

ASSEMBLY, No. 1099

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblyman CORODEMUS

1 AN ACT authorizing the creation of a debt of the State of New Jersey
2 by issuance of bonds of the State in the sum of \$450,000,000.00 to
3 provide moneys for the remediation of hazardous discharge sites;
4 for the construction of potable water treatment, replacement or
5 supply projects when potable water is determined to be
6 contaminated; for loans to upgrade underground storage tanks and
7 the remediation of any discharge therefrom; for the dredging of the
8 Kill Van Kull; for the construction of subaqueous pits and a
9 containment island for the disposal of dredged material; providing
10 the ways and means to pay and discharge the principal and interest
11 thereof; providing for the submission of this act to the people at the
12 general election; and making an appropriation.

13
14 **BE IT ENACTED** *by the Senate and General Assembly of the State*
15 *of New Jersey:*

16
17 1. This act shall be known and may be cited as the "Environmental
18 Cleanup and Containment Bond Act of 1996."

19
20 2. The Legislature finds and declares that the improper,
21 irresponsible, and sometime illegal discharge of hazardous substances
22 presents a grave threat to the public health and safety, and to the
23 environment, that the dangers posed by these discharges can be
24 minimized only by prompt identification, cleanup and removal of these
25 hazardous discharges, that existing funding sources are not adequate
26 to finance these remediation operations, and that it is therefore in the
27 best interests of all citizens of this State to provide a funding
28 mechanism to finance the prompt and efficient remediation of
29 hazardous discharge sites.

30 The Legislature further finds and declares that discharges from
31 underground storage tanks pose a substantial threat to the State's
32 drinking water resources and the public health and safety. Persons
33 owning underground storage tanks lack the resources to upgrade their
34 tanks in accordance with upcoming federal and State deadlines, and to
35 perform any necessary cleanup required by a discharge from the tank.

1 Therefore, it is in the best interests of all the citizens of the State to
2 provide loans for the upgrade of underground storage tanks and the
3 cleanup of any discharge therefrom.

4 The Legislature further finds that the removal of sand, silt and mud,
5 also referred to as dredged material, from navigation channels and ship
6 berths in the port area of New York City and northern New Jersey
7 must be performed on a regular basis to ensure the continued
8 economic viability of the shipping and trade industry, which creates
9 more than 200,000 direct and indirect jobs, provides more than \$20
10 billion in regional economic benefits and generates salaries and wages
11 in excess of \$5 billion; that while the economic importance of dredging
12 is significant, it must be recognized that dredged material is often
13 contaminated with harmful and dangerous substances; and that to
14 continue to benefit from the economic resource provided by an
15 accessible port it is therefore in the best interests of all citizens of this
16 State to provide a funding mechanism to finance the State's share of
17 the dredging of the Kill Van Kull, and the construction of subaqueous
18 pits and a containment island to provide for the safe disposal of
19 dredged materials.

20

21 3. As used in this act, unless the context indicates a different
22 meaning or intent:

23 "Bonds" mean the bonds authorized to be issued, or issued, under
24 this act.

25 "Commission" means the New Jersey Commission on Capital
26 Budgeting and Planning.

27 "Construction" means, in addition to the usual meaning thereof, acts
28 of construction, reconstruction, improvement, rehabilitation,
29 relocation, demolition, renewal, repair, replacement, extension,
30 betterment, improvement, protection, or consolidation or any
31 combination thereof, of a containment island or islands, and
32 subaqueous pits for the disposal of dredged materials, or of a public
33 or private well, groundwater supply or water supply facility, and
34 includes the sealing of contaminated wells and the closure of
35 contaminated groundwater supplies.

36 "Containment island" means an upland or in-water confined disposal
37 facility which shall consist of an artificially constructed island, a diked
38 extension of an existing island, or a diked extension of land located
39 landward of the mean high water line of tidal waters, and which is
40 designated solely for the disposal of dredged materials;

41 "Contamination" or contaminant" means any discharged hazardous
42 substance as defined pursuant to section 3 of P.L.1976, c.141
43 (C.58:10-23.11b), hazardous waste as defined pursuant to section 1 of
44 P.L.1976, c.99 (C.13:1E-38), or pollutant as defined pursuant to
45 section 3 of P.L.1977, c.74 (C.58:10A-3); except that sewage and
46 sewage sludge shall not be considered as contamination for the

1 purposes of this act.

