <sup>3</sup>an industrial, agricultural, ~~residential~~- or  
7 commercial<sup>3</sup> property\*within a municipality upon which a PACE  
8 special assessment is imposed at the request of a property owner in  
9 connection with a PACE project.

, or  
a residential property  
with  
five or more dwelling  
units,

10 "Property owner" means the owner of a property within a  
11 municipality who requests that a PACE special assessment be  
12 imposed on the property in connection with a PACE project.

13 "Renewable energy system" means an improvement in which the  
14 electrical, mechanical, or thermal energy is produced from a method  
15 that uses one or more of the following fuels or energy sources:  
16 hydrogen, solar energy, geothermal energy, bio-mass or wind  
17 energy.

18 "Safe room project" or "storm shelter project" means an  
19 improvement that creates a hardened structure specifically designed  
20 to meet criteria set forth by the Federal Emergency Management  
21 Agency and provide "near-absolute protection" in extreme weather  
22 events, including tornados and hurricanes.

23 "Solar renewable energy certificate" shall have the same  
24 meaning as set forth in section 3 of P.L.1999, c.23 (C.48:3-51).

25 "Water conservation project" means an improvement that  
26 reduces water consumption, increases the efficiency of water use, or  
27 reduces water loss.<sup>1</sup>

29 <sup>1</sup>~~[1.]~~ <sup>2</sup>~~[2.]~~ <sup>3</sup>~~[3.]~~ Section 1 of P.L.2011, c.187 (C.40:56-1.4) is  
30 amended to read as follows:

31 1. <sup>1</sup>~~[Upon application to and approval by the Director of the~~  
32 ~~Division of Local Government Services in the Department of~~  
33 ~~Community Affairs, the] a. The<sup>1</sup> governing body of a municipality~~  
34 ~~<sup>1</sup>[, or a qualified private or non-profit entity serving as its~~  
35 ~~administrator,]<sup>1</sup> may <sup>1</sup>adopt an ordinance to<sup>1</sup> undertake the~~  
36 ~~<sup>1</sup>[financing of the purchase and installation of water conservation~~  
37 ~~projects, flood resistant construction projects, hurricane resistant~~  
38 ~~construction projects, storm shelter projects, safe room projects,~~  
39 ~~renewable energy systems , and energy efficiency improvements]~~  
40 ~~development, implementation, administration, or financing, or any~~  
41 ~~combination thereof, of a PACE program. <sup>3</sup>[An introduced~~  
42 ~~ordinance to establish a PACE program shall not be adopted~~  
43 ~~without the director's approval in]~~

“Upon  
application to and  
approval  
by the Director of the  
Division of Local  
Government  
Services in the  
Department of  
Community Affairs,  
who shall  
approve applications  
from no  
more than ten  
municipalities  
according to the order  
in  
which such  
applications are  
submitted, the”

44 b. Notwithstanding subsection a. of this section,<sup>3</sup> municipalities  
45 that (1) are receiving, or have received State Aid through the  
46 Transitional Aid to Localities program within the three most recent  
47 fiscal years, (2) are subject to State supervision pursuant to the

program. An introduced  
ordinance to establish a PACE  
program shall not be adopted  
without the Director's  
approval.”

“The  
Director shall evaluate  
the proposed PACE  
program, the  
ability of each municipal  
applicant to effectively  
administer its  
responsibilities under the  
PACE program, and the  
municipal applicant's  
capacity to oversee and  
monitor any third party that  
operates the program on the  
applicant's behalf or is  
engaged in financing the PACE  
program. An introduced  
ordinance to establish a PACE  
program shall not be adopted  
without the Director's  
approval.”

1 "Local Government Supervision Act (1947)," P.L.1947, c.151  
2 (C.52:27BB-1 et seq.), ~~or~~ (3) are subject to the "Municipal  
3 Rehabilitation and Economic Recovery Act," P.L.2002, c.43  
4 (C.52:27BBB-1 et al.). <sup>3</sup>【The director shall approve the ordinance “, or (4) are  
5 for final adoption if the municipality demonstrates that it has the disqualified from the  
6 appropriate employees and other resources necessary to impose and system  
7 collect the PACE special assessments and to execute any necessary of local budget  
8 transfers with respect to any pledge and assignment in connection examination  
9 therewith】 are prohibited from developing, financing, or otherwise authorized pursuant to  
10 administering a PACE program ~~unless the municipality designates,~~ subsection b. of N.J.S.  
11 by ordinance, a county or county improvement authority to develop, 40A:4-78,”  
12 administer, and finance, a PACE program to serve the residents of  
13 the municipality. Notwithstanding any such designation, the  
14 municipality shall continue to possess all rights to impose, assess,  
15 collect and enforce any assessment imposed pursuant to P.L.2011,  
16 c.187 (C.40:56-1.4 et al.)<sup>3</sup>.

17 The PACE program shall consist of, among other things, the  
18 implementation of PACE projects to be undertaken<sup>1</sup> by property  
19 owners as <sup>1</sup>【a】<sup>1</sup> local <sup>1</sup>【improvement】 improvements<sup>1</sup> and <sup>1</sup>【may  
20 provide】 the provision<sup>1</sup> by ordinance for a <sup>1</sup>【"clean energy and  
21 storm resistance】 "PACE<sup>1</sup> special assessment" to be imposed on 【a  
22 property】 properties within the municipality, if the owner of 【the】 a  
23 property requests the <sup>1</sup>PACE special<sup>1</sup> assessment in order to  
24 <sup>1</sup>【install such systems or improvements】 undertake a PACE  
25 project<sup>1</sup>. <sup>1</sup>【Each improvement】 PACE projects<sup>1</sup> on an individual  
26 property <sup>1</sup>subject to the same PACE special assessment agreement  
27 collectively<sup>1</sup> shall constitute a separate local improvement and shall  
28 be assessed separately to the property owner benefitted thereby.  
29 【The clean energy special assessment shall be payable in quarterly  
30 installments.】 <sup>1</sup>【The terms of the clean energy and storm resistance  
31 special assessment shall be in accordance with the terms of the  
32 financing provided by the municipality pursuant to section 2 of  
33 P.L.2011, c.187 (C.40:56-13.1).】

