

Article VIII, Section II, Paragraph 6 New Jersey Constitution

LEGISLATIVE HISTORY CHECKLIST

Compiled by the NJ State Law Library

(Corporation Business Tax Revenues – recreation and conservation land funding)

New Jersey Constitution: Article VIII, Section II, Paragraph 6

BILL NO: ACR195

SPONSOR: McKeon, Roberts, Gordon, Manzo, Panter, Epps, Rooney, Chatzidakis, Gusciora, Watson Coleman, Fisher, Diegnan, McHose, Conaway, Conners, Burzichelli, Giblin, Wisniewski, Chivukula, Greenstein, Kenny, Littell, Smith, McNamara, Sweeney, Alder, Ciesla, Lance, Turner

DATE INTRODUCED: 6/1/2006

COMMITTEE: **Assembly:** Environment and Solid Waste; Budget
Senate: Environment; Budget and Appropriations

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** 7/8/2006

SENATE: 7/8/2006

FILED WITH SECRETARY OF STATE: 7/10/2006

DATE OF ADOPTION: 11/4/2006

EFFECTIVE: 12/4/2006

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Introduced bill enacted) Yes

SPONSOR'S STATEMENT: Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

SENATE: Yes

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext. 103 or <mailto:refdesk@njstatelib.org>.

REPORTS: No

HEARINGS:

No

974.90 Public hearing before Assembly Environment and Solid Waste Committee [on] Assembly concurrent
T235 resolution no. 195 : proposes constitutional amendment to authorize use of dedicated corporation business
2006a tax revenues for funding development of land for recreation and conservation purposes, changes existing
allocation percentages : [June 15, 2006, Trenton, New Jersey]

NEWSPAPER ARTICLES:

Yes

Hester, Tom Jr., Associated Press. "N.J. VOTERS TO DECIDE THREE BALLOT QUESTIONS." *Press of Atlantic City, The (NJ)*, October 9, 2006: A1.

"Vote 'Yes' on question No. 2." *Independent Press (Summit - Berkeley Heights - New Providence, NJ)*, October 11, 2006: F12.

SCHWANEBERG, ROBERT. "Ballot questions look very voter-friendly Proposals targeting park and transit repairs, property tax reform have Trenton's blessing." *Star-Ledger, The (Newark, NJ)*, October 31, 2006: 16.

Statehouse Bureau, PETE McALEER. "CAMPAIGN 2006 / FLYING MUD PEPPERED WITH NUGGETS OF TRUTH." *Press of Atlantic City, The (NJ)*, November 5, 2006: A1.

"New Jersey Public Questions." *Times, The (Trenton, NJ)*, November 5, 2006: H04.

Reports, From Staff. "Voters to mull open space, tax questions." *Today's Sunbeam (Salem, NJ)*, November 5, 2006.

"Weighing in on public questions." *Trentonian, The (Trenton, NJ)*, November 6, 2006.

KA

**ASSEMBLY CONCURRENT
RESOLUTION No. 195**

**STATE OF NEW JERSEY
212th LEGISLATURE**

INTRODUCED JUNE 1, 2006

Sponsored by:

Assemblyman JOHN F. MCKEON

District 27 (Essex)

Assemblyman JOSEPH J. ROBERTS, JR.

District 5 (Camden and Gloucester)

Assemblyman ROBERT M. GORDON

District 38 (Bergen)

Assemblyman LOUIS M. MANZO

District 31 (Hudson)

Assemblyman MICHAEL J. PANTER

District 12 (Mercer and Monmouth)

Assemblyman CHARLES T. EPPS, JR.

District 31 (Hudson)

Assemblyman JOHN E. ROONEY

District 39 (Bergen)

Assemblyman LARRY CHATZIDAKIS

District 8 (Burlington)

SYNOPSIS

Proposes Constitutional Amendment to authorize use of dedicated Corporation Business Tax Revenues for funding acquisition and development of land by the State for recreation and conservation purposes; changes existing allocation percentages.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 6/2/2006)

1 A **CONCURRENT RESOLUTION** proposing to amend Article VIII,
2 Section II, paragraph 6 of the Constitution of the State of New
3 Jersey.

4
5 **BE IT RESOLVED** by the General Assembly of the State of New
6 Jersey (the Senate concurring):

7
8 1. The following proposed amendment to the Constitution is
9 agreed to:

10
11 PROPOSED AMENDMENT

12
13 Amend Article VIII, Section II, paragraph 6 to read as follows:

14 6. There shall be credited annually to a special account in the
15 General Fund an amount equivalent to 4% of the revenue annually
16 derived from the tax imposed pursuant to the "Corporation Business
17 Tax Act (1945)," P.L.1945, c.162 (C.54:10A-1 et seq.), as amended
18 and supplemented, or any other State law of similar effect.

19 The amount annually credited pursuant to this paragraph shall be
20 dedicated and shall be appropriated from time to time by the
21 Legislature only for the following purposes: paying or financing
22 costs incurred by the State for the remediation of discharges of
23 hazardous substances, which costs may include performing
24 necessary operation and maintenance activities relating to remedial
25 actions and costs incurred for providing alternative sources of
26 public or private water supplies, when a water supply has been, or is
27 suspected of being, contaminated by a hazardous substance
28 discharge; providing funding, including the provision of loans or
29 grants, for the upgrade, replacement, or closure of underground
30 storage tanks that store or were used to store hazardous substances,
31 and for the costs of remediating any discharge therefrom; providing
32 funding, including the provision of loans or grants, for the costs of
33 the remediation of discharges of hazardous substances, which costs
34 may include costs incurred for providing alternative sources of
35 public or private water supplies, when a water supply has been, or is
36 suspected of being, contaminated by a hazardous substance
37 discharge; for paying or financing the cost of water quality point
38 and nonpoint source pollution monitoring, watershed based water
39 resource planning and management, and nonpoint source pollution
40 prevention projects; [and] for providing grants for the costs of air
41 pollution control equipment to reduce the levels of particulate
42 matter emissions from diesel-powered engines, and for funding for
43 other measures to reduce human exposure to those emissions ; and
44 for providing funding for the acquisition and development of lands
45 by the State for recreation and conservation purposes, and to satisfy

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 underlined thus is new matter.

1 any payments relating to bonds, notes, or other obligations,
2 including refunding bonds, issued by an authority or similar entity
3 established by law to provide funding for the acquisition and
4 development of lands for recreation and conservation purposes.

5 It shall not be competent for the Legislature, under any pretense
6 whatever, to borrow, appropriate, or use the amount credited to the
7 special account pursuant to this paragraph, or any portion thereof,
8 for any purpose or in any manner other than as enumerated in this
9 paragraph. It shall not be competent for the Legislature, under any
10 pretense whatever, to borrow, appropriate, or use the amount
11 credited to the special account pursuant to this paragraph, or any
12 portion thereof, for the payment of the principal or interest on any
13 general obligation bond that was approved by the voters prior to
14 this paragraph becoming part of this Constitution.

15 (a) A minimum of [one-sixth] ten percent of the amount
16 annually credited pursuant to this paragraph, or a minimum of an
17 amount equal to \$5,000,000.00 per year, whichever is less, shall be
18 dedicated, and shall be appropriated from time to time by the
19 Legislature, only for paying or financing the cost of water quality
20 point and nonpoint source pollution monitoring, watershed based
21 water resource planning and management, and nonpoint source
22 pollution prevention projects.

23 (b) A minimum of [one-third] twenty-five percent of the
24 amount annually credited pursuant to this paragraph shall be
25 dedicated, and shall be appropriated from time to time by the
26 Legislature, only for providing funding, including the provision of
27 loans or grants, for the upgrade, replacement, or closure of
28 underground storage tanks that store or were used to store
29 hazardous substances, and for the costs of remediating any
30 discharge therefrom, and for providing funding, including the
31 provision of loans or grants, for the costs of the remediation of
32 discharges of hazardous substances, which costs may include costs
33 incurred for providing alternative sources of public or private water
34 supplies, when a water supply has been, or is suspected of being,
35 contaminated by a hazardous substance discharge. Of any amount
36 dedicated pursuant to this subparagraph (b) but not expended prior
37 to January 1, 2004, fifty percent of that amount shall be expended
38 on funding for the upgrade, replacement, or closure of underground
39 storage tanks that store or were used to store hazardous substances,
40 and for the costs of remediating any discharge therefrom, and fifty
41 percent shall be expended on funding the costs of the remediation of
42 discharges of hazardous substances, including costs incurred for
43 providing alternative sources of public or private water supplies,
44 when a water supply has been, or is suspected of being,
45 contaminated by a hazardous substance discharge.

46 Commencing January 1, 2004 and ending December 31, 2005,
47 fifty percent of the moneys dedicated pursuant to this subparagraph
48 (b) shall be appropriated for funding the upgrade, replacement, or

1 closure of underground storage tanks that store or were used to
2 store hazardous substances, and for the costs of remediating any
3 discharge therefrom, and fifty percent shall be appropriated for
4 funding the costs of the remediation of discharges of hazardous
5 substances, which costs may include costs incurred for providing
6 alternative sources of public or private water supplies, when a water
7 supply has been, or is suspected of being, contaminated by a
8 hazardous substance discharge.

9 Commencing January 1, 2006 and ending December 31, 2021,
10 [forty] twenty percent of the moneys dedicated pursuant to this
11 subparagraph (b) shall be appropriated for funding the upgrade,
12 replacement, or closure of underground storage tanks that store or
13 were used to store hazardous substances, and for the costs of
14 remediating any discharge therefrom, and [sixty] eighty percent
15 shall be appropriated for funding the costs of the remediation of
16 discharges of hazardous substances, which costs may include costs
17 incurred for providing alternative sources of public or private water
18 supplies, when a water supply has been, or is suspected of being,
19 contaminated by a hazardous substance discharge.

20 Commencing January 1, 2004, up to \$2,000,000.00 per year,
21 which shall be taken from the amount appropriated pursuant to this
22 subparagraph (b) for the costs of the remediation of discharges of
23 hazardous substances, may be expended for the costs of a State
24 underground storage tank inspection program, which costs may
25 include the direct but not indirect program administrative costs
26 incurred by the State for the employment of inspectors and a
27 compliance and enforcement staff, and the purchase of vehicles and
28 equipment necessary for the implementation thereof.

29 All moneys derived from repayments of any loan issued from the
30 amount dedicated pursuant to this subparagraph (b) shall be
31 dedicated, and shall be appropriated from time to time by the
32 Legislature, only for the purposes authorized pursuant to this
33 subparagraph (b). The dedication of moneys derived from loan
34 repayments shall not expire.

35 Except for moneys that may be expended for the costs of a State
36 underground storage tank inspection program, and except for
37 amounts that may be appropriated from time to time by the
38 Legislature on or after January 1, 2006, but not to exceed
39 \$1,000,000 annually, to administer programs to provide loans and
40 grants for the upgrade, replacement, or closure of underground
41 storage tanks that store or were used to store hazardous substances,
42 no moneys appropriated pursuant to this subparagraph (b) may be
43 expended on any direct or indirect administrative costs of the State
44 or any of its departments, agencies, or authorities.

45 Commencing January 1, 2006, funding for administrative costs
46 for programs to provide loans and grants for the upgrade,
47 replacement, or closure of underground storage tanks that store or
48 were used to store hazardous substances may be appropriated from

1 time to time by the Legislature from the amount dedicated pursuant
2 to this subparagraph (b) for those purposes in an amount not to
3 exceed \$1,000,000 in any year.

