

58:4-1

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2001 **CHAPTER:** 82
NJSA: 58:4-1 (Spruce Run and Round Valley reservoirs—release of water)
BILL NO: A2793 (Substituted for S1462)

SPONSOR(S): Lance

DATE INTRODUCED: October 5, 2000

COMMITTEE: **ASSEMBLY:** Environment; Appropriations

SENATE: ----

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** March 29, 2001

SENATE: March 29, 2001

DATE OF APPROVAL: May 4, 2001

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Assembly Committee Substitute (1st reprint) enacted)

(Amendments during passage denoted by superscript numbers)

A2793

SPONSORS STATEMENT: (Begins on page 8 of original bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes 1-18-01
(Environment)

3-22-01 (Approp.)

SENATE: No

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: Yes

S1462

SPONSORS STATEMENT: (Begins on page 8 of original bill) Yes

Bill and Sponsors Statement identical to A2793

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: Yes 11-13-00

(Environment)

Identical to the Assembly Environment Committee Statement to
A2793

12-14-00 (Budget)

FLOOR AMENDMENT STATEMENT: Yes

LEGISLATIVE FISCAL ESTIMATE: Yes

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

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ASSEMBLY, No. 2793

STATE OF NEW JERSEY 209th LEGISLATURE

INTRODUCED OCTOBER 5, 2000

Sponsored by:

Assemblyman LEONARD LANCE

District 23 (Warren, Hunterdon and Mercer)

SYNOPSIS

Provides for release of water from Spruce Run and Round Valley reservoirs.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the Spruce Run and Round Valley reservoirs, and
2 revising parts of the statutory law.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. R.S.58:4-1 is amended to read as follows:

8 58:4-1. a. No municipality, corporation or person shall, without the
9 consent of the Commissioner of Environmental Protection, hereafter
10 in this chapter designated as the commissioner, build any reservoir or
11 construct any dam, or repair, alter or improve existing dams on any
12 river or stream in this State or between this State and any other [such]
13 state which will raise the waters of [such] the river or stream more
14 than five feet above [their] its usual mean low-water height.

15 No municipality, corporation or person shall, without the consent
16 of the commissioner, build any reservoir or construct any dam, or
17 repair, alter or improve existing dams in the pinelands area, as
18 designated by subsection a. of section 10 of P.L.1979, c.111
19 (C.13:18A-11), which will raise the waters of any river or stream more
20 than eight feet above the surface of the ground where the drainage area
21 above the dam or reservoir is more than one square mile in extent and
22 where the water surface created by the dam or reservoir is more than
23 100 acres in extent.

24 The commissioner may investigate and take appropriate action
25 regarding any dam or reservoir about which [he] the commissioner
26 has a security or safety concern.

27 With respect to dams and reservoirs located on lands utilized for
28 agricultural or horticultural purposes within the pinelands area, the
29 commissioner's actions shall be undertaken after consultation with the
30 Secretary of Agriculture.

31 b. The commissioner shall not require a permit for the repair of any
32 dam used for agricultural purposes within a special agricultural
33 production area designated pursuant to N.J.A.C.7:50-5.14 in the
34 pinelands area.

35 (cf: P.L.1995, c.402, s.1)

36
37 2. Section 7 of P.L.1958, c.34 (C.58:22-7) is amended to read as
38 follows:

39 7. No water shall be pumped from the south branch of the Raritan
40 river into the Round Valley reservoir whenever the flow in [said] the
41 Raritan river is less than 40 million gallons daily at the United States
42 Geological Survey stream gauging station at Stanton, or less than 70

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.

1 million gallons daily at the United States Geological Survey stream
2 gauging station at Manville, or less than 90 million gallons daily at the
3 United States Geological Survey stream gauging station at Bound
4 Brook.

5 [Upon the completion and placing in operation of the Round Valley
6 reservoir, not] Not less than 830,000 gallons of water daily shall be
7 released at all times into Prescott brook from [such] the Round Valley
8 reservoir and at all times not less than 170,000 gallons of water daily
9 shall be released into the south branch of the Rockaway creek from
10 [such] the Round Valley reservoir.

11 (cf: P.L.1968, c.449, s.2)

12

13 3. Section 8 of P.L.1958, c.34 (C.58:22-8) is amended to read as
14 follows:

15 8. a. Whenever the flow of water in the south branch of the Raritan
16 river is less than 40 million gallons daily at the United States
17 Geological Survey stream gauging station at Stanton, or less than 70
18 million gallons daily at the United States Geological Survey stream
19 gauging station at Manville, or less than 90 million gallons daily at the
20 United States Geological Survey stream gauging station at Bound
21 Brook, a sufficient amount of water shall be released from the Spruce
22 Run reservoir, or from [such] the Round Valley reservoir or any other
23 reservoir or reservoirs as may be constructed on the [south branch of
24 the] Raritan river or its tributaries, and[, if necessary,] from the Round
25 Valley reservoir in [such] the amounts as will maintain not less than
26 the [said] aforementioned flows of 40 million gallons daily at Stanton
27 and 70 million gallons daily at Manville and 90 million gallons daily
28 at Bound Brook, and [such] the released water shall be returned to the
29 south branch of the Raritan river at the point of diversion or pumping
30 into [any such] the reservoir or at some point upstream thereof, except
31 that the amount of water to be released from the Spruce Run reservoir
32 shall not exceed an amount which lowers the water level in the
33 reservoir between June 1 and August 31 more than 8 feet below its
34 usual mean high-water height of each year to ensure the continued
35 availability of the Spruce Run reservoir for water recreational
36 activities.

37 b. The commissioner is authorized to alter these passing flow
38 requirements during a [drought] state of water emergency, declared
39 by the Governor pursuant to an executive order authorized under
40 section 4 of P.L.1981, c.262 (C.58:1A-4), [in which danger to] as
41 necessary to ensure the protection of the public health, safety or
42 welfare [is imminent] , or the protection of the environment, and shall
43 do so whenever there are inadequate moneys in the New Jersey Water
44 Supply Authority Round Valley Fund created pursuant to section 7 of
45 P.L. , c. (C.58:1B-9.2)(pending in the Legislature as this bill) for the

1 New Jersey Water Supply Authority to replenish the water released
2 from the Round Valley reservoir for the purpose of sustaining water
3 recreational activities at the Spruce Run reservoir.

4 (cf: P.L.1981, c.10, s.1)

5
6 4. Section 5 of P.L.1981, c.293 (C.58:1B-5) is amended to read as
7 follows:

8 5. a. All water supply facilities, owned or operated by the State,
9 either now or hereafter, are transferred to the authority. The authority
10 shall operate these facilities pursuant to the statutory authorizations
11 enabling the State to operate and manage the facilities. The Delaware
12 and Raritan Canal Transmission Complex, the Spruce Run-Round
13 Valley Reservoir Complex and all other State-operated facilities now
14 or hereafter authorized to be designed, constructed and operated
15 pursuant to any past or future bond issues, including the "Water Supply
16 Bond Act of 1981," P.L.1981, c.261, as amended by P.L.1983, c.355
17 and P.L.1997, c.223, are specifically included as State water supply
18 facilities.

19 b. The revenue from all State water supply facilities, the disposition
20 of which is not otherwise expressly provided for by law, is pledged to
21 the authority for the purposes provided herein.

22 (cf: P.L.1981, c.293, s.5)

23
24 5. Section 9 of P.L.1981, c.293 (C.58:1B-9) is amended to read as
25 follows:

26 9. a. The authority is hereby empowered from time to time to issue
27 its bonds in [such] the principal amounts as in the opinion of the
28 authority shall be necessary to provide sufficient funds for any of its
29 corporate purposes, including the payment, funding or refunding of the
30 principal of, or interest or redemption premiums on, any bonds issued
31 by it, whether the bonds or interest to be funded or refunded have or
32 have not become due, the establishment or increase of [such] the
33 reserves to secure or to pay [such] the bonds or interest thereon and
34 all other costs or expenses of the agency incident to and necessary to
35 carry out its corporate purposes and powers.

36 b. Except as may be otherwise expressly provided in [this act] the
37 provisions of P.L.1981, c.293 (C.58:1B-1 et seq.) or by the authority,
38 every issue of bonds shall be general obligations payable out of and
39 secured by any revenues or funds of the authority, subject only to any
40 agreements with holders of particular bonds pledging any particular
41 revenues or funds. The authority may issue [such] the types of bonds
42 as it may determine, including, without limiting the generality of the
43 foregoing, bonds as to which the principal and interest are payable (1)
44 exclusively from the revenues and funds derived from or relating to the
45 project or part thereof financed with the proceeds of the bonds; (2)
46 exclusively from the revenues and funds derived from or relating to

1 certain designated projects or parts thereof, whether or not the same are
2 financed in whole or in part from the proceeds of bonds; (3)
3 exclusively from certain designated funds of the authority; or (4) from
4 the revenues and funds of the authority generally. The bonds may be
5 additionally secured by a pledge of any grant, subsidy or contribution
6 from the United States of America or any agency or instrumentality
7 thereof or the State of New Jersey or any agency, instrumentality or
8 political subdivision thereof, or any person, or a pledge of any income
9 or revenues, funds or moneys of the authority from any source
10 whatsoever.

11 c. Whether or not the bonds are of such form and character as to be
12 negotiable instruments under the terms of Title 12A[, Commercial
13 Transactions,] of the New Jersey Statutes, the bonds are hereby made
14 negotiable instruments within the meaning of and for all the purposes
15 of [said] Title 12A of the New Jersey Statutes, subject only to the
16 provisions of the bonds for registration.

17 d. Bonds of the authority shall be authorized by a resolution or
18 resolutions of the authority and may be issued in one or more series
19 and shall bear [such] the date or dates, mature at [such] the time or
20 times, bear interest at [such] the rate or rates of interest per annum, be
21 in [such] the denomination or denominations, be in [such] the form,
22 either coupon or registered, carry [such] the conversion or registration
23 privileges, have [such] the rank or priority, be executed in [such] the
24 manner, be payable from [such] the sources, in [such] the medium of
25 payment at [such] the place or places within or without the State, and
26 be subject to [such] the terms of redemption, with or without
27 premium, as [such] the resolution or resolutions may provide.

28 e. Bonds of the authority may be sold at public or private sale at
29 [such] the price or prices and in [such] the manner as the authority
30 shall determine. Every bond shall mature and be paid not later than 40
31 years from the date thereof.

32 f. Bonds may be issued under the provisions of [the act] P.L.1981,
33 c.293 (C.58:1B-1 et seq.) without obtaining the consent of any
34 department, division, commission, board, bureau or agency of the
35 State, and without any other proceeding or the happening of any other
36 conditions or other things than those proceedings, conditions or things
37 which are specifically required by [this act] the provisions of
38 P.L.1981, c.293 (C.58:1B-1 et seq.).

39 g. Bonds of the authority issued under the provisions of [this act]
40 P.L.1981, c.293 (C.58:1B-1 et seq.) shall not be in any way a debt or
41 liability of the State or of any political subdivision thereof other than
42 the authority and shall not create or constitute any indebtedness,
43 liability or obligation of the State or of the political subdivision or be
44 or constitute a pledge of the faith and credit of the State or of the
45 political subdivision but all [such] the bonds, unless funded or

1 refunded by bonds of the authority, shall be payable solely from
2 revenues or funds pledged or available for their payment as authorized
3 [in this act] pursuant to the provisions of P.L.1981, c.293 (C.58:1B-1
4 et seq.). Each bond shall contain on its face a statement to the effect
5 that the authority is obligated to pay the principal thereof or the
6 interest thereon only from revenues or funds of the authority and that
7 neither the State nor any political subdivision thereof is obligated to
8 pay the principal or interest and that neither the faith and credit nor the
9 taxing power of the State or any political subdivision thereof is pledged
10 to the payment of the principal of or the interest on the bonds.

11 h. [All] Except as may be otherwise expressly provided in the
12 provisions of this section, all expenses incurred in carrying out the
13 provisions of [this act] P.L.1981, c.293 (C.58:1B-1 et seq. shall be
14 payable solely from revenues or funds provided or to be provided
15 under the provisions of [this act] P.L.1981, c.293 (C.58:1B-1 et seq.
16 and nothing [in this act] herein shall be construed to authorize the
17 authority to incur any indebtedness or liability on behalf of or payable
18 by the State or any political subdivision thereof.

