

13:1E-99.1 et al 4/27/87

LEGISLATIVE HISTORY CHECKLIST

NJSA: 13:1E-99.1 et al

(Anti-litter program-- establish in DEP)

CHAPTER 187

Laws Of: 1986

Bill No: A2262

Sponsor(s): Marsella and Hudak

Date Introduced: March 13, 1986

Committee: Assembly: Municipal Government

Senate: Energy & Environment; Revenue, Finance and Appropriations

Amended during passage: Yes Amendments during passage denoted by asterisks

Date of Passage: Assembly: June 30, 1986

Senate: October 9, 1986

Date of Approval: December 10, 1986

Following statements are attached if available:

Sponsor statement: Yes Attached: Assembly amendments, adopted 6-26-86 (with statement)

Committee statement: Assembly Yes
Senate Yes 9-22-86 & 10-2-86

Fiscal Note: No

Veto Message: No

Message on Signing: No

Following were printed:

Reports: No

Hearings: No

[THIRD OFFICIAL COPY REPRINT]

ASSEMBLY, No. 2262

STATE OF NEW JERSEY

INTRODUCED MARCH 13, 1986

By Assemblymen MARSELLA and HUDAK

AN ACT concerning litter abatement and removal, **amending P. L. 1981, c. 278* ***,*** amending and supplementing P. L. 1985, c. 533, and making an appropriation.*

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. Section 6 of P. L. 1985, c. 533 (C. 13:1E-99.1) is amended
2 to read as follows:

3 6. a. There is levied upon each person engaged in business in the
4 State as a manufacturer, wholesaler, or distributor of litter-gen-
5 erating products a tax of 3/100 of 1% (.0003) on sales of those
6 products within the State, and each person engaged in business in
7 the State as a retailer of litter-generating products a tax of
8 2.25/100 of 1% (.000225) on sales of those products within the
9 State, except any retailer with less than \$250,000.00 in annual re-
10 tail sales of litter-generating products is exempt from this tax.
11 A sale by a wholesaler or distributor to another wholesaler or dis-
12 tributor, a sale by a company to another company owned wholly
13 by the same individuals or companies, or a sale by a wholesaler or
14 distributor owned cooperatively by retailers to those retailers is
15 not subject to tax under this amendatory and supplementary act.
16 For the purposes of this amendatory and supplementary act, "re-
17 tailer" includes restaurants one of the principal activities of which
18 consists of selling for consumption off the premises of the restau-
19 rant a meal or food prepared and ready to be eaten.

20 *The tax on the sale of litter-generating products imposed by this*
21 *subsection shall expire December 31, 1991. However, this expira-*
22 *tion shall not affect any obligation, lien or duty to pay taxes which*

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill
is not enacted and is intended to be omitted in the law.

Matter printed in italics *thus* is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

*—Assembly committee amendments adopted May 8, 1986.

**—Assembly amendment adopted June 26, 1986.

***—Senate committee amendments adopted September 22, 1986.

****—Senate committee amendments adopted October 2, 1986.

23 *may be due with respect to the imposition of any levy, or interest*
 24 *or penalties which may accrue by virtue of any assessment, which*
 25 *may be made with respect to taxes levied for any taxable year or*
 26 *part of a taxable year, prior to January 1, 1992, nor shall this ex-*
 27 *piration affect the legal authority to assess and collect the taxes*
 28 *which may be due and payable under section 6 of P. L. 1985, c. 533*
 29 *(C. 13:1E-99.1), as the case may be, together with such interest*
 30 *and penalties as would accrue thereon under section 6 of P. L. 1985,*
 31 *c. 533 (C. 13:1E-99.1), nor shall this expiration invalidate any*
 32 *assessment or affect any proceeding for the enforcement thereof.*

33 b. On or before October 1, 1986, or in the case of a person com-
 34 mencing or opening a new place of business after that date, within
 35 30 days after the commencement or opening, every person subject
 36 to the tax imposed pursuant to this amendatory and supplementary
 37 act shall file with the director a certificate of registration on a
 38 form prescribed by the director. Any person who is registered
 39 under any law administered by the division or who is subject to
 40 and files returns under any of these laws shall not be required to
 41 comply with the [provisions] *provisions* of this subsection.