2 "Cost" means the expenses incurred in connection with: the
3 initiation, continuation, or completion of a remediation project at
4 hazardous discharge sites authorized by this act; the acquisition by
5 purchase, lease, or otherwise, and the construction of a water supply
6 treatment or replacement project or water supply facility authorized by
7 this act; the construction of a containment island or islands, and
8 subaqueous pits for the disposal of dredged materials from the port
9 region authorized by this act; the dredging of the Kill Van Kull; the
10 acquisition by purchase, lease, or otherwise, and the development of
11 any real or personal property for use in connection with a project
12 authorized by this act, including any rights or interests therein, the
13 execution of any agreements and franchises deemed by the department
14 to be necessary or useful and convenient in connection with any
15 project authorized by this act; the procurement of engineering,
16 inspection, planning, legal, financial, or other professional services,
17 including the services of a bond register or an authenticating agent; the
18 issuance of bonds, or any interest or discount thereon; the
19 administrative, organizational, operating or other expenses incident to
20 the financing, initiating, continuing, completing, and placing into
21 service of any project authorized by this act, including the expense of
22 salaries, supplies, equipment and materials; the establishment of a
23 reserve fund or funds for working capital, operating, maintenance, or
24 replacement expenses and for the payment or security of principal or
25 interest on bonds, as the Director of the Division of Budget and
26 Accounting in the Department of the Treasury may determine; and
27 reimbursement to any fund of the State of moneys which may have
28 been transferred or advanced therefrom to any fund created by this act,
29 or any moneys which may have been expended therefrom for, or in
30 connection with, any project authorized by this act.

31 "Department" means the Department of Environmental Protection.

32 "Discharge" means an intentional or unintentional action or
33 omission resulting in the releasing, spilling, leaking, pumping, pouring,
34 emitting, emptying, or dumping of a contaminant onto the land or into
35 the waters of the State.

36 "Dredge or dredging" means the removal of sand, silt, mud, and
37 other materials from the bottom of a waterway in order to deepen
38 navigation channels and ship berths;

39 "Dredged material" means dredged material that is, in the
40 determination of the federal Environmental Protection Agency, either
41 unsuitable for ocean disposal or suitable for ocean disposal only with
42 capping;

43 "Government securities" means any bonds or other obligations
44 which as to principal and interest constitute direct obligations of, or
45 are unconditionally guaranteed by, the United States of America,
46 including obligations of any federal agency, to the extent those

1 obligations are unconditionally guaranteed by the United States of
2 America, and any certificates or any other evidences of an ownership
3 interest in those obligations of, or unconditionally guaranteed by, the
4 United States of America or in specified portions which may consist
5 of the principal of, or the interest on, those obligations.

6 "Hazardous discharge site" means any location where contaminants
7 have been, are suspected to have been, or are threatened to be
8 discharged, and shall include the site at which the discharge occurred,
9 is suspected, or is threatened, and any area to which the contamination
10 has or may migrate.

11 "Port region" means the geographic area created by Article II of the
12 Compact of April 30, 1921, creating the bi-state agency, now known
13 as the Port Authority of New York and New Jersey, and which is
14 commonly referred to as the Port of New York District;

15 "Project" means any work relating to the remediation of a
16 hazardous discharge site or the treatment or replacement of
17 contaminated public or private potable water supplies or the
18 construction of water supply facilities for the provision of potable
19 water or the construction of a containment island or islands and
20 subaqueous pits for the disposal of dredged material from the port
21 region, or the dredging of the Kill Van Kull.

22 "Remedial action" means those actions taken at a hazardous
23 discharge site, as may be required by the department, including the
24 removal, treatment, containment, transportation, securing, or other
25 engineering or treatment measures, whether of a permanent nature or
26 otherwise, designed to ensure that any discharge at the hazardous
27 discharge site is remediated in compliance with the applicable
28 remediation standards.

29 "Remediation" or "remediate" means all necessary actions to
30 investigate and clean up any known, suspected, or threatened
31 discharge of contaminants, including, as necessary, identifying areas
32 of concern and determining the presence of contaminants, the
33 collection and evaluation of data adequate to determine whether or not
34 discharged contaminants exist, determining the nature and extent of
35 any discharged contaminant and any problems presented by a
36 discharge, and the performance of a remedial action.

