

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR **SENATE, No. 954**

STATE OF NEW JERSEY

DATED: JUNE 3, 1996

The Senate Budget and Appropriations Committee reports favorably a Senate Committee Substitute for Senate Bill No.954.

This Senate Committee Substitute revises P.L.1995, c.173 (C.40A:12A-50 et seq.), which authorized the creation of landfill reclamation and improvement districts, to provide additional financing mechanisms for large site landfill remediation and infrastructure provision.

Under the bill, bonds would be issued by the New Jersey Economic Development Authority or similar public instrumentality, and be secured by payments in lieu of taxes under a tax abatement agreement or by special assessments on property benefitting from the improvements provided, or by both. The payment in lieu of taxes provisions of this bill are basically the same as provided in the original P.L.1995, c.173, but additional enforcement provisions are included to enhance use as security for bonds.

The bill changes the landfill reclamation and improvement district definition to permit a more general application to large site landfills throughout the State. The bill revises P.L.1995, c.173 to relate the redevelopment provisions of the bill more nearly to the "Local Redevelopment and Housing Law" P.L.1992, c.79 (C.40A:12A-1 et seq.), and the "Long Term Tax Exemption Law," P.L.1991, c.431 (C.40A:20-1 et seq.), while providing financing mechanisms to address the special circumstances of large site landfill reclamation and redevelopment. The legislative findings and determinations set forth the special circumstances of size, extent and substantial cost of remediation and infrastructure provision involved in these efforts.

In addition, the bill makes various provisions for the administration of franchise assessments, where applicable, and for contracts between the municipality and the authority for the assignment of payments in lieu of taxes or special assessments, or both, for bond purposes and for the issuance of bonds by the authority.

FISCAL IMPACT

This committee substitute has not been certified as requiring a fiscal note since it does not have an impact on State revenues or expenditures.