

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

July 26, 2012

SENATE BILL NO. 1761
(Corrected Copy)

To the Senate:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Senate Bill No. 1761 (Corrected Copy) with my recommendations for reconsideration.

Since arriving in Trenton, I have repeatedly reaffirmed my commitment to transparency and accountability throughout government. In particular, I have aggressively monitored the actions of so-called "independent authorities", those boards and commissions that have historically controlled large portions of taxpayer dollars without vigilant oversight. Using my existing powers, I have acted twenty-seven times to veto meeting minutes of these entities, and have taken a host of steps to reform and revise the management of these programs whenever malfeasance or inappropriate conduct was discovered. To continue these reforms, in March of last year, I proposed legislation that would extend executive veto authority, and add oversight tools to the Governor's Office and the Office of the State Comptroller, over other unsupervised entities to ensure public funds are appropriately used. To date, my calls to enact this "Shadow Government Reform" have not been answered by the Legislature. Instead, the Legislature has pursued this bill which deals only with the Port Authority of New York and New Jersey ("Port Authority"). While I agree that the goals of transparency and accountability must extend to the Port Authority, I believe this legislation is both premature, and insufficiently broad.

As a first step towards ensuring that the Port Authority operates efficiently, Governor Cuomo and I have required the

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

2

Port Authority to undertake a comprehensive audit which is currently underway. The audit includes a review of the Port Authority's 10-year capital plan and a top to bottom management review of the authority's finance and operations in order to find ways to lower costs and increase efficiencies. An interim report by Navigant Consulting, Inc. identified a number of concerns with Port Authority operations and the Port Authority has taken steps to address those concerns. Since the full audit is still continuing, enacting statutory changes prior to the release and review of the final report is premature and may be counterproductive. I will continue to work with Governor Cuomo, Chairman Samson, and the Board of Commissioners to ensure that appropriate action is taken to ensure that the Port Authority functions in a transparent and efficient manner that best serves the citizens of New Jersey and New York.

However, given the sponsors' interest in increasing accountability and transparency of independent authorities, I am recommending that this bill be amended to incorporate "Shadow Government Reform" to provide the tools necessary to ensure the accountability and transparency of multi-jurisdictional and regional authorities throughout the State, including the Passaic Valley Sewerage Commission, the North Jersey District Water Supply Commission, the New Jersey Meadowlands Commission, and the Passaic Valley Water Commission. The tools I am recommending to provide this oversight include: requiring an affirmative vote of a majority of an authority for action; requiring that an authority take minutes of its meetings and that minutes be subject to gubernatorial veto; providing that members of authorities receive no compensation; providing that members of authorities be subject to the "New Jersey Conflicts

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

3

of Interest Law," file financial disclosure statements, and be subject to other financial disclosure requirements, as prescribed by executive order; providing that members of authorities be subject to removal by the Governor for cause, after notice and a hearing; and providing that the authorities be subject to the audit, review, and oversight jurisdiction of the State Comptroller.

New Jersey's "Shadow Government" has persisted for too long. I urge the Legislature to join my Administration, along with the taxpaying, rate paying, and toll paying public, to quickly concur with these long-needed reforms and end the era of secretive governance and spending.

Therefore, I herewith return Senate Bill No. 1761 (Corrected Copy) and recommend that it be amended as follows:

Page 2, Title, Line 1:

After "concerning" insert "additional State";

Page 2, Title, Line 1:

Delete "the Port Authority of New York" and insert "multi-jurisdictional State and local entities, amending and supplementing various parts of the statutory law."

Page 2, Title, Lines 2-3:

Delete in their entirety

Page 2, Section 1, Line 8:

Delete ", 3, 6, and 7" and insert "through 5, 17 and 18"

Page 2, Section 1, Lines 9-10:

Delete "PAYNJ Transparency and Accountability Act." and insert "Shadow Government Reform Law."