4 No moneys appropriated pursuant to this subparagraph (b) may
5 be expended on any upgrade, replacement, or closure of any
6 underground storage tank, or for the remediation of any discharge
7 therefrom, for any underground storage tank owned by the State or
8 any of its departments, agencies, or authorities, or for costs incurred
9 by the State for the remediation of discharges of hazardous
10 substances.

11 Commencing on January 1, 2022, the moneys dedicated pursuant
12 to this subparagraph (b) may be appropriated from time to time by
13 the Legislature: for providing funding, including the provision of
14 loans or grants, for the upgrade, replacement, or closure of
15 underground storage tanks that store or were used to store
16 hazardous substances, and for the costs of remediating any
17 discharge therefrom; for providing funding, including the provision
18 of loans or grants, for the costs of the remediation of discharges of
19 hazardous substances, which costs may include costs incurred for
20 providing alternative sources of public or private water supplies,
21 when a water supply has been, or is suspected of being,
22 contaminated by a hazardous substance discharge; or for the costs
23 of a State underground storage tank inspection program, in an
24 amount up to \$2,000,000.00 per year.

25 The Legislature may appropriate after January 1, 2006, an
26 amount not to exceed \$10,000,000, of any of the amounts
27 appropriated in any fiscal year ending before July 1, 2005, made for
28 the purpose of the provision of loans or grants, for the upgrade,
29 replacement, or closure of underground storage tanks that store or
30 were used to store hazardous substances, and for the costs of
31 remediating any discharge therefrom, and not expended for that
32 purpose prior to the end of the fiscal year ending on June 30, 2005,
33 for the purpose set forth in subparagraph (d) of this paragraph.

34 (c) Commencing January 1, 2006 [and ending December 31,
35 2015], a minimum of thirty-three percent of the amount annually
36 credited pursuant to this paragraph shall be dedicated, and shall be
37 appropriated from time to time by the Legislature, only for paying
38 or financing costs incurred by the State for the remediation of
39 discharges of hazardous substances, which costs may include
40 performing necessary operation and maintenance activities relating
41 to remedial actions and costs incurred for providing alternative
42 sources of public or private water supplies, when a water supply has
43 been, or is suspected of being, contaminated by a hazardous
44 substance discharge. [Commencing January 1, 2016, a minimum of
45 one-half of the amount annually credited pursuant to this paragraph
46 shall be dedicated for the purposes of this subparagraph (c).] No
47 moneys appropriated pursuant to this subparagraph (c) may be
48 expended for any indirect administrative costs of the State, its

1 departments, agencies, or authorities. No more than nine percent of
2 the moneys annually credited pursuant to this paragraph, which
3 shall be taken from the amount dedicated pursuant to this
4 subparagraph (c), may be expended for any direct program
5 administrative costs of the State, its departments, agencies, or
6 authorities. If the Legislature dedicates for the purposes of this
7 subparagraph (c) any moneys above the minimum that is required to
8 be dedicated pursuant to this subparagraph (c), those moneys may
9 not be expended for any direct or indirect administrative costs of
10 the State, its departments, agencies, or authorities.

11 (d) Commencing January 1, 2006 and ending December 31,
12 2015, a minimum of seventeen percent of the amount annually
13 credited pursuant to this paragraph shall be dedicated, and shall be
14 appropriated from time to time by the Legislature, only for
15 providing grants for the costs of air pollution control equipment to
16 reduce the levels of particulate matter emissions from diesel-
17 powered engines, funding for other measures to reduce human
18 exposure to those emissions, and funding for those program
19 administrative costs as provided in this subparagraph. No more
20 than \$1,150,000 per year of the amount dedicated pursuant to this
21 subparagraph (d) may be expended for program administrative costs
22 of the State, its departments, agencies, or authorities for
23 implementing the provisions of this subparagraph (d), and for
24 regulating particulate matter emissions from diesel-powered
25 engines.

26 Any amount dedicated and appropriated pursuant to this
27 subparagraph (d) but not expended prior to January 1, 2016 shall be
28 dedicated and may be appropriated from time to time by the
29 Legislature for the purposes authorized in subparagraph (c) of this
30 paragraph.

31 (e) A minimum of fifteen percent of the amount annually
32 credited pursuant to this paragraph shall be dedicated, and shall be
33 appropriated from time to time by the Legislature, only for
34 providing funding for the development of lands owned by the State,
35 including improvement, construction, renovation or repair, for
36 recreation and conservation purposes, and to satisfy any payments
37 relating to bonds, notes, or other obligations, including refunding
38 bonds, issued by an authority or similar entity established by law to
39 provide funding for the development of lands owned by the State
40 for recreation and conservation purposes.

41 The authority or other similar entity established by law as
42 described in this subparagraph (e) shall be the same authority or
43 entity established for the purposes of Article VIII, Section II,
44 paragraph 7 of the State Constitution.

45 (f) Commencing January 1, 2016, a minimum of seventeen
46 percent of the amount annually credited pursuant to this paragraph
47 shall be dedicated, and shall be appropriated from time to time by
48 the Legislature, only for the acquisition of lands by the State for

1 recreation and conservation purposes, and to satisfy any payments
2 relating to bonds, notes, or other obligations, including refunding
3 bonds, issued by an authority or similar entity established by law to
4 provide funding, for the acquisition of lands by the State for
5 recreation and conservation purposes.

6 The authority or other similar entity established by law as
7 described in this subparagraph (f) shall be the same authority or
8 entity established for the purposes of Article VIII, Section II,
9 paragraph 7 of the State Constitution.

10 (cf: Article VIII, Section II, par.6, effective December 8, 2005)

11

12 2. When this proposed amendment to the Constitution is finally
13 agreed to pursuant to Article IX, paragraph 1 of the Constitution, it
14 shall be submitted to the people at the next general election
15 occurring more than three months after the final agreement and
16 shall be published at least once in at least one newspaper of each
17 county designated by the President of the Senate, the Speaker of the
18 General Assembly and the Attorney General, not less than three
19 months prior to the general election.

20

21 3. This proposed amendment to the Constitution shall be
22 submitted to the people at that election in the following manner and
23 form:

24 There shall be printed on each official ballot to be used at the
25 general election, the following:

26 a. In every municipality in which voting machines are not used, a
27 legend which shall immediately precede the question as follows:

28 If you favor the proposition printed below make a cross (X), plus
29 (+), or check (✓) in the square opposite the word "Yes." If you are
30 opposed thereto make a cross (X), plus (+) or check (✓) in the
31 square opposite the word "No."

32 b. In every municipality the following question:

1

	<p>YES</p>	<p>CONSTITUTIONAL AMENDMENT TO EXPAND USES OF DEDICATED TAX REVENUES TO FUND ACQUISITION AND DEVELOPMENT OF LANDS BY THE STATE FOR RECREATION AND CONSERVATION PURPOSES</p> <p>Shall the amendment to Article VIII, Section II, paragraph 6 of the Constitution of the State of New Jersey, expanding the authorized uses of the constitutionally dedicated Corporation Business Tax Revenue, beginning on January 1, 2007, to allow the use of 15% of the dedicated funds to fund the development of lands owned by the State for recreation and conservation purposes, and beginning on January 1, 2016, allow the use of an additional 17% of the dedicated funds to pay for the acquisition of lands by the State for recreation and conservation purposes, be approved?</p>
--	------------	---

1

	NO	<p style="text-align: center;">INTERPRETIVE STATEMENT</p> <p>Since 1996, 4% of the annual revenue from the Corporation Business Tax has been constitutionally dedicated to fund environmental programs. Approval of this constitutional amendment would (1) expand the authorized uses of those revenues to fund the acquisition and development of lands by the State for recreation and conservation purposes, and to pay debt that may be incurred from the issuance of bonds for those purposes, and (2) change the allocation of funds for the existing authorized uses. The Constitution currently allocates 33% for hazardous discharge cleanup performed by the State, 17% for grants for air pollution control programs until 2016, a minimum of one-sixth or a minimum of \$5,000,000 for water quality projects, and a minimum of one-third for funding loans or grants for underground storage tank programs and loans or grants for hazardous discharge remediation programs, and for an underground storage tank inspection program.</p> <p>This constitutional amendment would (1) authorize 15% to be used to finance the development, including the improvement, construction, renovation or repair, of facilities on lands owned by the State, for recreation and conservation purposes, (2) authorize an additional 17%, beginning in January 1, 2016, to be used to finance the acquisition of lands by the State for recreation and conservation purposes, (3) reduce the allocation for water quality projects from one-sixth, or 16.66%, per year, to 10% per year, (4) reduce the allocation for funding underground storage tank programs and hazardous discharge remediation programs from one-third to 25% per year by reducing that portion dedicated for underground storage tank programs from 13.33% to 5% of the total constitutionally dedicated amount, and maintaining the portion dedicated for hazardous discharge remediation programs at 20% of the total constitutionally dedicated amount, and (5) reallocate the 17% currently dedicated for air pollution control programs that was scheduled to be used for hazardous discharge cleanup by the State in 2016 to State land acquisition instead.</p>
--	----	--

2

STATEMENT

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43

This proposed amendment to the New Jersey Constitution would amend Article VIII, Section II, paragraph 6, to expand the authorized uses of the constitutionally dedicated Corporation Business Tax Revenue, to allow the use of 15% of the dedicated funds to finance the development of facilities on lands owned by the State for recreation and conservation purposes, and beginning on January 1, 2016, to allow the use of an additional 17% of the dedicated funds to finance the acquisition of lands by the State for recreation and conservation purposes. The amount allocated for land acquisition and development by the State could also be used to pay debt on bonds issued by the Garden State Preservation Trust for the acquisition and development of lands by the State for recreation and conservation purposes.

Since 1996, 4% of the annual revenue from the Corporation Business Tax has been constitutionally dedicated to fund environmental programs. The Constitution currently allocates 33% for hazardous discharge cleanup performed by the State, 17% for grants for air pollution control programs until 2016, a minimum of one-sixth or a minimum of \$5,000,000 for water quality projects, and a minimum of one-third for funding loans or grants for underground storage tank programs and loans or grants for hazardous discharge remediation programs, and for an underground storage tank inspection program.

This constitutional amendment would (1) authorize 15% to be used for financing the development, including the improvement, construction, renovation or repair, of facilities on lands owned by the State, for recreation and conservation purposes, (2) authorize an additional 17%, beginning in January 1, 2016, to be used for financing the acquisition of lands by the State for recreation and conservation purposes, (3) reduce the allocation for water quality projects from one-sixth, or 16.66%, per year, to 10% per year, (4) reduce the allocation for funding underground storage tank programs and hazardous discharge remediation programs from one-third to 25% per year by reducing that portion dedicated for underground storage tank programs from 13.33% to 5% of the total constitutionally dedicated amount, while maintaining the portion dedicated for hazardous discharge remediation programs at 20% of the total constitutionally dedicated amount, and (5) reallocate the 17% currently dedicated for air pollution control programs that was scheduled to be used for hazardous discharge cleanup by the State in 2016, to State land acquisition instead.

ASSEMBLY BUDGET COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR ASSEMBLY CONCURRENT RESOLUTION No. 195

STATE OF NEW JERSEY

DATED: JUNE 1, 2006

The Assembly Budget Committee reports favorably Assembly Concurrent Resolution No. 195 (ACS).

This concurrent resolution proposes to amend Article VIII, Section II, paragraph 6 of the New Jersey Constitution to expand the authorized uses of the constitutionally dedicated corporation business tax revenue.

