



**ANALYSIS OF THE NEW JERSEY BUDGET**

**DEPARTMENT OF  
ENVIRONMENTAL  
PROTECTION**

**FISCAL YEAR**

**2013 - 2014**

# NEW JERSEY STATE LEGISLATURE

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This report was prepared by the Environment, Agriculture, Energy and Natural Resources Section of the Office of Legislative Services under the direction of the Legislative Budget and Finance Officer. The primary author was Joseph A. Hroncich.

Questions or comments may be directed to the OLS Environment, Agriculture, Energy and Natural Resources Section (609-847-3855) or the Legislative Budget and Finance Office (609-292-8030).

# DEPARTMENT OF ENVIRONMENTAL PROTECTION

Budget Pages..... C-4 to C-5; C-11 to C-12; C-18 to C-19;  
C-25; D-109 to D-141; E-6 to E-7; F-10

## **Fiscal Summary (\$000)**

	Expended FY 2012	Adjusted Appropriation FY 2013	Recommended FY 2014	Percent Change 2013-14
State Budgeted	\$386,596	\$360,945	\$349,668	(3.1%)
Federal Funds	\$60,570	\$208,748	\$194,649	(6.8%)
<u>Other</u>	<u>\$65,935</u>	<u>\$90,393</u>	<u>\$89,216</u>	<u>(1.3%)</u>
Grand Total	\$513,101	\$660,086	\$633,533	(4.0%)

## **Personnel Summary - Positions By Funding Source**

	Actual FY 2012	Revised FY 2013	Funded FY 2014	Percent Change 2013-14
State	760	802	814	1.5%
Federal	48	44	44	0.0%
<u>Other</u>	<u>1,927</u>	<u>1,878</u>	<u>1,889</u>	<u>.6%</u>
Total Positions	2,735	2,724	2,747	.8%

FY 2012 (as of December) and revised FY 2013 (as of January) personnel data reflect actual payroll counts. FY 2014 data reflect the number of positions funded.

Link to Website: <http://www.njleg.state.nj.us/legislativepub/finance.asp>

## Highlights

- Appropriations of constitutionally dedicated Corporation Business Tax (CBT) revenues for FY 2014 total \$100.3 million, a decrease of \$12 million or 11 percent below the FY 2013 adjusted amount of \$112.3 million based upon expectations that both FY 2013 and FY 2014 revenues will be lower than the original FY 2013 estimate.
- The department anticipates receiving at least \$52 million in FY 2014 from the settlement of litigation over the pollution of the Passaic River (New Jersey Department of Environmental Protection, et al. v. Occidental Chemical Corporation, et al.) Unlike preceding fiscal years, when any revenues received in settlement of this case would have been deposited in either the New Jersey Spill Compensation Fund or the Hazardous Discharge Site Cleanup Fund in FY 2014, the General Fund will receive all amounts greater than \$12 million, up to a maximum \$40 million, which will serve as general State revenue.
- Except for appropriations of constitutionally dedicated CBT and debt service, department programs and functions are funded in FY 2014 at levels virtually equal to the current year.
- General Obligation Debt Service appropriations for FY 2014 are budgeted under the Department of Environmental Protection at \$21.5 million, an increase of \$2.2 million or 10 percent more than the FY 2013 adjusted amount of \$19.3 million.
- The total number of personnel will increase by 23 positions from 2,724 in FY 2013 to 2,747 in FY 2014; 12 will be State-funded and 11 will be funded by other sources.
- The budget recommends the transfer of \$5 million from the Sanitary Landfill Facility Contingency Fund to the General Fund for revenue. The estimated balance remaining in the fund after this transfer is \$5.9 million.
- The budget recommends the transfer of \$21.6 million from the State Recycling Fund to the General Fund for revenue. The estimated balance remaining in the fund after this transfer is \$2.3 million. The transfer is not expected to reduce spending in FY 2014 on recycling grants and other purposes to which the fund's revenues are dedicated.

