

# Article VIII, Section II, Paragraph 9 New Jersey Constitution

## LEGISLATIVE HISTORY CHECKLIST

Compiled by the NJ State Law Library

(Dedicates all State moneys received from settlements and awards in cases of environmental contamination for certain environmental purposes)

**New Jersey Constitution:** Article VIII, Section II, Paragraph 8

**BILL NO:** SCR39

**SPONSOR:** Smith, Greenstein, McKeon, Benson, Eustace, Vainieri Huttle, Oujiano, Jasey, Barns, Codey, Lesniak, Scutari, Vitale, Turner, Weinberg, Sarlo, Diegnan, Gordon, Pinkin, Johnson, DeAngelo, Chiaravalloti, Muoio, Gusciora

**DATE INTRODUCED:** 1/12/2016

**COMMITTEE:** **Assembly:** Environment and Solid Waste

**Senate:** Environment and Energy

**AMENDED DURING PASSAGE:** Yes

**DATE OF PASSAGE:** **ASSEMBLY:** 12/19/2016

**SENATE:** 12/19/2016

**FILED WITH SECRETARY OF STATE:** 12/19/2016

**DATE OF ADOPTION:** 11/7/2017

**EFFECTIVE:** 12/7/2017

### 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:** Yes

**LEGISLATIVE FISCAL ESTIMATE:** Yes

**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 Senate Environment and Energy Committee : the public hearing will be held in  
C758 accordance with Rule 24:3 of the New Jersey Senate on the following concurrent resolution: Senate  
2016a Concurrent Resolution 39 (2R) "Amends Constitution to dedicate all State moneys received from settlements  
and awards in cases of environmental contamination for certain environmental purposes" [November 21,  
2016, Trenton, New Jersey]

974.90 Committee meeting of Senate Environment and Energy Committee : the Committee will receive testimony  
W329 from invited guests on the issues of chromium-6 in drinking water, and the Department of Environmental  
2016a Protection's proposed changes to the septic system density standards for the Highlands Region; the  
following bills will be considered: Senate Bill No. 853, Senate Bill No. 1160, Senate Bill No. 2731, Senate Bill  
No. 2732, Senate Concurrent Resolution 39 [November 3, 2016, Trenton, New Jersey]

**NEWSPAPER ARTICLES:**

Yes

S.P. Sullivan, NJ Advance Media for NJ.com, 'STATEHOUSE USE OF LAWSUIT FUNDS UP TO VOTERS', *Star-Ledger, The* (online), 25 Dec 2016 13

'Have your say in how hundreds of millions are spent | Editorials', *Star-Ledger, The: Web Edition Articles* (online), 11 Oct 2017

North Jersey, 'Letter: Question 2 approval would lock in environmental funds', *northjersey.com* (online), 17 Oct 2017

Philip Sean Curran, Staff Writer, 'CRANBURY: Township Committee, school board races contested', *Cranbury Press* (online), 1 Nov 2017

Steve C. Gold, Guest Columnist, 'Vote to help N.J.'s environment', *South Jersey Times* (online), 4 Nov 2017 A4

**SENATE CONCURRENT  
RESOLUTION No. 39**

**STATE OF NEW JERSEY  
217th LEGISLATURE**

PRE-FILED FOR INTRODUCTION IN THE 2016 SESSION

**Sponsored by:**

**Senator BOB SMITH**

**District 17 (Middlesex and Somerset)**

**Senator LINDA R. GREENSTEIN**

**District 14 (Mercer and Middlesex)**

**Co-Sponsored by:**

**Senators P.Barnes, III, Codey, Lesniak, Scutari, Vitale, Turner, Weinberg  
and Sarlo**

**SYNOPSIS**

Amends Constitution to dedicate all State moneys received from settlements and awards in cases of environmental contamination for certain environmental purposes.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



1 A CONCURRENT RESOLUTION proposing to amend Article VIII,  
2 Section II of the Constitution of the State of New Jersey by  
3 adding a new paragraph thereto.  
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 of  
9 the State of New Jersey is agreed to:  
10

11 PROPOSED AMENDMENT  
12

13 Amend Article VIII, Section II by adding a new paragraph 9 to  
14 read as follows:

15 9. There shall be credited annually to a special account in the  
16 General Fund an amount equivalent to the revenue annually derived  
17 from all settlements and judicial and administrative awards  
18 collected by the State in connection with claims based on  
19 environmental contamination.

20 The amount annually credited pursuant to this paragraph shall be  
21 dedicated, and shall be appropriated from time to time by the  
22 Legislature, only for paying for costs incurred by the State to repair  
23 damage to, restore, or permanently protect the State's natural  
24 resources, or for any of the purposes enumerated in Article VIII,  
25 Section II, paragraph 6 of the State Constitution, except that no  
26 more than five percent of the moneys appropriated pursuant to this  
27 paragraph may be expended for administrative costs of the State or  
28 its departments, agencies, or authorities for the purposes authorized  
29 in this paragraph.  
30

31 2. When this proposed amendment to the Constitution is finally  
32 agreed to pursuant to Article IX, paragraph 1 of the Constitution, it  
33 shall be submitted to the people at the next general election  
34 occurring more than three months after the final agreement and  
35 shall be published at least once in at least one newspaper of each  
36 county designated by the President of the Senate, the Speaker of the  
37 General Assembly and the Secretary of State, not less than three  
38 months prior to the general election.  
39

40 3. This proposed amendment to the Constitution shall be  
41 submitted to the people at that election in the following manner and  
42 form:

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

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

47 If you favor the proposition printed below make a cross (X), plus  
48 (+), or check (✓) in the square opposite the word "Yes." If you are

1 opposed thereto make a cross (X), plus (+) or check (✓) in the  
 2 square opposite the word "No."

