

ASSEMBLY, No. 1126

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblywoman MURPHY and Assemblyman BUCCO

1 AN ACT amending and supplementing the title and body of P.L.1985,  
2 c.330 to authorize the Department of Environmental Protection and  
3 the "New Jersey Environmental Infrastructure Trust" to use bond  
4 moneys therefrom to provide loans and loan guarantees to local  
5 government units for solid waste management projects; providing  
6 for the submission of this act to the people at a general election,  
7 and making an appropriation.

8  
9 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
10 *of New Jersey:*

11  
12 1. The title of P.L.1985, c.330 is amended to read as follows:  
13 AN ACT to authorize the creation of a debt of the State of New Jersey  
14 by the issuance of bonds of the State in the aggregate principal amount  
15 of \$85,000,000.00 to provide funds for loans and loan guarantees to  
16 local government units for [the construction of resource recovery  
17 facilities and environmentally sound sanitary landfill facilities] solid  
18 waste management projects; authorizing the issuance of refunding  
19 bonds; providing the ways and means to pay the interest on the bonds  
20 and refunding bonds and also to pay and discharge the principal  
21 thereof; providing for submission of this act to the people at a general  
22 election: and providing an appropriation therefor.

23 (cf: P.L.1985, c.330, title)

24

25 2. Section 2 of P.L.1985, c.330 is amended to read as follows:

26 2. a. The Legislature finds [and declares] that an environmentally  
27 sound strategy for the disposal of solid waste is necessary for the  
28 protection of the public health and safety and the preservation of the  
29 State's natural resources; that the State should end its [virtually  
30 exclusive] reliance on [traditional] out-of-state landfills as a solid  
31 waste disposal method and encourage the [utilization of resource  
32 recovery facilities designed to simultaneously dispose of and recover

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.**

**Matter underlined thus is new matter.**

1 the energy contained in solid waste; that for areas of the State where  
2 the construction of resource recovery facilities is not a feasible  
3 economic option, the State should encourage the] construction of  
4 composting facilities, materials recovery facilities, recycling centers,  
5 resource recovery facilities and environmentally sound sanitary landfill  
6 facilities equipped with state-of-the-art pollution control systems; that  
7 the [cost of constructing and operating a resource recovery facility or  
8 an environmentally sound sanitary landfill facility will significantly  
9 increase the cost of solid waste disposal above the historically low  
10 rates associated with the use of traditional landfills;] proper in-state  
11 disposal of solid waste and the maximum practical recovery of  
12 recyclable materials from solid waste are matters of basic concern to  
13 all citizens of this State, and ensuring the implementation of an  
14 efficient statewide solid waste management strategy is a governmental  
15 function thoroughly imbued with the public interest; that the continued  
16 exportation of a significant portion of New Jersey's solid waste stream  
17 to out-of-state disposal sites is a short-sighted expedient; and that for  
18 self-evident economic, environmental and public health considerations,  
19 it is imperative that the State renew its commitment to, and provide  
20 the resources for, achieving self-sufficiency with respect to solid waste  
21 disposal; and that while the responsibility to plan for the rational and  
22 environmentally sound disposal of solid waste rests with solid waste  
23 management districts, the State has the responsibility to provide  
24 financial assistance to solid waste management districts in order to  
25 facilitate the transition to environmentally sound solid waste disposal  
26 methods[; and that it is therefore] in a timely manner.

27 b. The Legislature further finds that the environmentally sound and  
28 proper closure of municipal solid waste landfills, including the  
29 remediation of contamination problems posed by terminated but  
30 improperly closed municipal landfills, is a governmental function  
31 affected with the public interest; that while the "Sanitary Landfill  
32 Facility Closure and Contingency Fund Act," P.L.1981, c.306  
33 (C.13:1E-100 et seq.) provided a means by which the owners and  
34 operators of sanitary landfill facilities would provide financial  
35 assurance for proper closure, it provides no funds for municipal solid  
36 waste landfills terminated prior to its enactment; that while the  
37 responsibility for the proper closure of municipal solid waste landfills  
38 that ceased operating prior to the enactment of P.L.1981, c.306 should  
39 ideally rest with the users thereof, the considerable closing costs,  
40 including the cost of remediating contamination problems, required to  
41 ensure the proper closure of these facilities are, in many cases, beyond  
42 the financial capabilities of affected municipalities; that the various  
43 environmental problems resulting from terminated municipal landfills,  
44 including methane gas migration, soil erosion, and ground and surface  
45 water contamination, affect the quality of life of all citizens of this  
46 State; and that since the proper closure and post-closure care required

1 at each terminated municipal landfill will ultimately enhance the quality  
2 of life of all citizens of New Jersey, the State has the responsibility to  
3 provide financial assistance to municipalities to stabilize these costs in  
4 an efficient and equitable manner.