19 i. The authority may receive moneys from the General Fund
20 pursuant to subsection b. of section 6 of P.L. , c. (C.58:1B-
21 9.1)(pending in the Legislature as this bill) to pay the expenses
22 incurred in replenishing the water released from the Round Valley
23 reservoir for the purpose of sustaining water recreational activities at
24 the Spruce Run reservoir.

25 (cf: P.L.1981, c.293, s.9)

26

27 6. (New section) a. In order to defray increased water costs of
28 replenishing the water released from the Round Valley reservoir as
29 provided in section 8 of P.L.1958, c.34 (C.58:22-8), the net parking
30 revenues generated at the Spruce Run and Round Valley reservoirs
31 shall be dedicated to the New Jersey Water Supply Authority to defray
32 all additional costs associated with the replenishment of water released
33 for the purpose of sustaining water recreational activities at the Spruce
34 Run reservoir.

35 b. The Legislature shall provide a budgetary line item within the
36 annual appropriations act to the New Jersey Water Supply Authority
37 dedicating such additional sums as may be necessary to defray all
38 additional costs associated with the replenishment of water released
39 from the Round Valley reservoir or any other reservoir as may be
40 constructed in the Raritan river basin for the purpose of sustaining
41 water recreational activities at the Spruce Run reservoir.

42

43 7. (New section) a. The New Jersey Water Supply Authority
44 Round Valley Fund is established as a nonlapsing, special fund in the
45 Department of the Treasury. The moneys in the fund are specifically
46 dedicated and allocated to, and shall be used solely for the purposes

1 enumerated in subsection b. of section 6 of P.L. , c. (C.58:1B-
2 9.1)(pending in the Legislature as this bill). Interest received on
3 moneys in the fund shall be credited to the fund. The fund shall be
4 fully funded at a level of \$600,000 on July 1 of each fiscal year.

5 Unless otherwise expressly provided by the specific appropriation
6 thereof by the Legislature, which shall take the form of a discrete
7 legislative appropriations act and shall not be included within the
8 annual appropriations act, all available moneys in the fund shall be
9 appropriated annually solely for the purposes enumerated in subsection
10 b. of section 6 of P.L. , c. (C.58:1B-9.1)(pending in the Legislature
11 as this bill).

12 b. The sum of \$600,000 shall be deposited in the fund from those
13 sources identified in (1) subsection i. of section 9 of P.L.1981, c.293
14 (C.58:1B-9), (2) subsection a. of section 6 of P.L. , c. (C.58:1B-
15 9.1)(pending in the Legislature as this bill) and (3) subsection b. of
16 section 6 of P.L. , c. (C.58:1B-9.1)(pending in the Legislature as
17 this bill), and from all interest received from the investment of moneys
18 in the fund, and from any moneys which, from time to time, may
19 otherwise become available for the purposes of the fund.

20 c. Pending the use thereof pursuant to the provisions of subsection
21 i. of section 9 of P.L.1981, c.293 (C.58:1B-9), subsection a. of section
22 6 of P.L. , c. (C.58:1B-9.1)(pending in the Legislature as this bill)
23 and subsection b. of section 6 of P.L. , c. (C.58:1B-9.1)(pending in
24 the Legislature as this bill), the moneys in the fund shall be held in
25 interest-bearing accounts in public depositories as defined in section
26 1 of P.L.1970, c.236 (C.17:9-41), and may be invested and reinvested
27 in such securities as are approved by the State Treasurer, in the manner
28 provided by law.

29

30 8. (New section) a. In order to insure that safe yield is maintained
31 and the drinking water quality standards adopted pursuant to the "Safe
32 Drinking Water Act," P.L.1977, c.224 (C.58:12A-1 et seq.) are met, the
33 Commissioner of Environmental Protection shall provide for the
34 continuous monitoring of the impacts associated with releasing water
35 from the Round Valley reservoir as provided in section 8 of P.L.1958,
36 c.34 (C.58:22-8).

37 b. The commissioner is authorized to alter the releases of water
38 from the Spruce Run reservoir or the Round Valley reservoir as
39 provided in section 8 of P.L.1958, c.34 (C.58:22-8) as necessary to
40 ensure the protection of the public health, safety or welfare, or the
41 protection of the environment, and shall do so whenever there are
42 inadequate moneys in the New Jersey Water Supply Authority Round
43 Valley Fund created pursuant to section 7 of P.L. , c.
44 (C.58:1B-9.2)(pending in the Legislature as this bill) for the New
45 Jersey Water Supply Authority to replenish the water released from the
46 Round Valley reservoir for the purpose of sustaining water recreational

1 activities at the Spruce Run reservoir.

2

3 9. This act shall take effect immediately.

4

5

6

STATEMENT

7

8 This bill would require release of water from Spruce Run and Round
9 Valley reservoirs into the south branch of the Raritan river for the
10 purpose of supporting recreational water use of the Spruce Run
11 reservoir.

12 Under current law, whenever the flow of water in the south branch
13 of the Raritan river is less than 40 million gallons daily as measured at
14 the U.S. Geological Survey stream gauging station at Stanton, or less
15 than 70 million gallons daily at the U.S. Geological Survey stream
16 gauging station at Manville, or less than 90 million gallons daily at the
17 U.S. Geological Survey stream gauging station at Bound Brook, a
18 sufficient amount of water must be released from the Spruce Run
19 reservoir, and, if necessary, from the Round Valley reservoir in such
20 amounts as will maintain not less than the aforementioned flows. This
21 bill would eliminate the "if necessary" qualifier from the statute.

22 The bill would limit the quantity of water that could be released
23 between June 1 and August 31 from the Spruce Run reservoir at any
24 one time to an amount not to exceed an amount which lowers the water
25 level in the reservoir more than 8 feet below its usual mean high water
26 mark of each year to ensure the continued availability of the Spruce
27 Run reservoir for water recreational activities.

28 In order to defray increased water costs of replenishing the water
29 released from the Spruce Run reservoir or the Round Valley reservoir,
30 the bill would provide that the net parking revenues generated at the
31 Spruce Run and Round Valley reservoirs be dedicated to the New
32 Jersey Water Supply Authority to defray all additional costs associated
33 with the replenishment of water released for drought mitigation.

34 In addition, the bill would require the Legislature to provide a
35 budgetary line item within the annual appropriations act to the New
36 Jersey Water Supply Authority dedicating such additional sums as may
37 be necessary to defray all additional costs associated with the
38 replenishment of water released from the Spruce Run or Round Valley
39 reservoirs.

40 In order to insure that safe yield is maintained and that federal and
41 State drinking water quality standards are met, the bill would require
42 the Commissioner of Environmental Protection to provide for the
43 continuous monitoring of the impacts associated with releasing water
44 from the Round Valley reservoir for drought mitigation.

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 2793

STATE OF NEW JERSEY
209th LEGISLATURE

ADOPTED JANUARY 18, 2001

Sponsored by:

Assemblyman LEONARD LANCE

District 23 (Warren, Hunterdon and Mercer)

SYNOPSIS

Provides for release of water from Spruce Run and Round Valley reservoirs; appropriates \$200,000.

CURRENT VERSION OF TEXT

Substitute as adopted by the Assembly Environment Committee.



1 **AN ACT** concerning the Spruce Run and Round Valley reservoirs,
2 revising parts of the statutory law, and making an appropriation.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. R.S.58:4-1 is amended to read as follows:

8 58:4-1. a. No municipality, corporation or person shall, without
9 the consent of the Commissioner of Environmental Protection,
10 hereafter in this chapter designated as the commissioner, build any
11 reservoir or construct any dam, or repair, alter or improve existing
12 dams on any river or stream in this State or between this State and any
13 other **[such]** state which will raise the waters of **[such]** the river or
14 stream more than five feet above **[their]** its usual mean low-water
15 height.

16 No municipality, corporation or person shall, without the consent
17 of the commissioner, build any reservoir or construct any dam, or
18 repair, alter or improve existing dams in the pinelands area, as
19 designated by subsection a. of section 10 of P.L.1979, c.111
20 (C.13:18A-11), which will raise the waters of any river or stream more
21 than eight feet above the surface of the ground where the drainage
22 area above the dam or reservoir is more than one square mile in extent
23 and where the water surface created by the dam or reservoir is more
24 than 100 acres in extent.

25 The commissioner may investigate and take appropriate action
26 regarding any dam or reservoir about which **[he]** the commissioner
27 has a security or safety concern.

28 With respect to dams and reservoirs located on lands utilized for
29 agricultural or horticultural purposes within the pinelands area, the
30 commissioner's actions shall be undertaken after consultation with the
31 Secretary of Agriculture.

32 b. The commissioner shall not require a permit for the repair of
33 any dam used for agricultural purposes within a special agricultural
34 production area designated pursuant to N.J.A.C.7:50-5.14 in the
35 pinelands area.

36 (cf: P.L.1995, c.402, s.1)

37

38 2. Section 7 of P.L.1958, c.34 (C.58:22-7) is amended to read as
39 follows:

40 7. No water shall be pumped from the south branch of the Raritan
41 river into the Round Valley reservoir whenever the flow in **[said]** the
42 Raritan river is less than 40 million gallons daily at the United States

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

Matter underlined thus is new matter.

1 Geological Survey stream gauging station at Stanton, or less than
2 70 million gallons daily at the United States Geological Survey stream
3 gauging station at Manville, or less than 90 million gallons daily at the
4 United States Geological Survey stream gauging station at Bound
5 Brook.

6 [Upon the completion and placing in operation of the Round
7 Valley reservoir, not] Not less than 830,000 gallons of water daily
8 shall be released at all times into Prescott brook from [such] the
9 Round Valley reservoir and at all times not less than 170,000 gallons
10 of water daily shall be released into the south branch of the Rockaway
11 creek from [such] the Round Valley reservoir.

12 (cf: P.L.1968, c.449, s.2)

13
14 3. Section 8 of P.L.1958, c.34 (C.58:22-8) is amended to read as
15 follows:

16 8. a. Whenever the flow of water in the south branch of the
17 Raritan river is less than 40 million gallons daily at the United States
18 Geological Survey stream gauging station at Stanton, or less than
19 70 million gallons daily at the United States Geological Survey stream
20 gauging station at Manville, or less than 90 million gallons daily at the
21 United States Geological Survey stream gauging station at Bound
22 Brook, a sufficient amount of water shall be released from the Spruce
23 Run reservoir, or from [such] the Round Valley reservoir or any other
24 reservoir or reservoirs as may be constructed on the [south branch of
25 the] Raritan river or its tributaries, and[, if necessary,] from the
26 Round Valley reservoir in [such] the amounts as will maintain not less
27 than the [said] aforementioned flows of 40 million gallons daily at
28 Stanton and 70 million gallons daily at Manville and 90 million gallons
29 daily at Bound Brook, and [such] the released water shall be returned
30 to the south branch of the Raritan river at the point of diversion or
31 pumping into [any such] the reservoir or at some point upstream
32 thereof, except that the amount of water to be released from the
33 Spruce Run reservoir shall not exceed an amount which lowers the
34 water level in the reservoir between June 1 and August 31 more than
35 8 feet below its usual mean high-water height of each year to ensure
36 the continued availability of the Spruce Run reservoir for water
37 recreational activities.

38 b. The commissioner is authorized to alter [these] the passing
39 flow requirements [during a drought emergency, declared pursuant to
40 executive order, in which danger to] set forth in subsection a. of this
41 section as necessary to ensure the protection of the public health,
42 safety or welfare [is imminent], or the protection of the environment.

43 c. The commissioner shall alter the releases of water from the
44 Spruce Run reservoir or the Round Valley reservoir as provided in
45 subsection a. of this section whenever there are inadequate moneys in

1 the New Jersey Water Supply Authority Round Valley Fund created
2 pursuant to section 7 of P.L. _____, c. (C.58:1B-9.2)(pending in the
3 Legislature as this bill) for the New Jersey Water Supply Authority to
4 replenish the water released from the Round Valley reservoir for the
5 purpose of sustaining water recreational activities at the Spruce Run
6 reservoir.

