

Discussion Points

American Recovery and Reinvestment Act (ARRA)

1. The Governor's budget incorporates an estimated \$5.183 billion over two fiscal years in federal stimulus funding provided by the American Recovery and Reinvestment Act (ARRA) of 2009. According to a table on page 42 of the Governor's abbreviated budget, the State will use \$3.074 billion (\$854 million in FY09 and \$2.220 billion in FY10) from ARRA for budget relief. In addition to these funds which will offset revenue shortfalls, \$2.109 billion will be used for new or expanded programs or initiatives. The ARRA allocates funds to states both by formula and by competitive awards. Most executive departments anticipate stimulus funding in either FY 2009, FY 2010 or both.

- **Question:** Please itemize the federal stimulus funding, if any, other than portions of the \$3.074 billion allocated for budget relief, included in the department's budget, by fiscal year and federal program, setting forth program goals and eligible uses together with the amount for state administrative expenses and the amount for allocation to local public and private recipients, respectively. Please identify intended and actual recipients and the process by which the department determines recipients and funding awards. Are there ARRA funds that flow through your department for which the State has no discretion? Please also set forth the timetable for obtaining federal approval of funding, obligation and allocation of funding to recipients, and use by recipients. Could any of this funding be used to offset other State appropriations, and if so, what programs and in what amount? What additional positions, if any, have been and will be hired with these funds? If this money is being used for new or expanded activities, will the new or expanded activities be continued in FY 2011? If so, how will they be funded?

The itemization of the federal stimulus funding that the Department anticipates receiving is included as Attachment I. In many cases the final distribution of funding to the different projects especially in the case of the Clean Water and Drinking Water program will be finalized as we evaluate each project on its readiness to proceed within the timeframes established in the federal legislation.

The ARRA funds flowing through the Department represents new funding for existing programs. In many cases local governments and non profit organizations can apply directly to the federal agency.

For the Department the ARRA funding does not represent an opportunity to offset General Fund appropriations.

There will no new hiring of positions with the ARRA funding.

For several programs the ARRA funding represents a supplement to current funding programs. In Fiscal Year 2010 and 2011 we anticipate the federal funding levels to return to the Fiscal Year 2008 level.

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- **Question:** In addition to funding incorporated in the FY 2010 budget, what specific competitive grant opportunities has the department identified that it is eligible to pursue, has applied for, and has been awarded, respectively?

The Department's application for competitive grant funding from the sources identified on Attachment I include:

Wildland Fire	35 Applications	\$ 8.3 Million
No Awards Yet		
Habitat Restoration	2 Applications	\$36.9 Million
No Awards Yet		

Executive Branch Staff Reductions

2. Over the past several years, the overall staffing level in the executive branch has been reduced through restrictions on hiring and an early retirement program. The FY 2010 budget proposal envisions continuation of the hiring restrictions coupled with possible furloughs or further reductions in positions.

- **Question:** How has the reduction in staffing affected your department? What strategies has the department employed to deal with staff reductions? What projects, work products or functions has the department discontinued or deferred because of staffing levels? Will the department be able to accommodate furloughs in FY 2010 without increasing spending for overtime?

The Department addressed the impacts of staffing reductions through a process of Program Reviews last summer, spending August, September and October reviewing each area of the Department through specific focus meetings with each Assistant Commissioner. The focus of these meetings was to review each organizational unit within DEP to identify how best to move forward to "do less with less" after we absorbed the ERI staffing losses. Twenty planning meetings were held over three distinct rounds at Assistant Commissioner's level to identify priorities, resource gaps and consolidation opportunities. Key questions that had to be answered addressed:

1. **What are my "vital functions"?** What are the DEP Action Plan priorities AND the day-to-day work that we simply can't afford to stop?
2. **What vital functions (on a going forward basis) are understaffed?** Where are the organizational gaps that must be filled to achieve our goals?
3. **What can we stop doing?** What are the lower priority areas with no boundaries of statutory or regulatory constraints?

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4. **Where can we consolidate?** Where can we “crash” programs and where should we shift staff notwithstanding historic chains of command.

The basic procedures for the Program Reviews involved team meetings with each Assistant Commissioner and AC Rep; three separate rounds of meetings to “drill down” to decisions; summaries of direction for Commissioner review; a senior manager retreat to discuss cross-cutting changes and gain consensus; “negotiations” between Assistant Commissioners on staffing; a personnel and budgetary sensitivity review; a final Plan Presented to Commissioner; discussion with Governor’s Office and DOP; and finally the presentation to the Workforce Reduction Planning Board:

The areas of significant change which were detailed in our presentation to the Workforce Reduction Planning Board focused on:

- Creating an Office of Climate Change and Energy
- Implementing the State’s Water Quality Management Plan
- Establishing a Licensed Site Professional program
- Eliminating the Division of Science, Research & Technology and establishing an Office of Science Support and creation of a “Science Advisory Board”
- Reassigning Stormwater Permitting staff from the Division of Watershed Management to the Division of Water Quality
- Restructuring the Division of Fish and Wildlife
- Eliminating the Bureaus of Operating Permits and Preconstruction Permits and establishing a Bureau of Air Permits – Air Quality

To address the vacancies resulting from the Early Retirement, the Department identified the following management positions that would not be backfilled:

- Director of Science & Research
- Director of Remediation Management & Response
- Director or Remediation Support
- Bureau Chief of Permit Management in Water Quality
- Bureau Chief of Program Development and Technical Services in Water Quality
- Bureau Chief of Point Source Permitting in Water Quality
- Bureau Chief of Preconstruction Permits in Air Quality
- Bureau Chief of Air Quality Planning in Air Quality
- Bureau Chief of Planning & Information Management in Green Acres
- Bureau Chief of Solid Waste Registration in Solid and Hazardous Waste Enforcement

The Department does not expect to increase its overtime costs in Fiscal Year 2010 to offset the impacts of a furlough program.

Procurement Savings

3. The FY 2009 appropriations act anticipated that \$25 million in procurement savings would be achieved by executive departments. A chart on page 75 of the Budget in Brief categorizes those

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savings and indicates they will continue into FY 2010. The FY 2010 budget includes another \$25 million from procurement savings (Budget in Brief, Appendix I, page 8).

- **Question:** Please indicate the FY 2009 amount of procurement savings achieved by your department, by the categories set forth in the referenced table, and the sources of those savings by department program? What is the annual amount of these savings as continued into FY 2010? How have these reductions affected the department? What projects, work products or functions has the department discontinued or deferred in order to achieve these savings?

The Department's share of the \$25 million procurement reduction target was \$1.2 million distributed between \$935,000 in procurement reductions and \$300,000 in rent reductions. OMB will provide under separate cover the specific details regarding the Fiscal Year 2009 savings and those amounts that are continued as part of the Fiscal Year 2010 budget. In summary the Department has provided \$1.04 million towards its target through reduced communication expenses (\$192,000) and procurement efficiencies (\$855,000).

Parks Fiscal Year 2009 Budget Reductions

4. Last year, the FY 2009 Budget Recommendation reduced the Parks operating budget by about 30 percent, or \$8.8 million, which would have resulted in the closing of some State Parks and natural resource facilities. To avert this, legislation was eventually enacted (P.L.2008, c.31) that provided the Parks budget with a one year allocation of \$9 million from the Shore Protection Fund. Since this allocation applied only to the current budget, the FY 2010 recommended Parks budget, particularly its salary account, is again about 30 percent below its FY 2008 funding level. The aforementioned act also directed the department to conduct a study to explore opportunities to increase revenues generated through State parks and forests. The study was to be completed and submitted to the Legislature by March 1, 2009.

