



ANALYSIS OF THE NEW JERSEY BUDGET

DEPARTMENT OF ENVIRONMENTAL PROTECTION

FISCAL YEAR

2017-2018

NEW JERSEY STATE LEGISLATURE

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DEPARTMENT OF ENVIRONMENTAL PROTECTION

Budget Pages..... C-4; C-10 to C-11; C-17 to C-18; D-109 to D-141; E-1; E-5 to E-6.

Fiscal Summary (\$000)

	Expended FY 2016	Adjusted Appropriation FY 2017	Recommended FY 2018	Percent Change 2017-18
State Budgeted	\$410,289	\$327,282	\$313,328	(4.3%)
Federal Funds	\$139,912	\$189,520	\$188,985	(0.3%)
<u>Other</u>	<u>\$91,289</u>	<u>\$131,468</u>	<u>\$134,208</u>	<u>2.1%</u>
Grand Total	\$641,490	\$648,270	\$636,521	(1.8%)

Personnel Summary - Positions By Funding Source

	Actual FY 2016	Revised FY 2017	Funded FY 2018	Percent Change 2017-18
State	657	957	962	0.5%
Federal	42	43	37	(14.0%)
<u>Other</u>	<u>1,980</u>	<u>1,631</u>	<u>1,631</u>	=
Total Positions	2,679	2,631	2,630	(0.0%)

FY 2016 (as of December) and revised FY 2017 (as of January) personnel data reflect actual payroll counts. FY 2018 data reflect the number of positions funded.

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

Highlights

- The Governor's FY 2018 Budget recommends a total appropriation of \$636.5 million for the Department of Environmental Protection (DEP) from State, Federal, and All Other Funds combined. This sum represents a decrease of \$11.7 million, or 1.8 percent, from the total FY 2017 appropriation of \$648.3 million.
- Recommended FY 2018 State appropriations total \$313.3 million, which is a net \$14.0 million, or 4.3 percent, less than FY 2017 adjusted appropriations. The most significant changes are a \$2.0 million increase in appropriations out of that portion of Corporation Business Tax (CBT) collections that the New Jersey State Constitution dedicates for various environmental purposes, and a \$11.7 million decrease in appropriations for debt service on general obligation bonds issued for environmental-related purposes.
- FY 2018 federal funds appropriations are recommended to total \$189.0 million, a net decrease of \$535,000, or 0.3 percent, compared to FY 2017 adjusted appropriations. The most significant changes are the non-recurrence of \$900,000 grant the Division of Land Use Regulation received from the National Oceanic and Atmospheric Administration for NJ FRAMES, a planning initiative in the Two Rivers region of Monmouth County; the non-recurrence of two federal Environmental Protection Agency Wetland Program Development Grants totaling \$700,000 that have been utilized by the department to conduct inventory, classification, mapping, condition assessment, and baseline monitoring for rare freshwater and coastal wetland types throughout the State; a new anticipated \$2.0 million federal grant in FY 2018 for a Wildlife Management Area Conservation Program in the Division of Fish and Wildlife; a new anticipated \$600,000 federal grant for the Wildlife and Sport Fish Restoration Outreach Program in the Division of Fish and Wildlife; and the non-recurrence of a \$1.5 million grant that the United States Environmental Protection Agency announced in April 2015 from the Diesel Emissions Reduction Act – Marine Vessel Emission Reduction to replace engines in SeaStreak ferries (ferry engine replacements will continue with federal Congestion Mitigation and Air Quality Grant funding).
- FY 2018 All Other Funds appropriations are recommended to total \$130.8 million, a net increase of \$2.8 million, or 2.2 percent, compared to the FY 2017 adjusted appropriations. The most significant change is \$3.4 million in federal Congestion Mitigation and Air Quality funding and third party matching funds for the SeaStreak Vessel Repower Project.
- State parks management and operations will be supported by a \$19.97 million transfer from the Clean Energy Fund for the second consecutive year.
- The budget recommends the transfer of \$12 million from the State Recycling Fund to the General Fund for revenue. Previous transfers from this fund occurred in FY 2015 (\$3.45 million) and FY 2014 (\$21.6 million). The proposed transfer notwithstanding, the State Recycling Fund is projected to provide \$21.5 million in recycling grants and \$3.9 million for department administrative costs in FY 2018, the same amounts as in FY 2017.

Highlights (Cont'd)

CONSTITUTIONAL CORPORATION BUSINESS TAX REVENUE DEDICATION

- The Budget projects an FY 2018 year-end Open Space Reserve of \$194 million. This represents the portion of the Corporation Business Tax constitutionally dedicated for Green and Blue Acres, farmland preservation and historic preservation that has not yet been appropriated by the Legislature. None of the CBT revenue dedicated for these purposes in FY 2017 (71 percent of the total dedicated, or about \$75 million) was appropriated and none of the FY 2018 CBT dedication (about \$79 million) is included in the FY 2018 budget. This is consistent with the provisions of P.L. 2016, c.12, approved June 30, 2016, which establishes the framework for appropriating and allocating these funds for the years FY 2016-FY 2019.

P.L. 2016, c.12 divides this portion of CBT revenues into the Preserve New Jersey Green Acres Fund (60 percent of the total); the Preserve New Jersey Farmland Preservation Fund (31 percent of the total); the Preserve New Jersey Historic Preservation Fund (5 percent of the total); and the Preserve New Jersey Blue Acres Fund (4 percent of the total). The law establishes specific allocations from each of these funds, and provides for appropriations by the Legislature from time to time of project lists proposed by the Garden State Preservation Trust after its review of prioritized submissions by the Department of Environmental Protection, the State Agriculture Development Committee, and the New Jersey Historic Trust.

- Appropriations of constitutionally dedicated CBT revenues for other than Open Space programs included in the FY 2018 budget total \$32.4 million and increase by 6.7 percent above FY 2017 adjusted appropriations due to anticipated growth in CBT revenues. CBT-backed appropriations included in the budget are only those for hazardous substance discharge remediation programs (10 percent of the total dedication, or about \$11.3 million); underground storage tank programs (9 percent, or about \$10.1 million); water resources programs and projects (5 percent or about \$5.6 million); and hazardous substance discharge cleanup performed by the State (5 percent or about \$5.6 million).

DEBT SERVICE ON GENERAL OBLIGATION BONDS

- The Governor's FY 2018 Budget includes \$39.0 million for debt service on general obligation bonds for environmental-related purposes, a decrease of \$11.7 million, or 23 percent, compared to the FY 2017 adjusted appropriation of \$50.7 million. The net decrease is predominantly the result of the Executive's intent to use bond premium receipts, collected as part of an FY 2016 sale of general obligation bonds, to fund FY 2018 debt service payments.