37 "Subaqueous pit" means an excavated area within a waterway used
38 for the disposal of dredged material;

39 "Underground storage tank" means any one or combination of
40 tanks, including appurtenant pipes, lines, fixtures, and other related
41 equipment, used to contain an accumulation of hazardous substances,
42 the volume of which, including the volume of the appurtenant pipes,
43 lines, fixtures and other related equipment, is 10% or more below the
44 ground;

45 "Upgrade" means the replacement of an underground storage tank,
46 the closure of an underground storage tank when another tank exists

1 at the facility, the installation of secondary containment, monitoring
2 systems, release detection systems, corrosion protection, spill
3 prevention, or overflow prevention therefor, or any other necessary
4 improvement to the tank in order to meet the applicable federal and
5 State standards;

6 "Water supply facilities" means the plants, structures,
7 interconnections between existing water supply systems, machinery,
8 equipment and other property, real, personal, and mixed, constructed
9 or operated, or to be constructed or operated, for the purposes of
10 augmenting the natural water resources of the State and making
11 available a supply of water for all uses, and any and all appurtenances
12 necessary, useful or convenient for making available, collecting,
13 impounding, storing, improving, treating and filtering, or transmitting
14 water.

15

16 4. The commissioner shall adopt, pursuant to the "Administrative
17 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and
18 regulations necessary to implement the provisions of this act. The
19 commissioner shall review and consider the findings and
20 recommendations of the commission in the administration of the
21 provisions of this act.

22

23 5. a. Bonds of the State of New Jersey are authorized to be issued
24 in the aggregate principal amount of \$150,000,000, for the purposes
25 of financing the cost of completing or continuing a phase of a
26 remediation at a hazardous discharge site initiated by the department
27 prior to the effective date of this act, the construction of water supply
28 treatment or replacement projects, including the construction of water
29 supply facilities, and providing State loans to finance the upgrades of
30 underground storage tanks and any remediation necessary due to a
31 discharge therefrom to be allocated as follows:

32 (1) \$75,000,000 shall be for completing or continuing a phase of
33 a remediation at a hazardous discharge site initiated by the department
34 prior to the effective date of this act, and the construction of water
35 supply treatment or replacement projects, including the construction
36 of water supply facilities, when potable water is determined by the
37 department to be contaminated or threatened by a discharge and the
38 department determines that an emergency exists. Moneys available to
39 the department for completing or continuing a phase of a remediation
40 at a hazardous discharge site initiated by the department prior to the
41 effective date of this act may be used by the department for other
42 hazardous discharge site remediation activities if such moneys are not
43 needed to complete initiated work.

44 (2) \$75,000,000 shall be for State loans to finance the upgrade of
45 underground storage tanks and any necessary remediation due to a
46 discharge therefrom.

1 6. Bonds of the State of New Jersey are authorized to be issued in
2 the aggregate principal amount of \$200,000,000, for the purposes of
3 financing the State's share of the cost of the construction of
4 subaqueous pits and a containment island or islands for the disposal of
5 dredged material from the port region in accordance with all applicable
6 State and federal laws, rules or regulations.

7
8 7. Bonds of the State of New Jersey are authorized to be issued in
9 the aggregate principal amount of \$100,000,000, for the purposes of
10 financing the State's share of the cost of dredging the Kill Van Kull.

11
12 8. The bonds authorized under this act shall be serial bonds, term
13 bonds, or a combination thereof, and shall be known as
14 "Environmental Cleanup and Containment Bonds of 1996." These
15 bonds shall be issued from time to time as the issuing officials herein
16 named shall determine and may be issued in coupon form,
17 fully-registered form or book-entry form. The bonds may be subject
18 to redemption prior to maturity and shall mature and be paid not later
19 than 35 years from the respective dates of their issuance.

20
21 9. The Governor, the State Treasurer and the Director of the
22 Division of Budget and Accounting in the Department of the Treasury,
23 or any two of these officials, herein referred to as "the issuing
24 officials," are authorized to carry out the provisions of this act relating
25 to the issuance of bonds, and shall determine all matters in connection
26 therewith, subject to the provisions of this act. If an issuing official is
27 absent from the State or incapable of acting for any reason, the powers
28 and duties of that issuing official shall be exercised and performed by
29 the person authorized by law to act in an official capacity in the place
30 of that issuing official.