That provision currently dedicates four percent of the revenues derived from the corporation business tax to environmental remediation, protection, control and planning. This proposed amendment to the Constitution authorizes the use of 15% of the dedicated funds to finance the development of lands (such as, for example, the improvement, construction, renovation, or repair of facilities) for recreation and conservation purposes, and beginning on January 1, 2016, authorizes the use of an additional 17% of the dedicated funds for the same purpose. The amount allocated for development of lands for recreation and conservation purposes could also be used to pay debt on bonds issued by the Garden State Preservation Trust for those purposes.

This constitutional amendment:

(1) authorizes 15% to be used to finance improvements and facilities for recreation and conservation purposes on parks and other preserved open space lands;

(2) authorizes an additional 17%, beginning January 1, 2016, to be used for that purpose by reallocating monies currently scheduled beginning on that date to be used for State hazardous discharge cleanups;

(3) reduces the allocation for water quality projects from one-sixth (or 16.66%) per year, to 15% per year;

(4) reduces the allocation for hazardous discharge cleanup performed by the State from 33% to 28% per year; and

(5) reduces the allocation for underground storage tank programs and hazardous discharge remediation programs from one-third to 25% per year, but provide that if the previously dedicated underground storage tank balance falls below \$20 million in a fiscal year, then 55%

of the 25% allocation would be appropriated for underground storage tank programs the following year.

Since 1996, 4% of the annual revenue from the corporation business tax has been constitutionally dedicated to fund environmental programs. The Constitution currently allocates 33% for hazardous discharge cleanup performed by the State, 17% for grants for air pollution control programs until 2016, a minimum of one-sixth (or 16.66%) or a minimum of \$5 million for water quality projects, and a minimum of one-third for funding loans or grants for underground storage tank programs and loans or grants for hazardous discharge remediation programs, and for an underground storage tank inspection program.

This proposed amendment to the Constitution, if approved by the voters, expands the authorized uses of the constitutionally dedicated corporation business tax revenue, to allow the use of 15% of the dedicated funds to fund the development of lands for recreation and conservation purposes, and beginning on January 1, 2016, allow the use of an additional 17% of the dedicated funds for the same purpose.

FISCAL IMPACT:

The proposed amendment to the Constitution does not increase or decrease taxes or increase or decrease the amount of corporation business tax dedicated to the development of lands for recreation and conservation purposes. The proposed amendment to the Constitution changes the allocations.

ASSEMBLY ENVIRONMENT AND SOLID WASTE
COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY CONCURRENT RESOLUTION No. 195

STATE OF NEW JERSEY

DATED: JUNE 1, 2006

The Assembly Environment and Solid Waste Committee reports favorably an Assembly Committee Substitute for Assembly Concurrent Resolution No. 195.

This committee substitute proposes to amend Article VIII, Section II, paragraph 6 of the New Jersey Constitution to expand the authorized uses of the constitutionally dedicated Corporation Business Tax Revenue. This proposed amendment to the Constitution would authorize the use of 15% of the dedicated funds to finance the development of lands (such as, for example, the improvement, construction, renovation, or repair of facilities) for recreation and conservation purposes, and beginning on January 1, 2016, authorize the use of an additional 17% of the dedicated funds for the same purpose. The amount allocated for development of lands for recreation and conservation purposes could also be used to pay debt on bonds issued by the Garden State Preservation Trust for those purposes.

This constitutional amendment would:

(1) authorize 15% to be used to finance improvements and facilities for recreation and conservation purposes on parks and other preserved open space lands;

(2) authorize an additional 17%, beginning January 1, 2016, to be used for that purpose by reallocating monies currently scheduled beginning on that date to be used for State hazardous discharge cleanups;

(3) reduce the allocation for water quality projects from one-sixth (or 16.66%) per year, to 15% per year;

(4) reduce the allocation for hazardous discharge cleanup performed by the State from 33% to 28% per year; and

(5) reduce the allocation for underground storage tank programs and hazardous discharge remediation programs from one-third to 25% per year, but provide that if the previously dedicated underground storage tank balance falls below \$20 million in a fiscal year, then 55% of the 25% allocation would be appropriated for underground storage tank programs the following year.

Since 1996, 4% of the annual revenue from the Corporation Business Tax has been constitutionally dedicated to fund environmental programs. The Constitution currently allocates 33% for hazardous discharge cleanup performed by the State, 17% for grants for air pollution control programs until 2016, a minimum of one-sixth (or 16.66%) or a minimum of \$5 million for water quality projects, and a minimum of one-third for funding loans or grants for underground storage tank programs and loans or grants for hazardous discharge remediation programs, and for an underground storage tank inspection program.

This proposed amendment to the Constitution, if approved by the voters, would expand the authorized uses of the constitutionally dedicated Corporation Business Tax Revenue, to allow the use of 15% of the dedicated funds to fund the development of lands for recreation and conservation purposes, and beginning on January 1, 2016, allow the use of an additional 17% of the dedicated funds for the same purpose.

**SENATE CONCURRENT
RESOLUTION No. 105**

STATE OF NEW JERSEY

212th LEGISLATURE

INTRODUCED MAY 18, 2006

Sponsored by:

Senator BERNARD F. KENNY, JR.

District 33 (Hudson)

Senator ROBERT E. LITTELL

District 24 (Sussex, Hunterdon and Morris)

Co-Sponsored by:

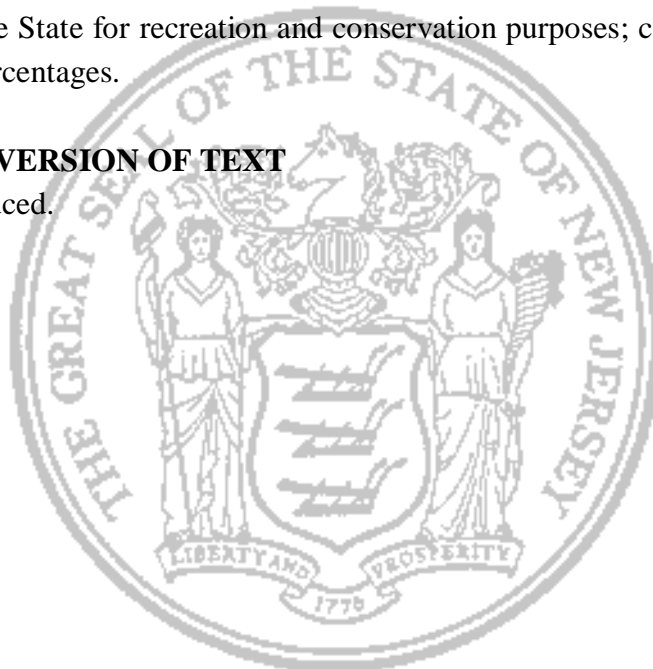
Senator Lance

SYNOPSIS

Proposes Constitutional Amendment to authorize use of dedicated Corporation Business Tax Revenues for funding acquisition and development of land by the State for recreation and conservation purposes; changes existing allocation percentages.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/9/2006)

1 A **CONCURRENT RESOLUTION** proposing to amend Article VIII,
2 Section II, paragraph 6 of the Constitution of the State of New
3 Jersey.

4
5 **BE IT RESOLVED** by the Senate of the State of New Jersey (the
6 General Assembly concurring):

7
8 1. The following proposed amendment to the Constitution is
9 agreed to:

10
11 PROPOSED AMENDMENT

12
13 Amend Article VIII, Section II, paragraph 6 to read as follows:

14 6. There shall be credited annually to a special account in the
15 General Fund an amount equivalent to 4% of the revenue annually
16 derived from the tax imposed pursuant to the "Corporation Business
17 Tax Act (1945)," P.L.1945, c.162 (C.54:10A-1 et seq.), as amended
18 and supplemented, or any other State law of similar effect.

19 The amount annually credited pursuant to this paragraph shall be
20 dedicated and shall be appropriated from time to time by the
21 Legislature only for the following purposes: paying or financing
22 costs incurred by the State for the remediation of discharges of
23 hazardous substances, which costs may include performing
24 necessary operation and maintenance activities relating to remedial
25 actions and costs incurred for providing alternative sources of
26 public or private water supplies, when a water supply has been, or is
27 suspected of being, contaminated by a hazardous substance
28 discharge; providing funding, including the provision of loans or
29 grants, for the upgrade, replacement, or closure of underground
30 storage tanks that store or were used to store hazardous substances,
31 and for the costs of remediating any discharge therefrom; providing
32 funding, including the provision of loans or grants, for the costs of
33 the remediation of discharges of hazardous substances, which costs
34 may include costs incurred for providing alternative sources of
35 public or private water supplies, when a water supply has been, or is
36 suspected of being, contaminated by a hazardous substance
37 discharge; for paying or financing the cost of water quality point
38 and nonpoint source pollution monitoring, watershed based water
39 resource planning and management, and nonpoint source pollution
40 prevention projects; **[and]** for providing grants for the costs of air
41 pollution control equipment to reduce the levels of particulate
42 matter emissions from diesel-powered engines, and for funding for
43 other measures to reduce human exposure to those emissions ; and
44 for providing funding for the acquisition and development of lands
45 by the State for recreation and conservation purposes, and to satisfy

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 underlined thus is new matter.

1 any payments relating to bonds, notes, or other obligations,
2 including refunding bonds, issued by an authority or similar entity
3 established by law to provide funding for the acquisition and
4 development of lands for recreation and conservation purposes.

5 It shall not be competent for the Legislature, under any pretense
6 whatever, to borrow, appropriate, or use the amount credited to the
7 special account pursuant to this paragraph, or any portion thereof,
8 for any purpose or in any manner other than as enumerated in this
9 paragraph. It shall not be competent for the Legislature, under any
10 pretense whatever, to borrow, appropriate, or use the amount
11 credited to the special account pursuant to this paragraph, or any
12 portion thereof, for the payment of the principal or interest on any
13 general obligation bond that was approved by the voters prior to
14 this paragraph becoming part of this Constitution.

15 (a) A minimum of **【one-sixth】** ten percent of the amount
16 annually credited pursuant to this paragraph, or a minimum of an
17 amount equal to \$5,000,000.00 per year, whichever is less, shall be
18 dedicated, and shall be appropriated from time to time by the
19 Legislature, only for paying or financing the cost of water quality
20 point and nonpoint source pollution monitoring, watershed based
21 water resource planning and management, and nonpoint source
22 pollution prevention projects.

23 (b) A minimum of **【one-third】** twenty-five percent of the
24 amount annually credited pursuant to this paragraph shall be
25 dedicated, and shall be appropriated from time to time by the
26 Legislature, only for providing funding, including the provision of
27 loans or grants, for the upgrade, replacement, or closure of
28 underground storage tanks that store or were used to store
29 hazardous substances, and for the costs of remediating any
30 discharge therefrom, and for providing funding, including the
31 provision of loans or grants, for the costs of the remediation of
32 discharges of hazardous substances, which costs may include costs
33 incurred for providing alternative sources of public or private water
34 supplies, when a water supply has been, or is suspected of being,
35 contaminated by a hazardous substance discharge. Of any amount
36 dedicated pursuant to this subparagraph (b) but not expended prior
37 to January 1, 2004, fifty percent of that amount shall be expended
38 on funding for the upgrade, replacement, or closure of underground
39 storage tanks that store or were used to store hazardous substances,
40 and for the costs of remediating any discharge therefrom, and fifty
41 percent shall be expended on funding the costs of the remediation of
42 discharges of hazardous substances, including costs incurred for
43 providing alternative sources of public or private water supplies,
44 when a water supply has been, or is suspected of being,
45 contaminated by a hazardous substance discharge.