Page 2, Line 11:

Insert new sections 2 through 18:

2. (New section) The Legislature finds and declares that:

a. Over the past two hundred years, dozens of water, sewer, and environmental authorities, boards, and commissions have been created to provide services that are vital to the health, safety, and welfare of those whose daily life activities depend on

such services, yet the operations of these entities are hidden from and remain unknown to many of the citizens of New Jersey.

b. In order to protect the health, safety, and welfare of the residents of New Jersey, it is prudent to provide for additional and more streamlined oversight over the multi-jurisdictional water, sewer, and environmental authorities, boards, and commissions that are currently operating without adequate supervision and oversight.

c. It has become evident that, without the proper oversight and transparency, waste, mismanagement, and abuse are taking place at certain authorities, boards, and commissions across the State, and the public is placed at risk.

d. Legislation is necessary to make these governmental entities transparent, responsive, and answerable to the citizens of this State through enhanced oversight measures.

3. (New section) As used in this act:

"Environmental authority, board, or commission" means an authority, board, commission, or other public body authorized by law to provide water, sewer, or other utility services, or to engage in zoning of facilities for or planning for provision of such services.

"Member" of an authority, board, or commission means a member of the governing body of that authority or commission, regardless of whether the person is appointed as a member by a State, county, local, or other governmental official or who holds membership ex officio.

"Regional authority" means:

(1) The Passaic Valley Sewerage Commissioners;

- (2) The North Jersey District Water Supply Commission;
- (3) The New Jersey Meadowlands Commission;
- (4) The Passaic Valley Water Commission; and
- (5) Any environmental authority, board, or commission, not included among the foregoing, owning real property assets or providing services in more than one county, including, but not limited to, those subject to oversight pursuant to the "Local Authorities Fiscal Control Law," P.L.1983, c.313 (C.40A:5A-1 et seq.) or appointed pursuant to R.S.40:62-109.

4. (New section) a. Each regional authority shall maintain the minutes of all meetings held by the members thereof, including minutes of closed sessions permitted under section 7 of P.L.1975, c.231 (C.10:4-12). A regional authority shall not pass any resolution or take any other official action except upon the affirmative vote of members constituting a majority of the full authorized membership of that regional authority. The secretary of the regional authority shall record the authority's passing of any resolution or taking of any other official action in the minutes of the meeting of the regional authority at which that resolution was passed or other action taken.

b. A true copy of the minutes of every meeting of each regional authority shall be delivered forthwith by and under the certification of the secretary thereof to the Governor. No resolution passed or other official action taken at any such meeting shall have force or effect until 15 days after the copy of the minutes shall have been so delivered, unless during this 15-day period the Governor shall approve in writing the minutes or any part thereof, in which case the resolution or other action shall become effective upon approval. If,

within that 15-day period, the Governor returns a copy of the minutes with the Governor's veto of any action taken by the regional authority or any member thereof at the meeting, the action shall be null and void and of no effect.

Notwithstanding the foregoing, if the last day of the 15-day period shall be a Saturday, Sunday, or legal holiday, then the 15-day period shall be deemed extended to the next following business day. Nothing in this act shall in any way limit, restrict, or alter the obligation or powers of any constituent or contracting municipality served by the regional authority, or any representative or officer of such constituent or contracting municipality, to carry out and perform in every detail each and every covenant, agreement, or contract at any time made or entered into by or on behalf of such constituent or contracting municipality with respect to its bonds, notes, or other obligations issued for the benefit, protection, or security of the holders thereof.

c. Each person who is a member of a regional authority shall, before entering upon the duties of the office of member, take and subscribe an oath to faithfully and impartially execute and perform the duties imposed by law upon members, and shall cause the same to be filed in the office of the Secretary of State. Notwithstanding any other provision of law to the contrary, no person who is a member of a regional authority shall receive any compensation for services as a member.

5. (New section) a. Notwithstanding any law to the contrary, the members of each regional authority shall be subject to the "New Jersey Conflicts of Interest Law," P.L.1971, c.182 (C.52:13D-12 et seq.), and shall be

subject to the jurisdiction of the State Ethics Commission. Members of any regional authority shall be considered State officers or special State officers, as appropriate, under P.L.1971, c.182 and the provisions thereof applicable to State officers and special State officers shall apply to such members in addition to any other ethics requirements to which they are subject under law.

b. Every regional authority shall be subject to the audit, review, and oversight jurisdiction of the State Comptroller pursuant to P.L.2007, c.52 (C.52:15C-1 et seq.) and any other applicable laws.

c. The members of a regional authority shall be subject to removal by the Governor for cause after notice and an opportunity to be heard.

d. The members of each regional authority shall file financial disclosure statements and shall be subject to such other financial disclosure requirements as the Governor may prescribe by executive order.