34 <sup>3</sup>【b.】 c.<sup>3</sup> A municipality <sup>3</sup>, or county or county improvement  
35 authority ~~if designated by a municipality under subsection b. of this~~  
36 ~~section.~~<sup>3</sup> may designate a <sup>3</sup>county,<sup>3</sup> county improvement  
37 authority <sup>2</sup>, another public entity,<sup>2</sup> or <sup>3</sup>【a private <sup>2</sup>【or non-profit】<sup>2</sup>  
38 entity】 one or more private entities<sup>3</sup> to manage, oversee, administer,  
39 finance or implement, or any combination thereof, all or any part of  
40 the PACE program on the municipality's behalf. To the extent that  
41 a <sup>3</sup>county,<sup>3</sup> county improvement authority <sup>2</sup>or other public entity<sup>2</sup> is  
42 designated to manage, oversee, administer, finance or implement, or  
43 any combination thereof, all or any part of a PACE program on the  
44 municipality's behalf, the <sup>3</sup>county,<sup>3</sup> county improvement authority  
45 <sup>2</sup>or other public entity<sup>2</sup> may designate a <sup>3</sup>【private <sup>2</sup>【or non-profit】<sup>2</sup>  
46 entity】 one or more private entities<sup>3</sup> to manage, oversee, administer,

1 finance<sup>2,2</sup> or implement, or any combination thereof, all or any  
 2 portion of such activities.<sup>1</sup>

3 (cf: P.L.2011, c.187, s.1)

4  
 5 <sup>1</sup>~~2.~~ <sup>2</sup>~~3.~~ <sup>1</sup>~~4.~~ Section 2 of P.L.2011, c.187 (C.40:56-13.1) is  
 6 amended to read as follows:

7 2. a. <sup>1</sup>~~Upon application to and approval by the Director of the~~  
 8 Division of Local Government Services in the Department of  
 9 Community Affairs, a qualified private or non-profit entity may  
 10 establish a program to finance the purchase and installation of water  
 11 conservation projects, flood resistant construction projects,  
 12 hurricane resistant construction projects, storm shelter projects, safe  
 13 room projects, renewable energy systems, and energy efficiency  
 14 improvements by property owners within municipalities contracting  
 15 with the entity that have also obtained the director's approval.  
 16 Repayment shall be completed through the clean energy and storm  
 17 resistance special assessment. Upon application approval, the entity  
 18 may administer: lending<sup>1</sup> A<sup>3</sup>county,<sup>3</sup> county improvement  
 19 authority or<sup>2</sup> private or non-profit<sup>1</sup> other public entity, or a  
 20 private<sup>2</sup> entity designated by a municipality or<sup>2</sup> a<sup>2</sup> <sup>3</sup>county,<sup>3</sup> county  
 21 improvement authority<sup>2</sup> or other public entity,<sup>2</sup> pursuant to  
 22 subsection b.<sup>3</sup> or c.<sup>3</sup> of section 1 of P.L.2011, c.187 (C.40:56-1.4)  
 23 to administer or implement a PACE program may: administer<sup>1</sup>  
 24 agreements between<sup>1</sup> the<sup>1</sup> a private<sup>1</sup> entity<sup>1</sup> itself<sup>1</sup> and property  
 25 owners; lending<sup>1</sup> administer<sup>1</sup> agreements between municipalities  
 26 and property owners pursuant to section 3 of P.L.2011, c.187  
 27 (C.40:56-13.2); lending<sup>1</sup> administer<sup>1</sup> agreements involving  
 28 county improvement authorities pursuant to paragraph (2) of  
 29 subsection (j) of section 12 of P.L.1960, c.183 (C.40:37A-55);  
 30 lending<sup>1</sup> administer<sup>1</sup> agreements involving private entities that  
 31 participate in the program; administer<sup>1</sup> the sale of solar renewable  
 32 energy certificates from participating property owners; and  
 33 undertake<sup>1</sup> any other appropriate responsibilities<sup>1</sup> as set forth in its  
 34 agreement with the municipality<sup>2</sup> or,<sup>2</sup> <sup>3</sup>county,<sup>3</sup> county  
 35 improvement authority,<sup>2</sup> or other public entity,<sup>2</sup> as applicable<sup>1</sup>.  
 36 Any contract between the entity and a municipality or county  
 37 improvement authority shall be subject to the "Local Public  
 38 Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.)】

39 b. Notwithstanding the provisions of the "Local Public  
 40 Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.), agreements  
 41 between a municipality<sup>3</sup>, county,<sup>3</sup> or county improvement authority  
 42 and a private<sup>2</sup> or non-profit<sup>2</sup> entity shall be on such terms and  
 43 conditions as the municipality<sup>3</sup>, county,<sup>3</sup> or county improvement  
 44 authority shall deem necessary or desirable<sup>1</sup> \*

45 <sup>1</sup>~~Upon application to and approval by the Director of the~~  
 46 Division of Local Government Services in the Department of

\*“and  
 be subject to the  
 provisions  
 of sections 1 through 5  
 of  
 P.L.1999, c.440  
 (C.40A:11-4.1  
 - 40A:11-4.5)  
 applicable to  
 competitive contracting  
 except that the five-  
 year  
 limitation for  
 competitive  
 contracts of section 2  
 of  
 P.L.1999, c.440  
 (C.40A:11-  
 4.2) shall not apply,  
 and  
 except that an  
 agreement  
 between a municipality  
 and another local unit  
 to  
 administer, finance, or  
 implement a PACE  
 program may  
 be negotiated and  
 executed as  
 a shared services  
 agreement  
 pursuant to the  
 provisions of  
 the Uniform Shared  
 Services  
 and Consolidation Act,  
 P.L.2007, c.63  
 (C.40A:65-1 et  
 seq.)”