5 c. The Legislature further finds that in many cases it may be  
6 beneficial for local governments to mine sanitary landfills for the  
7 purposes of (1) extracting materials to be used, reused, recycled, sold  
8 or composted; (2) reclaiming land; or (3) recovering landfill disposal  
9 capacity; that it is in the public interest for local governments to mine  
10 certain sanitary landfills; and that State financial assistance may be  
11 necessary for local governments to initiate landfill mining projects.

12 d. The Legislature therefore determines that it is in the public  
13 interest for the State to issue bonds and establish a Resource Recovery  
14 and Solid Waste Disposal Facility Fund and a Solid Waste  
15 Management Trust Fund for the [purpose] purposes of providing  
16 financial assistance to local government units for (1) the construction  
17 of composting facilities, materials recovery facilities, recycling centers,  
18 resource recovery facilities and environmentally sound sanitary landfill  
19 facilities; (2) municipal solid waste landfill closure projects; and (3)  
20 landfill mining projects.

21 (cf: P.L.1985, c.330, s.2)

22  
23 3. Section 3 of P.L.1985, c.330 is amended to read as follows:

24 3. As used in this act:

25 [a.] "Bonds" means the bonds authorized to be issued, or issued,  
26 under this act;

27 "Closure" means all activities associated with the design, purchase,  
28 construction or maintenance of all measures required by the  
29 department, pursuant to law, in order to remediate, prevent, minimize  
30 or monitor pollution or health hazards resulting from municipal solid  
31 waste landfills subsequent to the termination of operations at any  
32 portion thereof, including, but not limited to, the placement of final  
33 earthen or vegetative cover, groundwater remediation, the installation  
34 of methane gas vents or monitors and leachate monitoring wells or  
35 collection systems, and long-term operations and maintenance;

36 "Commercial solid waste" means any nonhazardous solid waste  
37 derived from wholesale, retail or service establishments, including  
38 stores, markets, theaters, offices, restaurants, warehouses, or from  
39 other non-manufacturing commercial activities;

40 [b.] "Commission" means the New Jersey Commission on Capital  
41 Budgeting and Planning;

42 [c.] "Commissioner" means the Commissioner of the Department of  
43 Environmental Protection;

44 "Composting facility" means a solid waste facility at which the  
45 organic components of solid waste are processed and separated  
46 utilizing manual or mechanical methods and broken down into their

1 chemical elements and compounds to form humus for the purposes of  
2 beneficial use or reuse as approved by the department;

3 [d.] "Construct" and "construction" mean, in addition to the usual  
4 meanings thereof, the designing, engineering, financing, extension,  
5 repair, remodeling, or rehabilitation, or any combination thereof, of a  
6 composting facility, materials recovery facility, recycling center,  
7 resource recovery facility or an environmentally sound sanitary landfill  
8 facility or any component part thereof;

9 [e.] "Cost" means the expenses incurred in connection with: the  
10 acquisition by purchase, lease or otherwise, the development, and the  
11 construction of any project authorized by this act; the acquisition by  
12 purchase, lease or otherwise, and the development of any real or  
13 personal property for use in connection with any project authorized by  
14 this act, including any rights or interests therein; the execution of any  
15 agreements and franchises deemed by the department to be necessary  
16 or useful and convenient in connection with any project authorized by  
17 this act; the procurement of engineering, inspection, planning, legal,  
18 financial or other professional services, including the services of a  
19 bond registrar or an authenticating agent; the issuance of bonds, or any  
20 interest or discount thereon; the administrative, organizational,  
21 operating or other expenses incident to the financing, completing and  
22 placing into service of projects authorized by this act; the  
23 establishment of a reserve fund or funds for working capital,  
24 operating, maintenance or replacement expenses and for the payment  
25 or security, principal or interest on bonds, as the Director of the  
26 Division of Budget and Accounting in the Department of the Treasury  
27 may determine; and reimbursement to any fund of the State of moneys  
28 which may have been transferred or advanced therefrom to any fund  
29 created by this act, or of any moneys which may have been expended  
30 therefrom for or in connection with any project authorized by this act;

31 [f.] "Department" means the Department of Environmental  
32 Protection;

33 "Designated agency" means the public authority, or the department,  
34 unit or committee of the county government, which is designated by  
35 the board of chosen freeholders to supervise the implementation of the  
36 district solid waste management plan pursuant to section 12 of  
37 P.L.1975, c.326 (C.13:1E-21), including the implementation of the  
38 district recycling plan required pursuant to section 3 of P.L.1987,  
39 c.102 (C.13:1E-99.13), and which has statutory power to enter into  
40 contracts or agreements and to borrow money;

