

ASSEMBLY COMMITTEE SUBSTITUTE FOR
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ASSEMBLY, No. 1099

STATE OF NEW JERSEY

ADOPTED JUNE 20, 1996

Sponsored 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 aggregate principal amount
3 of \$300,000,000 to provide moneys for the construction of
4 subaqueous pits and a containment facility or facilities for the
5 disposal of dredged material from the New Jersey/New York port
6 region; for the costs of projects related to the decontamination of
7 dredged material; for the dredging of the Kill Van Kull, the Arthur
8 Kill, and other navigational channels located in the port region; for
9 the dredging of navigational waterways not located in the port
10 region; for the remediation of hazardous discharge sites and
11 contaminated water supplies; for the restoration of lakes; and for
12 the construction of economic development sites in the Delaware
13 River and Bay Region; providing the ways and means to pay and
14 discharge the principal and interest thereof; providing for the
15 submission of this act to the people at a general election; and
16 making an appropriation.

17

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

20

21 1. This act shall be known and may be cited as the "Port of New
22 Jersey Revitalization, Dredging, Environmental Cleanup, Lake
23 Restoration, and Delaware Bay Area Economic Development Bond
24 Act of 1996."

25

26 2. The Legislature finds and declares that the sand, silt and mud,
27 which naturally accumulate in the navigation channels and ship berths
28 in the port area of northern New Jersey and New York City must be
29 dredged on a regular basis to ensure the continued economic viability
30 of the shipping and trade industry, which creates more than 200,000
31 direct and indirect jobs, provides more than \$20 billion in regional
32 economic benefits and generates salaries and wages in excess of \$5
33 billion; that while the economic importance of dredging is significant,
34 it must be recognized that dredged material is often contaminated with

1 harmful and dangerous substances; that in order to enjoy the economic
2 benefits provided by an accessible port, an economically viable and
3 long-term solution to the problem of dredged material disposal must
4 be found; and that it is therefore in the public interest to provide a
5 funding mechanism to finance, in whole or in part, the construction of
6 subaqueous pits and a containment facility or facilities to provide for
7 the safe disposal of dredged materials, projects related to the
8 decontamination of dredged material, and the dredging of the Kill Van
9 Kull, the Arthur Kill and other navigational channels located in the
10 port region.

11 The Legislature further finds and declares that the improper,
12 irresponsible, and sometimes illegal discharge of hazardous substances
13 presents a grave threat to the public health and safety and the
14 environment; that the dangers posed by these discharges can be
15 minimized only by prompt identification, cleanup and removal of these
16 hazardous discharges; that existing funding sources are not adequate
17 to finance these remediation operations; and that it is therefore in the
18 best interests of all citizens of this State to provide a funding
19 mechanism to finance the prompt and efficient remediation of
20 hazardous discharge sites.

21 The Legislature further finds and declares that navigational
22 channels not located in the port region require dredging to
23 accommodate the commercial fishing industry and recreational boating
24 activities; that the viability of the fishing and tourism industries
25 depends in large part upon the existence of navigable waterways; and
26 that it is in the public interest to provide funding to finance the
27 dredging operations necessary to ensure the continued viability of
28 these important industries.

29 The Legislature further finds and declares that the lakes of the
30 State are a precious natural resource threatened by nonpoint source
31 pollution, soil erosion, eutrophication, flood damage, illegal solid
32 waste disposal and littering, and uncontrolled vegetative growth; that
33 lakes provide recreation, conservation, water supply, flood control,
34 and other benefits important to the health, safety, and welfare of the
35 citizens of New Jersey; and that in order to protect and preserve these
36 water bodies, it is in the public interest for the State, local
37 government, and private lake associations or similar organizations or
38 persons in conjunction with local government to undertake lake
39 restoration projects.

40 The Legislature further finds and declares that there are many
41 potential economic development sites in need of financing that would
42 provide jobs and prosperity to the Delaware River and Bay Region of
43 the State; and that it is in the public interest to provide funding to
44 finance the estimated costs of land purchase, building construction,
45 equipment purchase and miscellaneous site improvements of these
46 economic development sites.

