

SENATE, No. 1586

STATE OF NEW JERSEY
209th LEGISLATURE

INTRODUCED SEPTEMBER 21, 2000

Sponsored by:

Senator JOHN O. BENNETT

District 12 (Monmouth)

Senator JOSEPH A. PALAIA

District 11 (Monmouth)

SYNOPSIS

Authorizes Monmouth County Board of Freeholders to establish by resolution a "waste management services tax."

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT authorizing as a pilot program the imposition of a "waste
2 management services tax" by the Monmouth County Board of
3 Freeholders and supplementing chapter 1E of Title 13 of the
4 Revised Statutes

5
6 **BE IT ENACTED** by the Senate and General Assembly of the State
7 of New Jersey:

8
9 1. The Legislature finds and declares that the proper management
10 of solid waste is in the public interest and that the health, safety and
11 welfare of the people of this State require safe, reliable, efficient and
12 reasonable solid waste management services.

13 The Legislature further finds and declares that it is imperative that
14 the State take appropriate action to authorize counties to implement
15 measures which enable counties to continue to fund the
16 implementation of comprehensive solid waste management plans in a
17 manner which assures accountability to residents and businesses.

18 The Legislature further finds and declares that while counties may
19 fund the costs associated with the implementation of a solid waste
20 management plan through the county purposes tax, it is in the public
21 interest to more precisely identify funds designated for the
22 implementation of a solid waste management plan. One method of
23 identifying such funds is through the adoption of a county wide tax to
24 offset the expenses of a solid waste management plan. However, since
25 the imposition of a new tax generally is not favored as a remedy to
26 solid waste disposal problems, it is appropriate that the Legislature
27 study the efficacy of this solution in one county before approving it as
28 a Statewide solution. Therefore, it is in the public interest to allow the
29 governing body of Monmouth County, as a pilot program, to impose
30 a "waste management services tax" and have that governing body
31 report back to the Legislature as to whether such a county tax is in the
32 best interests of the county residents.

33
34 2. The governing body of Monmouth County may, by resolution,
35 establish a "waste management services tax," which shall be assessed
36 and collected in the same manner as the county purposes tax on real
37 property, and which shall appear and be identified as a separate county
38 line item on the property tax bills. Monies collected from this tax shall
39 be used exclusively to fund solid waste management programs,
40 services and activities in Monmouth County.

41 Notwithstanding the provision of any other law to the contrary,
42 Monmouth County debt obligations that were issued for solid waste
43 management purposes and which were previously deductible from the
44 calculation of gross debt of the county for debt limitation purposes
45 because it was debt issued for a self-liquidating purpose pursuant to
46 N.J.S.40A:2-44 shall continue to be deductible notwithstanding that

1 the county may fund solid waste management costs with a "waste
2 management services tax."

3 Notwithstanding the provisions of section 3 of P.L.1976, c.68
4 (C:40A:4-45.3), increases to the Monmouth County budget in order
5 to pay for solid waste management costs which were previously
6 funded by tipping fees prior to the loss of flow control shall be exempt
7 from budget cap requirements under applicable law.

8

9 3. The governing body of Monmouth County shall file a report
10 with the Governor and the Legislature not later than two years
11 following the adoption of the resolution establishing a "waste
12 management services tax." The report shall detail the effects of the
13 "waste management services tax" on the tipping fees for the county
14 landfill and on the property tax burden of the average county taxpayer.

15

16 4. This act shall take effect immediately.

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18

19

STATEMENT

20

21 This bill would authorize as a pilot program the imposition of a
22 "waste management services tax" in Monmouth county to be used
23 exclusively to fund solid waste management programs, services and
24 activities in the county. This pilot program was requested by the
25 Monmouth County Board of Freeholders following lengthy discussions
26 between the board and the county's municipalities about the county's
27 solid waste needs.