6. R.S.58:5-4 is amended to read as follows:

58:5-4. [Each commissioner shall receive a salary at the rate of fifteen hundred dollars per annum from the time of appointment until the execution of a contract for a water supply with any municipality, which salary shall be accumulative and payable upon the execution of any such contract, and thereafter each commissioner shall receive a salary at the rate of \$7,500.00 per annum payable monthly, except the chairman of the commission, chosen as hereinafter provided, who shall receive a salary at the rate of \$8,500.00 per annum. Such salaries shall be charged as an expense of the development and operation of any water supply contracted

for hereunder.] Commissioners shall serve without compensation for services as a commissioner, either from the revenues of the water supply district or otherwise, but shall be entitled to reimbursement of actual and necessary expenses incurred in the performance of their duties.

(cf: P.L.1984, c.190, s.1)

7. R.S.58:5-6 is amended to read as follows:

58:5-6. a. Each said commission shall, as soon as may be after its appointment and qualification, and annually thereafter, organize by the choice of one of its members as chairman, and may from time to time appoint and at its pleasure remove a secretary, counsel and such engineers, assistants, agents, officers and servants as it may deem necessary to carry out the purposes of this chapter, and may determine their duties and compensation].

b. In order to oversee the performance of its duties, the commission shall appoint an executive director, who shall hold office at the pleasure of the commission. The executive director shall perform the duties of office on a full-time basis. The executive director shall receive such compensation as the commission may provide by resolution. The executive director shall have the power to oversee all operational functions of the commission, including, but not limited to, employee hiring and firing, hiring of contractors, prescribing employee duties, and fixing employee compensation.
(cf: R.S.58:5-6)

8. R.S.58:5-7 is amended to read as follows:

58:5-7. a. Each said commission, when duly organized, shall be deemed to be and shall become a body corporate with power to sue and be sued, and with the right to acquire, hold, use, lease, and dispose of all

such property as may be necessary for the uses and purposes for which the commission was created, and with all other necessary powers incident to corporate bodies.

b. Each commission shall maintain the minutes of all meetings of the commission, both public meetings and closed sessions. No resolution of either commission shall be passed, or any other official action taken, except upon the affirmative vote of members constituting a majority of the full authorized membership of that commission. The secretary of the commission shall record the commission's passing of any resolution or taking of any other official action in the minutes of the meeting of the commission at which that resolution was passed or other action taken.

c. A true copy of the minutes of every meeting of either commission shall be delivered forthwith by and under the certification of the secretary thereof to the Governor. No action taken at any such meeting shall have force or effect until 15 days after the copy of the minutes shall have been so delivered, unless during this 15-day period the Governor shall approve in writing the minutes or any part thereof, in which case the action shall become effective upon approval. If, within that 15-day period, the Governor returns a copy of the minutes with the Governor's veto of any action taken by either commission or any member thereof at the meeting, the action shall be null and void and of no effect. Notwithstanding the foregoing, if the last day of the 15-day period shall be a Saturday, Sunday, or legal holiday, then the 15-day period shall be deemed extended to the next following business day. The powers conferred in this subsection upon the Governor shall be exercised with due

regard for the rights of the holders of bonds, notes, or other obligations of the contracting municipalities issued pursuant to R.S.58:5-28 at any time outstanding, and nothing in, or done pursuant to, this subsection shall in any way limit, restrict, or alter the obligation or powers of any of the contracting municipalities or any representative or officer of such contracting municipality to carry out and perform in every detail each and every covenant, agreement, or contract at any time made or entered into by or on behalf of such contracting municipality with respect to its bonds, notes, or other obligations issued pursuant to R.S.58:5-28 or for the benefit, protection, or security of the holders thereof.

d. After the review period, prescribed under subsection c. of this section for the minutes of a commission meeting, has elapsed, if the Governor has not notified that commission of a veto of the minutes, the minutes and any action taken at that meeting to which the minutes correspond shall take effect.
(cf: R.S.58:5-7)

9. R.S.58:5-20 is amended to read as follows:
58:5-20. a. Whenever any work to be performed or material to be furnished involves an expenditure exceeding **[\$7,500.00]** \$7,500 or the amount determined pursuant to subsection b. of this section, the commission shall cause to be prepared, and shall approve in public meeting, such form of contract or alternative contracts for the execution of the work or the furnishing of the materials, and payment therefor, as will in its judgment secure the execution of the work and the furnishing of the materials most efficiently, and economically, and expeditiously.

