

CHAPTER 39

AN ACT concerning the position of treasurer of school moneys, supplementing chapter 17 of Title 18A of the New Jersey Statutes and amending various sections of the New Jersey Statutes.

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

C.18A:17-9.1 Board secretary to receive, hold moneys in certain districts.

1. In a school district which does not have a treasurer of school moneys, the board secretary shall receive and hold in trust all school moneys belonging to the district from whatever source derived free of any control by the governing body of any municipality comprised in that district, except any moneys derived from athletic events or other activities of pupil organizations of the district. The board secretary shall, when required by resolution of the board, deposit the school moneys or such part thereof as may be designated in any bank or banking institution of this State designated by it as a depository of school moneys, which may include the State of New Jersey Cash Management Fund, created pursuant to section 1 of P.L.1977, c.281 (C.52:18A-90.4), and thereafter school moneys shall be deposited only in the depository or any of the depositories so named and the secretary shall, upon depositing the same therein, be relieved from liability for any loss thereof which may be caused by reason of the deposit.

C.18A:17-9.2 Board secretary to keep records in certain districts.

2. In a school district which does not have a treasurer of school moneys, the board secretary shall keep a record of the sums received and paid out by him in accordance with the uniform system of bookkeeping prescribed by the State board. Upon ceasing to hold the office the board secretary shall pay over the balance of school funds remaining in his hands to his successor in office.

3. N.J.S.18A:2-2 is amended to read as follows:

Payment and disposition of fines imposed under this title.

18A:2-2. In every case of conviction or violation of any provision of this title, when a fine is imposed, the defendant may pay the fine, together with the cost to the officer before whom the conviction is had, and such officer shall receive the same and unless otherwise provided by this or any other law he shall remit the amount of the fine within 10 days thereafter to the board secretary or treasurer of school moneys of the district, as appropriate, where the offense was committed, for the use of the public schools thereof.

4. N.J.S.18A:6-50 is amended to read as follows:

Expenses of delegates; dues.

18A:6-50. For the purpose of defraying the necessary expenses of the association, the various district boards shall pay the necessary expenses incurred by its delegates, and shall appropriate annually such sums for dues as may be assessed by the association at any delegates meeting. The assessment of dues shall be made upon a graduated scale and shall be made only upon two-thirds vote of the delegates present at such delegates meeting, after notice of the taking of such vote shall have been given to each district board in writing at least 60 days before such delegates meeting. However, the dues assessed any board of education shall not be increased for any year by more than 33 1/3% of the dues assessed that

board during the preceding year. Dues shall be payable by the board secretary or treasurer of school moneys of the school district, as appropriate, to the treasurer of the association.

5. N.J.S.18A:8-33 is amended to read as follows:

Treasurer of school moneys.

18A:8-33. The board may appoint a suitable person, except a member or employee of the board, as treasurer of school moneys and may fix his salary, and he shall give bond in such amount, according to such terms, as are required by law, of treasurers of school moneys of school districts, and with such surety as the board shall direct. The board in its determination of the amount shall be guided by a schedule of minimum limits to be promulgated by the State board.

6. N.J.S.18A:13-13 is amended to read as follows:

Appointment of secretary.

18A:13-13. The board shall appoint a secretary who may or may not be a member of the board, for the term of one year beginning on July 1 following his appointment but he shall continue to serve after the expiration of his term until his successor is appointed and qualified. In a district which does not have a treasurer of school moneys, the secretary shall give bond in such amount and with such surety as the board shall direct. The board shall be guided in its determination of the amount of coverage necessary by a schedule of minimum limits promulgated by the State Board of Education.

7. N.J.S.18A:13-14 is amended to read as follows:

Treasurer of school moneys; appointment; term; bond.

18A:13-14. The board may appoint a treasurer of school moneys who shall not be a member or employee of the board and it shall fix his salary. His term of office shall expire annually on June 30 of each year, but if a municipal officer is appointed treasurer, his term shall cease if he ceases to hold his municipal office and in either case, the treasurer shall continue in office after the expiration of his term until his successor is qualified. He shall give bond in such amount, and with such surety, as the board shall direct. The board in its determination of the amount shall be guided by a schedule of minimum limits to be promulgated by the State board.