**Fiscal and Personnel Summary**

**AGENCY FUNDING BY SOURCE OF FUNDS (\$000)**

	Expended FY 2012	Adj. Approp. FY 2013	Recom. FY 2014	Percent Change	
				2012-14	2013-14
<b>General Fund</b>					
Direct State Services	\$249,468	\$213,842	\$211,013	(15.4%)	(1.3%)
Grants-In-Aid	14,729	21,210	20,267	37.6%	(4.4%)
State Aid	9,589	8,830	8,830	(7.9%)	0.0%
Capital Construction	106,777	97,737	88,052	(17.5%)	(9.9%)
Debt Service	6,033	19,326	21,506	256.5%	11.3%
<b>Sub-Total</b>	<b>\$386,596</b>	<b>\$360,945</b>	<b>\$349,668</b>	<b>(9.6%)</b>	<b>(3.1%)</b>
<b>Property Tax Relief Fund</b>					
Direct State Services	\$0	\$0	\$0	0.0%	0.0%
Grants-In-Aid	0	0	0	0.0%	0.0%
State Aid	0	0	0	0.0%	0.0%
<b>Sub-Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Casino Revenue Fund</b>	\$0	\$0	\$0	0.0%	0.0%
<b>Casino Control Fund</b>	\$0	\$0	\$0	0.0%	0.0%
<b>State Total</b>	<b>\$386,596</b>	<b>\$360,945</b>	<b>\$349,668</b>	<b>(9.6%)</b>	<b>(3.1%)</b>
<b>Federal Funds</b>	\$60,570	\$208,748	\$194,649	221.4%	(6.8%)
<b>Other Funds</b>	\$65,935	\$90,393	\$89,216	35.3%	(1.3%)
<b>Grand Total</b>	<b>\$513,101</b>	<b>\$660,086</b>	<b>\$633,533</b>	<b>23.5%</b>	<b>(4.0%)</b>

**PERSONNEL SUMMARY - POSITIONS BY FUNDING SOURCE**

	Actual FY 2012	Revised FY 2013	Funded FY 2014	Percent Change	
				2012-14	2013-14
State	760	802	814	7.1%	1.5%
Federal	48	44	44	(8.3%)	0.0%
All Other	1,927	1,878	1,889	(2.0%)	0.6%
<b>Total Positions</b>	<b>2,735</b>	<b>2,724</b>	<b>2,747</b>	<b>0.4%</b>	<b>0.8%</b>

FY 2012 (as of December) and revised FY 2013 (as of January) personnel data reflect actual payroll counts. FY 2014 data reflect the number of positions funded.

**AFFIRMATIVE ACTION DATA**

Total Minority Percent	17.7%	17.9%	18.1%	---	---
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**Significant Changes/New Programs (\$000)**

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2013</u>	<u>Recomm.</u> <u>FY 2014</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
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CORPORATION BUSINESS TAX

<b>Recreational Land Development and Conservation</b>	<b>\$16,840</b>	<b>\$16,008</b>	<b>(\$832)</b>	<b>(4.9%)</b>	<b>D-118</b>
<b>Water Resources Monitoring and Planning</b>	<b>\$16,840</b>	<b>\$16,008</b>	<b>(\$832)</b>	<b>(4.9%)</b>	<b>D-123</b>
<b>Cleanup Projects Administrative Costs</b>	<b>\$10,105</b>	<b>\$9,606</b>	<b>(\$499)</b>	<b>(4.9%)</b>	<b>D-127</b>
<b>Hazardous Substance Discharge Remediation</b>	<b>\$21,331</b>	<b>\$20,277</b>	<b>(\$1,054)</b>	<b>(4.9%)</b>	<b>D-128</b>
<b>Private Underground Storage Tank Remediation</b>	<b>\$15,436</b>	<b>\$11,146</b>	<b>(\$4,290)</b>	<b>(27.8%)</b>	<b>D-128</b>
<b>Hazardous Substance Discharge Remediation Loans &amp; Grants</b>	<b>\$12,630</b>	<b>\$9,121</b>	<b>(\$3,509)</b>	<b>(27.8%)</b>	<b>D-128</b>
<b>Diesel Risk Mitigation Fund</b>	<b>\$19,085</b>	<b>\$18,142</b>	<b>(\$943)</b>	<b>(4.9%)</b>	<b>D-133</b>

The above appropriations are funded by the constitutional dedication of four percent of Corporation Business Tax (CBT) revenues for various environmental purposes. In total these appropriations decrease by \$12 million, or 10.7 percent from the FY 2013 level. Collectively, these accounts support deferred maintenance, development, and improvement projects in State parks, forests, historic sites, and wildlife management areas, various water-related activities managed by the department, nonpoint source pollution programs, hazardous site cleanups, and the Diesel Emissions Reduction Program. In addition, loans and grants are provided to businesses, local governments, and certain homeowners to replace, upgrade, close or remediate private underground storage tanks, and to developers and municipalities for site remediation redevelopment of brownfields. Annual appropriations for these CBT-funded accounts are calculated from both the total amount of CBT revenues anticipated for the fiscal year and constitutionally stipulated proportional allocations among programs, with adjustments for differences in prior years between original revenue estimates and actual revenue collections.

Because both the revised FY 2013 CBT revenue estimate and the FY 2014 estimate are lower than the original FY 2013 estimate, all CBT-funded accounts are reduced in FY 2014. The two appropriations that are being reduced by 27.8 percent will not be adjusted during FY 2013 for that year's revenue differential, and thus require a larger decrease to reflect proper levels in FY 2014. The other appropriations, that each decline by 4.9 percent, will undergo corrections during FY 2013 for that year's revenue differential, through spending less than the full appropriation and lapsing the unexpended balances. The Office of Management and Budget has provided information to OLS that illustrates, given the revenue assumptions and intended FY 2013 spending activity, that FY 2014 recommended appropriations are consistent with constitutional requirements.