3 b. In every municipality the following question:  
 4

|  |     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | YES | <p style="text-align: center;"><b>CONSTITUTIONAL AMENDMENT<br/>                 DEDICATING MONEYS FROM STATE<br/>                 ENVIRONMENTAL CONTAMINATION<br/>                 CASES</b></p> <p>Do you approve amending the Constitution to dedicate all moneys collected by the State in cases of contamination of the environment? The moneys would have to be used only for environmental purposes.</p>                                                                                                                                                                                                                            |
|  | NO  | <p style="text-align: center;"><b>INTERPRETIVE STATEMENT</b></p> <p>This amendment would dedicate all moneys collected by the State through settlements or awards for legal claims based on environmental contamination. These moneys would be dedicated solely for environmental purposes. These purposes could include preserving, repairing, or restoring natural resources. They may also include cleaning contaminated sites and underground storage tank sites, funding water quality programs , or preserving open space, farmland, or historic buildings or sites. Currently, these moneys may be used for any State purpose.</p> |

5

6

7

STATEMENT

8

9 This constitutional amendment would dedicate all moneys from  
 10 settlements and awards collected by the State in connection with  
 11 legal claims based on environmental contamination. The amount  
 12 dedicated may be used only to repair damage to, restore, or  
 13 permanently protect the State's natural resources, and for any of the  
 14 purposes enumerated in Article VIII, Section II, paragraph 6 of the  
 15 State Constitution. Those constitutionally enumerated purposes  
 16 include providing funding for cleaning contaminated sites and  
 17 underground storage tank sites, water quality programs, and  
 18 preserving open space, farmland, and historic buildings or sites. In  
 19 addition, no more than five percent of the moneys dedicated and  
 20 appropriated annually pursuant to this constitutional amendment  
 21 may be expended for administrative costs of the State or its  
 22 departments, agencies, or authorities for the authorized purposes.

[First Reprint]

**SENATE CONCURRENT  
RESOLUTION No. 39**

**STATE OF NEW JERSEY  
217th LEGISLATURE**

PRE-FILED FOR INTRODUCTION IN THE 2016 SESSION

**Sponsored by:**

**Senator BOB SMITH**

**District 17 (Middlesex and Somerset)**

**Senator LINDA R. GREENSTEIN**

**District 14 (Mercer and Middlesex)**

**Co-Sponsored by:**

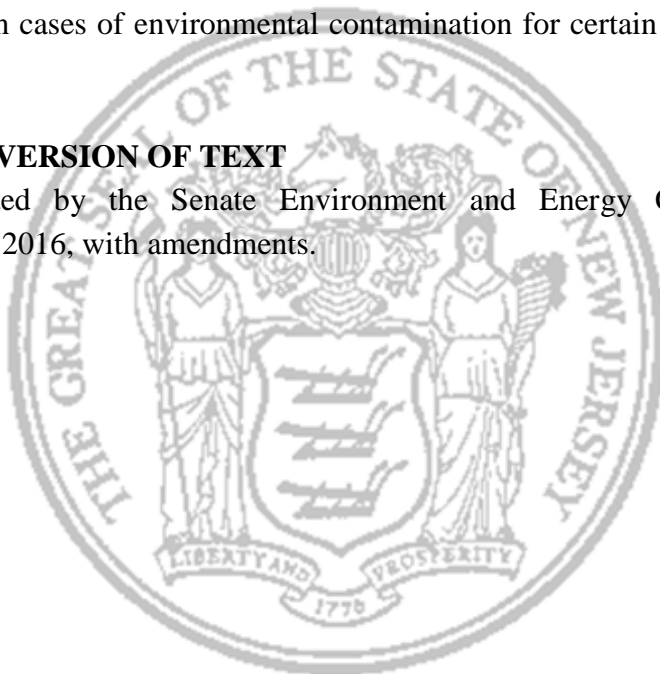
**Senators P.Barnes, III, Codey, Lesniak, Scutari, Vitale, Turner, Weinberg  
and Sarlo**

**SYNOPSIS**

Amends Constitution to dedicate all State moneys received from settlements and awards in cases of environmental contamination for certain environmental purposes.

**CURRENT VERSION OF TEXT**

As reported by the Senate Environment and Energy Committee on November 3, 2016, with amendments.