8. N.J.S.18A:13-50 is amended to read as follows:

Transfers; funds; personal property, books, etc., obligations of indebtedness.

18A:13-50. Upon the dissolution of any local district the officer having custody of the funds of such district shall deliver all of the funds of the dissolved district in his possession to the secretary of the successor regional district who shall give his receipt therefor and shall, in a district which has a treasurer of school moneys, immediately turn the same over to the treasurer of school moneys of the regional district.

All personal property, books, papers, vouchers and other documents belonging to any district, being dissolved, shall be transferred to the secretary of said regional district who shall cause a complete inventory to be made on all assets, real and personal, received by the regional school district. Upon and after the date of dissolution of the district all proceeds of

taxes of any nature raised or to be levied for use or benefit of each dissolving school district and rights and claims with respect thereto, and all the property, funds, moneys and assets of each dissolving district shall vest in the regional district and the regional district shall be subject to all the contracts, debts and other obligations of each dissolving district. Upon said date all bonds and notes, of each dissolving district, theretofore issued and outstanding and all bonds and notes theretofore issued and outstanding of any municipality constituting or comprised within any dissolving district which were issued for the purpose of acquiring property which is vesting on said date in the regional district shall be and shall constitute obligations of and payable as to both principal and interest by the regional district, and, unless otherwise required or provided for by law, in the same manner and to the same extent as if such bonds and notes had been issued by the board of the regional district. The regional board shall cause an audit and settlement of all accounts of officers of the former district or districts to be made forthwith. The official bonds of such officers shall be continued in full force and effect until the completion of such audit and satisfactory financial settlement of said accounts shall have been made.

9. N.J.S.18A:17-6 is amended to read as follows:

Bond of secretary.

18A:17-6. The secretary shall, before entering upon the duties of his office, give bond to the board, not less than \$2,000.00, in an amount and with surety to be approved by the board, conditioned for the faithful performance of the duties of his office. In a district which does not have a treasurer of school moneys, if the secretary is an officer of the municipality constituting the district, and the bond given by the officer for the faithful performance of the municipal duties covers and secures the faithful performance of the duties as secretary, and a certificate of coverage with sufficient amounts of coverage for both the municipal and board position is certified to the board, the secretary shall not be required to give additional bond. The board shall be guided in its determination of the amount of coverage necessary by a schedule of minimum limits of coverage promulgated by the State Board of Education. The board may accept as surety a corporation authorized to be surety under the laws of this State and may pay the annual premiums or fee upon said bond as a current expense of the board.

10. N.J.S.18A:17-8 is amended to read as follows:

Duties of secretary as general accountant of board.

18A:17-8. The secretary shall be the general accountant of the board and he shall:

a. Collect and in a district which does not have a treasurer of school moneys, deposit tuition fees and other moneys due to the board. In a district which has a treasurer of school moneys, the secretary shall collect those fees not payable directly to the treasurer of school moneys of the district and transmit the same to the treasurer of school moneys;

b. Examine and audit all accounts and demands against the board and present the same to the board for its approval in open meeting, and when payment thereof shall be ordered by the board, he shall indicate the board's approval upon the same in writing with the president of the board and present the same for payment pursuant to N.J.S.18A:19-1 or, in a district which has a treasurer of school moneys, to the treasurer; and

c. Keep and maintain such accounts of the financial transactions of the district as shall be prescribed by the State board in accordance with the uniform system of bookkeeping presented by the State board including a correct detailed account of all the expenditures of

school moneys in the district.

11. N.J.S.18A:17-9 is amended to read as follows:

Monthly reconciliation of bank account statements; report by secretary.

18A:17-9. The chief school administrator or board designee other than the secretary shall prepare the monthly reconciliation of bank account statements and in conjunction with the secretary take any steps necessary to bring the cash record balance and reconciled bank balance into agreement prior to completion of the secretary's monthly report.

The secretary shall:

a. Report to the board, at each regular meeting, but not more often than once each month, the amount of total appropriations and the cash receipts for each account, the amount for which warrants have been drawn against each account, the amounts of orders or contractual obligations incurred and chargeable against each account year to date and since the date of his last report, the cash and appropriation balances for each account and fund, and the reconciled bank account balances in the manner and form prescribed by the commissioner;

b. Keep and maintain in his office all contracts, records and documents belonging to the board, except such as shall be kept by the treasurer of school moneys pursuant to law, under such conditions as the board shall prescribe;

c. Perform any other duties prescribed by law.