42 c. Every person subject to this tax shall, on or before March
 43 15, 1987, and on or before March 15 of each year thereafter, pre-
 44 pare and file a return, under oath, for the preceding calendar year
 45 with the director on forms and containing any information as the
 46 director shall prescribe. The return shall indicate the dollar value
 47 of the sales within the State of litter-generating products and at
 48 the same time the person shall pay the full amount of tax due.

49 d. If a return required by this amendatory and supplementary
 50 act is not filed, or if a return when filed is incorrect or insufficient
 51 in the opinion of the director, the amount of tax due shall be de-
 52 termined by the director from whatever information may be avail-
 53 able. Notice of the determination shall be given to the taxpayer
 54 liable for the payment of the tax. The determination shall finally
 55 and irrevocably fix the tax unless the person against whom it is
 56 assessed, within 30 days after receiving notice of the determina-
 57 tion, shall apply to the director for a hearing, or unless the direc-
 58 tor on his own motion shall redetermine the same. After the
 59 hearing the director shall give notice of his determination to the
 60 person to whom the tax is assessed.

61 e. Any taxpayer who shall fail to file his return when due or to
 62 pay any tax when the tax becomes due, as herein provided, shall
 63 be subject to such penalties and interest as provided in the "State
 64 Tax Uniform Procedure Law," R. S. 54:48-1 et seq. If the director
 65 determines that the failure to comply with any provision of this

66 section was excusable under the circumstances, he may remit any
 67 part of the penalty as shall be appropriate under the circumstances.

68 f. (1) Any person failing to file a return, failing to pay the tax,
 69 or filing or causing to be filed, or making or causing to be made, or
 70 giving or causing to be given any return, certificate, affidavit, rep-
 71 resentation, information, testimony or statement required or au-
 72 thorized by this amendatory and supplementary act, or rules or
 73 regulations adopted hereunder which is willfully false, or failing
 74 to keep any records required by this amendatory and supplemen-
 75 tary act or rules and regulations adopted hereunder which is will-
 76 fully false, or failing to keep any records required by this amenda-
 77 tory and supplementary act or rules and regulations adopted here-
 78 under, shall, in addition to any other penalties herein or elsewhere
 79 prescribed, be guilty of a crime of the fourth degree.

80 (2) The certificate of the director to the effect that a tax has not
 81 been paid, that a return has not been filed, that information has
 82 not been supplied or that inaccurate information has been supplied
 82A pursuant to the provisions of this amendatory and supplementary
 82B act or rules or regulations adopted hereunder shall be presumptive
 82C evidence of a violation thereof.

83 g. In addition to the other powers granted by this section, the
 84 director may:

85 (1) Delegate to any officer or employee of his division those
 86 powers and duties as he may deem necessary to carry out efficiently
 87 the provisions of this section, and the person or persons to whom
 88 the powers has been delegated shall possess and may exercise all
 89 of the powers and perform all of the duties delegated by the
 90 director;

91 (2) Prescribe and distribute all necessary forms for the imple-
 92 mentation of this section; and

93 (3) Adopt any rules and regulations necessary for the implemen-
 94 tation of this amendatory and supplementary act.

95 h. The tax imposed by this section shall be governed in all re-
 96 spects by the provisions of the "State Tax Uniform Procedure
 97 Law," R. S. 54:48-1 et seq., unless otherwise provided by a specific
 98 provision of this section.

1 2. Section 7 of P. L. 1985, c. 533 (C. 13:1E-99.2) is amended to
 2 read as follows:

3 7. The Clean Communities Account is established as a non-
 4 lapsing, revolving fund in the Department of the Treasury to carry
 5 out the purposes of this amendatory and supplementary act. The
 6 Clean Communities Account shall be administered by the **State**
 7 **Treasurer** *Department of Environmental Protection* and credited,

8 in addition to any appropriations made thereto, with all taxes and
 9 penalties levied or imposed pursuant to sections 6 and 10 of [this
 10 amendatory and supplementary act] *P. L. 1985, c. 533 (C. 13:1E-*
 11 *99.1 and 13:1E-99.5)*, and any sums received as voluntary contribu-
 12 tions from private sources. Interest received on moneys in the
 13 account shall be credited to the account. Moneys in the Clean
 14 Communities Account shall **commencing July 1, 1987** be allocated
 15 and used [as provided by law.] *for the following purposes and no*
 15A *others:*