1 A CONCURRENT RESOLUTION proposing to amend Article VIII,  
2 Section II of the Constitution of the State of New Jersey by  
3 adding a new paragraph thereto.  
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 of  
9 the State of New Jersey is agreed to:  
10

11 PROPOSED AMENDMENT  
12

13 Amend Article VIII, Section II by adding a new paragraph 9 to  
14 read as follows:

15 9. There shall be credited annually to a special account in the  
16 General Fund an amount equivalent to the revenue annually derived  
17 from all settlements and judicial and administrative awards  
18 collected by the State in connection with claims based on  
19 environmental contamination.

20 The amount annually credited pursuant to this paragraph shall be  
21 dedicated, and shall be appropriated from time to time by the  
22 Legislature, only for paying for costs incurred by the State to repair  
23 **'[damage to]'**, restore, <sup>1</sup>or replace damaged or lost natural  
24 resources of the State,<sup>1</sup> or permanently protect the **'[State's]'**  
25 natural resources **'[**, or for any of the purposes enumerated in  
26 Article VIII, Section II, paragraph 6 of the State Constitution **]  
27 of the State<sup>1</sup>, except that no more than five percent of the moneys  
28 appropriated pursuant to this paragraph may be expended for  
29 administrative costs of the State or its departments, agencies, or  
30 authorities for the purposes authorized in this paragraph.  
31**

32 2. When this proposed amendment to the Constitution is finally  
33 agreed to pursuant to Article IX, paragraph 1 of the Constitution, it  
34 shall be submitted to the people at the next general election  
35 occurring more than three months after the final agreement and  
36 shall be published at least once in at least one newspaper of each  
37 county designated by the President of the Senate, the Speaker of the  
38 General Assembly and the Secretary of State, not less than three  
39 months prior to the general election.  
40

41 3. This proposed amendment to the Constitution shall be  
42 submitted to the people at that election in the following manner and  
43 form:

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.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Senate SEN committee amendments adopted November 3, 2016.

- 1        There shall be printed on each official ballot to be used at the  
 2 general election, the following:  
 3        a. In every municipality in which voting machines are not used,  
 4 a legend which shall immediately precede the question as follows:  
 5        If you favor the proposition printed below make a cross (X), plus  
 6 (+), or check (✓) in the square opposite the word "Yes." If you are  
 7 opposed thereto make a cross (X), plus (+) or check (✓) in the  
 8 square opposite the word "No."  
 9        b. In every municipality the following question:  
 10

|  |     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | YES | <p style="text-align: center;">CONSTITUTIONAL AMENDMENT<br/>                 DEDICATING MONEYS FROM STATE<br/>                 ENVIRONMENTAL CONTAMINATION<br/>                 CASES</p> <p>Do you approve amending the Constitution to dedicate all moneys collected by the State in cases of contamination of the environment? The moneys would have to be used only <sup>1</sup><b><u>for environmental purposes</u></b> to <u>repair, restore, replace, or preserve the State's natural resources</u><sup>1</sup>.</p>                                                                                                                                                                                                                                                                                                                                                                  |
|  | NO  | <p style="text-align: center;">INTERPRETIVE STATEMENT</p> <p>This amendment would dedicate all moneys collected by the State through settlements or awards for legal claims based on environmental contamination. These moneys would be dedicated <sup>1</sup><b><u>solely for environmental purposes</u></b>. These purposes could include preserving, repairing, or restoring <b><u>to repair, replace, or restore damaged</u></b><sup>1</sup> natural resources. They <sup>1</sup><b><u>may</u></b> <b><u>could</u></b><sup>1</sup> also <sup>1</sup><b><u>include cleaning contaminated sites and underground storage tank sites, funding water quality programs, or preserving open space, farmland, or historic buildings or sites</u></b> <b><u>be used to preserve the State's natural resources</u></b><sup>1</sup>. Currently, these moneys may be used for any State purpose.</p> |

[Second Reprint]  
**SENATE CONCURRENT  
RESOLUTION No. 39**

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**STATE OF NEW JERSEY  
217th LEGISLATURE**

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PRE-FILED FOR INTRODUCTION IN THE 2016 SESSION

**Sponsored by:**

**Senator BOB SMITH**

**District 17 (Middlesex and Somerset)**

**Senator LINDA R. GREENSTEIN**

**District 14 (Mercer and Middlesex)**

**Assemblyman JOHN F. MCKEON**

**District 27 (Essex and Morris)**

**Assemblyman DANIEL R. BENSON**

**District 14 (Mercer and Middlesex)**

**Assemblyman TIM EUSTACE**

**District 38 (Bergen and Passaic)**

**Assemblywoman VALERIE VAINIERI HUTTLE**

**District 37 (Bergen)**

**Assemblywoman ANNETTE QUIJANO**

**District 20 (Union)**

**Assemblywoman MILA M. JASEY**

**District 27 (Essex and Morris)**

**Co-Sponsored by:**

**Senators P.Barnes, III, Codey, Lesniak, Scutari, Vitale, Turner, Weinberg, Sarlo, Diegnan, Gordon, Assemblywoman Pinkin, Assemblymen Johnson, DeAngelo, Chiaravalloti, Assemblywoman Muoio and Assemblyman Gusciora**

**SYNOPSIS**

Amends Constitution to dedicate all State moneys received from settlements and awards in cases of environmental contamination relating to natural resource damages for certain environmental purposes.

