

CHAPTER 311

AN ACT concerning the recycling of solid waste, imposing a recycling tax on solid waste generation, amending, supplementing and repealing various sections of statutory law, and making an appropriation.

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

C.13:1E-96.2 Short title.

1. This act shall be known and may be cited as the "Recycling Enhancement Act."

C.13:1E-96.3 Findings, declarations relative to recycling goals and recycling of solid waste.

2. The Legislature finds and declares that the State Recycling Plan goals, which provide for the recycling of 50% of the municipal solid waste stream and 60% of the total solid waste stream, are perhaps the most ambitious in the nation; that since the expiration of the recycling tax on December 31, 1996 the State of New Jersey provides less public support to recycling than at least 25 other states; that this lack of public financial support, especially for local public information and recycling education programs, is at least partly responsible for the steady decline in New Jersey's recycling rates over the past decade, from a high of 45% recycling of the municipal solid waste stream in 1995 to a recycling rate of 33% in 2003; and that it is unacceptable that the State which enacted the nation's first statewide mandatory recycling law has been unable to sustain its heretofore exemplary recycling efforts due to inadequate public funding.

The Legislature further finds that the recycling of waste materials decreases waste flow to county solid waste facilities and out-of-State disposal sites, and that by achieving the statutory recycling goals a disposal facility capacity savings equal to the annual utilization of 3.5 solid waste incinerators or 4.5 solid waste landfills can be realized; that recycling reduces waste flow to the State's solid waste incinerators while contributing to their overall combustion efficiency through the removal of noncombustible and nonprocessable materials at the source, recovers or saves valuable resources, including over 3 million tons of iron, coal and limestone in the production of new ferrous metals and over 9 million trees in the production of virgin paper from the ferrous metals and paper recycling by New Jersey residents and businesses in 2003 alone, conserves an estimated 86 trillion BTU's, or the equivalent of 700 million gallons of gasoline in the manufacturing process, and offers a supply of domestic raw materials for the State's recycling-related industries, which include over 2,000 businesses with over 27,000 employees; that recycling reduces air and water pollutants emitted during the manufacturing process by more than 134,000 metric tons; that economically viable municipal and county recycling programs are necessary to achieve the maximum practicable recovery of reusable materials from solid waste in this State; and that such programs will reduce the amount of solid waste disposed at county solid waste facilities, result in more efficient solid waste incinerators, conserve energy and resources, and recover materials for industrial uses.

The Legislature, therefore, declares it to be in the environmental and economic interests of the State of New Jersey to provide financial support for municipal and county recycling programs through the imposition of a tax on solid waste generation.

C.13:1E-96.4 Definitions relative to recycling of solid waste.

3. For the purposes of this act:

"Beverage container" means an individual, separate, hermetically sealed, or made airtight with a metal or plastic cap, bottle or can composed of glass, metal, plastic or any combination thereof, containing a beverage.

"Certified recycling coordinator" means a person or persons designated as such pursuant to section 3 of P.L.1987, c.102 (C.13:1E-99.13) or section 6 of P.L.1987, c.102 (C.13:1E-99.16).

"Commissioner" means the Commissioner of Environmental Protection.

"Department" means the Department of Environmental Protection.

"Director" means the Director of the Division of Taxation in the Department of the Treasury.

"Division" means the Division of Taxation in the Department of the Treasury.

"Materials recovery" means the processing and separation of solid waste utilizing manual or mechanical methods for the purposes of recovering recyclable materials for disposition and recycling prior to the disposal of the residual solid waste at an authorized solid waste facility.

"Materials recovery facility" means a transfer station or other authorized solid waste facility at which nonhazardous solid waste, which material is not source separated by the generator thereof prior to collection, is received for onsite processing and separation utilizing manual or mechanical methods for the purposes of recovering recyclable materials for disposition and recycling prior to the disposal of the residual solid waste at an authorized solid waste facility.

"Post-consumer waste material" means a material or product that would otherwise become solid waste, having completed its intended end use and product life cycle; except that "post-consumer waste material" shall not include secondary waste material or materials and by-products generated from, and commonly used within, an original manufacturing and fabrication process.

"Recycled product" means any product or commodity which is manufactured or produced in whole or in part from post-consumer waste material and which meets the recycled content standard of the United States Environmental Protection Agency as published in the Comprehensive Procurement Guidelines for Products Containing Recovered Material.

"Residue" means any solid waste generated as a result of the use of post-consumer waste material in the manufacture of a recycled product.

"Resource recovery facility" means a solid waste facility constructed and operated for the incineration of solid waste for energy production and the recovery of metals and other materials for reuse; or a mechanized composting facility, or any other solid waste facility constructed or operated for the collection, separation, recycling, and recovery of metals, glass, paper, and other materials for reuse or for energy production.

"Secondary waste material" means waste material generated after the completion of a manufacturing process.

"Solid waste" means the same as that term is defined in section 3 of P.L.1970, c.39 (C.13:1E-3), except that, as used in the provisions of P.L.2007, c.311 (C.13:1E-96.2 et al.), "solid waste" shall be limited to the following solid waste ID types: Type 10 Municipal; Type 12 Dry sewage sludge; Type 13 Bulky waste; Type 13C Construction and Demolition waste; Type 23 Vegetative waste; Type 25 Animal and food processing wastes; and Type 27 Dry industrial waste, as set forth in N.J.A.C.7:26-1.6 and N.J.A.C.7:26-2.13.

"Solid waste collection" means the activity related to pick-up and transportation of solid waste from its source or location to a solid waste facility or other destination.

"Solid waste collector" means a person engaged in the collection of solid waste and registered pursuant to sections 4 and 5 of P.L.1970, c.39 (C.13:1E-4 and 13:1E-5); or any municipality wherein the municipal governing body has established and operates a municipal service system for solid waste collection pursuant to R.S.40:66-1.

"Solid waste disposal" means the storage, treatment, utilization, processing, transfer, or final disposal of solid waste.

"Solid waste facilities" means and includes the plants, structures and other real and personal property acquired, constructed or operated or to be acquired, constructed or operated by, or on behalf of, any person, public authority or county pursuant to the provisions of P.L.1970, c.39 (C.13:1E-1 et seq.) or any other act, including transfer stations, incinerators, resource recovery facilities, sanitary landfill facilities or other plants for the disposal of solid waste, and all vehicles, equipment and other real and personal property and rights therein and appurtenances necessary or useful and convenient for the collection or disposal of solid waste in a sanitary manner.

C.13:1E-96.5 Recycling tax on owner, operator of solid waste facility; applicability; rate.

4. a. (1) There is levied upon the owner or operator of every solid waste facility a recycling tax of \$3.00 per ton on all solid waste accepted for disposal or transfer at the solid waste facility.

The recycling tax shall not be imposed on solid waste transported from an in-State transfer station from which the recycling tax has been levied on the owner or operator thereof to an in-state solid waste facility for final disposal.