41 [g.] "Environmentally sound sanitary landfill facility" means a  
42 sanitary landfill facility which is equipped with a liner or liners, a  
43 leachate control and collection system, and a groundwater pollution  
44 monitoring system, or any other pollution control or other engineering  
45 device required by the department pursuant to law or rule and  
46 regulation, and which is identified and included in a district solid waste

1 management plan pursuant to the provisions of the "Solid Waste  
2 Management Act," P.L.1970, c.39 (C.13:1E-1 et seq.);

3 [ h.]"Government securities" means any bonds or other obligations  
4 which as to principal and interest constitute direct obligations of, or  
5 are unconditionally guaranteed by, the United States, including  
6 obligations of any federal agency to the extent those obligations are  
7 unconditionally guaranteed by the United States of America and any  
8 certificates or any other evidences of an ownership interest in those  
9 obligations of, or unconditionally guaranteed by, the United States or  
10 in specified portions of those obligations, which may consist of the  
11 principal of, or the interest on, those obligations;

12 "Household solid waste" means any solid waste derived from  
13 households, including but not limited to single and multiple residences,  
14 hotels and motels, bunkhouses, ranger stations, crew quarters,  
15 campgrounds, picnic grounds and day use recreation areas, except that  
16 "household solid waste" shall not include septic waste as defined in  
17 section 3 of P.L.1970, c.40 (C.48:13A-3);

18 "Industrial solid waste" means any solid waste derived from  
19 manufacturing, industrial and research and development processes and  
20 operations that is not a hazardous waste as defined in section 1 of  
21 P.L.1976, c.99 (C.13:1E-38), except that "industrial solid waste" shall  
22 not include mining waste, oil waste, gas waste, or cement kiln dust  
23 waste;

24 "Landfill mining project" means any work relating to the  
25 environmentally sound excavation and removal of materials from a  
26 sanitary landfill facility for the purposes of recycling, use, reuse, sale,  
27 or composting;

28 [i.]"Local government unit" means (1) a county, municipality,  
29 [municipal or county utility authority,]designated agency, public  
30 authority or any other political subdivision of the State authorized to  
31 construct or operate a composting facility, materials recovery facility,  
32 recycling center, resource recovery facility or an environmentally  
33 sound sanitary landfill facility; (2) a county, municipality, designated  
34 agency, public authority or any other political subdivision of the State  
35 authorized to undertake a municipal solid waste landfill closure  
36 project; or (3) a county, municipality, designated agency, public  
37 authority or any other political subdivision of the State authorized to  
38 undertake a landfill mining project;

39 "Materials recovery facility" means a transfer station or other  
40 authorized solid waste facility at which nonhazardous solid waste,  
41 which material is not source separated by the generator thereof prior  
42 to collection, is received for onsite processing and separation utilizing  
43 manual or mechanical methods for the purposes of recovering  
44 recyclable materials for disposition and recycling prior to the disposal  
45 of the residual solid waste at an authorized solid waste facility;

46 "Municipal solid waste landfill" means a landfill that received for

1 disposal household solid waste and at least one of the following: (1)  
2 commercial solid waste, (2) industrial solid waste, or (3) waste  
3 material that was received for disposal prior to October 21, 1976 and  
4 that is included within the definition of hazardous waste adopted by  
5 the federal government pursuant to the "Resource Conservation and  
6 Recovery Act," at 42 U.S.C. §6921; except that "municipal solid waste  
7 landfill" shall not include any landfill that is approved for disposal of  
8 hazardous waste and regulated pursuant to Subchapter III of the  
9 "Resource Conservation and Recovery Act," 42 U.S.C. §6921 et seq;

10 [j.] "Project" or "solid waste management project" means any work  
11 relating to (1) the construction of a composting facility, materials  
12 recovery facility, recycling center, resource recovery facility or an  
13 environmentally sound sanitary landfill facility; (2) a municipal solid  
14 waste landfill closure project; or (3) a landfill mining project, all as  
15 undertaken by a local government unit;