Highlights (Cont'd)**CONGESTION MITIGATION AND AIR QUALITY**

- DEP's Division of Air Quality administers the Air Pollution Control programs. Included in the division's FY 2018 budget are matching funds to be received from third parties for two projects awarded grants under the federal Congestion Mitigation and Air Quality Grant Program (CMAQ). CMAQ grants fund projects and programs that improve air quality and reduce traffic congestion. The first grant is for the SeaStreak Vessel Repower Project, which will support the replacement of engines with cleaner burning units on two passenger ferries operated by SeaStreak Ferries between Atlantic Highlands, New Jersey and downtown Manhattan. The project will receive \$3.4 million in CMAQ funds to be matched by \$3.4 million from SeaStreak Ferries. The second grant of \$1 million was jointly awarded to the department and the South Jersey Port Corporation for the corporation's Fleet Modernization Program. These funds, to be matched by \$1 million from the corporation, will replace nine of the port's oldest, highest use forklifts with new Tier 4 engine forklifts.

Fiscal and Personnel Summary

AGENCY FUNDING BY SOURCE OF FUNDS (\$000)

	Expended FY 2016	Adj. Approp. FY 2017	Recom. FY 2018	Percent Change	
				2016-18	2017-18
General Fund					
Direct State Services	\$264,669	\$208,907	\$204,942	(22.6%)	(1.9%)
Grants-In-Aid	1,968	2,025	2,025	2.9%	0.0%
State Aid	6,225	6,310	9,010	44.7%	42.8%
Capital Construction	96,250	56,628	58,305	(39.4%)	3.0%
Debt Service	37,725	50,712	39,046	3.5%	(23.0%)
Sub-Total	\$406,837	\$324,582	\$313,328	(23.0%)	(3.5%)
Property Tax Relief Fund					
Direct State Services	\$0	\$0	\$0	0.0%	0.0%
Grants-In-Aid	0	0	0	0.0%	0.0%
State Aid	3,452	2,700	0	(100.0%)	(100.0%)
Sub-Total	\$3,452	\$2,700	\$0	(100.0%)	(100.0%)
Casino Revenue Fund	\$0	\$0	\$0	0.0%	0.0%
Casino Control Fund	\$0	\$0	\$0	0.0%	0.0%
State Total	\$410,289	\$327,282	\$313,328	(23.6%)	(4.3%)
Federal Funds	\$139,912	\$189,520	\$188,985	35.1%	(0.3%)
Other Funds	\$91,289	\$131,468	\$134,208	47.0%	2.1%
Grand Total	\$641,490	\$648,270	\$636,521	(0.8%)	(1.8%)

PERSONNEL SUMMARY - POSITIONS BY FUNDING SOURCE

	Actual FY 2016	Revised FY 2017	Funded FY 2018	Percent Change	
				2016-18	2017-18
State	657	957	962	46.4%	0.5%
Federal	42	43	37	(11.9%)	(14.0%)
All Other	1,980	1,631	1,631	(17.6%)	0.0%
Total Positions	2,679	2,631	2,630	(1.8%)	(0.0%)

FY 2016 (as of December) and revised FY 2017 (as of January) personnel data reflect actual payroll counts. FY 2018 data reflect the number of positions funded.

AFFIRMATIVE ACTION DATA

Total Minority Percent	20.3%	20.9%	N/A	---	---
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Significant Changes/New Programs (\$000)

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2017</u>	<u>Recomm.</u> <u>FY 2018</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
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NATURAL RESOURCE MANAGEMENT

**General Fund,
Direct State Services:
Parks Management**

\$15,307	\$15,147	(\$160)	(1.0%)	D-116
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This reduction reflects the elimination of salary funds in excess of the amounts needed to maintain current staffing levels. In addition to this appropriation, costs of managing and maintaining State parks and recreation areas are funded from fees, permits, lease and rental revenues totaling about \$10.2 million, and a transfer from the Clean Energy Fund of \$19.97 million. The department also anticipates about \$21.3 million in federal funds for acquisition, conservation and other State parks projects.

**General Fund,
Direct State Services:
Hunters' and Anglers'
License Fund**

\$15,953	\$15,195	(\$758)	(4.8%)	D-117
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This budget line represents the General Fund appropriation to the Division of Fish and Wildlife. Most of the total originates in various fee and license revenues that are deposited in the Hunters' and Anglers' License Fund and dedicated to the division for operating expenses. The recommended reduction reflects the non-recurrence of an FY 2017 supplemental General Fund appropriation of \$638,000 that reimburses the Division of Fish and Wildlife for the revenue loss it incurs from issuing free waterfowl stamps and hunting and fishing licenses to active members of the State National Guard and disabled veterans in accordance with N.J.S.A.23:3-1e. By convention, the State does not include a specific amount in the annual appropriations acts for the reimbursement of the division's revenue loss but instead provides therefor through mid-year supplemental appropriations authorized by a recurring language provision. The balance of the reduction eliminates salary funds in excess of the amount needed to maintain current staffing levels.

**Federal Funds: Forest
Resource
Management**

\$1,645	\$1,550	(\$95)	(5.8%)	D-118
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This budget line aggregates several sources of grant funding the DEP's State Forestry Services receives from the federal government. The decrease reflects the anticipated non-recurrence of \$70,000 in federal funding the State Forestry Services expects to receive in FY 2017 as part of the Gypsy Moth Suppression Program and a decrease of \$25,000 for the Rural Community Fire Protection Program.

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

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2017</u>	<u>Recomm.</u> <u>FY 2018</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
Federal Funds:					
Hunters' and Anglers' License Fund	\$16,325	\$18,925	\$2,600	15.9%	D-118

This budget line aggregates several sources of grant funding the Division of Fish and Wildlife receives from the federal government. The increase is primarily due to a new anticipated \$2.0 million federal grant in FY 2018 for a Wildlife Management Area Conservation Program (Fish and Wildlife) and a new anticipated \$600,000 federal grant for the Wildlife and Sport Fish Restoration Outreach Program.

All Other Funds:					
Palisades Interstate Park Commission	\$5,590	\$5,270	(\$320)	(5.7%)	D-119

This appropriation comprises receipts from police court, stands, concessions, and self-sustaining activities operated or supervised by the Palisades Interstate Park Commission. The decline is due to the decrease of \$150,000 from receipts from Gas Station Revenue and a decrease of \$170,000 in Operating Fund Revenue. The Commission operates and maintains existing parks and historic sites in a clean, safe and non-discriminatory manner for all visitors; plans for the improvement and development of new facilities; maintains highways, bridges, landscaped areas, signs, and traffic lines to ensure the safety of the motoring public; enforces traffic laws on the Palisades Parkway and all other roads within the Commission's boundaries; polices Commission lands to ensure that park facilities are utilized in accordance with laws, and Commission rules and regulations; maintains a police court with the powers and jurisdiction of a municipal court with respect to crimes, disorderly conduct, and violations of the motor vehicle and traffic or other laws of the State or of any of the rules and regulations of the Commission.