This subsection shall not prevent the commission from having any work done by its own employees, nor shall it apply to repairs, or to the furnishing of materials, supplies, or labor, or the hiring of equipment or vehicles, when the safety or protection of its or other public property or the public convenience requires, or the exigency of the commission's service will not admit of such advertisement. In such case the commission shall, by resolution, passed by the affirmative vote of a majority of its members, declare the exigency or emergency to exist, and set forth in the resolution the nature thereof and the approximate amount to be so expended.

Thereupon the commission shall designate the time when it will meet at its usual place of meeting to receive proposals in writing for doing the work or furnishing the materials in accordance with, and upon the terms and conditions of, such form of contract or alternative contracts, and shall order its clerk to give notice, by advertisement inserted at least 10 days before the time of such meeting in at least two newspapers printed and circulating in the county or counties in which the municipalities in said water supply project are situated, of the work to be done and the materials to be furnished, particular plans and specifications of which shall, at the time of such order, be filed in the office of the commission.

All proposals shall be publicly opened by the commission, which shall award the contract to the lowest responsible and qualified bidder under the form of the contract originally adopted or the form of the alternative contract which shall then be adopted by it as most advantageous.

Each contractor shall be required to give bond

satisfactory in amount and security to the commission for the faithful performance of his contract.

b. The Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of each odd-numbered year, adjust the threshold amount set forth in subsection a. of this section, or subsequent to 1985 the threshold amount resulting from any adjustment under this subsection or section 17 of P.L.1985, c.469, in direct proportion to the rise or fall of the Consumer Price Index for all urban consumers in the New York City and the Philadelphia areas as reported by the United States Department of Labor. The Governor shall, no later than June 1 of each odd-numbered year, notify each commission of the adjustment. The adjustment shall become effective on July 1 of each odd-numbered year.

c. Except as otherwise provided by this chapter, the awarding and execution by the commission of any contract for the performance of work or the furnishing of materials shall be conducted in accordance with the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.).
(cf: P.L.1985, c.469, s.15)

10. R.S.58:14-2 is amended to read as follows:
58:14-2. a. The board of commissioners known as the Passaic valley sewerage commissioners, the first members of which were appointed under the act entitled "An act authorizing the appointment and defining the powers and duties of commissioners in sewage and drainage districts created for the purpose of relieving the streams and rivers therein from pollution, and to provide a plan for the prevention thereof and providing for the raising, expenditure and payment of moneys necessary for this purpose," approved March

twenty-seventh, one thousand nine hundred and two (L.1902, c. 49, p. 195), is continued as a body politic and corporate, with perpetual succession under said name of Passaic valley sewerage commissioners, hereinafter in this chapter designated as the "commissioners", with power to sue and be sued and to adopt and use a corporate seal, and with the right, power, and authority to acquire, hold, use, and dispose of all such property, real and personal, as may be proper or necessary, and with all other power and authority proper or necessary to carry out and effectuate the purposes for which the board is created.

b. The commissioners shall maintain minutes of all meetings held by the commissioners, both public meetings and closed sessions. The board of commissioners shall not pass any resolution or take any other official action except upon the affirmative vote of members constituting a majority of the full authorized membership of the board. The secretary of the commissioners shall record the commissioners' passing of any resolution or taking of any other official action in the minutes of the meeting of the commissioners at which that resolution was passed or other action taken.

c. A true copy of the minutes of every meeting of the commissioners shall be delivered forthwith by and under the certification of the secretary thereof to the Governor. No action taken at any such meeting shall have force or effect until 15 days after the copy of the minutes shall have been so delivered, unless during this 15-day period the Governor shall approve in writing the minutes or any part thereof, in which case the action shall become effective upon approval. If, within that 15-day period, the Governor returns a copy of the minutes with the Governor's veto of

any action taken by the commissioners or any one thereof at the meeting, the action shall be null and void and of no effect. Notwithstanding the foregoing, if the last day of the 15-day period shall be a Saturday, Sunday, or legal holiday, then the 15-day period shall be deemed extended to the next following business day. The powers conferred in this subsection upon the Governor shall be exercised with due regard for the rights of the holders of bonds, notes, or other obligations of the commissioners, or of any of the the contracting municipalities, at any time outstanding, and nothing in, or done pursuant to, this subsection shall in any way limit, restrict, or alter the obligation or powers of the commissioners or any of those municipalities, or any representative or officer of the commissioners or any such municipality, to carry out and perform in every detail each and every covenant, agreement, or contract at any time made or entered into by or on behalf of the commissioners or such municipality with respect to those bonds, notes, or other obligations or for the benefit, protection, or security of the holders thereof.