28 Under the terms of the bill, the Monmouth County Board of
29 Freeholders would be authorized to establish, by resolution, a "waste
30 management services tax," to be assessed and collected in the same
31 manner as the county purposes tax on real property. The "waste
32 management services tax" would appear and be identified as a separate
33 county line item on the property tax bills.

34 The Board of Freeholders of Monmouth County would be required
35 to file a report with the Governor and the Legislature not later than
36 two years following the adoption of the resolution establishing a
37 "waste management services tax." The report would address the
38 effects of the "waste management services tax" on the tipping fees for
39 the county landfill and on the property tax burden of the average
40 county taxpayer.

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 1586

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 14, 2000

The Senate Community and Urban Affairs Committee reports without recommendation, and with committee amendments Senate Bill No. 1586.

This bill, as amended, would authorize as a pilot program the imposition of a "waste management services tax" in Monmouth county to be used exclusively to fund solid waste management programs, services and activities in the county. This pilot program was requested by the Monmouth County Board of Freeholders following lengthy discussions between the board and the county's municipalities about the county's solid waste needs.

Under the terms of the bill, the Monmouth County Board of Freeholders would be authorized to establish, by resolution, a "waste management services tax," to be assessed and collected in the same manner as the county purposes tax on real property. The "waste management services tax" would appear and be identified as a separate county line item on the property tax bills.

The Board of Freeholders of Monmouth County would be required to file a report with the Governor and the Legislature not later than two years following the adoption of the resolution establishing a "waste management services tax." The report would address the effects of the "waste management services tax" on the tipping fees for the county landfill and on the property tax burden of the average county taxpayer.

The committee amended the bill to require the pilot program to expire at the end of the third year next following enactment.

[First Reprint]

SENATE, No. 1586

STATE OF NEW JERSEY
209th LEGISLATURE

INTRODUCED SEPTEMBER 21, 2000

Sponsored by:

Senator JOHN O. BENNETT

District 12 (Monmouth)

Senator JOSEPH A. PALAIA

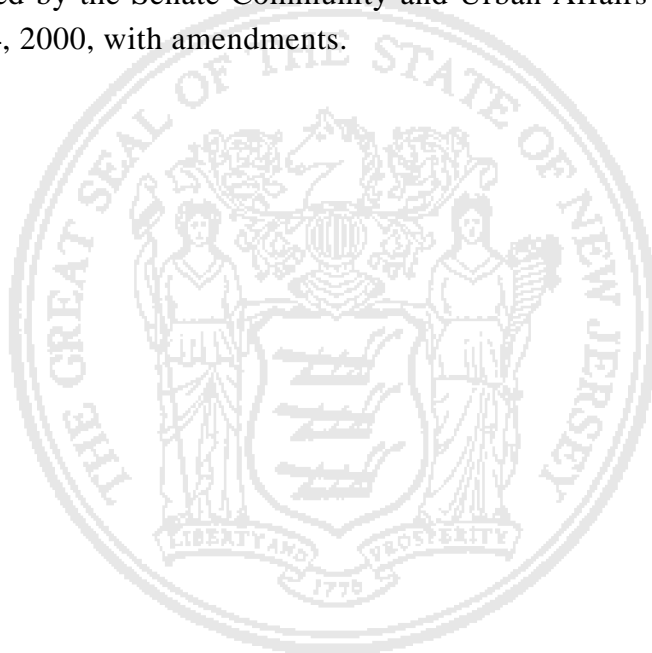
District 11 (Monmouth)

SYNOPSIS

Authorizes Monmouth County Board of Freeholders to establish by resolution a "waste management services tax."

CURRENT VERSION OF TEXT

As reported by the Senate Community and Urban Affairs Committee on December 14, 2000, with amendments.



1 AN ACT authorizing as a pilot program the imposition of a "waste
2 management services tax" by the Monmouth County Board of
3 Freeholders and supplementing chapter 1E of Title 13 of the
4 Revised Statutes

5
6 **BE IT ENACTED** by the Senate and General Assembly of the State
7 of New Jersey:

8
9 1. The Legislature finds and declares that the proper management
10 of solid waste is in the public interest and that the health, safety and
11 welfare of the people of this State require safe, reliable, efficient and
12 reasonable solid waste management services.