7 (cf: P.L.1981, c.10, s.1)

8
9 4. Section 5 of P.L.1981, c.293 (C.58:1B-5) is amended to read
10 as follows:

11 5. a. All water supply facilities, owned or operated by the State,
12 either now or hereafter, are transferred to the authority. The authority
13 shall operate these facilities pursuant to the statutory authorizations
14 enabling the State to operate and manage the facilities. The Delaware
15 and Raritan Canal Transmission Complex, the Spruce Run-Round
16 Valley Reservoir Complex and all other State-operated facilities now
17 or hereafter authorized to be designed, constructed and operated
18 pursuant to any past or future bond issues, including the "Water
19 Supply Bond Act of 1981," P.L.1981, c.261, as amended by P.L.1983,
20 c.355 and P.L.1997, c.223, are specifically included as State water
21 supply facilities.

22 b. The revenue from all State water supply facilities, the
23 disposition of which is not otherwise expressly provided for by law, is
24 pledged to the authority for the purposes provided [herein] in the
25 provisions of P.L.1981, c.293 (C.58:1B-1 et seq.).

26 (cf: P.L.1981, c.293, s.5)

27
28 5. Section 9 of P.L.1981, c.293 (C.58:1B-9) is amended to read
29 as follows:

30 9. a. The authority is hereby empowered from time to time to
31 issue its bonds in [such] the principal amounts as in the opinion of the
32 authority shall be necessary to provide sufficient funds for any of its
33 corporate purposes, including the payment, funding or refunding of the
34 principal of, or interest or redemption premiums on, any bonds issued
35 by it, whether the bonds or interest to be funded or refunded have or
36 have not become due, the establishment or increase of [such] the
37 reserves to secure or to pay [such] the bonds or interest thereon and
38 all other costs or expenses of the agency incident to and necessary to
39 carry out its corporate purposes and powers.

40 b. Except as may be otherwise expressly provided in [this act] the
41 provisions of P.L.1981, c.293 (C.58:1B-1 et seq.) or by the authority,
42 every issue of bonds shall be general obligations payable out of and
43 secured by any revenues or funds of the authority, subject only to any
44 agreements with holders of particular bonds pledging any particular
45 revenues or funds. The authority may issue [such] the types of bonds
46 as it may determine, including, without limiting the generality of the

1 foregoing, bonds as to which the principal and interest are payable (1)
2 exclusively from the revenues and funds derived from or relating to the
3 project or part thereof financed with the proceeds of the bonds; (2)
4 exclusively from the revenues and funds derived from or relating to
5 certain designated projects or parts thereof, whether or not the same
6 are financed in whole or in part from the proceeds of bonds; (3)
7 exclusively from certain designated funds of the authority; or (4) from
8 the revenues and funds of the authority generally. The bonds may be
9 additionally secured by a pledge of any grant, subsidy or contribution
10 from the United States of America or any agency or instrumentality
11 thereof or the State of New Jersey or any agency, instrumentality or
12 political subdivision thereof, or any person, or a pledge of any income
13 or revenues, funds or moneys of the authority from any source
14 whatsoever.

15 c. Whether or not the bonds are of such form and character as to
16 be negotiable instruments under the terms of Title 12A[, Commercial
17 Transactions,] of the New Jersey Statutes, the bonds are hereby made
18 negotiable instruments within the meaning of and for all the purposes
19 of [said] Title 12A of the New Jersey Statutes, subject only to the
20 provisions of the bonds for registration.

21 d. Bonds of the authority shall be authorized by a resolution or
22 resolutions of the authority and may be issued in one or more series
23 and shall bear [such] the date or dates, mature at [such] the time or
24 times, bear interest at [such] the rate or rates of interest per annum,
25 be in [such] the denomination or denominations, be in [such] the
26 form, either coupon or registered, carry [such] the conversion or
27 registration privileges, have [such] the rank or priority, be executed
28 in [such] the manner, be payable from [such] the sources, in [such]
29 the medium of payment at [such] the place or places within or without
30 the State, and be subject to [such] the terms of redemption, with or
31 without premium, as [such] the resolution or resolutions may provide.

32 e. Bonds of the authority may be sold at public or private sale at
33 [such] the price or prices and in [such] the manner as the authority
34 shall determine. Every bond shall mature and be paid not later than 40
35 years from the date thereof.

36 f. Bonds may be issued under the provisions of [the act]
37 P.L.1981, c.293 (C.58:1B-1 et seq.) without obtaining the consent of
38 any department, division, commission, board, bureau or agency of the
39 State, and without any other proceeding or the happening of any other
40 conditions or other things than those proceedings, conditions or things
41 which are specifically required by [this act] the provisions of
42 P.L.1981, c.293 (C.58:1B-1 et seq.).

43 g. Bonds of the authority issued under the provisions of [this act]
44 P.L.1981, c.293 (C.58:1B-1 et seq.) shall not be in any way a debt or
45 liability of the State or of any political subdivision thereof other than

1 the authority and shall not create or constitute any indebtedness,
2 liability or obligation of the State or of the political subdivision or be
3 or constitute a pledge of the faith and credit of the State or of the
4 political subdivision but all [such] the bonds, unless funded or
5 refunded by bonds of the authority, shall be payable solely from
6 revenues or funds pledged or available for their payment as authorized
7 [in this act] pursuant to the provisions of P.L.1981, c.293 (C.58:1B-1
8 et seq.). Each bond shall contain on its face a statement to the effect
9 that the authority is obligated to pay the principal thereof or the
10 interest thereon only from revenues or funds of the authority and that
11 neither the State nor any political subdivision thereof is obligated to
12 pay the principal or interest and that neither the faith and credit nor the
13 taxing power of the State or any political subdivision thereof is
14 pledged to the payment of the principal of or the interest on the bonds.

15 h. [All] Except as may be otherwise expressly provided in the
16 provisions of subsection i. of this section, all expenses incurred in
17 carrying out the provisions of [this act] P.L.1981, c.293 (C.58:1B-1
18 et seq.) shall be payable solely from revenues or funds provided or to
19 be provided under the provisions of [this act] P.L.1981, c.293
20 (C.58:1B-1 et seq.) and nothing in [this act] the provisions of
21 P.L.1981, c.293 (C.58:1B-1 et seq.) shall be construed to authorize
22 the authority to incur any indebtedness or liability on behalf of or
23 payable by the State or any political subdivision thereof.

24 i. The authority may receive moneys from the New Jersey Water
25 Supply Authority Round Valley Fund created pursuant to section 7 of
26 P.L. , c. (C.58:1B-9.2)(pending in the Legislature as this bill) to
27 defray the additional, reasonable energy or water expenses incurred in
28 replenishing the water released from the Round Valley reservoir for
29 the purpose of sustaining water recreational activities at the Spruce
30 Run reservoir as provided in subsection a. of section 8 of P.L.1958,
31 c.34 (C.58:22-8).

32 (cf: P.L.1981, c.293, s.9)

33

34 6. (New section) a. In order to defray the additional, reasonable
35 energy or water expenses incurred by the New Jersey Water Supply
36 Authority in replenishing the water released from the Round Valley
37 reservoir for the purpose of sustaining water recreational activities at
38 the Spruce Run reservoir as provided in subsection a. of section 8 of
39 P.L.1958, c.34 (C.58:22-8), the Legislature shall annually appropriate
40 from the General Fund to the authority such sums as may be necessary
41 for this purpose.

42 b. The Commissioner of Environmental Protection shall certify to
43 the Legislature the actual energy or water expenses incurred by the
44 authority in replenishing the water released from the Round Valley
45 reservoir for the purpose of sustaining water recreational activities at
46 the Spruce Run reservoir. The commissioner may require the

1 authority to provide additional information verifying that the additional
2 energy or water expenses incurred by the authority are reasonable and
3 based upon the lowest possible electric utility rates available.

4
5 7. (New section) a. The New Jersey Water Supply Authority
6 Round Valley Fund is established as a nonlapsing, special fund in the
7 Department of the Treasury. The moneys in the fund are specifically
8 dedicated and allocated to, and shall be used solely to defray the
9 additional, reasonable energy or water expenses incurred by the New
10 Jersey Water Supply Authority in replenishing the water released from
11 the Round Valley reservoir for the purpose of sustaining water
12 recreational activities at the Spruce Run reservoir as provided in
13 subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8). Interest
14 received on moneys in the fund shall be credited to the fund. Moneys
15 in the fund may not be used for the routine operation and maintenance
16 expenses of the authority.

17 (1) The fund shall be fully funded at a first year level of \$200,000,
18 and shall be fully funded annually thereafter at a level of not less than
19 \$200,000 but not more than \$280,000 on July 1 of each fiscal year.

20 (2) The Legislature shall annually appropriate from the General
21 Fund to the fund such sums as may be necessary to maintain the levels
22 prescribed in this subsection, except that no annual appropriation shall
23 be less than \$40,000.

24 b. The sum of \$200,000 shall be deposited in the fund from the
25 moneys made available pursuant to section 9 of P.L. , c. (pending
26 in the Legislature as this bill), and from all interest received from the
27 investment of moneys in the fund, and from any moneys which, from
28 time to time, may otherwise become available for the purposes of the
29 fund.

30 c. Pending the use thereof as provided in subsection a. of this
31 section, the moneys in the fund shall be held in interest-bearing
32 accounts in public depositories as defined in section 1 of P.L.1970,
33 c.236 (C.17:9-41), and may be invested and reinvested in such
34 securities as are approved by the State Treasurer, in the manner
35 provided by law.

36
37 8. (New section) a. In order to ensure that safe yield is
38 maintained and the drinking water quality standards adopted pursuant
39 to the "Safe Drinking Water Act," P.L.1977, c.224 (C.58:12A-1 et
40 seq.) are met, the Commissioner of Environmental Protection shall
41 provide for the continuous monitoring of the impacts associated with
42 releasing water from the Round Valley reservoir for the purpose of
43 sustaining water recreational activities at the Spruce Run reservoir as
44 provided in subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8).

45 b. The commissioner is authorized to alter the releases of water
46 from the Spruce Run reservoir or the Round Valley reservoir as

1 provided in subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8)
2 as necessary to ensure the protection of the public health, safety or
3 welfare, or the protection of the environment.

4 c. The commissioner shall alter the releases of water from the
5 Spruce Run reservoir or the Round Valley reservoir as provided in
6 subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8) whenever
7 there are inadequate moneys in the New Jersey Water Supply
8 Authority Round Valley Fund created pursuant to section 7 of P.L. ,
9 c. (C.58:1B-9.2)(pending in the Legislature as this bill) for the New
10 Jersey Water Supply Authority to replenish the water released from
11 the Round Valley reservoir for the purpose of sustaining water
12 recreational activities at the Spruce Run reservoir.

13

14 9. There is appropriated from the General Fund to the New Jersey
15 Water Supply Authority Fund created pursuant to section 7 of P.L. ,
16 c. (C.58:1B-9.2)(pending in the Legislature as this bill) the sum of
17 \$200,000.

18

19 10. This act shall take effect immediately.

ASSEMBLY ENVIRONMENT COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR ASSEMBLY, No. 2793

STATE OF NEW JERSEY

DATED: JANUARY 18, 2001

The Assembly Environment Committee reports favorably an Assembly committee substitute for Assembly Bill No. 2793.

The committee substitute requires release of water from Spruce Run and Round Valley reservoirs into the south branch of the Raritan river for the purpose of supporting recreational water use of the Spruce Run reservoir.

Under current law, whenever the flow of water in the south branch of the Raritan river is less than 40 million gallons daily as measured at the U.S. Geological Survey stream gauging station at Stanton, or less than 70 million gallons daily at the U.S. Geological Survey stream gauging station at Manville, or less than 90 million gallons daily at the U.S. Geological Survey stream gauging station at Bound Brook, a sufficient amount of water must be released from the Spruce Run reservoir, and, if necessary, from the Round Valley reservoir in such amounts as will maintain not less than the aforementioned flows. The substitute bill eliminates the "if necessary" qualifier from the statute.