16 a. *5% of the estimated annual balance of the account shall be*
 17 *used for a litter patrol program to employ youth from the State*
 18 *to pick up and remove litter from State owned places and areas*
 19 *that are accessible to the public;*

20 b. ****[90%]*** **50%*** of the estimated annual balance of*
 21 *the account shall be used for the annual expenses of providing*
 22 *grants to eligible municipalities with *[a population of 25,000,]**
 23 **total housing units of **[1,000]** ***[**100**]*** **200***, or*
 23A *more for litter pick up and removal programs* which employ youth,*
 23B *among others. ***The amount of these grants shall be calculated*
 24 *based on the proportion which the housing units of a qualifying*
 25 *municipality bears to the total housing units in the State. Total*
 26 *housing units shall be determined using the most recent federal*
 27 *decennial population estimates for New Jersey and its munici-*
 28 *palities filed in the office of the Secretary of State;*

29 c. *30% of the essential annual balance of the account shall be*
 30 *used for the annual expense of providing grants to eligible munici-*
 31 *palities with total housing units of 200 or more for litter pickup*
 32 *and removal programs which employ youth, among others. The*
 33 *amount of these grants shall be calculated based on the proportion*
 34 *which the municipal road mileage of a qualifying municipality*
 35 *bears to the total municipal road mileage within the State. For*
 36 *the purposes of this subsection, "municipal road mileage" means*
 37 *that road mileage under the jurisdiction of municipalities, as*
 38 *determined by the Department of Transportation;*

39 d. *10% of the estimated annual balance of the account shall be*
 40 *used for the annual expenses of providing grants to eligible*
 41 *counties for litter pickup and removal programs. The amount of*
 42 *these grants shall be calculated based on the proportion which the*
 43 *county road mileage of an eligible county bears to the total county*
 44 *road mileage within the State. For the purposes of this subsection,*
 45 *"county road mileage" means that road mileage under the jurisdic-*
 46 *tion of counties, as determined by the Department of Transporta-*
 47 *tion;****

48 **[To be eligible for a grant pursuant to this subsection, a munici-*

49 *pality or county shall demonstrate that the governing body thereof*
 50 *has adopted an ordinance or regulation or regional plan in con-*
 51 *formity with the purposes and provisions of this amendatory and*
 52 *supplementary act and is actively engaged in a litter pickup and*
 53 *removal program approved by the department. Approval shall*
 54 *not be granted]* ***e.*** *The Department of Environmental*
 55 *Protection shall develop model municipal ***and county*** litter*
 56 *control programs. To be eligible for a grant a municipality ***or*
 57 *county*** must certify to the Department of Environmental Pro-*
 58 *tection the adoption of one of the programs. Certification by the*
 59 *municipality ***or county*** of the enactment of an ordinance*
 60 ****or resolution or regional plan*** establishing one of the model*
 61 *programs allows the immediate distribution of funds.*
 62 ****[Each]*** ***Every county, and each*** municipality receiv-*
 63 *ing ***[\$30,000]*** ***\$30,000.00*** or more ***in grant*
 64 *funds,*** shall submit an annual report to the Department of*
 65 *Environmental Protection on the implementation of the model*
 66 *program and the expenditure of funds. Failure to submit a report*
 67 *or a satisfactory report will result in a denial of future funds and*
 68 *an obligation to return the funds received. A municipality receiv-*
 69 *ing less than ***[\$30,000]*** ***\$30,000.00*** in grant funds shall*
 70 *not be required to make an annual report, but shall maintain records*
 71 *of the use of the funds. The Department of Environmental Protec-*
 72 *tion shall not approve a municipal ***or county*** litter program**
 73 *unless (1) the plan provides new employment; (2) the plan*
 74 *demonstrates it is in addition to or supplements existing litter*
 75 *pickup and removal activities in the municipality ***or county,*
 76 *as the case may be*** * [or county, as the case may be]*; and (3)*
 77 ** [the county or]* the municipality ***or county*** certifies that*
 78 *that portion of the litter picked up with a grant made pursuant to*
 79 *this subsection which is recyclable shall be recycled. ***[The*
 80 *amount of these grants shall be calculated based on the proportion*
 81 *which the * [population]* *housing units* of a qualifying munici-*
 82 *pality * [or county]* bears to the total *housing units in the**
 83 *State * [population]*, except that no eligible municipality * [with*
 84 *a]* * [population of 3,000 or more]* shall receive less than 0.1%*
 85 *of the amount apportioned for this purpose. * [Population]**
 86 **Total housing units* shall be determined using the most recent*
 87 *federal decennial population estimates for New Jersey and its*
 88 *municipalities filed in the office of the Secretary of State*. No*
 89 *more than 3.5% of this fund shall be used for State administrative*
 90 *expenses. A municipality may use up to 5% of its grant for admin-*
 91 *istrative expenses*;*