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

3 "Bonds" mean the bonds authorized to be issued, or issued, under
4 this act;

5 "Commission" means the New Jersey Commission on Capital
6 Budgeting and Planning;

7 "Commissioner" means the Commissioner of Environmental
8 Protection;

9 "Construction" means, in addition to the usual meaning thereof,
10 acts of construction, reconstruction, improvement, rehabilitation,
11 relocation, demolition, renewal, repair, replacement, extension,
12 betterment, improvement, protection, or consolidation or any
13 combination thereof, of a project;

14 "Containment facility" means an upland or in-water confined
15 disposal facility which shall consist of an artificially constructed island,
16 a diked extension of an existing island, or a diked extension attached
17 to land, and which is used solely for the disposal of dredged materials;

18 "Cost" means the expenses incurred in connection with: the
19 construction of a containment facility or facilities, and subaqueous pits
20 for the disposal of dredged materials from the port region; the
21 decontamination of dredged material; the dredging of the Kill Van
22 Kull, the Arthur Kill and other navigation channels located in the port
23 region; the initiation, continuation, or completion of the remediation
24 of a hazardous discharge site; the acquisition by purchase, lease, or
25 otherwise, and the construction of a water supply facility; the dredging
26 of navigation channels not located in the port region; the restoration
27 of lakes; the purchase of real property, equipment, and any building,
28 construction and miscellaneous site improvements associated with an
29 economic development site; the acquisition by purchase, lease, or
30 otherwise, and the development of any real or personal property for
31 use in connection with a project authorized by this act, including any
32 rights or interests therein, the execution of any agreements and
33 franchises deemed by the department to be necessary or useful and
34 convenient in connection with any project authorized by this act; the
35 procurement of engineering, inspection, planning, legal, financial, or
36 other professional services, including the services of a bond registrar
37 or an authenticating agent; the issuance of bonds, or any interest or
38 discount thereon; the administrative, organizational, operating or other
39 expenses incident to the financing, initiating, continuing, completing,
40 and placing into service of any project authorized by this act, including
41 the expense of salaries, supplies, equipment and materials; the
42 establishment of a reserve fund or funds for working capital,
43 operating, maintenance, or replacement expenses and for the payment
44 or security of principal or interest on bonds, as the Director of the
45 Division of Budget and Accounting in the Department of the Treasury
46 may determine; and reimbursement to any fund of the State of moneys

1 which may have been transferred or advanced therefrom to any fund
2 created by this act, or any moneys which may have been expended
3 therefrom for, or in connection with, any project authorized by this
4 act;

5 "Decontamination" means a process by which contaminants are
6 removed or reduced from dredged materials, or by which dredged
7 materials are otherwise made acceptable for use;

8 "Delaware River and Bay Region" means all the State territory
9 located within the "port district," as defined pursuant to section 1(6)
10 of P.L.1951, c.288 (C.32:3-13.23);

11 "Department" means the Department of Environmental Protection;

12 "Discharge" means an intentional or unintentional action or
13 omission resulting in the releasing, spilling, leaking, pumping, pouring,
14 emitting, emptying, or dumping of a hazardous substance onto the land
15 or into the waters of the State;

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

19 "Dredged material" means material removed by dredging that is, in
20 the determination of the federal Environmental Protection Agency,
21 either unsuitable for ocean disposal or suitable for ocean disposal only
22 with capping;

23 "Economic development site" means land, equipment, buildings,
24 appurtenant infrastructure and miscellaneous site improvements
25 designed to promote economic activity and new jobs in the Delaware
26 River and Bay Region;

27 "Government securities" means any bonds or other obligations
28 which as to principal and interest constitute direct obligations of, or
29 are unconditionally guaranteed by, the United States of America,
30 including obligations of any federal agency, to the extent those
31 obligations are unconditionally guaranteed by the United States of
32 America, and any certificates or any other evidences of an ownership
33 interest in those obligations of, or unconditionally guaranteed by, the
34 United States of America or in specified portions which may consist
35 of the principal of, or the interest on, those obligations;

36 "Hazardous discharge site" means any location at which hazardous
37 substances have been, are suspected to have been, or potentially could
38 be discharged, and shall include any area to which the hazardous
39 substance contamination has migrated or may migrate;