13 The Legislature further finds and declares that it is imperative that
14 the State take appropriate action to authorize counties to implement
15 measures which enable counties to continue to fund the
16 implementation of comprehensive solid waste management plans in a
17 manner which assures accountability to residents and businesses.

18 The Legislature further finds and declares that while counties may
19 fund the costs associated with the implementation of a solid waste
20 management plan through the county purposes tax, it is in the public
21 interest to more precisely identify funds designated for the
22 implementation of a solid waste management plan. One method of
23 identifying such funds is through the adoption of a county wide tax to
24 offset the expenses of a solid waste management plan. However, since
25 the imposition of a new tax generally is not favored as a remedy to
26 solid waste disposal problems, it is appropriate that the Legislature
27 study the efficacy of this solution in one county before approving it as
28 a Statewide solution. Therefore, it is in the public interest to allow the
29 governing body of Monmouth County, as a pilot program, to impose
30 a "waste management services tax" and have that governing body
31 report back to the Legislature as to whether such a county tax is in the
32 best interests of the county residents.

33
34 2. The governing body of Monmouth County may, by resolution,
35 establish a "waste management services tax," which shall be assessed
36 and collected in the same manner as the county purposes tax on real
37 property, and which shall appear and be identified as a separate county
38 line item on the property tax bills. Monies collected from this tax shall
39 be used exclusively to fund solid waste management programs,
40 services and activities in Monmouth County.

41 Notwithstanding the provision of any other law to the contrary,
42 Monmouth County debt obligations that were issued for solid waste

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate SCU committee amendments adopted December 14, 2000.

1 management purposes and which were previously deductible from the
2 calculation of gross debt of the county for debt limitation purposes
3 because it was debt issued for a self-liquidating purpose pursuant to
4 N.J.S.40A:2-44 shall continue to be deductible notwithstanding that
5 the county may fund solid waste management costs with a "waste
6 management services tax."

7 Notwithstanding the provisions of section 3 of P.L.1976, c.68
8 (C:40A:4-45.3), increases to the Monmouth County budget in order
9 to pay for solid waste management costs which were previously
10 funded by tipping fees prior to the loss of flow control shall be exempt
11 from budget cap requirements under applicable law.

12

13 3. The governing body of Monmouth County shall file a report
14 with the Governor and the Legislature not later than two years
15 following the adoption of the resolution establishing a "waste
16 management services tax." The report shall detail the effects of the
17 "waste management services tax" on the tipping fees for the county
18 landfill and on the property tax burden of the average county taxpayer.

19

20 4. This act shall take effect immediately ¹and shall expire at the end
21 of the third year next following enactment¹.

SENATE SUBSTITUTE FOR
SENATE, No. 1586

STATE OF NEW JERSEY
209th LEGISLATURE

ADOPTED JUNE 7, 2001

Sponsored by:

Senator JOHN O. BENNETT

District 12 (Monmouth)

Senator JOSEPH A. PALAIA

District 11 (Monmouth)

Co-Sponsored by:

Assemblyman Arnone

SYNOPSIS

Permits county contributions for management of self-liquidating solid waste utility to be outside budget cap limits.

CURRENT VERSION OF TEXT

Substitute as adopted by the Senate.



(Sponsorship Updated As Of: 1/4/2002)

1 AN ACT concerning county budget cap exceptions and supplementing
2 chapter 4 of Title 40A of the New Jersey Statutes.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. The Legislature finds and declares:

8 The proper management of solid waste is essential to the health,
9 safety and welfare of the people of this State and it is in the public
10 interest to assure safe, reliable, efficient and reasonably priced solid
11 waste management services.