- **Question:** How will the loss of the \$9 million allocation from the Shore Protection Fund affect the Division of Parks and Forestry operations? What steps, if any, will be taken to offset this funding gap? What is the current status of the fee generation study? What findings or recommendations from the study can the department offer at this time? Notwithstanding the study, what actions does the department plan to take during FY 2009 and FY 2010 to increase Parks revenues?

During Fiscal Year 2009, the Department utilized only \$6 million of the \$9 million Shore Protection Fund allocation to maintain Division of Parks and Forestry core operations. Staff attrition savings and other operational steps such as a reduction in winter administrative office hours allowed the Department to carry forward \$3 million from the one-time appropriation into Fiscal Year 2010. This along with available excess receipts for Fiscal Year 2009 revenues will give the additional buffer as the Department continues to examine and implement any potential fee increases and revenue enhancements.

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The Department has prepared the draft plan as tasked by the Legislature. However, given the constantly changing fiscal situation, the focus and implementation of furlough plans and other budgetary uncertainties, the Department has delayed finalizing the report at this time.

Relative to the direction of the study to enhance revenue and better market New Jersey's State Park assets to help offset the operational costs of the State Park Service, the Department has been focusing on five priority areas to address the funding gap: marketing & technology; leases & concessions; capital investments; park policies & operational efficiencies; and fee structure.

The following are examples of short- and long-term steps the Department is taking to address the funding gap.

- In the spring 2009, the Department anticipates releasing a Request for Proposal to solicit a vendor to manage an online camping reservation system. The system will help alleviate staff pressures, assist with revenue management and significantly improve the promotion of available camping opportunities – particularly sites that are currently underutilized. The system is expected to be fully implemented by the 2010 recreational season.
- The Department has identified tremendous growth potential for concession operations within the state park system, benefitting visitors with increased amenities, enhancing revenue to sustain State Park Service operational costs, and providing new business opportunities for the private and nonprofit sectors interested in serving the more than 18 million annual park visitors. A new website was launched by the Department this past month advertising existing and new concession opportunities statewide.
- To sustain the high level of public service currently provided through the State Park System and increase its operational cost recovery, the Department is strategically investing the dedicated CBT capital funds in two ways: to improve amenities with strong revenue returns and public demand, and to implement green building designs through upgrades and new construction to reduce high utility payments.
- The Department is preparing a bid to conduct a statewide energy audit on a significant number of the State Park Service's more than 1,900 buildings, prioritizing those facilities with high utility costs. Green design will be prioritized to update and build new facilities to reduce energy costs. For example, new cabins will be designed to use recycled water for toilets and solar panels will be installed for hot water.
- Like other state park systems across the country, New Jersey will most likely propose to increase park revenues through fees and other charges. The Department conducted an extensive review of State Park Service current revenues and costs, held discussions with New Jersey county park commissions with similar missions, and reviewed state park service fees nationally.
- The Department is exploring ways to expand its public/private partnerships in a manner that will benefit the public yet simultaneously bring in revenue. For example, the

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Department recently issued a Request for Proposal for the operation of a golf course in Salem County, which was acquired by the State in 2004. The successful bidder is now paying the State a fixed rental value per year (approximately \$90,000 annually) in addition to a percentage of its annual gross revenues above a threshold amount. The Office of Leases continues to diligently address outstanding leasing issues, including updating and renewing leases, establishing fair market value rents, publicly bidding new leases, and improving oversight of rent collection.

- In researching cost-savings measures taken by public natural resource agencies nationally, the Department implemented reduced administrative office hours of operation to a five-day schedule for the first time in 2008. The public is still able to enjoy full, seven-day-a-week access to outdoor opportunities and programs. This cost-saving measure allowed the State Park Service to reduce the number of winter seasonal employees hired with general appropriation funds by more than 50 percent. The Department intends to implement similar cost-saving operational changes in FY10.
- In addition to improving business efficiencies, the Department is reviewing its assets and resources and is in the process of identifying vacant buildings on State lands that were acquired through Green Acres, but are not essential to park operations or visitor access. These buildings are being considered for auction where the property can be divided without impact to the public use of the surrounding lands. If the buildings are not feasible for auction, the Department will look to establish leases.

Fiscal Year 2009 Budget Reductions

5. On January 2 and February 17, 2009, Governor Corzine announced two rounds of budget reductions to keep the State Budget balanced in the face of declining State revenues through the end of FY 2009. As a result, the department's original FY 2009 budget was reduced by \$24 million. Of this amount, dedicated Corporation Business Tax (CBT) funding was reduced by \$13.4 million due to lower projections of overall CBT revenue collections. In the department's recommended budget, dedicated CBT funds are reduced by \$42.5 million.

- **Question:** How are the activities supported by dedicated CBT revenues being affected by the current reduction and how will they be affected in FY 2010? What impact, if any, will these reductions have on federal matching funds? Please describe how non-CBT program areas are affected by the FY 2009 reductions, with particular attention to impacts on staffing, regulatory operations and fee revenues.

Normally the level of CBT funding, which is predicated on the overall revenue collections of the Corporate Business taxes, fluctuates from year to year. As such, the allocation of these funds represent (with the exception of the Watershed Management program) commitments to specific capital projects and/or grants in aid; and does not support ongoing operating needs. With the drop in the funding level, the number of projects that can be funded in any one year will decrease and the timing when a particular project is funded will be deferred to the following year if necessary.

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With the exception of the Site Remediation program, CBT funding does not match federal grant monies. For Site Remediation there are sufficient funds available to provide the required 10 percent Superfund match.

Division of Fish and Wildlife

6. The recommended budget for the Hunters' and Anglers' License Fund, which provides up to \$11 million in license fees to support the Division of Fish and Wildlife, is reduced by \$1.5 million in the State-funded portion of its budget. The division also announced in February 2009 that its corps of deputy conservation officer volunteers, which have provided law enforcement assistance to full time conservation officers for over one hundred years, was being disbanded due to budgetary constraints.

- **Question:** What impact will the \$1.5 million reduction have on the division's operations? What impact will the absence of the deputy conservation officers have on the workloads and overtime costs of full time conservation officers?

The Hunters and Anglers Fund is supported by revenues collected by hunting and fishing licenses issued by the Division of Fish and Wildlife.

Over the years the revenue would bring in approximately \$14.0 million to \$15.0 million. Beginning in Fiscal Year 2004 the annual level of revenues began to drop to a level that was insufficient to support its on-going costs. In Fiscal Year 2004 or Fiscal Year 2005 to offset the impact of these revenue drops the General Fund provided a \$4.2 million General Fund subsidy to maintain the appropriation level at \$15.2 million. This \$4.2 million subsidy has continued through till this fiscal year.

During the last three years the Hunters and Anglers Fund revenues have started to rebound through the Division efforts to expand its license sales and expanded options. Last fiscal year the revenues totaled \$13.2 million.

In Fiscal Year 2010 the subsidy is being reduced by \$1.5 million to provide an appropriation level of \$13.1 million plus excess receipts (\$2.5 million) that would yield a combined program of \$15.6 million

The Division typically applies a significant portion of the supplemental appropriation toward the costs of enforcement and wildlife management on privately-owned lands. Because of attrition we have been able to maintain a funding balance so the Division has not yet fully felt the impact of the loss of the \$1.5 million reduction.