40 "Hazardous substance" means any hazardous substance as defined
41 pursuant to section 3 of P.L.1976, c.141 (C.58:10-23.11b), hazardous
42 waste as defined pursuant to section 1 of P.L.1976, c.99 (C.13:1E-
43 38), or pollutant as defined pursuant to section 3 of P.L.1977, c.74
44 (C.58:10A-3);

45 "Lake restoration" or "restoration of lakes" means the removal of
46 sand, silt, mud, sediment, rocks, stumps, vegetation, algae blooms, or

1 other materials from lakes, or the abatement and control of pollution
2 of lakes caused by stormwater runoff, soil erosion, or other types of
3 nonpoint source or point source pollution, to improve, for the
4 purposes of recreation, conservation, water supply, or flood control,
5 the use and overall quality of lake waters or the use or function of any
6 park, natural area, fishing, boating, or swimming area or facility, dam,
7 or flood control facility or structure associated with a lake;

8 "Local government unit" means a county or a municipality, or any
9 agency, authority, board, commission, or other instrumentality thereof,
10 any two or more counties or municipalities operating jointly through
11 a joint meeting or interlocal services agreement permitted by law, or
12 any agency, authority, board, commission, or other instrumentality
13 thereof, or any other local or regional entity created by the Legislature
14 as a political subdivision of the State, or any agency, authority, board,
15 commission, or other instrumentality thereof;

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

20 "Project" means any work relating to the construction of a
21 containment facility or facilities and subaqueous pits for the disposal
22 of dredged material from the port region; the decontamination of
23 dredged material; the dredging of the Kill Van Kull, the Arthur Kill
24 and other navigation channels located in the port region; the
25 remediation of a hazardous discharge site; the construction of water
26 supply facilities to replace potable water supplies contaminated by a
27 discharge; the dredging of navigation channels not located in the port
28 region; the restoration of lakes; or the purchase of real property,
29 equipment, and any building, construction, and miscellaneous site
30 improvements associated with an economic development site; and

31 "Remedial action" means those actions taken at a hazardous
32 discharge site, as may be required by the department, including the
33 removal, treatment, containment, transportation, securing, or other
34 engineering or treatment measures, including related operation and
35 maintenance activities, whether of a permanent nature or otherwise,
36 designed to ensure that any discharge at the hazardous discharge site
37 is remediated in compliance with the applicable remediation standards,
38 and the sealing or closure of wells and groundwater supplies
39 contaminated by a discharge;

40 "Remediation" or "remediate" means all necessary actions to
41 investigate and clean up any known, suspected, or threatened
42 discharge of hazardous substances, including, as necessary, identifying
43 areas of concern and determining the presence of hazardous
44 substances, the collection and evaluation of data adequate to
45 determine whether or not discharged hazardous substances exist,
46 determining the nature and extent of any discharged hazardous

1 substance and any problems presented by a discharge, and the
2 performance of a remedial action;

3 "Subaqueous pit" means an excavated area within a water body
4 used for the disposal of dredged material; and

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

14

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

21

22 5. Bonds of the State of New Jersey are authorized to be issued
23 in the aggregate principal amount of \$185,000,000 for the purposes of
24 financing, in whole or in part, the cost of the construction of
25 subaqueous pits and a containment facility or facilities for the disposal
26 of dredged material from the port region, the cost of projects related
27 to the decontamination of dredged material, and the cost of dredging
28 the Kill Van Kull, the Arthur Kill and other navigation channels
29 located in the port region, in accordance with all applicable State and
30 federal laws, rules or regulations.

31

32 6. Bonds of the State of New Jersey are authorized to be issued
33 in the aggregate principal amount of \$70,000,000 for the purposes of
34 paying or financing costs incurred by the State for the remediation of
35 hazardous discharge sites and for the construction of water supply
36 facilities to replace potable water supplies determined by the
37 department to be contaminated or threatened by a discharge. No
38 moneys authorized pursuant to this section may be expended on any
39 administrative costs of the State or any of its departments, agencies,
40 or authorities.

41

42 7. Bonds of the State of New Jersey are authorized to be issued
43 in the aggregate principal amount of \$20,000,000 for the purposes of
44 financing the cost of dredging of navigation channels not located in the
45 port region.