(a) The recycling tax shall not be imposed on the owner or operator of a railroad transfer station or other facility designed exclusively to transport waste on railroads.

(b) The recycling tax shall not be imposed on the owner or operator of a sanitary landfill facility for the acceptance for disposal of the ash residue resulting from the incineration of solid waste at a resource recovery facility.

(c) The recycling tax shall not be imposed on the owner or operator of a solid waste facility for the acceptance for disposal of solid waste originating from out-of-State sources under a contract awarded prior to December 31, 2007 if the contract does not include a change-in-law or similar mechanism by which the recycling tax imposed by this section may be passed through as a fee or surcharge on the rates and charges set forth in the contract.

(d) The recycling tax shall not be imposed on the owner or operator of a resource recovery facility for the acceptance for disposal of solid waste originating from in-State sources under a contract awarded prior to December 31, 2007 if the contract does not include a change-in-law or similar mechanism by which the recycling tax imposed by this section may be passed through as a fee or surcharge on the rates and charges set forth in the contract.

The recycling tax shall be imposed on the owner or operator of a solid waste facility for the acceptance for disposal of solid waste originating from out-of-State sources under any contract awarded after December 31, 2007.

(2) There is levied upon every solid waste collector that transports solid waste for transshipment or direct transportation to an out-of-State disposal site a recycling tax. The recycling tax shall be levied on the solid waste collector at the rate of \$3.00 per ton on all solid waste collected for transportation to a railroad transfer station or other facility designed to transport waste on railroads or directly to an out-of-state disposal site.

b. (1) Every person subject to the recycling tax shall, within 30 days of the effective date of this act, register with the director on forms prescribed by the director.

(2) Every person subject to the recycling tax shall, on or before the first day of the first full fiscal quarter following the effective date of this act, and quarterly thereafter, render a return under oath to the director, on such forms as may be prescribed by the director, indicating the number of tons of solid waste accepted for disposal or transfer, or collected, as appropriate, and at that time shall pay the full amount due.

c. If a return required by this section is not filed, or if a return when filed is incorrect or insufficient in the opinion of the director, the amount due shall be determined by the director from such information as may be available. Notice of the determination shall be given to the person subject to the recycling tax. The determination shall finally and irrevocably fix the amount due, unless the person on whom it is imposed, within 90 days after the giving of the notice of the determination, shall file a protest in writing as provided in R.S.54:49-18 and request a hearing, or unless the director on the director's own motion shall redetermine the same. After the hearing the director shall give notice of the determination to the person on whom the recycling tax is imposed.

d. Any person subject to the recycling tax who fails to file a return when due or to pay any tax when it becomes due, as herein provided, shall be subject to such penalties and interest as provided in the "State Uniform Tax Procedure Law," R.S.54:48-1 et seq. If the director determines that the failure to comply with any provision of this section was excusable under the circumstances, the director may remit that part or all of the penalty as shall be appropriate under the circumstances.

e. The director shall deposit all revenues collected pursuant to this section in the State Recycling Fund established pursuant to section 5 of P.L.1981, c.278 (C.13:1E-96).

f. In addition to the other powers granted to the director in this section, the director is authorized:

(1) To delegate to any officer or employee of the division those powers and duties as the director deems necessary to carry out efficiently the provisions of this section, and the person to whom the power has been delegated shall possess and may exercise all of these powers and perform all of the duties delegated by the director;

(2) To prescribe and distribute all necessary forms for the implementation of this section.

g. (1) Every owner or operator of a solid waste facility may collect the recycling tax imposed by this section by (a) including the amount of recycling tax due as a separate line item on every customer bill or other statement presented to a solid waste collector or solid waste generator; (b) including the amount of recycling tax due as a fee or surcharge on any amount collected under a contract awarded pursuant to the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.) or any other law for the provision of solid waste collection or solid waste disposal services; or (c) imposing an automatic surcharge on any tariff established pursuant to law for the solid waste disposal or transfer operations of the solid waste facility.

(2) Every solid waste collector is hereby authorized to calculate, charge and collect rates, fees or surcharges from all solid waste generators serviced by the solid waste collector sufficient to recover the recycling tax collected by the owner or operator of the solid waste facility.

(3) Every solid waste collector subject to the recycling tax is hereby authorized to calculate, charge and collect rates, fees or surcharges from all solid waste generators serviced by the solid waste collector sufficient to recover the recycling tax imposed by this section.

h. The recycling tax imposed by this section shall be governed in all respects by the provisions of the "State Uniform Tax Procedure Law," R.S.54:48-1 et seq., except only to the extent that a specific provision of this section may be in conflict therewith.

i. (1) The recycling tax imposed by this section shall not be imposed on the owner or operator of a materials recovery facility for the acceptance of Type 13C Construction and Demolition waste, provided that the facility meets or exceeds recyclable materials extraction rates as established by the department.

(2) The recycling tax imposed by this section shall not be imposed on a solid waste collector or the owner or operator of a solid waste facility for the collection or acceptance for disposal or transfer of residue resulting from the operations of a scrap processing facility as defined in section 2 of P.L.1987, c.102 (C.13:1E-99.12).

j. The recycling tax imposed by this section shall not be imposed on a solid waste collector or the owner or operator of a solid waste facility for the collection or acceptance for disposal or transfer of residue, provided that the residue is generated as a result of the use of post-consumer waste material in the manufacture of a recycled product which constitutes at least 75% of total annual sales dollar volume of the products manufactured by a manufacturer in this State as determined by the director.

k. The registration issued to any person subject to the recycling tax who violates the provisions of this section may be subject to revocation or suspension pursuant to section 12 of P.L.1970, c.39 (C.13:1E-12).

l. Subsections a. through k. of this section shall be without effect on and after the tenth day following a certification by the Director of the Division of Budget and Accounting in the Department of the Treasury pursuant to subsection b. of section 6 of P.L.2007, c.311 (C.13:1E-96.7).

C.13:1E-96.6 Recycling tax suspended when beverage containers are refundable.

5. The recycling tax imposed pursuant to section 4 of P.L.2007, c.311 (C.13:1E-96.5) shall not be due and payable if, and as long as, any State of New Jersey or federal law, or any rule or regulation adopted pursuant thereto, requiring a deposit on, or establishing a refund value for, any beverage container shall be in effect.

C.13:1E-96.7 Annual appropriations; conditions.

6. a. The annual appropriations act for each State fiscal year shall, without other conditions, limitations or restrictions on the following:

(1) appropriate the amounts specified pursuant to paragraph (1) of subsection b. of section 5 of P.L.1981, c.278 (C.13:1E-96) for use by the Department of Environmental Protection for direct recycling grants to counties and municipalities; and

(2) appropriate the balance of the State Recycling Fund established pursuant to section 5 of P.L.1981, c.278 (C.13:1E-96) for the purposes set forth in paragraphs (2), (3) and (4) of subsection b. of that section.

b. If the requirements of subsection a. of this section are not met on the effective date of an annual appropriations act for the State fiscal year, or if an amendment or supplement to an annual appropriations act for the State fiscal year should violate any of the requirements of subsection a. of this section, the Director of the Division of Budget and Accounting in the Department of the Treasury shall, not later than five days after the enactment of the annual appropriations act, or an amendment or supplement thereto, that violates any of the

requirements of subsection a. of this section, certify to the Director of the Division of Taxation that the requirements of subsection a. of this section have not been met.