**Significant Changes/New Programs (\$000) (Cont'd)**

<u>Budget Item</u>	<u>Adj. Approp. FY 2013</u>	<u>Recomm. FY 2014</u>	<u>Dollar Change</u>	<u>Percent Change</u>	<u>Budget Page</u>
<u>NATURAL RESOURCE MANAGEMENT</u>					
<b>FEDERAL FUNDS</b>					
<b>Parks Management</b>	<b>\$33,940</b>	<b>\$25,940</b>	<b>(\$8,000)</b>	<b>(23.6%)</b>	<b>D-118</b>
<b>Hunters' and Anglers' License Fund</b>	<b>\$14,685</b>	<b>\$16,429</b>	<b>\$1,744</b>	<b>11.9%</b>	<b>D-118</b>
<b>Natural Resources Engineering</b>	<b>\$4,370</b>	<b>\$2,870</b>	<b>(\$1,500)</b>	<b>(34.3%)</b>	<b>D-118</b>

Total federal funds appropriated for Parks Management decrease because of reductions in grant funding for the Pinelands, parks in the City of Passaic and Borough of Lincoln Park, and the Land and Water Conservation Fund.

Federal resources for the Hunters' and Anglers' License Fund increase because additional grant funds are expected related to the Fish and Wildlife Action Plan, the Council on Hunting and Shooting Sports, and endangered wildlife species. The department expects that new grants will be received for a firearms, archery and shooting facility, mammal research and management, and a landowner incentive program.

Natural Resources Engineering federal funding is reduced due to a decrease in grant funds for the cooperative technical partnership expected in FY 2014.

**ALL OTHER FUNDS**

<b>Natural Resources Engineering</b>	<b>\$5,568</b>	<b>\$4,200</b>	<b>(\$1,368)</b>	<b>(24.6%)</b>	<b>D-118</b>
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The reduction to this account reflects a decrease in the estimated receipts for the local share portion of the Shore Protection Fund. Most beach protection work will be federally-funded due to Superstorm Sandy. Thus, a local sponsor cost share will not be needed.

SCIENCE AND TECHNICAL PROGRAMS

**FEDERAL FUNDS**

<b>Water Supply</b>	<b>\$23,200</b>	<b>\$20,500</b>	<b>(\$2,700)</b>	<b>(11.6%)</b>	<b>D-123</b>
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The decrease reflects a projected reduction in program funding at the national level to the Drinking Water State Revolving Fund (DWSRF), which provides financing for most of the State's major water supply projects and related activities.

**Significant Changes/New Programs (\$000) (Cont'd)**

<u>Budget Item</u>	<u>Adj. Approp. FY 2013</u>	<u>Recomm. FY 2014</u>	<u>Dollar Change</u>	<u>Percent Change</u>	<u>Budget Page</u>
<b>ALL OTHER FUNDS</b>					
<b>Land Use Regulation</b>	<b>\$2,521</b>	<b>\$3,241</b>	<b>\$720</b>	<b>28.6%</b>	<b>D-123</b>
<b>Drinking Water State Revolving Fund</b>	<b>\$6,525</b>	<b>\$4,950</b>	<b>(\$1,575)</b>	<b>(24.1%)</b>	<b>D-123</b>

The first account consists of a variety of regulatory and permit fees that fund the protection and management of the State's land and water resources through the implementation of the Coastal Area Facility Review Act, the Waterfront Development Law, the Coastal Wetlands Act of 1970, the Flood Hazard Area Control Act, the Freshwater Wetlands Protection Act, the Highlands Water Protection and Planning Act, and the federal consistency provisions of the federal Coastal Zone Management Act. The change to this account reflects anticipated increases in COLA, fringe benefit rates, indirect expenses, and operating needs associated with these programs.

The second account represents the administrative portion of the federal DWSRF grant award. The reduction to this account reflects the decrease in DWSRF grant funding based on what the department expects to be available to apply for in FY 2014.

SITE REMEDIATION AND WASTE MANAGEMENT**DIRECT STATE SERVICES**

<b>Services Other Than Personal</b>	<b>\$2,834</b>	<b>\$3,472</b>	<b>\$638</b>	<b>22.5%</b>	<b>D-127</b>
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The increase to this account is related to additional litigation cost that will be incurred by the department from Deputy Attorney General charges. Virtually all of this increase is related to Remediation Management and Response which focuses on contaminated site cleanup and remediation.