31
32 10. Bonds issued in accordance with the provisions of this act shall
33 be direct obligations of the State of New Jersey, and the faith and
34 credit of the State are pledged for the payment of the interest and
35 redemption premium thereon, if any, when due, and for the payment
36 of the principal thereof at maturity or earlier redemption date. The
37 principal of and interest on the bonds shall be exempt from taxation by
38 the State or by any county, municipality or other taxing district of the
39 State.

40
41 11. The bonds shall be signed in the name of the State by means of
42 the manual or facsimile signature of the Governor under the Great Seal
43 of the State, which seal may be by facsimile or by way of any other
44 form of reproduction on the bonds, and attested by the manual or
45 facsimile signature of the Secretary of State, or an Assistant Secretary
46 of State, and shall be countersigned by the facsimile signature of the

1 Director of the Division of Budget and Accounting in the Department
2 of the Treasury and may be manually authenticated by an
3 authenticating agent or bond registrar, as the issuing officials shall
4 determine. Interest coupons, if any, attached to the bonds shall be
5 signed by the facsimile signature of the Director of the Division of
6 Budget and Accounting in the Department of the Treasury. The bonds
7 may be issued notwithstanding that an official signing them or whose
8 manual or facsimile signature appears on the bonds or coupons has
9 ceased to hold office at the time of issuance, or at the time of the
10 delivery of the bonds to the purchaser thereof.

11

12 12. a. The bonds shall recite that they are issued for the purposes
13 set forth in sections 5, 6 and 7 of this act, that they are issued pursuant
14 to this act, that this act was submitted to the people of the State at the
15 general election held in the month of November, 1996, and that this
16 act was approved by a majority of the legally qualified voters of the
17 State voting thereon at the election. This recital shall be conclusive
18 evidence of the authority of the State to issue the bonds and their
19 validity. Any bonds containing this recital shall, in any suit, action or
20 proceeding involving their validity, be conclusively deemed to be fully
21 authorized by this act and to have been issued, sold, executed and
22 delivered in conformity herewith and with all other provisions of law
23 applicable hereto, and shall be incontestable for any cause.

24 b. The bonds shall be issued in those denominations and in the form
25 or forms, whether coupon, fully-registered or book-entry, and with or
26 without provisions for the interchangeability thereof, as may be
27 determined by the issuing officials.

28

29 13. When the bonds are issued from time to time, the bonds of
30 each issue shall constitute a separate series to be designated by the
31 issuing officials. Each series of bonds shall bear such rate or rates of
32 interest as may be determined by the issuing officials, which interest
33 shall be payable semiannually; except that the first and last interest
34 periods may be longer or shorter, in order that the intervening
35 semiannual payments may be at convenient dates.

36

37 14. The bonds shall be issued and sold at the price or prices and
38 under the terms, conditions and regulations as the issuing officials may
39 prescribe, after notice of the sale, published at least once in at least
40 three newspapers published in this State, and at least once in a
41 publication carrying municipal bond notices and devoted primarily to
42 financial news, published in this State or in the city of New York, the
43 first notice to appear at least five days prior to the day of bidding. The
44 notice of sale may contain a provision to the effect that any bid in
45 pursuance thereof may be rejected. In the event of rejection or failure
46 to receive any acceptable bid, the issuing officials, at any time within

1 60 days from the date of the advertised sale, may sell the bonds at a
2 private sale at such price or prices and under the terms and conditions
3 as the issuing officials may prescribe. The issuing officials may sell all
4 or part of the bonds of any series as issued to any State fund or to the
5 federal government or any agency thereof, at a private sale, without
6 advertisement.

7
8 15. Until permanent bonds are prepared, the issuing officials may
9 issue temporary bonds in a form and with those privileges as to their
10 registration and exchange for permanent bonds as may be determined
11 by the issuing officials.

12
13 16. The proceeds derived from the sale of bonds shall be paid to
14 the State Treasurer in a separate fund, which shall be known as the
15 "Environmental Cleanup and Containment Fund of 1996." The
16 proceeds of this fund shall be deposited in those depositories as may
17 be selected by the State Treasurer to the credit of the fund.