SCIENCE AND TECHNICAL PROGRAMS

General Fund, Direct State Services: Water Monitoring and Resource Management	\$10,366	\$10,266	(\$100)	(1.0%)	D-122
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This budget line represents the General Fund appropriation to the Division of Water Monitoring and Standards. The division also derives operating support and funding for other water quality programs from constitutionally dedicated Corporation Business Tax (CBT) revenue. The decrease of \$100,000 is more than offset by an increase in the division's funds from dedicated CBT revenue. The Division of Water Monitoring and Standards provides water quality information to assess and manage New Jersey's water resources. This information is critical to knowing whether NJ's waters are safe to swim in, aquatic life is healthy, and fish and shellfish are safe to eat, and contributes information on whether water sources are safe to use for drinking water.

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

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2017</u>	<u>Recomm.</u> <u>FY 2018</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
General Fund, Direct State Services: Land Use Regulation	\$13,191	\$13,011	(\$180)	(1.4%)	D-122

This budget line represents the General Fund appropriation to the Division of Land Use Regulation. The decline is due to a decrease of \$180,000 in salaries and wages funding for positions currently vacant that will remain so in FY 18. The Division is responsible for protecting and managing the State's land and water resources through implementation of the Coastal Area Facility Review Act (CAFRA), 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. In addition to the resource protection mandates of these statutes, these programs protect lives and property from storm and flood damages. The Division also administers the allocation of State riparian rights.

General Fund, Direct State Services: Water Resources Monitoring and Planning – Constitutional Dedication	\$5,027 S 208	\$5,584	\$349	6.7%	D-122
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The recommended increase in the FY 2018 appropriation of constitutionally dedicated Corporation Business Tax (CBT) collections to Water Resources Monitoring and Planning reflects anticipated growth in CBT revenues for FY 2018. This appropriation comprises the five percent portion of the total amount dedicated for water resources programs.

Article VIII, Section II, paragraph 6 of the New Jersey State Constitution dedicates four percent of annual CBT collections to certain environmental purposes and sets forth the following distribution schedule: 1) 71 percent for the preservation and stewardship of open space, farmland, historic sites, and flood-prone areas; 2) 10 percent for hazardous substance discharge remediation programs; 3) nine percent for underground storage tank programs; 4) five percent for water resources programs and projects; and 5) five percent for hazardous substance discharge cleanup performed by the State.

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

<u>Budget Item</u>	<u>Adj. Approp. FY 2017</u>	<u>Recomm. FY 2018</u>	<u>Dollar Change</u>	<u>Percent Change</u>	<u>Budget Page</u>
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Federal Funds:

Land Use Regulation	\$3,700	\$2,800	(\$900)	(24.3%)	D-124
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This budget line aggregates several sources of grant funding the Division of Land Use Regulation receives from the federal government. The decrease reflects the receipt in FY 2017 of a one-time grant from the National Oceanic and Atmospheric Administration (NOAA) for New Jersey Fostering Regional Adaptation through Municipal Economic Scenarios (NJ FRAMES), a science-based, stakeholder-driven, regional planning project that will further advance resiliency planning in New Jersey.

The multi-partner planning initiative within the Two Rivers region of Monmouth County will work with 15 communities surrounding the Navesink and Shrewsbury rivers to develop a regional plan to address the impacts of increasing coastal hazards and storm surge. The project partners the New Jersey Department of Environmental Protection (NJDEP)'s Coastal Management Program (CMP) with the Louis Berger Group, the Jacques Cousteau National Estuarine Research Reserve, the Rutgers Climate Institute, and Oceanport Borough representing the Two Rivers Council of Mayors. NJ FRAMES is one of 12 NOAA Regional Coastal Resilience Grants awarded nationally from 2015 to 2016.

Federal Funds:

**Division of Science,
Research and
Environmental Health**

\$8,150	\$7,450	(\$700)	(8.6%)	D-124
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This budget line aggregates several sources of grant funding the Division of Science, Research and Environmental Health receives from the federal government. The net decline reflects the non-recurrence of two federal Wetland Program Development Grants: a \$500,000 Multi-Metric Wetland Program Development Grant and a \$200,000 Wetland Baseline Program Development Grant. The Environmental Protection Agency Wetland Program Development Grants have been utilized by the department to conduct inventory, classification, mapping, condition assessment, and baseline monitoring for rare freshwater and coastal wetland types throughout the State.

All Other Funds:

Water Supply	\$4,601	\$4,370	(\$231)	(5.0%)	D-124
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This budget line aggregates several dedicated, off-budget accounts administered by the DEP's Division of Water Supply and Geoscience. Several factors account for the net reduction:

- a \$180,000 decrease in anticipated collections from Well Permits, Well Driller, and Pump Installer Licenses from \$880,000 in FY 2017 to \$700,000 in FY 2018; and
- a \$60,000 decrease in anticipated receipts from Landscape Irrigation Contractor Certifications from \$125,000 in FY 2017 to \$65,000 in FY 2018;

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

<u>Budget Item</u>	<u>Adj. Approp. FY 2017</u>	<u>Recomm. FY 2018</u>	<u>Dollar Change</u>	<u>Percent Change</u>	<u>Budget Page</u>
All Other Funds: Land Use Regulation	\$3,975	\$3,488	(\$487)	(12.3%)	D-124

This budget line aggregates several dedicated, off-budget accounts to the Division of Land Use Regulation. Several factors account for the net reduction:

- a) a \$687,000 decrease in Tidelands Peak Demands receipts from \$3.53 million in FY 2017 to \$2.84 million in FY 2018;
- b) a \$100,000 increase in Stream Encroachment fees from \$100,000 in FY 2017 to \$200,000 in FY 2018; and
- c) a \$100,000 increase in fees from freshwater wetlands regulation from \$200,000 in FY 2017 to \$300,000 in FY 2018.

SITE REMEDIATION AND WASTE MANAGEMENT

**General Fund, Direct
State Services:
Publicly-Funded Site
Remediation and
Response**

\$9,606	\$9,546	(\$60)	(0.6%)	D-127
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This budget line represents the General Fund appropriation to the Publicly-Funded Site Remediation and Response Program. The decrease of \$60,000 for project cleanup administrative costs eliminates funding in excess of the amount needed to fund the same number of positions as in the current fiscal year. The Remediation and Response Program remediates sites contaminated by hazardous substances where a responsible party cannot be identified or is unable or unwilling to voluntarily participate. It also provides an around-the-clock response program for chemical, biological, radiological, nuclear, and explosive (CBRNE) emergencies. In addition, it operates an around-the-clock communication center, which is the point of initial notification for events and the key point of contact/communication for many State agencies. These activities are supported by federal (Superfund) funds and State funds (such as the CBT).