16 "Public authority" means any solid waste management authority  
17 created pursuant to the "solid waste management authorities law,"  
18 P.L.1968, c.249 (C.40:66A-32 et seq.); municipal or county utilities  
19 authority created pursuant to the "municipal and county utilities  
20 authorities law," P.L.1957, c.183 (C.40:14B-1 et seq.); incinerator  
21 authority created pursuant to the "incinerator authorities law,"  
22 P.L.1948, c.348 (C.40:66A-1 et seq.); county improvement authority  
23 created pursuant to the "county improvement authorities law,"  
24 P.L.1960, c.183 (C.40:37A-44 et seq.); pollution control financing  
25 authority created pursuant to the "New Jersey Pollution Control  
26 Financing Law," P.L.1973, c.376 (C.40:37C-1 et seq.), or any other  
27 public body corporate and politic created for solid waste management  
28 purposes in any county or municipality, pursuant to the provisions of  
29 any law;

30 "Recycling center" means any facility designed and operated solely  
31 for receiving, storing, processing or transferring source separated  
32 recyclable materials;

33 [k.] "Resource recovery facility" means a solid waste facility  
34 constructed and operated for the incineration of solid waste for energy  
35 production and the recovery of metals and other materials for reuse[.];  
36 or a mechanized composting facility, or any other [solid waste] facility  
37 constructed or operated for the collection, separation, recycling, and  
38 recovery of metals, glass, paper, and other materials for reuse or for  
39 energy production, and which is identified and included in a district  
40 solid waste management plan pursuant to the provisions of the "Solid  
41 Waste Management Act," P.L.1970, c.39 (C.13:1E-1 et seq.);]

42 [l.] "Sanitary landfill facility" means a solid waste facility at which  
43 solid waste is deposited on or in the land as fill for the purpose of  
44 permanent disposal or storage for a period exceeding six months,  
45 except that it shall not include any waste facility approved for the  
46 disposal of hazardous waste;

1     "Trust" means the New Jersey Environmental Infrastructure Trust  
2 established pursuant to the "New Jersey Environmental Infrastructure  
3 Trust Act," P.L.1985, c.334 (C.58:11B-1 et seq.).

4 (cf: P.L.1985, c.330, s.3)

5

6     4. Section 5 of P.L.1985, c.330 is amended to read as follows:

7     5. a. Bonds of the State of New Jersey are authorized to be issued  
8 in the aggregate principal amount of \$85,000,000.00 for the purpose  
9 of making low interest or zero interest State loans to local government  
10 units for financing the costs of solid waste management projects  
11 identified pursuant to the project priority list adopted by the  
12 commissioner pursuant to section 25 of P.L. , c. (C. ) (pending  
13 in the Legislature as Assembly Bill No. 1960 of 1994) and section 9 of  
14 P.L. , c. (pending in the Legislature as this bill), including (1) the  
15 construction of composting facilities, materials recovery facilities,  
16 recycling centers, resource recovery facilities and environmentally  
17 sound sanitary landfill facilities; (2) municipal solid waste landfill  
18 closure projects; and (3) landfill mining projects.

19     b. Payments of principal and interest on loans made from the  
20 "Resource Recovery and Solid Waste Disposal Facility Fund" shall be  
21 made to the "Resource Recovery and Solid Waste Disposal Facility  
22 Fund."

23 (cf: P.L.1985, c.330, s.5)

24

25     5. Section 10 of P.L.1985, c.330 is amended to read as follows:

26     10. a. The bonds shall recite that they are issued for the purposes  
27 set forth in section 5 of this act, that they are issued pursuant to this  
28 act, that this act was submitted to the people of the State at the  
29 general election held in the month of November, 1985, and that this  
30 act was approved by a majority of the legally qualified voters of the  
31 State voting thereon at the election. [This recital] The bonds shall also  
32 recite, if issued after the effective date of P.L. , c. (pending in the  
33 Legislature as this bill), that the amendments and supplements to  
34 P.L.1985, c.330 were submitted to the people of the State at the  
35 general election held in the month of November, 1995, and were  
36 approved by a majority of the legally qualified voters of the State  
37 voting thereon. These recitals shall be conclusive evidence of the  
38 validity of the bonds and of the authority of the State to issue them.  
39 Any bonds containing [this recital] the recitals shall, in any suit, action  
40 or proceeding involving their validity, be conclusively deemed to be  
41 fully authorized by this act and to have been issued, sold, executed and  
42 delivered in conformity herewith and with all other provisions of laws  
43 applicable thereto, and shall be incontestable for any cause.