The decision to suspend the deputy conservation officer program was not related to the loss of the General Fund subsidy. The decision to suspend the program was based upon the cost to provide the necessary training to ensure that deputy conservation officers meet Police Training Commission mandated training standards to deal with the increasing criminal violations now being encountered in the field; and to provide liability insurance to protect the deputies who, as

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volunteer, are not covered to the same degree as full time employees engaged in law enforcement activities. Without providing the proper training and insurance, volunteers in this program and their families are unprotected from liability. The cost to fully train and implement the program is \$560,000 per year. At full implementation the deputies would provide approximately \$600,000 worth of patrol time, representing a net gain of \$40,000. Without the program, the training officers responsible for the volunteer program will be assigned to patrol activities offsetting a portion of the loss of the \$40,000 gain. Although for certain patrols, full time officers have doubled up, overall there is only a small loss in patrol hours based upon the current level of the deputy program. No increase in overtime is anticipated as a result in suspension of this program.

Greenhouse Gas – Regional Greenhouse Gas Initiative (RGGI)

7. The “Global Warming Response Act” (P.L.2007, c.112) and P.L.2007, c.340, which implemented its policies, created an emissions trading and auction mechanism (i.e., “cap and trade”) to help reduce the level of greenhouse gases. Under these acts, the State, in conjunction with the 10-state Regional Greenhouse Gas Initiative, sells allowances, also called credits, for electric generating companies to emit greenhouse gases. As of this writing, three auctions have taken place since September 2008. Revenues generated by New Jersey at the auctions are dedicated to the Global Warming Solutions Fund to support State programs that increase energy efficiency and reduce greenhouse gases.

- **Question:** How much money has been raised thus far, how much is projected to be generated in FY 2010, and where are these numbers displayed in the recommended budget? Please describe how these funds are being utilized within the department in FY 2009 and how they will be allocated in FY 2010. Are these funds offsetting or supplementing the costs of existing programs and, if so, which ones?

Through the two auctions that the State of New Jersey has participated the total revenue collections are \$32.1 million. The Fiscal Year 2010 revenue is projected at \$64.0 million.

The allocation and use of these monies are as follows:

<u>Program</u>	<u>Fiscal Year</u> <u>2009</u>	<u>Fiscal Year</u> <u>2010</u>
EDA – End Use Energy Efficiency Projects	18,358,000	36,700,000
BPU – Energy Demand Reduction Projects	6,547,000	13,000,000
DEP – Local Government Energy Efficiency Grants	2,952,000	5,900,000
DEP – Forest Stewardship and Tidal Marsh Projects	2,952,000	5,900,000
Administrative Funding	1,283,000	2,500,000

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The use of these monies in Fiscal Year 2009 and 2010 will supplement existing programs where funding is already available or will establish new programs to address the newly authorized initiatives.

Permit Efficiency Task Force

8. Last year, the Governor and the DEP Commissioner established a DEP Permit Efficiency Review Task Force for the purpose of examining the department's permitting processes and suggesting ways to improve them. In August 2008, the task force issued its report which, among other findings, recommended that permit processing and the elimination of significant backlogs could be expedited by upgrading the department's technological capabilities, providing adequate staff and meeting with applicants more often. The task force also found that permit delays are exacerbated by ineffective data processing systems that are insufficiently upgraded, lack a central database, and encounter chronic problems with electronic filing procedures.

- **Question:** What actions has the department taken thus far in response to this report? What steps does it plan to take in the future to address the major issues of the report? What improvements could be made to the N.J. Environmental Management System to address the task force findings? What resources are available in FY 2010 to address the task force's findings? What impact will using these resources have on permit backlogs?

The Task Force, in its Final Report dated August 7, 2008, made recommendations putting the Department on a road of transformational change that focused on output and performance, on maintaining and enhancing the environment *and* the economy of New Jersey through a platform of environmental statutes, regulations and initiatives that are strategic, transparent, business process and technology driven to eliminate redundancies in oversight and review. The Final Report highlighted and then detailed four key areas of recommendations: **Technology, Rulemaking and Resource Management and Priorities**. The Task Force had determined that implementing these recommendations would significantly improve the permitting efficiency of the DEP.

On March 23, 2009 the Department posted on the web the Permit Efficiency Task Forces recommendations http://www.state.nj.us/dep/permittf/docs/petf_matrix_update20090319.pdf with the accompanying implementation status. The Department has already accomplished several of the recommendations and begun the process of implementing many more:

Program implementation

* The Division of Water Supply, Bureau of Water Allocation developed and implemented in March 2009 an electronic water use and transfer reporting program seamlessly integrating it with the Department's NJEMS database to allow the transfer and utilization of water allocation data without the expenditure of Department data input resources. Requiring the electronic submittal of water use and transfer data will facilitate data management by the program, eliminate the use of paper forms, reduce data errors, improve tracking and reporting of the data by the Department,

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and make data available in a more timely fashion. The initiative is currently being implemented on a voluntary basis but will become mandatory in the next reporting quarter.

* The Division of Water Supply is currently drafting amendments to the Water Allocation rules to be proposed in August 2009 and to the Safe Drinking Water Rules in November 2009 that will address many of the recommendations such as administrative requirements and efficient processing procedures as well as conditional delegation of water main extensions through a master permit issued to purveyors, conditional extension of the effective periods for agricultural water uses and nonagricultural permit approvals and conditional extension to dewatering permit-by-rule to 60 days. These changes will reduce the overall number of permit applications received by the Division.

* Land Use Regulation permitting program staff met with stakeholders to discuss the conflicts between regulations, administrative and technical processes, and application checklist requirements under the different statutes governing land use projects. The staff has begun to review the statutes for mandatory administrative requirements to work towards adoption of a uniform set of permit application standards and process timelines (such as consistent public noticing requirements) across land use regulations. This is also intended to result in the creation of clearer application checklists of necessary administrative, environmental and technical requirements for completeness which will provide applicants with the full scope of the application process and requirements at the beginning of the permitting process.

* Consistency in application review is critical to implementing efficient public service and to facilitate consistency the Land Use Regulation permitting program has allocated staff into units to handle discrete permit types. For example, the Wetlands Section processes all of the Letters of Interpretation within the Coastal Bureau, the DOT Unit handles only DOT, NJ Transit and Turnpike Authority projects, the GP Unit handles only general permit applications and urban growth and redevelopment projects are all handled under a single bureau.

* The Land Use Regulation permitting program is partnering with the Department of Transportation who is sharing staff resources to ensure that we have enough staff to review environmental permits for transportation projects receiving stimulus funding.

* The Land Use Regulation permitting program is piloting a mandatory pre-application procedure with the economic stimulus applications that are currently being submitted. In some instances, the review staff are conducting the administrative check of the application package and the application is immediately submitted during that pre-application meeting.

* The Department has implemented proactive advance rule proposal measures to solicit public involvement and stakeholder input prior to rule proposals being formalized. Early consideration of input from diverse interests and identification of substantial issues prior to the rule being formally proposed is intended to reduce the need for amendments due to oversights as rules are more fully vetted and management has ample time to review and develop policy.

* The Department has established a Standards Coordination workgroup with representatives from a variety of DEP programs (e.g. Site Remediation Program, Water Supply, Water Monitoring &

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Standards, Office of Science, etc.) that meet routinely to discuss existing and upcoming human health based water and soil standards issues to ensure coordination among programs. There are also several multidisciplinary committees/workgroups to assist with the development of priority standards and rule writing.