1 8. Bonds of the State of New Jersey are authorized to be issued
2 in the aggregate principal amount of \$20,000,000 for the purposes of
3 financing the cost of the purchase of real property, equipment, and
4 any building, construction, and miscellaneous site improvements
5 associated with an economic development site.

6
7 9. Bonds of the State of New Jersey are authorized to be issued
8 in the aggregate principal amount of \$5,000,000 for the purposes of
9 financing the cost of lake restoration projects.

10 a. The sum authorized pursuant to this section shall be used to:
11 (1) provide grants to local government units to meet the cost, in whole
12 or in part, of lake restoration projects for lakes owned, leased, or
13 managed by local government units; (2) provide loans to private lake
14 associations or similar organizations or owners of private lakes, as co-
15 applicants with local government units, to meet the cost, in whole or
16 in part, of lake restoration projects undertaken by private lake
17 associations or similar organizations or owners of private lakes, in
18 conjunction with local government units; or (3) meet the cost, in
19 whole or in part, of lake restoration projects undertaken by the State
20 for lakes owned, leased, or managed by the State.

21 b. Loans made to private lake associations or similar organizations
22 or owners of private lakes as co-applicants with local government
23 units from the "1996 Lake Restoration Fund" established pursuant to
24 section 21 of this act shall bear interest of not more than 2% per year,
25 and shall be for a term of not more than 20 years.

26 c. Any loan authorized under this section shall be provided under
27 terms and conditions set forth in a written agreement between the
28 Department of Environmental Protection and the entity or person
29 receiving the loan.

30 d. The local government unit that is a co-applicant for a loan made
31 to a private lake association or similar organization or owner of a
32 private lake shall assess the cost of payment of principal and interest
33 for any loan made pursuant to this section upon the real estate
34 benefited thereby in proportion to and not in excess of the benefits
35 conferred. Upon failure to pay an assessment imposed pursuant to this
36 section, the property owner shall pay interest and penalties from the
37 same time and at the same rate as for failure to pay assessments for
38 local improvements in the municipality where imposed, and from the
39 date of confirmation the unpaid assessment shall be a first and
40 paramount lien upon the real estate assessed to the same extent, and
41 be enforced and collected in the same manner, as assessments for local
42 improvements.

43 e. The Department of Environmental Protection shall administer
44 the grant and loan program authorized pursuant to this section. The
45 department shall make available to every local government unit and
46 private lake association or similar organization information concerning

1 the availability of, and the criteria for qualifying and obtaining, grants
2 and loans under the program.

3
4 10. The bonds authorized under this act shall be serial bonds, term
5 bonds, or a combination thereof, and shall be known as "Port of New
6 Jersey Revitalization, Dredging, Environmental Cleanup, Lake
7 Restoration, and Delaware Bay Area Economic Development Bonds."
8 These bonds shall be issued from time to time as the issuing officials
9 herein named shall determine and may be issued in coupon form,
10 fully-registered form or book-entry form. The bonds may be subject
11 to redemption prior to maturity and shall mature and be paid not later
12 than 35 years from the respective dates of their issuance.

13
14 11. The Governor, the State Treasurer and the Director of the
15 Division of Budget and Accounting in the Department of the Treasury,
16 or any two of these officials, herein referred to as "the issuing
17 officials," are authorized to carry out the provisions of this act relating
18 to the issuance of bonds, and shall determine all matters in connection
19 therewith, subject to the provisions of this act. If an issuing official is
20 absent from the State or incapable of acting for any reason, the powers
21 and duties of that issuing official shall be exercised and performed by
22 the person authorized by law to act in an official capacity in the place
23 of that issuing official.

24
25 12. Bonds issued in accordance with the provisions of this act
26 shall be direct obligations of the State of New Jersey, and the faith and
27 credit of the State are pledged for the payment of the interest and
28 redemption premium thereon, if any, when due, and for the payment
29 of the principal thereof at maturity or earlier redemption date. The
30 principal of and interest on the bonds shall be exempt from taxation by
31 the State or by any county, municipality or other taxing district of the
32 State.

