

CHAPTER 6

AN ACT concerning urban enterprise zones impacted by fiscal year 2003 transfers from the enterprise zone assistance fund accounts, supplementing P.L.1983, c.303 (C.52:27H-60 et seq.) and amending P.L.2002, c.38.

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

C.52:27H-66.6a UEZ reimbursed for municipal account moneys.

1. Notwithstanding the provisions of section 7 of P.L.1983, c.303 (C.52:27H-66), section 21 of P.L.1983, c.303 (C.52:27H-80), section 11 of P.L.2001, c.347 (C.52:27H-66.6) or any provision of law to the contrary, any designated enterprise zone that has a separate municipal account in the enterprise zone assistance fund that is reduced by the transfer from that fund made pursuant to section 69 of P.L.2002, c.38, shall have extended any designated five-year period under which it is operating on July 1, 2002 for such period of time as is necessary for the higher percentage rate of separate enterprise zone assistance fund deposits to yield such additional sums as is necessary to fully compensate for the amount transferred, except that any zone beginning an extension of designation pursuant to section 11 of P.L.2001, c.347 (C.52:27H-66.6) within twelve months following the effective date of this section shall have extended the first five-year period of its extension of designation for such period of time as is necessary to fully compensate for the amount transferred.

2. Notwithstanding the provisions of any law to the contrary, each municipality in which an urban enterprise zone is designated whose separate account in the enterprise zone assistance fund is reduced by the transfer from that fund made pursuant to section 69 of P.L.2002, c.38, shall be allowed during State fiscal year 2003 to borrow without interest an amount up to an amount equal to its annual account payment in State fiscal year 2000, 2001 or 2002, whichever is greatest, from amounts on deposit in various separate municipal accounts in the enterprise zone assistance fund that would not otherwise be utilized in State fiscal year 2003 for projects for the designated municipality. The amount borrowed shall be repaid by the borrowing municipality to the respective project accounts within the enterprise zone assistance fund in annual payments of at least 25% of the amount borrowed during State fiscal years 2004 through 2007.

3. Section 69 of P.L.2002, c.38 is amended to read as follows:

69. Notwithstanding the provisions of any law to the contrary, \$46,000,000 deposited in the Urban Enterprise Assistance Fund on or after July 1, 2002 is transferred to the General Fund as State revenue. Provided, however, that no money shall be transferred to the General Fund from project funds for municipalities whose account receipts in FY 2001 were less than \$1 million.

4. This act shall take effect immediately, except that section 1 shall take effect on July 1, 2003.

Approved January 27, 2003.