46 Commencing January 1, 2004 and ending December 31, 2005,
47 fifty percent of the moneys dedicated pursuant to this subparagraph
48 (b) shall be appropriated for funding the upgrade, replacement, or

1 closure of underground storage tanks that store or were used to
2 store hazardous substances, and for the costs of remediating any
3 discharge therefrom, and fifty percent shall be appropriated for
4 funding the costs of the remediation of discharges of hazardous
5 substances, which costs may include costs incurred for providing
6 alternative sources of public or private water supplies, when a water
7 supply has been, or is suspected of being, contaminated by a
8 hazardous substance discharge.

9 Commencing January 1, 2006 and ending December 31, 2021,
10 ~~forty~~ twenty percent of the moneys dedicated pursuant to this
11 subparagraph (b) shall be appropriated for funding the upgrade,
12 replacement, or closure of underground storage tanks that store or
13 were used to store hazardous substances, and for the costs of
14 remediating any discharge therefrom, and ~~sixty~~ eighty percent
15 shall be appropriated for funding the costs of the remediation of
16 discharges of hazardous substances, which costs may include costs
17 incurred for providing alternative sources of public or private water
18 supplies, when a water supply has been, or is suspected of being,
19 contaminated by a hazardous substance discharge.

20 Commencing January 1, 2004, up to \$2,000,000.00 per year,
21 which shall be taken from the amount appropriated pursuant to this
22 subparagraph (b) for the costs of the remediation of discharges of
23 hazardous substances, may be expended for the costs of a State
24 underground storage tank inspection program, which costs may
25 include the direct but not indirect program administrative costs
26 incurred by the State for the employment of inspectors and a
27 compliance and enforcement staff, and the purchase of vehicles and
28 equipment necessary for the implementation thereof.

29 All moneys derived from repayments of any loan issued from the
30 amount dedicated pursuant to this subparagraph (b) shall be
31 dedicated, and shall be appropriated from time to time by the
32 Legislature, only for the purposes authorized pursuant to this
33 subparagraph (b). The dedication of moneys derived from loan
34 repayments shall not expire.

35 Except for moneys that may be expended for the costs of a State
36 underground storage tank inspection program, and except for
37 amounts that may be appropriated from time to time by the
38 Legislature on or after January 1, 2006, but not to exceed
39 \$1,000,000 annually, to administer programs to provide loans and
40 grants for the upgrade, replacement, or closure of underground
41 storage tanks that store or were used to store hazardous substances,
42 no moneys appropriated pursuant to this subparagraph (b) may be
43 expended on any direct or indirect administrative costs of the State
44 or any of its departments, agencies, or authorities.

45 Commencing January 1, 2006, funding for administrative costs
46 for programs to provide loans and grants for the upgrade,
47 replacement, or closure of underground storage tanks that store or
48 were used to store hazardous substances may be appropriated from

1 time to time by the Legislature from the amount dedicated pursuant
2 to this subparagraph (b) for those purposes in an amount not to
3 exceed \$1,000,000 in any year.

4 No moneys appropriated pursuant to this subparagraph (b) may
5 be expended on any upgrade, replacement, or closure of any
6 underground storage tank, or for the remediation of any discharge
7 therefrom, for any underground storage tank owned by the State or
8 any of its departments, agencies, or authorities, or for costs incurred
9 by the State for the remediation of discharges of hazardous
10 substances.

11 Commencing on January 1, 2022, the moneys dedicated pursuant
12 to this subparagraph (b) may be appropriated from time to time by
13 the Legislature: for providing funding, including the provision of
14 loans or grants, for the upgrade, replacement, or closure of
15 underground storage tanks that store or were used to store
16 hazardous substances, and for the costs of remediating any
17 discharge therefrom; for providing funding, including the provision
18 of loans or grants, for the costs of the remediation of discharges of
19 hazardous substances, which costs may include costs incurred for
20 providing alternative sources of public or private water supplies,
21 when a water supply has been, or is suspected of being,
22 contaminated by a hazardous substance discharge; or for the costs
23 of a State underground storage tank inspection program, in an
24 amount up to \$2,000,000.00 per year.

25 The Legislature may appropriate after January 1, 2006, an
26 amount not to exceed \$10,000,000, of any of the amounts
27 appropriated in any fiscal year ending before July 1, 2005, made for
28 the purpose of the provision of loans or grants, for the upgrade,
29 replacement, or closure of underground storage tanks that store or
30 were used to store hazardous substances, and for the costs of
31 remediating any discharge therefrom, and not expended for that
32 purpose prior to the end of the fiscal year ending on June 30, 2005,
33 for the purpose set forth in subparagraph (d) of this paragraph.

34 (c) Commencing January 1, 2006 **【and ending December 31,**
35 **2015】**, a minimum of thirty-three percent of the amount annually
36 credited pursuant to this paragraph shall be dedicated, and shall be
37 appropriated from time to time by the Legislature, only for paying
38 or financing costs incurred by the State for the remediation of
39 discharges of hazardous substances, which costs may include
40 performing necessary operation and maintenance activities relating
41 to remedial actions and costs incurred for providing alternative
42 sources of public or private water supplies, when a water supply has
43 been, or is suspected of being, contaminated by a hazardous
44 substance discharge. **【Commencing January 1, 2016, a minimum of**
45 **one-half of the amount annually credited pursuant to this paragraph**
46 **shall be dedicated for the purposes of this subparagraph (c).】** No
47 moneys appropriated pursuant to this subparagraph (c) may be
48 expended for any indirect administrative costs of the State, its

1 departments, agencies, or authorities. No more than nine percent of
2 the moneys annually credited pursuant to this paragraph, which
3 shall be taken from the amount dedicated pursuant to this
4 subparagraph (c), may be expended for any direct program
5 administrative costs of the State, its departments, agencies, or
6 authorities. If the Legislature dedicates for the purposes of this
7 subparagraph (c) any moneys above the minimum that is required to
8 be dedicated pursuant to this subparagraph (c), those moneys may
9 not be expended for any direct or indirect administrative costs of
10 the State, its departments, agencies, or authorities.

11 (d) Commencing January 1, 2006 and ending December 31,
12 2015, a minimum of seventeen percent of the amount annually
13 credited pursuant to this paragraph shall be dedicated, and shall be
14 appropriated from time to time by the Legislature, only for
15 providing grants for the costs of air pollution control equipment to
16 reduce the levels of particulate matter emissions from diesel-
17 powered engines, funding for other measures to reduce human
18 exposure to those emissions, and funding for those program
19 administrative costs as provided in this subparagraph. No more
20 than \$1,150,000 per year of the amount dedicated pursuant to this
21 subparagraph (d) may be expended for program administrative costs
22 of the State, its departments, agencies, or authorities for
23 implementing the provisions of this subparagraph (d), and for
24 regulating particulate matter emissions from diesel-powered
25 engines.

26 Any amount dedicated and appropriated pursuant to this
27 subparagraph (d) but not expended prior to January 1, 2016 shall be
28 dedicated and may be appropriated from time to time by the
29 Legislature for the purposes authorized in subparagraph (c) of this
30 paragraph.

31 (e) A minimum of fifteen percent of the amount annually
32 credited pursuant to this paragraph shall be dedicated, and shall be
33 appropriated from time to time by the Legislature, only for
34 providing funding for the development of lands owned by the State,
35 including improvement, construction, renovation or repair, for
36 recreation and conservation purposes, and to satisfy any payments
37 relating to bonds, notes, or other obligations, including refunding
38 bonds, issued by an authority or similar entity established by law to
39 provide funding for the development of lands owned by the State
40 for recreation and conservation purposes.

41 The authority or other similar entity established by law as
42 described in this subparagraph (e) shall be the same authority or
43 entity established for the purposes of Article VIII, Section II,
44 paragraph 7 of the State Constitution.

45 (f) Commencing January 1, 2016, a minimum of seventeen
46 percent of the amount annually credited pursuant to this paragraph
47 shall be dedicated, and shall be appropriated from time to time by
48 the Legislature, only for the acquisition of lands by the State for

1 recreation and conservation purposes, and to satisfy any payments
2 relating to bonds, notes, or other obligations, including refunding
3 bonds, issued by an authority or similar entity established by law to
4 provide funding, for the acquisition of lands by the State for
5 recreation and conservation purposes.

6 The authority or other similar entity established by law as
7 described in this subparagraph (f) shall be the same authority or
8 entity established for the purposes of Article VIII, Section II,
9 paragraph 7 of the State Constitution.

10 (cf: Article VIII, Section II, par.6, effective December 8, 2005)

11

12 2. When this proposed amendment to the Constitution is finally
13 agreed to pursuant to Article IX, paragraph 1 of the Constitution, it
14 shall be submitted to the people at the next general election
15 occurring more than three months after the final agreement and
16 shall be published at least once in at least one newspaper of each
17 county designated by the President of the Senate, the Speaker of the
18 General Assembly and the Attorney General, not less than three
19 months prior to the general election.

20

21 3. This proposed amendment to the Constitution shall be
22 submitted to the people at that election in the following manner and
23 form:

24 There shall be printed on each official ballot to be used at the
25 general election, the following:

26 a. In every municipality in which voting machines are not used, a
27 legend which shall immediately precede the question as follows:

28 If you favor the proposition printed below make a cross (X), plus
29 (+), or check (✓) in the square opposite the word "Yes." If you are
30 opposed thereto make a cross (X), plus (+) or check (✓) in the
31 square opposite the word "No."

32 b. In every municipality the following question:

SCR105 KENNY, LITTELL

1

	YES	<p>CONSTITUTIONAL AMENDMENT TO EXPAND USES OF DEDICATED TAX REVENUES TO FUND ACQUISITION AND DEVELOPMENT OF LANDS BY THE STATE FOR RECREATION AND CONSERVATION PURPOSES</p> <p>Shall the amendment to Article VIII, Section II, paragraph 6 of the Constitution of the State of New Jersey, expanding the authorized uses of the constitutionally dedicated Corporation Business Tax Revenue, beginning on January 1, 2007, to allow the use of 15% of the dedicated funds to fund the development of lands owned by the State for recreation and conservation purposes, and beginning on January 1, 2016, allow the use of an additional 17% of the dedicated funds to pay for the acquisition of lands by the State for recreation and conservation purposes, be approved?</p>
--	-----	--

1

	<p>NO</p>	<p style="text-align: center;">INTERPRETIVE STATEMENT</p> <p>Since 1996, 4% of the annual revenue from the Corporation Business Tax has been constitutionally dedicated to fund environmental programs. Approval of this constitutional amendment would (1) expand the authorized uses of those revenues to fund the acquisition and development of lands by the State for recreation and conservation purposes, and to pay debt that may be incurred from the issuance of bonds for those purposes, and (2) change the allocation of funds for the existing authorized uses. The Constitution currently allocates 33% for hazardous discharge cleanup performed by the State, 17% for grants for air pollution control programs until 2016, a minimum of one-sixth or a minimum of \$5,000,000 for water quality projects, and a minimum of one-third for funding loans or grants for underground storage tank programs and loans or grants for hazardous discharge remediation programs, and for an underground storage tank inspection program. This constitutional amendment would (1) authorize 15% to be used to finance the development, including the improvement, construction, renovation or repair, of facilities on lands owned by the State, for recreation and conservation purposes, (2) authorize an additional 17%, beginning in January 1, 2016, to be used to finance the acquisition of lands by the State for recreation and conservation purposes, (3) reduce the allocation for water quality projects from one-sixth, or 16.66%, per year, to 10% per year, (4) reduce the allocation for funding underground storage tank programs and hazardous discharge remediation programs from one-third to 25% per year by reducing that portion dedicated for underground storage tank programs from 13.33% to 5% of the total constitutionally dedicated amount, and maintaining the portion dedicated for hazardous discharge remediation programs at 20% of the total constitutionally dedicated amount, and (5) reallocate the 17% currently dedicated for air pollution control programs that was scheduled to be used for hazardous discharge cleanup by the State in 2016 to State land acquisition instead.</p>
--	-----------	---

2

STATEMENT

1

2

3 This proposed amendment to the New Jersey Constitution would
4 amend Article VIII, Section II, paragraph 6, to expand the
5 authorized uses of the constitutionally dedicated Corporation
6 Business Tax Revenue, to allow the use of 15% of the dedicated
7 funds to finance the development of facilities on lands owned by the
8 State for recreation and conservation purposes, and beginning on
9 January 1, 2016, to allow the use of an additional 17% of the
10 dedicated funds to finance the acquisition of lands by the State for
11 recreation and conservation purposes. The amount allocated for
12 land acquisition and development by the State could also be used to
13 pay debt on bonds issued by the Garden State Preservation Trust for
14 the acquisition and development of lands by the State for recreation
15 and conservation purposes.