ENVIRONMENTAL REGULATION**DIRECT STATE SERVICES**

<b>Radiation Protection</b>	<b>\$7,019</b>	<b>\$5,888</b>	<b>(\$1,131)</b>	<b>(16.1%)</b>	<b>D-132</b>
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The decrease in this program classification results primarily from the annual technical adjustment related to COLA, fringe benefit rates, and indirect charges associated with the Nuclear Emergency Response line item. These costs are reflected as a supplemental appropriation of \$881,000 in FY 2013 but reflect off-budget in FY 2014. This technical adjustment is done every year. Appropriations for the Nuclear Emergency Response account are funded from annual assessments upon electric utilities that own nuclear generating facilities.



**Significant Changes/New Programs (\$000) (Cont'd)**

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2013</u>	<u>Recomm.</u> <u>FY 2014</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
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An additional \$250,000 reduction unrelated to that line item is also recommended; this amount is likely being shifted "off budget" to other dedicated fees collected through licensing and inspection of firms that handle radioactive materials.

**FEDERAL FUNDS**

<b>Public Wastewater Facilities</b>	<b>\$61,000</b>	<b>\$58,700</b>	<b>(\$2,300)</b>	<b>(3.8%)</b>	<b>D-133</b>
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This account consists of federal construction grants funding under the federal Clean Water Act to help support the N.J. Environmental Infrastructure Financing Program. The reduction reflects a projected decrease in grant funds for the Wastewater State Revolving Fund based on what the department expects to be available to apply for in FY 2014.

COMPLIANCE AND ENFORCEMENT

**ALL OTHER FUNDS**

<b>Air Pollution Control</b>	<b>\$840</b>	<b>\$0</b>	<b>(\$840)</b>	<b>(100.0%)</b>	<b>D-140</b>
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This amount was part of a settlement agreement with the American Electric Power Company. These funds are used in a grant program to encourage dry cleaning establishments to remove older dry cleaning systems and upgrade to greener, less toxic processes. The last year of the agreement is FY 2013. Under the agreement, there will be no further payments to the State.

## Significant Language Changes

### Forest Resource Management – Duplicate Language

Deletion

2013 Handbook: p. B-58  
2014 Budget: p. -

~~In addition to the amount hereinabove appropriated for Forest Resource Management, an amount not to exceed \$500,000 shall be made available from the Water Resources Monitoring and Planning – Constitutional Dedication special purpose account to support nonpoint source pollution and watershed management programs in the Bureau of Forestry.~~

#### Explanation

*This is duplicate language to that already included in the FY 2014 Budget which makes this money available for Forest Resource Management. Language that allocates portions of the Water Resources Monitoring and Planning – Constitutional Dedication special purpose account, including \$500,000 for Forest Resource Management, is continued in FY 2014 on page D- 124.*

### Hooked on Fishing-Not on Drugs Program

Addition

2013 Handbook: p. -  
2014 Budget: p. D-119

There is appropriated to the Department of Environmental Protection \$200,000 from the “Drug Enforcement and Demand Reduction Fund” for the cost of implementing and administering the Hooked on Fishing-Not on Drugs Program established pursuant to P.L.2012, c.46, subject to the approval of the Director of the Division of Budget and Accounting.

#### Explanation

*This language was added to comply with P.L.2012, c.46 that established the Hooked on Fishing-Not on Drugs program. The program was established within the Division of Fish and Wildlife to provide students with the opportunity to embrace positive life skills, and avoid the dangers of drug use by engaging in positive, safe, and life-building group activities such as fishing and other outdoor activities.*

EXPLANATION: FY 2013 language not recommended for FY 2014 denoted by strikethrough.  
Recommended FY 2014 language that did not appear in FY 2013 denoted by underlining.

**Significant Language Changes (Cont'd)**

**Palisades Interstate Park Commission – Capital Funding**

Revision	2013 Handbook: p. B-60 2014 Budget: p. D-120
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Of the amount hereinabove appropriated for the Recreational Land Development and Conservation – Constitutional Dedication account, an amount not to exceed ~~\$310,000~~ \$525,000 is appropriated to the Palisades Interstate Park Commission for costs associated with the capital improvement of recreational land, subject to the approval of the Director of the Division of Budget and Accounting.

**Explanation**

*This language provides additional capital funds to the Palisades Interstate Park Commission from the department’s annual appropriation of constitutionally dedicated Corporation Business Tax (CBT) revenues that supports natural resources capital improvement projects. The additional money will fund repairs to the boat basin, picnic area, electrical and water systems, and roads within the park.*



**Safe Drinking Water Program**

Revision	2013 Handbook: p. B-61 2014 Budget: p. D-124
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The amount hereinabove appropriated for the Safe Drinking Water Fund account is appropriated from receipts received pursuant to the “Safe Drinking Water Act,” P.L.1977, c.224 (C.58:12A-1 et seq.), together with an amount not to exceed ~~\$36,000~~ \$467,000, for administration of the Safe Drinking Water program, subject to the approval of the Director of the Division of Budget and Accounting. If receipts are less than anticipated, the appropriation shall be reduced proportionately.