* The Department has developed a Readiness Checklist tool to screen for developments that may have fatal flaws as far as project ownership, local zoning consistency, water supply and wastewater capacity thus identifying these early in the process to save the applicant time and money pursuing projects that can never be approved as well as saving the Department resources in conducting technical reviews of projects that will never be issued a permit.

* For appropriate projects the Office of Permit Coordination and Environmental Review and the Office of Planning and Sustainable Communities will be piloting over the next year a NJDEP Priority Permit application system to expedite projects that do not adversely impact natural resources, incorporate meaningful sustainable design features and reduce green house gas emissions and conserve critical resources, are located in smart growth areas and that improve the environmental quality of a site and that creates jobs, affordable housing, provides public benefits or improves public infrastructure that poses an extraordinary risk to the public health, safety and welfare. Public infrastructure projects are included as prioritizing criteria in both the site performance and state priorities sections of the guidelines.

* DEP's Senior Managers conducted an agency-wide program review initiative analysis and a shift in resources has occurred on a moderate scale. Examples: 1) The Division of Science, Research & Technology (DSRT) has become a scaled down version, the newly created Office of Science (OS) will provide expertise to support the Science Advisory Board. Displaced DSRT staff are to be absorbed by permitting programs; 2) Stormwater review staff from Land Use Management and Environmental Regulation have been consolidated under Environmental Regulation; 3) The Bureau of Tidelands Management has been relocated to occupy office space with the Division of Land Use Regulation and will consolidate administrative processing and other administrative functions.

* The Wetlands Mitigation Council's roles and responsibilities were reduced with implementation of October 6, 2008 Freshwater Wetland Protection Act Rules. The new regulations take the authority of approving a mitigation bank away from the Council and put it back with the Department, which is a less burdensome process on staff resources. Only if the banker wants preservation credits do they have to go before the Council. The Council was scheduled to discuss possible procedural changes, administrative efficiencies and future use of e-mails and conference calls at the April 2009 Council meeting.

* To support succession planning Human Resources has done an extensive analysis of leadership readiness across all program areas and prioritized leadership training for the Department. They have identified all employees that are eligible to retire in the next 3 years and have begun providing supervisor and manager courses for replacement staff.

* DEP's Office of Training will launch a new web-based tool, a Learning Management System, designed to dramatically improve the way that DEP currently administers and tracks employee

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development needs, and the way that employees can access learning. The new system is being deployed to all state employees and DEP is the first agency to go live. Employees will be able to access all aspects of training at their desks/PC, saving time and providing immediate access to needed content sooner. No paper forms – an employee submits a request electronically for a class in the catalog and their supervisor is automatically notified. Employees will know what training they need to take and the deadline for completion. Supervisors will be able to prescribe training and track compliance. Online approval or denial of training requests supported with automated emails to the requesting employee. Instructors will be able to author online courses, deploy them to key groups or individuals and have the option of conducting knowledge assessments on competencies and track compliance.

*The Department has ongoing relationships with several universities. It has served as an extension site for two NJIT Masters programs since 1997; it makes extensive use of Rutgers for research initiatives and the Office of Continuing Professional Education to host regulatory seminars using DEP experts as well as training for various professional certifications administered by DEP; Fairleigh Dickinson University conducts the advanced portion of the state's Certified Public Manager course and the Rutgers Master of Executive Leadership is offered at Rider University specifically for state of NJ managers. DEP/HR has restored the internship program as of 2008 and continues to match interested programs with qualified candidates.

* A number of DEP programs have developed an excellent relationship with the Jacques Cousteau Estuarine Research Reserve and have partnered on many training programs for municipal officials and DEP staff. The programs have included other state and federal agencies. The partnership has extended to utilize the Department of Community Affairs' seminar series for Construction Code Officials and Technical Assistants to train local officials on DEP regulations and FEMA's National Flood Insurance Program

*Specifically related to technology improvements recommended by the Task Force, the department has accelerated efforts to make more electronic permitting and reporting services available online and enhance NJEMS, the department's enterprise data system, to improve processing and in some cases automatically issue permits. Several new electronic services have been developed and some such as Dental Registrations and Water Allocation Reports recently put online. This summer, permit applicants will be able to submit well permits and records, and Stormwater permits, online as well. The Land Use Regulatory Program will begin work to implement ePermitting within the next 4 months.

DEP is developing new GIS data and an improved online mapping tool, NJ GeoWeb, to make more information available upfront in the permit process. Linked to the new ePermitting services this will allow applicants to identify environmental areas of concern before submitting a permit application. NJGeoWeb will go online this spring and be available for electronic well permits.

All of these efforts provide regulated entities with a way to submit easier, faster and more reliable permit applications, as well as identify areas of concern that may impact the project. For DEP it helps to reduce data entry, and administrative and technical completeness processing, cutting the time it takes to perform permit reviews.

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DEP will upgrade eFiling and imaging capabilities, especially taking advantage of manual OPRA file reviews, so more information is made available electronically at DEP desktops and to stakeholders on DEP's DataMiner website.

Excess receipts will be used to fund the needed technology upgrades. Permit writers will be dedicated to some of these efforts, to ensure the business solution developed meets the business need, but this is a recognized "hit" to permit processing necessary for the long-term efficiency gains these new tools and services will provide. This "hit" will be especially challenging during these times of incredible staff shortages, furloughs and looming layoffs.

These efforts also require IT infrastructure upgrades including PCs, servers, wiring, and network storage. DEP is working to replace its aging IT equipment so it can support NJEMS improvements and provide access to more information at the permit writers desktop as well as in the field, and more online services to the permit applicants

Public Health and Agricultural Lab

9. A new Public Health, Environmental and Agricultural Laboratory is currently being constructed on the State Police Division Headquarters grounds in West Trenton. This multi-agency facility is being financed and developed through the NJ Building Authority with completion expected in April 2010. The lab is being designed to replace the existing Department of Health and Senior Services and Department of Agriculture labs and provide the DEP with testing services currently contracted out to private labs. The Commission on Capital Budgeting and Planning approved a request of \$16.1 million in FY 2010 for lab equipment, which was subsequently reduced to \$11 million in the Budget Recommendation.

- **Question:** Please explain how the new lab will incorporate, supplement or replace the department's current labs, both functionally and administratively. What cost benefits does the department expect to gain from the new lab?

The Department has not been part of the planning and/or development process as it relates to the construction of the new lab. Currently the Department utilizes the Department of Health and Senior Services' lab for many of its water sample analyses. Unfortunately the Department of Health and Senior Services is not certified in many of the analytical methodologies required by the Department's hazardous waste program and is not capable of handling toxic samples. It is hoped with the new facilities that the Department of Health and Senior Services will have the staffing expertise to address many of the Department's analytical requirements beyond the water analysis that they currently perform.

Open Public Records Act (OPRA)

10. According to the department's *Open Public Records Act 2006-2007 5th Year Annual Report*, between 2002 and 2007 it received 63 percent of the total number of public records requests made to all State agencies. During this period, the department spent over \$15.7 million to meet this demand. Current law permits a special service charge to be imposed for a records

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request requiring an “extraordinary expenditure of time and effort.” The annual report indicates the department collected \$28,675 in FY 2007 to process extraordinary requests.

- **Question:** How have OPRA requests affected day to day staff workloads, particularly in terms of staff resources being diverted to fulfill OPRA requests? What steps, if any, has the department taken to facilitate or evaluate the application of the special service charge for extraordinary expenditures? How much did the department recover through this special charge in FY 2008 and thus far in FY 2009?

