

ASSEMBLY AGRICULTURE AND WASTE MANAGEMENT
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1351

with committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 5, 1996

The Assembly Agriculture and Waste Management Committee favorably reports Assembly Bill No. 1351, with committee amendments.

As amended, Assembly Bill No. 1351 expands the permitted uses of funds available from the Clean Communities Account established under P.L.1985, c.533 by counties, for programs that employ inmates sentenced to county correctional facilities who are classified as minimum security inmates, to pick up and remove litter from county parks, waterfronts and areas that are accessible to the public. The county correctional program would be developed by the Department of Corrections.

P.L.1985, c.533 imposed a tax on the sale of litter-generating products to provide funds to finance a Statewide anti-litter program. The manufacturers, wholesalers, and distributors of litter-generating products are taxed at the rate of \$300 per \$1,000,000 in sales per year; retailers, including restaurants, are taxed at the rate of \$225 per \$1,000,000 in annual sales. The fifteen categories of litter-generating products include alcoholic beverages, soft drinks, cigarettes, paper products, food and groceries, among others. The act also provided that the litter tax would expire on December 31, 1989.

However, as enacted, P.L.1985, c.533 did not establish an anti-litter program, nor provide for the distribution of the revenues generated by the litter tax. In response to this problem, implementing legislation to establish an anti-litter program, and provide for the distribution of the litter tax revenues deposited in the Clean Communities Account in the Department of the Treasury commencing July 1, 1987, was enacted into law as P.L.1986, c.187 (C.13:1E-99.8 et seq.).

P.L.1986, c.187 provided for the development of Statewide standards for anti-litter programs. The act provided that the Clean Communities Account is to be administered by the DEP, and that 90 percent of the estimated annual balance of the account must be used

for grants to counties and municipalities for local litter control programs and activities. The act also extended the "sunset" provision of the litter tax from December 31, 1989 to December 31, 1991.

P.L.1989, c.108 changed the administration of the Clean Communities Account. The act provided that the funds allocated for municipalities and counties would be distributed as State aid, as opposed to grants (which required individual contracts between DEP and the municipality or county). The act provided that contracts would not be required as a condition of receiving this State aid. To qualify for State aid from the Clean Communities Account, a county or municipality would be required to adopt one of the model litter programs established by DEP.

P.L.1989, c.108 also provided that moneys to be distributed from the Clean Communities Account must be distributed by May 31 of each year. Further, the act directed the DEP to submit an annual report to the Governor and the Legislature detailing the administration of the Clean Communities Account.

P.L.1992, c.150 extended the "sunset" provision of the tax upon litter-generating products imposed pursuant to P.L.1985, c.533 an additional four years, from December 31, 1991 to December 31, 1995. The extension was made retroactive to December 30, 1991 in order to provide for administrative continuity.

P.L.1992, c.150 also required the DEP to: (1) include a detailed explanation of the uses and expenditure of the moneys appropriated to the department from the Clean Communities Account within its annual report to the Governor and the Legislature; (2) conduct periodic litter surveys or random inspections in various parts of the State to ensure the satisfactory implementation of the model county and municipal litter control programs; and (3) submit its report to the Governor and the Legislature on the success of the model county and municipal litter control programs in reducing litter in New Jersey not later than May 31 of each year.

P.L.1992, c.150 also removed the exemption municipalities that receive less than \$30,000 had from the requirement to submit an annual report to the department, and allow counties and municipalities to use moneys received to establish an "Adopt-A-Highway" program.

P.L.1995, c.301 extended the expiration date of the tax upon litter-generating products an additional five years, from December 31, 1995 to December 31, 2000.

P.L.1995, c.301 also: (1) prohibited the diversion of moneys in the Clean Communities Account unless expressly provided by the enactment of a discrete appropriations act; (2) removed the requirement that unused moneys in the Clean Communities Account must be redistributed among all eligible recipients; (3) provided that the DEP could carry forward any unexpended balances in the Clean Communities Account as of June 30 of each year; and (4) provided

that the annual report to be submitted by the DEP to the Governor and the Legislature on the success of the litter control program would be due by August 30 rather than by May 31 of each year.

This bill would allow counties to use moneys in the Clean Communities Account for litter control programs employing inmates sentenced to county correctional facilities.

Committee amendments would: (1) delete the provision of the bill requiring the Department of Environmental Protection to develop a model county correctional program; and (2) make several changes of a technical nature.

This bill was pre-filed for introduction in the 1996-1997 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.