**Explanation**

*This language increases the appropriated amount for administration of the Safe Drinking Water program, commensurate with revenue levels available for administrative costs in the Safe Drinking Water Fund.*



EXPLANATION: FY 2013 language not recommended for FY 2014 denoted by strikethrough.  
Recommended FY 2014 language that did not appear in FY 2013 denoted by underlining.

## Significant Language Changes (Cont'd)

### Hazardous Waste Research Account

Revision

2013 Handbook: p. B-61  
2014 Budget: p. D-124

~~The Notwithstanding the provisions of the "Spill Compensation and Control Act," P.L.1976, c.141 (C.58:10-23.11 et seq.), or any law or regulation to the contrary, the amount hereinabove appropriated for the Hazardous Waste Research account is appropriated from ~~interest earned by~~ the available balance in the New Jersey Spill Compensation Fund for research on the prevention and the effects of discharges of hazardous substances on the environment and organisms, on methods of pollution prevention and recycling of hazardous substances, and on the development of improved cleanup, removal and disposal operations, subject to the approval of the Director of the Division of Budget and Accounting.~~

#### Explanation

*The recommended language change authorizes the funding of hazardous waste research from any balance and not just interest earnings. Interest earnings are no longer sufficient to cover the \$250,000 appropriation. According to the department, the available balance in the Spill Compensation Fund beginning in FY 2014 is expected to be \$6.7 million.*

### Office of Science Support

Revision

2013 Handbook: p. B-62  
2014 Budget: p. D-125

In addition to the amount hereinabove appropriated for the Office of Science Support, an amount not to exceed ~~\$1,263,000~~ \$2,382,000 is appropriated from the Hazardous Discharge Site Cleanup Fund for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

EXPLANATION: FY 2013 language not recommended for FY 2014 denoted by strikethrough.  
Recommended FY 2014 language that did not appear in FY 2013 denoted by underlining.

**Significant Language Changes (Cont'd)**

**Explanation**

*This language provision increases the funding for the Office of Science Support by allocating an additional \$1,119,000 from the Hazardous Discharge Site Cleanup Fund. This would increase the Office's total funding from \$1.513 million to \$2.632 million. In the Governor's FY 2013 budget, the Office was to be funded at a level of \$2.36 million, an increase of approximately four percent above its FY 2012 funding level, of which \$2.11 million would have been appropriated from the Hazardous Discharge Site Cleanup Fund. However, the Legislature did not approve that recommendation, instead funding the Office at its FY 2012 level and allocating the Office a lesser amount from the Fund. This language as revised thus seeks to provide the Office in FY 2014 with the funding increase that the Legislature disapproved for FY 2013.*



<b>Office of Sustainability and Green Energy</b>	
Revision	2013 Handbook: p. B-62 2014 Budget: p. D-125

Notwithstanding the provisions of any law or regulation to the contrary, ~~and~~ an amount not greater than ~~\$2,152,000~~ \$2,032,000 is appropriated from the State Recycling Fund to support the Office of Sustainability and Green Energy, subject to the approval of the Director of the Division of Budget and Accounting.

**Explanation**

*This language provision reduces the funding for the Office of Sustainability and Green Energy by \$120,000 and continues a legislative change made during FY 2013 to allocate resources from the Recycling Fund to support this office.*



EXPLANATION: FY 2013 language not recommended for FY 2014 denoted by strikethrough.  
Recommended FY 2014 language that did not appear in FY 2013 denoted by underlining.

**Significant Language Changes (Cont'd)**

<b>Office of Dredging and Sediment Technology</b>	
Revision	2013 Handbook: p. B-63 2014 Budget: p. D-128

The amount hereinabove appropriated for the Office of Dredging and Sediment Technology is appropriated from the 1996 Dredging and Containment Facility Fund, created pursuant to section 18 of P.L.1996, c.70, the "Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration, and Delaware Bay Area Economic Development Bond Act of 1996," together with an amount not to exceed ~~\$565,000~~ \$397,000 for the administration of the Dredging and Sediment Technology program, subject to the approval of the Director of the Division of Budget and Accounting.

**Explanation**

*This language provision reflects the changes in anticipated COLA, fringe benefit rates, and indirect expenses in FY 2014 when compared to FY 2013.*



<b>Remediation Management and Response Program</b>	
Revision	2013 Handbook: p. B-63 2014 Budget: p. D-128

In addition to site specific charges, the amounts hereinabove for the Remediation Management and Response program classification, excluding the Hazardous Discharge Site Cleanup Fund – Responsible Party and the Underground Storage Tanks accounts, are appropriated from the New Jersey Spill Compensation Fund, in accordance with the provisions of P.L.1976, c.141 (C.58:10-23.11 et seq.), together with an amount not to exceed ~~\$7,739,000~~ \$9,530,000 for administrative costs associated with the cleanup of hazardous waste sites, subject to the approval of the Director of the Division of Budget and Accounting.