7. Section 5 of P.L.1981, c.278 (C.13:1E-96) is amended to read as follows:
C.13:1E-96 State Recycling Fund; allocation of moneys.

5. a. The State Recycling Fund (hereinafter referred to as the "fund") is established as a nonlapsing, revolving fund. The fund shall be administered by the Department of Environmental Protection, and shall be credited with all recycling tax revenue collected pursuant to section 4 of P.L.2007, c.311 (C.13:1E-96.5), and all interest received on moneys in the fund.

b. Moneys in the fund shall be appropriated annually solely for the following purposes and no others:

(1) 60% of the estimated annual balance of the fund shall be used for the annual expenses of a program for direct recycling grants to municipalities or counties in those instances where a county, at its own expense, provides for the collection, processing and marketing of recyclable materials on a regional basis. The amount of a direct recycling grant shall be calculated on the basis of the total number of tons of recyclable materials annually recycled from residential, commercial and institutional sources within a particular municipality, or group of municipalities in the case of a county recycling program. No direct recycling grant shall exceed \$10 per ton of recyclable materials recycled. All grant moneys received by a municipality shall be expended only for its recycling program. The department may allocate a portion of the direct recycling grant moneys as bonus grants to municipalities and counties whenever a municipality or county, at its own expense, provides for the collection of recyclable materials in its recycling program. The department shall announce each year the total amount of moneys available in the bonus grant fund.

A municipality may distribute a portion of its direct recycling grant moneys to nonprofit groups that are located within that municipality and which have contributed to the receipt of the direct recycling grant, except that this distribution shall not exceed the value of approved documented tonnage contributed by a nonprofit group.

A municipality may designate any nonprofit group as a recycling agent. A recycling agent shall receive that part of the municipality's direct recycling grant under this paragraph that represents the percentage of the grant received by the municipality due to the documented tonnage contributed by that recycling agent. Moneys received by a recycling agent shall be expended only for its recycling program. Any moneys not used for recycling shall be returned by the recycling agent to the municipality.

To be eligible for a direct recycling grant pursuant to this paragraph, a municipality or county in the case of a county recycling program shall demonstrate that the recyclable materials recycled by the municipal or county recycling program were not diverted from a commercial recycling program already in existence on the effective date of the ordinance or resolution establishing the municipal or county recycling program.

To remain eligible for a direct recycling grant pursuant to this paragraph, a municipality or county in the case of a county recycling program shall submit an annual recycling tonnage report to the department in accordance with rules and regulations adopted by the department therefor. Following the designation of a district certified recycling coordinator pursuant to section 3 of P.L.1987, c.102 (C.13:1E-99.13) and the designation of a municipal certified recycling coordinator pursuant to section 6 of P.L.1987, c.102 (C.13:1E-99.16), the

department shall not accept an annual recycling tonnage report from a county or municipality unless the report has been signed by a certified recycling coordinator.

No direct recycling grant to any municipality shall be used for constructing or operating any facility for the baling of wastepaper or for the shearing, baling or shredding of ferrous or nonferrous materials.

Whenever a municipality operates a municipal service system for solid waste collection pursuant to R.S.40:66-1, or provides for regular solid waste collection service under a contract awarded pursuant to the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.), the amount of grant moneys received by the municipality shall not be less than the annual amount of recycling tax paid by the municipality pursuant to section 4 of P.L.2007, c.311 (C.13:1E-96.5), except that all grant moneys received by the municipality shall be expended only for its recycling program;

(2) 5% of the estimated annual balance of the fund shall be used for State recycling program planning and program funding, including the administrative expenses thereof;

(3) 25% of the estimated annual balance of the fund shall be used to provide State aid to counties for preparing, revising, and implementing solid waste management plans, including the implementation of the goals of the State Recycling Plan. The moneys may also be used by the counties to support community oversight projects and to establish a citizens' advisory committee. A county receiving State aid shall not expend more than 2% of the amount of aid received in any year for the costs of administering the aid. The State aid shall be distributed to the counties on the basis of the total amount of solid waste generated from within each county during the previous calendar year as determined by the department. In the event that the department determines that any county has failed to fulfill its district solid waste management planning responsibilities, the department may withhold for an entire year or until the county fulfills its responsibilities, all or a portion of the amount of moneys that county would have received in any year pursuant to this paragraph. Any moneys withheld for an entire year shall be distributed among the remaining counties in the same proportion as the other moneys were distributed. The moneys may also be used by the counties for household hazardous waste collection, and for recycling program planning and program funding, including the administrative expenses thereof;

(4) 5% of the estimated annual balance of the fund shall be used by counties for public information and education programs concerning recycling activities; and

(5) 5% of the estimated annual balance of the fund shall be used by the department to provide grants to institutions of higher education to conduct research in recycling.

8. Section 3 of P.L.1987, c.102 (C.13:1E-99.13) is amended to read as follows:

C.13:1E-99.13 District recycling plan.

3. a. Each county shall prepare and adopt a district recycling plan to implement the State Recycling Plan goals. Each district recycling plan shall be adopted as an amendment to the district solid waste management plan required pursuant to the provisions of the "Solid Waste Management Act," P.L.1970, c.39 (C.13:1E-1 et seq.) and subject to the approval of the department. Each district recycling plan may be modified after adoption pursuant to a procedure set forth in the adopted plan as approved by the department.

b. Each district recycling plan required pursuant to this section shall include, but need not be limited to:

(1) Designation of a district recycling coordinator;

(2) Designation of the recyclable materials to be source separated in each municipality which shall include, in addition to leaves, at least three other recyclable materials separated from the municipal solid waste stream;

(3) Designation of the strategy for the collection, marketing and disposition of designated source separated recyclable materials in each municipality;

(4) Designation of recovery targets in each municipality to achieve the maximum feasible recovery of recyclable materials from the municipal solid waste stream which shall include, at a minimum, the following schedule:

(a) The recycling of at least 15% of the total municipal solid waste stream by December 31, 1989;

(b) The recycling of at least 25% of the total municipal solid waste stream by December 31, 1990; and

(c) The recycling of at least 50% of the total municipal solid waste stream, including yard waste and vegetative waste, by December 31, 1995; and

(5) Designation of countywide recovery targets to achieve the maximum feasible recovery of recyclable materials from the total solid waste stream which shall include, at a minimum, the recycling of at least 60% of the total solid waste stream by December 31, 1995.

Within 24 months of the effective date of P.L.2007, c.311 (C.13:1E-96.2 et al.), each district recycling plan shall be modified to include the designation of a district certified recycling coordinator.

