

We are persuaded by the opinion of the Attorney General of the United States that the contract of the Public Housing Administration is an obligation of the United States. And in view of the above statutory authority we are of the opinion that there are no limitations upon the amount which a savings bank or bank may invest in the bonds of local housing authorities when secured in the manner you have described.

Very truly yours,

GROVER C. RICHMAN, JR.
Attorney General

By: JOHN F. CRANE
Deputy Attorney General

JFC:b

DECEMBER 28, 1954.

HON. JOSEPH E. McLEAN
Department of Conservation and Economic Development
State House Annex
Trenton, New Jersey

FORMAL OPINION 1954—No. 24

DEAR COMMISSIONER McLEAN:

I have your letter of December 22, 1954, in which you requested a formal opinion upon the following question:

Do municipalities in which rent control was operative on December 20, 1954, pursuant to Chapter 216, P. L. 1953, have to pass additional resolutions or take any other action under the Extender in order to continue rent control in effect within their confines?

Section 28, Chapter 216, of the Laws of 1953, provides:

"Rent control under this act shall be operative in any municipality in which the governing body shall adopt a resolution reciting that there is a housing space shortage therein and that rent control is required in such municipality for the protection, safety, health and general welfare of the people of such municipality. . . ."

Section 13 of Chapter 260 of the Laws of 1954 provides:

"13. *This act shall not affect the resolutions, orders, determinations or certificates of eviction, designations, and appointments and regulations heretofore made or promulgated under the act to which this act is amendatory and supplementary, but such resolutions, orders, determinations or certificates of eviction, designations and appointments and regulations shall, notwithstanding the provisions thereof, continue in full force and effect until amended, supplemented, modified, rescinded or repealed pursuant to law.*" (Italics added).

Section 11 of the same act provides:

"11. After December 20, 1954, rent control under this act shall be operative only in a municipality which on that date has in full force and effect a resolution theretofore adopted that rent control is required. The governing body of any such municipality may by resolution rescind any resolution theretofore adopted that rent control is required in such municipal-

ity but in the event of any such rescission rent control may not be thereafter reinstated."

It seems clear that under Section 13 of this latter act that the resolutions of the municipalities shall continue in full force and effect until amended, supplemented, modified, rescinded, or repealed by the municipality or by other appropriate action. The obvious intent of the legislature in enacting these two sections was to continue the operation of rent control in those municipalities which were under rent control on December 20, 1954, without any further action by the municipality involved, until the municipality took the necessary affirmative action to remove such control or until July 1, 1956, whichever occurred sooner.

The resolutions theretofore adopted continue in effect until July 1, 1956, unless rescinded prior to that date.

You also ask whether any variations in the language of the particular resolutions would require further action by the municipalities by reason of the enactment of Chapter 260.

Under Section 28 of the original act, the municipalities were authorized to adopt a resolution reciting certain factual findings. Upon the adoption of such a resolution, rent control became operative in that municipality.

Rent control, under Section 29 of that act, could be removed by the rescission of such resolution. It therefore appears that in the original resolution the municipality could not provide for the operation of rent controls in any specific period inasmuch as such provision would violate the section authorizing the municipality to remove the operation of rent control at any time. Such a provision would also create a means of removing rent control in addition to the sole method provided in the statute.

It should be further noted that Section 13 of Chapter 260 of the Laws of 1954, specifically provides that such resolutions, *notwithstanding the provisions thereof*, shall continue in full force and effect. Section 11 of that act also sets forth the method whereby the operation of rent control may be removed in any municipality, namely by rescission of the resolution. This procedure is exclusive.

It is therefore our conclusion that regardless of the provisions and specific language of the resolutions adopted by the municipality making rent control operative in that municipality, rent control will continue to be operative in those municipalities in which it was effective on December 20, 1954, without the passage of further resolutions by the municipalities or any other municipal action.

Very truly yours,

GROVER C. RICHMAN, JR.
Attorney General

By: DAVID C. THOMPSON
Deputy Attorney General