The bill limits the quantity of water that could be released between June 1 and August 31 from the Spruce Run reservoir at any one time to an amount not to exceed an amount which lowers the water level in the reservoir more than 8 feet below its usual mean high water mark of each year to ensure the continued availability of the Spruce Run reservoir for water recreational activities.

In order to defray the additional, reasonable energy or water expenses incurred by the New Jersey Water Supply Authority in replenishing the water released from the Round Valley reservoir, the substitute bill directs the Legislature to annually appropriate from the General Fund to the Authority such sums as may be necessary for this purpose.

The Commissioner of Environmental Protection must certify to the Legislature the actual energy or water expenses incurred by the Authority in replenishing the water released from the Round Valley reservoir for the purpose of sustaining water recreational activities at the Spruce Run reservoir. The Commissioner may require the Authority to provide additional information verifying that the additional energy or water expenses incurred by the Authority are

reasonable and based upon the lowest possible electric utility rates available.

The substitute bill creates the New Jersey Water Supply Authority Round Valley Fund as a nonlapsing, special fund in the Department of the Treasury. The moneys in the Fund are dedicated and will be used solely for the purposes of defraying the increased energy or water costs of replenishing the water released from the Round Valley reservoir. The Fund is to be fully funded at a first year level of \$200,000, and must be fully funded annually thereafter at a level of not less than \$200,000 but not more than \$280,000 on July 1 of each fiscal year. The Legislature is required to annually appropriate from the General Fund to the Fund such sums as may be necessary to maintain these levels, except that no annual appropriation may be less than \$40,000.

The substitute bill appropriates the sum of \$200,000 from the General Fund to the Fund to meet the first year funding level.

In order to insure that safe yield is maintained and that federal and State drinking water quality standards are met, the substitute bill requires the Commissioner of Environmental Protection to provide for the continuous monitoring of the impacts associated with releasing water from the Round Valley reservoir to sustain water recreation activities at Spruce Run reservoir.

The commissioner is authorized to alter the releases of water from the Spruce Run reservoir or the Round Valley reservoir as necessary to ensure the protection of the public health, safety or welfare, or the protection of the environment.

The commissioner must alter the releases of water from the Spruce Run reservoir or the Round Valley reservoir whenever there are inadequate moneys in the Fund for the Authority to replenish the water released from the Round Valley reservoir for the purpose of sustaining water recreational activities at the Spruce Run reservoir.

As reported by the committee, this committee substitute is identical to Senate Bill No. 1462 SCS (1R) of 2000.

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 2793
STATE OF NEW JERSEY
209th LEGISLATURE

DATED: MARCH 29, 2001

SUMMARY

Synopsis: Provides for release of water from Spruce Run and Round Valley reservoirs; appropriates \$200,000.

Type of Impact: Expenditure increase from the General Fund.

Agencies Affected: N.J. Water Supply Authority; Department of Environmental Protection.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost	\$200,000	\$200,000 to \$280,000	\$200,000 to \$280,000

- ! In order to maintain the recreational usage of Spruce Run reservoir, the bill amends statutory law to permit more water to be released from Round Valley reservoir to the south branch of the Raritan River during low flow periods. This would reduce the water release requirements of Spruce Run reservoir.
- ! The bill requires State funds to pay the costs incurred by the N.J. Water Supply Authority in replenishing Round Valley reservoir after such releases are made. The bill appropriates \$200,000 for first year cost requirements.
- ! The bill directs the Department of Environmental Protection (DEP) to monitor the impacts of water releases from both reservoirs to ensure the proper water levels are maintained.
- ! The Office of Legislative Services (OLS) estimates that the bill's appropriation should sufficiently meet first year costs, but that the bill's direction to the Legislature to make future appropriations for this purpose cannot be statutorily guaranteed.

BILL DESCRIPTION

Assembly Committee Substitute for Assembly Bill No. 2793 of 2000 requires release of waters into the south branch of the Raritan River from both Spruce Run and Round Valley reservoirs for the purpose of supporting recreational water use of the Spruce Run reservoir.

Under current law, whenever the flow of water in the south branch of the Raritan River is less than the required levels, a sufficient amount of water must be released from the Spruce Run reservoir, and, if necessary, from the Round Valley reservoir in such amounts as will maintain proper flows. The substitute bill eliminates the "if necessary" qualifier from the statute in order to ensure the continued availability of the Spruce Run reservoir for water recreational activities.

In order to defray the additional energy or water expenses incurred by the N. J. Water Supply Authority in replenishing the water released from the Round Valley reservoir, the substitute bill appropriates \$200,000 to meet first year funding costs and thereafter directs the Legislature to annually appropriate from the General Fund at least \$200,000 but not more than \$280,000 for this purpose. These monies would be appropriated to a nonlapsing, special fund in the Department of the Treasury, as created under the bill.

Last, the bill requires the Commissioner of Environmental Protection to provide for the continuous monitoring of the impacts associated with releasing water from the Round Valley reservoir to sustain water recreation activities at Spruce Run reservoir.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services (OLS) estimates that the appropriation provided in the bill should adequately meet the first year costs of the N.J. Water Supply Authority. It should be noted, however, that despite the bill's provision requiring the Legislature to appropriate sufficient monies annually to defray costs incurred by the Authority under the bill, such future appropriations cannot be guaranteed because they can only be authorized by new legislation introduced for that purpose or in the annual Appropriations Act. In either case, the Legislature is not bound or required by previous enactments to approve specific purpose appropriations unless monies are statutorily dedicated from existing funding sources for a particular purpose.

With respect to potential costs incurred by the DEP in carrying out its monitoring responsibilities under the bill, existing staff who perform similar functions should be able to perform these duties as needed.

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

Analyst: *Richard M. Handelman*
Senior Fiscal Analyst

Approved: *Alan R. Kooney*
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.

[First Reprint]

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 2793

STATE OF NEW JERSEY
209th LEGISLATURE

ADOPTED JANUARY 18, 2001

Sponsored by:

Assemblyman LEONARD LANCE

District 23 (Warren, Hunterdon and Mercer)

Co-Sponsored by:

Senators Schluter and Littell

SYNOPSIS

Provides for release of water from Spruce Run and Round Valley reservoirs; appropriates \$350,000.

CURRENT VERSION OF TEXT

As reported by the Assembly Appropriations Committee on March 22, 2001, with amendments.



(Sponsorship Updated As Of: 3/30/2001)

1 **AN ACT** concerning the Spruce Run and Round Valley reservoirs,
2 revising parts of the statutory law, and making an appropriation.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. R.S.58:4-1 is amended to read as follows:

8 58:4-1. a. No municipality, corporation or person shall, without
9 the consent of the Commissioner of Environmental Protection,
10 hereafter in this chapter designated as the commissioner, build any
11 reservoir or construct any dam, or repair, alter or improve existing
12 dams on any river or stream in this State or between this State and any
13 other **[such]** state which will raise the waters of **[such]** the river or
14 stream more than five feet above **[their]** its usual mean low-water
15 height.

16 No municipality, corporation or person shall, without the consent
17 of the commissioner, build any reservoir or construct any dam, or
18 repair, alter or improve existing dams in the pinelands area, as
19 designated by subsection a. of section 10 of P.L.1979, c.111
20 (C.13:18A-11), which will raise the waters of any river or stream more
21 than eight feet above the surface of the ground where the drainage
22 area above the dam or reservoir is more than one square mile in extent
23 and where the water surface created by the dam or reservoir is more
24 than 100 acres in extent.

25 The commissioner may investigate and take appropriate action
26 regarding any dam or reservoir about which **[he]** the commissioner
27 has a security or safety concern.

28 With respect to dams and reservoirs located on lands utilized for
29 agricultural or horticultural purposes within the pinelands area, the
30 commissioner's actions shall be undertaken after consultation with the
31 Secretary of Agriculture.

32 b. The commissioner shall not require a permit for the repair of
33 any dam used for agricultural purposes within a special agricultural
34 production area designated pursuant to N.J.A.C.7:50-5.14 in the
35 pinelands area.

36 (cf: P.L.1995, c.402, s.1)

37

38 2. Section 7 of P.L.1958, c.34 (C.58:22-7) is amended to read as
39 follows:

40 7. No water shall be pumped from the south branch of the Raritan
41 river into the Round Valley reservoir whenever the flow in **[said]** the

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AAP committee amendments adopted March 22, 2001.

1 Raritan river is less than 40 million gallons daily at the United States
2 Geological Survey stream gauging station at Stanton, or less than
3 70 million gallons daily at the United States Geological Survey stream
4 gauging station at Manville, or less than 90 million gallons daily at the
5 United States Geological Survey stream gauging station at Bound
6 Brook.

7 [Upon the completion and placing in operation of the Round
8 Valley reservoir, not] Not less than 830,000 gallons of water daily
9 shall be released at all times into Prescott brook from [such] the
10 Round Valley reservoir and at all times not less than 170,000 gallons
11 of water daily shall be released into the south branch of the Rockaway
12 creek from [such] the Round Valley reservoir.
13 (cf: P.L.1968, c.449, s.2)
14

15 3. Section 8 of P.L.1958, c.34 (C.58:22-8) is amended to read as
16 follows:

17 8. a. Whenever the flow of water in the south branch of the
18 Raritan river is less than 40 million gallons daily at the United States
19 Geological Survey stream gauging station at Stanton, or less than
20 70 million gallons daily at the United States Geological Survey stream
21 gauging station at Manville, or less than 90 million gallons daily at the
22 United States Geological Survey stream gauging station at Bound
23 Brook, a sufficient amount of water shall be released from the Spruce
24 Run reservoir, or from [such] the Round Valley reservoir or any other
25 reservoir or reservoirs as may be constructed on the [south branch of
26 the] Raritan river or its tributaries, and[, if necessary,] from the
27 Round Valley reservoir in [such] the amounts as will maintain not less
28 than the [said] aforementioned flows of 40 million gallons daily at
29 Stanton and 70 million gallons daily at Manville and 90 million gallons
30 daily at Bound Brook, and [such] the released water shall be returned
31 to the south branch of the Raritan river at the point of diversion or
32 pumping into [any such] the reservoir or at some point upstream
33 thereof, except that the amount of water to be released from the
34 Spruce Run reservoir shall not exceed an amount which lowers the
35 water level in the reservoir between June 1 and August 31 more than
36 8 feet below its usual mean high-water height of each year to ensure
37 the continued availability of the Spruce Run reservoir for water
38 recreational activities.

39 b. The commissioner is authorized to alter [these] the passing
40 flow requirements [during a drought emergency, declared pursuant to
41 executive order, in which danger to] set forth in subsection a. of this
42 section as necessary to ensure the protection of the public health,
43 safety or welfare [is imminent], or the protection of the environment.

44 c. The commissioner shall alter the releases of water from the
45 Spruce Run reservoir or the Round Valley reservoir as provided in

1 subsection a. of this section whenever there are inadequate moneys in
2 the New Jersey Water Supply Authority Round Valley Fund created
3 pursuant to section 7 of P.L. , c. (C.58:1B-9.2)(pending in the
4 Legislature as this bill) for the New Jersey Water Supply Authority to
5 replenish the water released from the Round Valley reservoir for the
6 purpose of sustaining water recreational activities at the Spruce Run
7 reservoir.

8 (cf: P.L.1981, c.10, s.1)

9
10 4. Section 5 of P.L.1981, c.293 (C.58:1B-5) is amended to read
11 as follows:

12 5. a. All water supply facilities, owned or operated by the State,
13 either now or hereafter, are transferred to the authority. The authority
14 shall operate these facilities pursuant to the statutory authorizations
15 enabling the State to operate and manage the facilities. The Delaware
16 and Raritan Canal Transmission Complex, the Spruce Run-Round
17 Valley Reservoir Complex and all other State-operated facilities now
18 or hereafter authorized to be designed, constructed and operated
19 pursuant to any past or future bond issues, including the "Water
20 Supply Bond Act of 1981," P.L.1981, c.261, as amended by P.L.1983,
21 c.355 and P.L.1997, c.223, are specifically included as State water
22 supply facilities.