d. After the review period prescribed for the minutes of a meeting of the commissioners pursuant to subsection c. of this section has elapsed, if the Governor has not notified the commissioners of a veto of the minutes, the minutes and any action taken at that meeting to which the minutes correspond shall take effect. (cf: R.S.58:14-2)

11. R.S.58:14-3 is amended to read as follows: 58:14-3. The board shall consist of [nine] seven members who shall be appointed by the Governor in the following manner. Each county in the district shall be represented on the board

by [two members] one member, [of different political parties, both of whom] who shall reside in the district and in the county [they represent] that such member represents. [At least one of the two members from each county must reside in a contracting municipality as defined in R.S.58:14-34.11 or in a leasing municipality.] Not more than [five] four of the [nine] seven members of the board shall be from the same political party. [The ninth member] Two members shall be [an at-large member] appointed by the Governor: one member from the Office of the Governor and the other member from the New Jersey Department of Environmental Protection, with the advice and consent of the Senate, and each shall serve during the term of office of the Governor. [As used in this section, "at-large member" means a resident of the Passaic Valley Sewerage District as defined in R.S.58:14-1.] Upon the expiration of the term of office of a commissioner, [his] a successor shall be appointed by the Governor, by and with the advice and consent of the Senate, for a term of five years, except that the term of the [at-large member] members not representing counties in the district shall be concurrent with the term of office of the Governor. The Governor may remove any commissioner from office for cause after notice and an opportunity to be heard. Each commissioner shall hold [his] office until [his] a successor has been appointed, and any vacancy in the membership of the commission because of death, resignation, or removal, shall be filled for the unexpired term in the manner provided for on original appointment. In making any appointment hereunder, either for a full term or to fill a vacancy, regard shall be had to ability and fitness, and also locality, so that each section of the district may be represented as far as practicable.

(cf: P.L.1991, c.145, s.1)

12. R.S.58:14-4 is amended to read as follows: 58:14-4. a. Each of the commissioners shall, before entering upon the duties of [his] office, take and subscribe an oath [that he will] to faithfully and impartially execute and perform the duties imposed upon [him] a commissioner by law, and shall cause the same to be filed in the office of the Secretary of State. [The commissioners shall each receive for service under this chapter an annual salary of \$10,000.00, payable in equal monthly installments, and they shall receive no other compensation than that herein provided.]

b. Commissioners shall serve without compensation for services as a commissioner, but shall be entitled to reimbursement of actual and necessary expenses incurred in the performance of their duties.
(cf: P.L.1987, c.337, s.1)

13. R.S.58:14-6 is amended to read as follows: 58:14-6. a. The commissioners shall annually on the first Tuesday in May organize by the choice of a chairman and a vice chairman, who shall be members of the board, and a treasurer and a clerk, who may or may not be members of the board. [The commissioners may, from time to time, appoint such other officers, attorneys, agents, engineers, employees and assistants as they may deem necessary to carry out the purposes of this chapter, and may prescribe their duties, fix their compensation and remove them at pleasure.]

b. In order to oversee the performance of its duties, the board shall appoint an executive director, who shall hold office at the pleasure of the board. The executive director shall perform the duties of office on a full-time basis. The executive director shall receive such compensation as

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

17

the board may provide by resolution. The executive director shall have the power to oversee all operational functions under the jurisdiction of the commissioners, including, but not limited to, employee hiring and firing, hiring of contractors, prescribing employee duties, and fixing employee compensation.
(cf: R.S.58:14-6)