18
19 17. a. The moneys in the "Environmental Cleanup and Containment
20 Fund of 1996" are specifically dedicated and shall be applied to the
21 cost of the purposes set forth in sections 5, 6 and 7 of this act.
22 However, no moneys in the fund shall be expended for those purposes,
23 except as otherwise authorized by this act, without the specific
24 appropriation thereof by the Legislature, but bonds may be issued as
25 herein provided, notwithstanding that the Legislature shall not have
26 then adopted an act making a specific appropriation of any of the
27 moneys.

28 b. At any time prior to the issuance and sale of bonds under this
29 act, the State Treasurer is authorized to transfer from any available
30 moneys in any fund of the treasury of the State to the credit of the
31 "Environmental Cleanup and Containment Fund of 1996" those sums
32 as the State Treasurer may deem necessary. The sums so transferred
33 shall be returned to the same fund of the treasury of the State by the
34 State Treasurer from the proceeds of the sale of the first issue of
35 bonds.

36 c. Pending their application to the purposes provided in this act,
37 the moneys in the "Environmental Cleanup and Containment Fund of
38 1996" may be invested and reinvested as are other trust funds in the
39 custody of the State Treasurer, in the manner provided by law. Net
40 earnings received from the investment or deposit of moneys in the
41 "Environmental Cleanup and Containment Fund of 1996" shall be paid
42 into the General Fund.

43
44 18. If any coupon bond, coupon or registered bond is lost,
45 mutilated or destroyed, a new bond or coupon shall be executed and
46 delivered of like tenor, in substitution for the lost, mutilated or

1 destroyed bond or coupon, upon the owner furnishing to the issuing
2 officials evidence satisfactory to them of the loss, mutilation or
3 destruction of the bond or coupon, the ownership thereof, and
4 security, indemnity and reimbursement for expenses connected
5 therewith, as the issuing officials may require.

6
7 19. The accrued interest, if any, received upon the sale of the
8 bonds shall be applied to the discharge of a like amount of interest
9 upon the bonds when due. Any expense incurred by the issuing
10 officials for advertising, engraving, printing, clerical, authenticating,
11 registering, legal or other services necessary to carry out the duties
12 imposed upon them by the provisions of this act shall be paid from the
13 proceeds of the sale of the bonds by the State Treasurer, upon the
14 warrant of the Director of the Division of Budget and Accounting in
15 the Department of the Treasury, in the same manner as other
16 obligations of the State are paid.

17
18 20. Bonds of each series issued hereunder shall mature, including
19 any sinking fund redemptions, not later than the 35th year from the
20 date of issue of that series, and in amounts as shall be determined by
21 the issuing officials. The issuing officials may reserve to the State by
22 appropriate provision in the bonds of any series the power to redeem
23 any of the bonds prior to maturity at such price or prices and upon
24 such terms and conditions as may be provided in the bonds.

25
26 21. Any bond or bonds issued hereunder, which are subject to the
27 "Refunding Bond Act of 1985," P.L.1985, c.74 as amended by
28 P.L.1992, c.182 (C.49:2B-1 et seq.), shall no longer be deemed to be
29 outstanding, shall no longer constitute a direct obligation of the State
30 of New Jersey, and the faith and credit of the State shall no longer be
31 pledged to the payment of the principal of, redemption premium, if
32 any, and interest on the bonds, and the bonds shall be secured solely
33 by and payable solely from moneys and government securities
34 deposited in trust with one or more trustees or escrow agents, which
35 trustees and escrow agents shall be trust companies or national or state
36 banks having powers of a trust company, located either within or
37 without the State, as provided herein, whenever there shall be
38 deposited in trust with the trustees or escrow agents, as provided
39 herein, either moneys or government securities, including government
40 securities issued or held in book-entry form on the books of the
41 Department of Treasury of the United States, the principal of and
42 interest on which when due will provide money which, together with
43 the moneys, if any, deposited with the trustees or escrow agents at the
44 same time, shall be sufficient to pay when due the principal of,
45 redemption premium, if any, and interest due and to become due on
46 the bonds on or prior to the redemption date or maturity date thereof,