23 b. The revenue from all State water supply facilities, the
24 disposition of which is not otherwise expressly provided for by law, is
25 pledged to the authority for the purposes provided [herein] in the
26 provisions of P.L.1981, c.293 (C.58:1B-1 et seq.).

27 (cf: P.L.1981, c.293, s.5)

28
29 5. Section 9 of P.L.1981, c.293 (C.58:1B-9) is amended to read
30 as follows:

31 9. a. The authority is hereby empowered from time to time to
32 issue its bonds in [such] the principal amounts as in the opinion of the
33 authority shall be necessary to provide sufficient funds for any of its
34 corporate purposes, including the payment, funding or refunding of the
35 principal of, or interest or redemption premiums on, any bonds issued
36 by it, whether the bonds or interest to be funded or refunded have or
37 have not become due, the establishment or increase of [such] the
38 reserves to secure or to pay [such] the bonds or interest thereon and
39 all other costs or expenses of the agency incident to and necessary to
40 carry out its corporate purposes and powers.

41 b. Except as may be otherwise expressly provided in [this act] the
42 provisions of P.L.1981, c.293 (C.58:1B-1 et seq.) or by the authority,
43 every issue of bonds shall be general obligations payable out of and
44 secured by any revenues or funds of the authority, subject only to any
45 agreements with holders of particular bonds pledging any particular
46 revenues or funds. The authority may issue [such] the types of bonds

1 as it may determine, including, without limiting the generality of the
 2 foregoing, bonds as to which the principal and interest are payable (1)
 3 exclusively from the revenues and funds derived from or relating to the
 4 project or part thereof financed with the proceeds of the bonds; (2)
 5 exclusively from the revenues and funds derived from or relating to
 6 certain designated projects or parts thereof, whether or not the same
 7 are financed in whole or in part from the proceeds of bonds; (3)
 8 exclusively from certain designated funds of the authority; or (4) from
 9 the revenues and funds of the authority generally. The bonds may be
 10 additionally secured by a pledge of any grant, subsidy or contribution
 11 from the United States of America or any agency or instrumentality
 12 thereof or the State of New Jersey or any agency, instrumentality or
 13 political subdivision thereof, or any person, or a pledge of any income
 14 or revenues, funds or moneys of the authority from any source
 15 whatsoever.

16 c. Whether or not the bonds are of such form and character as to
 17 be negotiable instruments under the terms of Title 12A[, Commercial
 18 Transactions,] of the New Jersey Statutes, the bonds are hereby made
 19 negotiable instruments within the meaning of and for all the purposes
 20 of [said] Title 12A of the New Jersey Statutes, subject only to the
 21 provisions of the bonds for registration.

22 d. Bonds of the authority shall be authorized by a resolution or
 23 resolutions of the authority and may be issued in one or more series
 24 and shall bear [such] the date or dates, mature at [such] the time or
 25 times, bear interest at [such] the rate or rates of interest per annum,
 26 be in [such] the denomination or denominations, be in [such] the
 27 form, either coupon or registered, carry [such] the conversion or
 28 registration privileges, have [such] the rank or priority, be executed
 29 in [such] the manner, be payable from [such] the sources, in [such]
 30 the medium of payment at [such] the place or places within or without
 31 the State, and be subject to [such] the terms of redemption, with or
 32 without premium, as [such] the resolution or resolutions may provide.

33 e. Bonds of the authority may be sold at public or private sale at
 34 [such] the price or prices and in [such] the manner as the authority
 35 shall determine. Every bond shall mature and be paid not later than 40
 36 years from the date thereof.

37 f. Bonds may be issued under the provisions of [the act]
 38 P.L.1981, c.293 (C.58:1B-1 et seq.) without obtaining the consent of
 39 any department, division, commission, board, bureau or agency of the
 40 State, and without any other proceeding or the happening of any other
 41 conditions or other things than those proceedings, conditions or things
 42 which are specifically required by [this act] the provisions of
 43 P.L.1981, c.293 (C.58:1B-1 et seq.).

44 g. Bonds of the authority issued under the provisions of [this act]
 45 P.L.1981, c.293 (C.58:1B-1 et seq.) shall not be in any way a debt or

1 liability of the State or of any political subdivision thereof other than
 2 the authority and shall not create or constitute any indebtedness,
 3 liability or obligation of the State or of the political subdivision or be
 4 or constitute a pledge of the faith and credit of the State or of the
 5 political subdivision but all ~~[such] the~~ bonds, unless funded or
 6 refunded by bonds of the authority, shall be payable solely from
 7 revenues or funds pledged or available for their payment as authorized
 8 ~~[in this act] pursuant to the provisions of P.L.1981, c.293 (C.58:1B-1~~
 9 ~~et seq.)~~. Each bond shall contain on its face a statement to the effect
 10 that the authority is obligated to pay the principal thereof or the
 11 interest thereon only from revenues or funds of the authority and that
 12 neither the State nor any political subdivision thereof is obligated to
 13 pay the principal or interest and that neither the faith and credit nor the
 14 taxing power of the State or any political subdivision thereof is
 15 pledged to the payment of the principal of or the interest on the bonds.

16 h. ~~[All] Except as may be otherwise expressly provided in the~~
 17 ~~provisions of subsection i. of this section, all~~ expenses incurred in
 18 carrying out the provisions of ~~[this act] P.L.1981, c.293 (C.58:1B-1~~
 19 ~~et seq.)~~ shall be payable solely from revenues or funds provided or to
 20 be provided under the provisions of ~~[this act] P.L.1981, c.293~~
 21 ~~(C.58:1B-1 et seq.)~~ and nothing in ~~[this act] the provisions of~~
 22 ~~P.L.1981, c.293 (C.58:1B-1 et seq.)~~ shall be construed to authorize
 23 the authority to incur any indebtedness or liability on behalf of or
 24 payable by the State or any political subdivision thereof.

25 i. ~~The authority may receive moneys from the New Jersey Water~~
 26 ~~Supply Authority Round Valley Fund created pursuant to section 7 of~~
 27 ~~P.L. , c. (C.58:1B-9.2)(pending in the Legislature as this bill) to~~
 28 ~~defray the additional, reasonable energy or water expenses incurred in~~
 29 ~~replenishing the water released from the Round Valley reservoir for~~
 30 ~~the purpose of sustaining water recreational activities at the Spruce~~
 31 ~~Run reservoir as provided in subsection a. of section 8 of P.L.1958,~~
 32 ~~c.34 (C.58:22-8).~~

33 (cf: P.L.1981, c.293, s.9)

34

35 6. (New section) a. In order to defray the additional, reasonable
 36 energy or water expenses incurred by the New Jersey Water Supply
 37 Authority in replenishing the water released from the Round Valley
 38 reservoir for the purpose of sustaining water recreational activities at
 39 the Spruce Run reservoir as provided in subsection a. of section 8 of
 40 P.L.1958, c.34 (C.58:22-8), the Legislature shall annually appropriate
 41 from the General Fund to the authority such sums as may be necessary
 42 for this purpose.

43 b. The Commissioner of Environmental Protection shall certify to
 44 the Legislature the actual energy or water expenses incurred by the
 45 authority in replenishing the water released from the Round Valley
 46 reservoir for the purpose of sustaining water recreational activities at

1 the Spruce Run reservoir. The commissioner may require the
2 authority to provide additional information verifying that the additional
3 energy or water expenses incurred by the authority are reasonable and
4 based upon the lowest possible electric utility rates available.

5
6 7. (New section) a. The New Jersey Water Supply Authority
7 Round Valley Fund is established as a nonlapsing, special fund in the
8 Department of the Treasury. The moneys in the fund are specifically
9 dedicated and allocated to, and shall be used ¹[solely]¹ to defray the
10 additional, reasonable energy or water expenses incurred by the New
11 Jersey Water Supply Authority in replenishing the water released from
12 the Round Valley reservoir for the purpose of sustaining water
13 recreational activities at the Spruce Run reservoir as provided in
14 subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8). Interest
15 received on moneys in the fund shall be credited to the fund. Moneys
16 in the fund may not be used for the routine operation and maintenance
17 expenses of the authority. ¹Moneys in the fund may be used by the
18 Department of Environmental Protection for the additional, reasonable
19 expenses incurred for additional monitoring which may be necessary,
20 from time to time, to augment the continuous monitoring required of
21 the department pursuant to section 8 of P.L. , c. (C.58:22-
22 8.1)(pending in the Legislature as this bill).¹

23 (1) The fund shall be fully funded at a first year level of
24 ¹[\$200,000] \$350,000¹, and shall be fully funded annually thereafter
25 at a level of not less than ¹[\$200,000] \$225,000¹ but not more than
26 ¹[\$280,000] \$350,000¹ on July 1 of each fiscal year.

27 (2) The Legislature shall annually appropriate from the General
28 Fund to the fund such sums as may be necessary to maintain the levels
29 prescribed in this subsection, except that no annual appropriation shall
30 be less than \$40,000.

31 b. The sum of ¹[\$200,000] \$350,000¹ shall be deposited in the
32 fund from the moneys made available pursuant to section 9 of
33 P.L. , c. (pending in the Legislature as this bill), and from all
34 interest received from the investment of moneys in the fund, and from
35 any moneys which, from time to time, may otherwise become available
36 for the purposes of the fund.

37 c. Pending the use thereof as provided in subsection a. of this
38 section, the moneys in the fund shall be held in interest-bearing
39 accounts in public depositories as defined in section 1 of P.L.1970,
40 c.236 (C.17:9-41), and may be invested and reinvested in such
41 securities as are approved by the State Treasurer, in the manner
42 provided by law.

43
44 8. (New section) a. In order to ensure that safe yield is
45 maintained and the drinking water quality standards adopted pursuant
46 to the "Safe Drinking Water Act," P.L.1977, c.224 (C.58:12A-1 et

1 seq.) are met, the Commissioner of Environmental Protection shall
2 provide for the continuous monitoring of the impacts associated with
3 releasing water from the Round Valley reservoir for the purpose of
4 sustaining water recreational activities at the Spruce Run reservoir as
5 provided in subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8).

6 b. The commissioner is authorized to alter the releases of water
7 from the Spruce Run reservoir or the Round Valley reservoir as
8 provided in subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8)
9 as necessary to ensure the protection of the public health, safety or
10 welfare, or the protection of the environment.

11 c. The commissioner shall alter the releases of water from the
12 Spruce Run reservoir or the Round Valley reservoir as provided in
13 subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8) whenever
14 there are inadequate moneys in the New Jersey Water Supply
15 Authority Round Valley Fund created pursuant to section 7 of P.L. ,
16 c. (C.58:1B-9.2)(pending in the Legislature as this bill) for the New
17 Jersey Water Supply Authority to replenish the water released from
18 the Round Valley reservoir for the purpose of sustaining water
19 recreational activities at the Spruce Run reservoir.

20
21 9. There is appropriated from the General Fund to the New Jersey
22 Water Supply Authority Fund created pursuant to section 7 of P.L. ,
23 c. (C.58:1B-9.2)(pending in the Legislature as this bill) the sum of
24 ¹[\$200,000] \$350,000¹.

25
26 10. This act shall take effect immediately.

SENATE, No. 1462

STATE OF NEW JERSEY
209th LEGISLATURE

INTRODUCED JUNE 19, 2000

Sponsored by:

Senator WILLIAM E. SCHLUTER

District 23 (Warren, Hunterdon and Mercer)

Senator ROBERT E. LITTELL

District 24 (Sussex, Hunterdon and Morris)

SYNOPSIS

Provides for release of water from Spruce Run and Round Valley reservoirs.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the Spruce Run and Round Valley reservoirs, and
2 revising parts of the statutory law.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. R.S.58:4-1 is amended to read as follows:

8 58:4-1. a. No municipality, corporation or person shall, without
9 the consent of the Commissioner of Environmental Protection,
10 hereafter in this chapter designated as the commissioner, build any
11 reservoir or construct any dam, or repair, alter or improve existing
12 dams on any river or stream in this State or between this State and any
13 other [such] state which will raise the waters of [such] the river or
14 stream more than five feet above [their] its usual mean low-water
15 height.