92 c. 5% of the estimated annual balance of the account shall be
 93 used for a State public information module concerning antilitter-
 94 ing activities which shall be developed and distributed by the De-
 95 partment of Education for use Statewide in the State's school
 96 systems.*** **No eligible municipality shall receive less than
 97 \$4,000.00 in grant funds as apportioned pursuant to subsections b.
 98 and c. of this section. A municipality or county may use up to 5%
 99 of its grant for administrative expenses;

100 f. 5% of the estimated annual balance of the account shall be
 101 used by the department for State administrative expenses and a
 102 public information and education program concerning antilitter-
 103 ing activities.***

1 ***[3.** Section 9 of P. L. 1985, c. 533 (C. 13:1E-99.4) is amended
 2 to read as follows:

3 9. On or after January 1, 1987, **[No]** no beverage shall be sold
 3A within the State in a metal container designed and constructed so
 4 that the container is opened by detaching a metal ring or tab,
 5 except if the tab is made of tape, foil, or other soft material; or
 6 in metal beverage containers connected to each other by a separate
 7 device made of plastic which does not decompose by photodegrada-
 8 tion, chemical degradation, or biodegradation. For the purposes
 9 of this section, "beverage" means alcoholic beverages, including
 10 beer or other malt beverages, liquor, wine, vermouth and sparkling
 11 wine, and nonalcoholic beverages, including fruit juice, mineral
 12 water and soda water and similar nonalcoholic carbonated drinks
 13 intended for human consumption.]*

1 ***[4.]** *3.* Section 11 of P. L. 1985, c. 533 (C. 13:1E-99.6) is
 2 amended to read as follows:

3 11. The tax on the sale of litter-generating products imposed
 4 pursuant to subsection a. of section 6 of **[this amendatory and**
 5 **supplementary act]** P. L. 1985, c. 533 (C. 13:1E-99.1) shall not be
 6 due and payable if, and as long as, any State of New Jersey or
 7 federal law, or any rule or regulation adopted pursuant thereto,
 8 requiring a deposit on, or establishing a refund value for, any litter-
 9 generating products shall be in effect.

1 ***[5.]** *4.* Section 12 of P. L. 1985, c. 533 (C. 13:1E-99.7) is
 2 amended to read as follows:

3 12. Additional expenditures or incremental costs necessary and
 4 reasonably incurred by a municipality or county for the abatement
 5 and control of litter or any other antilittering activities as a direct
 6 result of the implementation of P. L. 1985, c. 533 (C. 13:1E-99.1
 7 et seq.) or P. L. , c. (C.) (now pending before
 8 the Legislature as this bill) shall, for the purposes of P. L. 1976,

9 c. 68 (C. 40A:4-45.1 et seq.), be considered expenditures mandated
10 by State law.

1 ***[6.]*** *5.* Section 15 of P. L. 1985, c. 533 is amended to read
2 as follows:

3 15. This act shall take effect 90 days following enactment
4 ******[and shall be retroactive to January 1, 1986]******. **[**subsection
5 a. of section 6 of this act shall expire December 31, 1989. However,
6 this shall not affect any obligation, lien or duty to pay taxes which
7 may be due with respect to the imposition of any levy, or interest or
8 penalties which may accrue by virtue of any assessment which may
9 be made with respect to taxes levied for any taxable year or part of
10 a taxable year, prior to January 1, 1990, nor shall this expiration
11 affect the legal authority to assess and collect the taxes which may
12 be due and payable under section 6 of P. L. 1985, c. 533 (C. 13:1E-
13 99.1), as the case may be, together with such interest and pen-
14 alties as would accrue thereon under section 6 of P. L. 1985, c. 533
15 (C. 13:1E-99.1), nor shall this provision invalidate any assessment
16 or affect any proceeding for the enforcement thereof.**]** The de-
17 partment and the division shall take any action necessary or ap-
18 propriate for the timely implementation of this amendatory and
19 supplementary act prior to its effective date.

