

SENATE, No. 1749

STATE OF NEW JERSEY

INTRODUCED DECEMBER 19, 1996

By Senators BENNETT and McNAMARA

1 AN ACT concerning the remediation of contaminated sites and making
2 an appropriation.

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

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7 1. a. There is appropriated from the special account in the General
8 Fund created pursuant to Article VIII, Section II, paragraph 6 of the
9 New Jersey Constitution, to the Department of Environmental
10 Protection, the sum of \$12,000,000. This money shall be used by the
11 department only for paying or financing the costs incurred by the State
12 for the remediation of discharges of hazardous substances, including
13 the cost of performing necessary operation and maintenance activities
14 relating to remedial actions, and the cost of providing alternative
15 sources of public or private water supplies when a water supply has
16 been, or is suspected of being, contaminated by a discharge of a
17 hazardous substance.

18 b. Of the moneys appropriated pursuant to subsection a. of this
19 section, not more than \$2,160,000 may be expended by the
20 Department of Environmental Protection for the direct program
21 administrative costs relating to the purposes for which the money may
22 be expended pursuant to subsection a. of this section. No moneys
23 appropriated pursuant to subsection a. of this section may be expended
24 for any indirect administrative costs of the department. The
25 expenditure of moneys appropriated pursuant to this section is limited
26 by the provisions of Article VIII, Section II, paragraph 6 of the New
27 Jersey Constitution.

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29 2. a. The Department of Environmental Protection shall for each
30 fiscal year develop a project priority list for publicly funded site
31 remediation projects and a financial plan for the department's
32 responsible party site remediation program and the publicly funded site
33 remediation program. The project priority list and financial plan shall
34 be submitted to the Legislature on or before January 15 of 1998 and
35 each year thereafter on a day when both Houses are meeting. The
36 President of the Senate and the Speaker of the General Assembly shall
37 cause the date of submission to be entered upon the Senate Journal

1 and the Minutes of the General Assembly, respectively, and shall cause
2 copies of the documents to be submitted to the relevant legislative
3 committees for their consideration and review.

4 b. The project priority list shall consist of a list of site remediation
5 projects to be funded by the State in the next fiscal year, including
6 sites for which the State will provide the State share for money
7 provided by the federal government. The list shall include a
8 description of each project and its purpose, impact, cost, priority
9 ranking, and construction schedule. For each project to be funded the
10 list shall estimate the capital costs involved, the operational and
11 maintenance costs, the cost of any work that will be performed
12 pursuant to contract, and the State administrative costs associated
13 with the project.

14 c. The financial plan shall contain:

15 (1) the anticipated capital, contractual, operational and
16 maintenance, administrative, and other expenses of the department
17 related to both the responsible party and publicly funded site
18 remediation programs within the department and the anticipated
19 number of site remediation projects to be funded by the private sector
20 for which the department will provide oversight;

21 (2) a summary of the various funding sources to be used for each
22 project including any bond funds, general funds, monies dedicated
23 pursuant to Article VIII, Section II, paragraph 6 of the New Jersey
24 Constitution, moneys from the "New Jersey Spill Compensation Fund"
25 established pursuant to the "Spill Compensation and Control Act,"
26 P.L.1976, c.141 (C. 58:10-23.11 et seq.), moneys derived from fees,
27 charges, or from cost recovery actions, federal funds, responsible party
28 financing, or any other source of funding;

29 (3) a summary of the revenue sources for the site remediation
30 program within the Department of Environmental Protection and the
31 proposed expenditure of funds from each of the revenue sources,
32 including the amount from each revenue source to be used for direct
33 administrative costs, indirect administrative costs, fringe benefit costs,
34 project expenditures, operation and maintenance, federal matches, and
35 other costs incurred by the site remediation program;

36 (4) an explanation of the method used by the department to
37 determine the allocation of expenditures from the various revenue
38 sources; and

39 (5) a list of all job titles in the Department of Environmental
40 Protection and other State departments and agencies funded in whole
41 or in part by the revenue sources of the site remediation program.

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43 3. This act shall take effect immediately.

STATEMENT

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3 In November, 1996 the voters of the State of New Jersey
4 overwhelmingly supported an amendment to the Constitution to
5 dedicate moneys, on an annual basis, for the cleanup of hazardous
6 waste sites. The voters recognized the essential nature of this type of
7 State activity and fully supported the State's efforts to cleanup these
8 sites.

9 This bill would begin the implementation of the public's will by
10 appropriating the first of the dedicated moneys to the Department of
11 Environmental Protection for the cleanup of hazardous waste sites.
12 This bill appropriates \$12 million for those purposes which sum
13 represents one half of the moneys constitutionally dedicated for
14 hazardous waste cleanups. Only one half of the money is being
15 appropriated because the constitutional dedication was enacted in the
16 middle of the fiscal year. This sum will double in the next fiscal year
17 when the constitutionally dedicated moneys will be collected for an
18 entire year. Of the sum appropriated in this bill, only \$2,160,000 may
19 be used for the direct administrative costs of the State which are those
20 costs directly related to the operation of the publicly funded site
21 remediation program. The State may not use any of this money for
22 indirect costs, which includes fringe benefit costs and any other costs
23 not directly related to the cleanup program.

24 The bill also requires the department to submit annual project
25 priority lists and financial plans to the Legislature so that the
26 Legislature can better exercise its oversight function. The project
27 priority list is also necessary because the Legislature needs to make
28 annual appropriations to the department from the moneys that have
29 been constitutionally dedicated.

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34 Appropriates dedicated funds for publicly funded site remediation
35 program; requires certain information be submitted by DEP.