44     b. The bonds shall be issued in [such] those denominations and in  
45 [such] the form or forms, whether coupon, fully-registered or  
46 book-entry, and with or without provisions for the interchangeability

1 thereof, as may be determined by the issuing officials.  
2 (cf: P.L.1985, c.330, s.10)

3  
4 6. Section 14 of P.L.1985, c.330 is amended to read as follows:  
5 14. The proceeds from the sale of the bonds authorized pursuant  
6 to subsection a. of section 5 of P.L.1985, c.330 shall be paid to the  
7 State Treasurer[, to be held thereby] for deposit in a separate  
8 nonlapsing revolving fund, which shall be known as the "Resource  
9 Recovery and Solid Waste Disposal Facility Fund[.]."  
10 of this fund shall be deposited in such depositories as may be selected  
11 by the State Treasurer to the credit of the fund] for use by the  
12 department as hereinafter provided.  
13 (cf: P.L.1985, c.330, s.14)

14  
15 7. Section 15 of P.L.1985, c.330 is amended to read as follows:  
16 15. a. The moneys in the "Resource Recovery and Solid Waste  
17 Disposal Facility Fund" are specifically dedicated and shall be applied  
18 to financing the cost of the purposes set forth in subsection a. of  
19 section 5 of [this act] P.L.1985, c.330, and all such moneys are  
20 appropriated for those purposes[, and]. However, no [such] moneys  
21 in the fund shall be expended for those purposes, except as otherwise  
22 authorized by this act, without the specific appropriation thereof by  
23 the Legislature, but bonds may be issued as herein provided,  
24 notwithstanding that the Legislature [has] shall not have then adopted  
25 an act making a specific appropriation of any of the moneys. Any act  
26 appropriating moneys from the "Resource Recovery and Solid Waste  
27 Disposal Facility Fund" shall identify the specific project or projects  
28 to be funded [with those] by the moneys [and the amount and terms  
29 and conditions of any loan made from the "Resource Recovery and  
30 Solid Waste Disposal Facility Fund."]. Payments of principal and  
31 interest on loans made from the "Resource Recovery and Solid Waste  
32 Disposal Facility Fund" shall be returned to that fund for use for any  
33 authorized purpose to which moneys in the fund may be used pursuant  
34 to P.L.1985, c.330 or P.L. , c. (pending in the Legislature as this  
35 bill).

36 (1) Payments of principal and interest on loans returned to the  
37 "Resource Recovery and Solid Waste Disposal Facility Fund" may be  
38 made available to the trust, with the concurrence of the department,  
39 for temporary use by the trust for any of the purposes set forth in  
40 section 8 of P.L. , c. (pending in the Legislature as this bill), under  
41 terms and conditions established therefor by the commissioner and the  
42 trust and approved by the State Treasurer. A maximum of  
43 \$40,000,000 may be made available to the trust for these purposes.

44 (2) Any moneys made available to the trust pursuant to this  
45 paragraph shall be deposited in a separate nonlapsing revolving fund,  
46 which shall be known as the "Solid Waste Management Trust Fund,"

1 for use by the trust as hereinafter provided. The trust shall repay to the  
2 "Resource Recovery and Solid Waste Disposal Facility Fund" any  
3 moneys made available for temporary use. Repayment shall be in  
4 accordance with the terms and conditions approved therefor.

5 If the "New Jersey Environmental Infrastructure Trust Act"  
6 (pending in the Legislature as Assembly Bill No. 1960 of 1994) has  
7 not been enacted into law by the date of the approval of this act by the  
8 voters, paragraphs (1) and (2) of this subsection shall be inoperative.

9 b. At any time prior to the issuance and sale of bonds under this  
10 act, the State Treasurer is authorized to transfer from any available  
11 [money] moneys in any fund of the treasury of the State to the credit  
12 of the "Resource Recovery and Solid Waste Disposal Facility Fund"  
13 [such] those sums as [he] the State Treasurer may deem necessary.  
14 The [sum] sums so transferred shall be returned to the same fund of  
15 the treasury of the State by the State Treasurer from the proceeds of  
16 the sale of the first issue of bonds.

17 c. Pending their application to the purposes provided in [this act]  
18 P.L.1985, c.330 or P.L. , c. (pending in the Legislature as this  
19 bill), the moneys in the "Resource Recovery and Solid Waste Disposal  
20 Facility Fund" may be invested and reinvested as are other trust funds  
21 in the custody of the State Treasurer, in the manner provided by law.  
22 Net earnings received from the investment or deposit of moneys in the  
23 "Resource Recovery and Solid Waste Disposal Facility Fund" shall be  
24 paid into the "Resource Recovery and Solid Waste Disposal Facility  
25 Fund[.]" for use by the department to cover administrative expenses  
26 incurred in administering the fund. Any moneys not required for  
27 administrative expenses shall be used for any other authorized purpose  
28 to which moneys in the fund may be used.