1 *6. Section 3 of P. L. 1981, c. 278 (C. 13:1E-94) is amended to
2 read as follows:

3 3. As used in this act:

4 a. "Department" means the State Department of Environmental
5 Protection;

6 b. "Division" means the Division of Taxation in the Department
7 of the Treasury;

8 c. "Director" means the Director of the Division of Taxation in
9 the Department of the Treasury;

10 d. "Litter" means any used or unconsumed substance or waste
11 material which has been discarded whether made of aluminum,
12 glass, plastic, rubber, paper, or other natural or synthetic material,
13 or any combination thereof including, but not limited to, any bottle,
14 jar or can, or any top, cap or detachable tab of any bottle, jar or
15 can, any unlighted cigarette, cigar, match or any flaming or glow-
16 ing material or any garbage, trash, refuse, debris, rubbish, grass
17 clippings or other lawn or garden waste, newspaper, magazines,
18 glass, metal, plastic or paper containers or other packaging or
19 construction material but does not include the waste of the primary
20 processes of mining or other extraction processes, logging, saw-
21 milling, farming or manufacturing;

22 e. "Litter-generating products" means the following specific

23 goods which are produced, distributed, or purchased in disposable
 24 containers, packages or wrappings; or which are not usually sold
 25 in packages, containers, or wrappings but which are commonly
 26 discarded in public places; or which are of an unsightly or unsani-
 27 tary nature commonly thrown, dropped, discarded, placed, or
 28 deposited by a person on public property, or on private property
 29 not owned by him:

- 30 (1) Beer and other malt beverages;
- 31 (2) Cigarettes and tobacco products;
- 32 (3) Cleaning agents and toiletries;
- 33 (4) Distilled spirits;
- 34 (5) Food for human or pet consumption;
- 35 (6) Glass containers sold as such;
- 36 (7) Groceries;
- 37 (8) Metal containers sold as such;
- 38 (9) Motor vehicle tires;
- 39 (10) Newsprint and magazine paper stock;
- 40 (11) **[Nondrug drugstore]** *Drugstore* sundry products, *but not*
 41 *including prescription drugs ***or nonprescription drugs***;*
- 42 (12) Paper products and household paper;
- 43 (13) Plastic or fiber containers made of synthetic material and
 44 sold as such, but not including any container which is routinely
 45 reused, has a useful life of more than one year and is ordinarily
 46 sold empty at retail;
- 47 (14) Soft drinks and carbonated waters; and
- 48 (15) Wine;

49 f. "Litter receptacle" means a container suitable for the deposit-
 50 ing of litter**[.]**;

51 g. "Municipality" means any city, borough, town, township or
 52 village situated within the boundaries of this State;

53 h. "Public place" means any area that is used or held out for
 54 use by the public whether owned or operated by public or private
 55 interests;

56 i. "Recycling" means any process by which materials which
 57 would otherwise become solid waste are collected, separated or
 58 processed and returned to the economic mainstream in the form
 59 of raw materials or products;

60 j. "Sold within the State" or "sales within the State" means all
 61 sales of retailers engaged in business within the State and, in the
 62 case of manufacturers, wholesalers and distributors, all sales of
 63 products for use and consumption within the State. It shall be
 64 presumed that all sales of manufacturers, wholesalers and distribu-
 65 tors sold within the State are for use and consumption within the

66 State unless the taxpayer shows that the products are shipped out
67 of State for out-of-State use;

68 k. "Tax period" means every calendar month or any other
69 period as may be prescribed by rule and regulation adopted by
70 the director, on the basis of which the owner or operator of a
71 sanitary landfill facility is required to report to the director pur-
72 suant to this act;

73 l. "Taxpayer" means the owner or operator of a sanitary land-
74 fill facility or the manufacturer, wholesaler, distributor, or retailer
75 of litter-generating products subject to the tax provisions of sec-
76 tion 4 of P. L. 1981, c. 278 (C. 13:1E-95) or section 6 of P. L. 1985,
77 ***[c. 533 (C. 13:1E-92 et al.) (now pending before the Legisla-
78 ture as this Senate Reprint to this Assembly Committee Substitute
79 (OCR)), as the case may be].*** **c. 533 (C. 13:1E-99.1), as the
80 case may be.***

