

## CHAPTER 70

**AN ACT** authorizing the creation of a debt of the State of New Jersey by issuance of bonds of the State in the aggregate principal amount of \$300,000,000 to provide moneys for the construction of subaqueous pits and a containment facility or facilities for the disposal of dredged material from the New Jersey/New York port region; for the costs of projects related to the decontamination of dredged material; for the dredging of the Kill Van Kull, the Arthur Kill, and other navigational channels located in the port region; for the dredging of navigational waterways not located in the port region; for the remediation of hazardous discharge sites and contaminated water supplies; for the restoration of lakes; and for the construction of economic development sites in the Delaware River and Bay Region; providing the ways and means to pay and discharge the principal and interest thereof; providing for the submission of this act to the people at a general election; and making an appropriation.

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

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

2. The Legislature finds and declares that the sand, silt and mud, which naturally accumulate in the navigation channels and ship berths in the port area of northern New Jersey and New York City must be dredged on a regular basis to ensure the continued economic viability of the shipping and trade industry, which creates more than 200,000 direct and indirect jobs, provides more than \$20 billion in regional economic benefits and generates salaries and wages in excess of \$5 billion; that while the economic importance of dredging is significant, it must be recognized that dredged material is often contaminated with harmful and dangerous substances; that in order to enjoy the economic benefits provided by an accessible port, an economically viable and long-term solution to the problem of dredged material disposal must be found; and that it is therefore in the public interest to provide a funding mechanism to finance, in whole or in part, the construction of subaqueous pits and a containment facility or facilities to provide for the safe disposal of dredged materials, projects related to the decontamination of dredged material, and the dredging of the Kill Van Kull, the Arthur Kill and other navigational channels located in the port region.

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

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

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

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

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

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

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

"Commissioner" means the Commissioner of Environmental Protection;

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

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

"Cost" means the expenses incurred in connection with: the construction of a containment facility or facilities, and subaqueous pits for the disposal of dredged materials from the port region; the decontamination of dredged material; the dredging of the Kill Van Kull, the Arthur Kill and other navigation channels located in the port region; the initiation, continuation, or completion of the remediation of a hazardous discharge site; the acquisition by purchase, lease,

or otherwise, and the construction of a water supply facility; the dredging of navigation channels not located in the port region; the restoration of lakes; the purchase of real property, equipment, and any building, construction and miscellaneous site improvements associated with an economic development site; the acquisition by purchase, lease, or otherwise, and the development of any real or personal property for use in connection with a project authorized by this act, including any rights or interests therein, the execution of any agreements and franchises deemed by the department to be necessary or useful and convenient in connection with any project authorized by this act; the procurement of engineering, inspection, planning, legal, financial, or other professional services, including the services of a bond registrar or an authenticating agent; the issuance of bonds, or any interest or discount thereon; the administrative, organizational, operating or other expenses incident to the financing, initiating, continuing, completing, and placing into service of any project authorized by this act, including the expense of salaries, supplies, equipment and materials; the establishment of a reserve fund or funds for working capital, operating, maintenance, or replacement expenses and for the payment or security of principal or interest on bonds, as the Director of the Division of Budget and Accounting in the Department of the Treasury may determine; and reimbursement to any fund of the State of moneys which may have been transferred or advanced therefrom to any fund created by this act, or any moneys which may have been expended therefrom for, or in connection with, any project authorized by this act;

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

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

"Department" means the Department of Environmental Protection;

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

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

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

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

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

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

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

"Lake restoration" or "restoration of lakes" means the removal of sand, silt, mud, sediment, rocks, stumps, vegetation, algae blooms, or other materials from lakes, or the abatement and control of pollution of lakes caused by stormwater runoff, soil erosion, or other types of nonpoint source or point source pollution, to improve, for the purposes of recreation, conservation, water supply, or flood control, the use and overall quality of lake waters or the use or function of any park, natural area, fishing, boating, or swimming area or facility, dam, or flood control facility or structure associated with a lake;

"Local government unit" means a county or a municipality, or any agency, authority, board,

commission, or other instrumentality thereof, any two or more counties or municipalities operating jointly through a joint meeting or interlocal services agreement permitted by law, or any agency, authority, board, commission, or other instrumentality thereof, or any other local or regional entity created by the Legislature as a political subdivision of the State, or any agency, authority, board, commission, or other instrumentality thereof;