1 Community Affairs, a municipality may adopt an ordinance to  
2 establish a program to finance the purchase and installation of water  
3 conservation projects, flood resistant construction projects,  
4 hurricane resistant construction projects, storm shelter projects, safe  
5 room projects, renewable energy systems , and energy efficiency  
6 improvements by property owners. Pursuant to this section, the  
7 establishment of this program may merely involve contracting with  
8 a qualified private or non-profit entity, subject to the "Local Public  
9 Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.), upon the  
10 director's approval, to administer the program on the municipality's  
11 behalf.】

12 c.<sup>1</sup> The governing body <sup>3</sup>of a municipality<sup>3</sup> may apply to a  
13 ~~county, or to a~~<sup>3</sup> county improvement authority that issues bonds  
14 pursuant to paragraph (2) of subsection (j) of section 12 of  
15 P.L.1960, c.183 (C.40:37A-55), or may issue bonds to finance the  
16 program pursuant to section 3 of P.L.2011, c.187 (C.40:56-13.2).

17 <sup>1</sup>(1) <sup>3</sup>**【Bonds】** Notwithstanding any other law to the contrary,  
18 bonds<sup>3</sup> issued by a ~~county or~~<sup>3</sup> municipality shall be authorized and  
19 issued <sup>3</sup>【in the manner set forth in the "Local Bond Law"  
20 (N.J.S.40A:2-1 et seq.), except that:

21 (a) the ordinance may be adopted notwithstanding the provisions  
22 of N.J.S.40A:2-11, and no down payment <sup>2</sup>【will】 shall<sup>2</sup> be  
23 required;

24 (b) the provisions of N.J.S.40A:2-22, concerning periods of  
25 usefulness, and N.J.S.40A:2-26, concerning bond maturity, shall not  
26 apply;

27 (c) the provisions of N.J.S.40A:2-27, concerning the public sale  
28 of bonds, shall not apply, and instead the bonds may be sold at  
29 public or private sale, at the option of the municipality; and

30 (d) if the bonds are non-recourse to the full faith and credit of  
31 the municipality, no】 by ordinance of such ~~county or~~ municipality,  
32 may be issued in one or more series, on such additional terms and  
33 may be sold at public or private sale, all as set forth in the  
34 ordinance.

35 (2) (a) Bonds issued by a municipality, county, county  
36 improvement authority or other public entity shall be non-recourse  
37 obligations of such issuer and shall not be a general obligation of  
38 such issuer, or the State of New Jersey.

39 (b) ~~No<sup>3</sup>~~ review of the Local Finance Board with respect to the  
40 authorization or issuance of the bonds shall be required. \*\*

41 <sup>3</sup>(c)<sup>3</sup> Bonds issued by a county improvement authority shall be  
42 authorized and issued in the manner set forth in the "county  
43 improvement authorities law," P.L.1960, c.183 (C.40:37A-44 et  
44 seq.).<sup>1</sup>

45 <sup>3</sup>【<sup>1</sup>(2)<sup>1</sup>】 (3)<sup>3</sup> In addition, the <sup>1</sup>municipal<sup>1</sup> governing body, or the  
46 entity serving as its administrator, may use funding through private  
47 entities <sup>2</sup>or public entities<sup>2</sup> to finance the <sup>1</sup>PACE<sup>1</sup> program <sup>3</sup>;

\*"pursuant to the Local  
Authorities Fiscal Control  
Law, P.L.1983, c.313  
(C.40A:5A-1 et seq.)"

\*issued by a  
county  
improvement  
authority

1 provided that no such funding shall be guaranteed or secured by the  
 2 full faith and credit of any public entity, including the State of New  
 3 Jersey<sup>3</sup>. Funds for the <sup>1</sup>[purchase and installation of water  
 4 conservation projects, flood resistant construction projects,  
 5 hurricane resistant construction projects, storm shelter projects, safe  
 6 room projects, renewable energy systems, and energy efficiency  
 7 improvements shall be loaned] implementation of PACE projects  
 8 shall be made available<sup>1</sup> to property owners in exchange for a  
 9 <sup>1</sup>[clean energy and storm resistance] PACE<sup>1</sup> special assessment on  
 10 the property pursuant to section 1 of P.L.2011, c.187 (C.40:56-1.4)  
 11 [, to be paid quarterly]. <sup>1</sup>[In the case of financing provided by  
 12 bonds issued by a county improvement authority, or by the  
 13 municipality through the issuance of municipal bonds, the clean  
 14 energy and storm resistance] The PACE<sup>1</sup> special assessment shall  
 15 be used to repay the <sup>1</sup>debt service on the<sup>1</sup> bonds <sup>1</sup>or other <sup>2</sup>public  
 16 entity or private entity financing<sup>2</sup> obligations and the project costs<sup>1</sup>.  
 17 [In the case of financing provided by the municipality through the  
 18 issuance of municipal bonds, the clean energy special assessment  
 19 shall be used to repay the bonds.] <sup>1</sup>[In the case of financing  
 20 through private entities, repayment shall also be completed through  
 21 the clean energy and storm resistance special assessment.]<sup>1</sup>