**CURRENT VERSION OF TEXT**

As amended by the Senate on November 14, 2016.

(Sponsorship Updated As Of: 12/20/2016)

1 A CONCURRENT RESOLUTION proposing to amend Article VIII,  
2 Section II of the Constitution of the State of New Jersey by  
3 adding a new paragraph thereto.

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 of the  
9 State of New Jersey is agreed to:

10

11

PROPOSED AMENDMENT

12

13 Amend Article VIII, Section II by adding a new paragraph 9 to  
14 read as follows:

15 9. There shall be credited annually to a special account in the  
16 General Fund an amount equivalent to the revenue annually derived  
17 from all settlements and judicial and administrative awards <sup>2</sup>relating to  
18 natural resource damages<sup>2</sup> collected by the State in connection with  
19 claims based on environmental contamination.

20 The amount annually credited pursuant to this paragraph shall be  
21 dedicated, and shall be appropriated from time to time by the  
22 Legislature, <sup>2</sup>**[only]**<sup>2</sup> for paying for costs incurred by the State to  
23 repair <sup>1</sup>**[damage to]**<sup>1</sup>, restore, <sup>1</sup>or replace damaged or lost natural  
24 resources of the State,<sup>1</sup> or permanently protect the <sup>1</sup>**[State's]**<sup>1</sup> natural  
25 resources <sup>1</sup>**[**, or for any of the purposes enumerated in Article VIII,  
26 Section II, paragraph 6 of the State Constitution] of the State<sup>1</sup> ,  
27 <sup>2</sup>**[except that no more than five]** or for paying the legal or other costs  
28 incurred by the State to pursue settlements and judicial and  
29 administrative awards relating to natural resource damages. The first  
30 priority for the use of any moneys by the State to repair, restore, or  
31 replace damaged or lost natural resources of the State, or permanently  
32 protect the natural resources of the State, pursuant to this paragraph  
33 shall be in the immediate area in which the damage to the natural  
34 resources occurred in connection with the claim for which the moneys  
35 were recovered. If no reasonable project is available to satisfy the first  
36 priority for the use of the moneys, or there are moneys available after  
37 satisfying the first priority for their use, the second priority for the use  
38 of any moneys by the State to repair, restore, or replace damaged or  
39 lost natural resources of the State, or permanently protect the natural  
40 resources of the State, pursuant to this paragraph shall be in the same  
41 water region in which the damage to the natural resources occurred in  
42 connection with the claim for which the moneys were recovered. If no

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.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Senate SEN committee amendments adopted November 3, 2016.

<sup>2</sup>Senate floor amendments adopted November 14, 2016.

1 reasonable project is available to satisfy the first or second priority for  
 2 the use of the moneys, or there are moneys available after satisfying  
 3 the first or second priority for their use, the moneys may be used by  
 4 the State to repair, restore, or replace damaged or lost natural resources  
 5 of the State, or permanently protect the natural resources of the State,  
 6 pursuant to this paragraph without geographic constraints. Up to 10<sup>2</sup>  
 7 percent of the moneys appropriated pursuant to this paragraph may be  
 8 expended for administrative costs of the State or its departments,  
 9 agencies, or authorities for the purposes authorized in this paragraph.

10  
 11 2. When this proposed amendment to the Constitution is finally  
 12 agreed to pursuant to Article IX, paragraph 1 of the Constitution, it  
 13 shall be submitted to the people at the next general election  
 14 occurring more than three months after the final agreement and  
 15 shall be published at least once in at least one newspaper of each  
 16 county designated by the President of the Senate, the Speaker of the  
 17 General Assembly and the Secretary of State, not less than three  
 18 months prior to the general election.

19  
 20 3. This proposed amendment to the Constitution shall be  
 21 submitted to the people at that election in the following manner and  
 22 form:

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

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

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

31 b. In every municipality the following question:

32

|  |     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | YES | <p style="text-align: center;">CONSTITUTIONAL AMENDMENT<br/>                 DEDICATING MONEYS FROM STATE<br/>                 ENVIRONMENTAL CONTAMINATION<br/>                 CASES</p> <p>Do you approve amending the Constitution to<br/>                 dedicate all moneys collected by the State<br/> <sup>2</sup><u>relating to natural resource damages<sup>2</sup></u> in cases<br/>                 of contamination of the environment? The<br/>                 moneys would have to be used <sup>2</sup><b>[only]</b><sup>1</sup><b>[for</b><br/> <u>environmental purposes]</u> <u>to repair, restore,</u><br/> <u>replace, or preserve the State's natural</u><br/> <u>resources<sup>1</sup>.</u> <sup>2</sup><u>The moneys may also be used to</u><br/> <u>pay legal or other costs incurred by the State</u><br/> <u>in pursuing its claims.<sup>2</sup></u></p> |
|--|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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|  |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p>NO</p> | <p style="text-align: center;">INTERPRETIVE STATEMENT</p> <p>This amendment would dedicate <sup>2</sup><b>[all]</b><sup>2</sup> moneys collected by the State <sup>2</sup><u>relating to natural resource damages</u><sup>2</sup> through settlements or awards for legal claims based on environmental contamination. These moneys would be dedicated <sup>1</sup><b>[solely for environmental purposes. These purposes could include preserving, repairing, or restoring]</b> <u>to repair, replace, or restore damaged</u><sup>1</sup> natural resources <sup>2</sup>, <u>or to preserve the State's natural resources. The moneys would be spent in an area as close as possible to the geographical area in which the damage occurred</u><sup>2</sup>. <sup>2</sup><b>[They]</b> <u>The moneys</u><sup>2</sup> <sup>1</sup><b>[may]</b> <u>could</u><sup>1</sup> also <sup>1</sup><b>[include cleaning contaminated sites and underground storage tank sites, funding water quality programs, or preserving open space, farmland, or historic buildings or sites]</b> <u>be used</u> <sup>2</sup><b>[to preserve the State's natural resources</b><sup>1</sup> <b>]</b> <u>to pay for the State's legal or other costs in pursuing the claims</u><sup>2</sup> . Currently, these moneys may be used for any State purpose.</p> |
|--|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**ASSEMBLY CONCURRENT  
RESOLUTION No. 127**

**STATE OF NEW JERSEY  
217th LEGISLATURE**

INTRODUCED FEBRUARY 4, 2016

**Sponsored by:**

**Assemblyman JOHN F. MCKEON  
District 27 (Essex and Morris)**

**SYNOPSIS**

Amends Constitution to dedicate all State moneys received from settlements and awards in cases of environmental contamination for certain environmental purposes.

**CURRENT VERSION OF TEXT**

As introduced.



1 A **CONCURRENT RESOLUTION** proposing to amend Article VIII,  
2 Section II of the Constitution of the State of New Jersey by  
3 adding a new paragraph thereto.

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 of  
9 the State of New Jersey is agreed to:

10  
11 **PROPOSED AMENDMENT**

12  
13 Amend Article VIII, Section II by adding a new paragraph 9 to  
14 read as follows:

15 9. There shall be credited annually to a special account in the  
16 General Fund an amount equivalent to the revenue annually derived  
17 from all settlements and judicial and administrative awards  
18 collected by the State in connection with claims based on  
19 environmental contamination.

20 The amount annually credited pursuant to this paragraph shall be  
21 dedicated, and shall be appropriated from time to time by the  
22 Legislature, only for paying for costs incurred by the State to repair  
23 damage to, restore, or permanently protect the State's natural  
24 resources, or for any of the purposes enumerated in Article VIII,  
25 Section II, paragraph 6 of the State Constitution, except that no  
26 more than five percent of the moneys appropriated pursuant to this  
27 paragraph may be expended for administrative costs of the State or  
28 its departments, agencies, or authorities for the purposes authorized  
29 in this paragraph.

30  
31 2. When this proposed amendment to the Constitution is finally  
32 agreed to pursuant to Article IX, paragraph 1 of the Constitution, it  
33 shall be submitted to the people at the next general election  
34 occurring more than three months after the final agreement and  
35 shall be published at least once in at least one newspaper of each  
36 county designated by the President of the Senate, the Speaker of the  
37 General Assembly and the Secretary of State, not less than three  
38 months prior to the general election.

39  
40 3. This proposed amendment to the Constitution shall be  
41 submitted to the people at that election in the following manner and  
42 form:

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

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

47 If you favor the proposition printed below make a cross (X), plus  
48 (+), or check (✓) in the square opposite the word "Yes." If you are

ACR127 MCKEON

1 opposed thereto make a cross (X), plus (+) or check (✓) in the  
2 square opposite the word "No."

3 b. In every municipality the following question:  
4

|  |     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | YES | <p style="text-align: center;"><b>CONSTITUTIONAL AMENDMENT<br/>DEDICATING MONEYS FROM STATE<br/>ENVIRONMENTAL CONTAMINATION<br/>CASES</b></p> <p>Do you approve amending the Constitution to dedicate all moneys collected by the State in cases of contamination of the environment? The moneys would have to be used only for environmental purposes.</p>                                                                                                                                                                                                                                                                               |
|  | NO  | <p style="text-align: center;"><b>INTERPRETIVE STATEMENT</b></p> <p>This amendment would dedicate all moneys collected by the State through settlements or awards for legal claims based on environmental contamination. These moneys would be dedicated solely for environmental purposes. These purposes could include preserving, repairing, or restoring natural resources. They may also include cleaning contaminated sites and underground storage tank sites, funding water quality programs , or preserving open space, farmland, or historic buildings or sites. Currently, these moneys may be used for any State purpose.</p> |

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6

7

STATEMENT

8

9 This constitutional amendment would dedicate all moneys from  
10 settlements and awards collected by the State in connection with  
11 legal claims based on environmental contamination. The amount  
12 dedicated may be used only to repair damage to, restore, or  
13 permanently protect the State's natural resources, and for any of the  
14 purposes enumerated in Article VIII, Section II, paragraph 6 of the  
15 State Constitution. Those constitutionally enumerated purposes  
16 include providing funding for cleaning contaminated sites and  
17 underground storage tank sites, water quality programs, and  
18 preserving open space, farmland, and historic buildings or sites. In  
19 addition, no more than five percent of the moneys dedicated and  
20 appropriated annually pursuant to this constitutional amendment  
21 may be expended for administrative costs of the State or its  
22 departments, agencies, or authorities for the authorized purposes.