33
34 13. The bonds shall be signed in the name of the State by means
35 of the manual or facsimile signature of the Governor under the Great
36 Seal of the State, which seal may be by facsimile or by way of any
37 other form of reproduction on the bonds, and attested by the manual
38 or facsimile signature of the Secretary of State, or an Assistant
39 Secretary of State, and shall be countersigned by the facsimile
40 signature of the Director of the Division of Budget and Accounting in
41 the Department of the Treasury and may be manually authenticated by
42 an authenticating agent or bond registrar, as the issuing officials shall
43 determine. Interest coupons, if any, attached to the bonds shall be
44 signed by the facsimile signature of the Director of the Division of
45 Budget and Accounting in the Department of the Treasury. The bonds
46 may be issued notwithstanding that an official signing them or whose

1 manual or facsimile signature appears on the bonds or coupons has
2 ceased to hold office at the time of issuance, or at the time of the
3 delivery of the bonds to the purchaser thereof.

4
5 14. a. The bonds shall recite that they are issued for the purposes
6 set forth in sections 5, 6, 7, 8 and 9 of this act, that they are issued
7 pursuant to this act, that this act was submitted to the people of the
8 State at the general election held in the month of November, 1996, and
9 that this act was approved by a majority of the legally qualified voters
10 of the State voting thereon at the election. This recital shall be
11 conclusive evidence of the authority of the State to issue the bonds
12 and their validity. Any bonds containing this recital shall, in any suit,
13 action or proceeding involving their validity, be conclusively deemed
14 to be fully authorized by this act and to have been issued, sold,
15 executed and delivered in conformity herewith and with all other
16 provisions of law applicable hereto, and shall be incontestable for any
17 cause.

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

22
23 15. When the bonds are issued from time to time, the bonds of
24 each issue shall constitute a separate series to be designated by the
25 issuing officials. Each series of bonds shall bear such rate or rates of
26 interest as may be determined by the issuing officials, which interest
27 shall be payable semiannually; except that the first and last interest
28 periods may be longer or shorter, in order that the intervening
29 semiannual payments may be at convenient dates.

30
31 16. The bonds shall be issued and sold at the price or prices and
32 under the terms, conditions and regulations as the issuing officials may
33 prescribe, after notice of the sale, published at least once in at least
34 three newspapers published in this State, and at least once in a
35 publication carrying municipal bond notices and devoted primarily to
36 financial news, published in this State or in the city of New York, the
37 first notice to appear at least five days prior to the day of bidding. The
38 notice of sale may contain a provision to the effect that any bid in
39 pursuance thereof may be rejected. In the event of rejection or failure
40 to receive any acceptable bid, the issuing officials, at any time within
41 60 days from the date of the advertised sale, may sell the bonds at a
42 private sale at such price or prices and under the terms and conditions
43 as the issuing officials may prescribe. The issuing officials may sell all
44 or part of the bonds of any series as issued to any State fund or to the
45 federal government or any agency thereof, at a private sale, without
46 advertisement.

1 17. Until permanent bonds are prepared, the issuing officials may
2 issue temporary bonds in a form and with those privileges as to their
3 registration and exchange for permanent bonds as may be determined
4 by the issuing officials.

5
6 18. The State Treasurer shall establish a fund to be known as the
7 "1996 Dredging and Containment Facility Fund," and the moneys
8 therein shall be held in those depositories as the State Treasurer may
9 select. The State Treasurer shall deposit into the fund all proceeds
10 from the sale of the bonds issued by the State under this act for the
11 construction of subaqueous pits, the construction of a containment
12 facility or facilities, projects related to the decontamination of dredged
13 material, and dredging projects authorized pursuant to sections 5 and
14 7 of this act. The moneys in the fund are specifically dedicated and
15 shall be applied to the cost of the purposes authorized pursuant to
16 sections 5 and 7 of this act. Moneys in the fund shall not be expended
17 except in accordance with appropriations from the fund made by law,
18 but bonds may be issued as herein provided, notwithstanding that the
19 Legislature shall not have then adopted an act making a specific
20 appropriation of any of the moneys. Any act appropriating moneys
21 from the "1996 Dredging and Containment Facility Fund" shall identify
22 the projects to be funded by the moneys.