12 It is imperative that the State take appropriate action to authorize
13 counties to implement measures which enable counties to continue to
14 fund the implementation of comprehensive solid waste management
15 plans in a manner which assures accountability to residents and
16 businesses.

17 Due to the change in solid waste flow rules in 1997, many county
18 solid waste operations were forced to reduce tipping fees in order to
19 remain competitive with solid waste facilities located outside the State
20 of New Jersey. These reductions in tipping fees have resulted in a loss
21 of revenues to these county solid waste operations, with the potential
22 to cause operational funding shortfalls.

23 Therefore, it is a matter of good public policy to address the issue
24 of potential operational funding shortfalls by providing a means by
25 which county governments can address the issue of funding shortfalls
26 while maintaining stability in the county budget by permitting counties
27 to fund the shortfalls through the county general fund with funds not
28 subject to budget cap limits.

29

30 2. Notwithstanding the provisions of section 4 of P.L.1976, c.68
31 (C.40A:4-45.4) to the contrary, amounts appropriated in a county
32 budget pursuant to N.J.S.40A:4-35 related to the operation of a
33 county solid waste reclamation utility shall not be subject to limits on
34 increases in the county tax levy in any budget year.

35

36 3. This act shall take effect immediately and shall be retroactive to
37 January 1, 2001.

38

39

STATEMENT

40

41 This substitute bill would permit a county to appropriate monies in
42 order to subsidize the operation of a county solid waste reclamation
43 utility without regard to the limits on increases in the county tax levy
44 in any budget year. Under current law, if a county wanted to subsidize
45 its solid waste reclamation utility, it would have to take the money
46 from other appropriations, thereby probably reducing services, to
47 remain within the county budget and tax levy caps.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE SUBSTITUTE FOR

SENATE, No. 1586

STATE OF NEW JERSEY

DATED: DECEMBER 20, 2001

The Assembly Appropriations Committee reports favorably Senate Bill No. 1586 (SS).

Senate Bill No. 1586 (SS) permits a county to appropriate monies in order to subsidize the operation of a county solid waste reclamation utility without regard to the limits on increases in the county tax levy in any budget year.

This bill allows counties to handle the problem of subsidizing solid waste reclamation utility operational expenses by raising money in excess of the county budget cap that would otherwise apply. Although the bill authorizes county governments to raise real property taxes in excess of the cap, such an increase in real property taxes can have long-run benefits to the county real property taxpayers: it decreases the chances of a default on the county bonds used to construct the solid waste reclamation facility that is being subsidized.

Currently, under the county budget cap law if county wanted to subsidize its solid waste reclamation utility the county would have to transfer funds from other appropriations, with the likely result of a force reduction in services, to remain within the county budget and tax levy caps.

FISCAL IMPACT:

This bill has no impact on State revenues or expenditures. The bill allows counties to increase their real property taxes in excess of the county budget and tax levy caps to subsidize the operation of a county solid waste reclamation utility. No information is available on the counties that would use this method, or the amount of subsidies that would be raised.

ASSEMBLY, No. 2963

STATE OF NEW JERSEY 209th LEGISLATURE

INTRODUCED NOVEMBER 13, 2000

Sponsored by:

Assemblyman MICHAEL J. ARNONE

District 12 (Monmouth)

SYNOPSIS

Authorizes Monmouth County Board of Freeholders to establish by resolution a "waste management services tax."

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT authorizing as a pilot program the imposition of a "waste
2 management services tax" by the Monmouth County Board of
3 Freeholders and supplementing chapter 1E of Title 13 of the
4 Revised Statutes.

5
6 **BE IT ENACTED** by the Senate and General Assembly of the State
7 of New Jersey:

8
9 1. The Legislature finds and declares that the proper management
10 of solid waste is in the public interest and that the health, safety and
11 welfare of the people of this State require safe, reliable, efficient and
12 reasonable solid waste management services.