**General Fund,
Capital Construction:
Environmental
Management and
Preservation – CBT
Dedication
TOTAL**

\$25,128	\$26,805	\$1,677	6.7%	D-128
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Significant Changes/New Programs (\$000) (Cont'd)

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2017</u>	<u>Recomm.</u> <u>FY 2018</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
Private Underground Storage Tank Remediation – Constitutional Dedication	\$9,048 \$ 375	\$10,052	\$629	6.7%	D-128
Hazardous Substance Discharge Remediation – Constitutional Dedication	\$5,027 \$ 208	\$5,584	\$349	6.7%	D-128
Hazardous Substance Discharge Remediation Loans & Grants – Constitutional Dedication	\$10,053 \$ 417	\$11,169	\$699	6.7%	D-128

The recommended increase in the FY 2018 appropriation of constitutionally dedicated Corporation Business Tax (CBT) collections to the remediation of private underground storage tanks and of hazardous substance discharges reflect anticipated growth in CBT revenues in FY 2018. The FY 2017 supplemental appropriations reflect the upward revision in FY 2017 estimated revenue.

The appropriation for Hazardous Substance Discharge Remediation – Constitutional Dedication finances hazardous site cleanups not generally supported by responsible parties. The New Jersey State Constitution dedicates five percent of the CBT allocation to these publicly-funded cleanups, which the Governor's FY 2018 Budget implements.

The appropriation for Private Underground Storage Tank Remediation – Constitutional Dedication funds grants and loans to replace, upgrade, close, or remediate private underground storage tanks that do not meet federal or State standards. The New Jersey State Constitution dedicates nine percent of the CBT allocation to this purpose, which the Governor's FY 2018 Budget implements.

The appropriation for Hazardous Substance Discharge Remediation Loans & Grants – Constitutional Dedication funds the brownfield program which provides loans and grants to developers and municipalities to remediate brownfield sites. The New Jersey State Constitution dedicates 10 percent of the CBT allocation to this purpose, which the Governor's FY 2018 Budget implements.

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

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2017</u>	<u>Recomm.</u> <u>FY 2018</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
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Article VIII, Section II, paragraph 6 of the New Jersey State Constitution dedicates four percent of annual CBT collections to certain environmental purposes and sets forth the following distribution schedule: 1) 71 percent for the preservation and stewardship of open space, farmland, historic sites, and flood-prone areas; 2) 10 percent for hazardous substance discharge remediation programs; 3) nine percent for underground storage tank programs; 4) five percent for water resources programs and projects; and 5) five percent for hazardous substance discharge cleanup performed by the State.

ENVIRONMENTAL REGULATION

**General Fund,
Direct State Services:
Nuclear Emergency
Response**

\$2,634	\$2,634	(\$1,206)	(31.4%)	D-132
S 1,206				

The recommended reduction reflects the non-recurrence in FY 2017 of a \$1,206,000 supplemental appropriation that supports the Radiation Protection Element's FY 2017 activities related to the development, testing and updating of State radiation emergency response plans. By convention, the State does not include the full amount of anticipated Nuclear Emergency Response appropriations in the budget line item but instead effects mid-year supplemental appropriations authorized by a recurring language provision. The recommended FY 2018 language provision anticipates the supplemental appropriation to equal \$1,120,000.

Under "The Radiation Accident Response Act," N.J.S.A.26:2D-37 et seq., the Department of the Treasury assesses operators of the State's nuclear electric generating facilities an annual fee to defray the costs incurred by State and local agencies in developing, testing and updating their State Radiation Emergency Response Plans and in acquiring and maintaining the equipment to carry out their various responsibilities under those plans. The DEP's activities under the plan include the development and implementation of training for all nuclear emergency response participants, the planning for and initiation of nuclear emergency response during exercises and nuclear emergency events, the upkeep of response facilities, the development of procedures, and the maintenance of staff ready to initiate, at a moment's notice, a response to a nuclear power plant emergency.

The Administration anticipates \$5.6 million in Nuclear Emergency Response Assessment collections in FY 2018, \$86,000 more than in FY 2017 (pages C-6 and C-11). The Governor's FY 2018 Budget recommends allocating the \$5.6 million as follows: \$3.8 million to the DEP and \$1.8 million to the New Jersey State Police in the Department of Law and Public Safety (pages D-254 and D-255).

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

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2017</u>	<u>Recomm.</u> <u>FY 2018</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
General Fund, Direct State Services: Quality Assurance Lab Certification Programs	\$1,553	\$1,393	(\$160)	(10.3%)	D-133

The appropriation for Quality Assurance - Lab Certification Programs supports the staff and operating costs of the Office of Quality Assurance (OQA). The reduction eliminates funding above the amount required to sustain the current staff complement of 13, which is two fewer positions than were assigned to the program in FY 2016. No evaluation data is provided on the office's workload, so it is unclear why staffing has declined.

The OQA offers certification for environmental testing laboratories to ensure that regulatory decisions made by federal, state, and municipal government agencies are based upon accurate and dependable analytical data. The OQA issues a New Jersey certification through its own state program, referred to as the Environmental Laboratory Certification Program (ELCP). Certification is provided through a formal process of application, audit and approval of a laboratories' quality system. Certification must be renewed annually. The office also offers reciprocal certification to laboratories certified by one of the thirteen accrediting authorities that participate in the National Environmental Laboratory Accreditation Program.

General Fund, Direct State Services: Water Pollution Control	\$7,845	\$7,605	(\$240)	(3.1%)	D-132
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This budget line reflects a \$240,000 reduction in salaries and wages for administration of Water Pollution Control programs. The reduced level of funding will maintain the current staffing levels. Programs administered include the New Jersey Pollutant Discharge Elimination System (NJPDES) to protect New Jersey's surface and ground water by assuring proper treatment and disposal of wastewater (and its residuals) and stormwater from various types of facilities and activities, including the generation, pretreatment monitoring, and beneficial management of sludge and sludge - derived products; and the Treatment Works Approval Program that regulates the construction of wastewater collection, conveyance, and treatment facilities.