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

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

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

"Remediation" or "remediate" means all necessary actions to investigate and clean up any known, suspected, or threatened discharge of hazardous substances, including, as necessary, identifying areas of concern and determining the presence of hazardous substances, the collection and evaluation of data adequate to determine whether or not discharged hazardous substances exist, determining the nature and extent of any discharged hazardous substance and any problems presented by a discharge, and the performance of a remedial action;

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

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

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

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

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

administrative costs of the State or any of its departments, agencies, or authorities.

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

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

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

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

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

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

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

e. The Department of Environmental Protection shall administer the grant and loan program authorized pursuant to this section. The department shall make available to every local government unit and private lake association or similar organization information concerning the availability of, and the criteria for qualifying and obtaining, grants and loans under the program.

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

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

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

13. The bonds shall be signed in the name of the State by means of the manual or facsimile signature of the Governor under the Great Seal of the State, which seal may be by facsimile or by way of any other form of reproduction on the bonds, and attested by the manual or facsimile signature of the Secretary of State, or an Assistant Secretary of State, and shall be countersigned by the facsimile signature of the Director of the Division of Budget and Accounting in the Department of the Treasury and may be manually authenticated by an authenticating agent or bond registrar, as the issuing officials shall determine. Interest coupons, if any, attached to the bonds shall be signed by the facsimile signature of the Director of the Division of Budget and Accounting in the Department of the Treasury. The bonds may be issued notwithstanding that an official signing them or whose manual or facsimile signature appears on the bonds or coupons has ceased to hold office at the time of issuance, or at the time of the delivery of the bonds to the purchaser thereof.

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

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

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

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

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

18. The State Treasurer shall establish a fund to be known as the "1996 Dredging and

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

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

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

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

22. a. At any time prior to the issuance and sale of bonds under this act, the State Treasurer is authorized to transfer from any available moneys in any fund of the treasury of the State to the credit of the "1996 Dredging and Containment Facility Fund," the "1996 Environmental Cleanup Fund," the "1996 Economic Development Site Fund," or the "1996 Lake Restoration Fund," those sums as the State Treasurer may deem necessary. The sums so transferred shall

be returned to the same fund of the treasury of the State by the State Treasurer from the proceeds of the sale of the first issue of bonds.

b. Pending their application to the purposes provided in this act, the moneys in the "1996 Dredging and Containment Facility Fund," the "1996 Environmental Cleanup Fund," the "1996 Economic Development Site Fund," and the "1996 Lake Restoration Fund," may be invested and reinvested as are other trust funds in the custody of the State Treasurer, in the manner provided by law. Net earnings received from the investment or deposit of moneys in these funds shall be redeposited therein and become part of the respective funds.

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

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

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

26. Any bond or bonds issued hereunder, which are subject to refinancing pursuant to the "Refunding Bond Act of 1985," P.L.1985, c.74 as amended by P.L.1992, c.182 (C.49:2B-1 et seq.), shall no longer be deemed to be outstanding, shall no longer constitute a direct obligation of the State of New Jersey, and the faith and credit of the State shall no longer be pledged to the payment of the principal of, redemption premium, if any, and interest on the bonds, and the bonds shall be secured solely by and payable solely from moneys and government securities deposited in trust with one or more trustees or escrow agents, which trustees and escrow agents shall be trust companies or national or state banks having powers of a trust company, located either within or without the State, as provided herein, whenever there shall be deposited in trust with the trustees or escrow agents, as provided herein, either moneys or government securities, including government securities issued or held in book-entry form on the books of the Department of the Treasury of the United States, the principal of and interest on which when due will provide money which, together with the moneys, if any, deposited with the trustees or escrow agents at the same time, shall be sufficient to pay when due the principal of, redemption premium, if any, and interest due and to become due on the bonds on or prior to the redemption date or maturity date thereof, as the case may be; provided the government securities shall not be subject to redemption prior to their maturity other than at the option of the holder thereof. The State of New Jersey hereby covenants with the holders of any bonds for which government securities or moneys shall have been deposited in trust with the trustees or escrow agents as provided in this section that, except as otherwise provided in this section, neither the government securities nor moneys so deposited with the trustees or escrow agents shall be withdrawn or used by the State for any purpose other than, and shall be held in trust for, the payment of the principal of, redemption premium, if any, and interest to become due on the bonds; provided that any cash received from the principal or interest payments on the government securities deposited with the trustees or escrow agents, to the extent the cash will not be required at any time for that purpose, shall be paid over to the State, as received by the trustees or escrow agents, free and