12. N.J.S.18A:17-31 is amended to read as follows:

Treasurer of school moneys.

18A:17-31. The board may appoint any suitable person except a member or employee of the board, with a term of office fixed by the board as the treasurer of school moneys. Any municipal officer acting or designated as treasurer of school moneys who ceases to be such officer shall thereupon cease to be such treasurer.

13. N.J.S.18A:17-34 is amended to read as follows:

Receipt and disposition of moneys.

18A:17-34. In a district which appoints a treasurer of school moneys, the treasurer shall receive and hold in trust all school moneys belonging to the district from whatever source derived free of any control by the governing body of any municipality comprised in said district, except such moneys as are derived from athletic events or other activities of pupil organizations of the district, and he shall, when required by resolution of the board, deposit the same or such part thereof as may be designated in any bank or banking institution of this State designated by it as a depository of school moneys, which may include the State of New Jersey Cash Management Fund, created pursuant to section 1 of P.L.1977, c.281 (C.52:18A-90.4), and thereafter school moneys shall be deposited only in the depository or any of the depositories so named and the treasurer shall, upon depositing the same therein, be relieved from liability for any loss thereof which may be caused by reason of such deposit.

14. N.J.S.18A:19-1 is amended to read as follows:

Expenditures of funds on warrant only; requisites.

18A:19-1. The money or funds of the board in the custody of the secretary or treasurer of school moneys shall be expended by the secretary or treasurer of school moneys by, and only by, warrants, each made payable to the order of the person entitled to receive the amount thereof and specifying the object for which it is issued, signed by the president and secretary of the board and the chief school administrator or by the treasurer of school moneys, as appropriate to the district,

(a) After audit of the account or demand to be paid, by the secretary, and after approval by the board, or

(b) In accordance with payrolls duly certified as provided by this title, or

(c) For debt service, or

(d) When provided by resolution of the board, after audit of the account or demand to be paid, and approval by a person designated by the board.

15. N.J.S.18A:19-2 is amended to read as follows:

Requirements for payment of claims; audit of claims in general.

18A:19-2. No claim or demand against a school district shall be paid by the secretary or treasurer of school moneys, as appropriate, unless it is authorized by law and the rules of the board of education of the district, is fully itemized and verified, has been duly audited as required by law, has been presented to, and approved by, the board at a meeting thereof, or presented to, and approved by, a person designated by the board for that purpose, and the amount required to pay the same is available for said purpose.

16. N.J.S.18A:19-4 is amended to read as follows:

Audit of claims; warrants for payments.

18A:19-4. All claims and demands against the board, except such as are to be paid from funds derived from athletic events or other activities of pupil organizations, shall, unless otherwise provided by resolution of the board, be examined, audited and certified in writing by the secretary and presented by him to the board for its approval at a regularly called meeting, and if found to be correct, shall be ordered paid by the board, whereupon the secretary and the president of the board and the chief school administrator shall issue and sign a warrant in payment therefor. In a district which has a treasurer of school moneys, the secretary thereupon shall forward the warrant to the treasurer of school moneys.

17. N.J.S.18A:19-9 is amended to read as follows:

Compensation of teachers, etc., payrolls.

18A:19-9. Payment of the compensation of teachers and other employees may be made on the basis of payrolls certified by the president and secretary of the board and the chief school administrator, stating the names and amounts to be paid to each. In a district which has a treasurer of school moneys, the payrolls shall be delivered to the treasurer of school moneys with a warrant made to his order for the full amount of each payroll.

18. N.J.S.18A:19-10 is amended to read as follows:

Payroll bank accounts; checks for compensation.

18A:19-10. In a district which does not have a treasurer of school moneys, the secretary

shall pursuant to N.J.S.18A:19-1 draw and deposit the warrants in separate bank accounts as a net payroll account and agency account for payroll deductions and associated board contributions. Payment shall be made to the teachers and others entitled thereto by individual checks drawn to their respective orders upon such account and signed by the secretary and a board designee. In a district which has a treasurer of school moneys, the treasurer shall deposit the warrants in a separate bank account as a payroll account and payment shall be made to the teachers and others entitled thereto by individual checks drawn to their respective orders upon such account.