14. R.S.58:14-22 is amended to read as follows:

58:14-22. a. Whenever any work to be performed or any material to be furnished shall involve an expenditure of money exceeding the sum of **[\$7,500.00]** \$7,500 or, after June 30, 1985, the amount determined pursuant to subsection b. of this section, the commissioners shall designate the time when they will meet at their usual place of meeting to receive proposals in writing for doing the work and furnishing the material, and the commissioners shall order their clerk to give notice by advertisement, inserted in at least two newspapers printed and circulating, respectively, in two of the counties of the district, at least 10 days before the time of such meeting, of the work to be done and the material to be furnished, particular specifications of which they shall cause to be filed in their office at the time of such order. All proposals received shall be publicly opened by the commissioners or the chief administrative officer of the commission and the commissioners shall award the contract to the lowest responsible bidder. All contractors shall be required to give bond satisfactory in amount and security to the commissioners.

b. Commencing January 1, 1985, the Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of each odd-numbered year, adjust the threshold amount set forth in subsection a. of this section, or subsequent

to 1985, the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the Consumer Price Index for all urban consumers in the New York City and Philadelphia areas, as reported by the United States Department of Labor. The Governor shall, no later than June 1 of each odd-numbered year, notify the commissioners about the adjustment. The adjustment shall become effective on July 1 of each odd-numbered year.

c. Nothing in this act shall prohibit the commissioners from entering into a joint agreement pursuant to section 10 of P.L.1971, c.198 (C.40A:11-10) for the purchase of work related to sewage sludge disposal. All such agreements shall be entered into by resolution of the commissioners and shall be subject to the requirements of P.L.1971, c.198 (C.40A:11-1 et seq.).

d. Except as otherwise provided by this chapter, the awarding and execution of any contract for the performance of work or the furnishing of materials shall be conducted in accordance with the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.).
(cf: P.L.1985, c.452, s.3)

15. Section 6 of P.L. 1968, c. 404 (C.13:17-6) is amended to read as follows:

a. The commission shall have perpetual succession and shall have the following powers:

(a) To adopt and from time to time amend and repeal suitable by-laws for the management of its affairs;

(b) To adopt and use an official seal and alter the same at its pleasure;

(c) To maintain an office at such place or places within the State as it may designate;

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

19

(d) To sue and be sued in its own name;

(e) To issue bonds or notes of the commission and to provide for the rights of the holders thereof as provided in this act; provided, however, that prior to the issuance of any bonds or notes and prior to incurring any financial obligation in excess of \$1,000,000.00, the commission shall employ a registered municipal accountant of New Jersey or a certified public accountant of New Jersey to inspect its accounts and certify to the State Treasurer that such bonds or such obligations may be issued or incurred by the commission without prejudice to any bonds or obligations of the commission outstanding, and that such bonds or obligations are, or may reasonably be expected to be, within the ability of the commission to meet.

(f) To enter upon any building or property in order to conduct investigations, examinations, surveys, soundings, or test borings necessary to carry out the purposes of this act, all in accordance with due process of law.

(g) To acquire in the name of the commission by purchase, lease as lessee, or otherwise, on such terms and conditions and in such manner as it may deem proper, or by the exercise of the power of eminent domain, any land or interest therein and other property, including land under water and riparian lands, land or highways held by any municipality or other governmental subdivision of the State, or any fee simple absolute in, easements upon, or the benefit of restrictions upon abutting property, that it may determine is reasonably necessary for the performance of any of its duties under this act; provided that the power of eminent domain shall not be exercised by the commission to acquire any property owned or used by a

public utility, as defined in section 48:2-13 of the Revised Statutes, in furnishing any commodity or service which by law it is authorized to furnish;

(h) To receive and accept, from any Federal or other public agency or governmental entity, grants or loans for or in aid of the planning or construction of any project or improvement, or the acquisition of any property, and to receive and accept aid or contributions from any other source, of either money, property, labor or other things of value, to be held, used and applied only for the purposes for which such grants, loans and contributions may be made, and to enter into cooperative agreements with the Federal Government or any other public or governmental agency for the performance of such acts as may be necessary and proper for the reclamation of the meadowlands and to comply with other requirements for such participation;

(i) To prepare, adopt and implement a master plan for the physical development of all lands, or a portion thereof, lying within the district; and to adopt and enforce codes and standards for the effectuation of such plan;

(j) By contract or contracts with a redeveloper or by its own employees to undertake any development or other project or improvement as it finds necessary to reclaim, develop, redevelop and improve the land within the district;