29 d. The department may charge and collect from local government  
30 units annual fees and charges in connection with any loans or other  
31 services provided by the department in amounts sufficient to reimburse  
32 the department for all reasonable costs necessarily incurred by it in  
33 connection with its financings, as the department may determine to be  
34 reasonable. The fees and charges shall be in accordance with a uniform  
35 schedule published by the department for the purpose of providing  
36 actual cost reimbursement for the services rendered.

37 (cf: P.L.1985, c.330, s.15)

38

39 8. (New section) a. The moneys in the "Solid Waste Management  
40 Trust Fund" are specifically dedicated and allocated to, and shall be  
41 applied to the cost of, the establishment by the trust of reserve and  
42 loan guarantee accounts within that fund. The reserve account is to be  
43 used to secure debt issued by the trust pursuant to the provisions of  
44 P.L.1985, c.334 (C.58:11B-1 et seq.), and the guarantee fund is to be  
45 used by the trust to secure debt issued by a local government unit. The  
46 trust shall not directly or indirectly use any moneys paid to it pursuant

1 to this section for the purpose of issuing a loan guarantee to a local  
2 government unit in connection with the financing of a solid waste  
3 management project unless the project, and the amount and the terms  
4 or conditions of the loan guarantee, shall have been approved by the  
5 Legislature. Moneys in the reserve and loan guarantee accounts may  
6 be made available to the department, with the concurrence of the trust,  
7 for temporary use by the department in implementing the provisions of  
8 P.L.1985, c.330 or P.L. , c. (pending in the Legislature as this bill),  
9 under terms and conditions established therefor by the commissioner  
10 and the trust and approved by the State Treasurer. The department  
11 shall repay to the "Solid Waste Management Trust Fund" any sums  
12 made available for temporary use. Repayment shall be in accordance  
13 with the terms and conditions approved therefor.

14 b. At any time prior to the issuance and sale of bonds under the  
15 provisions of P.L.1985, c.330 or P.L. , c. (pending in the  
16 Legislature as this bill), the State Treasurer is authorized to transfer  
17 from any available moneys in any fund of the treasury of the State to  
18 the credit of the "Solid Waste Management Trust Fund" those sums as  
19 the State Treasurer may deem necessary. The sums so transferred shall  
20 be returned to the same fund of the treasury of the State by the State  
21 Treasurer from the proceeds of the sale of the first issue of bonds.

22 c. Pending their application to the purposes provided in P.L.1985,  
23 c.330 or P.L. , c. (pending in the Legislature as this bill), the  
24 moneys in the "Solid Waste Management Trust Fund" may be invested  
25 and reinvested by the trust as are other trust funds in the custody of  
26 the trust. Net earnings received from the investment or deposit of  
27 moneys in the "Solid Waste Management Trust Fund" shall be paid  
28 into the "Solid Waste Management Trust Fund" for use by the trust to  
29 cover administrative expenses incurred in administering the fund. Any  
30 moneys not required for administrative expenses shall be used for any  
31 other authorized purpose to which moneys in the fund may be used.

32 d. The trust may charge and collect from local government units  
33 annual fees and charges in connection with the loans guarantees or  
34 other services provided by the trust in amounts sufficient to reimburse  
35 the trust for all reasonable costs necessarily incurred by it in  
36 connection with its financings and the establishment and maintenance  
37 of reserve and loan guarantee accounts or other funds, as the trust may  
38 determine to be reasonable. The fees and charges shall be in  
39 accordance with a uniform schedule published by the trust for the  
40 purpose of providing actual cost reimbursement for the services  
41 rendered.

42

43 9. (New section) a. The commissioner shall for each fiscal year  
44 develop a priority system for solid waste management projects and  
45 shall establish the ranking criteria and funding policies therefor. The  
46 commissioner shall set forth a project priority list for funding for each

1 fiscal year and shall include the aggregate amount of funds to be  
2 authorized for these purposes. The project priority list shall be in  
3 conformance with applicable provisions of the "Solid Waste  
4 Management Act," P.L.1970, c.39 (C.13:1E-1 et seq.), and any  
5 amendatory or supplementary acts thereto. The project priority list  
6 shall include a description of each project and its purpose, impact,  
7 cost, and construction schedule, and an explanation of the manner in  
8 which priorities were established. The priority system and project  
9 priority list for the ensuing fiscal year shall be submitted to the  
10 Legislature on or before January 15 of each year.

11 (1) Any municipal solid waste landfill closure project on the project  
12 priority list shall be based on the closure program for municipal solid  
13 waste landfills established by the department pursuant to section 32 of  
14 P.L. , c. (C. )(pending in the Legislature as Assembly Bill No.  
15 1960 of 1994).