1 as the case may be; provided the government securities shall not be
2 subject to redemption prior to their maturity other than at the option
3 of the holder thereof. The State of New Jersey hereby covenants with
4 the holders of any bonds for which government securities or moneys
5 shall have been deposited in trust with the trustees or escrow agents
6 as provided in this section that, except as otherwise provided in this
7 section, neither the government securities nor moneys so deposited
8 with the trustees or escrow agents shall be withdrawn or used by the
9 State for any purpose other than, and shall be held in trust for, the
10 payment of the principal of, redemption premium, if any, and interest
11 to become due on the bonds; provided that any cash received from the
12 principal or interest payments on the government securities deposited
13 with the trustees or escrow agents, to the extent the cash will not be
14 required at any time for that purpose, shall be paid over to the State,
15 as received by the trustees or escrow agents, free and clear of any
16 trust, lien, pledge or assignment securing the bonds; and to the extent
17 the cash will be required for that purpose at a later date, shall, to the
18 extent practicable and legally permissible, be reinvested in government
19 securities maturing at times and in amounts sufficient to pay when due
20 the principal of, redemption premium, if any, and interest to become
21 due on the bonds on and prior to the redemption date or maturity date
22 thereof, as the case may be, and interest earned from the reinvestments
23 shall be paid over to the State, as received by the trustees or escrow
24 agents, free and clear of any trust, lien or pledge securing the bonds.
25 Notwithstanding anything to the contrary contained herein: a. the
26 trustees or escrow agents shall, if so directed by the issuing officials,
27 apply moneys on deposit with the trustees or escrow agents pursuant
28 to the provisions of this section, and redeem or sell government
29 securities so deposited with the trustees or escrow agents, and apply
30 the proceeds thereof to (1) the purchase of the bonds which were
31 refinanced by the deposit with the trustees or escrow agents of the
32 moneys and government securities and immediately thereafter cancel
33 all bonds so purchased, or (2) the purchase of different government
34 securities; provided however, that the moneys and government
35 securities on deposit with the trustees or escrow agents after the
36 purchase and cancellation of the bonds or the purchase of different
37 government securities shall be sufficient to pay when due the principal
38 of, redemption premium, if any, and interest on all other bonds in
39 respect of which the moneys and government securities were deposited
40 with the trustees or escrow agents on or prior to the redemption date
41 or maturity date thereof, as the case may be; and b. in the event that
42 on any date, as a result of any purchases and cancellations of bonds or
43 any purchases of different government securities, as provided in this
44 sentence, the total amount of moneys and government securities
45 remaining on deposit with the trustees or escrow agents is in excess of
46 the total amount which would have been required to be deposited with

1 the trustees or escrow agents on that date in respect of the remaining
2 bonds for which the deposit was made in order to pay when due the
3 principal of, redemption premium, if any, and interest on the remaining
4 bonds, the trustees or escrow agents shall, if so directed by the issuing
5 officials, pay the amount of the excess to the State, free and clear of
6 any trust, lien, pledge or assignment securing the refunding bonds.

7
8 22. Refunding bonds issued pursuant to P.L.1985, c.74 as amended
9 by P.L.1992, c.182 (C.49:2B-1 et seq.) may be consolidated with
10 bonds issued pursuant to section 5, 6 and 7 of this act or with bonds
11 issued pursuant to any other act for purposes of sale.

12
13 23. To provide funds to meet the interest and principal payment
14 requirements for the bonds issued under this act and outstanding, there
15 is appropriated in the order following:

16 a. Revenue derived from the collection of taxes under the "Sales
17 and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.), or so much
18 thereof as may be required; and

19 b. If, at any time, funds necessary to meet the interest, redemption
20 premium, if any, and principal payments on outstanding bonds issued
21 under this act are insufficient or not available, there shall be assessed,
22 levied and collected annually in each of the municipalities of the
23 counties of this State, a tax on the real and personal property upon
24 which municipal taxes are or shall be assessed, levied and collected,
25 sufficient to meet the interest on all outstanding bonds issued
26 hereunder and on the bonds proposed to be issued under this act in the
27 calendar year in which the tax is to be raised and for the payment of
28 bonds falling due in the year following the year for which the tax is
29 levied. The tax shall be assessed, levied and collected in the same
30 manner and at the same time as other taxes upon real and personal
31 property. The governing body of each municipality shall pay to the
32 county treasurer of the county in which the municipality is located, on
33 or before December 15 in each year, the amount of tax herein directed
34 to be assessed and levied, and the county treasurer shall pay the
35 amount of the tax to the State Treasurer on or before December 20 in
36 each year.