23
24 19. The State Treasurer shall establish a fund to be known as the
25 "1996 Environmental Cleanup Fund," and the moneys therein shall be
26 held in those depositories as the State Treasurer may select. The State
27 Treasurer shall deposit into the fund all proceeds from the sale of the
28 bonds issued by the State under this act for the remediation of
29 hazardous discharge sites and the construction of water supply
30 facilities as set forth in section 6 of this act. The moneys in the fund
31 are specifically dedicated and shall be applied to the cost of the
32 purposes set forth in section 6 of this act. Moneys in the fund shall
33 not be expended except in accordance with appropriations from the
34 fund made by law, but bonds may be issued as herein provided,
35 notwithstanding that the Legislature shall not have then adopted an act
36 making a specific appropriation of any of the moneys. Any act
37 appropriating moneys from the "1996 Environmental Cleanup Fund"
38 for the purposes of section 6 of this act need not identify the particular
39 project or projects to be funded by the money. No moneys
40 appropriated pursuant to this section may be expended on any
41 administrative costs of the State or any of its departments, agencies or
42 authorities.

43
44 20. The State Treasurer shall establish a fund to be known as the
45 "1996 Economic Development Site Fund," and the moneys therein
46 shall be held in those depositories as the State Treasurer may select.

1 The State Treasurer shall deposit into the fund all proceeds from the
2 sale of the bonds issued by the State under this act for the financing of
3 the purchase of real property, equipment, and any building,
4 construction, and miscellaneous site improvements associated with an
5 economic development site authorized pursuant to section 8 of this
6 act. The moneys in the fund are specifically dedicated and shall be
7 applied to the cost of the purposes set forth in section 8 of this act.
8 Moneys in the fund shall not be expended except in accordance with
9 appropriations from the fund made by law, but bonds may be issued as
10 herein provided, notwithstanding that the Legislature shall not have
11 then adopted an act making a specific appropriation of any of the
12 moneys. Any act appropriating moneys from the "1996 Economic
13 Development Site Fund" shall identify the projects to be funded by the
14 moneys.

15

16 21. The State Treasurer shall establish a fund to be known as the
17 "1996 Lake Restoration Fund," and the moneys therein shall be held
18 in those depositories as the State Treasurer may select. The State
19 Treasurer shall deposit into the fund all proceeds from the sale of the
20 bonds issued by the State under this act for the financing lake
21 restoration projects authorized pursuant to section 9 of this act. The
22 moneys in the fund are specifically dedicated and shall be applied to
23 the cost of the purposes set forth in section 9 of this act. Moneys in
24 the fund shall not be expended except in accordance with
25 appropriations from the fund made by law, but bonds may be issued as
26 herein provided, notwithstanding that the Legislature shall not have
27 then adopted an act making a specific appropriation of any of the
28 moneys. Any act appropriating moneys from the "1996 Lake
29 Restoration Fund" shall identify the projects to be funded by the
30 moneys and the county and municipality within which each project is
31 located.

32

33 22. a. At any time prior to the issuance and sale of bonds under
34 this act, the State Treasurer is authorized to transfer from any
35 available moneys in any fund of the treasury of the State to the credit
36 of the "1996 Dredging and Containment Facility Fund," the "1996
37 Environmental Cleanup Fund," the "1996 Economic Development Site
38 Fund," or the "1996 Lake Restoration Fund," those sums as the State
39 Treasurer may deem necessary. The sums so transferred shall be
40 returned to the same fund of the treasury of the State by the State
41 Treasurer from the proceeds of the sale of the first issue of bonds.

42 b. Pending their application to the purposes provided in this act,
43 the moneys in the "1996 Dredging and Containment Facility Fund," the
44 "1996 Environmental Cleanup Fund," the "1996 Economic
45 Development Site Fund," and the "1996 Lake Restoration Fund," may
46 be invested and reinvested as are other trust funds in the custody of

1 the State Treasurer, in the manner provided by law. Net earnings
2 received from the investment or deposit of moneys in these funds shall
3 be redeposited therein and become part of the respective funds.