16 (2) Any landfill mining project on the project priority list shall be  
17 based on the landfill mining program for sanitary landfill facilities  
18 established by the department pursuant to section 33 of P.L. , c.  
19 (C. )(pending in the Legislature as Assembly Bill No. 1960 of  
20 1994).

21 b. No moneys shall be expended for loans during a fiscal year for  
22 any solid waste management project unless the expenditure is  
23 authorized pursuant to an appropriations act.

24 c. As part of the annual submission required by this section, the  
25 department shall provide a financial accounting of all project  
26 expenditures made in the preceding year, and of all administrative  
27 expenses incurred by the department from interest earnings from the  
28 "Resource Recovery and Solid Waste Disposal Facility Fund" in  
29 connection therewith.

30 d. As part of the annual submission required by this section, the  
31 trust shall provide a financial accounting of all project expenditures  
32 made in the preceding year, and of all administrative expenses incurred  
33 by the trust from interest earnings from the "Solid Waste Management  
34 Trust Fund" in connection therewith.

35 If the "New Jersey Environmental Infrastructure Trust Act"  
36 (pending in the Legislature as Assembly Bill No. 1960 of 1994) has  
37 not been enacted into law by the date of the approval of this act by the  
38 voters, subsection d. of this section shall be inoperative.

39

40 10. (New section) a. The provisions of any other law, or of any  
41 rule or regulation adopted pursuant thereto to the contrary  
42 notwithstanding, the unexpended balance of those moneys heretofore  
43 appropriated to the department from the "Resource Recovery and  
44 Solid Waste Disposal Facility Fund" for the purpose of providing an  
45 interest-free loan to Bergen county for the design, acquisition and  
46 construction of a resource recovery facility pursuant to section 2 of

1 P.L.1985, c.335, and the unexpended balance of those moneys  
2 heretofore appropriated to the department from the "Resource  
3 Recovery and Solid Waste Disposal Facility Fund" for the purpose of  
4 providing an interest-free loan to Passaic county for the design,  
5 acquisition and construction of a resource recovery facility pursuant  
6 to P.L.1988, c.86, shall revert to the "Resource Recovery and Solid  
7 Waste Disposal Facility Fund," and may be appropriated therefrom for  
8 any purpose authorized under P.L.1985, c.330, as amended and  
9 supplemented by P.L. , c. (pending in the Legislature as this bill).

10 b. On and after the effective date of P.L. , c. (pending in the  
11 Legislature as this bill), all moneys accruing to the "Resource  
12 Recovery and Solid Waste Disposal Facility Fund" from the repayment  
13 of principal and interest on loans made pursuant to P.L.1985, c.330,  
14 all moneys accruing to that fund pursuant to P.L.1985, c.331, and any  
15 interest earned on the management of moneys in that fund, shall be  
16 reserved for appropriation for any solid waste management projects  
17 authorized under P.L. , c. (pending in the Legislature as this bill).

18 c. Nothing in this section shall be deemed to impede the State  
19 Treasurer in fulfilling his responsibility under section 17 of P.L.1985,  
20 c.330.

21

22 11. (New section) For the purpose of complying with the  
23 provisions of the State Constitution, this amendatory and  
24 supplementary act shall be submitted to the people at the general  
25 election to be held in the month of November, 1995. To inform the  
26 people of the contents of this amendatory and supplementary act, it  
27 shall be the duty of the Secretary of State, after this section takes  
28 effect, and at least 60 days prior to the election, to cause this  
29 amendatory and supplementary act to be published at least once in one  
30 or more newspapers of each county, if any newspapers are published  
31 therein, and to notify the clerk of each county of this State of the  
32 passage of this amendatory and supplementary act; and the clerks  
33 respectively, in accordance with the instructions of the Secretary of  
34 State, shall have printed on each of the ballots the following:

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

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

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

1		AMENDS AND SUPPLEMENTS
2		RESOURCE RECOVERY AND SOLID
3		WASTE DISPOSAL FACILITY BOND
4		ACT OF 1985
5		Shall the amendments and supplementary
6		language to the "Resource Recovery and
7		Solid Waste Disposal Facility Bond Act of
8		1985," which provide that the New Jersey
9	YES	Environmental Infrastructure Trust may use
10		bond moneys therefrom to provide loans and
11		loan guarantees to local governments for
12		financing the costs of solid waste management
13		projects, be approved?
14		INTERPRETIVE STATEMENT
15		Approval of this act would provide that
16		moneys in the "Resource Recovery and Solid
17		Waste Disposal Facility Bond Act of 1985"
18		from repayments of certain loans, cancelled
19		resource recovery facility projects, cash
20		earned from the investment of amounts in the
21		fund, and the remaining moneys in the fund,
22		may be used for loans to local governments
23		for solid waste management projects. The
24		proposed revisions would permit these
25		moneys to be used for the financing of
26		composting facilities, materials recovery
27	NO	facilities, recycling centers, municipal solid
28		waste landfill closure projects and landfill
29		mining projects in addition to resource
30		recovery or sanitary landfill facilities as
31		provided in the bond act, under a combined
32		loan and loan guarantee program administered
33		by the Department of Environmental
34		Protection and the New Jersey Environmental
35		Infrastructure Trust.
36		Approval of these revisions to the "Resource
37		Recovery and Solid Waste Disposal Facility
38		Bond Act of 1985" would not involve any
39		new State bonded indebtedness.