1 7. (New section) In addition to the duties and responsibilities
2 imposed pursuant to P. L. 1985, c. 533 (C. 13:1E-99.1 et seq.), the
3 Department of Environmental Protection shall:

4 a. Coordinate the various industry and business organizations
5 seeking to aid in the antilitter effort;

6 b. Recommend that local governing bodies adopt resolutions or
7 ordinances, as appropriate, in conformity with the purposes and
8 provisions of this amendatory and supplementary act and assist
9 these bodies in the preparation of these ordinances and resolu-
10 tions;

11 c. Encourage and cooperate with all local voluntary and govern-
12 ment antilitter campaigns attempting to focus public attention on
13 the State litter pickup and removal program;

14 d. Investigate the availability of, and apply for, funds available
15 from any private or public source to be used in the litter pickup
16 and removal program provided for in this amendatory and supple-
17 mentary act;

18 e. Investigate the successful methods of litter pickup and re-
19 moval programs in other states or jurisdictions, encourage the use
20 of litter receptacles, and evaluate their possible incorporation into
21 the New Jersey litter pickup and removal program*[*;*].*

22 *[*f. Conduct a litter survey within six months of the effective
23 date of this amendatory and supplementary act and annually
24 thereafter.]*

1 8. (New section) The department shall report to the Legislature
2 on its proposed plan of litter pickup and removal not later than
3 *[*one year]* *two years* after the effective date of this amenda-
4 tory and supplementary act, and, every 18 months thereafter, upon

5 the success of the plan in reducing litter in New Jersey, and any
6 recommendations for improvements.

1 9. (New section) The Departments of Environmental Protection
2 and Treasury may enter into contracts with other State agencies,
3 local agencies, or local governing bodies, and shall adopt, pursuant
4 to the "Administrative Procedure Act," P. L. 1968, c. 410 (C.
5 52:14B-1 et seq.), any rules and regulations necessary to imple-
6 ment the provisions of this amendatory and supplementary act
7 and the provisions of P. L. 1985, c. 533.

1 10. There is appropriated from the General Fund to the Depart-
2 ment of Environmental Protection the sum of \$95,000.00, ***[to**
3 implement the provisions of this amendatory and supplementary
4 act and the provisions of P. L. 1985, c. 533]* **for the purpose*
5 *of developing model antilitter programs**.

1 11. This act shall take effect immediately and shall be retro-
2 active to ******[January 1]****** **** *April 21***** 1986.

SOLID WASTE

Establishes an antilitter program in DEP, supported by the litter
tax imposed by P. L. 1985, c. 533; appropriates \$95,000.00 to DEP
from the General Fund to implement the provisions thereof.

Sponsor STATEMENT

This bill would establish an antilitter program, administered by the Department of Environmental Protection, and supported by the tax on the sale of litter-generating products imposed pursuant to P. L. 1985, c. 533. This tax is paid once a year beginning in 1987, and all revenues will be deposited in a special Clean Communities Account in the Department of Treasury.

The Department of Environmental Protection would use 90% of the moneys in the Clean Communities Account for grants to municipalities and counties for antilitter programs. Municipalities with a population of 25,000 or more would be eligible for a direct grant from the department; municipalities of under 25,000 would receive grants through their respective counties. Each municipality with a population over 3,000 shall receive at least .1% of the money in the fund. To receive an antilittering grant a county or municipality must show that the moneys will be used to supplement existing litter control activities, will create new jobs, and that any litter picked up with the grant moneys will be recycled if the litter is recyclable. Five percent of the fund will be used for antilitter programs for State-owned property, and five percent of the fund for antilitter education.

The bill extends the "sunset" provision of the tax on the sale of litter-generating products to December 31, 1991, thereby providing for a five-year antilitter program. The bill would also extend the effective date of the prohibition on the sale of beverages in a container with a detachable flip top, or metal beverage containers bound together by plastic ring binders imposed pursuant to P. L. 1985, c. 533 from April 21, 1986 to January 1, 1987, and would make this and other applicable provisions of P. L. 1985, c. 533 retroactive to January 1, 1986, thereby affording retailers a year to sell their inventories of such containers.

The bill appropriates \$95,000.00 to the Department of Environmental Protection to implement the Statewide antilitter program.

SOLID WASTE

Establishes an antilitter program in DEP, supported by the litter tax imposed by P. L. 1985, c. 533; appropriates \$95,000.00 to DEP from the General Fund to implement the provisions thereof.