clear of any trust, lien, pledge or assignment securing the bonds; and to the extent the cash will be required for that purpose at a later date, shall, to the extent practicable and legally permissible, be reinvested in government securities maturing at times and in amounts sufficient to pay when due the principal of, redemption premium, if any, and interest to become due on the bonds on and prior to the redemption date or maturity date thereof, as the case may be, and interest earned from the reinvestments shall be paid over to the State, as received by the trustees or escrow agents, free and clear of any trust, lien or pledge securing the bonds. Notwithstanding anything to the contrary contained herein: a. the trustees or escrow agents shall, if so directed by the issuing officials, apply moneys on deposit with the trustees or escrow agents pursuant to the provisions of this section, and redeem or sell government securities so deposited with the trustees or escrow agents, and apply the proceeds thereof to (1) the purchase of the bonds which were refinanced by the deposit with the trustees or escrow agents of the moneys and government securities and immediately thereafter cancel all bonds so purchased, or (2) the purchase of different government securities; provided however, that the moneys and government securities on deposit with the trustees or escrow agents after the purchase and cancellation of the bonds or the purchase of different government securities shall be sufficient to pay when due the principal of, redemption premium, if any, and interest on all other bonds in respect of which the moneys and government securities were deposited with the trustees or escrow agents on or prior to the redemption date or maturity date thereof, as the case may be; and b. in the event that on any date, as a result of any purchases and cancellations of bonds or any purchases of different government securities, as provided in this sentence, the total amount of moneys and government securities remaining on deposit with the trustees or escrow agents is in excess of the total amount which would have been required to be deposited with the trustees or escrow agents on that date in respect of the remaining bonds for which the deposit was made in order to pay when due the principal of, redemption premium, if any, and interest on the remaining bonds, the trustees or escrow agents shall, if so directed by the issuing officials, pay the amount of the excess to the State, free and clear of any trust, lien, pledge or assignment securing the refunding bonds.

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

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

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

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

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

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

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

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

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

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

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

	YES	<p>PORT OF NEW JERSEY REVITALIZATION, DREDGING, ENVIRONMENTAL CLEANUP, LAKE RESTORATION, AND DELAWARE BAY AREA ECONOMIC DEVELOPMENT BOND ACT OF 1996</p> <p>Shall the "Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration, and Delaware Bay Area Economic Development Bond Act of 1996," which authorizes the State to issue bonds in the amount of \$300,000,000 for the purposes of financing, in whole or in part, the costs of: constructing subaqueous pits and a containment facility or facilities for the disposal of materials dredged from the Kill Van Kull, Arthur Kill and other navigation channels located in the New Jersey/New York port region; projects related to the decontamination of dredged material; dredging the Kill Van Kull, the Arthur Kill and other navigation channels located in the New Jersey/New York port region; dredging navigation channels not located in the New Jersey/New York port region; remediating hazardous discharge sites; and constructing water supply facilities to replace contaminated water supplies; the restoration of lakes; and economic development sites in the Delaware River and Bay Region; and which provides the ways and means to pay the interest on the debt and also to pay and discharge the principal thereof, be approved?</p>
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	NO	<p style="text-align: center;">INTERPRETIVE STATEMENT</p> <p>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.</p>
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The fact and date of the approval or passage of this act, as the case may be, may be inserted in the appropriate place after the title in the ballot. No other requirements of law of any kind or character as to notice or procedure, except as herein provided, need be adhered to.

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

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

32. The commissioner shall submit to the State Treasurer and the commission with the department's annual budget request a plan for the expenditure of funds from the "1996 Dredging and Containment Facility Fund," the "1996 Environmental Cleanup

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

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

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

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

Approved July 17, 1996.