**Explanation**

*The increased amount reflects the changes in anticipated COLA, fringe benefit rates, and indirect expenses in FY 2014 when compared to FY 2013.*



EXPLANATION: FY 2013 language not recommended for FY 2014 denoted by strikethrough. Recommended FY 2014 language that did not appear in FY 2013 denoted by underlining.

**Significant Language Changes (Cont'd)**

**Hazardous Discharge Site Cleanup Fund – Responsible Party**

Revision	2013 Handbook: p. B-63 2014 Budget: p. D-128
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The amount hereinabove for the Hazardous Discharge Site Cleanup Fund - Responsible Party account is appropriated from responsible party cost recoveries deposited ~~in~~ into the Hazardous Discharge Site Cleanup Fund, together with an amount not to exceed ~~\$12,328,000~~ \$15,149,000 for administrative costs associated with the cleanup of hazardous waste sites, subject to the approval of the Director of the Division of Budget and Accounting.

**Explanation**

*The increased amount reflects the changes in anticipated COLA, fringe benefit rates, and indirect expenses in FY 2014 when compared to FY 2013.*



**Passaic River Cleanup Litigation – Cost Recoveries**

Revision	2013 Handbook: p. B-64 2014 Budget: p. D-129
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Notwithstanding the provisions of any ~~other~~ law or regulation to the contrary, ~~future~~ an amount not to exceed \$12,000,000 of cost recoveries from litigation related to the Passaic River cleanup, ~~not to exceed \$30,000,000, shall be reimbursed first~~ are appropriated to the New Jersey Spill Compensation Fund and any remaining recoveries, not to exceed \$40,000,000, shall be deposited in the amount of \$12,000,000 and second to the Hazardous Discharge Site Cleanup General Fund in the amount of \$18,000,000 as State revenue, subject to the approval of the Director of the Division of Budget and Accounting.

**Explanation**

*This recommended language provision continues to allow up to \$12 million in Passaic River litigation cost recoveries to be deposited into the Spill Compensation Fund, and newly provides that recoveries above \$12 million, up to \$40 million, are to be deposited into the General Fund as State revenue. No cost recoveries from this litigation will be allocated to the Hazardous Discharge Site Cleanup Fund unless recoveries exceed \$52 million. By law, cleanup cost recoveries for Superfund sites such as the Diamond Alkali Superfund site that is the subject of the Passaic River litigation are appropriated to the Hazardous Discharge Site Cleanup Fund.*



EXPLANATION: FY 2013 language not recommended for FY 2014 denoted by strikethrough.  
Recommended FY 2014 language that did not appear in FY 2013 denoted by underlining.

**Significant Language Changes (Cont'd)**

<b>Passaic River Cleanup Litigation – Municipal Settling Third-Party Defendant</b>	
Addition	2013 Handbook: p. N/A 2014 Budget: p. D-129

Notwithstanding the provisions of any law or regulation to the contrary, and in order to carry out the terms of the Third-Party Consent Judgment entered into with respect to the Passaic River Litigation, upon the entry of the Third-Party Consent Judgment, any amount owed by a Municipal Settling Third-Party Defendant pursuant to the Third-Party Consent Judgment may be deducted from the two payments immediately following court approval of the Third-Party Consent Judgment in the amount of \$50,000 of the first payment and \$45,000 of the second payment from the appropriation to the Municipal Settling Third-Party Defendant for Consolidated Municipal Property Tax Relief Aid (CMPTRA). Such deductions shall constitute partial or full satisfaction of the obligation of such Settling Third-Party Defendant; provided that in the event that the deductions are not sufficient to satisfy the full obligation of the Municipal Settling Third-Party Defendant under the Third-Party Consent Judgment, the Municipal Settling Third-Party Defendant shall be liable for the remainder.

**Explanation**

*This new language authorizes the State to deduct a portion of CMPTRA appropriations payable to Municipal Settling Third-Party Defendants, to cover those municipalities' costs of Consent Judgment obligations, up to \$50,000 from the first CMPTRA payment after final settlement and \$45,000 from the second payment. Municipal Settling Third-Party Defendants will be liable for any remaining costs if the deduction is insufficient to cover the full obligation amount. While the full list of municipalities that are third-party defendants is not available, recent press reports indicate that six municipalities in Hudson County may be affected by this language: Bayonne, East Newark, Harrison, Jersey City, Kearny, and Union City.*

<b>Nuclear Emergency Response</b>	
Revision	2013 Handbook: p. B-66 2014 Budget: p. D-134

The amount hereinabove appropriated for the Nuclear Emergency Response account is payable from receipts received pursuant to the assessments of electrical utility companies under P.L.1981, c.302 (C.26:2D-37 et seq.), and the unexpended balances at the end of the preceding fiscal year in the Nuclear Emergency Response account, together with receipts in excess of the amount anticipated, not to exceed ~~\$881,000~~ \$991,000 are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

EXPLANATION: FY 2013 language not recommended for FY 2014 denoted by strikethrough. Recommended FY 2014 language that did not appear in FY 2013 denoted by underlining.