Federal Funds: Air Pollution Control	\$11,600	\$10,040	(\$1,560)	(13.4%)	D-133
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This budget line aggregates several sources of grant funding the Division of Air Quality receives from the federal government. The decrease is primarily due to the non-recurrence of a \$1.5 million grant that the United States Environmental Protection Agency announced in April 2015 funded by the Diesel Emissions Reduction Act for Marine Vessel Emission Reduction. The grant pays for the replacement of four Tier 1 marine propulsion engines with Tier 4 certified engines

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

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2017</u>	<u>Recomm.</u> <u>FY 2018</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
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on marine vessels (SeaStreak ferries) that operate between Atlantic Highlands in New Jersey and terminal locations in New York City, significantly reducing particulate matter, nitrogen oxides, and other pollutants. Ferry engine replacements will continue with federal Congestion Mitigation and Air Quality Grant funding.

All Other Funds:

Radiation Protection	\$2,793	\$3,931	\$1,138	40.7%	D-133
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This budget line aggregates several dedicated, off-budget accounts administered by the DEP's Radiation Protection Element. Two factors account for the projected increase in dedicated receipts. First, receipts for the Radiation Protection Element's activities related to the development, testing and updating of State radiation emergency response plans are projected to increase by \$1.12 million in FY 2018. The receipts: a) pay for administrative costs of the Radiation Protection Element; b) are revised annually based on the estimate of available revenue and projected employee fringe benefits and indirect costs; and c) by convention, will be converted into a mid-year supplemental appropriation to the Nuclear Emergency Response budget line. In addition, the Administration anticipates a \$18,000 increase in Mammography Quality Standards Act inspection fee collections from \$357,000 in FY 2017 to \$375,000 in FY 2018. The Mammography Section within the DEP's Bureau of X-Ray Compliance is responsible for annually inspecting all U.S. Food and Drug Administration certified Mammography Quality Standards Act facilities.

All Other Funds: Air

Pollution Control	\$1,924	\$5,919	\$3,995	207.6%	D-133
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This budget line aggregates several dedicated, off-budget accounts administered by the DEP's Division of Air Quality. The revenues pay for the division's administrative costs and are revised annually based on the estimate of available revenue and projected employee fringe benefits and indirect costs.

The increase reflects matching funds to be received from third parties for two projects awarded grants under the federal Congestion Mitigation and Air Quality Grant Program (CMAQ). CMAQ grants fund projects and programs that improve air quality and reduce traffic congestion. The first grant is for the SeaStreak Vessel Repower Project, which will support the replacement of engines with cleaner burning units on two passenger ferries operated by SeaStreak Ferries between Atlantic Highlands, New Jersey and downtown Manhattan. The project will receive \$3.4 million in CMAQ funds to be matched by \$3.4 million from SeaStreak Ferries. The second grant of \$1 million was jointly awarded to the department and the South Jersey Port Corporation for the corporation's Fleet Modernization Program. These funds, to be matched by \$1 million from the corporation, will replace nine of the port's oldest, highest use forklifts with new Tier 4 engine forklifts.

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

<u>Budget Item</u>	<u>Adj. Approp. FY 2017</u>	<u>Recomm. FY 2018</u>	<u>Dollar Change</u>	<u>Percent Change</u>	<u>Budget Page</u>
All Other Funds: Public Wastewater Facilities	\$600	\$1,200	\$600	100.0%	D-133

Under N.J.S.A.58:11B-10.2 et. seq. there is established in the New Jersey Infrastructure Bank a special fund to be known as the Department of Environmental Protection Loan Origination Fee Fund. The fund is credited with:

- (a) moneys deposited into the fund as loan origination fees received by the department and paid by project sponsors of wastewater treatment system projects or water supply projects financed under the New Jersey Environmental Infrastructure Financing Program; and
- (b) any interest accumulated on the loan origination fees.

Moneys in the fund are to be used by the department for administrative and operating expenses incurred by the department in administering the New Jersey Environmental Infrastructure Financing Program, not to exceed \$5 million. The amounts in the fund are also available for State matching funds or loans to local government units for the cost of wastewater treatment system or water supply projects. Amounts in excess of revenue anticipation would be carried forward into the following year.

A project eligibility list for the New Jersey Environmental Infrastructure Financing Program is required to contain a list of projects certified by the department that have commenced construction and demonstrated a high likelihood of construction completion on or before the end of the ensuing fiscal year. As of August 18, 2016, law allows for an additional project eligibility list for the ensuing fiscal year to be submitted on or before May 15 of each year. The increase of \$600,000 loan origination fees reflects revenue from project sponsors included on the additional project eligibility list.

ENVIRONMENTAL PLANNING AND ADMINISTRATION

General Fund, Direct State Services: Administration and Support Services	\$19,828	\$19,218	(\$610)	(3.1%)	D-135
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The decline is due to a decrease of \$360,000 in salaries and wages and a decrease of \$250,000 for the New Jersey Environmental Management System. Administration and Support Services comprises the department's chief executive and central policy and administrative staff. The New Jersey Environmental Management System (NJ EMS) is the department's centralized information technology and data management system. The decrease in salaries and wages eliminates funds in excess of the amount needed to maintain current staff levels. The reduction in NJEMS funding reflects unspecified general operating savings.

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

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2017</u>	<u>Recomm.</u> <u>FY 2018</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
General Fund, Total					D-136,
Debt Service	\$50,712	\$39,046	(\$11,666)	(23.0%)	E-5, E-6

Appropriations for debt service on general obligation bonds issued for environmental-related purposes, e.g., Green Acres, are allocated to the department's budget, although the department has no role in administering debt service payments. The Governor's proposed FY 2018 appropriations for these payments reflect the intent of the Executive's intent to use bond premium receipts, collected as part of an FY 2016 sale of general obligation bonds, to fund FY 2018 debt service payments.

COMPLIANCE AND ENFORCEMENT

All Other Funds: Land					
Use Regulation	\$727	\$608	(\$119)	(16.4%)	D-137

The budget line aggregates several dedicated, off-budget accounts administered by the DEP's Division of Land Use Regulation. The projected decrease reflects the annual adjustment in the collection of anticipated receipts from riparian land sales, leases, and licenses that support the division's oversight of State tidelands use.

Significant Language Changes

Parks Management

Revision

2017 Handbook: p. B-58
2018 Budget: p. D-119

Receipts in excess of the amount anticipated from fees, leases and permit receipts from the use of Parks Management fees ~~and, leases~~, permits and marina rentals, and the unexpended balance at the end of the preceding fiscal year of such receipts, are appropriated for Parks Management, subject to the approval of the Director of the Division of Budget and Accounting.

Explanation

The recommended language provision specifically adds revenue from leases to the receipts which are appropriated for Parks Management. Since lease revenues have been deposited directly back into the park from which the income was generated the language will reflect and continue current practice.