ASSEMBLY MUNICIPAL GOVERNMENT COMMITTEE

Statement to

ASSEMBLY BILL NO. 2262 Aca

Date: May 8, 1986

The Assembly Municipal Government Committee favorably reports Assembly 2262 with amendments.

This bill establishes an anti-litter program, administered by the Department of Environmental Protection, and supported by the tax on the sale of litter generating products imposed pursuant to the "Clean Communities and Recycling Act," P.L. 1985, c.533. This tax is paid once a year beginning in 1987, and all revenues will be deposited in a special "Clean Communities Account" in the Department of the Treasury. The Division of Taxation has estimated the tax will generate between \$9.8 and \$11.0 million in annual revenues.

As amended by the Committee, the bill would require the Department of Environmental Protection to allocate 90% of the annual balance in the Clean Communities account for grants to municipalities with total housing units of 1,000 or more for litter pick up and removal programs. The Department of Environmental Protection would be required to develop model municipal litter control programs. To be eligible for a grant a municipality would have to enact an ordinance adopting one of the model programs.

The Department would not approve a program unless: (1) the plan provides new employment; (2) the plan is in addition to or supplements existing litter pick up and removal activities in the municipality; and (3) the municipality certifies that a portion of the litter picked up shall be recycled. The amount of the grants shall be based upon the proportion which the housing units in a qualifying municipality bears to the total housing units in the State as calculated by the most recent federal decennial population estimates.

Five percent of the balance in the Clean Communities account shall be used by the State to clean litter from State owned

places used by the public. The remaining five percent of this account shall be used for a State public information module concerning antilittering activities.

The bill extends the "sunset" provisions of the tax on the sale of litter-generating products to December 31, 1991. It makes the provision of P.L. 1985, c.533 retroactive to January 1, 1986, thereby affording retailers a year to sell their inventories of such containers. The bill appropriates \$95,000 to the Department of Environmental Protection for the purpose of developing model anti-litter programs. The bill also amends the "Recycling Act" P.L. 1981, c. 278 (C. 13:1E-91 et seq.) by excluding prescription drugs from the definition of litter-generating products; but includes drugstore sundry products.

SENATE ENERGY AND ENVIRONMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2262

[SECOND OFFICIAL COPY REPRINT]

with Senate committee amendments

STATE OF NEW JERSEY

DATED: SEPTEMBER 22, 1986

The Senate Energy and Environment Committee favorably reports Assembly Bill No. 2262 2nd OCR with Senate committee amendments.

This bill would amend and supplement P. L. 1985, c. 533, which imposed a tax on the sale of litter-generating products to provide funds to finance a Statewide antilitter program. As enacted, P. L. 1985, c. 533 did not establish an antilitter program, nor provide for the distribution of the revenues generated by the litter tax. Assembly Bill No. 2262 would establish an antilitter program, administered by the Department of Environmental Protection, and provide for the distribution of the litter tax revenues deposited in the Clean Communities Account in the Department of Treasury, commencing July 1, 1987.

Senate committee amendments proposed by the sponsor would distribute the revenues as follows: The Department of Environmental Protection would use 90% of the moneys in the Clean Communities Account for grants to municipalities and counties for antilitter programs. All municipalities with more than 200 housing units would receive a grant to finance local antilitter programs and activities. 50% of the estimated annual litter tax revenues would be used by the department to make grants to eligible municipalities on the basis of housing units, the amount of the grant reflecting the proportion which the housing units of a qualifying municipality bears to the total housing units in the State. Another 30% of the estimated annual revenues would be used by the department to make grants to eligible municipalities on the basis of road mileage, the amount of the grant reflecting the proportion which the municipal road mileage of a qualifying municipality bears to the total municipal road mileage within the State. No municipality

would receive less than \$4,000.00 in grant funds. 10% of the estimated revenues in the Clean Communities Account would be used by the department to make grants to counties on the basis of county road mileage, the amount of the grant reflecting the proportion which the county road mileage of a qualifying county bears to the total county road mileage within the State. A municipality or county may use up to 5% of its grant for administrative expenses. 5% of the moneys in the account would be used for antilitter programs for State-owned property, and 5% would be used by the department for administrative expenses and a public information and education program concerning antilittering activities.