4
5 23. If any coupon bond, coupon or registered bond is lost,
6 mutilated or destroyed, a new bond or coupon shall be executed and
7 delivered of like tenor, in substitution for the lost, mutilated or
8 destroyed bond or coupon, upon the owner furnishing to the issuing
9 officials evidence satisfactory to them of the loss, mutilation or
10 destruction of the bond or coupon, the ownership thereof, and
11 security, indemnity and reimbursement for expenses connected
12 therewith, as the issuing officials may require.

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

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

32
33 26. Any bond or bonds issued hereunder, which are subject to
34 refinancing pursuant to the "Refunding Bond Act of 1985," P.L.1985,
35 c.74 as amended by P.L.1992, c.182 (C.49:2B-1 et seq.), shall no
36 longer be deemed to be outstanding, shall no longer constitute a direct
37 obligation of the State of New Jersey, and the faith and credit of the
38 State shall no longer be pledged to the payment of the principal of,
39 redemption premium, if any, and interest on the bonds, and the bonds
40 shall be secured solely by and payable solely from moneys and
41 government securities deposited in trust with one or more trustees or
42 escrow agents, which trustees and escrow agents shall be trust
43 companies or national or state banks having powers of a trust
44 company, located either within or without the State, as provided
45 herein, whenever there shall be deposited in trust with the trustees or
46 escrow agents, as provided herein, either moneys or government

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

1 securities were deposited with the trustees or escrow agents on or
2 prior to the redemption date or maturity date thereof, as the case may
3 be; and b. in the event that on any date, as a result of any purchases
4 and cancellations of bonds or any purchases of different government
5 securities, as provided in this sentence, the total amount of moneys
6 and government securities remaining on deposit with the trustees or
7 escrow agents is in excess of the total amount which would have been
8 required to be deposited with the trustees or escrow agents on that
9 date in respect of the remaining bonds for which the deposit was made
10 in order to pay when due the principal of, redemption premium, if any,
11 and interest on the remaining bonds, the trustees or escrow agents
12 shall, if so directed by the issuing officials, pay the amount of the
13 excess to the State, free and clear of any trust, lien, pledge or
14 assignment securing the refunding bonds.

15

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

20

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

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

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

45 If on or before December 31 in any year, the issuing officials, by
46 resolution, determine that there are moneys in the General Fund

1 beyond the needs of the State, sufficient to pay the principal of bonds
2 falling due and all interest and redemption premium, if any, payable in
3 the ensuing calendar year, the issuing officials shall file the resolution
4 in the office of the State Treasurer, whereupon the State Treasurer
5 shall transfer the moneys to a separate fund to be designated by the
6 State Treasurer, and shall pay the principal, redemption premium, if
7 any, and interest out of that fund as the same shall become due and
8 payable, and the other sources of payment of the principal, redemption
9 premium, if any, and interest provided for in this section shall not then
10 be available, and the receipts for the year from the tax specified in
11 subsection a. of this section shall be considered and treated as part of
12 the General Fund, available for general purposes.

13

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

33

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

1 If you approve of the act entitled below, make a cross (X), plus
 2 (+), or check (o)
 3 mark in the square opposite the word "Yes."

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

6 If voting machines are used, a vote of "Yes" or "No" shall be
 7 equivalent to these markings respectively.
 8

9		PORT OF NEW JERSEY REVITALIZATION, DREDGING, ENVIRONMENTAL CLEANUP, LAKE RESTORATION, AND DELAWARE BAY AREA ECONOMIC DEVELOPMENT BOND ACT OF 1996
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11		
12		
13		
14		Shall the "Port of New Jersey Revitalization,
15		Dredging, Environmental Cleanup, Lake
16		Restoration, and Delaware Bay Area Economic
17		Development Bond Act of 1996," which authorizes
18		the State to issue bonds in the amount of
19		\$300,000,000 for the purposes of financing, in
20		whole or in part, the costs of: constructing
21		subaqueous pits and a containment facility or
22		facilities for the disposal of materials dredged from
23		the Kill Van Kull, Arthur Kill and other navigation
24		channels located in the New Jersey/New York port
25		region; projects related to the decontamination of
26	YES	dredged material; dredging the Kill Van Kull, the
27		Arthur Kill and other navigation channels located
28		in the New Jersey/New York port region; dredging
29		navigation channels not located in the New
30		Jersey/New York port region; remediating
31		hazardous discharge sites; and constructing water
32		supply facilities to replace contaminated water
33		supplies; the restoration of lakes; and economic
34		development sites in the Delaware River and Bay
35		Region; and which provides the ways and means to
36		pay the interest on the debt and also to pay and
37		discharge the principal thereof, be approved?
38		