22 <sup>1</sup>d.<sup>1</sup> A property owner who <sup>3</sup>[purchases and]<sup>3</sup> installs a  
 23 renewable energy system under the program may also <sup>1</sup>, if  
 24 permitted by the municipality,<sup>1</sup> assign <sup>1</sup>or transfer<sup>1</sup> any solar  
 25 renewable energy certificates or other renewable energy  
 26 <sup>1</sup>certificates or<sup>1</sup> credits that accrue to the property owner from the  
 27 operation of the system to the municipality [or], the county  
 28 improvement authority <sup>2</sup>, other public entity<sup>2</sup> , or the private entity  
 29 <sup>1</sup>[to repay the loan for the system] , as applicable, which has  
 30 financed the PACE project. If any solar renewable energy  
 31 certificates or other renewable energy certificates or credits are  
 32 assigned or transferred to a municipality, <sup>3</sup>county,<sup>3</sup> county  
 33 improvement authority, <sup>2</sup>other public entity,<sup>2</sup> or private <sup>2</sup>[or non-  
 34 profit]<sup>2</sup> entity, the municipality, <sup>3</sup>county,<sup>3</sup> county improvement  
 35 authority, <sup>2</sup>other public entity,<sup>2</sup> or private <sup>2</sup>[or non-profit]<sup>2</sup> entity is  
 36 authorized to sell, grant, assign, convey or otherwise dispose of its  
 37 interest in the certificates or credits to repay the bonds or <sup>\*</sup>  
 38 obligations and the project costs<sup>1</sup> .<sup>\*</sup> [The Director of the Division <sup>\*</sup>The  
 39 of Local Government Services in the Department of Community Local Government Services  
 40 Affairs shall coordinate efforts with the Board of Public Utilities to in  
 41 ensure that the amount of financing made available by local the Department of  
 42 programs authorized pursuant to [this act] P.L.2011, c.187 Community  
 43 (C.40:56-1.4 et al.), is in accordance with limits set from time to efforts with the Board of  
 44 time by the Board of Public Utilities in order to ensure that local Public Utilities to ensure  
 45 programs to fund projects categorized as renewable energy systems that local programs to fund  
 projects categorized as renewable energy systems and energy efficiency improvements further the goals of the Office of Clean Energy in the Board of Public Utilities.”



1 and energy efficiency improvements further the goals of the Office  
2 of Clean Energy in the Board of Public Utilities.

3 b. As used in **[this section,]** P.L.2011, c.187 (C.40:56-1.4 et  
4 al.):

5 "Director" means the Director of the Division of Local  
6 Government Services in the Department of Community Affairs.

7 "Flood resistant construction project" means a project that  
8 mitigates the likelihood of substantial flood damage, including but  
9 not limited to the installation of break-away walls and building  
10 elevation alterations, following standards that the director deems  
11 appropriate.

12 "Hurricane resistant construction project" means an improvement  
13 that brings a component of a structure into compliance with the  
14 standards for a "wind-borne debris region" under the State Uniform  
15 Construction Code, or another standard that the director deems  
16 appropriate.

17 "Safe room project" or "storm shelter project" means an  
18 improvement that creates a hardened structure specifically designed  
19 to meet criteria set forth by the Federal Emergency Management  
20 Agency and provide "near-absolute protection" in extreme weather  
21 events, including tornadoes and hurricanes, or another standard that  
22 the director deems appropriate.

23 **"[solar] Solar** renewable energy certificate" shall have the same  
24 meaning as set forth in section 3 of P.L.1999, c.23 (C.48:3-51).

25 "Water conservation project" means an alteration or upgrade of a  
26 facility or equipment that reduces water consumption, maximizes  
27 the efficiency of water use, or reduces water loss, following  
28 standards that the director deems appropriate.

29 c. The Director of the Division of Local Government Services in  
30 the Department of Community Affairs, in consultation with the  
31 Director of the Division of Codes and Standards in the Department  
32 of Community Affairs shall establish standards for flood resistant  
33 construction projects, hurricane resistant construction projects, safe  
34 room projects, storm shelter projects, and water conservation  
35 projects.]<sup>1</sup>

36 (cf: P.L.2011, c.187, s.2)

37  
38 <sup>1</sup>**[3.]** <sup>2</sup>**[4.1]** <sup>5.2</sup> Section 3 of P.L.2011, c.187 (C.40:56-13.2) is  
39 amended to read as follows:

40 3. a. <sup>1</sup>**[**Upon application to and approval by the Director of the  
41 Division of Local Government Services in the Department of  
42 Community Affairs, the governing body of a municipality may  
43 establish the amounts of money to be expended by the municipality  
44 for the improvements authorized in sections 1 and 2 of P.L.2011,  
45 c.187 (C.40:56-1.4 and C.40:56-13.1). Any amount so appropriated  
46 may be raised by the issuance of clean energy special assessment  
47 bonds by the municipality. In making the appropriation, the  
48 governing body may designate the particular projects to be financed

1 to which the moneys shall be applied.】 Notwithstanding any  
2 provision of chapter 56 of Title 40 of the Revised Statutes  
3 (R.S.40:56-1 et seq.), or any other law to the contrary, a  
4 municipality shall follow the following process to establish and  
5 implement a PACE program:

6 (1) A municipality may adopt an ordinance pursuant to  
7 R.S.40:49-2 to establish a PACE program without complying with  
8 the publication, notice, and other requirements applicable to  
9 ordinances providing for local improvements otherwise required  
10 pursuant to R.S.40:49-6.

11 (2) The municipal ordinance may, but shall not be required to,  
12 <sup>3</sup>set eligibility criteria for participation in the PACE program,】<sup>3</sup>  
13 establish a form of special assessment agreement to be entered into  
14 with PACE program participants, and identify whether the PACE  
15 program will be implemented, financed, and managed by the  
16 municipality <sup>3</sup>county, <sup>3</sup> or by a county improvement authority <sup>3</sup>, or  
17 by another public entity or private entity<sup>3</sup> . In lieu of including  
18 such information in the ordinance establishing the PACE program,  
19 the municipality may instead provide that one or more such items  
20 shall be established through a subsequent municipal resolution.