19. N.J.S.18A:19-12 is amended to read as follows:

Interest payable on certain warrants not immediately paid.

18A:19-12. When a warrant for the payment of current expenses of a public school is drawn and issued and there are no funds for payment of the same, the warrant shall bear legal interest until such time as the secretary or treasurer, as appropriate, gives public notice of the fact that funds are provided for the payment thereof.

20. N.J.S.18A:22-23 is amended to read as follows:

Additional appropriations; raising.

18A:22-23. Upon receipt of the certificate, the governing body of the municipality shall immediately appropriate the sum or sums for the purpose or purposes and shall raise such sum or sums in the manner provided by law for the raising of such funds by the municipality in emergencies, and the raising of the funds required by such certificate, in such a case, shall be considered an emergency. Upon raising the funds, the governing body shall cause the sum or sums to be paid forthwith to the secretary or treasurer, as appropriate, of the district for such purpose or purposes.

21. N.J.S.18A:22-26 is amended to read as follows:

Board of school estimate of type II district to determine appropriation amount.

18A:22-26. At or after the public hearing but not later than April 8, the board of school estimate of a type II district having a board of school estimate shall fix and determine by a recorded roll call majority vote of its full membership the amount of money necessary to be appropriated for the use of the public schools in the district for the ensuing school year, exclusive of the amount which shall be apportioned to it by the commissioner for the year pursuant to the provisions of section 5 of P.L.1996, c.138 (C.18A:7F-5) and shall make a certificate of the amount signed by at least a majority of all members of the board, which shall be delivered to the board of education and a copy thereof, certified under oath to be correct and true by the secretary of the board of school estimate, shall be delivered to the county board of taxation on or before April 15 in each year and a duplicate of the certificate shall be delivered to the board or governing body of each of the municipalities within the territorial limits of the district having the power to make appropriations of money raised by taxation in the municipalities or political subdivisions and to the county superintendent of schools and the amount shall be assessed, levied and raised under the procedure and in the manner provided by law for the levying and raising of special school taxes voted to be raised at an annual or special election of the legal voters in type II districts and shall be paid to the board secretary or treasurer of school moneys, as appropriate, of the district for such

purposes.

Within 15 days after receiving the certificate the board of education shall notify the board of school estimate, the governing body of each municipality within the territorial limits of the school district, and the commissioner if it intends to appeal to the commissioner the board of school estimate's determination as to the amount of money requested pursuant to the provisions of section 5 of P.L.1996, c.138 (C.18A:7F-5), necessary to be appropriated for the use of the public schools of the district for the ensuing school year.

22. N.J.S.18A:22-44 is amended to read as follows:

Payment of amounts raised to custodian; use.

18A:22-44. The amounts so raised, levied and collected shall be paid to the board secretary or treasurer of school moneys, as appropriate, for the district as other school moneys are paid and shall be used to pay the principal and interest due upon any notes which may have been issued in anticipation thereof as they severally mature and for the purposes so authorized.

23. N.J.S.18A:24-59 is amended to read as follows:

Disposition of funds for payment of principal and interest on obligations.

18A:24-59. All moneys received for payment of principal and interest of obligations of a type II school district payable in any year shall be paid to the secretary or treasurer of school moneys of the district, as appropriate, who shall deposit them in such bank as shall be determined by resolution by the board, in order to provide for the payment thereof.

24. N.J.S.18A:29-4 is amended to read as follows:

Withholding salary for failure to perform duties.

18A:29-4. The commissioner shall direct the board secretary or treasurer of school moneys, as appropriate, of any district to withhold the salary of any teaching staff member of the district who shall neglect or refuse to perform any duty imposed upon him by law or by the rules of the State board until the receipt of notice from the commissioner that such teacher has performed the duty.

25. N.J.S.18A:33-2 is amended to read as follows:

Penalty for failure to provide proper facilities.

18A:33-2. When any school district shall fail to provide such facilities and courses of study, the county superintendent shall, by order in writing, approved in writing by the commissioner and transmitted to the board secretary or treasurer of school moneys, as appropriate, of the district, direct the secretary or treasurer to withhold further payments, for the account of the district, of any moneys theretofore and thereafter received from State aid until such suitable facilities and courses of study shall be provided, which order shall be effective upon the date stated by the commissioner in his approval thereof. The county superintendent shall notify the board of education of the district of his action with the reasons therefor forthwith.