For the purposes of this subsection, "district certified recycling coordinator" means a person who shall have completed the requirements of a course of instruction in various aspects of recycling program management, as determined and administered by the department; "total municipal solid waste stream" means the sum of the municipal solid waste stream disposed of as solid waste, as measured in tons, plus the total number of tons of recyclable materials recycled; and "total solid waste stream" means the aggregate amount of solid waste generated within the boundaries of any county from all sources of generation, including the municipal solid waste stream.

c. Each district recycling plan, in designating a strategy for the collection, marketing and disposition of designated recyclable materials in each municipality, shall authorize municipalities that adopt a recycling ordinance pursuant to subsection b. of section 6 of P.L.1987, c.102 (C.13:1E-99.16) to limit the collection of designated recyclable materials to specified operating hours in order to preserve the peace and quiet in neighborhoods during the hours when most residents are asleep.

d. A district recycling plan may be modified to require that each municipality within the county revise the ordinance adopted pursuant to subsection b. of section 6 of P.L.1987, c.102 (C.13:1E-99.16) to provide for the source separation and collection of used dry cell batteries as a designated recyclable material.

9. Section 6 of P.L.1987, c.102 (C.13:1E-99.16) is amended to read as follows:

C.13:1E-99.16 Municipal recycling program.

6. Each municipality in this State shall, within 24 months of the effective date of P.L.2007, c.311 (C.13:1E-96.2 et al.), designate one or more persons as the municipal certified recycling coordinator. For the purposes of this section, "municipal certified recycling coordinator" means a person who shall have completed the requirements of a

course of instruction in various aspects of recycling program management, as determined and administered by the department.

Each municipality shall establish and implement a municipal recycling program in accordance with the following requirements:

a. Each municipality shall provide for a collection system for the recycling of the recyclable materials designated in the district recycling plan as may be necessary to achieve the designated recovery targets set forth in the plan in those instances where a recycling collection system is not otherwise provided for by the generator or by the county, interlocal service agreement or joint service program, or other private or public recycling program operator.

b. The governing body of each municipality shall adopt an ordinance which requires persons generating municipal solid waste within its municipal boundaries to source separate from the municipal solid waste stream, in addition to leaves, the specified recyclable materials for which markets have been secured and, unless recycling is otherwise provided for by the generator, place these specified recyclable materials for collection in the manner provided by the ordinance.

c. The governing body of each municipality shall, at least once every 36 months, conduct a review and make necessary revisions to the master plan and development regulations adopted pursuant to P.L.1975, c.291 (C.40:55D-1 et seq.), which revisions shall reflect changes in federal, State, county and municipal laws, policies and objectives concerning the collection, disposition and recycling of designated recyclable materials.

The revised master plan shall include provisions for the collection, disposition and recycling of recyclable materials designated in the municipal recycling ordinance adopted pursuant to subsection b. of this section, and for the collection, disposition and recycling of designated recyclable materials within any development proposal for the construction of 50 or more units of single-family residential housing or 25 or more units of multi-family residential housing and any commercial or industrial development proposal for the utilization of 1,000 square feet or more of land.

d. The governing body of a municipality may exempt persons occupying commercial and institutional premises within its municipal boundaries from the source separation requirements of the ordinance adopted pursuant to subsection b. of this section if those persons have otherwise provided for the recycling of the recyclable materials designated in the district recycling plan from solid waste generated at those premises. To be eligible for an exemption pursuant to this subsection, a commercial or institutional solid waste generator annually shall provide written documentation to the municipality of the total number of tons recycled.

e. The governing body of each municipality shall, on or before July 1 of each year, submit a recycling tonnage report to the New Jersey Office of Recycling in accordance with rules and regulations adopted by the department therefor.

f. The governing body of each municipality shall, at least once every six months, notify all persons occupying residential, commercial, and institutional premises within its municipal boundaries of local recycling opportunities, and the source separation requirements of the ordinance. In order to fulfill the notification requirements of this subsection, the governing body of a municipality may, in its discretion, place an advertisement in a newspaper circulating in the municipality, post a notice in public places where public notices are customarily posted, include a notice with other official notifications periodically mailed to

residential taxpayers, or any combination thereof, as the municipality deems necessary and appropriate.

The governing body of a municipality that adopts a recycling ordinance pursuant to subsection b. of this section may limit the collection of designated recyclable materials to specified operating hours in order to preserve the peace and quiet in neighborhoods during the hours when most residents are asleep.

10. Section 2 of P.L.1985, c.38 (C.13:1E-137) is amended to read as follows:

C.13:1E-137 Definitions.

2. As used in this act:

"Contract file" means a file established and maintained by a contracting unit, in which the contracting unit shall maintain a copy of its request for qualifications issued pursuant to section 19 of P.L.1985, c.38 (C.13:1E-154), a list of vendors responding to its request for qualifications, a copy of its request for proposals issued pursuant to section 20 of P.L.1985, c.38 (C.13:1E-155), a list of qualified vendors submitting proposals, and a document outlining the general criteria used by the contracting unit in selecting a proposal;

"Contracting unit" means any county; any municipality; any bistate authority; or any public authority which has statutory power to enter into contracts or agreements for the design, financing, construction, operation, or maintenance, or any combination thereof, of a resource recovery facility;

"County" means any county of this State of whatever class;

"Department" means the Department of Environmental Protection;

"Director" means the Director of the Division of Taxation in the Department of the Treasury;

"Division" means the Division of Taxation in the Department of the Treasury;

"Division of Local Government Services" means the Division of Local Government Services in the Department of Community Affairs;

"Franchise" means the exclusive right to control and provide for the disposal of solid waste, except for recyclable material whenever markets for those materials are available, within a district as awarded by the Board of Public Utilities or the department prior to November 10, 1997;

"Independent public accountant" means a certified public accountant, a licensed public accountant or a registered municipal accountant;

"Person or party" means any individual, public or private corporation, company, partnership, firm, association, political subdivision of this State, or any State, bistate, or interstate agency or public authority;

"Proposed contract" means a contract negotiated by a contracting unit pursuant to the provisions of P.L.1985, c.38 (C.13:1E-136 et al.);

"Public authority" means any municipal or county utilities authority created pursuant to the "municipal and county utilities authorities law," P.L.1957, c.183 (C.40:14B-1 et seq.); county improvement authority created pursuant to the "county improvement authorities law," P.L.1960, c.183 (C.40:37A-44 et seq.); pollution control financing authority created pursuant to the "New Jersey Pollution Control Financing Law," P.L.1973, c.376 (C.40:37C-1 et seq.), or any other public body corporate and politic created for solid waste management purposes in any county, pursuant to the provisions of any law;

"Qualified vendor" means any person or party financially qualified for, and technically and administratively capable of, undertaking the design, financing, construction, operation, or maintenance, or any combination thereof, of a resource recovery facility or of providing resource recovery services, as provided in section 19 of P.L.1985, c.38 (C.13:1E-154);

"Recyclable material" means those materials which would otherwise become solid waste, which may be collected, separated or processed and returned to the economic mainstream in the form of raw materials or products;

"Recycling" means any process by which materials which would otherwise become solid waste are collected, separated or processed and returned to the economic mainstream in the form of raw materials or products;

"Resource recovery facility" means a solid waste facility constructed and operated for the incineration of solid waste for energy production and the recovery of metals and other materials for reuse; or a mechanized composting facility, or any other solid waste facility constructed or operated for the collection, separation, recycling, and recovery of metals, glass, paper, and other materials for reuse or for energy production;

"Sanitary landfill facility" means a solid waste facility at which solid waste is deposited on or in the land as fill for the purpose of permanent disposal or storage for a period exceeding six months, except that it shall not include any waste facility approved for disposal of hazardous waste;

"Vendor" means any person or party proposing to undertake the design, financing, construction, operation, or maintenance, or any combination thereof, of a resource recovery facility or of providing resource recovery services.