Open Space Administration

Revision

2017 Handbook: p. B-58
2018 Budget: p. D-119

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for the Green Acres/~~Open Space Administration account is~~ Blue Acres/Open Space Administration account shall be provided first from five percent of any supplemental appropriations for the Preserve New Jersey Green Acres Fund or the Preserve New Jersey Blue Acres Fund, and the balance shall be transferred from the Garden State Green Acres Preservation Trust Fund, the Green Acres, Farmland, Blue Acres, and Historic Preservation Bond Act of 2007, and the Green Acres, Water Supply and Floodplain Protection, and Farmland and Historic Preservation Bond Act of 2009, and any Green Trust Fund established pursuant to a Green Acres bond act to the General Fund, together with an amount not to exceed \$403,000, and is appropriated to the Department of Environmental Protection for Green Acres/Blue Acres/Open Space Administration, subject to the approval of the Director of the Division of Budget and Accounting. Further, there are appropriated from the Garden State Green Acres Preservation Trust Fund such amounts as may be required for the Department's administrative costs related to programs for buyout of flood-prone properties funded by the federal "Disaster Relief Appropriations Act, 2013," provided that reimbursements to the Department of such costs from federal funding agencies shall be reimbursed to the Garden State Green Acres Preservation Trust Fund.

EXPLANATION: FY 2017 language not recommended for FY 2018 denoted by strikethrough.
Recommended FY 2018 language that did not appear in FY 2017 denoted by underlining.

Significant Language Changes (Cont'd)

Explanation

This language identifies the funding sources which may be used to support and supplement the appropriation entitled Green Acres/Open Space Administration (page D-117, \$5.528 million). This appropriation pays for the staff who administer the grants and loans for Green Acres, Blue Acres, open space acquisition and recreation development projects funded by various bond acts and by constitutionally dedicated Corporation Business Tax revenue.

The revisions to this language accomplish two changes. First, the language establishes a hierarchy among the specific available funding sources, requiring first use of five percent of any supplemental appropriations from the Preserve New Jersey Green Acres Fund or the Preserve New Jersey Blue Acres Fund. This reflects the creation of those funds by P.L.2016, c.12 (N.J.S.A.13:8C-43 et seq.); the authorization in that law to use of up to 5% of the fund's resources for organizational, administrative and other work and services, including salaries, equipment and materials; and the expectation of supplemental appropriations from the funds. After exhausting the allotted moneys from the Preserve New Jersey Green Acres Fund or the Preserve New Jersey Blue Acres Fund, moneys are to be utilized from various bond acts and from the Green Trust Fund.

The second language change, adding Green Trust funds to the list of funding sources, reflects the availability of resources from the recycling of payments to and from the several green trust funds. These funds have been continued and expanded in each of the four bond acts approved subsequently in 1987, 1989, 1992, and 1995, and are dedicated funds from which low-interest loans or grants are awarded to local government units for open space acquisition or park development projects. The green trust funds are able to periodically recycle moneys received from the repayment of principal and interest on any loans issued by the Green Trust to local government units.

EXPLANATION: FY 2017 language not recommended for FY 2018 denoted by strikethrough.
Recommended FY 2018 language that did not appear in FY 2017 denoted by underlining.

Significant Language Changes (Cont'd)

Natural Resource Management

Deletion

2017 Handbook: p. B-59
2018 Budget: p. N/A

~~From the amounts appropriated hereinabove for Parks Management, the commissioner shall allocate such amounts as may be necessary to develop and implement a program for weed control at Lake Hopatcong.~~

Explanation

This language provision was added by the legislature in order to ensure that the department would allocate enough moneys to develop and implement a program for weed control at Lake Hopatcong. The department assumed weed control activities from the Lake Hopatcong Commission, which in the past had received appropriations from various sources for its weed harvesting (biomass removal) program in 2010 by the department from the Corporate Business Tax (CBT) Watershed Restoration funds for the purpose of nonpoint source management and from the New Jersey Department of Transportation I BOAT NJ Program. The department continues to provide sufficient moneys to implement a program for weed control at Lake Hopatcong through CBT Watershed Restoration funds. The department indicated that this language provision is unnecessary as it does not allocate additional moneys for weed control at Lake Hopatcong and the department is providing sufficient moneys to cover the costs of the program.

Safe Drinking Water Program

Revision

2017 Handbook: p. B-61
2018 Budget: p. D-124

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 ~~\$336,000~~ \$354,000, 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 provision charges to the dedicated, off-budget Safe Drinking Water Fund the \$2.6 million the Governor's FY 2018 Budget recommends appropriating to the Safe Drinking Water Fund account (page D-123) and \$354,000 for related employee fringe benefits, which are centrally budgeted in the Interdepartmental Accounts section of the Governor's FY 2018 Budget. The dedicated Safe Drinking

EXPLANATION: FY 2017 language not recommended for FY 2018 denoted by strikethrough.
Recommended FY 2018 language that did not appear in FY 2017 denoted by underlining.

Significant Language Changes (Cont'd)

Water Fund receives tax revenues collected from owners or operators of public community water systems pursuant to the Safe Drinking Water Act (N.J.S.A.58:12A-1 et seq.). As required by that law, moneys in the fund are appropriated to the Department of Environmental Protection for all costs associated with the department's administration of programs set forth in the Safe Drinking Water Act.

The purpose of this language change is to augment budget appropriations with additional funding from revenues generated by or related to the program. The increased amount reflects the changes in anticipated cost-of-living adjustments, fringe benefit rates, and indirect expenses in FY 2018 when compared to FY 2017. These amounts are typically revised annually based on available revenues and cost projections.

Office of Science Support

Revision

2017 Handbook: p. B-61
2018 Budget: p. D-124

In addition to the amount hereinabove appropriated for the Office of Science Support, an amount not to exceed ~~\$2,657,000~~ \$2,703,000 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

The increased amount reflects the changes in anticipated cost-of-living adjustments, fringe benefit rates, and indirect expenses in FY 2018 when compared to FY 2017. These amounts are typically revised annually based on available revenues and cost projections.

Water Supply Management – Administrative Costs

Revision

2017 Handbook: p. B-61
2018 Budget: p. D-125

The amounts hereinabove appropriated for the Administrative Costs Water Supply Bond Act of 1981 - Management and Watershed and Aquifer accounts are appropriated from the "Water Supply Bond Act of 1981," P.L.1981, c.261, together with an amount not to exceed ~~\$30,000~~ \$21,000, for costs attributable to administration of water supply programs, subject to the approval of the Director of the Division of Budget and Accounting.

EXPLANATION: FY 2017 language not recommended for FY 2018 denoted by strikethrough. Recommended FY 2018 language that did not appear in FY 2017 denoted by underlining.