16 No municipality, corporation or person shall, without the consent
17 of the commissioner, build any reservoir or construct any dam, or
18 repair, alter or improve existing dams in the pinelands area, as
19 designated by subsection a. of section 10 of P.L.1979, c.111
20 (C.13:18A-11), which will raise the waters of any river or stream more
21 than eight feet above the surface of the ground where the drainage
22 area above the dam or reservoir is more than one square mile in extent
23 and where the water surface created by the dam or reservoir is more
24 than 100 acres in extent.

25 The commissioner may investigate and take appropriate action
26 regarding any dam or reservoir about which [he] the commissioner
27 has a security or safety concern.

28 With respect to dams and reservoirs located on lands utilized for
29 agricultural or horticultural purposes within the pinelands area, the
30 commissioner's actions shall be undertaken after consultation with the
31 Secretary of Agriculture.

32 b. The commissioner shall not require a permit for the repair of any
33 dam used for agricultural purposes within a special agricultural
34 production area designated pursuant to N.J.A.C.7:50-5.14 in the
35 pinelands area.

36 (cf: P.L.1995, c.402, s.1)

37
38 2. Section 7 of P.L.1958, c.34 (C.58:22-7) is amended to read as
39 follows:

40 7. No water shall be pumped from the south branch of the Raritan
41 river into the Round Valley reservoir whenever the flow in [said] the
42 Raritan river is less than 40 million gallons daily at the United States
43 Geological Survey stream gauging station at Stanton, or less than 70

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

Matter underlined thus is new matter.

1 million gallons daily at the United States Geological Survey stream
2 gauging station at Manville, or less than 90 million gallons daily at the
3 United States Geological Survey stream gauging station at Bound
4 Brook.

5 [Upon the completion and placing in operation of the Round Valley
6 reservoir, not] Not less than 830,000 gallons of water daily shall be
7 released at all times into Prescott brook from [such] the Round Valley
8 reservoir and at all times not less than 170,000 gallons of water daily
9 shall be released into the south branch of the Rockaway creek from
10 [such] the Round Valley reservoir.

11 (cf: P.L.1968, c.449, s.2)

12
13 3. Section 8 of P.L.1958, c.34 (C.58:22-8) is amended to read as
14 follows:

15 8. a. Whenever the flow of water in the south branch of the
16 Raritan river is less than 40 million gallons daily at the United States
17 Geological Survey stream gauging station at Stanton, or less than 70
18 million gallons daily at the United States Geological Survey stream
19 gauging station at Manville, or less than 90 million gallons daily at the
20 United States Geological Survey stream gauging station at Bound
21 Brook, a sufficient amount of water shall be released from the Spruce
22 Run reservoir, or from [such] the Round Valley reservoir or any other
23 reservoir or reservoirs as may be constructed on the [south branch of
24 the] Raritan river or its tributaries, and[, if necessary,] from the
25 Round Valley reservoir in [such] the amounts as will maintain not less
26 than the [said] aforementioned flows of 40 million gallons daily at
27 Stanton and 70 million gallons daily at Manville and 90 million gallons
28 daily at Bound Brook, and [such] the released water shall be returned
29 to the south branch of the Raritan river at the point of diversion or
30 pumping into [any such] the reservoir or at some point upstream
31 thereof, except that the amount of water to be released from the
32 Spruce Run reservoir shall not exceed an amount which lowers the
33 water level in the reservoir between June 1 and August 31 more than
34 8 feet below its usual mean high-water height of each year to ensure
35 the continued availability of the Spruce Run reservoir for water
36 recreational activities.

37 b. The commissioner is authorized to alter these passing flow
38 requirements during a [drought] state of water emergency, declared
39 by the Governor pursuant to an executive order authorized under
40 section 4 of P.L.1981, c.262 (C.58:1A-4), [in which danger to] as
41 necessary to ensure the protection of the public health, safety or
42 welfare [is imminent] , or the protection of the environment, and shall
43 do so whenever there are inadequate moneys in the New Jersey Water
44 Supply Authority Round Valley Fund created pursuant to section 7 of
45 P.L. , c. (C.58:1B-9.2)(pending in the Legislature as this bill) for

1 the New Jersey Water Supply Authority to replenish the water released
2 from the Round Valley reservoir for the purpose of sustaining water
3 recreational activities at the Spruce Run reservoir.

4 (cf: P.L.1981, c.10, s.1)

5
6 4. Section 5 of P.L.1981, c.293 (C.58:1B-5) is amended to read as
7 follows:

8 5. a. All water supply facilities, owned or operated by the State,
9 either now or hereafter, are transferred to the authority. The authority
10 shall operate these facilities pursuant to the statutory authorizations
11 enabling the State to operate and manage the facilities. The Delaware
12 and Raritan Canal Transmission Complex, the Spruce Run-Round
13 Valley Reservoir Complex and all other State-operated facilities now
14 or hereafter authorized to be designed, constructed and operated
15 pursuant to any past or future bond issues, including the "Water
16 Supply Bond Act of 1981," P.L.1981, c.261, as amended by P.L.1983,
17 c.355 and P.L.1997, c.223, are specifically included as State water
18 supply facilities.

19 b. The revenue from all State water supply facilities, the disposition
20 of which is not otherwise expressly provided for by law, is pledged to
21 the authority for the purposes provided herein.

22 (cf: P.L.1981, c.293, s.5)

23
24 5. Section 9 of P.L.1981, c.293 (C.58:1B-9) is amended to read as
25 follows:

26 9. a. The authority is hereby empowered from time to time to issue
27 its bonds in [such] the principal amounts as in the opinion of the
28 authority shall be necessary to provide sufficient funds for any of its
29 corporate purposes, including the payment, funding or refunding of the
30 principal of, or interest or redemption premiums on, any bonds issued
31 by it, whether the bonds or interest to be funded or refunded have or
32 have not become due, the establishment or increase of [such] the
33 reserves to secure or to pay [such] the bonds or interest thereon and
34 all other costs or expenses of the agency incident to and necessary to
35 carry out its corporate purposes and powers.

36 b. Except as may be otherwise expressly provided in [this act] the
37 provisions of P.L.1981, c.293 (C.58:1B-1 et seq.) or by the authority,
38 every issue of bonds shall be general obligations payable out of and
39 secured by any revenues or funds of the authority, subject only to any
40 agreements with holders of particular bonds pledging any particular
41 revenues or funds. The authority may issue [such] the types of bonds
42 as it may determine, including, without limiting the generality of the
43 foregoing, bonds as to which the principal and interest are payable (1)
44 exclusively from the revenues and funds derived from or relating to the
45 project or part thereof financed with the proceeds of the bonds; (2)
46 exclusively from the revenues and funds derived from or relating to

1 certain designated projects or parts thereof, whether or not the same
2 are financed in whole or in part from the proceeds of bonds; (3)
3 exclusively from certain designated funds of the authority; or (4) from
4 the revenues and funds of the authority generally. The bonds may be
5 additionally secured by a pledge of any grant, subsidy or contribution
6 from the United States of America or any agency or instrumentality
7 thereof or the State of New Jersey or any agency, instrumentality or
8 political subdivision thereof, or any person, or a pledge of any income
9 or revenues, funds or moneys of the authority from any source
10 whatsoever.

11 c. Whether or not the bonds are of such form and character as to
12 be negotiable instruments under the terms of Title 12A[, Commercial
13 Transactions,] of the New Jersey Statutes, the bonds are hereby made
14 negotiable instruments within the meaning of and for all the purposes
15 of [said] Title 12A of the New Jersey Statutes, subject only to the
16 provisions of the bonds for registration.

17 d. Bonds of the authority shall be authorized by a resolution or
18 resolutions of the authority and may be issued in one or more series
19 and shall bear [such] the date or dates, mature at [such] the time or
20 times, bear interest at [such] the rate or rates of interest per annum,
21 be in [such] the denomination or denominations, be in [such] the
22 form, either coupon or registered, carry [such] the conversion or
23 registration privileges, have [such] the rank or priority, be executed
24 in [such] the manner, be payable from [such] the sources, in [such]
25 the medium of payment at [such] the place or places within or without
26 the State, and be subject to [such] the terms of redemption, with or
27 without premium, as [such] the resolution or resolutions may provide.

28 e. Bonds of the authority may be sold at public or private sale at
29 [such] the price or prices and in [such] the manner as the authority
30 shall determine. Every bond shall mature and be paid not later than 40
31 years from the date thereof.

32 f. Bonds may be issued under the provisions of [the act] P.L.1981,
33 c.293 (C.58:1B-1 et seq.) without obtaining the consent of any
34 department, division, commission, board, bureau or agency of the
35 State, and without any other proceeding or the happening of any other
36 conditions or other things than those proceedings, conditions or things
37 which are specifically required by [this act] the provisions of
38 P.L.1981, c.293 (C.58:1B-1 et seq.).

39 g. Bonds of the authority issued under the provisions of [this act]
40 P.L.1981, c.293 (C.58:1B-1 et seq.) shall not be in any way a debt or
41 liability of the State or of any political subdivision thereof other than
42 the authority and shall not create or constitute any indebtedness,
43 liability or obligation of the State or of the political subdivision or be
44 or constitute a pledge of the faith and credit of the State or of the
45 political subdivision but all [such] the bonds, unless funded or

1 refunded by bonds of the authority, shall be payable solely from
2 revenues or funds pledged or available for their payment as authorized
3 [in this act] pursuant to the provisions of P.L.1981, c.293 (C.58:1B-1
4 et seq.). Each bond shall contain on its face a statement to the effect
5 that the authority is obligated to pay the principal thereof or the
6 interest thereon only from revenues or funds of the authority and that
7 neither the State nor any political subdivision thereof is obligated to
8 pay the principal or interest and that neither the faith and credit nor the
9 taxing power of the State or any political subdivision thereof is
10 pledged to the payment of the principal of or the interest on the bonds.

11 h. [All] Except as may be otherwise expressly provided in the
12 provisions of this section, all expenses incurred in carrying out the
13 provisions of [this act] P.L.1981, c.293 (C.58:1B-1 et seq. shall be
14 payable solely from revenues or funds provided or to be provided
15 under the provisions of [this act] P.L.1981, c.293 (C.58:1B-1 et seq.
16 and nothing [in this act] herein shall be construed to authorize the
17 authority to incur any indebtedness or liability on behalf of or payable
18 by the State or any political subdivision thereof.

19 i. The authority may receive moneys from the General Fund
20 pursuant to subsection b. of section 6 of P.L. , c. (C.58:1B-
21 9.1)(pending in the Legislature as this bill) to pay the expenses
22 incurred in replenishing the water released from the Round Valley
23 reservoir for the purpose of sustaining water recreational activities at
24 the Spruce Run reservoir.

25 (cf: P.L.1981, c.293, s.9)

26

27 6. (New section) a. In order to defray increased water costs of
28 replenishing the water released from the Round Valley reservoir as
29 provided in section 8 of P.L.1958, c.34 (C.58:22-8), the net parking
30 revenues generated at the Spruce Run and Round Valley reservoirs
31 shall be dedicated to the New Jersey Water Supply Authority to defray
32 all additional costs associated with the replenishment of water released
33 for the purpose of sustaining water recreational activities at the Spruce
34 Run reservoir.

35 b. The Legislature shall provide a budgetary line item within the
36 annual appropriations act to the New Jersey Water Supply Authority
37 dedicating such additional sums as may be necessary to defray all
38 additional costs associated with the replenishment of water released
39 from the Round Valley reservoir or any other reservoir as may be
40 constructed in the Raritan river basin for the purpose of sustaining
41 water recreational activities at the Spruce Run reservoir.

42

43 7. (New section) a. The New Jersey Water Supply Authority
44 Round Valley Fund is established as a nonlapsing, special fund in the
45 Department of the Treasury. The moneys in the fund are specifically
46 dedicated and allocated to, and shall be used solely for the purposes

1 enumerated in subsection b. of section 6 of P.L. , c. (C.58:1B-
2 9.1)(pending in the Legislature as this bill). Interest received on
3 moneys in the fund shall be credited to the fund. The fund shall be
4 fully funded at a level of \$600,000 on July 1 of each fiscal year.