16 Since 1996, 4% of the annual revenue from the Corporation
17 Business Tax has been constitutionally dedicated to fund
18 environmental programs. The Constitution currently allocates 33%
19 for hazardous discharge cleanup performed by the State, 17% for
20 grants for air pollution control programs until 2016, a minimum of
21 one-sixth or a minimum of \$5,000,000 for water quality projects,
22 and a minimum of one-third for funding loans or grants for
23 underground storage tank programs and loans or grants for
24 hazardous discharge remediation programs, and for an underground
25 storage tank inspection program.

26 This constitutional amendment would (1) authorize 15% to be
27 used for financing the development, including the improvement,
28 construction, renovation or repair, of facilities on lands owned by
29 the State, for recreation and conservation purposes, (2) authorize an
30 additional 17%, beginning in January 1, 2016, to be used for
31 financing the acquisition of lands by the State for recreation and
32 conservation purposes, (3) reduce the allocation for water quality
33 projects from one-sixth, or 16.66%, per year, to 10% per year, (4)
34 reduce the allocation for funding underground storage tank
35 programs and hazardous discharge remediation programs from one-
36 third to 25% per year by reducing that portion dedicated for
37 underground storage tank programs from 13.33% to 5% of the total
38 constitutionally dedicated amount, while maintaining the portion
39 dedicated for hazardous discharge remediation programs at 20% of
40 the total constitutionally dedicated amount, and (5) reallocate the
41 17% currently dedicated for air pollution control programs that was
42 scheduled to be used for hazardous discharge cleanup by the State
43 in 2016, to State land acquisition instead.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR SENATE CONCURRENT RESOLUTION No. 105

STATE OF NEW JERSEY

DATED: JUNE 12, 2006

The Senate Budget and Appropriations Committee reports favorably Senate Concurrent Resolution No. 105 (SCS).

The substitute to the concurrent resolution proposes to amend Article VIII, Section II, paragraph 6 of the New Jersey Constitution to expand the authorized uses of the constitutionally dedicated corporation business tax revenue.

That provision currently dedicates four percent of the revenues derived from the corporation business tax to environmental remediation, protection, control and planning. This proposed amendment to the Constitution authorizes the use of 15% of the dedicated funds to finance the development of lands (such as, for example, the improvement, construction, renovation, or repair of facilities) for recreation and conservation purposes, and beginning on January 1, 2016, authorizes the use of an additional 17% of the dedicated funds for the same purpose. The amount allocated for development of lands for recreation and conservation purposes could also be used to pay debt on bonds issued by the Garden State Preservation Trust for those purposes.

This constitutional amendment:

(1) authorizes 15% to be used to finance improvements and facilities for recreation and conservation purposes on parks and other preserved open space lands;

(2) authorizes an additional 17%, beginning January 1, 2016, to be used for that purpose by reallocating monies currently scheduled beginning on that date to be used for State hazardous discharge cleanups;

(3) reduces the allocation for water quality projects from one-sixth (or 16.66%) per year, to 15% per year;

(4) reduces the allocation for hazardous discharge cleanup performed by the State from 33% to 28% per year; and

(5) reduces the allocation for underground storage tank programs and hazardous discharge remediation programs from one-third to 25% per year, but provide that if the previously dedicated underground storage tank balance falls below \$20 million in a fiscal year, then 55%

of the 25% allocation would be appropriated for underground storage tank programs the following year.

Since 1996, 4% of the annual revenue from the corporation business tax has been constitutionally dedicated to fund environmental programs. The Constitution currently allocates 33% for hazardous discharge cleanup performed by the State, 17% for grants for air pollution control programs until 2016, a minimum of one-sixth (or 16.66%) or a minimum of \$5 million for water quality projects, and a minimum of one-third for funding loans or grants for underground storage tank programs and loans or grants for hazardous discharge remediation programs, and for an underground storage tank inspection program.

This proposed amendment to the Constitution, if approved by the voters, expands the authorized uses of the constitutionally dedicated corporation business tax revenue, to allow the use of 15% of the dedicated funds to fund the development of lands for recreation and conservation purposes, and beginning on January 1, 2016, allow the use of an additional 17% of the dedicated funds for the same purpose.

As reported, this concurrent resolution is identical to Assembly Concurrent Resolution 195 (ACS).

FISCAL IMPACT:

The proposed amendment to the Constitution does not increase or decrease taxes or increase or decrease the amount of corporation business tax dedicated to the development of lands for recreation and conservation purposes. The proposed amendment to the Constitution changes the allocations.

SENATE ENVIRONMENT COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR SENATE CONCURRENT RESOLUTION No. 105

STATE OF NEW JERSEY

DATED: JUNE 12, 2006

The Senate Environment Committee reports favorably a Senate Committee Substitute for Senate Concurrent Resolution No. 105.

This committee substitute proposes to amend Article VIII, Section II, paragraph 6 of the New Jersey Constitution to expand the authorized uses of the constitutionally dedicated Corporation Business Tax Revenue. This proposed amendment to the Constitution would authorize the use of 15% of the dedicated funds to finance the development of lands (such as, for example, the improvement, construction, renovation, or repair of facilities) for recreation and conservation purposes, and beginning on January 1, 2016, authorize the use of an additional 17% of the dedicated funds for the same purpose. The amount allocated for development of lands for recreation and conservation purposes could also be used to pay debt on bonds issued by the Garden State Preservation Trust for those purposes.

This constitutional amendment would:

(1) authorize 15% to be used to finance improvements and facilities for recreation and conservation purposes on parks and other preserved open space lands;

(2) authorize an additional 17%, beginning January 1, 2016, to be used for that purpose by reallocating monies currently scheduled beginning on that date to be used for State funded hazardous discharge cleanups;

(3) reduce the allocation for water quality projects from one-sixth (or 16.66%) per year, to 15% per year;

(4) reduce the allocation for hazardous discharge cleanup performed by the State from 33% to 28% per year; and

(5) reduce the allocation for underground storage tank programs and hazardous discharge remediation programs from one-third to 25% per year, but provide that if the previously dedicated underground storage tank balance falls below \$20 million in a fiscal year, then 55% of the 25% allocation would be appropriated for underground storage tank programs the following year.

Since 1996, 4% of the annual revenue from the Corporation Business Tax has been constitutionally dedicated to fund

environmental programs. The Constitution currently allocates 33% for hazardous discharge cleanup performed by the State, 17% for grants for air pollution control programs until 2016, a minimum of one-sixth (or 16.66%) or a minimum of \$5 million for water quality projects, and a minimum of one-third for funding loans or grants for underground storage tank programs and loans or grants for hazardous discharge remediation programs, and for an underground storage tank inspection program.

This proposed amendment to the Constitution, if approved by the voters, would expand the authorized uses of the constitutionally dedicated Corporation Business Tax Revenue, to allow the use of 15% of the dedicated funds to fund the development of lands for recreation and conservation purposes, and beginning on January 1, 2016, allow the use of an additional 17% of the dedicated funds for the same purpose.

The committee substitute for Senate Concurrent Resolution No. 105 is identical to Assembly Concurrent Resolution No. 195 (ACS).

**SENATE COMMITTEE SUBSTITUTE FOR
SENATE CONCURRENT
RESOLUTION No. 105**

**STATE OF NEW JERSEY
212th LEGISLATURE**

ADOPTED JUNE 12, 2006

Sponsored by:

Senator BERNARD F. KENNY, JR.

District 33 (Hudson)

Senator ROBERT E. LITTELL

District 24 (Sussex, Hunterdon and Morris)

Senator BOB SMITH

District 17 (Middlesex and Somerset)

Senator HENRY P. MCNAMARA

District 40 (Bergen, Essex and Passaic)

Senator STEPHEN M. SWEENEY

District 3 (Salem, Cumberland and Gloucester)

Senator JOHN H. ADLER

District 6 (Camden)

Senator ANDREW R. CIESLA

District 10 (Monmouth and Ocean)

Co-Sponsored by:

Senators Lance and Turner

SYNOPSIS

Proposes Constitutional Amendment to authorize use of dedicated Corporation Business Tax Revenues for funding development of land for recreation and conservation purposes; changes existing allocation percentages.

CURRENT VERSION OF TEXT

Substitute as adopted by the Senate Environment Committee.

(Sponsorship Updated As Of: 7/10/2006)

1 A CONCURRENT RESOLUTION proposing to amend Article VIII,
2 Section II, paragraph 6 of the Constitution of the State of New
3 Jersey.

4
5 BE IT RESOLVED by the Senate of the State of New Jersey (the
6 General Assembly concurring):

7
8 1. The following proposed amendment to the Constitution is
9 agreed to:

10

11

PROPOSED AMENDMENT

12

13 Amend Article VIII, Section II, paragraph 6 to read as follows:

14 6. There shall be credited annually to a special account in the
15 General Fund an amount equivalent to 4% of the revenue annually
16 derived from the tax imposed pursuant to the "Corporation Business
17 Tax Act (1945)," P.L.1945, c.162 (C.54:10A-1 et seq.), as amended
18 and supplemented, or any other State law of similar effect.

19 The amount annually credited pursuant to this paragraph shall be
20 dedicated and shall be appropriated from time to time by the
21 Legislature only for the following purposes: paying or financing
22 costs incurred by the State for the remediation of discharges of
23 hazardous substances, which costs may include performing
24 necessary operation and maintenance activities relating to remedial
25 actions and costs incurred for providing alternative sources of
26 public or private water supplies, when a water supply has been, or is
27 suspected of being, contaminated by a hazardous substance
28 discharge; providing funding, including the provision of loans or
29 grants, for the upgrade, replacement, or closure of underground
30 storage tanks that store or were used to store hazardous substances,
31 and for the costs of remediating any discharge therefrom; providing
32 funding, including the provision of loans or grants, for the costs of
33 the remediation of discharges of hazardous substances, which costs
34 may include costs incurred for providing alternative sources of
35 public or private water supplies, when a water supply has been, or is
36 suspected of being, contaminated by a hazardous substance
37 discharge; for paying or financing the cost of water quality point
38 and nonpoint source pollution monitoring, watershed based water
39 resource planning and management, and nonpoint source pollution
40 prevention projects; **[and]** for providing grants for the costs of air
41 pollution control equipment to reduce the levels of particulate
42 matter emissions from diesel-powered engines, and for funding for
43 other measures to reduce human exposure to those emissions; and
44 for providing funding, including loans and grants, for the

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 underlined thus is new matter.