The Department has received over 80,000 requests since the enactment of OPRA on July 8, 2002, representing 63% of all OPRA requests submitted to State Agencies. The Department has spent over \$18 million addressing the demands of OPRA. Under the Act, the Department is only allowed to bill for “extraordinary time” costs, which based on General Records Council (GRC) rulings does not apply to costs associated with labor and overhead rates. The limitation associated with the Department’s ability to charge strictly for extraordinary time efforts, has resulted in the recovery of only \$100,000.

To address the administrative burden of processing such a voluminous number of requests, the Department appointed 137 employees as Record Custodians and File Officers in 11 building locations throughout the State spending from 11% to 100% of their time on OPRA matters. On an annual basis the Department spends approximately \$3 million in salary costs and \$50,000 in non-salary costs per year on OPRA related activities.

Relative to the daily impacts of OPRA, the Department’s professional staff, such as case managers and permit writers, have their records removed from their possession for undetermined amounts of times due to file reviews and copy requests, which impacts their ability to complete work assignment reviews and approvals.

The Department’s staff expends time reviewing their records for responsiveness to requests and privilege material. The Department’s historical standard for file maintenance was dramatically changed by OPRA. Stronger emphasis on privilege documents and confidential classifications meant that a large portion of the Department’s documents were not maintained in conformance with a standard that didn’t exist until OPRA. Additionally, the Department employs temporary staff for activities such as pulling records from archived boxes and file systems, producing records from microfilm & microfiche media, and delivering and returning records to & from professional staff and file review & copying areas. We currently spend approximately \$200,000 on temporary staff.

Over 96% of ORPA requests received by the Department are for commercial purposes, primarily submitted by lawyers and consultants in response to property transactions, redevelopment projects, and environmental obligations. Last year, the Assembly introduced a bill that would have enabled the Department to assess a fee after the first professional hour for requests involving commercial interests. While the Legislative staff, Associated Press, and the New Jersey Bar recognized the strain created by OPRA at the Department and the lack of a funding mechanism, the other non-fiscal components of the bill raised concerns that have not yet been addressed. The

Discussion Points (Cont'd)

Department has redrafted the bill to include only the fee, in the amount of \$25 per hour after the first hour, and will be resubmitting it for legislative consideration. This fee would provide a more consistent mechanism in obtaining some monetary relief of the financial burden placed upon the Department by OPRA versus the current authority of charging an extraordinary time fee. Currently the Department charges \$48 per hour for a special service fee when the occurrence of an extraordinary time effort in responding to a request is encountered.

Energy Master Plan

11. The Energy Master Plan, released in October 2008, lays out ambitious short and long term clean energy goals for the State, including goals for offshore wind development to generate at least 1,000 megawatts of power by 2012.

- **Question:** What is the department's current and future role in the development of the State's clean energy goals, especially in terms of its working relationship with the U.S. Minerals Management Service, the Board of Public Utilities, and the offshore wind developers? What fiscal and staff resources are expected to be devoted to this effort in FY 2010 and beyond?

The Department is involved in development of initiatives related to the State's clean energy goals. With regards to the specific issues of offshore wind development, the Department is working closely with the Board of Public Utilities and federal agencies toward meeting New Jersey's goals for offshore wind development as articulated in New Jersey's Energy Master Plan. The Department is taking the lead on overseeing a major \$5 million initiative to study natural resources in a targeted 1300 nautical mile study area of the Atlantic Ocean to assess potential natural resource impacts of offshore wind turbines and to assist in siting wind farms. Additionally, the Department is taking the lead in working with the Minerals Management Service (MMS) in determining the nature of data that individual wind developers will need to collect and analyze to meet state and federal approval requirements. The Department is working with additional federal agencies, including NMFS, USFWS, and the Army Corps of Engineers to address these and federal consistency issues. The Department is working with other states in the mid-Atlantic region to assess regional opportunities to collaborate on offshore wind development as well as to develop regional guidelines for offshore wind. For offshore wind projects that may reside in state waters (up to three miles offshore), the Department has regulatory jurisdiction for approvals under the New Jersey Waterfront Development Act, NJSA 12:5-3. In total, the Department anticipates that approximately 3-4 positions, throughout the Department, will be involved in offshore wind activities in Fiscal Year 2010.

Program	New Jersey Funding	Federal Agency	Program Overview, Eligibility and Timetable
<p>Clean Water SRF \$4.00 Billion</p>	<p>\$160.15 Million</p>	<p>USEPA</p>	<p>Program Overview The CWSRF program funds the following type of projects: combined sewer overflow, sewage treatment plant, stormwater, landfill closure, etc. The more traditional wastewater treatment projects receive the highest points.</p> <p>Program Eligibility Due to Federal restrictions, projects are eligible only if they can be under contract or construction by February 17, 2010. Eligible recipients include municipalities, counties, sewerage or utility authorities, joint meetings, improvement authorities or local government units constructing new or improving existing wastewater, stormwater or nonpoint source pollution management facilities.</p> <p>Federal Requirements and Restrictions Funds can be redistributed by the U.S. Environmental Protection Agency (EPA) if projects are not under contract or construction within one year. Priority shall be given to projects on a State project list that are ready to proceed to construction within 12 months of the date of enactment of the American Recovery and Reinvestment Act. Each State shall use at least 50 percent of the funds to provide additional subsidization in the form of forgiveness of principle, negative interest loans, grants, or any combination thereof. Not less than 20 percent of the Funds should be available for projects consisting of green infrastructure; water or energy efficiency improvements or other environmentally innovative activities (to the extent that such projects are available for funding).</p>

			<p>No funds may be used to purchase land or easements Funds may be used to buy, refinance or restructure debt obligations of eligible recipients only where such debt was incurred on or after October, 1 2008.</p> <p>Project Prioritization and Timetable Initially, projects using federal stimulus dollars will be prioritized by readiness to proceed and job creation. All such qualified projects will then be ranked in accordance with the current NJDEP's Priority System ranking methodology. Projects receive points under several categories and are certified for funding based on list rank, amount of available funds, and compliance with requirements and deadlines for planning, design and application. These criteria are established each year through a public process with prospective borrowers (mainly municipalities, counties and authorities).</p> <p>Important Program Dates March 16, 2009 – Projects that wished to be considered for stimulus dollars submitted all planning, design and application information to ensure timely review and submittal of the required project list to EPA. February 17, 2010 – All funds awarded to the State must be committed to projects under contract or construction. Otherwise, the EPA Administrator has the authority re-appropriate the funds.</p>
<p>Drinking Water SRF \$2.00 Billion</p>	<p>\$43.15 Million</p>	<p>USEPA</p>	<p>Program Overview The (DWSRF) program assists publicly owned and privately owned community water systems and nonprofit noncommunity water systems to finance the cost of the infrastructure (including water treatment, storage and distribution lines) needed to achieve or maintain compliance with Safe Drinking Water Act requirements and to protect the public health in conformance with the objectives of the Safe Drinking Water</p>

Act (SDWA).

Program Eligibility

Due to Federal restrictions, projects are eligible only if they can be under contract or construction by February 17, 2010. Otherwise, the traditional program eligibilities associated with the Drinking Water State Revolving Fund apply. Program eligibility rules govern publicly owned and privately owned community water systems and nonprofit non community water systems.

Federal Requirements and Restrictions

Funds can be redistributed by the U.S. Environmental Protection Agency (EPA) if projects are not under contract or construction within one year.

Priority shall be given to projects on a State project list that are ready to proceed to construction within 12 months of the date of enactment of the American Recovery and Reinvestment Act.