5 Unless otherwise expressly provided by the specific appropriation
6 thereof by the Legislature, which shall take the form of a discrete
7 legislative appropriations act and shall not be included within the
8 annual appropriations act, all available moneys in the fund shall be
9 appropriated annually solely for the purposes enumerated in subsection
10 b. of section 6 of P.L. , c. (C.58:1B-9.1)(pending in the Legislature
11 as this bill).

12 b. The sum of \$600,000 shall be deposited in the fund from those
13 sources identified in (1) subsection i. of section 9 of P.L.1981, c.293
14 (C.58:1B-9), (2) subsection a. of section 6 of P.L. , c. (C.58:1B-
15 9.1)(pending in the Legislature as this bill) and (3) subsection b. of
16 section 6 of P.L. , c. (C.58:1B-9.1)(pending in the Legislature as
17 this bill), and from all interest received from the investment of moneys
18 in the fund, and from any moneys which, from time to time, may
19 otherwise become available for the purposes of the fund.

20 c. Pending the use thereof pursuant to the provisions of subsection
21 i. of section 9 of P.L.1981, c.293 (C.58:1B-9), subsection a. of section
22 6 of P.L. , c. (C.58:1B-9.1)(pending in the Legislature as this bill)
23 and subsection b. of section 6 of P.L. , c. (C.58:1B-9.1)(pending
24 in the Legislature as this bill), the moneys in the fund shall be held in
25 interest-bearing accounts in public depositories as defined in section
26 1 of P.L.1970, c.236 (C.17:9-41), and may be invested and reinvested
27 in such securities as are approved by the State Treasurer, in the
28 manner provided by law.

29

30 8. (New section) a. In order to insure that safe yield is maintained
31 and the drinking water quality standards adopted pursuant to the "Safe
32 Drinking Water Act," P.L.1977, c.224 (C.58:12A-1 et seq.) are met,
33 the Commissioner of Environmental Protection shall provide for the
34 continuous monitoring of the impacts associated with releasing water
35 from the Round Valley reservoir as provided in section 8 of P.L.1958,
36 c.34 (C.58:22-8).

37 b. The commissioner is authorized to alter the releases of water
38 from the Spruce Run reservoir or the Round Valley reservoir as
39 provided in section 8 of P.L.1958, c.34 (C.58:22-8) as necessary to
40 ensure the protection of the public health, safety or welfare, or the
41 protection of the environment, and shall do so whenever there are
42 inadequate moneys in the New Jersey Water Supply Authority Round
43 Valley Fund created pursuant to section 7 of P.L. , c. (C.58:1B-
44 9.2)(pending in the Legislature as this bill) for the New Jersey Water
45 Supply Authority to replenish the water released from the Round
46 Valley reservoir for the purpose of sustaining water recreational

1 activities at the Spruce Run reservoir.

2

3 9. This act shall take effect immediately.

4

5

6

STATEMENT

7

8 This bill would require release of water from Spruce Run and
9 Round Valley reservoirs into the south branch of the Raritan river for
10 the purpose of supporting recreational water use of the Spruce Run
11 reservoir.

12 Under current law, whenever the flow of water in the south branch
13 of the Raritan river is less than 40 million gallons daily as measured at
14 the U.S. Geological Survey stream gauging station at Stanton, or less
15 than 70 million gallons daily at the U.S. Geological Survey stream
16 gauging station at Manville, or less than 90 million gallons daily at the
17 U.S. Geological Survey stream gauging station at Bound Brook, a
18 sufficient amount of water must be released from the Spruce Run
19 reservoir, and, if necessary, from the Round Valley reservoir in such
20 amounts as will maintain not less than the aforementioned flows. This
21 bill would eliminate the "if necessary" qualifier from the statute.

22 The bill would limit the quantity of water that could be released
23 between June 1 and August 31 from the Spruce Run reservoir at any
24 one time to an amount not to exceed an amount which lowers the
25 water level in the reservoir more than 8 feet below its usual mean high
26 water mark of each year to ensure the continued availability of the
27 Spruce Run reservoir for water recreational activities.

28 In order to defray increased water costs of replenishing the water
29 released from the Spruce Run reservoir or the Round Valley reservoir,
30 the bill would provide that the net parking revenues generated at the
31 Spruce Run and Round Valley reservoirs be dedicated to the New
32 Jersey Water Supply Authority to defray all additional costs associated
33 with the replenishment of water released for drought mitigation.

34 In addition, the bill would require the Legislature to provide a
35 budgetary line item within the annual appropriations act to the New
36 Jersey Water Supply Authority dedicating such additional sums as may
37 be necessary to defray all additional costs associated with the
38 replenishment of water released from the Spruce Run or Round Valley
39 reservoirs.

40 In order to insure that safe yield is maintained and that federal and
41 State drinking water quality standards are met, the bill would require
42 the Commissioner of Environmental Protection to provide for the
43 continuous monitoring of the impacts associated with releasing water
44 from the Round Valley reservoir for drought mitigation.

SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 1462

STATE OF NEW JERSEY
209th LEGISLATURE

ADOPTED NOVEMBER 13, 2000

Sponsored by:

Senator WILLIAM E. SCHLUTER

District 23 (Warren, Hunterdon and Mercer)

Senator ROBERT E. LITTELL

District 24 (Sussex, Hunterdon and Morris)

SYNOPSIS

Provides for release of water from Spruce Run and Round Valley reservoirs; appropriates \$200,000.

CURRENT VERSION OF TEXT

Substitute as adopted by the Senate Environment Committee.



1 **AN ACT** concerning the Spruce Run and Round Valley reservoirs,
2 revising parts of the statutory law, and making an appropriation.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. R.S.58:4-1 is amended to read as follows:

8 58:4-1. a. No municipality, corporation or person shall, without
9 the consent of the Commissioner of Environmental Protection,
10 hereafter in this chapter designated as the commissioner, build any
11 reservoir or construct any dam, or repair, alter or improve existing
12 dams on any river or stream in this State or between this State and any
13 other [such] state which will raise the waters of [such] the river or
14 stream more than five feet above [their] its usual mean low-water
15 height.

16 No municipality, corporation or person shall, without the consent
17 of the commissioner, build any reservoir or construct any dam, or
18 repair, alter or improve existing dams in the pinelands area, as
19 designated by subsection a. of section 10 of P.L.1979, c.111
20 (C.13:18A-11), which will raise the waters of any river or stream more
21 than eight feet above the surface of the ground where the drainage
22 area above the dam or reservoir is more than one square mile in extent
23 and where the water surface created by the dam or reservoir is more
24 than 100 acres in extent.

25 The commissioner may investigate and take appropriate action
26 regarding any dam or reservoir about which [he] the commissioner
27 has a security or safety concern.

28 With respect to dams and reservoirs located on lands utilized for
29 agricultural or horticultural purposes within the pinelands area, the
30 commissioner's actions shall be undertaken after consultation with the
31 Secretary of Agriculture.

32 b. The commissioner shall not require a permit for the repair of
33 any dam used for agricultural purposes within a special agricultural
34 production area designated pursuant to N.J.A.C.7:50-5.14 in the
35 pinelands area.

36 (cf: P.L.1995, c.402, s.1)

37

38 2. Section 7 of P.L.1958, c.34 (C.58:22-7) is amended to read as
39 follows:

40 7. No water shall be pumped from the south branch of the Raritan
41 river into the Round Valley reservoir whenever the flow in [said] the
42 Raritan river is less than 40 million gallons daily at the United States
43 Geological Survey stream gauging station at Stanton, or less than 70

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

Matter underlined thus is new matter.

1 million gallons daily at the United States Geological Survey stream
2 gauging station at Manville, or less than 90 million gallons daily at the
3 United States Geological Survey stream gauging station at Bound
4 Brook.

5 [Upon the completion and placing in operation of the Round
6 Valley reservoir, not] Not less than 830,000 gallons of water daily
7 shall be released at all times into Prescott brook from [such] the
8 Round Valley reservoir and at all times not less than 170,000 gallons
9 of water daily shall be released into the south branch of the Rockaway
10 creek from [such] the Round Valley reservoir.
11 (cf: P.L.1968, c.449, s.2)

12

13 3. Section 8 of P.L.1958, c.34 (C.58:22-8) is amended to read as
14 follows:

15 8. a. Whenever the flow of water in the south branch of the
16 Raritan river is less than 40 million gallons daily at the United States
17 Geological Survey stream gauging station at Stanton, or less than 70
18 million gallons daily at the United States Geological Survey stream
19 gauging station at Manville, or less than 90 million gallons daily at the
20 United States Geological Survey stream gauging station at Bound
21 Brook, a sufficient amount of water shall be released from the Spruce
22 Run reservoir, or from [such] the Round Valley reservoir or any other
23 reservoir or reservoirs as may be constructed on the [south branch of
24 the] Raritan river or its tributaries, and[, if necessary,] from the
25 Round Valley reservoir in [such] the amounts as will maintain not less
26 than the [said] aforementioned flows of 40 million gallons daily at
27 Stanton and 70 million gallons daily at Manville and 90 million gallons
28 daily at Bound Brook, and [such] the released water shall be returned
29 to the south branch of the Raritan river at the point of diversion or
30 pumping into [any such] the reservoir or at some point upstream
31 thereof, except that the amount of water to be released from the
32 Spruce Run reservoir shall not exceed an amount which lowers the
33 water level in the reservoir between June 1 and August 31 more than
34 8 feet below its usual mean high-water height of each year to ensure
35 the continued availability of the Spruce Run reservoir for water
36 recreational activities.

37 b. The commissioner is authorized to alter [these] the passing
38 flow requirements set forth in subsection a. of this section during a
39 [drought] state of water emergency, declared by the Governor
40 pursuant to an executive order authorized under section 4 of P.L.1981,
41 c.262 (C.58:1A-4), [in which danger to] as necessary to ensure the
42 protection of the public health, safety or welfare [is imminent] , or the
43 protection of the environment.

44 c. The commissioner shall alter the releases of water from the
45 Spruce Run reservoir or the Round Valley reservoir as provided in

1 subsection a. of this section whenever there are inadequate moneys in
2 the New Jersey Water Supply Authority Round Valley Fund created
3 pursuant to section 7 of P.L. , c. (C.58:1B-9.2)(pending in the
4 Legislature as this bill) for the New Jersey Water Supply Authority to
5 replenish the water released from the Round Valley reservoir for the
6 purpose of sustaining water recreational activities at the Spruce Run
7 reservoir.

8 (cf: P.L.1981, c.10, s.1)

9
10 4. Section 5 of P.L.1981, c.293 (C.58:1B-5) is amended to read
11 as follows:

12 5. a. All water supply facilities, owned or operated by the State,
13 either now or hereafter, are transferred to the authority. The authority
14 shall operate these facilities pursuant to the statutory authorizations
15 enabling the State to operate and manage the facilities. The Delaware
16 and Raritan Canal Transmission Complex, the Spruce Run-Round
17 Valley Reservoir Complex and all other State-operated facilities now
18 or hereafter authorized to be designed, constructed and operated
19 pursuant to any past or future bond issues, including the "Water
20 Supply Bond Act of 1981," P.L.1981, c.261, as amended by P.L.1983,
21 c.355 and P.L.1997, c.223, are specifically included as State water
22 supply facilities.

23 b. The revenue from all State water supply facilities, the
24 disposition of which is not otherwise expressly provided for by law, is
25 pledged to the authority for the purposes provided [herein] in the
26 provisions of P.L.1981, c.293 (C.58:1B-1 et seq.).

27 (cf: P.L.1981, c.293, s.5)

28
29 5. Section 9 of P.L.1981, c.293 (C.58:1B-9) is amended to read
30 as follows:

31 9. a. The authority is hereby empowered from time to time to
32 issue its bonds in [such] the principal amounts as in the opinion of the
33 authority shall be necessary to provide sufficient funds for any of its
34 corporate purposes, including the payment, funding or refunding of the
35 principal of, or interest or redemption premiums on, any bonds issued
36 by it, whether the bonds or interest to be funded or refunded have or
37 have not become due, the establishment or increase of [such] the
38 reserves to secure or to pay [such] the bonds or interest thereon and
39 all other costs or expenses of the agency incident to and necessary to
40 carry out its corporate purposes and powers.