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

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

11

12 12. (New section) There is appropriated from the General Fund the  
13 sum of \$5,000 to the Department of State for expenses in connection  
14 with the publication of the notice pursuant to section 11 of this act.

15

16 13. Section 11 and 12 of this act shall take effect immediately, and  
17 the remainder of the act shall take effect as and when provided in  
18 section 11 of this act.

19

20

21

#### STATEMENT

22

23 This bill amends and supplements the "Resource Recovery and  
24 Solid Waste Disposal Facility Bond Act of 1985" (P.L.1985, c.330) to  
25 authorize the use of a portion of the bond moneys by the "New Jersey  
26 Environmental Infrastructure Trust," and to specify the uses to which  
27 the bond moneys may be spent.

28 The 1985 bond act was approved in November 1985 by the voters  
29 of New Jersey. The proposed revisions to the "Resource Recovery and  
30 Solid Waste Disposal Facility Bond Act of 1985" contained in this bill  
31 are also required to be approved by the electorate.

32 The "Resource Recovery and Solid Waste Disposal Facility Bond  
33 Act of 1985" authorized the issuance of \$85 million in State general  
34 obligation bonds for the purpose of making loans to local governments  
35 for financing the construction of resource recovery facilities and  
36 environmentally sound sanitary landfill facilities.

37 The bill provides that the \$85 million in bonds authorized pursuant  
38 to P.L.1985, c.330 would be used for the purpose of making low  
39 interest or zero interest State loans to local governments for financing  
40 the costs of solid waste management projects identified pursuant to the  
41 project priority list adopted by the Commissioner of DEP under  
42 section 25 of the bill. Solid waste management projects would include:  
43 (1) the construction of composting facilities, materials recovery  
44 facilities, recycling centers, resource recovery facilities and  
45 environmentally sound sanitary landfill facilities; (2) municipal solid  
46 waste landfill closure projects; and (3) landfill mining projects.

1       The 1985 bond act provides that payments of principal and interest  
2 on loans made from the "Resource Recovery and Solid Waste Disposal  
3 Facility Fund" would be made to that fund. The bill provides that up  
4 to \$40 million in these loan repayments may be made available to the  
5 "New Jersey Environmental Infrastructure Trust," a proposed  
6 financing authority which would be empowered to make loans and  
7 loan guarantees to local governments for financing the costs of solid  
8 waste management projects pursuant to the "New Jersey  
9 Environmental Infrastructure Trust Act" (a companion measure,  
10 Assembly Committee Substitute for Assembly Bill No. 1960 of 1994-  
11 95).

12       The Trust would be authorized to use these bond moneys to secure  
13 local debt and to secure revenue bonds or other debt issued by the  
14 trust, the proceeds of which will be used to make loan guarantees to  
15 local governments for the costs of financing eligible projects.

16       The bill also provides that moneys from cancelled resource recovery  
17 facility projects would revert to the Resource Recovery and Solid  
18 Waste Disposal Facility Fund. There is approximately \$2.5 million in  
19 unappropriated funds in the Fund, inclusive of interest earned and loan  
20 repayments received. The return of moneys from cancelled resource  
21 recovery facility projects in Bergen County, for which a \$15 million  
22 appropriation was made to the Department of Environmental  
23 Protection from the Fund pursuant to P.L.1985, c.335, and Passaic  
24 County, for which a \$13.3 million appropriation was made to the  
25 department from the Fund pursuant to P.L.1988, c.86, would increase  
26 the available balance in the Resource Recovery and Solid Waste  
27 Disposal Facility Fund to approximately \$30.8 million.

28       If the "New Jersey Environmental Infrastructure Trust Act" has not  
29 been enacted into law by the date of the approval of this act by the  
30 voters, the amendments made to the 1985 bond act pertaining to the  
31 Trust would remain inoperative.

32

33

34

35

36       Revises the "Resource Recovery and Solid Waste Disposal Facility  
37 Bond Act of 1985."