(k) To establish engineering standards for land reclamation, including the type of fill, drainage and grading, and to promulgate a building code specifying the maximum weight, size and density of all buildings and structures to be placed on any land within its jurisdiction according to the method of reclamation

employed and the load-bearing quality of the reclaimed land;

(l) To recover by special assessments the cost of improvements from the increase of property values attributable to such improvements;

(m) Generally to fix and revise from time to time and to charge and collect rates, fees and other charges for the use of any facilities operated and maintained by the commission;

(n) To make such legal arrangements for the use of the property of the school fund so as to increase the capital of such fund as may be necessary or desirable;

(o) To enter into any and all agreements or contracts, execute any and all instruments, and do and perform any and all acts or things necessary, convenient or desirable for the purposes of the commission or to carry out any power expressly given in this act;

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

(q) To publish and disseminate information and to make known to potential users, by advertisement, solicitation or other means, the availability for development of lands in the district;

(r) To review and regulate plans for any subdivision or development within the district;

(s) To subordinate, waive, sell, assign, or release any right, title, claim, lien, or

demand however acquired, including any equity or right or redemption; to foreclose, sell, or assign any mortgage held by it, or any interest in real or personal property; and to purchase at any sale upon such terms and at such prices as it determines to be reasonable and to take title to property, real, personal, or mixed, so acquired, and to sell, exchange, assign, convey, lease, mortgage, or otherwise dispose of any such property, subject to such conditions and restrictions as it deems necessary to carry out the purposes of this act;

(t) To cause to be prepared plans, specifications, designs and estimates of costs for the construction of projects and improvements under the provisions of this act, and from time to time to modify such plans, specifications, designs or estimates;

(u) To determine the existence of renewal areas, and to undertake redevelopment projects therein;

(v) To exercise all authorized powers of the commission which shall be deemed to be for a public purpose and to acquire any property which shall be deemed for public use, which use shall be deemed superior to the public use of any municipality, county, school district, or other local or regional district, authority or agency;

(w) To provide solid waste disposal facilities for the treatment and disposal of solid waste, as hereinafter provided.

b. (1) The commission shall maintain minutes of all meetings of the commission, both public meetings and closed sessions. The commission shall not pass any resolution or take any other official action except upon the affirmative votes of members constituting a

majority of the full authorized membership of the commission, unless in any case the by-laws of the commission or any of the provisions of P.L.1968, c.404 (C.13:17-1 et seq.) shall require a larger number. The secretary of the commission shall record the commission's passing of any resolution or taking of any other official action in the minutes of the commission meeting at which that resolution was passed or other action taken.

(2) A true copy of the minutes of every meeting of the commission shall be delivered forthwith by and under the certification of the secretary thereof to the Governor. No resolution passed or official action taken by the commission at the meeting shall have force or effect until 15 days after the copy of the minutes shall have been so delivered, unless during this 15-day period the Governor shall approve in writing the minutes or any part thereof, in which case the action shall become effective upon approval. If, within that 15-day period, the Governor returns a copy of the minutes with the Governor's veto of any action taken by the commission or any member thereof at the meeting, the action shall be null and void and of no effect. Notwithstanding the foregoing, if the last day of the 15-day period shall be a Saturday, Sunday, or legal holiday, then the 15-day period shall be deemed extended to the next following business day. The powers conferred in this paragraph upon the Governor shall be exercised with due regard for the rights of the holders of bonds, notes, or other obligations of the commission or of the constituent municipalities, at any time outstanding, and nothing in, or done pursuant to, this subsection shall in any way limit, restrict, or alter the obligation or powers of the members of the commission or of any of those

municipalities or any representative or officer of the members of the governing body or any such municipality to carry out and perform in every detail each and every covenant, agreement, or contract at any time made or entered into by or on behalf of the members of the commission or such municipality with respect to those bonds, notes, or other obligations or for the benefit, protection, or security of the holders thereof.

(3) After the review period, prescribed under paragraph (2) of this subsection for the minutes of a commission meeting, has elapsed, if the Governor has not notified that commission of a veto of the minutes, the minutes and any action taken at that meeting to which the minutes correspond shall take effect.