Each State shall use at least 50 percent of the funds to provide additional subsidization in the form of forgiveness of principle, negative interest loans, grants, or any combination thereof.

Not less than 20 percent of the Funds should be available for projects consisting of green infrastructure and water or energy efficiency improvements or other environmentally innovative activities (to the extent that such projects are available for funding).

No funds may be used to purchase land or easements.

Funds may be used to buy, refinance or restructure debt obligations of

			<p>eligible recipients only where such debt was incurred on or after October, 1 2008.</p> <p>Project Prioritization and Timetable Initially, projects using federal stimulus dollars will be prioritized by readiness to proceed and ability to satisfy “green project” criteria as defined by EPA. All qualified projects will then be ranked in accordance with the current DEP’s Priority System ranking methodology. Projects receive points under several categories and are certified for funding based on list rank, amount of available funds, and compliance with requirements and deadlines for planning, design and application. Examples of other such criteria include compliance with the SDWA and public health criteria, system improvements that are part of water supply plans acceptable to DEP, including the State Water Supply Plan; projects that support the State Development and Redevelopment Plan and NJ Department of Transportation Transit Village Initiative, Brownfields Redevelopment, and Affordability Criteria. These criteria are established each year through a public process with prospective borrowers (publicly owned and privately owned community water systems and nonprofit non-community water systems).</p> <p>Important Program Dates March 16, 2009 – Projects that wished to be considered for stimulus dollars submitted all planning, design and application information to ensure timely review and submittal of the required project list to EPA. February 17, 2010 – All funds awarded to the State must be committed to projects under contract or construction. Otherwise, the EPA Administrator has the authority re-appropriate the funds.</p>
604 b Planning	\$1.62 Million (Up to	USEPA	Program Overview

<p>Grants</p>	<p>1% of the Clean Water SRF allocated to 604 (b) grants)</p>	<p>Section 604(b) of the federal Clean Water Act (CWA) provides funding (one percent of each State's CWSRF allotment) to carry out planning under Sections 205(j) and 303(e) of the CWA. These funds are available to the NJDEP and Regional Public Comprehensive Planning Organizations (RPCPOs) to assist in planning activities related to the CWSRF.</p> <p>Section 205(j) of CWA defines water quality management planning activities as determining the nature, extent and causes of water quality problems, determining point and non-point source pollution controls necessary to solve those problems, and determining those publicly owned treatment works that should be constructed with public assistance from the (CWSRF).</p> <p>Section 303(e) of CWA requires that each state initiate and maintain a continuing planning process (CPP) for area-wide Water Quality Management Planning. Central to New Jersey's CPP is the integration of federal, State, regional and local land use plans, policies and programs into a cohesive area-wide Water Quality Management Plan which addresses future wastewater treatment needs and non-point source pollution.</p> <p>Program Eligibility Due to federal restrictions, planning projects are only eligible if they can be under contract by February 17, 2010 and fully completed by September 17, 2011. Eligible organizations are limited to regional public comprehensive planning organizations engaged in comprehensive water quality management planning through New Jersey's federally approved continuing planning process. Eligible activities are limited to planning activities that address water quality protection and restoration and that are not specific to any one particular facility.</p>
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	<p>Federal Requirements and Restrictions At least 40% of the funds must be passed through to Regional Public Comprehensive Planning Organizations.</p> <p>EPA encourages that 20% of the money be set aside for planning activities related to green infrastructure such as, water use efficiency, energy efficiency, and low impact development practices.</p> <p>EPA seeks for obligation and full contracting of funds within six months, with an absolute deadline of 12 months at which time uncommitted funds shall be collected by EPA and redistributed to other states.</p> <p>EPA requires full expenditure of funds within thirty months of the date of enactment of the ARRA.</p> <p>States may use 604(b) money only for planning. Funds may <u>not</u> be used to develop facility site-plans or plans to address collection issues at individual facilities.</p> <p>Project Prioritization and Timetable The primary consideration in project selection will be the project's ability to be contracted and completed within the timeframes noted above. Projects will be further prioritized based on their capacity to preserve and create jobs, their ability to provide long-term environmental and economic benefits, their ability to increase economic efficiency through technological advancement and their effect on stabilizing local government budgets.</p> <p>Additionally, the Department readopted the Water Quality Management Planning Rules with amendments on July 7, 2008. Among those amendments was the assignment of wastewater management planning</p>
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			<p>responsibility to counties and the requirement to have updated plans submitted to the Department on an expedited basis. Implementation of this rule is a priority for the Department. Therefore, projects that advance this initiative will receive the highest priority.</p>
<p>Superfund \$600 Million</p>	<p>Unknown - Project identification and allocation based on EPA's determination</p>	<p>USEPA</p>	<p>Program Overview The federal Superfund Program is administered by the Environmental Protection Agency (EPA). The Program provides funding to clean-up contaminated sites.</p> <p>Program Eligibility For a contaminated site to be eligible for remedial funding, it must be included on the National Priorities List. Inclusion on the list requires federal rulemaking which takes several months, so it's unlikely that a "new" site will be identified, listed, and funded with stimulus money.</p> <p>Federal Requirements and Restrictions The funding is limited to remedial program funding. This would exclude funding for the removal and emergency programs.</p> <p>Project Prioritization It is currently unknown if EPA will be developing a priority system for allocating funding. Historically, EPA prioritizes funding using a panel of senior employees and internal guidelines. It is expected that sites currently in the remedial construction phase will receive funding first.</p>
<p>Brownfield \$100 Million</p>	<p>Unknown - Project identification and allocation based on EPA's evaluation of</p>	<p>USEPA</p>	<p>Program Overview Pursuant to Section 104(k) of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), USEPA annually awards competitive grants to state, local and tribal governments for</p>