**Significant Language Changes (Cont'd)**

**Explanation**

*This recommended language increases the appropriation for the Nuclear Emergency Response account to cover increased operating expenses associated with emergency planning, response and monitoring around nuclear power plant sites, and the tracking of shipments of large quantities of radioactive materials through New Jersey.*

**DEP Administrative/Operating Expenses**

Revision

2013 Handbook: p. B-66  
2014 Budget: p. D-134

Notwithstanding the provisions of subsection b. of section 1 of P.L.2005, c.202 (C.58:11B-10.2) or any ~~other~~ law or regulation to the contrary, in addition to the amount anticipated to the General Fund from the New Jersey Environmental Infrastructure Financing Program administrative fee, there is appropriated ~~\$2,024,000~~ \$2,600,000 to the Department of Environmental Protection for associated administrative and operating expenses, subject to the approval of the Director of the Division of Budget and Accounting.

**Explanation**

*This language increases the appropriated amount to cover administrative and operating expenses of the department. The increased amount reflects the changes in anticipated COLA, fringe benefit rates, and indirect expenses in FY 2014 when compared to FY 2013, and also offsets a \$200,000 decrease in budgeted appropriations for the Public Wastewater Facilities program classification.*

**Radiation Protection Program**

Addition

2013 Handbook: p. -  
2014 Budget: p. D-134

There are appropriated from the Nuclear Regulatory Commission - Agreement State account, such amounts as may be necessary to fund the costs of the Radiation Protection program, subject to the approval of the Director of the Division of Budget and Accounting.

EXPLANATION: FY 2013 language not recommended for FY 2014 denoted by strikethrough.  
Recommended FY 2014 language that did not appear in FY 2013 denoted by underlining.

## Significant Language Changes (Cont'd)

### Explanation

*In September 2009, the State signed an agreement with the Nuclear Regulatory Commission (NRC) to regulate certain radioactive materials that were previously under the NRC authority. This resulted in New Jersey becoming what is referred to as an "Agreement State." The department charges licensing and inspection fees that are dedicated to program costs as required under the Agreement. According to the department, this language will allow the department to utilize these fees, estimated at \$2.8 million, to cover costs within the Radiation Protection program, where all administrative costs associated with the agreement originate, without the need for justification. This will streamline the reimbursement process and keep the department from having to track costs and perform reconciliations in order to justify the reimbursement. Because this language appears to broaden the allowable use of the fees, it may serve to offset a \$250,000 reduction in budgeted appropriations for Radiation Protection.*

### Tidelands Peak Demands

Revision

2013 Handbook: p. B-70  
2014 Budget: p. D-140

The amounts hereinabove appropriated for the Tidelands Peak Demands accounts are payable from receipts ~~derived~~ from the sales, grants, leases, licensing, and rentals of State riparian lands. If receipts are less than anticipated, the appropriation shall be reduced proportionately. In addition, there is appropriated an amount not to exceed ~~\$3,037,000~~ \$3,707,000 from the same source for other administrative costs, including legal services, subject to the approval of the Director of the Division of Budget and Accounting.

### Explanation

*The increased amount reflects the changes in anticipated COLA, fringe benefit rates, and indirect expenses in FY 2014 when compared to FY 2013.*

EXPLANATION: FY 2013 language not recommended for FY 2014 denoted by strikethrough.  
Recommended FY 2014 language that did not appear in FY 2013 denoted by underlining.

**Significant Language Changes (Cont'd)**

<b>Information Technology Enhancements</b>	
Revision	2013 Handbook: p. B-71 2014 Budget: p. D-141

In the event that revenues are received in excess of the amount of revenues anticipated from Solid Waste Utility Regulation, Water Allocation, New Jersey Pollutant Discharge Elimination System/Stormwater Permits, Coastal Area Facility Review Act, Freshwater Wetlands, Stream Encroachment, Waterfront Development, Wetlands, Well Permits/Well Drillers/Pump Installers Licenses, Water and Wastewater Operators Licensing ~~Program~~program, Air Permitting Minor Source, and Pesticide fees, if the amounts of such unanticipated revenues exceed ~~\$7,973,000~~ \$8,346,000, the amounts of such unanticipated revenues in excess of ~~\$7,973,000~~ \$8,346,000 are appropriated for information technology enhancements in the Department of Environmental Protection, subject to the approval of the Director of the Division of Budget and Accounting.