(cf: P.L.1968, c.404, s.6)

16. Section 1 of P.L.1989, c.145 (C.40:62-110.1) is amended to read as follows:

1. In any county of the second class with a population of at least 440,000, but not more than 450,000, according to the 1980 federal decennial census, in which at least three municipalities, two of which each have populations of 50,000 or more, but less than 100,000, and one of which has a population of 100,000 or more according to the 1980 federal decennial census, have joined together to create, under R.S.40:62-109, or elect or appoint under R.S.40:62-129, a waterworks or water commission, the provisions of this section shall control the number and method of appointment of the waterworks or water commission members, their terms of office and their salaries, notwithstanding the provisions of R.S.40:62-108 et seq. to the contrary. Any agreements entered into pursuant to R.S.40:62-129

shall be amended to conform with the provisions of this section.

a. The commission shall consist of seven members. A municipality with a population of 100,000 or more shall have three members on the commission and a municipality with a population of 50,000 or more, but less than 100,000, shall have two members on the commission. Members shall be appointed by the mayor in any municipality organized under P.L.1950, c.210 (C.40:69A-1 et seq.) and by the governing body, by a majority vote, in any municipality organized under R.S.40:79-1 et seq. A member of the commission shall be required to reside in the municipality at the time of appointment; however, if the commission member moves outside the municipality during the member's term of office, the member may continue to serve on the commission to the end of the member's term. A mayor, a manager or a member of the governing body of the appointing municipality may serve as a member of the commission unless this service is prohibited by the conflict of interest laws of this State.

b. Each commission member shall be appointed for a four-year term. All additional members who may be appointed to a commission under this section shall be appointed before January 1, 1989, and their first term shall expire not later than December 31, 1992. All terms of office of commission members already appointed and serving on the effective date of this amendatory and supplementary act shall not be affected by the provisions of this act.

c. The [salaries of the president and the] members of the commission shall [be as follows: The president shall receive a salary at the rate of \$8,500.00 annually as compensation for service on

the commission; and any other member of the commission shall receive a salary at the rate of \$7,500.00 annually as] serve without compensation for [service on the commission] services as a commissioner, but shall be entitled to reimbursement of actual and necessary expenses incurred in the performance of their duties.

(cf: P.L.1989, c.145, s.1)

17. (New section) a. The provisions of this act shall be severable, and if any section, subsection, clause, or provision of this act shall be adjudged unconstitutional or be ineffective in whole or in part, to the extent that it is not adjudged unconstitutional or is not ineffective it shall be valid and effective and no other section, subsection, clause, or provision of this act shall on account thereof be deemed invalid or ineffective, and the inapplicability or invalidity of any section, subsection, clause, or provision of this act in any one or more instances or under any one or more circumstances shall not be taken to affect or prejudice in any way its applicability or validity in any other instance or under any other circumstance.

b. Nothing in this act shall in any way limit, restrict, or alter the obligation or powers of any of the regional authorities to carry out and perform in every detail each and every covenant, agreement, or contract at any time made or entered into by or on behalf of such regional authority with respect to its bonds, notes, or other obligations issued for the benefit, protection, or security of the holders thereof.

18. (New section) The Governor may take any administrative action necessary to fulfill the provisions set forth in this act.

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

27

Page 2, Section 2, Lines 12-34: Delete in their entirety

Page 2, Section 3, Lines 36-44: Delete in their entirety

Page 3, Section 3, Lines 1-48: Delete in their entirety

Page 4, Section 3, Lines 1-4: Delete in their entirety

Page 4, Section 4, Lines 6-48: Delete in their entirety

Page 5, Section 4, Lines 1-11: Delete in their entirety

Page 5, Section 5, Lines 13-30: Delete in their entirety

Page 5, Section 6, Lines 32-48: Delete in their entirety

Page 6, Section 7, Lines 1-36: Delete in their entirety

Page 6, Section 8, Lines 38-41: Delete in their entirety

Page 6, Section 9, Line 43: Delete "9." and insert "19."

Page 6, Section 9, Line 43: Delete "upon the enactment into law by the" and insert "immediately."

Page 6, Section 9, Lines 44-47: Delete in their entirety

Page 7, Section 9, Lines 1-2: Delete in their entirety

Respectfully,
/s/ Chris Christie
Governor

[seal]

Attest:
/s/ Charles B. McKenna
Chief Counsel to the Governor