11. Section 3 of P.L.1985, c.38 (C.13:1E-138) is amended to read as follows:

C.13:1E-138 Solid waste services, tax; obligation to pay.

3. a. There is levied upon the owner or operator of every sanitary landfill facility a solid waste services tax. The services tax shall be imposed on the owner or operator at the rate of \$1.65 per ton of solid waste on all solid waste accepted for disposal at a sanitary landfill facility. No services tax shall be levied on the owner or operator of a sanitary landfill facility for the acceptance for disposal of the waste products resulting from the operation of a resource recovery facility.

The services tax imposed by this subsection shall expire on the first day of the first month after the effective date of P.L.2007, c.311 (C.13:1E-96.2 et al.). However, this expiration shall not affect any obligation, lien or duty to pay taxes that may be due with respect to the imposition of any levy, or interest or penalties that may accrue by virtue of any assessment, which may be made with respect to taxes levied for any taxable year or part of a taxable year, prior to the first day of the first month after the effective date of P.L.2007, c.311 (C.13:1E-96.2 et al.), nor shall this expiration affect the legal authority to assess and collect the taxes that may be due and payable under subsection a. of section 3 of P.L.1985, c.38 (C.13:1E-138), as the case may be, together with such interest and penalties as would accrue thereon under section 6 of P.L.1985, c.38 (C.13:1E-141), nor shall the expiration invalidate any assessment or affect any proceeding for the enforcement thereof.

b. (Deleted by amendment, P.L.2007, c.311).

c. (Deleted by amendment, P.L.2007, c.311).

d. If any owner or operator of a sanitary landfill facility determines the quantity of solid waste accepted for disposal by a measure other than tons, the taxes imposed pursuant to the provisions of this section shall be levied at an equivalent rate as determined by the director.

e. No taxes shall be levied on the owner or operator of a sanitary landfill facility for the acceptance of solid waste generated exclusively by an agency of the federal government if a solid waste collector submits to the owner or operator an itemized invoice, signed and verified by an authorized officer of the federal agency, indicating the number of tons of solid waste to be disposed of, and a copy of the contract with the federal agency for the collection of solid waste with an effective date prior to May 1, 1985. Taxes shall be levied on the owner or operator for acceptance of solid waste generated by a federal agency if the contract between the federal agency and the solid waste collector was entered into, or renewed, on or after May 1, 1985.

12. Section 12 of P.L.1985, c.38 (C.13:1E-147) is amended to read as follows:

C.13:1E-147 Solid Waste Services Tax Fund.

12. The Solid Waste Services Tax Fund is established as a nonlapsing, revolving fund in the Department of Environmental Protection. The services tax fund shall be administered by the department and shall be the depository for the revenues generated by the solid waste services tax levied and imposed pursuant to section 3 of P.L.1985, c.38 (C.13:1E-138), and any interest earned thereon.

No later than 30 days following the effective date of P.L.2007, c.311 (C.13:1E-96.2 et al.), the remaining moneys in the services tax fund shall be appropriated to the State Recycling Fund established pursuant to section 5 of P.L.1981, c.278 (C.13:1E-96).

13. Section 1 of P.L.2002, c.128 (C.13:1E-213) is amended to read as follows:

C.13:1E-213 Title amended.

1. Sections 1 through 10 and section 13 of P.L.2002, c.128 (C.13:1E-213 et seq.) shall be known and may be cited as the "Clean Communities Program Act."

14. Section 2 of P.L.2002, c.128 (C.13:1E-214) is amended to read as follows:

C.13:1E-214 Findings, declarations relative to the Clean Communities Program.

2. The Legislature finds that an uncluttered landscape is among the most priceless heritages which New Jersey can bequeath to posterity; that it is the duty of government to promote and encourage a clean and safe environment; that the proliferation and accumulation of carelessly discarded litter may pose a threat to the public health and safety; that the litter problem is especially serious in a State as densely populated and heavily traveled as New Jersey; and that unseemly litter has an adverse economic effect on New Jersey by making the State less attractive to tourists and new industry and residents.

The Legislature, therefore, declares it to be in the aesthetic, environmental, and economic interests of the State of New Jersey to support a Clean Communities Program.

15. Section 5 of P.L.2002, c.128 (C.13:1E-217) is amended to read as follows:

C.13:1E-217 Clean Communities Program Fund.

5. The Clean Communities Program Fund is established as a nonlapsing, revolving fund in the Department of the Treasury. The Clean Communities Program Fund shall be administered by the Department of Environmental Protection and credited, in addition to any appropriations made thereto, with all user fees imposed pursuant to section 4 of P.L.2002, c.128 (C.13:1E-216) or penalties imposed pursuant to section 10 of P.L.2002, c.128 (C.13:1E-222), and any sums received as voluntary contributions from private sources. Interest received on moneys in the Clean Communities Program Fund shall be credited to the fund. Unless otherwise expressly provided by the specific appropriation thereof by the Legislature, which shall take the form of a discrete legislative appropriations act and shall not be included within the annual appropriations act, all available moneys in the Clean Communities Program Fund shall be appropriated annually solely for the following purposes and no others:

a. 10% of the estimated annual balance of the Clean Communities Program Fund shall be used for a State program of litter pickup and removal and of enforcement of litter-related laws and ordinances in State owned places and areas that are accessible to the public. Moneys in the fund may also be used by the State to abate graffiti;

b. 50% of the estimated annual balance of the Clean Communities Program Fund shall be distributed as State aid to eligible municipalities with total housing units of 200 or more for programs of litter pickup and removal, including establishing an "Adopt-A-Highway" program, of public education and information relating to litter abatement and of enforcement of litter-related laws and ordinances. The amount of State aid due each municipality shall be solely calculated based on the proportion which the housing units of a qualifying municipality bear to the total housing units in the State. Total housing units shall be determined using the most recent federal decennial population estimates for New Jersey and its municipalities, filed in the office of the Secretary of State. Moneys in the fund may also be used by an eligible municipality to abate graffiti;