Significant Language Changes (Cont'd)

Explanation

The decreased amount reflects the changes in anticipated cost-of-living adjustments, fringe benefit rates, and indirect expenses in FY 2018 when compared to FY 2017. These amounts are typically revised annually based on available revenues and cost projections.

Remediation Management Program

Revision

2017 Handbook: p. B-63
2018 Budget: p. D-129

In addition to site specific charges, the amounts hereinabove for the Remediation Management 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 ~~\$10,673,000~~ \$10,875,000 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

This recommended language provision charges to the dedicated, off-budget New Jersey Spill Compensation Fund: a) the \$14.6 million the Governor’s FY 2018 Budget recommends appropriating to the Remediation Management program classification after excluding from the total the Hazardous Discharge Site Cleanup Fund - Responsible Party and the Underground Storage Tanks accounts; and b) \$10.9 million for administrative expenses and related anticipated cost-of-living adjustments, fringe benefit rates, and indirect expenses, which are centrally budgeted in the Interdepartmental Accounts section of the Governor’s FY 2018 Budget. The New Jersey Spill Compensation Fund accrues its receipts from taxes and penalties levied on owners and operators of major hazardous substances facilities. Fund balances may be used for hazardous substance cleanup costs, removal costs, research, the division’s related administrative expenses, and payments of approved claims.

The purpose of increasing the amount for administrative costs associated with the cleanup of hazardous waste sites is to augment budget appropriations with additional funding from revenues generated by or related to the program. The increased amount reflects the changes in anticipated cost-of-living adjustments, fringe benefit rates, and indirect expenses in FY 2018 when compared to FY 2017. These amounts are typically revised annually based on available revenues and cost projections.

EXPLANATION: FY 2017 language not recommended for FY 2018 denoted by strikethrough. Recommended FY 2018 language that did not appear in FY 2017 denoted by underlining.

Significant Language Changes (Cont'd)

Hazardous Discharge Site Cleanup Fund – Responsible Party

Revision

2017 Handbook: p. B-63
2018 Budget: p. D-129

The amount hereinabove for the Hazardous Discharge Site Cleanup Fund - Responsible Party account is appropriated from responsible party cost recoveries and Licensed Site Remediation Professionals fees deposited into the Hazardous Discharge Site Cleanup Fund, together with an amount not to exceed ~~\$15,848,000~~ \$13,545,000 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

This recommended language provision charges to the dedicated, off-budget Hazardous Discharge Site Cleanup Fund: a) the \$19.0 million the Governor’s FY 2018 Budget recommends appropriating to the Hazardous Discharge Site Cleanup Fund - Responsible Party account in the Remediation Management program classification; and b) \$13.5 million for administrative expenses and related anticipated cost-of-living adjustments, fringe benefit rates, and indirect expenses, which are centrally budgeted in the Interdepartmental Accounts section of the Governor’s FY 2018 Budget. The Hazardous Discharge Site Cleanup Fund accumulates collections for costs in site cleanups, including legal settlements. Fund balances are dedicated to preparing feasibility studies, engineering designs, and other work necessary for the cleanup or mitigation of hazardous discharge sites.

The purpose of decreasing the amount for administrative costs associated with the cleanup of hazardous waste sites reflects the changes in anticipated cost-of-living adjustments, fringe benefit rates, and indirect expenses in FY 2018 when compared to FY 2017. These amounts are typically revised annually based on available revenues and cost projections.

Nuclear Emergency Response

Revision

2017 Handbook: p. B-66
2018 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.). Receipts in excess of the amount anticipated, not to exceed ~~\$1,206,000~~ \$1,120,000, are appropriated. The unexpended balance at the end of the preceding fiscal year in the Nuclear Emergency Response account is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

EXPLANATION: FY 2017 language not recommended for FY 2018 denoted by strikethrough. Recommended FY 2018 language that did not appear in FY 2017 denoted by underlining.

Significant Language Changes (Cont'd)

Explanation

The recommended language provision charges to annual Nuclear Emergency Response Assessment collections: a) the \$2.6 million the Governor's FY 2018 Budget recommends appropriating to the DEP's Nuclear Emergency Response special purpose account; and b) \$1.2 million for administrative expenses and related anticipated cost-of-living adjustments, fringe benefit rates, and indirect expenses. By convention, the State does not include the full amount of anticipated Nuclear Emergency Response appropriations in the Nuclear Emergency Response account but instead effects mid-year supplemental appropriations authorized by this recurring language provision.

The decreased amount reflects the changes in anticipated cost-of-living adjustments, fringe benefit rates, and indirect expenses in FY 2018 when compared to FY 2017. These amounts are typically revised annually based on available revenues and cost projections.

Under "The Radiation Accident Response Act," N.J.S.A.26:2D-37 et seq., the Department of the Treasury assesses operators of the State's nuclear electric generating facilities an annual fee to defray the costs incurred by State and local agencies in developing, testing and updating their State Radiation Emergency Response Plans and in acquiring and maintaining the equipment to carry out their various responsibilities under those plans. The DEP's activities under the plan include the development and implementation of training for all nuclear emergency response participants, the planning for and initiation of nuclear emergency response during exercises and nuclear emergency events, the upkeep of response facilities, the development of procedures, and the maintenance of staff ready to initiate, at a moment's notice, a response to a nuclear power plant emergency.

The Administration anticipates \$5.6 million in Nuclear Emergency Response Assessment collections in FY 2018, \$86,000 less than in FY 2017 (pages C-6 and C-11). The Governor's FY 2018 Budget recommends allocating the \$5.6 million as follows: \$3.8 million to the DEP and \$1.8 million to the New Jersey State Police in the Department of Law and Public Safety (pages D-254 and D-255).

EXPLANATION: FY 2017 language not recommended for FY 2018 denoted by strikethrough.
Recommended FY 2018 language that did not appear in FY 2017 denoted by underlining.

Significant Language Changes (Cont'd)

Pollution Prevention

Revision

2017 Handbook: p. B-66
2018 Budget: p. D-134

The amount hereinabove appropriated for the Pollution Prevention account is payable from receipts received pursuant to the "Pollution Prevention Act," P.L.1991, c.235 (C.13:1D-35 et seq.), together with an amount not to exceed ~~\$214,000~~ \$142,000, for administration of the Pollution Prevention 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 recommended language provision charges to dedicated Pollution Prevention Act receipts from penalties collected for violations of the Pollution Prevention Act (N.J.S.A.13:1D-35 et seq.): a) the \$1.0 million the Governor's FY 2018 Budget recommends appropriating to the Pollution Prevention special purpose account in the DEP's Division of Air Quality; and b) \$86,000 for related anticipated cost-of-living adjustments, fringe benefit rates, and indirect expenses, which are centrally budgeted in the Interdepartmental Accounts section of the Governor's FY 2017 Budget.

