

LEGISLATIVE FISCAL ESTIMATE TO

[First Reprint]
ASSEMBLY, No. 496

STATE OF NEW JERSEY

DATED: SEPTEMBER 5, 1996

Assembly Bill No. 496 (1R) of 1996 provides that any municipality bordering on a municipality wherein a resource recovery facility is located shall be entitled to an annual economic benefit, provided that the municipal boundary of the contiguous municipality is within one-half mile of the incinerator building of the facility. The amended version of the bill contains provisions that would make it apply only to the Borough of Westville, Gloucester county.

The amount of the annual economic benefit accorded a contiguous municipality would be negotiated by its governing body and the person holding the franchise for the facility and the contracting unit, or both, as the case may be. The contiguous municipality's annual economic benefit would be separate and distinct from the "host municipality" benefit provided by existing law (i.e. subsection a. of the bill). The bill would also exempt those contracting units which have already negotiated contracts for resource recovery facilities and services, and held public hearings thereon, from the contiguous municipality benefit provisions of the bill. If the parties fail to agree upon an annual economic benefit, the bill permits the Department of Environmental Protection, upon the request of the parties, to mediate or make a determination on the amount of the benefit pursuant to parameters contained in the bill.

The Office of Legislative Services cannot estimate the amount of money the Borough of Westville will receive under the bill because this sum must be negotiated. It should be noted that any such benefits paid out under the bill would likely be offset or passed along in the form of higher solid waste disposal rates to the other participating municipalities and customers of the resource recovery facility.

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.