13 The Legislature further finds and declares that it is imperative that
14 the State take appropriate action to authorize counties to implement
15 measures which enable counties to continue to fund the
16 implementation of comprehensive solid waste management plans in a
17 manner which assures accountability to residents and businesses.

18 The Legislature further finds and declares that while counties may
19 fund the costs associated with the implementation of a solid waste
20 management plan through the county purposes tax, it is in the public
21 interest to more precisely identify funds designated for the
22 implementation of a solid waste management plan. One method of
23 identifying such funds is through the adoption of a county wide tax to
24 offset the expenses of a solid waste management plan. However, since
25 the imposition of a new tax generally is not favored as a remedy to
26 solid waste disposal problems, it is appropriate that the Legislature
27 study the efficacy of this solution in one county before approving it as
28 a Statewide solution. Therefore, it is in the public interest to allow the
29 governing body of Monmouth County, as a pilot program, to impose
30 a "waste management services tax" and have that governing body
31 report back to the Legislature as to whether such a county tax is in the
32 best interests of the county residents.

33
34 2. The governing body of Monmouth County may, by resolution,
35 establish a "waste management services tax," which shall be assessed
36 and collected in the same manner as the county purposes tax on real
37 property, and which shall appear and be identified as a separate county
38 line item on the property tax bills. Monies collected from this tax shall
39 be used exclusively to fund solid waste management programs,
40 services and activities in Monmouth County.

41 Notwithstanding the provision of any other law to the contrary,
42 Monmouth County debt obligations that were issued for solid waste
43 management purposes and which were previously deductible from the
44 calculation of gross debt of the county for debt limitation purposes
45 because it was debt issued for a self-liquidating purpose pursuant to
46 N.J.S.40A:2-44 shall continue to be deductible notwithstanding that

1 the county may fund solid waste management costs with a "waste
2 management services tax."

3 Notwithstanding the provisions of section 3 of P.L.1976, c.68
4 (C:40A:4-45.3), increases to the Monmouth County budget in order
5 to pay for solid waste management costs which were previously
6 funded by tipping fees prior to the loss of flow control shall be exempt
7 from budget cap requirements under applicable law.

8
9 3. The governing body of Monmouth County shall file a report
10 with the Governor and the Legislature not later than two years
11 following the adoption of the resolution establishing a "waste
12 management services tax." The report shall detail the effects of the
13 "waste management services tax" on the tipping fees for the county
14 landfill and on the property tax burden of the average county taxpayer.

15
16 4. This act shall take effect immediately.

17

18

19

STATEMENT

20

21 This bill would authorize as a pilot program the imposition of a
22 "waste management services tax" in Monmouth county to be used
23 exclusively to fund solid waste management programs, services and
24 activities in the county. This pilot program was requested by the
25 Monmouth County Board of Freeholders following lengthy discussions
26 between the board and the county's municipalities about the county's
27 solid waste needs.

28 Under the terms of the bill, the Monmouth County Board of
29 Freeholders would be authorized to establish, by resolution, a "waste
30 management services tax," to be assessed and collected in the same
31 manner as the county purposes tax on real property. The "waste
32 management services tax" would appear and be identified as a separate
33 county line item on the property tax bills.

34 The Board of Freeholders of Monmouth County would be required
35 to file a report with the Governor and the Legislature not later than
36 two years following the adoption of the resolution establishing a
37 "waste management services tax." The report would address the
38 effects of the "waste management services tax" on the tipping fees for
39 the county landfill and on the property tax burden of the average
40 county taxpayer.

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 2963

STATE OF NEW JERSEY
209th LEGISLATURE

ADOPTED MAY 17, 2001

Sponsored by:

Assemblyman MICHAEL J. ARNONE

District 12 (Monmouth)

SYNOPSIS

Permits county contributions for management of self-liquidating solid waste utility to be outside budget cap limits.

CURRENT VERSION OF TEXT

Substitute as adopted by the Assembly Local Government Committee.