**Explanation**

*This language provision reflects the full cost of excess receipts needed to cover base salaries and United States Geological Survey and County Environmental Health Act costs. Due to declining state and federal resources, additional excess receipts are needed to cover base program costs.*

<b>Allocation of Hazardous Discharge Site Cleanup Fund Resources for Tree Replanting</b>	
Deletion	2013 Handbook: p. B-71 2014 Budget: p. -

~~Notwithstanding the provisions of any law or regulation to the contrary, an amount not to exceed \$6,778,736 from the settlement accounts associated with natural resource damages deposited in the Hazardous Discharge Site Cleanup Fund is appropriated to the Department of Environmental Protection to pay for the costs of replanting trees and impacts of the deforestation from the New Jersey Turnpike Authority's roadway widening project from Interchange 6 to Interchange 9. Of this amount, \$4,176,300 shall be granted by the Department of Environmental Protection to the Townships of Robbinsville, East Windsor, and Hamilton in accordance with the Stipulation of Settlement between the Townships of Robbinsville, East Windsor, and Hamilton and the Department, \$423,233 shall be granted by the Department of Environmental Protection to the Township of Chesterfield in accordance with the Stipulation of Settlement between the Township of Chesterfield and the Department, \$1,067,089 shall be granted by the Department of Environmental Protection to the Township of Cranbury in accordance with the Stipulation of Settlement between the Township of Cranbury and the Department, and \$1,112,114 shall be granted by the Department of~~

EXPLANATION: FY 2013 language not recommended for FY 2014 denoted by strikethrough.  
Recommended FY 2014 language that did not appear in FY 2013 denoted by underlining.

**Significant Language Changes (Cont'd)**

~~Environmental Protection to the Township of Mansfield in accordance with the Stipulation of Settlement between the Township of Mansfield and the Department.~~

**Explanation**

*This provision allowed compensatory payments to be made from the Hazardous Discharge Site Cleanup Fund to the DEP to pay the costs of replanting trees and impacts of deforestation to municipalities affected by the NJ Turnpike roadway widening project. The language is no longer needed because FY 2013 is the last year of the settlement. There are no additional funds owed by the State.*

**General Provisions – Transfer from Sanitary Landfill Facility Contingency Fund to General Fund**

Revision	2013 Handbook: p. E-8 2014 Budget: p. F-10
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Notwithstanding the provisions of any law or regulation to the contrary, there is appropriated an amount not to exceed ~~\$10,000,000~~ \$5,000,000 from the Sanitary Landfill Facility Contingency Fund for transfer to the General Fund as State revenue, subject to the approval of the Director of the Division of Budget and Accounting.

**Explanation**

*This recommended language appropriates \$5 million to the General Fund for revenue. The department estimates that after this transfer a \$5.9 million fund balance will remain.*

**General Provisions – Transfer from State Recycling Fund to General Fund**

Addition	2013 Handbook: p. - 2014 Budget: p. F-10
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Notwithstanding the provisions of any law or regulation to the contrary, there is appropriated \$21,600,000 from the State Recycling Fund to the General Fund as State revenue.

**Explanation**

*This provision appropriates \$21.6 million from the State Recycling Fund to the General Fund for revenue. The Recycling Fund is supported by the State recycling tax and is used to provide annual recycling tonnage grants to qualified counties and municipalities. The department*

EXPLANATION: FY 2013 language not recommended for FY 2014 denoted by strikethrough.  
Recommended FY 2014 language that did not appear in FY 2013 denoted by underlining.

**Significant Language Changes (Cont'd)**

*estimates that after this transfer a \$2.3 million fund balance will remain. The transfer is not expected to reduce spending in FY 2014 on recycling grants and other purposes to which the fund's revenues are dedicated.*

EXPLANATION: FY 2013 language not recommended for FY 2014 denoted by strikethrough.  
Recommended FY 2014 language that did not appear in FY 2013 denoted by underlining.

## OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services provides nonpartisan assistance to the State Legislature in the areas of legal, fiscal, research, bill drafting, committee staffing and administrative services. It operates under the jurisdiction of the Legislative Services Commission, a bipartisan body consisting of eight members of each House. The Executive Director supervises and directs the Office of Legislative Services.

The Legislative Budget and Finance Officer is the chief fiscal officer for the Legislature. The Legislative Budget and Finance Officer collects and presents fiscal information for the Legislature; serves as Secretary to the Joint Budget Oversight Committee; attends upon the Appropriations Committees during review of the Governor's Budget recommendations; reports on such matters as the committees or Legislature may direct; administers the fiscal note process and has statutory responsibilities for the review of appropriations transfers and other State fiscal transactions.

The Office of Legislative Services Central Staff provides a variety of legal, fiscal, research and administrative services to individual legislators, legislative officers, legislative committees and commissions, and partisan staff. The central staff is organized under the Central Staff Management Unit into ten subject area sections. Each section, under a section chief, includes legal, fiscal, and research staff for the standing reference committees of the Legislature and, upon request, to special commissions created by the Legislature. The central staff assists the Legislative Budget and Finance Officer in providing services to the Appropriations Committees during the budget review process.

Individuals wishing information and committee schedules on the FY 2014 budget are encouraged to contact:

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