The decreased amount reflects the changes in anticipated cost-of-living adjustments fringe benefit rates, and indirect expenses in FY 2018 when compared to FY 2017. These amounts are typically revised annually based on available revenues and cost projections.

Worker and Community Right to Know Act

Revision

2017 Handbook: p. B-66
2018 Budget: p. D-134

Notwithstanding the provisions of the "Worker and Community Right to Know Act," P.L.1983, c.315 (C.34:5A-1 et seq.), the amount hereinabove appropriated for the "Worker and Community Right to Know Act" account is payable out of the "Worker and Community Right to Know Fund," and the receipts in excess of the amount anticipated, not to exceed ~~\$518,000~~ \$534,000, are appropriated. If receipts to that fund are less than anticipated, the appropriation shall be reduced proportionately.

Explanation

This recommended language provision charges to dedicated Worker and Community Right to Know Act receipts from the collection by the Department of Labor and Workforce Development from employers of an annual assessment of \$2.00 per employee (N.J.S.A.34:5A-

EXPLANATION: FY 2017 language not recommended for FY 2018 denoted by strikethrough.
Recommended FY 2018 language that did not appear in FY 2017 denoted by underlining.

Significant Language Changes (Cont'd)

26): a) \$767,000 the Governor’s FY 2018 Budget recommends appropriating to the DEP’s Division of Air Quality for air pollution prevention; and b) \$534,000 for related anticipated cost-of-living adjustments, fringe benefit rates, and indirect expenses, which are centrally budgeted in the Interdepartmental Accounts section of the Governor’s FY 2018 Budget.

The purpose of increasing the amount for administrative costs associated with the air pollution prevention activities is to augment budget appropriations with additional funding from revenues generated by or related to the program. The increased amount reflects the changes in anticipated cost-of-living adjustments, fringe benefit rates, and indirect expenses in FY 2018 when compared to FY 2017. These amounts are typically revised annually based on available revenues and cost projections.

Oil Spill Prevention

Revision

2017 Handbook: p. B-66
2018 Budget: p. D-134

The amount hereinabove appropriated for the Oil Spill Prevention account is payable out of the New Jersey Spill Compensation Fund, and the receipts in excess of those anticipated, not to exceed ~~\$1,022,000~~ \$673,000, from the New Jersey Spill Compensation Fund for the Oil Spill Prevention program are appropriated, in accordance with the provisions of P.L.1990, c.76 (C.58:10-23.11f2 et seq.), P.L.1990, c.78 (C.58:10-23.11d1 et seq.), and section 1 of P.L.1990, c.80 (C.58:10-23.11f1), subject to the approval of the Director of the Division of Budget and Accounting.

Explanation

This recommended language provision charges to the dedicated, off-budget New Jersey Spill Compensation Fund: a) \$2.0 million the Governor’s FY 2018 Budget recommends appropriating to the Oil Spill Prevention special purpose account in the DEP’s Division of Air Quality; and b) \$673,000 for administrative expenses and related anticipated cost-of-living adjustments, fringe benefit rates, and indirect expenses, which are centrally budgeted in the Interdepartmental Accounts section of the Governor’s FY 2018 Budget. Established in accordance with N.J.S.A.58:10-23.11i, the fund receives collections from taxes and penalties levied on owners and operators of major hazardous substances facilities. Fund balances are dedicated to hazardous substance cleanup costs, removal costs, research, the division’s administrative expenses, and payments of approved claims.

The decreased amount reflects the changes in anticipated cost-of-living adjustments, fringe benefit rates, and indirect expenses in FY 2018 when compared to FY 2017. These amounts are typically revised annually based on available revenues and cost projections.

EXPLANATION: FY 2017 language not recommended for FY 2018 denoted by strikethrough. Recommended FY 2018 language that did not appear in FY 2017 denoted by underlining.

Significant Language Changes (Cont'd)

Tidelands Peak Demands

Revision

2017 Handbook: p. B-70
2018 Budget: p. D-140

The amounts hereinabove appropriated for the Tidelands Peak Demands accounts are payable from receipts 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 ~~\$4,257,000~~ \$3,451,000 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

This recommended language provision charges to the dedicated, off-budget Fund for the Support of Free Public Schools: a) the \$4.5 million the Governor's FY 2018 Budget recommends appropriating to two Tidelands Peak Demands special purpose accounts (pages D-123 and D-138); and b) \$3.5 million for related other administrative expenses, including anticipated cost-of-living adjustments, fringe benefit rates, and indirect expenses. Created by Article VIII, Section IV, paragraph 2 of the New Jersey State Constitution, the Fund for the Support of Free Public Schools accumulates the proceeds from the sales, grants, leases, licensing, and rentals of State riparian lands and investment income earned on fund balances. The Constitution dedicates fund balances to the support of free public schools, and for the equal benefit of all the people of the State.

The decreased amount reflects predominantly the changes in anticipated cost-of-living adjustments, fringe benefit rates, and indirect expenses in FY 2018 when compared to FY 2017. These amounts are typically revised annually based on available revenues and cost projections.

Tidelands, also known as riparian lands, are lands that are currently and formerly flowed by the mean high tide of a natural waterway. The State claims ownership of these tidelands. Since tidelands are public lands, a written permission from the State and the payment of a fee are required in order to use these lands. Common uses of tidelands include docks, mooring piles, bulkheads and other fill materials. Some tidelands may be sold in the form of a Riparian Grant while others may only be rented through either a Tidelands License or Lease. The Tidelands Resource Council, a board of Governor-appointed volunteers, and the Bureau of Tidelands and Application Support in the DEP's Division of Land Use Regulation oversee all tidelands.

EXPLANATION: FY 2017 language not recommended for FY 2018 denoted by strikethrough.
Recommended FY 2018 language that did not appear in FY 2017 denoted by underlining.

Significant Language Changes (Cont'd)

State Recycling Fund

Addition

2017 Handbook: p. N/A
2018 Budget: p. F-10

87. Notwithstanding the provisions of any law or regulation to the contrary, there is appropriated \$12,000,000 from the State Recycling Fund to the General Fund as State revenue.

Explanation

This provision appropriates \$12 million from the State Recycling Fund to the General Fund for revenue to support the FY 2018 budget. 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 transfer is not expected to reduce spending in FY 2018 on recycling grants and other purposes to which the fund's revenues are dedicated.

EXPLANATION: FY 2017 language not recommended for FY 2018 denoted by strikethrough.
Recommended FY 2018 language that did not appear in FY 2017 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 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 2018 budget are encouraged to contact:

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