37 If on or before December 31 in any year, the issuing officials, by
38 resolution, determine that there are moneys in the General Fund
39 beyond the needs of the State, sufficient to pay the principal of bonds
40 falling due and all interest and redemption premium, if any, payable in
41 the ensuing calendar year, the issuing officials shall file the resolution
42 in the office of the State Treasurer, whereupon the State Treasurer
43 shall transfer the moneys to a separate fund to be designated by the
44 State Treasurer, and shall pay the principal, redemption premium, if
45 any, and interest out of that fund as the same shall become due and
46 payable, and the other sources of payment of the principal, redemption

1 premium, if any, and interest provided for in this section shall not then
2 be available, and the receipts for the year from the tax specified in
3 subsection a. of this section shall be considered and treated as part of
4 the General Fund, available for general purposes.

5
6 24. Should the State Treasurer, by December 31 of any year, deem
7 it necessary, because of the insufficiency of funds collected from the
8 sources of revenues as provided in this act, to meet the interest and
9 principal payments for the year after the ensuing year, then the State
10 Treasurer shall certify to the Director of the Division of Budget and
11 Accounting in the Department of the Treasury the amount necessary
12 to be raised by taxation for those purposes, the same to be assessed,
13 levied and collected for and in the ensuing calendar year. The director
14 shall, on or before March 1 following, calculate the amount in dollars
15 to be assessed, levied and collected in each county as herein set forth.
16 This calculation shall be based upon the corrected assessed valuation
17 of each county for the year preceding the year in which the tax is to be
18 assessed, but the tax shall be assessed, levied and collected upon the
19 assessed valuation of the year in which the tax is assessed and levied.
20 The director shall certify the amount to the county board of taxation
21 and the treasurer of each county. The county board of taxation shall
22 include the proper amount in the current tax levy of the several taxing
23 districts of the county in proportion to the ratables as ascertained for
24 the current year.

25
26 25. For the purpose of complying with the provisions of the State
27 Constitution, this act shall be submitted to the people at the general
28 election to be held in the month of November, 1996. To inform the
29 people of the contents of this act, it shall be the duty of the Secretary
30 of State, after this section takes effect, and at least 60 days prior to the
31 election, to cause this act to be published at least once in one or more
32 newspapers of each county, if any newspapers be published therein and
33 to notify the clerk of each county of this State of the passage of this
34 act; and the clerks respectively, in accordance with the instructions of
35 the Secretary of State, shall have printed on each of the ballots the
36 following:

37 If you approve of the act entitled below, make a cross (X), plus (+),
38 or check (O)

39 mark in the square opposite the word "Yes."

40 If you disapprove of the act entitled below, make a cross (X), plus
41 (+) or check (O) mark in the square opposite the word "No."

42 If voting machines are used, a vote of "Yes" or "No" shall be
43 equivalent to these markings respectively.

1		ENVIRONMENTAL CLEANUP AND
2		CONTAIN-MENT BOND ACT OF 1996
3		Should the "Environmental Cleanup and
4		Containment Bond Act of 1996," which authorizes
5		the State to issue bonds in the amount of \$450
6		million; \$75 million for the purposes of financing
7		the costs of remediating hazardous discharge sites,
8		including constructing water supply, treatment, or
9		replacement projects when potable water is
10		determined by the Department of Environmental
11		Protection to be contaminated or threatened by
12		hazardous discharges, and the department
13	YES	determines that an emergency exists, \$75 million
14		for providing loans to upgrade underground storage
15		tanks and clean up any discharge therefrom, \$200
16		million for financing the State's share of the costs
17		of constructing subaqueous pits and a containment
18		island for dredged material from the port area, and
19		\$100 million for financing the State's share of the
20		cost of dredging the Kill Van Kull, and which
21		provides the ways and means to pay the interest on
22		the debt and also to pay and discharge the principal
23		thereof, be approved?
24		INTERPRETIVE STATEMENT
25		Approval of this act would authorize the sale of
26		\$450,000,000.00 in bonds to fund environmental
27		cleanup and dredging projects. Of this amount,
28		\$75 million would be used to investigate, clean up
29		and remove hazardous discharges and construct
30		water treatment, replacement or supply projects,
31		when potable water is contaminated or threatened
32		by a hazardous discharge, and the department
33	NO	determines that an emergency exists, \$75 million
34		would be used to provide loans to upgrade
35		underground storage tanks and clean up any
36		discharge therefrom, \$200 million would be used to
37		construct subaqueous pits and a containment island
38		for the disposal of contaminated dredged material
39		from the New Jersey - New York port region, and
40		\$100 million would be used to dredge the Kill Van
41		Kull.