21 (3) <sup>3</sup>The municipal ordinance shall prescribe criteria for  
22 participation in the PACE program at the time of the initial  
23 financing, which criteria shall include, at a minimum, the following:  
24 (a) that PACE financing recipients are either the legal owners of the  
25 underlying property or provide the written consent of the legal  
26 owners of the underlying property, are current on mortgage and  
27 property tax payments with respect to the underlying property, and  
28 are not the subject of a default or in bankruptcy proceedings, and  
29 (b) an appropriate ratio of the assessment to the value of the  
30 property, but in no circumstance may the combination of a PACE  
31 financing and the existing loan-to-value ratio on a property exceed  
32 100 percent.<sup>3</sup> The ordinance may establish standards for the  
33 maximum amount, or duration of PACE special assessments, or  
34 both, but in no event shall the maximum duration of a PACE special  
35 assessment exceed 30 years.<sup>1</sup>

36 b. <sup>1</sup>【Clean energy and storm resistance special assessments and  
37 bonds issued to finance them shall be issued and shall be generally  
38 subject to R.S.40:56-21 et seq., as the director shall determine to be  
39 applicable.】 The amount of a PACE special assessment shall be a  
40 specific amount, not to exceed the project costs of the PACE  
41 project. The specific amount of a PACE special assessment, which  
42 shall be consented to by the property owner by its execution of a  
43 special assessment agreement in the form promulgated by the  
44 municipality, shall be deemed the benefit conferred with respect to  
45 the property and shall be in lieu of the amount being determined by  
46 any other procedures contained in this Title otherwise applicable to  
47 determining the actual benefit conferred on the property. No other

1 confirmation or determination of the amount of the PACE special  
 2 assessment, including, but not limited to the procedure set forth at  
 3 R.S.40:56-30, shall be required.<sup>1</sup>

4 c. <sup>1</sup>【The director is authorized and empowered to take such  
 5 action as deemed necessary and consistent with the intent of 【this  
 6 act】 P.L.2011, c.187 (C.40:56-1.4 et al.) to implement its<sup>2</sup>“Subject to the written  
 7 provisions.】 ~~A~~<sup>\*</sup> PACE special assessment shall be a single,<sup>3</sup>consent of all prior  
 8 continuous first lien on the property against which the PACE<sup>4</sup>lienholders, a”  
 9 special assessment agreement is recorded, on and after the date of  
 10 recordation of the agreement. Upon recordation <sup>3</sup>【<sup>2</sup>by the clerk of  
 11 the municipality<sup>2</sup>】<sup>3</sup> of the PACE special assessment agreement  
 12 <sup>3</sup>【<sup>2</sup>with the clerk】 in the land records<sup>3</sup> of the county in which the  
 13 property is located<sup>2</sup> , the lien thereof shall be perfected for all  
 14 purposes in accordance with law and the lien shall be a continuous  
 15 first lien upon the real estate described in the assessment,  
 16 paramount to all prior or subsequent alienations and descents of  
 17 such real estate or encumbrances thereon, except subsequent taxes  
 18 or assessments, without any additional notice, recording, filing,  
 19 continuation filing or action, until payment in full of the PACE  
 20 special assessment, notwithstanding any mistake in the name or  
 21 names of any owner or owners, or any omission to name any owner  
 22 or owners who are unknown, and notwithstanding any lack of form  
 23 therein, or in any other proceeding which does not impair the  
 24 substantial rights of the owner or owners or other person or persons  
 25 having a lien upon or interest in any such real estate. Any  
 26 confirmation of the amount of the assessment by the governing  
 27 body or by the court shall be considered as determining the amount  
 28 of the existing lien and not as establishing the lien. All assessments  
 29 shall be presumed to have been regularly assessed and confirmed  
 30 and every assessment or proceeding preliminary thereto shall be  
 31 presumed to have been regularly made or conducted until the  
 32 contrary be shown. A PACE special assessment shall not be  
 33 considered an "equivalent consensual security interest" for the  
 34 purposes of the "New Jersey Residential Mortgage Lending Act,"  
 35 sections 1 through 39 of P.L.2009, c.53 (C.17:11C-51 et seq.).  
 36 PACE special assessments shall be treated as governmental liens  
 37 rather than contractual liens for all purposes of law.

38 d. The funds to implement a PACE project may be disbursed to  
 39 the property owner at execution of the special assessment  
 40 agreement, or may be disbursed in installments over time. Such  
 41 funds shall not constitute public funds, and shall not be subject to  
 42 the laws governing public funds, including but not limited to laws  
 43 regarding the receipt, expenditure, deposit, investment or  
 44 appropriation of the same. PACE projects shall not be considered  
 45 "facilities" or "public facilities," within the meaning of the "county  
 46 improvement authorities law," P.L.1960, c.183 (C.40:37A-44 et  
 47 seq.). Payments of PACE special assessments shall be due on

1 February 1, May 1, August 1 and November 1 in each year, and  
2 shall commence as set forth in the PACE special assessment  
3 agreement. It is not required that a PACE project be completed in  
4 order for the obligation to make payments of the PACE special  
5 assessment to commence. To the extent that upon completion of the  
6 PACE project, funds remain which have not been disbursed to the  
7 property owner for <sup>2</sup>a<sup>2</sup> PACE project, those funds on hand shall be  
8 used to reduce the amount of the PACE special assessment. To the  
9 extent that during the implementation of a PACE project, it  
10 becomes apparent that additional funds may be needed to complete  
11 the PACE project, the municipality and the property owner may  
12 enter into a supplemental special assessment agreement for the  
13 additional amount. Upon recordation of the supplemental special  
14 assessment agreement, payments required to be made pursuant to  
15 the supplemental PACE special assessment for the completion of  
16 the PACE project shall be a continuous lien against the property in  
17 accordance with subsection c. of this section.