	<p>applications and award of competitive grant</p> <p>Eight New Jersey municipalities and counties (Camden, Elizabeth, Hopatcong, Plainfield, Hudson County, Middlesex County, Passaic County and Union County) applied for assessment grants for FY 2009.</p> <p>Three New Jersey municipalities (Jersey City, Newark and Plainfield) applied for seven cleanup grants for FY 2009.</p>	<p>brownfields assessment and cleanup, to establish revolving loan and subgrant programs for brownfields cleanup, and to establish brownfield job training pilot/programs. These grants are intended to encourage and promote the remediation, redevelopment and reuse of brownfield sites. The existing FY 2009 program budget of approximately \$79,000 will be significantly enhanced by the addition of \$100 million in funding from the American Reinvestment and Recovery Act.</p> <p><u>Assessment Grant</u> - Assessment grants provide funding to inventory, characterize, assess, and conduct planning and community involvement related to brownfield sites. An eligible entity may apply for up to \$200,000 to assess a site contaminated by hazardous substances, pollutants, or contaminants and up to \$200,000 to address a site contaminated by petroleum. Applicants may seek a waiver of the \$200,000 limit and request up to \$350,000 for either type of site. Due to budget limitations, no entity may apply for more than \$700,000 in assessment funding. The performance period for these grants is two years.</p> <p>The assessment grant application period for FY 2009 closed November 14, 2008. The USEPA will award economic stimulus funding based on applications received by that date.</p> <p><u>Cleanup Grant</u> - Cleanup grants provide funding to conduct cleanup activities at brownfield sites. An eligible entity may apply for up to \$200,000 per site. Due to budget limitations, no entity should apply for funding cleanup activities at more than five sites. These funds may be used to address sites contaminated by petroleum and hazardous substances, pollutants, or contaminants. Cleanup grants require a 20 percent cost share, which may be in the form of a contribution of money, labor, material, or services, and must be for eligible and</p>
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	<p>One New Jersey municipality (Newark) applied for an RLF grant in FY 2009.</p> <p>One New Jersey non-profit organization (New Jersey Institute for Social Justice, in partnership with Essex County College) applied for a job training grant in FY 2009. The \$200,000 grant was awarded January 15, 2009.</p>	<p>allowable costs. A cleanup grant applicant may request a waiver of the 20 percent cost share requirement based on hardship. An applicant must own the site for which it is requesting funding at time of application or demonstrate the ability to acquire title. The performance period for these grants is two years.</p> <p>The cleanup grant application period for FY 2009 closed November 14, 2008. The USEPA will award economic stimulus funding based on applications received by that date.</p> <p>Revolving Loan Fund Grants - Revolving loan fund (RLF) grants provide funding to state, local and tribal governments to capitalize revolving funds to make low interest loans and subgrants that fund cleanup activities at brownfields sites. An eligible entity may apply for up to \$1,000,000 over five years.</p> <p>The application period for FY 2009 closed November 14, 2008. Economic stimulus funding will only be used to provide RLF grant supplemental funding, that is, for RLF grantees which have made at least one loan or subgrant from an existing RLF.</p> <p>Job Training Pilots/Grants - Job training grants provide environmental employment and training for residents in communities impacted by brownfields. Job training grants will each be funded up to \$200,000 over two years. The application period for FY 2009 closed November 14, 2008.</p> <p>As a result of the economic stimulus funding, the USEPA will be opening a new competition for job training grants with an application deadline of April 20, 2009. USEPA is accepting applications from eligible governmental entities and nonprofit organizations to provide</p>
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			<p>environmental job training projects and to facilitate job creation in the assessment, remediation, or preparation of brownfields sites for sustainable reuse. USEPA anticipates awarding ten to twelve cooperative agreements, whose maximum value each shall not exceed \$500,000.</p> <p>Eligible applicants must identify and propose to serve a community that currently receives, or has received, financial assistance (federal, state, or tribal) for brownfields assessment, revolving loan fund, cleanup, site-specific work carried out by state or tribal response programs, and/or targeted brownfields assessments performed directly by USEPA.</p> <p>Program Eligibility Eligibility requirements are established under Section 104(k) of CERCLA, and are detailed in the overview for each of the grants listed above.</p> <p>Federal Requirements and Restrictions Grantees are selected annually by the USEPA through a competitive process, and awards are made directly to the grantees. (States do not participate in the grant selection or award process.)</p> <p>The USEPA will be accepting no additional assessment, cleanup or RLF grant applications for FY 2009.</p> <p>As a result of the economic stimulus funding, the USEPA will be opening a new competition for job training grants with an application deadline of April 20, 2009.</p> <p>The USEPA must award all grants by September 30, 2009.</p> <p>Grantees must meet spending deadlines specified in the existing Section 104(k) grant program (two years for assessment, cleanup and job training grants; five years for RLF grants). No additional time</p>
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			<p>constraints are imposed on economic stimulus grantees.</p> <p>Funds may be redistributed by the USEPA if program spending deadlines are not met.</p> <p>Project Prioritization and Timetable Project priorities are established and implemented solely by USEPA with no State participation.</p> <p>The USEPA will be accepting no additional assessment, cleanup or RLF grant applications for FY 2009.</p> <p>As a result of the economic stimulus funding, the USEPA will be opening a new competition for job training grants with an application deadline of April 20, 2009.</p> <p>The USEPA must award all grants by September 30, 2009.</p> <p>Grantees must meet spending deadlines specified in the existing Section 104(k) grant program (two years for assessment, cleanup and job training grants; five years for RLF grants). No additional time constraints are imposed on economic stimulus grantees.</p> <p>Funds may be redistributed by the USEPA if program spending deadlines are not met.</p>
<p>Leaking UST</p> <p>\$200 Million</p>	<p>\$4.819 Million</p>	<p>USEPA</p>	<p>Program Overview</p> <p>The federal Leaking Underground Storage Tank (LUST) Trust Fund provides states with grant funding to oversee and conduct the cleanup of discharges resulting from underground storage tanks (UST) regulated by Subtitle I of the federal Resource Conservation and Recovery Act (RCRA). The largest single group of USTs covered by this program contains motor fuel at gasoline service stations and commercial</p>

	<p>establishments.</p> <p>Program Eligibility The LUST Trust Funds can only be utilized for remediation activities related to leaking USTs regulated by Subtitle I of the federal Resource Conservation and Recovery Act. In addition, these funds can be used at these UST sites for investigative activities to confirm a suspected release.</p> <p>Funds are to be spent at sites where the UST owner and operator (responsible parties) are unable and/or unwilling to conduct the remediation.</p> <p>Federal Requirements and Restrictions A workplan and application is required to be submitted for approval to Region 2 USEPA in order to receive these LUST Trust Funds.</p> <p>Workplan activities include programmatic requirements including progress reporting (site specific and non-site specific), cost recovery and closeout actions. (Awaiting final stimulus guidance)</p> <p>States are required to attempt cost recovery of LUST Trust Funds used to remediation sites. Cost recovery must be in accordance with EPA's LUST Trust Fund Cooperative Agreement Guidelines (OSWER Directive 9650.10A) and EPA's Cost Recover Policy for the Leaking Underground Storage Tank Trust Fund (OSWER Directive 9610.10A)</p> <p>Project Prioritization and Timetable The Department has identified potential candidates for stimulus funding taking into account:</p>
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			<p>1) Sites with final enforcement orders where full compliance has not been achieved; and</p> <p>2) Sites located in Tier 1 Wellhead Protection Areas, incidents have been reported and UST Closure Reports to confirm the releases and document corrective action have not been submitted. This potential candidate sites will require a more in depth review to determine whether the nature of the specific discharge warrants public fund expenditures.</p> <p>Not less than 60% of these Funds must be obligated and 30% expended within 1 year to accomplish rapid job creation. The grant agreement will be awarded for the time period 4-1-09 to 9-30-11.</p> <p>March 19, 2009 – The Department submitted its work plan and grant application to USEPA.</p>
<p>Diesel Emission Reduction Act (DERA)</p> <p>\$300 Million</p>	<p>\$1.7 Million direct allocation to NJDEP</p> <p>- -30% Based on Formula</p> <p>\$18.4 million available to eligible entities in USEPA Region 2 via competitive process</p>	<p>USEPA</p>	<p>Program Overview</p> <p>Each state environmental agency received a direct allocation. The Department will use its \$1.73 million direct allocation for tailpipe retrofits of construction equipment to reduce particulate matter emissions. Reducing emissions from construction equipment is a priority project for NJDEP.</p> <p>IN addition to the direct allocation, there is 206 million available via regional and national competitions (governmental entities, schools, and non-profit are eligible to apply).</p> <p>Program Eligibility</p> <p>For the regional and national competitions, the following entities are</p>