42

43 The fact and date of the approval or passage of this act, as the case
 44 may be, may be inserted in the appropriate place after the title in the
 45 ballot. No other requirements of law of any kind or character as to
 46 notice or procedure, except as herein provided, need be adhered to.

47 The votes cast for and against the approval of this act, by ballot or
 48 voting machine, shall be counted and the result thereof returned by the

1 election officer, and a canvass of the election had in the same manner
2 as is provided for by law in the case of the election of a Governor, and
3 the approval or disapproval of this act so determined shall be declared
4 in the same manner as the result of an election for a Governor, and if
5 there is a majority of all votes cast for and against it at the election in
6 favor of the approval of this act, then all the provisions of this act not
7 made effective theretofore shall take effect forthwith.

8
9 26. There is appropriated the sum of \$5,000 to the Department of
10 State for expenses in connection with the publication of notice
11 pursuant to section 25 of this act.

12
13 27. The commissioner shall submit to the State Treasurer and the
14 commission with the department's annual budget request a plan for the
15 expenditure of funds from the "Environmental Cleanup and
16 Containment Fund of 1996" for the upcoming fiscal year. The plan
17 shall include the following information: a performance evaluation of
18 the expenditures made from the fund to date; a description of
19 programs planned during the upcoming fiscal year; a copy of the
20 regulations in force governing the operation of programs that are
21 financed, in part or in whole, by funds from the "Environmental
22 Cleanup and Containment Fund of 1996"; and an estimate of
23 expenditures for the upcoming fiscal year.

24
25 28. Immediately following the submission to the Legislature of the
26 Governor's annual budget message, the commissioner shall submit to
27 the relevant standing committees of the Legislature, as designated by
28 the President of the Senate and the Speaker of the General Assembly,
29 and to the Joint Budget Oversight Committee, or its successor, a copy
30 of the plan called for under section 27 of this act, together with such
31 changes therein as may have been required by the Governor's budget
32 message.

33
34 29. Not less than 30 days prior to entering into any contract, lease,
35 obligation, or agreement to effectuate the purposes of this act, the
36 commissioner shall report to and consult with the Joint Budget
37 Oversight Committee, or its successor.

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39 30. This section and sections 25 and 26 of this act shall take effect
40 immediately and the remainder of this act shall take effect as and when
41 provided in section 25.

STATEMENT

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This bill would, upon approval of the voters of the State of New Jersey, authorize the State of New Jersey to issue up to \$450 million in general obligation bonds. Of this amount, \$75 million would be used for the purpose of investigating, cleaning up, and removing hazardous discharges, \$75 million would be used to provide loans for the upgrade of underground storage tanks and the cleanup for any discharge therefrom, \$200 million would be used to provide the State's share for the construction of subaqueous pits and a containment island for the disposal of contaminated dredged materials from the Port of New York, and \$100 million would be used to provide the State's share for the dredging of the Kill Van Kull. The moneys designated for hazardous cleanups may also be used to construct portable water supply treatment or replacement projects, including the construction of water supply facilities, in those instances where a potable water supply has been contaminated or threatened and the Department of Environmental Protection determines that an emergency exists.

The bond fund monies dedicated toward hazardous discharge investigation and cleanup must first be used for those phases of hazardous discharge site remediations that have already been initiated by the department. If the bond monies are not needed for the initiated work, they may then be used for other hazardous discharge remedial activities which may include the initiation of new phases of work at sites already subject to some remedial activity or the performance of remedial activities at entirely new sites.

The cost of an authorized project includes those items necessary or useful to performing the authorized project as well as those professional and financial costs incurred in issuing the bonds. Other allowable costs include organizational, administrative, and other work and services, including salaries, supplies, equipment, and materials deemed necessary.

The bonds issued under the act will be repaid from the general fund of the State. The bonds may be issued for terms of up to 35 years and will be paid back over that time with that amount of interest as may be determined upon their sale. The bonds issued will be backed by the full faith and credit of the State of New Jersey.

Authorizes bonds for \$450 million for hazardous site cleanups, related water supply projects, loans for underground storage tank upgrades and cleanups, construction of subaqueous pits and containment island for dredged material, and dredging projects.