18 e. When any payment of a PACE special assessment shall not be  
19 made within 30 days after the time when that payment shall have  
20 become due, interest thereon shall be imposed at the same rate as  
21 may be imposed upon unpaid property taxes in the municipality,  
22 and collected and enforced in the same manner as unpaid property  
23 taxes, including by accelerated tax sale if the municipality shall  
24 enforce collection of its unpaid property taxes through accelerated  
25 tax sale. However, the balance due on PACE special assessments  
26 shall not be subject to acceleration in the event of a default in  
27 payment. <sup>2</sup>Notwithstanding any other provision of law, in the event  
28 that any lien on the property shall be exposed to tax sale, pursuant  
29 to the “tax sale law,” R.S.54:5-1 et seq., and any such lien is struck  
30 off and sold to the municipality, the PACE special assessment shall  
31 survive any subsequent action to foreclose the right of redemption  
32 and continue as a first lien upon the real estate described in the  
33 assessment, paramount to all prior or subsequent alienations and  
34 descents of such real estate or encumbrances thereon, except  
35 subsequent taxes or assessments <sup>3</sup>, and provided that, while the  
36 municipality holds such lien or owns such property, the  
37 municipality shall not be responsible for or required to make any  
38 payment in furtherance of or to satisfy any such PACE special  
39 assessment<sup>3</sup> <sup>2</sup>.

40 f. PACE special assessments may be assigned directly by the  
41 municipality <sup>2</sup>, and any assignee thereof,<sup>2</sup> as security for the  
42 repayment of <sup>2</sup>:

43 (1)<sup>2</sup> bonds or other obligations issued by the municipality <sup>3</sup>,  
44 ~~county~~<sup>3</sup> or the county improvement authority to finance the PACE  
45 projects <sup>2</sup>, and

46 (2) if a PACE project is financed by a <sup>3</sup>[county improvement  
47 authority, other]<sup>3</sup> public entity <sup>3</sup>[,]<sup>3</sup> or private entity, any

1 obligations of a property owner with respect to such PACE project  
 2 to such private entity or public entity, or any assignee thereof<sup>2</sup>.

3 Notwithstanding any law to the contrary, the assignment shall be  
 4 an absolute assignment of all of the municipality's right, title and  
 5 interest in and to the PACE special assessment, along with the  
 6 rights and remedies provided to the municipality under the special  
 7 assessment agreement, including, but not limited to, right to direct  
 8 the collection of payments due. PACE special assessments assigned  
 9 as provided hereunder shall not be included in the general funds of  
 10 the municipality, or be subject to any laws regarding the receipt,  
 11 deposit, investment or appropriation of public funds, and shall  
 12 retain such status notwithstanding enforcement of the assessment by  
 13 the municipality or assignee as provided herein. In the case of a  
 14 municipality which is otherwise subject to tax or revenue sharing  
 15 pursuant to law and which assigns PACE special assessments as set  
 16 forth in this section, such PACE special assessments shall not be  
 17 considered part of the tax or revenue sharing formula or calculation  
 18 of municipal revenues for the purpose of determining whether that  
 19 municipality is obligated to make payment to, or receive a credit  
 20 from, any tax sharing or revenue sharing pool.

21 ~~g. Notwithstanding any other law to the contrary, \*~~  
 22 ~~municipality<sup>3</sup>, county<sup>3</sup> or county improvement authority, or <sup>3</sup>[both]~~  
 23 ~~, any of them<sup>3</sup>, as applicable, shall have the power to enter into any~~  
 24 ~~and all agreements as may be necessary or desirable to effectuate~~  
 25 ~~the purposes of P.L.2011, c.187 (C.40:56-1.4 et al.); on such terms~~  
 26 ~~and conditions as the municipality<sup>3</sup>, county<sup>3</sup> or county~~  
 27 ~~improvement authority shall deem reasonable, with or without~~  
 28 ~~public bidding.<sup>1</sup>~~

29 <sup>2</sup>h. In the event of any inconsistency between the provisions of  
 30 P.L.2011, c.187 (C.40:56-1.4 et al.) <sup>3</sup>as modified by  
 31 P.L. c. (C. ) (pending before the Legislature as this bill)<sup>3</sup> ,  
 32 with respect to a PACE special assessment, and the provisions of  
 33 chapter 56 of Title 40 of the Revised Statutes, or any other law, the  
 34 provisions of P.L.2011, c.187 (C.40:56-1.4 et al.) shall control.<sup>2</sup>  
 35 (cf: P.L.2011, c.187, s.3)

37 <sup>2</sup>[15.] 6.<sup>2</sup> Section 11 of P.L.1960, c.183 (C.40:37A-54) is  
 38 amended to read as follows:

39 11. The purposes of every authority shall be (a) provision within  
 40 the county or any beneficiary county of public facilities for use by  
 41 the State, the county or any beneficiary county, or any municipality  
 42 in any such county, or any two or more or any subdivisions,  
 43 departments, agencies or instrumentalities of any of the foregoing  
 44 for any of their respective governmental purposes, (b) provision  
 45 within the county or any beneficiary county of public facilities for  
 46 use as convention halls, or the rehabilitation, improvement or  
 47 enlargement of any convention hall, including appropriate and

\*“The Director of the Division of Local Government Services in the Department of Community Affairs may adopt rules and regulations pursuant to the provisions of the Administrative Procedure Act, P.L.1968, c.410 (C.52:14B-1 et seq.), as deemed necessary to implement this Act.”