c. 30% of the estimated annual balance of the Clean Communities Program Fund shall be distributed as State aid to eligible municipalities with total housing units of 200 or more for programs of litter pickup and removal, including establishing an "Adopt-A-Highway" program, of public education and information relating to litter abatement and of enforcement of litter-related laws and ordinances. The amount of State aid due each municipality shall be solely calculated based on the proportion which the municipal road mileage of a qualifying municipality bears to the total municipal road mileage within the State. For the purposes of this subsection, "municipal road mileage" means that road mileage under the jurisdiction of municipalities, as determined by the Department of Transportation. Moneys in the fund may also be used by an eligible municipality to abate graffiti;

d. 10% of the estimated annual balance of the Clean Communities Program Fund shall be distributed as State aid to eligible counties for programs of litter pickup and removal, including establishing an "Adopt-A-Highway" program, of public education and information relating to litter abatement and of enforcement of litter-related laws and ordinances. The amount of State aid due each county shall be solely calculated based on the proportion which the county road mileage of an eligible county bears to the total county road mileage within the State. For the purposes of this subsection, "county road mileage" means that road mileage under the jurisdiction of counties, as determined by the Department of Transportation. Moneys in the fund may also be used by an eligible county to abate graffiti;

e. No eligible municipality shall receive less than \$4,000 in State aid as apportioned pursuant to subsections b. and c. of this section. A municipality or county may use up to 5% of its State aid for administrative expenses;

f. Prior to the distribution of funds pursuant to subsections a. through d. of this section, \$375,000 of the estimated annual balance of the Clean Communities Program Fund shall be annually appropriated to the department and made available on July 1 of every year to the organization under contract with the department pursuant to section 6 of P.L.2002, c.128 (C.13:1E-218) for a Statewide public information and education program concerning antilittering activities and other aspects of responsible solid waste handling behavior, of which up to \$75,000 shall be used exclusively to finance an annual Statewide television, radio, newspaper and other media advertising campaign to promote antilittering and responsible solid waste handling behavior.

The organization under contract with the department pursuant to section 6 of P.L.2002, c.128 (C.13:1E-218) shall, no later than the date on which the contract period concludes, submit a report to the Governor and the Legislature concerning its activities during the contract period and any recommendations concerning improving the program. Every eligible municipality and county shall cooperate with the organization under contract with the department pursuant to section 6 of P.L.2002, c.128 (C.13:1E-218) in providing information concerning its program of litter pickup and removal.

No later than May 31, 2008, 25% of the estimated annual balance of the Clean Communities Program Fund shall be appropriated to the State Recycling Fund established pursuant to section 5 of P.L.1981, c.278 (C.13:1E-96). These moneys shall be used by the Department of Environmental Protection for direct recycling grants to counties and municipalities, up to a maximum appropriation of \$4,000,000.

g. As used in this section, "graffiti" means any inscription drawn, painted or otherwise made on a bridge, building, public transportation vehicle, rock, wall, sidewalk, street or other exposed surface on public property.

The department may carry forward any unexpended balances in the Clean Communities Program Fund as of June 30 of each year.

16. Section 13 of P.L.2002, c.128 (C.13:1E-223) is amended to read as follows:

C.13:1E-223 Annual appropriations; conditions.

13. a. The annual appropriations act for each State fiscal year shall, without other conditions, limitations or restrictions on the following:

(1) (Deleted by amendment, P.L.2007, c.311).

(2) appropriate the amount specified pursuant to subsection f. of section 5 of P.L.2002, c.128 (C.13:1E-217) to the Department of Environmental Protection for use by the organization under contract with the department pursuant to section 6 of P.L.2002, c.128 (C.13:1E-218) for a Statewide public information and education program concerning antilittering activities and other aspects of responsible solid waste handling behavior; and

(3) appropriate the balance of the Clean Communities Program Fund established pursuant to section 5 of P.L.2002, c.128 (C.13:1E-217) for the purposes set forth in subsections a., b., c. and d. of that section.

b. If the requirements of subsection a. of this section are not met on the effective date of an annual appropriations act for the State fiscal year, or if an amendment or supplement to an annual appropriations act for the State fiscal year should violate any of the requirements of

subsection a. of this section, the Director of the Division of Budget and Accounting in the Department of the Treasury shall, not later than five days after the enactment of the annual appropriations act, or an amendment or supplement thereto, that violates any of the requirements of subsection a. of this section, certify to the Director of the Division of Taxation that the requirements of subsection a. of this section have not been met.

17. Section 3 of P.L.1976, c.68 (C.40A:4-45.3) is amended to read as follows:
C.40A:4-45.3 Municipalities; budget limitation exceptions.

3. In the preparation of its budget a municipality shall limit any increase in said budget to 2.5% or the cost-of-living adjustment, whichever is less, over the previous year's final appropriations subject to the following exceptions:

a. (Deleted by amendment, P.L.1990, c.89.)

b. Capital expenditures, including appropriations for current capital expenditures, whether in the capital improvement fund or as a component of a line item elsewhere in the budget, provided that any such current capital expenditure would be otherwise bondable under the requirements of N.J.S.40A:2-21 and 40A:2-22;

c. (1) An increase based upon emergency temporary appropriations made pursuant to N.J.S.40A:4-20 to meet an urgent situation or event which immediately endangers the health, safety or property of the residents of the municipality, and over which the governing body had no control and for which it could not plan and emergency appropriations made pursuant to N.J.S.40A:4-46. Emergency temporary appropriations and emergency appropriations shall be approved by at least two-thirds of the governing body and by the Director of the Division of Local Government Services, and shall not exceed in the aggregate 3% of the previous year's final current operating appropriations.

(2) (Deleted by amendment, P.L.1990, c.89.)

The approval procedure in this subsection shall not apply to appropriations adopted for a purpose referred to in subsection d. or j. below;

d. All debt service, including that of a Type I school district;

e. Upon the approval of the Local Finance Board in the Division of Local Government Services, amounts required for funding a preceding year's deficit;

f. Amounts reserved for uncollected taxes;

g. (Deleted by amendment, P.L.1990, c.89.)

h. Expenditure of amounts derived from new or increased construction, housing, health or fire safety inspection or other service fees imposed by State law, rule or regulation or by local ordinance;

i. Any amount approved by any referendum;

j. Amounts required to be paid pursuant to (1) any contract with respect to use, service or provision of any project, facility or public improvement for water, sewerage, parking, senior citizen housing or any similar purpose, or payments on account of debt service therefor, between a municipality and any other municipality, county, school or other district, agency, authority, commission, instrumentality, public corporation, body corporate and politic or political subdivision of this State; (2) the provisions of article 9 of P.L.1968, c.404 (C.13:17-60 through 13:17-76) by a constituent municipality to the intermunicipal account; (3) any lease of a facility owned by a county improvement authority when the lease payment represents the proportionate amount necessary to amortize the debt incurred by the authority in providing the facility which is leased, in whole or in part; and (4) any repayments under a loan agreement entered into in accordance with the provisions of section 5 of P.L.1992, c.89;

k. (Deleted by amendment, P.L.1987, c.74.)