1 development of lands for recreation and conservation purposes, and
2 to satisfy any payments relating to bonds, notes, or other
3 obligations, including refunding bonds, issued by an authority or
4 similar entity established by law to provide funding for the
5 development of lands for recreation and conservation purposes.

6 It shall not be competent for the Legislature, under any pretense
7 whatever, to borrow, appropriate, or use the amount credited to the
8 special account pursuant to this paragraph, or any portion thereof,
9 for any purpose or in any manner other than as enumerated in this
10 paragraph. It shall not be competent for the Legislature, under any
11 pretense whatever, to borrow, appropriate, or use the amount
12 credited to the special account pursuant to this paragraph, or any
13 portion thereof, for the payment of the principal or interest on any
14 general obligation bond that was approved by the voters prior to
15 this paragraph becoming part of this Constitution.

16 (a) **【A minimum of one-sixth】** Fifteen percent of the amount
17 annually credited pursuant to this paragraph **【, or a minimum of an**
18 **amount equal to \$5,000,000.00 per year, whichever is less,】** shall be
19 dedicated, and shall be appropriated from time to time by the
20 Legislature, only for paying or financing the cost of water quality
21 point and nonpoint source pollution monitoring, watershed based
22 water resource planning and management, and nonpoint source
23 pollution prevention projects.

24 (b) **【A minimum of one-third】** Twenty-five percent of the
25 amount annually credited pursuant to this paragraph shall be
26 dedicated, and shall be appropriated from time to time by the
27 Legislature, only for providing funding, including the provision of
28 loans or grants, for the upgrade, replacement, or closure of
29 underground storage tanks that store or were used to store
30 hazardous substances, and for the costs of remediating any
31 discharge therefrom, and for providing funding, including the
32 provision of loans or grants, for the costs of the remediation of
33 discharges of hazardous substances, which costs may include costs
34 incurred for providing alternative sources of public or private water
35 supplies, when a water supply has been, or is suspected of being,
36 contaminated by a hazardous substance discharge. Of any amount
37 dedicated pursuant to this subparagraph (b) but not expended prior
38 to January 1, 2004, fifty percent of that amount shall be expended
39 on funding for the upgrade, replacement, or closure of underground
40 storage tanks that store or were used to store hazardous substances,
41 and for the costs of remediating any discharge therefrom, and fifty
42 percent shall be expended on funding the costs of the remediation of
43 discharges of hazardous substances, including costs incurred for
44 providing alternative sources of public or private water supplies,
45 when a water supply has been, or is suspected of being,
46 contaminated by a hazardous substance discharge.

1 Commencing January 1, 2004 and ending December 31, 2005,
2 fifty percent of the moneys dedicated pursuant to this subparagraph
3 (b) shall be appropriated for funding the upgrade, replacement, or
4 closure of underground storage tanks that store or were used to
5 store hazardous substances, and for the costs of remediating any
6 discharge therefrom, and fifty percent shall be appropriated for
7 funding the costs of the remediation of discharges of hazardous
8 substances, which costs may include costs incurred for providing
9 alternative sources of public or private water supplies, when a water
10 supply has been, or is suspected of being, contaminated by a
11 hazardous substance discharge.

12 Commencing January 1, 2006 and ending ~~December 31, 2021~~
13 December 31, 2006, forty percent of the moneys dedicated pursuant
14 to this subparagraph (b) shall be appropriated for funding the
15 upgrade, replacement, or closure of underground storage tanks that
16 store or were used to store hazardous substances, and for the costs
17 of remediating any discharge therefrom, and sixty percent shall be
18 appropriated for funding the costs of the remediation of discharges
19 of hazardous substances, which costs may include costs incurred for
20 providing alternative sources of public or private water supplies,
21 when a water supply has been, or is suspected of being,
22 contaminated by a hazardous substance discharge.

23 Commencing January 1, 2007 and ending December 31, 2021,
24 the moneys dedicated pursuant to this subparagraph (b) shall be
25 appropriated for funding the costs of the remediation of discharges
26 of hazardous substances, which costs may include costs incurred for
27 providing alternative sources of public or private water supplies,
28 when a water supply has been, or is suspected of being,
29 contaminated by a hazardous substance discharge; but if in any
30 fiscal year during that time the amount previously dedicated and
31 appropriated for funding loans or grants for the upgrade,
32 replacement, or closure of underground storage tanks that store or
33 were used to store hazardous substances, and for the costs of
34 remediating any discharge therefrom, and available for that purpose
35 but not expended, is less than \$20,000,000, then in the following
36 fiscal year, fifty-five percent of the monies dedicated pursuant to
37 this subparagraph (b) shall be appropriated for funding loans or
38 grants for underground storage tanks and only forty-five percent of
39 the monies dedicated pursuant to this subparagraph (b) shall be
40 appropriated for funding the costs of the remediation of discharges
41 of hazardous substances, which costs may include costs incurred for
42 providing alternative sources of public or private water supplies,
43 when a water supply has been, or is suspected of being,
44 contaminated by a hazardous substance discharge.

45 Commencing January 1, 2004, up to \$2,000,000.00 per year,
46 which shall be taken from the amount appropriated pursuant to this
47 subparagraph (b) for the costs of the remediation of discharges of

1 hazardous substances, may be expended for the costs of a State
2 underground storage tank inspection program, which costs may
3 include the direct but not indirect program administrative costs
4 incurred by the State for the employment of inspectors and a
5 compliance and enforcement staff, and the purchase of vehicles and
6 equipment necessary for the implementation thereof.

7 All moneys derived from repayments of any loan issued from the
8 amount dedicated pursuant to this subparagraph (b) shall be
9 dedicated, and shall be appropriated from time to time by the
10 Legislature, only for the purposes authorized pursuant to this
11 subparagraph (b). The dedication of moneys derived from loan
12 repayments shall not expire.

13 Except for moneys that may be expended for the costs of a State
14 underground storage tank inspection program, and except for
15 amounts that may be appropriated from time to time by the
16 Legislature on or after January 1, 2006, but not to exceed
17 \$1,000,000 annually, to administer programs to provide loans and
18 grants for the upgrade, replacement, or closure of underground
19 storage tanks that store or were used to store hazardous substances,
20 no moneys appropriated pursuant to this subparagraph (b) may be
21 expended on any direct or indirect administrative costs of the State
22 or any of its departments, agencies, or authorities.

23 Commencing January 1, 2006, funding for administrative costs
24 for programs to provide loans and grants for the upgrade,
25 replacement, or closure of underground storage tanks that store or
26 were used to store hazardous substances may be appropriated from
27 time to time by the Legislature from the amount dedicated pursuant
28 to this subparagraph (b) for those purposes in an amount not to
29 exceed \$1,000,000 in any year.

30 No moneys appropriated pursuant to this subparagraph (b) may
31 be expended on any upgrade, replacement, or closure of any
32 underground storage tank, or for the remediation of any discharge
33 therefrom, for any underground storage tank owned by the State or
34 any of its departments, agencies, or authorities, or for costs incurred
35 by the State for the remediation of discharges of hazardous
36 substances.

37 Commencing on January 1, 2022, the moneys dedicated pursuant
38 to this subparagraph (b) may be appropriated from time to time by
39 the Legislature: for providing funding, including the provision of
40 loans or grants, for the upgrade, replacement, or closure of
41 underground storage tanks that store or were used to store
42 hazardous substances, and for the costs of remediating any
43 discharge therefrom; for providing funding, including the provision
44 of loans or grants, for the costs of the remediation of discharges of
45 hazardous substances, which costs may include costs incurred for
46 providing alternative sources of public or private water supplies,
47 when a water supply has been, or is suspected of being,

1 contaminated by a hazardous substance discharge; or for the costs
2 of a State underground storage tank inspection program, in an
3 amount up to \$2,000,000.00 per year.

4 The Legislature may appropriate after January 1, 2006, an
5 amount not to exceed \$10,000,000, of any of the amounts
6 appropriated in any fiscal year ending before July 1, 2005, made for
7 the purpose of the provision of loans or grants, for the upgrade,
8 replacement, or closure of underground storage tanks that store or
9 were used to store hazardous substances, and for the costs of
10 remediating any discharge therefrom, and not expended for that
11 purpose prior to the end of the fiscal year ending on June 30, 2005,
12 for the purpose set forth in subparagraph (d) of this paragraph.

13 (c) **【Commencing January 1, 2006 and ending December 31,**
14 **2015, a minimum of thirty-three】** Twenty-eight percent of the
15 amount annually credited pursuant to this paragraph shall be
16 dedicated, and shall be appropriated from time to time by the
17 Legislature, only for paying or financing costs incurred by the State
18 for the remediation of discharges of hazardous substances, which
19 costs may include performing necessary operation and maintenance
20 activities relating to remedial actions and costs incurred for
21 providing alternative sources of public or private water supplies,
22 when a water supply has been, or is suspected of being,
23 contaminated by a hazardous substance discharge. **【Commencing**
24 **January 1, 2016, a minimum of one-half of the amount annually**
25 **credited pursuant to this paragraph shall be dedicated for the**
26 **purposes of this subparagraph (c).】** No moneys appropriated
27 pursuant to this subparagraph (c) may be expended for any indirect
28 administrative costs of the State, its departments, agencies, or
29 authorities. No more than nine percent of the moneys annually
30 credited pursuant to this paragraph, which shall be taken from the
31 amount dedicated pursuant to this subparagraph (c), may be
32 expended for any direct program administrative costs of the State,
33 its departments, agencies, or authorities. **【If the Legislature**
34 **dedicates for the purposes of this subparagraph (c) any moneys**
35 **above the minimum that is required to be dedicated pursuant to this**
36 **subparagraph (c), those moneys may not be expended for any direct**
37 **or indirect administrative costs of the State, its departments,**
38 **agencies, or authorities.】**

39 (d) Commencing January 1, 2006 and ending December 31,
40 2015, **【a minimum of】** seventeen percent of the amount annually
41 credited pursuant to this paragraph shall be dedicated, and shall be
42 appropriated from time to time by the Legislature, only for
43 providing grants for the costs of air pollution control equipment to
44 reduce the levels of particulate matter emissions from diesel-
45 powered engines, funding for other measures to reduce human
46 exposure to those emissions, and funding for those program
47 administrative costs as provided in this subparagraph. No more

1 than \$1,150,000 per year of the amount dedicated pursuant to this
2 subparagraph (d) may be expended for program administrative costs
3 of the State, its departments, agencies, or authorities for
4 implementing the provisions of this subparagraph (d), and for
5 regulating particulate matter emissions from diesel-powered
6 engines.

7 Any amount dedicated and appropriated pursuant to this
8 subparagraph (d) but not expended prior to January 1, 2016 shall be
9 dedicated and may be appropriated from time to time by the
10 Legislature for the purposes authorized in subparagraph (c) of this
11 paragraph.

12 (e) Fifteen percent of the amount annually credited pursuant to
13 this paragraph shall be dedicated, and shall be appropriated from
14 time to time by the Legislature, only for providing funding,
15 including loans and grants, for the development of lands for
16 recreation and conservation purposes, and to satisfy any payments
17 relating to bonds, notes, or other obligations, including refunding
18 bonds, issued by an authority or similar entity established by law to
19 provide funding for the development of lands for recreation and
20 conservation purposes.

21 Commencing January 1, 2016, thirty-two percent of the amount
22 annually credited pursuant to this paragraph shall be dedicated, and
23 shall be appropriated from time to time by the Legislature, only for
24 providing funding, including loans and grants, for the development
25 of lands for recreation or conservation purposes, and to satisfy any
26 payments relating to bonds, notes, or other obligations, including
27 refunding bonds, issued by an authority or similar entity established
28 by law to provide funding, for the development of lands for
29 recreation or conservation purposes.