1 desirable appurtenances located within the convention hall or near,  
2 adjacent to or over it within boundaries determined at the discretion  
3 of the authority, including but not limited to office facilities,  
4 commercial facilities, community service facilities, parking  
5 facilities, hotel facilities and other facilities for the accommodation  
6 and entertainment of tourists and visitors, (c) provision within the  
7 county or any beneficiary county of structures, franchises,  
8 equipment and facilities for operation of public transportation or for  
9 terminal purposes, including development and improvement of port  
10 terminal structures, facilities and equipment for public use in  
11 counties in, along or through which a navigable river flows, (d)  
12 provision within the county or any beneficiary county of structures  
13 or other facilities used or operated by the authority or any  
14 governmental unit in connection with, or relative to development  
15 and improvement of, aviation for military or civilian purposes,  
16 including research in connection therewith, and including structures  
17 or other facilities for the accommodation of passengers, (e)  
18 provision within the county or any beneficiary county of a public  
19 facility for a combination of governmental and nongovernmental  
20 uses; provided that not more than 50% of the usable space in any  
21 such facility shall be made available for nongovernmental use under  
22 a lease or other agreement by or with the authority, (f) acquisition  
23 of any real property within the county or any beneficiary county,  
24 with or without the improvements thereof or thereon or personal  
25 property appurtenant or incidental thereto, from the United States of  
26 America or any department, agency or instrumentality heretofore or  
27 hereafter created, designated or established by or for it, and the  
28 clearance, development or redevelopment, improvement, use or  
29 disposition of the acquired lands and premises in accordance with  
30 the provisions and for the purposes stated in <sup>2</sup>**[this act]** the "county  
31 improvement authorities law," P.L.1960, c.183 (C.40:37A-44 et  
32 seq.)<sup>2</sup>, including the construction, reconstruction, demolition,  
33 rehabilitation, conversion, repair or alteration of improvements on  
34 or to said lands and premises, and structures and facilities incidental  
35 to the foregoing as may be necessary, convenient or desirable, (g)  
36 acquisition, construction, maintenance and operation of garbage and  
37 solid waste disposal systems for the purpose of collecting and  
38 disposing of garbage, solid waste or refuse matter, whether owned  
39 or operated by any person, the authority or any other governmental  
40 unit, within or without the county or any beneficiary county, (h) the  
41 improvement, furtherance and promotion of the tourist industries  
42 and recreational attractiveness of the county or any beneficiary  
43 county through the planning, acquisition, construction,  
44 improvement, maintenance and operation of facilities for the  
45 recreation and entertainment of the public, which facilities may  
46 include, without being limited to, a center for the performing and  
47 visual arts, (i) provision of loans and other financial assistance and  
48 technical assistance for the construction, reconstruction, demolition,

1 rehabilitation, conversion, repair or alteration of buildings or  
 2 facilities designed to provide decent, safe and sanitary dwelling  
 3 units for persons of low and moderate income in need of housing,  
 4 including the acquisition of land, equipment or other real or  
 5 personal properties which the authority determines to be necessary,  
 6 convenient or desirable appurtenances, all in accordance with the  
 7 provisions of this act, as amended and supplemented, (j) planning,  
 8 initiating and carrying out redevelopment projects for the  
 9 elimination, and for the prevention of the development or spread of  
 10 blighted, deteriorated or deteriorating areas and the disposition, for  
 11 uses in accordance with the objectives of the redevelopment project,  
 12 of any property or part thereof acquired in the area of such project,  
 13 (k) any combination or combinations of the foregoing or following,  
 14 and (l) subject to the prior approval of the Local Finance Board, the  
 15 planning, design, acquisition, construction, improvement,  
 16 renovation, installation, maintenance and operation of facilities or  
 17 any other type of real or personal property within the county for a  
 18 corporation or other person organized for any one or more of the  
 19 purposes described in subsection a. of N.J.S.15A:2-1 except those  
 20 facilities or any other type of real or personal property which can be  
 21 financed pursuant to the provisions of P.L.1972, c.29 (C.26:2I-1 et  
 22 seq.) as amended. A county improvement authority shall also have  
 23 as its purpose the pooling of loans for any local governmental units  
 24 within the county or any beneficiary county that are refunding  
 25 bonds in order to achieve more favorable interest rates and terms  
 26 for those local governmental units. A county improvement  
 27 authority shall also have as its purpose the implementation,  
 28 management, oversight, administration, and financing of a PACE  
 29 program, as defined in section 1 of P.L. , c. (C. ) (pending  
 30 before the Legislature as this bill).<sup>1</sup>  
 31 (cf: P.L.2002, c.42, s.8)

32  
 33 <sup>1</sup>[4.] <sup>2</sup>[6.1] <sup>7.</sup> Section 12 of P.L.1960, c.183 (C.40:37A-55) is  
 34 amended to read as follows:

35 12. Every authority shall be a public body politic and corporate  
 36 constituting a political subdivision of the State established as an  
 37 instrumentality exercising public and essential governmental  
 38 functions to provide for the public convenience, benefit and welfare  
 39 and shall have perpetual succession and, for the effectuation of its  
 40 purposes, have the following additional powers:

- 41 (a) To adopt and have a common seal and to alter the same at  
 42 pleasure;  
 43 (b) To sue and be sued;  
 44 (c) To acquire, hold, use and dispose of its facility charges and  
 45 other revenues and other moneys;  
 46 (d) To acquire, rent, hold, use and dispose of other personal  
 47 property for the purposes of the authority;

1 (e) Subject to the provisions of section 26 of **【this act】**  
2 P.L.1960, c.183 (C.40:37A-69) , to acquire by purchase, gift,  
3 condemnation or otherwise, or lease as lessee, real property and  
4 easements or interests therein necessary or useful and convenient  
5 for the purposes of the authority, whether subject to mortgages,  
6 deeds of trust or other liens or otherwise, and to hold and to use the  
7 same, and to dispose of property so acquired no longer necessary  
8 for the purposes of the authority; provided that the authority may  
9 dispose of such property at any time to any governmental unit or  
10 person if the authority shall receive a leasehold interest in the  
11 property for such term as the authority deems appropriate to fulfill  
12 its purposes;

13 (f) Subject to the provisions of section 13 of **【this act】**  
14 P.L.1960, c.183 (C.40:37A-56) , to lease to any governmental unit  
15 or person, all or any part of any public facility for such  
16 consideration and for such period or periods of time and upon such  
17 other terms and conditions as it may fix and agree upon;