26. N.J.S.18A:38-19 is amended to read as follows:

Tuition of pupils attending schools in another district.

18A:38-19. Whenever the pupils of any school district are attending public school in another district, within or without the State, pursuant to this article, the board of education of the receiving district shall determine a tuition rate to be paid by the board of education of the sending district to an amount not in excess of the actual cost per pupil as determined under rules prescribed by the commissioner and approved by the State board, and such tuition shall be paid by the board secretary or treasurer of school moneys, as appropriate, of the sending district out of any moneys in his hands available for current expenses of the district upon order issued by the board of education of the sending district, signed by its president and secretary, in favor of the board secretary or treasurer of school moneys, as appropriate, of the receiving district.

27. N.J.S.18A:39-1.2 is amended to read as follows:

Provision of transportation for certain pupils, contracts; charges, method of collection.

18A:39-1.2. Whenever the governing body of a municipality finds that for safety reasons it is desirable to provide transportation to and from a school for pupils living within the municipality, other than those living remote from the school or those physically handicapped or mentally retarded, the governing body and the board of education of the district are authorized to enter into a contract pursuant to the "Interlocal Services Act," P.L.1973, c.208 (C.40:8A-1 et seq.), under the terms of which the board shall provide such transportation. Any funds required to be paid by the municipality to the board of education under such a contract shall be appropriated by the governing body and paid to the secretary or treasurer of school moneys, as appropriate, of the district. The governing body of the municipality may charge the parents or guardians of children who are transported for safety reasons in order to help defray expenses, provided that no charge shall be imposed on the parent or guardian of any child who meets the Statewide eligibility standards established by the State Board of Education for free and reduced price meals under the State school lunch program. The amount of any charges and the method of collection shall be specified in the contract between the municipal governing body and the board of education. Nothing in this section shall prevent a board of education from providing transportation at its own expense.

28. N.J.S.18A:47-5 is amended to read as follows:

Commitment to school in another district.

18A:47-5. Children who are dependent and delinquent, or who are habitually truant or incorrigible, or who shall be found by the court to require special instruction, and who reside in a school district in which there is no such special school of instruction may be committed to such a special school of instruction maintained in another district. The board of education of the receiving district shall be entitled to collect and receive from the board of education of the sending district such sum for the tuition and maintenance of such children as the boards shall agree to, but not in excess of the actual cost per pupil as determined according to rules of the commissioner approved by the State board. The board of education of the sending district shall issue an order, payable from any funds available for current expenses, for such sum in favor of the secretary or treasurer of school moneys, as appropriate, of the school district maintaining the school to which the child shall have been committed.

29. N.J.S.18A:49-3 is amended to read as follows:

State aid.

18A:49-3. When in any school district there shall have been raised for such purposes, by appropriation and taxation, or by subscription, or both, a sum which in the judgment of the State board shall be sufficient for the maintenance in the district of such an evening school or schools, wherein the course of study or any changes therein shall have been approved by the State board, there shall be paid to the secretary or treasurer of school moneys, as appropriate, of the district toward the maintenance of such evening school or schools, on the order of the commissioner, an amount equal to that so raised, but not exceeding the sum of \$5,000.00 in any one year. The amount shall be paid by the State treasurer on the warrant of the director of the division of budget and accounting.

30. N.J.S.18A:49-5 is amended to read as follows:

Custody of moneys.

18A:49-5. The secretary or treasurer of school moneys, as appropriate, of the school district shall be the legal custodian of all funds appropriated, raised, or subscribed for the maintenance of such evening schools. He shall keep a separate and distinct account thereof, and shall disburse the moneys on orders signed by the president and secretary of the board of education and the chief school administrator or by the treasurer of school moneys, as appropriate to the district.

31. N.J.S.18A:50-5 is amended to read as follows:

Custodian of moneys; accounting and disbursement.