ASSEMBLY COMMITTEE SUBSTITUTE FOR  
**ASSEMBLY CONCURRENT  
RESOLUTION No. 127**

**STATE OF NEW JERSEY  
217th LEGISLATURE**

ADOPTED NOVEMBER 14, 2016

**Sponsored by:**

**Assemblyman JOHN F. MCKEON  
District 27 (Essex and Morris)  
Assemblyman DANIEL R. BENSON  
District 14 (Mercer and Middlesex)  
Assemblyman TIM EUSTACE  
District 38 (Bergen and Passaic)  
Assemblywoman VALERIE VAINIERI HUTTLE  
District 37 (Bergen)  
Assemblywoman ANNETTE QUIJANO  
District 20 (Union)  
Assemblywoman MILA M. JASEY  
District 27 (Essex and Morris)**

**Co-Sponsored by:**

**Assemblywoman Pinkin, Assemblymen Johnson, DeAngelo, Chiaravalloti,  
Assemblywoman Muoio and Assemblyman Gusciora**

**SYNOPSIS**

Amends Constitution to dedicate all State moneys received from settlements and awards in cases of environmental contamination relating to natural resource damages for certain environmental purposes.

**CURRENT VERSION OF TEXT**

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

**(Sponsorship Updated As Of: 12/20/2016)**



1 A CONCURRENT RESOLUTION proposing to amend Article VIII,  
2 Section II of the Constitution of the State of New Jersey by  
3 adding a new paragraph thereto.  
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 of  
9 the State of New Jersey is agreed to:  
10

11 PROPOSED AMENDMENT  
12

13 Amend Article VIII, Section II by adding a new paragraph 9 to  
14 read as follows:

15 9. There shall be credited annually to a special account in the  
16 General Fund an amount equivalent to the revenue annually derived  
17 from all settlements and judicial and administrative awards relating  
18 to natural resource damages collected by the State in connection  
19 with claims based on environmental contamination.

20 The amount annually credited pursuant to this paragraph shall be  
21 dedicated, and shall be appropriated from time to time by the  
22 Legislature, for paying for costs incurred by the State to repair,  
23 restore, or replace damaged or lost natural resources of the State, or  
24 permanently protect the natural resources of the State, or for paying  
25 the legal or other costs incurred by the State to pursue settlements  
26 and judicial and administrative awards relating to natural resource  
27 damages. The first priority for the use of any moneys by the State  
28 to repair, restore, or replace damaged or lost natural resources of the  
29 State, or permanently protect the natural resources of the State,  
30 pursuant to this paragraph shall be in the immediate area in which  
31 the damage to the natural resources occurred in connection with the  
32 claim for which the moneys were recovered. If no reasonable  
33 project is available to satisfy the first priority for the use of the  
34 moneys, or there are moneys available after satisfying the first  
35 priority for their use, the second priority for the use of any moneys  
36 by the State to repair, restore, or replace damaged or lost natural  
37 resources of the State, or permanently protect the natural resources  
38 of the State, pursuant to this paragraph shall be in the same water  
39 region in which the damage to the natural resources occurred in  
40 connection with the claim for which the moneys were recovered. If  
41 no reasonable project is available to satisfy the first or second  
42 priority for the use of the moneys, or there are moneys available  
43 after satisfying the first or second priority for their use, the moneys  
44 may be used by the State to repair, restore, or replace damaged or  
45 lost natural resources of the State, or permanently protect the  
46 natural resources of the State, pursuant to this paragraph without  
47 geographic constraints. Up to 10 percent of the moneys  
48 appropriated pursuant to this paragraph may be expended for

1 administrative costs of the State or its departments, agencies, or  
2 authorities for the purposes authorized in this paragraph.

3

4 2. When this proposed amendment to the Constitution is finally  
5 agreed to pursuant to Article IX, paragraph 1 of the Constitution, it  
6 shall be submitted to the people at the next general election  
7 occurring more than three months after the final agreement and  
8 shall be published at least once in at least one newspaper of each  
9 county designated by the President of the Senate, the Speaker of the  
10 General Assembly and the Secretary of State, not less than three  
11 months prior to the general election.

12

13 3. This proposed amendment to the Constitution shall be  
14 submitted to the people at that election in the following manner and  
15 form:

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

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

20 If you favor the proposition printed below make a cross (X), plus  
21 (+), or check (✓) in the square opposite the word "Yes." If you are  
22 opposed thereto make a cross (X), plus (+) or check (✓) in the  
23 square opposite the word "No."