1		INTERPRETIVE STATEMENT
2		If approved, this bond act would authorize the State to issue \$300 million in State general obligation bonds. The proceeds from these bonds would be used to fund the following projects: \$185 million would be used to construct underwater pits and a containment facility or facilities for the safe disposal of harmful dredged material from the New Jersey/New York port region, to finance projects related to the decontamination of these dredged materials, and to dredge the Kill Van Kull, the Arthur Kill and other navigation channels located in the New Jersey/New York port region; \$20 million would be used for the dredging of navigation channels not located in the New Jersey/New York port region; \$70 million would be used to clean up hazardous discharge sites and contaminated water supplies; \$5 million would be used for the restoration of lakes in New Jersey; and \$20 million would be used for financing economic development sites in the Delaware River and Bay Region.
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25 The fact and date of the approval or passage of this act, as the case
 26 may be, may be inserted in the appropriate place after the title in the
 27 ballot. No other requirements of law of any kind or character as to
 28 notice or procedure, except as herein provided, need be adhered to.

29 The votes cast for and against the approval of this act, by ballot or
 30 voting machine, shall be counted and the result thereof returned by the
 31 election officer, and a canvass of the election had in the same manner
 32 as is provided for by law in the case of the election of a Governor, and
 33 the approval or disapproval of this act so determined shall be declared
 34 in the same manner as the result of an election for a Governor, and if
 35 there is a majority of all votes cast for and against it at the election in
 36 favor of the approval of this act, then all the provisions of this act not
 37 made effective theretofore shall take effect forthwith.

38

39 31. There is appropriated the sum of \$5,000 to the Department of
 40 State for expenses in connection with the publication of notice
 41 pursuant to section 30 of this act.

42

43 32. The commissioner shall submit to the State Treasurer and the
 44 commission with the department's annual budget request a plan for the
 45 expenditure of funds from the "1996 Dredging and Containment

1 Facility Fund," the "1996 Environmental Cleanup Fund," the "1996
2 Economic Development Site Fund," and the "1996 Lake Restoration
3 Fund," for the upcoming fiscal year. The plan shall include the
4 following information: a performance evaluation of the expenditures
5 made from each fund to date; a description of programs planned
6 during the upcoming fiscal year; a copy of the regulations in force
7 governing the operation of programs that are financed, in part or in
8 whole, by funds from the "1996 Dredging and Containment Facility
9 Fund," the "1996 Environmental Cleanup Fund," the "1996 Economic
10 Development Site Fund," and the "1996 Lake Restoration Fund;" and
11 an estimate of expenditures for the upcoming fiscal year.

12

13 33. Immediately following the submission to the Legislature of the
14 Governor's annual budget message, the commissioner shall submit to
15 the relevant standing committees of the Legislature, as designated by
16 the President of the Senate and the Speaker of the General Assembly,
17 and to the Joint Budget Oversight Committee, or its successor, a copy
18 of the plan called for under section 32 of this act, together with such
19 changes therein as may have been required by the Governor's budget
20 message.

21

22 34. Not less than 30 days prior to entering into any contract,
23 lease, obligation, or agreement to effectuate the purposes of this act,
24 the commissioner shall report to and consult with the Joint Budget
25 Oversight Committee, or its successor. Except as otherwise provided
26 by this act, all appropriations from the bond funds established by this
27 act shall be by specific allocation for each project, and any transfer of
28 any funds so appropriated shall require the approval by the Joint
29 Budget Oversight Committee or its successor.

30

31 35. This section and sections 30 and 31 of this act shall take effect
32 immediately and the remainder of this act shall take effect as and when
33 provided in section 30.

34

35

36

37

38 _____
39 Authorizes \$300 million in bonds for dredging disposal facilities,
40 decontamination and dredging projects, hazardous discharge site and
41 contaminated water supply cleanup, lake restoration, and economic
development sites in the Delaware River and Bay Region.