30 All moneys derived from repayments of any loan issued from the
31 amount dedicated pursuant to this subparagraph (e) shall be
32 dedicated, and shall be appropriated from time to time by the
33 Legislature, only for the purposes authorized pursuant to this
34 subparagraph (e).

35 No more than five percent per year of the amount dedicated
36 pursuant to this subparagraph (e) may be expended for program
37 administrative costs of the State, its departments, agencies, or
38 authorities for implementing the provisions of this subparagraph
39 (e).

40 The authority or other similar entity established by law as
41 described in this subparagraph (e) shall be the same authority or
42 entity established for the purposes of Article VIII, Section II,
43 paragraph 7 of the State Constitution.

44 (cf: Article VIII, Section II, par.6, effective December 8, 2005)

45

46 2. When this proposed amendment to the Constitution is finally
47 agreed to pursuant to Article IX, paragraph 1 of the Constitution, it

1 shall be submitted to the people at the next general election
 2 occurring more than three months after the final agreement and
 3 shall be published at least once in at least one newspaper of each
 4 county designated by the President of the Senate, the Speaker of the
 5 General Assembly and the Attorney General, not less than three
 6 months prior to the general election.

7
 8 3. This proposed amendment to the Constitution shall be
 9 submitted to the people at that election in the following manner and
 10 form:

11 There shall be printed on each official ballot to be used at the
 12 general election, the following:

13 a. In every municipality in which voting machines are not used, a
 14 legend which shall immediately precede the question as follows:

15 If you favor the proposition printed below make a cross (X), plus
 16 (+), or check (✓) in the square opposite the word "Yes." If you are
 17 opposed thereto make a cross (X), plus (+) or check (✓) in the
 18 square opposite the word "No."

19 b. In every municipality the following question:
 20

	YES	<p>CONSTITUTIONAL AMENDMENT TO EXPAND USES OF DEDICATED TAX REVENUES TO FUND IMPROVEMENTS AND FACILITIES ON PRESERVED OPEN SPACE LANDS</p> <p>Shall the amendment to Article VIII, Section II, paragraph 6 of the Constitution of the State of New Jersey, expanding the authorized uses of the constitutionally dedicated Corporation Business Tax Revenue, to allow the use of 15% of the dedicated funds to fund the development of lands for recreation and conservation purposes, and beginning on January 1, 2016, allow the use of an additional 17% of the dedicated funds to fund the development of lands for recreation and conservation purposes, be approved?</p>
--	-----	--

1

	NO	<p style="text-align: center;">INTERPRETIVE STATEMENT</p> <p>Since 1996, 4% of the annual revenue from the Corporation Business Tax has been constitutionally dedicated to fund environmental programs. Approval of this constitutional amendment would (1) expand the authorized uses of those revenues to fund improvements and facilities for recreation and conservation purposes on preserved open space lands, and to pay debt that may be incurred from the issuance of bonds for those purposes, and (2) change the allocation of funds for the existing authorized uses. The Constitution currently allocates 33% for hazardous discharge cleanup performed by the State, 17% for grants for air pollution control programs until 2016, a minimum of one-sixth (or 16.66%) or a minimum of \$5 million for water quality projects, and a minimum of one-third for funding loans or grants for underground storage tank programs and loans or grants for hazardous discharge remediation programs, and for an underground storage tank inspection program. This constitutional amendment would authorize 15% of the dedicated funds to be used to finance improvements and facilities for recreation and conservation purposes on preserved open space lands and an additional 17% for that purpose in 2016 by reducing the allocation of monies for water quality programs, State funded hazardous discharge cleanup, and the underground storage tank program, but would require an appropriation to the underground storage tank program if less than \$20 million is available in any year for that program.</p>
--	----	---

2

ASSEMBLY COMMITTEE SUBSTITUTE FOR
**ASSEMBLY CONCURRENT
RESOLUTION No. 195**

STATE OF NEW JERSEY
212th LEGISLATURE

ADOPTED JUNE 1, 2006

Sponsored by:

Assemblyman JOHN F. MCKEON
District 27 (Essex)
Assemblyman JOSEPH J. ROBERTS, JR.
District 5 (Camden and Gloucester)
Assemblyman ROBERT M. GORDON
District 38 (Bergen)
Assemblyman LOUIS M. MANZO
District 31 (Hudson)
Assemblyman MICHAEL J. PANTER
District 12 (Mercer and Monmouth)
Assemblyman CHARLES T. EPPS, JR.
District 31 (Hudson)
Assemblyman JOHN E. ROONEY
District 39 (Bergen)
Assemblyman LARRY CHATZIDAKIS
District 8 (Burlington)

Co-Sponsored by:

**Assemblyman Gusciora, Assemblywoman Watson Coleman, Assemblymen
Fisher, Diegnan, Assemblywoman McHose, Assemblymen Conaway,
Connors, Burzichelli, Giblin, Wisniewski, Chivukula, Assemblywoman
Greenstein, Senators Kenny, Littell, B.Smith, McNamara, Sweeney, Adler,
Ciesla, Lance and Turner**

SYNOPSIS

Proposes Constitutional Amendment to authorize use of dedicated Corporation Business Tax Revenues for funding development of land for recreation and conservation purposes; changes existing allocation percentages.

CURRENT VERSION OF TEXT

Substitute as adopted by the Assembly Environment and Solid Waste Committee.

(Sponsorship Updated As Of: 7/10/2006)

1 A CONCURRENT RESOLUTION proposing to amend Article VIII,
2 Section II, paragraph 6 of the Constitution of the State of New
3 Jersey.

4
5 BE IT RESOLVED by the General Assembly of the State of New
6 Jersey (the Senate concurring):

7
8 1. The following proposed amendment to the Constitution is
9 agreed to:

10

11

PROPOSED AMENDMENT

12

13 Amend Article VIII, Section II, paragraph 6 to read as follows:

14 6. There shall be credited annually to a special account in the
15 General Fund an amount equivalent to 4% of the revenue annually
16 derived from the tax imposed pursuant to the "Corporation Business
17 Tax Act (1945)," P.L.1945, c.162 (C.54:10A-1 et seq.), as amended
18 and supplemented, or any other State law of similar effect.

19 The amount annually credited pursuant to this paragraph shall be
20 dedicated and shall be appropriated from time to time by the
21 Legislature only for the following purposes: paying or financing
22 costs incurred by the State for the remediation of discharges of
23 hazardous substances, which costs may include performing
24 necessary operation and maintenance activities relating to remedial
25 actions and costs incurred for providing alternative sources of
26 public or private water supplies, when a water supply has been, or is
27 suspected of being, contaminated by a hazardous substance
28 discharge; providing funding, including the provision of loans or
29 grants, for the upgrade, replacement, or closure of underground
30 storage tanks that store or were used to store hazardous substances,
31 and for the costs of remediating any discharge therefrom; providing
32 funding, including the provision of loans or grants, for the costs of
33 the remediation of discharges of hazardous substances, which costs
34 may include costs incurred for providing alternative sources of
35 public or private water supplies, when a water supply has been, or is
36 suspected of being, contaminated by a hazardous substance
37 discharge; for paying or financing the cost of water quality point
38 and nonpoint source pollution monitoring, watershed based water
39 resource planning and management, and nonpoint source pollution
40 prevention projects; **[and]** for providing grants for the costs of air
41 pollution control equipment to reduce the levels of particulate
42 matter emissions from diesel-powered engines, and for funding for
43 other measures to reduce human exposure to those emissions; and
44 for providing funding, including loans and grants, for the

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 underlined thus is new matter.

1 development of lands for recreation and conservation purposes, and
2 to satisfy any payments relating to bonds, notes, or other
3 obligations, including refunding bonds, issued by an authority or
4 similar entity established by law to provide funding for the
5 development of lands for recreation and conservation purposes.

6 It shall not be competent for the Legislature, under any pretense
7 whatever, to borrow, appropriate, or use the amount credited to the
8 special account pursuant to this paragraph, or any portion thereof,
9 for any purpose or in any manner other than as enumerated in this
10 paragraph. It shall not be competent for the Legislature, under any
11 pretense whatever, to borrow, appropriate, or use the amount
12 credited to the special account pursuant to this paragraph, or any
13 portion thereof, for the payment of the principal or interest on any
14 general obligation bond that was approved by the voters prior to
15 this paragraph becoming part of this Constitution.

16 (a) **【A minimum of one-sixth】** Fifteen percent of the amount
17 annually credited pursuant to this paragraph **【, or a minimum of an**
18 **amount equal to \$5,000,000.00 per year, whichever is less,】** shall be
19 dedicated, and shall be appropriated from time to time by the
20 Legislature, only for paying or financing the cost of water quality
21 point and nonpoint source pollution monitoring, watershed based
22 water resource planning and management, and nonpoint source
23 pollution prevention projects.

24 (b) **【A minimum of one-third】** Twenty-five percent of the
25 amount annually credited pursuant to this paragraph shall be
26 dedicated, and shall be appropriated from time to time by the
27 Legislature, only for providing funding, including the provision of
28 loans or grants, for the upgrade, replacement, or closure of
29 underground storage tanks that store or were used to store
30 hazardous substances, and for the costs of remediating any
31 discharge therefrom, and for providing funding, including the
32 provision of loans or grants, for the costs of the remediation of
33 discharges of hazardous substances, which costs may include costs
34 incurred for providing alternative sources of public or private water
35 supplies, when a water supply has been, or is suspected of being,
36 contaminated by a hazardous substance discharge. Of any amount
37 dedicated pursuant to this subparagraph (b) but not expended prior
38 to January 1, 2004, fifty percent of that amount shall be expended
39 on funding for the upgrade, replacement, or closure of underground
40 storage tanks that store or were used to store hazardous substances,
41 and for the costs of remediating any discharge therefrom, and fifty
42 percent shall be expended on funding the costs of the remediation of
43 discharges of hazardous substances, including costs incurred for
44 providing alternative sources of public or private water supplies,
45 when a water supply has been, or is suspected of being,
46 contaminated by a hazardous substance discharge.

1 Commencing January 1, 2004 and ending December 31, 2005,
2 fifty percent of the moneys dedicated pursuant to this subparagraph
3 (b) shall be appropriated for funding the upgrade, replacement, or
4 closure of underground storage tanks that store or were used to
5 store hazardous substances, and for the costs of remediating any
6 discharge therefrom, and fifty percent shall be appropriated for
7 funding the costs of the remediation of discharges of hazardous
8 substances, which costs may include costs incurred for providing
9 alternative sources of public or private water supplies, when a water
10 supply has been, or is suspected of being, contaminated by a
11 hazardous substance discharge.

12 Commencing January 1, 2006 and ending ~~December 31, 2021~~
13 December 31, 2006, forty percent of the moneys dedicated pursuant
14 to this subparagraph (b) shall be appropriated for funding the
15 upgrade, replacement, or closure of underground storage tanks that
16 store or were used to store hazardous substances, and for the costs
17 of remediating any discharge therefrom, and sixty percent shall be
18 appropriated for funding the costs of the remediation of discharges
19 of hazardous substances, which costs may include costs incurred for
20 providing alternative sources of public or private water supplies,
21 when a water supply has been, or is suspected of being,
22 contaminated by a hazardous substance discharge.

