

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR

SENATE COMMITTEE SUBSTITUTE FOR

SENATE, No. 95

STATE OF NEW JERSEY

DATED: JUNE 13, 1996

The Senate Budget and Appropriations Committee reports favorably a Senate Committee Substitute for Senate Bill No.95.(SCS).

This Senate Committee Substitute for Senate No. 95 (SCS) would, upon approval of the voters of the State of New Jersey, authorize the State of New Jersey to issue up to \$230 million in general obligation bonds.

Of this amount, \$185 million would be used to provide financing for the construction of subaqueous pits and a containment island or islands for the disposal of contaminated dredged materials from the Port of New York-New Jersey; for projects related to the decontamination of dredged material; and for the dredging of the Kill Van Kull, the Arthur Kill and other navigation channels in the port region.

Of the remaining \$45 million, \$20 million would be used for the dredging of navigation channels not located in the port region, \$20 million would be used for financing economic development sites in the Delaware River and Bay Region, and \$5 million would be used to finance lake restoration projects, as set forth in the substitute.

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

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

FISCAL IMPACT

This Senate Committee Substitute for Senate No.95 (SCS) would,

upon approval of the voters of the State of New Jersey, authorize the State of New Jersey to issue up to \$230 million in general obligation bonds.