1 **AN ACT** concerning county budget cap exceptions and supplementing
2 chapter 4 of Title 40A of the New Jersey Statutes.

3

4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6

7 1. The Legislature finds and declares:

8 The proper management of solid waste is essential to the health,
9 safety and welfare of the people of this State and it is in the public
10 interest to assure safe, reliable, efficient and reasonably priced solid
11 waste management services.

12 It is imperative that the State take appropriate action to authorize
13 counties to implement measures which enable counties to continue to
14 fund the implementation of comprehensive solid waste management
15 plans in a manner which assures accountability to residents and
16 businesses.

17 Due to the change in solid waste flow rules in 1997, many county
18 solid waste operations were forced to reduce tipping fees in order to
19 remain competitive with solid waste facilities located outside the State
20 of New Jersey. These reductions in tipping fees have resulted in a loss
21 of revenues to these county solid waste operations, with the potential
22 to cause operational funding shortfalls.

23 Therefore, it is a matter of good public policy to address the issue
24 of potential operational funding shortfalls by providing a means by
25 which county governments can address the issue of funding shortfalls
26 while maintaining stability in the county budget by permitting counties
27 to fund the shortfalls through the county general fund with funds not
28 subject to budget cap limits.

29

30 2. Notwithstanding the provisions of section 4 of P.L.1976, c.68
31 (C.40A:4-45.4) to the contrary, amounts appropriated in a county
32 budget pursuant to N.J.S.40A:4-35 related to the operation of a
33 county solid waste reclamation utility shall not be subject to limits on
34 increases in the county tax levy in any budget year.

35

36 3. This act shall take effect immediately and shall be retroactive to
37 January 1, 2001.

ASSEMBLY LOCAL GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 2963

STATE OF NEW JERSEY

DATED: MAY 17, 2001

The Assembly Local Government Committee reports favorably an Assembly Committee Substitute for Assembly Bill No. 2963.

This committee substitute would permit a county to appropriate monies in order to subsidize the operation of a county solid waste reclamation utility without regard to the limits on increases in the county tax levy in any budget year. The original bill affected only Monmouth County and authorized the imposition of a "waste management services tax" in addition to the county purposes portion of the real property tax. The committee substitute broadens the applicability of the original bill by allowing counties to handle the problem of subsidizing solid waste reclamation utility operational expenses by raising money outside of the county budget cap. Although this committee substitute authorizes county governments to raise real property taxes in excess of the cap, it is believed that this benefits county real property taxpayers in the long-run by decreasing the chances of a default on the county bonds used to construct the solid waste reclamation facility that is being subsidized. Under current law, if a county wanted to subsidize its solid waste reclamation utility, it would have to take the money from other appropriations, thereby probably reducing services, to remain within the county budget and tax levy caps.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 2963

STATE OF NEW JERSEY

DATED: DECEMBER 20, 2001

The Assembly Appropriations Committee reports favorably Assembly Bill No. 2963 (ACS).

Assembly Bill No. 2963 (ACS) permits a county to appropriate monies in order to subsidize the operation of a county solid waste reclamation utility without regard to the limits on increases in the county tax levy in any budget year.

This bill allows counties to handle the problem of subsidizing solid waste reclamation utility operational expenses by raising money in excess of the county budget cap that would otherwise apply. Although the bill authorizes county governments to raise real property taxes in excess of the cap, such an increase in real property taxes can have long-run benefits to the county real property taxpayers: it decreases the chances of a default on the county bonds used to construct the solid waste reclamation facility that is being subsidized.

Currently, under the county budget cap law if county wanted to subsidize its solid waste reclamation utility the county would have to transfer funds from other appropriations, with the likely result of a force reduction in services, to remain within the county budget and tax levy caps.

FISCAL IMPACT:

This bill has no impact on State revenues or expenditures. The bill allows counties to increase their real property taxes in excess of the county budget and tax levy caps to subsidize the operation of a county solid waste reclamation utility. No information is available on the counties that would use this method, or the amount of subsidies that would be raised.