24 b. In every municipality the following question:

1

|  |            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p>YES</p> | <p style="text-align: center;"><b>CONSTITUTIONAL AMENDMENT<br/>DEDICATING MONEYS FROM STATE<br/>ENVIRONMENTAL CONTAMINATION<br/>CASES</b></p> <p>Do you approve amending the Constitution to dedicate all moneys collected by the State relating to natural resource damages in cases of contamination of the environment? The moneys would have to be used to repair, restore, replace, or preserve the State’s natural resources. The moneys may also be used to pay legal or other costs incurred by the State in pursuing its claims.</p>                                                                                                                                       |
|  | <p>NO</p>  | <p style="text-align: center;"><b>INTERPRETIVE STATEMENT</b></p> <p>This amendment would dedicate moneys collected by the State relating to natural resource damages through settlements or awards for legal claims based on environmental contamination. These moneys would be dedicated to repair, replace, or restore damaged natural resources, or to preserve the State’s natural resources. The moneys would be spent in an area as close as possible to the geographical area in which the damage occurred. The moneys could also be used to pay for the State’s legal or other costs in pursuing the claims. Currently, these moneys may be used for any State purpose.</p> |

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# SENATE ENVIRONMENT AND ENERGY COMMITTEE

## STATEMENT TO

### **SENATE CONCURRENT RESOLUTION No. 39**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: NOVEMBER 3, 2016

The Senate Environment and Energy Committee favorably reports Senate Concurrent Resolution No. 39 with committee amendments.

This constitutional amendment would dedicate all moneys from settlements and awards collected by the State in connection with legal claims based on environmental contamination. With proposed committee amendments, the amount dedicated may be used only to repair, restore, or replace damaged or lost natural resources of the State, or permanently protect the State's natural resources. In addition, no more than five percent of the moneys dedicated and appropriated annually pursuant to this constitutional amendment may be expended for administrative costs of the State, or its departments, agencies, or authorities for the authorized purposes.

The proposed committee amendments would delete language that authorizes the use of moneys from settlements and awards for any of the purposes enumerated in Article VIII, Section II, paragraph 6 of the State Constitution, such as providing funding for cleaning contaminated sites and underground storage tank sites, water quality programs, and preserving open space, farmland, and historic buildings or sites.

This resolution was pre-filed for introduction in the 2016-2017 session pending technical review. As reported, the resolution includes the changes required by technical review, which has been performed.

STATEMENT TO  
[First Reprint]  
**SENATE CONCURRENT RESOLUTION No. 39**

with Senate Floor Amendments  
(Proposed by Senator SMITH)

ADOPTED: NOVEMBER 14, 2016

These floor amendments would limit the dedication of moneys derived from all settlements and judicial and administrative awards collected by the State in connection with claims based on environmental contamination to only those moneys collected relating to natural resource damages. In addition, the amendments would authorize the use of the dedicated moneys to pay the legal or other costs incurred by the State to pursue settlements and judicial and administrative awards relating to natural resource damages.

The amendments would prioritize, in the following order, the use of the dedicated moneys by the State to repair, restore, or replace damaged or lost natural resources of the State, or to permanently protect the natural resources of the State, in connection with the claim for which the money was recovered: (1) in the immediate area in which the damage to the natural resources occurred; or (2) in the same water region in which the damage to the natural resources occurred. If no reasonable project is available to satisfy the first or second priority for the use of the moneys, or if there are moneys available after satisfying the first or second priority, moneys may be used by the State to repair, restore, or replace damaged or lost natural resources of the State, or permanently protect the natural resources of the State, without geographic constraints.

Finally, the amendments increase the amount of dedicated moneys that may be used to pay for related administrative costs from five to 10 percent of the moneys appropriated pursuant to the paragraph.

ASSEMBLY ENVIRONMENT AND SOLID WASTE  
COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR  
**ASSEMBLY CONCURRENT RESOLUTION No. 127**

**STATE OF NEW JERSEY**

DATED: NOVEMBER 14, 2016

The Assembly Environment and Solid Waste Committee reports favorably an Assembly Committee Substitute for Assembly Concurrent Resolution No. 127.

This constitutional amendment would dedicate all moneys from settlements and awards collected by the State in connection with legal claims based on environmental contamination relating to natural resource damages. The amount dedicated may be used to repair, restore, or replace damaged or lost natural resources of the State, or permanently protect the natural resources of the State, or pay the legal or other costs incurred by the State to pursue settlements and judicial and administrative awards relating to natural resource damages.

The constitutional amendment would prioritize, in the following order, the use of the dedicated moneys by the State to repair, restore, or replace damaged or lost natural resources of the State, or to permanently protect the natural resources of the State, in connection with the claim for which the money was recovered: (1) in the immediate area in which the damage to the natural resources occurred; or (2) in the same water region in which the damage to the natural resources occurred. If no reasonable project is available to satisfy the first or second priority for the use of the moneys, or if there are moneys available after satisfying the first or second priority, moneys may be used by the State to repair, restore, or replace damaged or lost natural resources of the State, or permanently protect the natural resources of the State, without geographic constraints. In addition, no more than 10 percent of the moneys dedicated and appropriated annually pursuant to this constitutional amendment may be expended for administrative costs of the State, or its departments, agencies, or authorities for the authorized purposes.

# LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

## SENATE CONCURRENT RESOLUTION No. 39

### STATE OF NEW JERSEY 217th LEGISLATURE

DATED: DECEMBER 22, 2016

#### SUMMARY

- Synopsis:** Amends Constitution to dedicate all State moneys received from settlements and awards in cases of environmental contamination for certain environmental purposes.
- Type of Impact:** Constitutional Dedication of State Revenue
- Agencies Affected:** Department of Environmental Protection

#### Office of Legislative Services Estimate

| <b>Fiscal Impact</b> | <b><u>Year 1</u></b>                                            | <b><u>Year 2</u></b> | <b><u>Year 3</u></b> |
|----------------------|-----------------------------------------------------------------|----------------------|----------------------|
| <b>State Impact</b>  | Constitutional Dedication of State Revenue – See comments below |                      |                      |

- The Office of Legislative Services has insufficient information upon which to base an estimate of the amount of future revenue which would become constitutionally dedicated if this concurrent resolution is approved. Revenue from settlements and awards collected by the State in connection with legal claims based on environmental contamination relating to natural resource damages fluctuates annually according to a variety of factors.
- The constitutional amendment dedicates all moneys from settlements and awards for natural resource damages collected by the State to a special account to be used to repair, restore, or replace damaged or lost natural resources of the State, or permanently protect the natural resources of the State, or pay the legal or other costs incurred by the State to pursue settlements and judicial and administrative awards relating to natural resource damages. These revenues are not at present dedicated by law to any specific uses.

#### BILL DESCRIPTION

Senate Concurrent Resolution No. 39 (2R) of 2016 would constitutionally dedicate all moneys from settlements and awards collected by the State in connection with legal claims based on environmental contamination relating to natural resource damages. The amount dedicated may be used to repair, restore, or replace damaged or lost natural resources of the State, or permanently protect the natural resources of the State, or pay the legal or other costs incurred by

the State to pursue settlements and judicial and administrative awards relating to natural resource damages.

The constitutional amendment would prioritize, in the following order, the use of the dedicated moneys by the State to repair, restore, or replace damaged or lost natural resources of the State, or to permanently protect the natural resources of the State, in connection with the claim for which the money was recovered: (1) in the immediate area in which the damage to the natural resources occurred; or (2) in the same water region in which the damage to the natural resources occurred. If no reasonable project is available to satisfy the first or second priority for the use of the moneys, or if there are moneys available after satisfying the first or second priority, moneys may be used by the State to repair, restore, or replace damaged or lost natural resources of the State, or permanently protect the natural resources of the State, without geographic constraints. In addition, no more than 10 percent of the moneys dedicated and appropriated annually pursuant to this constitutional amendment may be expended for administrative costs of the State, or its departments, agencies, or authorities for the authorized purposes.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

Revenue from settlements and awards collected by the State in connection with legal claims based on environmental contamination relating to natural resource damages fluctuates annually according to a variety of factors. The Office of Legislative Services has insufficient information upon which to base an estimate of the amount of future revenue which would become constitutionally dedicated if this concurrent resolution is approved.

Current statutory and regulatory authority and common law allow for legal claims based on environmental contamination relating to natural resource damages in the State. However, statutory and regulatory authority does not dedicate the moneys from such settlements and judicial and administrative awards for any specific purpose. This constitutional amendment would prevent any moneys received by the State from settlements and awards in legal claims based on environmental contamination relating to natural resource damages from being used for any purposes other than to repair, restore, or replace damaged or lost natural resources of the State, or permanently protect the natural resources of the State, or pay the legal or other costs incurred by the State to pursue settlements and judicial and administrative awards relating to natural resource damages. In addition, the constitutional amendment allows up to 10 percent of the moneys that are dedicated and appropriated to be used for administrative costs of the State for authorized purposes.

In recent years annual appropriations act language has provided for specific budgetary allocations of these revenues. For example, the Fiscal Year 2017 Appropriations Act, P.L.2016, c.10, provides that the first \$50 million in natural resource, cost recoveries, and other associated damages recovered by the State, be deposited into the Hazardous Discharge Site Cleanup Fund to be used for the direct and indirect costs of remediation, restoration, and clean up; costs for consulting, expert, and legal services incurred in pursuing claims for damages; and grants to local governments and nonprofit organizations to further implement restoration activities of the

Office of Natural Resource Restoration. The language further provides that recoveries in excess of the amounts appropriated, consistent with the terms and conditions of applicable settlement agreements or court rulings, are to be deposited into the General Fund as general State revenue.

The Department of Environmental Protection informed the Assembly Budget Committee and Senate Budget and Appropriations Committee during the committees' review of the Governor's proposed Fiscal Year 2017 budget that it was anticipating between \$226 million and \$236 million in natural resource damage payments in Fiscal Year 2017. This estimate is not necessarily indicative of amounts the State could receive annually in future fiscal years.

*Section: Environment, Agriculture, Energy and Natural Resources*

*Analyst: Neha Mehta Patel  
Assistant Fiscal Analyst*

*Approved: Frank W. Haines III  
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).