l. Appropriations of federal, county, independent authority or State funds, or by grants from private parties or nonprofit organizations for a specific purpose, and amounts received or to be received from such sources in reimbursement for local expenditures. If a municipality provides matching funds in order to receive the federal, county, independent authority or State funds, or the grants from private parties or nonprofit organizations for a specific purpose, the amount of the match which is required by law or agreement to be provided by the municipality shall be excepted;

m. (Deleted by amendment, P.L.1987, c.74.)

n. (Deleted by amendment, P.L.1987, c.74.)

o. (Deleted by amendment, P.L.1990, c.89.)

p. (Deleted by amendment, P.L.1987, c.74.)

q. (Deleted by amendment, P.L.1990, c.89.)

r. Amounts expended to fund a free public library established pursuant to the provisions of R.S.40:54-1 through 40:54-29, inclusive;

s. (Deleted by amendment, P.L.1990, c.89.)

t. Amounts expended in preparing and implementing a housing element and fair share plan pursuant to the provisions of P.L.1985, c.222 (C.52:27D-301 et al.) and any amounts received by a municipality under a regional contribution agreement pursuant to section 12 of that act;

u. (Deleted by amendment, P.L.2004, c.74.)

v. (Deleted by amendment, P.L.1990, c.89.)

w. (Deleted by amendment, P.L.2004, c.74.)

x. Amounts expended to aid privately owned libraries and reading rooms, pursuant to R.S.40:54-35;

y. (Deleted by amendment, P.L.1990, c.89.)

z. (Deleted by amendment, P.L.1990, c.89.)

aa. Extraordinary expenses, approved by the Local Finance Board, required for the implementation of an interlocal services agreement;

bb. Any expenditure mandated as a result of a natural disaster, civil disturbance or other emergency that is specifically authorized pursuant to a declaration of an emergency by the President of the United States or by the Governor;

cc. Expenditures for the cost of services mandated by any order of court, by any federal or State statute, or by administrative rule, directive, order, or other legally binding device issued by a State agency which has identified such cost as mandated expenditures on certification to the Local Finance Board by the State agency;

dd. Expenditures of amounts actually realized in the local budget year from the sale of municipal assets in extraordinary cases and with the permission of the Local Finance Board;

ee. Any local unit which is determined to be experiencing fiscal distress pursuant to the provisions of P.L.1987, c.75 (C.52:27D-118.24 et seq.), whether or not a local unit is an "eligible municipality" as defined in section 3 of P.L.1987, c.75 (C.52:27D-118.26), and which has available surplus pursuant to the spending limitations imposed by P.L.1976, c.68 (C.40A:4-45.1 et seq.), may appropriate and expend an amount of that surplus approved by the director and the Local Finance Board as an exception to the spending limitation. Any determination approving the appropriation and expenditure of surplus as an exception to the spending limitations shall be based upon:

- 1) the local unit's revenue needs for the current local budget year and its revenue raising capacity;
 - 2) the intended actions of the governing body of the local unit to meet the local unit's revenue needs;
 - 3) the intended actions of the governing body of the local unit to expand its revenue generating capacity for subsequent local budget years;
 - 4) the local unit's ability to demonstrate the source and existence of sufficient surplus as would be prudent to appropriate as an exception to the spending limitations to meet the operating expenses for the local unit's current budget year; and
 - 5) the impact of utilization of surplus upon succeeding budgets of the local unit;
- ff. Newly authorized operating appropriations for the municipal court or violation's bureau when approved by the vicinage Presiding Judge of the Municipal Court after consultation with the mayor and governing body of the municipality;
- gg. (Deleted by amendment, P.L.2004, c.74.)
- hh. (Deleted by amendment, P.L.2004, c.74.)
- ii. Subject to the approval of the Local Finance Board, expenditures related to the cost of conducting and implementing a total property tax levy sale pursuant to section 16 of P.L.1997, c.99 (C.54:5-113.5);
- jj. Amounts expended for a length of service award program pursuant to P.L.1997, c.388 (C.40A:14-183 et al.);
- kk. Amounts expended to provide municipal services or reimbursement amounts to multifamily dwellings for the collection and disposal of solid waste generated by the residents of the multifamily dwellings. This subsection shall cease to be operative at the end of the first local budget year in which the municipality has fully phased in its reimbursement amount expenses;
- ll. Amounts expended by a municipality under an interlocal services agreement entered into pursuant to the "Interlocal Services Act," P.L.1973, c.208 (C.40:8A-1 et al.) entered into after the effective date of P.L.2000, c.126 (C.52:13H-21 et al.). The governing body of the municipality that will receive the service may choose to allow the amount of projected annual savings to be added to the amount of final appropriations upon which its permissible expenditures are calculated pursuant to section 2 of P.L.1976, c.68 (C.40A:4-45.2);
- mm. Amounts expended under a joint contract pursuant to the "Consolidated Municipal Service Act," P.L.1952, c.72 (C.40:48B-1 et seq.) entered into after the effective date of P.L.2000, c.126 (C.52:13H-21 et al.). The governing body of each participating municipality may choose to allow the amount of projected annual savings to be added to the amount of final appropriations upon which its permissible expenditures are calculated pursuant to section 2 of P.L.1976, c.68 (C.40A:4-45.2);
- nn. (Deleted by amendment, P.L.2004, c.74.)
- oo. Amounts appropriated in the first three years after the effective date of P.L.2003, c.92 (C.18A:7F-5b et al.) for liability insurance, workers' compensation insurance and employee group insurance;
- pp. Amounts appropriated in the first three years after the effective date of P.L.2003, c.92 (C.18A:7F-5b et al.) for costs of domestic security preparedness and responses to incidents and threats to domestic security;
- qq. Amounts required to be paid by a municipality pursuant to the provisions of section 4 of P.L.2007, c.311 (C.13:1E-96.5).

In the first full year when an existing appropriation or expenditure that is subject to budget limitations is made an exception to budget limitations, a municipality shall deduct from its final appropriations upon which its permissible expenditures are calculated pursuant to section 2 of P.L.1976, c.68 (C.40A:4-45.2), the amount which the municipality expended for that purpose during the last full budget year, or portion thereof, in which the purpose so excepted was funded from appropriations in the municipal budget.

In the first full year when an existing appropriation or expenditure that is not subject to budget limitations is made subject to budget limitations, a municipality shall add to its final appropriations upon which its permissible expenditures are calculated pursuant to section 2 of P.L.1976, c.68 (C.40A:4-45.2), the amount which the municipality expended for that purpose during the last full budget year, or portion thereof, in which the purpose so excepted was funded from appropriations in the municipal budget.

18. Section 4 of P.L.1976, c.68 (C.40A:4-45.4) is amended to read as follows:

C.40A:4-45.4 Limitation on increase in county tax levies over previous year; exceptions.