To administer the Statewide antilitter program, the Department of Environmental Protection is directed to develop model municipal and county litter control programs, which a municipality or county must adopt to qualify for a grant. (The department is required to audit all county grants and each municipal grant of \$30,000.00 or more.) The department would only approve a municipal or county antilitter program which: (1) provides new employment; (2) would supplement existing antilitter activities; and (3) certifies that that portion of the litter picked up which is recyclable will be recycled.

The bill extends the "sunset" provision of the tax on the sale of litter-generating products to December 31, 1991, thereby providing for a five-year antilitter program. The bill also provides a "cap" exemption for municipalities and counties for the cost of litter control programs, and provides that the effective date of the litter tax imposed by P. L. 1985, c. 533 be retroactive to January 1, 1986. In addition, this bill clarifies that prescription and nonprescription drugs are not to be taxed as litter-generating products.

This bill also requires the Department of Environmental Protection to submit a report to the Legislature on its antilitter program within two years of the effective date of the bill, and every 18 months thereafter. The bill also appropriates \$95,000.00 to the department for the purpose of developing model antilitter programs.

Assembly Bill No. 2262 2nd OCR Sca is identical to Senate Bill No. 1943 Sca.

SENATE REVENUE, FINANCE AND APPROPRIATIONS
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 2262

[SECOND OFFICIAL COPY REPRINT]
with Senate committee amendments

STATE OF NEW JERSEY

DATED: OCTOBER 2, 1986

The Senate Revenue, Finance and Appropriations Committee reported this bill favorably, with amendments.

This bill, as amended, amends the supplements P. L. 1985, c. 533, which imposed a tax on the sale of litter-generating products to provide funds to finance a Statewide antilitter program, and established a Clean Communities Account in the Department of the Treasury for litter tax revenues. The litter tax statute contains only general directions as to the disbursement of tax revenues among local units and State programs, and does not provide for the development of Statewide standards for antilitter programs.

This bill provides that the Clean Communities Account will be administered by the Department of Environmental Protection, rather than the Department of the Treasury. The Department of Environmental Protection will use 90% of the estimated annual balance of the account for grants to municipalities and counties. Counties will receive 10% to be disbursed so as to reflect the proportion which road mileage under a county's jurisdiction bears to total State road mileage.

Municipalities with more than 200 housing units will receive 80%, in the following manner: (1) 50% to be disbursed so as to reflect the proportion which the number of housing units in a municipality bears to the total number of housing units in the State; and (2) 30% to be disbursed so as to reflect the proportion which road mileage under a municipality's jurisdiction bears to total Statewide road mileage. All qualified municipalities will receive at least \$4,000.00.

Of the remaining 10%, 5% will be used for antilitter programs on State property, and 5% for the department's administrative and public information expenses.

The bill requires the department to develop model municipal and county litter control programs, which a municipality or county must adopt to qualify for a grant. (The department is required to audit all county grants and each municipal grant of \$30,000.00 or more.) The

department shall only approve a municipal or county antilitter program which: (1) provides new employment; (2) would supplement existing antilitter activities; and (3) certifies that that portion of the litter picked up which is recyclable will be recycled. The department is to submit a report to the Legislature on its antilitter program within two years of the effective date of the bill, and every 18 months thereafter.

Further, the bill extends the "sunset" provision of the litter tax from December 31, 1989 to December 31, 1991, clarifies that county and municipal litter control expenditures are exempt from the local spending "caps," and provides that sales of both nonprescription and prescription drugs will be exempt from the tax.

COMMITTEE AMENDMENTS:

The committee amended this bill to delete the provision which would have made the tax on litter-generating products retroactive to January 1, 1986; instead, the tax remains effective April 21, 1986, as provided by the original legislation.

FISCAL IMPACT:

This bill appropriates \$95,000.00, from the General Fund, to the Department of Environmental Protection to develop model litter control programs for local units.

EA0045
SR-EA0050
TR-EA0050

ASSEMBLY Amendments

ADOPTED
JUN 26 1986

to

Manella

Assembly Bill No. 2262 OCR

Amend:

Page	Sec.	Line
4	2	23

Omit "1,000" insert "100"

STATEMENT

This amendment would lower the threshold for eligibility of municipalities for litter pickup and removal program grants from the Clean Communities Account established under P.L. 1985, c. 533 from municipalities with total housing units of 1,000 or more to 100 or more.

H. De
0050
O.K.