

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 27

# STATE OF NEW JERSEY

DATED: MARCH 20, 1997

The Assembly Appropriations Committee reports favorably Assembly Bill No. 27.

Assembly Bill No. 27 establishes guidelines and procedures for the appropriation of certain bond funds authorized pursuant to the "Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration, and Delaware Bay Area Economic Development Bond Act of 1996," P.L.1996, c.70. The bill provides specific guidelines for the appropriation of monies from the "1996 Dredging and Containment Facility Fund" and the "1996 Economic Development Site Fund," both of which were created in the 1996 bond act and approved by the voters in November, 1996.

Concerning procedural guidelines for the appropriation and expenditure of bond monies authorized for the dredging of navigation channels in the New Jersey port region (e.g., Kill van Kull, Arthur Kill), the dredging of navigation channels located outside of the port region, and for projects related to the disposal of port region dredged materials and dredged material decontamination, the bill authorizes the Office of Maritime Resources in the Department of Commerce and Economic Development to develop a priority list of dredging and dredged material disposal projects. The bill requires the office to include in the project priority lists, over time, not less than \$5 million for decontamination projects.

Prior to submission to the Legislature for consideration, the list would first have to be approved by a 12-member Dredging Project Facilitation Task Force established by the bill. The task force would be composed of the Commissioners of Environmental Protection and Commerce and Economic Development, the State Treasurer, and nine public members, three of which would be appointed by the Governor, three by the Senate President and three by the Speaker of the General Assembly. One of the Senate President's appointments would be the chair of the task force. The public members would be required to represent various sectors related to the port economy. The Legislature would then consider the list in the form of an appropriations bill listing specific projects, in accordance with the provisions of the bond act. The bill requires the task force to act on the list within 60 days of receipt of the list from the Office of Maritime Resources. Failure to

act within this time period would mean automatic transmission of the list to the Legislature for consideration.

The bill assigns primary responsibility for the development and implementation of a comprehensive dredging and dredged material management and disposal plan, including dredged material decontamination, to the Office of Maritime Resources, in consultation with the Department of Environmental Protection (DEP) and the task force. The bill authorizes the office to manage the development and implementation of dredging (both port region and non-port region) and dredged material disposal projects and demonstration decontamination and treatment technologies, as well as to charge fees for dredging and for the use of a dredged material disposal facility to offset associated costs.

The bill also establishes a 12-member Economic Development Site Task Force to prioritize economic development site projects authorized by the bond act. The bill establishes a procedure for the expenditure of economic development site bond monies, whereby the Department of Commerce and Economic Development would establish and administer an application process and develop a project priority list for submission to the task force. The task force would then approve, disapprove or approve with modifications the project list submitted by the department. The task force would then submit, upon its approval, a project priority list to the Legislature. The bond act authorized \$20 million for these economic development site projects.

FISCAL IMPACT:

The bill appropriates \$32 million from the "1996 Dredging and Containment Facility Fund," established pursuant to section 18 the bond act (P.L.1996, c.70), for various dredging and dredged material disposal projects, including infrastructure investments.

The bill also authorizes the Legislature to limit the amount of bond funds that may be expended for administrative costs.