4. In the preparation of its budget, a county may not increase the county tax levy to be apportioned among its constituent municipalities in excess of 2.5% or the cost-of-living adjustment, whichever is less, of the previous year's county tax levy, subject to the following exceptions:

a. The amount of revenue generated by the increase in valuations within the county, based solely on applying the preceding year's county tax rate to the apportionment valuation of new construction or improvements within the county, and such increase shall be levied in direct proportion to said valuation;

b. Capital expenditures, including appropriations for current capital expenditures, whether in the capital improvement fund or as a component of a line item elsewhere in the budget, provided that any such current capital expenditures would be otherwise bondable under the requirements of N.J.S.40A:2-21 and 40A:2-22;

c. (1) An increase based upon emergency temporary appropriations made pursuant to N.J.S.40A:4-20 to meet an urgent situation or event which immediately endangers the health, safety or property of the residents of the county, and over which the governing body had no control and for which it could not plan and emergency appropriations made pursuant to N.J.S.40A:4-46. Emergency temporary appropriations and emergency appropriations shall be approved by at least two-thirds of the governing body and by the Director of the Division of Local Government Services, and shall not exceed in the aggregate 3% of the previous year's final current operating appropriations.

(2) (Deleted by amendment, P.L.1990, c.89.)

The approval procedure in this subsection shall not apply to appropriations adopted for a purpose referred to in subsection d. or f. below;

d. All debt service;

e. (Deleted by amendment, P.L.1990, c.89.)

f. Amounts required to be paid pursuant to (1) any contract with respect to use, service or provision of any project, facility or public improvement for water, sewerage, parking, senior citizen housing or any similar purpose, or payments on account of debt service therefor, between a county and any other county, municipality, school or other district, agency, authority, commission, instrumentality, public corporation, body corporate and politic or political subdivision of this State; and (2) any lease of a facility owned by a county

improvement authority when the lease payment represents the proportionate amount necessary to amortize the debt incurred by the authority in providing the facility which is leased, in whole or in part;

g. That portion of the county tax levy which represents funding to participate in any federal or State aid program and amounts received or to be received from federal, State or other funds in reimbursement for local expenditures. If a county provides matching funds in order to receive the federal or State or other funds, only the amount of the match which is required by law or agreement to be provided by the county shall be excepted;

h. (Deleted by amendment, P.L.1987, c.74.)

i. (Deleted by amendment, P.L.1990, c.89.)

j. (Deleted by amendment, P.L.1990, c.89.)

k. (Deleted by amendment, P.L.1990, c.89.)

l. (Deleted by amendment, P.L.2004, c.74.)

m. (Deleted by amendment, P.L.1990, c.89.)

n. (Deleted by amendment, P.L.1990, c.89.)

o. (Deleted by amendment, P.L.1990, c.89.)

p. Extraordinary expenses, approved by the Local Finance Board, required for the implementation of an interlocal services agreement;

q. Any expenditure mandated as a result of a natural disaster, civil disturbance or other emergency that is specifically authorized pursuant to a declaration of an emergency by the President of the United States or by the Governor;

r. Expenditures for the cost of services mandated by any order of court, by any federal or State statute, or by administrative rule, directive, order, or other legally binding device issued by a State agency which has identified such cost as mandated expenditures on certification to the Local Finance Board by the State agency;

s. That portion of the county tax levy which represents funding to a county college in excess of the county tax levy required to fund the county college in local budget year 1992;

t. (Deleted by amendment, P.L.2004, c.74.)

u. Expenditures for the administration of general public assistance pursuant to P.L.1995, c.259 (C.40A:4-6.1 et al.);

v. Amounts in a separate line item of a county budget that are expended on tick-borne disease vector management activities undertaken pursuant to P.L.1997, c.52 (C.26:2P-7 et al.);

w. Amounts expended by a county under an interlocal services agreement entered into pursuant to the "Interlocal Services Act," P.L.1973, c.208 (C.40:8A-1 et al.) entered into after the effective date of P.L.2000, c.126 (C.52:13H-21 et al.) or amounts expended under a joint contract pursuant to the "Consolidated Municipal Service Act," P.L.1952, c.72 (C.40:48B-1 et seq.) entered into after the effective date of P.L.2000, c.126 (C.52:13H-21 et al.);

x. Amounts appropriated in the first three years after the effective date of P.L.2003, c.92 (C.18A:7F-5b et al.) for liability insurance, workers' compensation insurance and employee group insurance;

y. Amounts appropriated in the first three years after the effective date of P.L.2003, c.92 (C.18A:7F-5b et al.) for costs of domestic security preparedness and responses to incidents and threats to domestic security;

z. Expenditures of amounts received pursuant to section 5 of P.L.1981, c.278 (C.13:1E-96).

In the first full year where an existing appropriation or expenditure that is subject to budget limitations is made an exception to budget limitations, a county shall deduct from its final appropriations upon which its permissible expenditures are calculated pursuant to section 2 of P.L.1976, c.68 (C.40A:4-45.2) the amount which the county expended for that purpose during the last full budget year, or portion thereof, in which the purpose so excepted was funded from appropriations in the county budget.

In the first full year where an existing appropriation or expenditure that is not subject to budget limitations is made subject to budget limitations, a county shall add to its final appropriations upon which its permissible expenditures are calculated pursuant to section 2 of P.L.1976, c.68 (C.40A:4-45.2) the amount which the county expended for that purpose during the last full budget year, or portion thereof, in which the purpose so excepted was funded from appropriations in the county budget.

19. There is appropriated from the General Fund to the State Recycling Fund established pursuant to section 5 of P.L.1981, c.278 (C.13:1E-96) the sum of \$8,000,000. These moneys shall be used by the Department of Environmental Protection to provide direct recycling grants to counties and municipalities within 12 months following the effective date of P.L.2007, c.311 (C.13:1E-96.2 et al.). The grants shall be used solely for the purposes set forth in the adopted and approved district solid waste management plans required pursuant to P.L.1970, c.39 (C.13:1E-1 et seq.) and the district recycling plans required pursuant to section 3 of P.L.1987, c.102 (C.13:1E-99.13), including the municipal source separation and recycling ordinances required pursuant to section 6 of P.L.1987, c.102 (C.13:1E-99.16), as those plans and ordinances may be revised or modified pursuant to the Statewide Solid Waste Management Plan. The amount appropriated pursuant to this section shall be repaid to the General Fund from moneys deposited in the State Recycling Fund in annual installments not to exceed \$1,000,000 per fiscal year beginning July 1, 2009 and annually thereafter until the full amount is repaid according to a schedule of repayments determined by the State Treasurer.

Repealer.

20. The following are repealed:

Sections 4 through 9 inclusive of P.L.1985, c.38 (C.13:1E-139 through 13:1E-144);

Section 11 of P.L.1985, c.38 (C.13:1E-146);

Sections 13 through 17 inclusive of P.L.1985, c.38 (C.13:1E-148 through 13:1E-152);

Sections 30 and 31 of P.L.1985, c.38 (C.13:1E-165 and 13:1E-166).

21. This act shall take effect immediately.

Approved January 13, 2008.