23 Commencing January 1, 2007 and ending December 31, 2021,
24 the moneys dedicated pursuant to this subparagraph (b) shall be
25 appropriated for funding the costs of the remediation of discharges
26 of hazardous substances, which costs may include costs incurred for
27 providing alternative sources of public or private water supplies,
28 when a water supply has been, or is suspected of being,
29 contaminated by a hazardous substance discharge; but if in any
30 fiscal year during that time the amount previously dedicated and
31 appropriated for funding loans or grants for the upgrade,
32 replacement, or closure of underground storage tanks that store or
33 were used to store hazardous substances, and for the costs of
34 remediating any discharge therefrom, and available for that purpose
35 but not expended, is less than \$20,000,000, then in the following
36 fiscal year, fifty-five percent of the monies dedicated pursuant to
37 this subparagraph (b) shall be appropriated for funding loans or
38 grants for underground storage tanks and only forty-five percent of
39 the monies dedicated pursuant to this subparagraph (b) shall be
40 appropriated for funding the costs of the remediation of discharges
41 of hazardous substances, which costs may include costs incurred for
42 providing alternative sources of public or private water supplies,
43 when a water supply has been, or is suspected of being,
44 contaminated by a hazardous substance discharge.

45 Commencing January 1, 2004, up to \$2,000,000.00 per year,
46 which shall be taken from the amount appropriated pursuant to this
47 subparagraph (b) for the costs of the remediation of discharges of

1 hazardous substances, may be expended for the costs of a State
2 underground storage tank inspection program, which costs may
3 include the direct but not indirect program administrative costs
4 incurred by the State for the employment of inspectors and a
5 compliance and enforcement staff, and the purchase of vehicles and
6 equipment necessary for the implementation thereof.

7 All moneys derived from repayments of any loan issued from the
8 amount dedicated pursuant to this subparagraph (b) shall be
9 dedicated, and shall be appropriated from time to time by the
10 Legislature, only for the purposes authorized pursuant to this
11 subparagraph (b). The dedication of moneys derived from loan
12 repayments shall not expire.

13 Except for moneys that may be expended for the costs of a State
14 underground storage tank inspection program, and except for
15 amounts that may be appropriated from time to time by the
16 Legislature on or after January 1, 2006, but not to exceed
17 \$1,000,000 annually, to administer programs to provide loans and
18 grants for the upgrade, replacement, or closure of underground
19 storage tanks that store or were used to store hazardous substances,
20 no moneys appropriated pursuant to this subparagraph (b) may be
21 expended on any direct or indirect administrative costs of the State
22 or any of its departments, agencies, or authorities.

23 Commencing January 1, 2006, funding for administrative costs
24 for programs to provide loans and grants for the upgrade,
25 replacement, or closure of underground storage tanks that store or
26 were used to store hazardous substances may be appropriated from
27 time to time by the Legislature from the amount dedicated pursuant
28 to this subparagraph (b) for those purposes in an amount not to
29 exceed \$1,000,000 in any year.

30 No moneys appropriated pursuant to this subparagraph (b) may
31 be expended on any upgrade, replacement, or closure of any
32 underground storage tank, or for the remediation of any discharge
33 therefrom, for any underground storage tank owned by the State or
34 any of its departments, agencies, or authorities, or for costs incurred
35 by the State for the remediation of discharges of hazardous
36 substances.

37 Commencing on January 1, 2022, the moneys dedicated pursuant
38 to this subparagraph (b) may be appropriated from time to time by
39 the Legislature: for providing funding, including the provision of
40 loans or grants, for the upgrade, replacement, or closure of
41 underground storage tanks that store or were used to store
42 hazardous substances, and for the costs of remediating any
43 discharge therefrom; for providing funding, including the provision
44 of loans or grants, for the costs of the remediation of discharges of
45 hazardous substances, which costs may include costs incurred for
46 providing alternative sources of public or private water supplies,
47 when a water supply has been, or is suspected of being,

1 contaminated by a hazardous substance discharge; or for the costs
2 of a State underground storage tank inspection program, in an
3 amount up to \$2,000,000.00 per year.

4 The Legislature may appropriate after January 1, 2006, an
5 amount not to exceed \$10,000,000, of any of the amounts
6 appropriated in any fiscal year ending before July 1, 2005, made for
7 the purpose of the provision of loans or grants, for the upgrade,
8 replacement, or closure of underground storage tanks that store or
9 were used to store hazardous substances, and for the costs of
10 remediating any discharge therefrom, and not expended for that
11 purpose prior to the end of the fiscal year ending on June 30, 2005,
12 for the purpose set forth in subparagraph (d) of this paragraph.

13 (c) **【Commencing January 1, 2006 and ending December 31,**
14 **2015, a minimum of thirty-three】** Twenty-eight percent of the
15 amount annually credited pursuant to this paragraph shall be
16 dedicated, and shall be appropriated from time to time by the
17 Legislature, only for paying or financing costs incurred by the State
18 for the remediation of discharges of hazardous substances, which
19 costs may include performing necessary operation and maintenance
20 activities relating to remedial actions and costs incurred for
21 providing alternative sources of public or private water supplies,
22 when a water supply has been, or is suspected of being,
23 contaminated by a hazardous substance discharge. **【Commencing**
24 **January 1, 2016, a minimum of one-half of the amount annually**
25 **credited pursuant to this paragraph shall be dedicated for the**
26 **purposes of this subparagraph (c).】** No moneys appropriated
27 pursuant to this subparagraph (c) may be expended for any indirect
28 administrative costs of the State, its departments, agencies, or
29 authorities. No more than nine percent of the moneys annually
30 credited pursuant to this paragraph, which shall be taken from the
31 amount dedicated pursuant to this subparagraph (c), may be
32 expended for any direct program administrative costs of the State,
33 its departments, agencies, or authorities. **【If the Legislature**
34 **dedicates for the purposes of this subparagraph (c) any moneys**
35 **above the minimum that is required to be dedicated pursuant to this**
36 **subparagraph (c), those moneys may not be expended for any direct**
37 **or indirect administrative costs of the State, its departments,**
38 **agencies, or authorities.】**

39 (d) Commencing January 1, 2006 and ending December 31,
40 2015, **【a minimum of】** seventeen percent of the amount annually
41 credited pursuant to this paragraph shall be dedicated, and shall be
42 appropriated from time to time by the Legislature, only for
43 providing grants for the costs of air pollution control equipment to
44 reduce the levels of particulate matter emissions from diesel-
45 powered engines, funding for other measures to reduce human
46 exposure to those emissions, and funding for those program
47 administrative costs as provided in this subparagraph. No more

1 than \$1,150,000 per year of the amount dedicated pursuant to this
2 subparagraph (d) may be expended for program administrative costs
3 of the State, its departments, agencies, or authorities for
4 implementing the provisions of this subparagraph (d), and for
5 regulating particulate matter emissions from diesel-powered
6 engines.

7 Any amount dedicated and appropriated pursuant to this
8 subparagraph (d) but not expended prior to January 1, 2016 shall be
9 dedicated and may be appropriated from time to time by the
10 Legislature for the purposes authorized in subparagraph (c) of this
11 paragraph.

12 (e) Fifteen percent of the amount annually credited pursuant to
13 this paragraph shall be dedicated, and shall be appropriated from
14 time to time by the Legislature, only for providing funding,
15 including loans and grants, for the development of lands for
16 recreation and conservation purposes, and to satisfy any payments
17 relating to bonds, notes, or other obligations, including refunding
18 bonds, issued by an authority or similar entity established by law to
19 provide funding for the development of lands for recreation and
20 conservation purposes.

21 Commencing January 1, 2016, thirty-two percent of the amount
22 annually credited pursuant to this paragraph shall be dedicated, and
23 shall be appropriated from time to time by the Legislature, only for
24 providing funding, including loans and grants, for the development
25 of lands for recreation or conservation purposes, and to satisfy any
26 payments relating to bonds, notes, or other obligations, including
27 refunding bonds, issued by an authority or similar entity established
28 by law to provide funding, for the development of lands for
29 recreation or conservation purposes.

30 All moneys derived from repayments of any loan issued from the
31 amount dedicated pursuant to this subparagraph (e) shall be
32 dedicated, and shall be appropriated from time to time by the
33 Legislature, only for the purposes authorized pursuant to this
34 subparagraph (e).

35 No more than five percent per year of the amount dedicated
36 pursuant to this subparagraph (e) may be expended for program
37 administrative costs of the State, its departments, agencies, or
38 authorities for implementing the provisions of this subparagraph
39 (e).

40 The authority or other similar entity established by law as
41 described in this subparagraph (e) shall be the same authority or
42 entity established for the purposes of Article VIII, Section II,
43 paragraph 7 of the State Constitution.

44 (cf: Article VIII, Section II, par.6, effective December 8, 2005)

45

46 2. When this proposed amendment to the Constitution is finally
47 agreed to pursuant to Article IX, paragraph 1 of the Constitution, it

1 shall be submitted to the people at the next general election
 2 occurring more than three months after the final agreement and
 3 shall be published at least once in at least one newspaper of each
 4 county designated by the President of the Senate, the Speaker of the
 5 General Assembly and the Attorney General, not less than three
 6 months prior to the general election.

7
 8 3. This proposed amendment to the Constitution shall be
 9 submitted to the people at that election in the following manner and
 10 form:

11 There shall be printed on each official ballot to be used at the
 12 general election, the following:

13 a. In every municipality in which voting machines are not used, a
 14 legend which shall immediately precede the question as follows:

15 If you favor the proposition printed below make a cross (X), plus
 16 (+), or check (✓) in the square opposite the word "Yes." If you are
 17 opposed thereto make a cross (X), plus (+) or check (✓) in the
 18 square opposite the word "No."

19 b. In every municipality the following question:
 20

	YES	<p style="text-align: center;">CONSTITUTIONAL AMENDMENT TO EXPAND USES OF DEDICATED TAX REVENUES TO FUND IMPROVEMENTS AND FACILITIES ON PRESERVED OPEN SPACE LANDS</p> <p>Shall the amendment to Article VIII, Section II, paragraph 6 of the Constitution of the State of New Jersey, expanding the authorized uses of the constitutionally dedicated Corporation Business Tax Revenue, to allow the use of 15% of the dedicated funds to fund the development of lands for recreation and conservation purposes, and beginning on January 1, 2016, allow the use of an additional 17% of the dedicated funds to fund the development of lands for recreation and conservation purposes, be approved?</p>
--	-----	---

1

	<p>NO</p>	<p style="text-align: center;">INTERPRETIVE STATEMENT</p> <p>Since 1996, 4% of the annual revenue from the Corporation Business Tax has been constitutionally dedicated to fund environmental programs. Approval of this constitutional amendment would (1) expand the authorized uses of those revenues to fund improvements and facilities for recreation and conservation purposes on preserved open space lands, and to pay debt that may be incurred from the issuance of bonds for those purposes, and (2) change the allocation of funds for the existing authorized uses. The Constitution currently allocates 33% for hazardous discharge cleanup performed by the State, 17% for grants for air pollution control programs until 2016, a minimum of one-sixth (or 16.66%) or a minimum of \$5 million for water quality projects, and a minimum of one-third for funding loans or grants for underground storage tank programs and loans or grants for hazardous discharge remediation programs, and for an underground storage tank inspection program. This constitutional amendment would authorize 15% of the dedicated funds to be used to finance improvements and facilities for recreation and conservation purposes on preserved open space lands and an additional 17% for that purpose in 2016 by reducing the allocation of monies for water quality programs, State funded hazardous discharge cleanup, and the underground storage tank program, but would require an appropriation to the underground storage tank program if less than \$20 million is available in any year for that program.</p>
--	-----------	---

2