P.L. 2001, CHAPTER 348, *approved January 6, 2002*
Senate Substitute for
Senate, No. 1586

1 **AN ACT** concerning county budget cap exceptions and supplementing
2 chapter 4 of Title 40A of the New Jersey Statutes.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. The Legislature finds and declares:

8 The proper management of solid waste is essential to the health,
9 safety and welfare of the people of this State and it is in the public
10 interest to assure safe, reliable, efficient and reasonably priced solid
11 waste management services.

12 It is imperative that the State take appropriate action to authorize
13 counties to implement measures which enable counties to continue to
14 fund the implementation of comprehensive solid waste management
15 plans in a manner which assures accountability to residents and
16 businesses.

17 Due to the change in solid waste flow rules in 1997, many county
18 solid waste operations were forced to reduce tipping fees in order to
19 remain competitive with solid waste facilities located outside the State
20 of New Jersey. These reductions in tipping fees have resulted in a loss
21 of revenues to these county solid waste operations, with the potential
22 to cause operational funding shortfalls.

23 Therefore, it is a matter of good public policy to address the issue
24 of potential operational funding shortfalls by providing a means by
25 which county governments can address the issue of funding shortfalls
26 while maintaining stability in the county budget by permitting counties
27 to fund the shortfalls through the county general fund with funds not
28 subject to budget cap limits.

29

30 2. Notwithstanding the provisions of section 4 of P.L.1976, c.68
31 (C.40A:4-45.4) to the contrary, amounts appropriated in a county
32 budget pursuant to N.J.S.40A:4-35 related to the operation of a
33 county solid waste reclamation utility shall not be subject to limits on
34 increases in the county tax levy in any budget year.

35

36 3. This act shall take effect immediately and shall be retroactive to
37 January 1, 2001.

38

39

STATEMENT

40

41 This substitute bill would permit a county to appropriate monies in
42 order to subsidize the operation of a county solid waste reclamation
43 utility without regard to the limits on increases in the county tax levy

1 in any budget year. Under current law, if a county wanted to subsidize
2 its solid waste reclamation utility, it would have to take the money
3 from other appropriations, thereby probably reducing services, to
4 remain within the county budget and tax levy caps.

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9 Permits county contributions for management of self-liquidating solid
10 waste utility to be outside budget cap limits.

CHAPTER 348

AN ACT concerning county budget cap exceptions and supplementing chapter 4 of Title 40A of the New Jersey Statutes.

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

1. The Legislature finds and declares:

The proper management of solid waste is essential to the health, safety and welfare of the people of this State and it is in the public interest to assure safe, reliable, efficient and reasonably priced solid waste management services.

It is imperative that the State take appropriate action to authorize counties to implement measures which enable counties to continue to fund the implementation of comprehensive solid waste management plans in a manner which assures accountability to residents and businesses.

Due to the change in solid waste flow rules in 1997, many county solid waste operations were forced to reduce tipping fees in order to remain competitive with solid waste facilities located outside the State of New Jersey. These reductions in tipping fees have resulted in a loss of revenues to these county solid waste operations, with the potential to cause operational funding shortfalls.

Therefore, it is a matter of good public policy to address the issue of potential operational funding shortfalls by providing a means by which county governments can address the issue of funding shortfalls while maintaining stability in the county budget by permitting counties to fund the shortfalls through the county general fund with funds not subject to budget cap limits.

C.40A:4-45.4b Budget cap exception for solid waste reclamation utility.

2. Notwithstanding the provisions of section 4 of P.L.1976, c.68 (C.40A:4-45.4) to the contrary, amounts appropriated in a county budget pursuant to N.J.S.40A:4-35 related to the operation of a county solid waste reclamation utility shall not be subject to limits on increases in the county tax levy in any budget year.

3. This act shall take effect immediately and shall be retroactive to January 1, 2001.

Approved January 6, 2002.