18 (g) To enter into agreements to lease, as lessee, public facilities  
19 for such term and under such conditions as the authority may deem  
20 necessary and desirable to fulfill its purposes, and to agree,  
21 pursuant thereto, to be unconditionally obligated to make payments  
22 for the term of the lease, without set-off or counterclaim, whether or  
23 not the public facility is completed, operating or operable, and  
24 notwithstanding the destruction of, damage to, or suspension,  
25 interruption, interference, reduction or curtailment of the  
26 availability or output of the public facility to which the agreement  
27 applies;

28 (h) To extend credit or make loans to any governmental unit or  
29 person for the planning, design, acquisition, construction, equipping  
30 and furnishing of a public facility, upon the terms and conditions  
31 that the loans be secured by loan and security agreements,  
32 mortgages, leases and other instruments, the payments on which  
33 shall be sufficient to pay the principal of and interest on any bonds  
34 issued for the purpose by the authority, and upon such other terms  
35 and conditions as the authority shall deem reasonable;

36 (i) Subject to the provisions of section 13 of **【this act】** P.L.1960,  
37 c.183 (C.40:37A-56) , to make agreements of any kind with any  
38 governmental unit or person for the use or operation of all or any  
39 part of any public facility for such consideration and for such period  
40 or periods of time and upon such other terms and conditions as it  
41 may fix and agree upon;

42 (j) (1) To borrow money and issue negotiable bonds or notes or  
43 other obligations and provide for and secure the payment of any  
44 bonds and the rights of the holders thereof, and to purchase, hold  
45 and dispose of any bonds;

46 (2) To issue bonds, notes or other obligations to provide funding  
47 <sup>1</sup>【to a municipality , or to an entity serving as the municipality’s  
48 administrator, that finances the purchase and installation of water



1 conservation projects, flood resistant construction projects,  
2 hurricane resistant construction projects, storm shelter projects, safe  
3 room projects, renewable energy systems , and energy efficiency  
4 improvements】 for the implementation of PACE projects<sup>1</sup> by  
5 property owners as provided in section 2 of P.L.2011, c.187  
6 (C.40:56-13.1) <sup>1</sup>, and to manage, oversee, administer, implement,  
7 and finance PACE programs pursuant to subsection b. of section 2  
8 of P.L.2011, c.187 (C.40:56-13.1)<sup>1</sup> ;

9 (k) To apply for and to accept gifts or grants of real or personal  
10 property, money, material, labor or supplies for the purposes of the  
11 authority from any governmental unit or person, and to make and  
12 perform agreements and contracts and to do any and all things  
13 necessary or useful and convenient in connection with the  
14 procuring, acceptance or disposition of such gifts or grants;

15 (l) To determine the location, type and character of any public  
16 facility and all other matters in connection with all or any part of  
17 any public facility which it is authorized to own, construct,  
18 establish, effectuate or control;

19 (m) To make and enforce bylaws or rules and regulations for the  
20 management and regulation of its business and affairs and for the  
21 use, maintenance and operation of any public facility, and to amend  
22 the same;

23 (n) To do and perform any acts and things authorized by <sup>2</sup>【this  
24 act】 the "county improvement authorities law," P.L.1960, c.183  
25 (C.40:37A-44 et seq.),<sup>2</sup> under, through or by means of its own  
26 officers, agents and employees, or by contract with any  
27 governmental unit or person;

28 (o) To acquire, purchase, construct, lease, operate, maintain and  
29 undertake any project and to fix and collect facility charges for the  
30 use thereof;

31 (p) To mortgage, pledge or assign or otherwise encumber all or  
32 any portion of its revenues and other income, real and personal  
33 property, projects and facilities for the purpose of securing its  
34 bonds, notes and other obligations or otherwise in furtherance of the  
35 purpose of <sup>2</sup>【this act】 the "county improvement authorities law,"  
36 P.L.1960, c.183 (C.40:37A-44 et seq.)<sup>2</sup>;

37 (q) To extend credit or make loans to redevelopers for the  
38 planning, designing, acquiring, constructing, reconstructing,  
39 improving, equipping and furnishing any redevelopment project or  
40 redevelopment work;

41 (r) To conduct examinations and investigations, hear testimony  
42 and take proof, under oath at public or private hearings of any  
43 material matter, require the attendance of witnesses and the  
44 production of books and papers and issue commissions for the  
45 examination of witnesses who are out of the State, unable to attend,  
46 or excused from attendance;

1 (s) To authorize a committee designated by it consisting of one  
2 or more members, or counsel, or any officer or employee to conduct  
3 any such investigation or examination, in which case such  
4 committee, counsel, officer or employee shall have power to  
5 administer oaths, take affidavits and issue subpoenas or  
6 commissions;

7 (t) To enter into any and all agreements or contracts, execute  
8 any and all instruments, and do and perform any and all acts or  
9 things necessary, convenient or desirable for the purposes of the  
10 authority or to carry out any power expressly given in <sup>2</sup>**[this act]**  
11 the "county improvement authorities law," P.L.1960, c.183  
12 (C.40:37A-44 et seq.),<sup>2</sup> subject to the "Local Public Contracts  
13 Law," P.L.1971, c.198 (C.40A:11-1 et seq.); and

14 (u) To pool loans for any local governmental units within the  
15 county or any beneficiary county that are refunding bonds and do  
16 and perform any and all acts or things necessary, convenient or  
17 desirable for the purpose of the authority to achieve more favorable  
18 interest rates and terms for those local governmental units.  
19 (cf: P.L.2011, c.187, s.4)

20

21 <sup>1</sup>**[5.]** <sup>2</sup>**[7.1]** §.<sup>2</sup> This act shall take effect <sup>1</sup>**[on the first day of**  
22 **the fourth month next following enactment, but the Director of the**  
23 **Division of Local Government Services in the Department of**  
24 **Community Affairs may take such anticipatory action in advance**  
25 **thereof as shall be necessary for the implementation of this act]**  
26 immediately<sup>1</sup>: **“on the**  
**first day of the fourth month**  
**next following enactment.”**