18A:50-5. The secretary or treasurer of school moneys, as appropriate, of each school district shall be the legal custodian of all funds allocated by the board of education and received from tuition fees or from any other source for the purpose of carrying out a program of adult education. He shall keep a separate account thereof and shall disburse the moneys on orders signed by the president and secretary of the board of education and the chief school administrator or by the treasurer of school moneys, as appropriate to the district.

32. N.J.S.18A:54-9 is amended to read as follows:

State aid for schools other than day schools.

18A:54-9. When any such school other than a full-time day school shall have been established, there shall be paid to the board secretary or treasurer of school moneys, as appropriate, of the district maintaining the school on the order of the commissioner, an amount equal to that raised in the district for the establishment of the school, exclusive of the amount appropriated for the purchase of land or the erection of a building, which amount shall be paid by the State treasurer on the warrant of the director of the division of budget and accounting in the department of the treasury. Annually thereafter there shall be paid in like manner an amount equal to the amount appropriated by the district for the current expenses of such schools; but the money contributed by the State for the support and maintenance of any such school shall not exceed in any one year the sum of \$10,000.00.

33. N.J.S.18A:55-2 is amended to read as follows:

Withholding of funds from district.

18A:55-2. The commissioner shall direct the State treasurer to withhold funds payable by the State from any district which fails to obey the law or the rules or directions of the State board or the commissioner.

The executive county superintendent with the approval of the commissioner may direct the secretary or treasurer of the school moneys, as appropriate, of a school district to withhold all moneys received by him from the State treasurer and then remaining in his hands to the credit to the district, whenever the board of education of the district, or any officer thereof, or the legal voters of any school district, or any board or officer of the municipality in which any such school district is situate, shall neglect or refuse to perform any duty imposed upon such board, officer, or legal voters by this title or by the rules of the State board. The secretary or treasurer, as appropriate, shall withhold such moneys until he shall receive notice from the county superintendent that the board, officer, or legal voters have performed such duty.

34. R.S.40:3-4 is amended to read as follows:

Sinking fund commissions; appointment, duties and powers.

40:3-4. The sinking fund commissions of the several municipalities, counties and school districts, created and established in accordance with the provisions of the act entitled "An act concerning sinking funds and sinking fund commissions," approved March twenty-ninth, one thousand nine hundred and seventeen (L.1917, c.212, p.749), are continued. The membership of such commissions shall be as follows:

a. The executive officer of the municipality or county, or the mayor of municipalities governed by a commission, or the president of the board of education, ex officio; but if such executive officer, mayor or president does not desire to serve, he may appoint in his place a member of the governing body, or an official of the municipality, county or school district, as the case may be. The term for such appointee in the sinking fund commission shall be coexistent with the term of such executive officer, mayor or president or the term of the appointee as a member of the governing body or as an official, except that it shall terminate upon his ceasing to be a member of the governing body or to hold such office; and

b. The comptroller, or in municipalities which have no comptroller, the treasurer, or in municipalities governed by a commission, the director of the department of revenue and finance, or in counties, the county treasurer, or in school districts, the secretary or treasurer of school moneys, as appropriate, ex officio; and

c. In addition three citizens of the municipality, county or school district, as the case may be, resident taxpayers on real estate, to be chosen with reference to their qualifications for the conduct and management of financial affairs who shall not hold any other office in such municipality, county or school district, as the case may be, during their term as members of such commission, who shall be appointed by the mayor, executive officer, or president of the municipality, county or school district by and with the consent of the governing body, or by the commission of a municipality governed by a commission, as the case may be, for a term of three years to begin on January first. When a vacancy shall occur in the citizen membership of the commission, it shall be filled for the unexpired term in the same manner as the original appointment was made.

In municipalities, counties or school districts whose sinking fund amounts to less than fifty thousand dollars, it shall not be necessary for the sinking fund commission to be