		<p>eligible to apply: A regional, state, local or tribal agency or port authority with jurisdiction over transportation or air quality; A non-profit organization that promotes pollution reduction, transportation or air quality; and Schools, municipalities, cities, counties and metropolitan planning organizations are also eligible to the extent they fall within the preceding two categories..</p> <p>Federal Requirements and Restrictions</p> <p>The \$206 million competitive portion is divided into three RFPs, similar to the 2008 RFPs:</p> <p>Clean Diesel Funding Assistance: This will be handled by the individual USEPA regions and the money can be used for new vehicles, engine repowers, cleaner fuel, idling technologies, and retrofit technologies. The \$18.4 is available for eligible entities within USEPA Region 2 states/territories. We anticipate applying for this regional competition to reduce emissions from diesel sources (e.g., ships, trucks, cargo handling equipment) operating at the South Jersey Port Corporation and the Port Authority of NY/NJ.</p> <p>Clean Diesel Emerging Technologies: This is a \$20 million national competition for emerging technologies to reduce diesel emissions.</p> <p>Clean Diesel Finance Program: This is a \$30 million national competition for innovative financing programs that lower costs to the purchaser of a new diesel vehicle by providing lower interest rates, longer repayment terms or greater approvability of loans.</p> <p>Project Prioritization and Timetable State allocation (\$1.73 million for NJ):</p>
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			<p>Under this grant, NJDEP continues its efforts to “green construction by funding retrofits on non-road equipment that is used on three types of projects:</p> <ul style="list-style-type: none"> Construction projects financed by the New Jersey Department of Transportation; Publicly funded Site Remediation projects; and Construction projects funded by the New Jersey Environmental Infrastructure Trust (NJEIT). <p>Any company that believes they meet this eligibility criteria, and is interested in participating is encouraged to fill out an application for available on www.stopthe soot.org by June 2009. Projects in urban areas and equipment that receives the heaviest use will be prioritized for funding. All retrofits must be completed by September 2010.</p> <p>Regional and National Competitions</p> <p>USEPA issued 3 separate Requests for Applications and each has its own due date and scoring criteria. A key objective of the American Recovery and Reinvestment Act is to preserve and create jobs and promote economic recovery. Therefore, projects will be prioritized based on a “readiness to proceed”, ability to create or retain jobs, reduction of diesel emissions, and the project priority system described at http://www.epa.gov/otaq/eparecovery/index.htm</p>
<p>Forestry – Wildland Fire Management - Hazard Reduction</p> <p>\$500 Million</p>	<p>Unknown</p>	<p>USDA 35 Projects - \$8.3M submitted 2/19/09</p>	<p>Program Overview</p> <p>The New Jersey Forest Fire Service is responsible for protecting life and property from wildfire within 3.15 million acres of private and public lands statewide. The USDA Forest Service is administering the ARRA Wildfire Hazard Reduction funds through a competitive grant process for work on state and private lands for hazardous fuels reduction, forest</p>

	<p>health and ecosystem improvement activities.</p> <p>The USDA prioritization of projects will be based on multiple factors, including the number of jobs created, job sustainability and timeframe for completion. The preliminary projects submitted by New Jersey include proposals in all potential areas identified by USDA, including 4 projects for forest health, 17 hazard fuel mitigation and restoration, 9 ecosystem/watershed enhancement, 4 state and volunteer fire assistance projects and 1 wood to energy grant. Under direction from the USDA Forest Service Washington office, each Forest Service Region was instructed to conduct a regional review of submitted projects and forward no more than \$200 million per region for the national competitive review. New Jersey had 8 of the 35 projects originally submitted totaling \$2,075,240 make the regional cut. Two projects were for forest health, three for hazard fuel reduction, two for ecosystem/watershed enhancement and one wood to energy project. The national review of the nine Forest Service regional submissions is now underway.</p>	<p>Program Eligibility The USDA provided eight project categories: Forest Health – Cooperative; Hazard Fuels Mitigation; Hazard Fuels Reduction; Hazard Fuels Ecosystem Restoration; Related Ecosystem/Watershed Enhancement; State Fire Assistance; Volunteer Fire Assistance; and Wood to Energy Grants – Non-Federal Lands.</p> <p>Federal Requirements and Restrictions Project completion date must be within 24 months of initiation.</p> <p>Project Prioritization and Timetable Project proposals will be prioritized by USDA based on multiple factors</p>
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			<p>including the number of jobs created, job sustainability and timeframe for completion.</p> <p>February 19, 2009 – The Department submitted 35 pre-application proposals totaling \$8.5 million.</p> <p>March 13, 2009 – The USDA announced Regional project selections incorporating 8 of the 35 pre-application proposals.</p> <p>May 2009 – USDA Forest Service should announce selected projects.</p> <p>May 15, 2009 – Target date for states to submit formal applications to USDA for selected projects.</p>
<p>Flood Control & Shore Protection (Water Resources Development) \$2.025 Billion</p>	<p>Unknown</p>	<p>US Army Corps of Engineers</p>	<p>Program Overview The DEP Office of Engineering and Construction provides project review, construction oversight, and matching construction funds (65-35% for shore protection projects and 75-25% for flood control) for USACE projects. Project types include beach replenishment, bulkheads, seawalls, floodwalls, levees, and stream channelization. DEP matches USACE funding with Shore Protection Program funding and direct appropriation of state monies known HR-6 Funds.</p> <p>Program Eligibility Projects must be shovel-ready.</p> <p>Federal Requirements and Restrictions The USACE requires state ownership or construction and public interest easements on properties where project construction takes place and the</p>

		<p>state's cost share.</p> <p>Project Prioritization and Timetable The USACE will make determination on specific project prioritization. of the \$2B for water related environmental infrastructure assistance</p>
<p>Habitat Restoration & Mitigation Activities</p> <p>\$600 Million</p>	<p>Unknown – Competitive Grant Awards</p> <p>NOAA announced funding of \$170M (from the \$600 Million available) for marine and coastal habitat restoration projects</p>	<p>US Department of Commerce - NOAA</p> <p>Program Overview This competitive grants program administered by the National Oceanic and Atmospheric Administration (NOAA), Marine Fisheries Service is designed to restore and enhance habitats that support valuable fisheries and protected resources, improve water quality, provide recreational opportunities and buffer our coastal communities from the impacts of storms and sea level rise. Funds will be administered directly by NOAA's Office of Habitat Conservation.</p> <p>Program Eligibility Eligible applicants are institutions of higher education, non-profits, commercial (for-profit) organizations, U.S. Territories, and state, local and Indian tribal governments.</p> <p>Federal Requirements and Restrictions There is no statutory matching requirement for this funding. Projects dealing only with water quality improvement measures are not eligible. Applicants should also note that the following activities will not be considered: (1) Activities that constitute legally required mitigation for the adverse effects of an activity regulated or otherwise governed by local, state or Federal law; (2) activities that constitute restoration for</p>

<p>natural resource damages under Federal, state or local law; and (3) activities that are required by a separate consent decree, court order, statute or regulation.</p>	<p>Project Prioritization and Timetable Project proposals will be prioritized by NOAA based on multiple factors including the number of jobs created, job sustainability, ecological benefits, and timeframe for completion. High priority will be given to applications for projects that:</p> <ul style="list-style-type: none"> Have the greatest potential to achieve ecological benefits and maximize jobs creation/preservation; Can begin within the first 90 days of the award start date; Can be completed within 12-18 months; Have the greatest potential to be sustainable and provide lasting benefits of regional or national significance; Identify specific goals and outcomes, with appropriate ecological and economic performance metrics; Propose sufficient, cost-effective monitoring appropriate to the scope and scale of the project to evaluate a project's benefits; Are consistent with NOAA species recovery planning efforts if located in areas where recovery planning efforts for Endangered Species Act listed species are underway; Request funds primarily to implement physical, on-the-ground coastal habitat restoration (as opposed to funds for general program support, overhead and travel). 	<p>April 6, 2009 Applications deadline</p> <p>May 1, 2009 Successful applications will be identified by May 1, 2009</p>
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