

SENATE, No. 2390

STATE OF NEW JERSEY
210th LEGISLATURE

INTRODUCED MARCH 10, 2003

Sponsored by:

Senator STEPHEN M. SWEENEY

District 3 (Salem, Cumberland and Gloucester)

Senator HENRY P. MCNAMARA

District 40 (Bergen, Essex and Passaic)

SYNOPSIS

Requires DEP to replace Standard Industrial Classification System with North American Industrial Classification System.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/17/2003)

1 AN ACT concerning the replacement of the Standard Industrial
2 Classification System with the North American Industrial
3 Classification System for certain regulated industries, and
4 supplementing Title 13 of the Revised Statutes.

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

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9 1. The Department of Environmental Protection, in consultation
10 with the Department of Labor, shall adopt, pursuant to the
11 Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.)
12 rules and regulations that:

13 a. identify the categories of employers, entities, establishments or
14 facilities contained in those Standard Industrial Classification codes
15 that are included in the definition of "business entity," "employer,"
16 "industrial establishment," or "industrial facility," regulated under
17 P.L.1991, c.235 (C.13:1D-35 et seq.), P.L.1983, c.330 (C.13:1K-6 et
18 seq.), P.L.1983, c.315 (C.34:5A-1 et seq.), or P.L.1986, c.142
19 (C.52:27D-222 et seq.); and

20 b. identify the universe of employers, entities, establishments or
21 facilities under the North American Industry Classification System of
22 codes that are generally equivalent to the universe identified in
23 subsection a. of this section.

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25 2. The generally equivalent universe of employers, entities,
26 establishments or facilities identified in the regulations adopted by the
27 Department of Environmental Protection pursuant to subsection b. of
28 section 1 of this act shall, upon the operative date of the regulations,
29 be the regulated universe of business entities, employers, industrial
30 establishments or industrial facilities subject to the provisions of
31 P.L.1991, c.235 (C.13:1D-35 et seq.), P.L.1983, c.330 (C.13:1K-6 et
32 seq.), P.L.1983, c.315 (C.34:5A-1 et seq.), or P.L.1986, c.142
33 (C.52:27D-222 et seq.). The department shall, to the maximum extent
34 practicable, seek to ensure that the categories of employers, entities,
35 establishments or facilities regulated pursuant to the regulations
36 adopted pursuant to section 1 of this act are consistent with those
37 regulated prior to the effective date of this act.

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39 3. Prior to the operative date of the regulations required to be
40 adopted by the department pursuant to section 1 of this act, every
41 business entity, employer, industrial establishment, or industrial facility
42 that is subject to P.L.1991, c.235 (C.13:1D-35 et seq.), P.L.1983,
43 c.330 (C.13:1K-6 et seq.), P.L.1983, c.315 (C.34:5A-1 et seq.), or
44 P.L.1986, c.142 (C.52:27D-222 et seq.) shall continue to be regulated
45 pursuant to those acts without regard to the cessation of use by certain
46 State or federal agencies of the Standard Industrial Classification

1 system.

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3 4. Notwithstanding the provisions of P.L.1968, c.410 (C.52:14B-1
4 et seq.) to the contrary, the Commissioner of Environmental
5 Protection may, immediately upon filing with the Office of
6 Administrative Law, adopt such temporary regulations as the
7 commissioner deems necessary to implement the provisions of P.L. ,
8 c. (C.) (now pending before the Legislature as this bill), which
9 regulations shall be effective for a period not to exceed 270 days from
10 the date of the filing, but in no case after one year from the effective
11 date of P.L. , c. (now pending before the Legislature as this bill).
12 The regulations may thereafter be amended, adopted or readopted by
13 the commissioner as the commissioner deems necessary in accordance
14 with the requirements of P.L.1968, c.410.

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16 5. This act shall take effect immediately.

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STATEMENT

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21 The Standard Industrial Classification (SIC) was originally
22 developed in the 1930's to classify establishments by the type of
23 activity in which they are primarily engaged and to promote the
24 comparability of establishment data describing various facets of the
25 U.S. economy. The SIC covers the entire field of economic activities
26 by defining industries in accordance with the composition and
27 structure of the economy. Over the years, it was revised periodically
28 to reflect the economy's changing industry composition and
29 organization. The federal Office of Management and Budget last
30 updated the SIC in 1987.

31 Because of the SIC's usefulness, several State statutes define the
32 industrial companies, facilities and groups regulated pursuant to those
33 acts by referencing specific SIC codes. However, changes made
34 pursuant to the North American Free Trade Agreement have resulted
35 in a gradual phasing out of the SIC system, replacing it with the North
36 American Industry Classification System. Once this change is
37 completed, it may be difficult to clarify which facilities will continue
38 to be regulated. For the health and safety of New Jersey residents, it
39 is important that affected State statutes, such as the "Worker and
40 Community Right to Know Act," the "Pollution Prevention Act" and
41 the "Industrial Site Recovery Act," continue uninterrupted.

42 This bill would therefore require the Department of Environmental
43 Protection (DEP), working in consultation with the Department of
44 Labor, to adopt rules and regulations that would ensure continual
45 regulation. These regulations would first identify the categories of
46 employers, entities, establishments or facilities regulated pursuant to

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1 P.L.1991, c.235 (C.13:1D-35 et seq.), P.L.1983, c.330 (C.13:1K-6 et
2 seq.), P.L.1983, c.315 (C.34:5A-1 et seq.), or P.L.1986, c.142
3 (C.52:27D-222 et seq.) using the SIC system. The department would
4 then identify the universe of employers, entities, establishments or
5 facilities under the North American Industry Classification System of
6 codes that are generally equivalent to these regulated categories. The
7 bill would then require that upon adoption of the regulations, the
8 universe of employers, entities, establishments or facilities identified
9 by the North American Industrial Classification System of codes be
10 regulated pursuant to the cited statutes. The bill also clarifies that any
11 employers, entities, establishments or facilities currently regulated
12 pursuant to these statutes would continue to be regulated should there
13 be a gap between the time that State or federal governments stop using
14 SIC codes and the new regulations are adopted.