composed of more than three members, as the governing body thereof shall decide, but if the sinking fund commission shall in any case be limited to three members, then the same shall be composed of: the comptroller, or in municipalities which have no comptroller, the treasurer, or in municipalities governed by a commission, the director of the department of revenue and finance, or in counties the county treasurer, or in school districts, the secretary or treasurer of school moneys, as appropriate, ex officio; and two citizens of the municipality, county or school district, as the case may be, resident taxpayers on real estate, to be chosen with reference to their qualifications for the conduct and management of financial affairs, who shall not hold any other office in such municipality, county or school district, as the case may be, during their term as members of such commission, who shall be appointed by the mayor, executive officer, or president of the municipality, county or school district, by and with the consent of the governing body, or by the commission of a municipality governed by a commission, one for a term of one year and one for a term of two years, and thereafter each citizen member of such commission shall be appointed for a term of two years to begin January first. When a vacancy shall occur in the citizen membership of the commission, it shall be filled for the unexpired term in the same manner as the original appointment was made. If at any time by reason of the increase of the amount of the sinking fund to fifty thousand dollars or more, or if the governing body shall decide to increase the number of the members of the sinking fund commission to five members, then the commission shall be constituted as hereinbefore provided, and in either case the additional citizen member shall be appointed for such term as will make the term of one citizen member of the sinking fund commission expire each year, the appointments thereafter to be for three years.

35. Section 77 of P.L.1947, c.151 (C.52:27BB-77) is amended to read as follows:

C.52:27BB-77 Apportionment of receipts from inactive properties.

77. The local governing body shall cause to be paid to the county treasurer and to the secretary of the school board, or treasurer of school moneys, as appropriate, at such time and in such manner as the director may prescribe, amounts collected from properties on an inactive list, less reasonable costs of collection, in the proportion that the amounts levied for State, State school, county and school district purposes, respectively, during the fiscal year of such collections bore to the total levy for all purposes upon real and personal property within the municipality.

36. R.S.54:4-75 is amended to read as follows:

Payment by municipality of school moneys to board secretary or treasurer.

54:4-75. The governing body of each municipality shall pay over to the board secretary or treasurer of school moneys, as appropriate, in the case of school districts in which appropriations for school purposes are made by the inhabitants of the school district, within forty days after the beginning of the school year, twenty per centum (20%) of the appropriation for local school purposes, and thereafter, but prior to the last day of the school year, the balance of the moneys raised in the municipality for school purposes in such amounts as may from time to time be requested by the Board of Education, within thirty days after each request. The Board of Education shall not request any more money at any one time than shall be required for its expenditures for a period of eight weeks in advance; provided, however, that the Board of Education may at any time, but not earlier than fifteen

days prior to the beginning of the school year, request sufficient moneys to meet all interest and debt redemption charges maturing during the first forty days of the school year. The governing body may make payments of such moneys in advance of the time and in excess of the amounts required by this section. Notwithstanding provisions of this section to the contrary, in those years when the third installment of property taxes has been determined by the tax collector to be due after August 10, the installment shall be due no later than five days after the twenty-fifth day from when the tax bill was mailed or otherwise delivered pursuant to subsection a. of R.S.54:4-64, but no later than September 1.

37. Section 1 of P.L.1945, c.66 (C.54:4A-1) is amended to read as follows:

C.54:4A-1 United States or agency thereof, contributions in lieu of taxes, procedure; disposition.

1. In case the Government of the United States or any agency thereof shall make contributions in lieu of taxes, the contributions shall be made and received as follows:

In the case of contributions made in lieu of the State school tax, such contribution shall be made to the Treasurer of the State and shall be considered as an addition to the State school tax levied against the county in which the property of the Government of the United States or any agency thereof is situated for which the in lieu contribution is made, and shall be apportioned in the same manner as the State school tax is apportioned.

In case of contribution made in lieu of county or county subdivision taxes, such contribution shall be made to the county treasurer to be used for such purposes as the tax is used for which the in lieu payment is made.

In case of contribution made in lieu of the local school tax, such contribution shall be made to the board secretary or treasurer of school moneys, as appropriate, of the school district in which the property is located, for which the in lieu contribution is made, and to be used for school purposes.

In case of contribution made in lieu of municipal or municipal subdivision purpose taxes, such contribution shall be made to the treasurer of the municipality to be used for such purposes as the tax is used for which the in lieu contribution is made.

38. Section 3 of P.L.1945, c.66 (C.54:4A-3) is amended to read as follows:

C.54:4A-3 Receipt given for contributions in lieu of taxes.

3. The treasurer, or board secretary or treasurer of school moneys, as appropriate, receiving any of the above contributions in lieu of taxes is authorized to give a receipt therefor.

39. This act shall take effect immediately.

Approved July 2, 2010.