41 b. Except as may be otherwise expressly provided in [this act] the
42 provisions of P.L.1981, c.293 (C.58:1B-1 et seq.) or by the authority,
43 every issue of bonds shall be general obligations payable out of and
44 secured by any revenues or funds of the authority, subject only to any
45 agreements with holders of particular bonds pledging any particular
46 revenues or funds. The authority may issue [such] the types of bonds

1 as it may determine, including, without limiting the generality of the
2 foregoing, bonds as to which the principal and interest are payable (1)
3 exclusively from the revenues and funds derived from or relating to the
4 project or part thereof financed with the proceeds of the bonds; (2)
5 exclusively from the revenues and funds derived from or relating to
6 certain designated projects or parts thereof, whether or not the same
7 are financed in whole or in part from the proceeds of bonds; (3)
8 exclusively from certain designated funds of the authority; or (4) from
9 the revenues and funds of the authority generally. The bonds may be
10 additionally secured by a pledge of any grant, subsidy or contribution
11 from the United States of America or any agency or instrumentality
12 thereof or the State of New Jersey or any agency, instrumentality or
13 political subdivision thereof, or any person, or a pledge of any income
14 or revenues, funds or moneys of the authority from any source
15 whatsoever.

16 c. Whether or not the bonds are of such form and character as to
17 be negotiable instruments under the terms of Title 12A[, Commercial
18 Transactions,] of the New Jersey Statutes, the bonds are hereby made
19 negotiable instruments within the meaning of and for all the purposes
20 of [said] Title 12A of the New Jersey Statutes, subject only to the
21 provisions of the bonds for registration.

22 d. Bonds of the authority shall be authorized by a resolution or
23 resolutions of the authority and may be issued in one or more series
24 and shall bear [such] the date or dates, mature at [such] the time or
25 times, bear interest at [such] the rate or rates of interest per annum,
26 be in [such] the denomination or denominations, be in [such] the
27 form, either coupon or registered, carry [such] the conversion or
28 registration privileges, have [such] the rank or priority, be executed
29 in [such] the manner, be payable from [such] the sources, in [such]
30 the medium of payment at [such] the place or places within or without
31 the State, and be subject to [such] the terms of redemption, with or
32 without premium, as [such] the resolution or resolutions may provide.

33 e. Bonds of the authority may be sold at public or private sale at
34 [such] the price or prices and in [such] the manner as the authority
35 shall determine. Every bond shall mature and be paid not later than 40
36 years from the date thereof.

37 f. Bonds may be issued under the provisions of [the act]
38 P.L.1981, c.293 (C.58:1B-1 et seq.) without obtaining the consent of
39 any department, division, commission, board, bureau or agency of the
40 State, and without any other proceeding or the happening of any other
41 conditions or other things than those proceedings, conditions or things
42 which are specifically required by [this act] the provisions of
43 P.L.1981, c.293 (C.58:1B-1 et seq.).

44 g. Bonds of the authority issued under the provisions of [this act]
45 P.L.1981, c.293 (C.58:1B-1 et seq.) shall not be in any way a debt or

1 liability of the State or of any political subdivision thereof other than
2 the authority and shall not create or constitute any indebtedness,
3 liability or obligation of the State or of the political subdivision or be
4 or constitute a pledge of the faith and credit of the State or of the
5 political subdivision but all ~~[such] the~~ bonds, unless funded or
6 refunded by bonds of the authority, shall be payable solely from
7 revenues or funds pledged or available for their payment as authorized
8 ~~[in this act] pursuant to the provisions of P.L.1981, c.293 (C.58:1B-1~~
9 ~~et seq.)~~. Each bond shall contain on its face a statement to the effect
10 that the authority is obligated to pay the principal thereof or the
11 interest thereon only from revenues or funds of the authority and that
12 neither the State nor any political subdivision thereof is obligated to
13 pay the principal or interest and that neither the faith and credit nor the
14 taxing power of the State or any political subdivision thereof is
15 pledged to the payment of the principal of or the interest on the bonds.

16 h. ~~[All] Except as may be otherwise expressly provided in the~~
17 ~~provisions of subsection i. of this section, all~~ expenses incurred in
18 carrying out the provisions of ~~[this act] P.L.1981, c.293 (C.58:1B-1~~
19 ~~et seq.)~~ shall be payable solely from revenues or funds provided or to
20 be provided under the provisions of ~~[this act] P.L.1981, c.293~~
21 ~~(C.58:1B-1 et seq.)~~ and nothing in ~~[this act] the provisions of~~
22 ~~P.L.1981, c.293 (C.58:1B-1 et seq.)~~ shall be construed to authorize
23 the authority to incur any indebtedness or liability on behalf of or
24 payable by the State or any political subdivision thereof.

25 i. ~~The authority may receive moneys from the New Jersey Water~~
26 ~~Supply Authority Round Valley Fund created pursuant to section 7 of~~
27 ~~P.L. , c. (C.58:1B-9.2)(pending in the Legislature as this bill) to~~
28 ~~defray the additional, reasonable energy or water expenses incurred in~~
29 ~~replenishing the water released from the Round Valley reservoir for~~
30 ~~the purpose of sustaining water recreational activities at the Spruce~~
31 ~~Run reservoir as provided in subsection a. of section 8 of P.L.1958,~~
32 ~~c.34 (C.58:22-8).~~

33 (cf: P.L.1981, c.293, s.9)

34

35 6. (New section) a. In order to defray the additional, reasonable
36 energy or water expenses incurred by the New Jersey Water Supply
37 Authority in replenishing the water released from the Round Valley
38 reservoir for the purpose of sustaining water recreational activities at
39 the Spruce Run reservoir as provided in subsection a. of section 8 of
40 P.L.1958, c.34 (C.58:22-8), the Legislature shall annually appropriate
41 from the General Fund to the authority such sums as may be necessary
42 for this purpose.

43 b. The Commissioner of Environmental Protection shall certify to
44 the Legislature the actual energy or water expenses incurred by the
45 authority in replenishing the water released from the Round Valley
46 reservoir for the purpose of sustaining water recreational activities at

1 the Spruce Run reservoir. The commissioner may require the
2 authority to provide additional information verifying that the additional
3 energy or water expenses incurred by the authority are reasonable and
4 based upon the lowest possible electric utility rates available.

5
6 7. (New section) a. The New Jersey Water Supply Authority
7 Round Valley Fund is established as a nonlapsing, special fund in the
8 Department of the Treasury. The moneys in the fund are specifically
9 dedicated and allocated to, and shall be used solely to defray the
10 additional, reasonable energy or water expenses incurred by the New
11 Jersey Water Supply Authority in replenishing the water released from
12 the Round Valley reservoir for the purpose of sustaining water
13 recreational activities at the Spruce Run reservoir as provided in
14 subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8). Interest
15 received on moneys in the fund shall be credited to the fund. Moneys
16 in the fund may not be used for the routine operation and maintenance
17 expenses of the authority.

18 (1) The fund shall be fully funded at a first year level of \$200,000,
19 and shall be fully funded annually thereafter at a level of not less than
20 \$200,000 but not more than \$280,000 on July 1 of each fiscal year.

21 (2) The Legislature shall annually appropriate from the General
22 Fund to the fund such sums as may be necessary to maintain the levels
23 prescribed in this subsection, except that no annual appropriation shall
24 be less than \$40,000.

25 b. The sum of \$200,000 shall be deposited in the fund from the
26 moneys made available pursuant to section 9 of P.L. , c. (pending
27 in the Legislature as this bill), and from all interest received from the
28 investment of moneys in the fund, and from any moneys which, from
29 time to time, may otherwise become available for the purposes of the
30 fund.

31 c. Pending the use thereof as provided in subsection a. of this
32 section, the moneys in the fund shall be held in interest-bearing
33 accounts in public depositories as defined in section 1 of P.L.1970,
34 c.236 (C.17:9-41), and may be invested and reinvested in such
35 securities as are approved by the State Treasurer, in the manner
36 provided by law.

37
38 8. (New section) a. In order to ensure that safe yield is
39 maintained and the drinking water quality standards adopted pursuant
40 to the "Safe Drinking Water Act," P.L.1977, c.224 (C.58:12A-1 et
41 seq.) are met, the Commissioner of Environmental Protection shall
42 provide for the continuous monitoring of the impacts associated with
43 releasing water from the Round Valley reservoir for the purpose of
44 sustaining water recreational activities at the Spruce Run reservoir as
45 provided in subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8).

46 b. The commissioner is authorized to alter the releases of water

1 from the Spruce Run reservoir or the Round Valley reservoir as
2 provided in subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8)
3 as necessary to ensure the protection of the public health, safety or
4 welfare, or the protection of the environment.

5 c. The commissioner shall alter the releases of water from the
6 Spruce Run reservoir or the Round Valley reservoir as provided in
7 subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8) whenever
8 there are inadequate moneys in the New Jersey Water Supply
9 Authority Round Valley Fund created pursuant to section 7 of P.L. ,
10 c. (C.58:1B-9.2)(pending in the Legislature as this bill) for the New
11 Jersey Water Supply Authority to replenish the water released from
12 the Round Valley reservoir for the purpose of sustaining water
13 recreational activities at the Spruce Run reservoir.

14
15 9. There is appropriated from the General Fund to the New Jersey
16 Water Supply Authority Fund created pursuant to section 7 of P.L. ,
17 c. (C.58:1B-9.2)(pending in the Legislature as this bill) the sum of
18 \$200,000.

19
20 10. This act shall take effect immediately.

SENATE ENVIRONMENT COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR

SENATE, No. 1462

STATE OF NEW JERSEY

DATED: NOVEMBER 13, 2000

The Senate Environment Committee favorably reports a Senate Committee Substitute for Senate Bill No. 1462.

The Senate Committee Substitute for Senate Bill No. 1462 requires release of water from Spruce Run and Round Valley reservoirs into the south branch of the Raritan river for the purpose of supporting recreational water use of the Spruce Run reservoir.

Under current law, whenever the flow of water in the south branch of the Raritan river is less than 40 million gallons daily as measured at the U.S. Geological Survey stream gauging station at Stanton, or less than 70 million gallons daily at the U.S. Geological Survey stream gauging station at Manville, or less than 90 million gallons daily at the U.S. Geological Survey stream gauging station at Bound Brook, a sufficient amount of water must be released from the Spruce Run reservoir, and, if necessary, from the Round Valley reservoir in such amounts as will maintain not less than the aforementioned flows. The substitute bill eliminates the "if necessary" qualifier from the statute.

The bill limits the quantity of water that could be released between June 1 and August 31 from the Spruce Run reservoir at any one time to an amount not to exceed an amount which lowers the water level in the reservoir more than 8 feet below its usual mean high water mark of each year to ensure the continued availability of the Spruce Run reservoir for water recreational activities.

In order to defray the additional, reasonable energy or water expenses incurred by the New Jersey Water Supply Authority in replenishing the water released from the Round Valley reservoir, the substitute bill directs the Legislature to annually appropriate from the General Fund to the Authority such sums as may be necessary for this purpose.

The Commissioner of Environmental Protection must certify to the Legislature the actual energy or water expenses incurred by the Authority in replenishing the water released from the Round Valley reservoir for the purpose of sustaining water recreational activities at the Spruce Run reservoir. The Commissioner may require the Authority to provide additional information verifying that the additional energy or water expenses incurred by the Authority are

reasonable and based upon the lowest possible electric utility rates available.

The substitute bill creates the New Jersey Water Supply Authority Round Valley Fund as a nonlapsing, special fund in the Department of the Treasury. The moneys in the Fund are dedicated and will be used solely for the purposes of defraying the increased energy or water costs of replenishing the water released from the Round Valley reservoir. The Fund is to be fully funded at a first year level of \$200,000, and must be fully funded annually thereafter at a level of not less than \$200,000 but not more than \$280,000 on July 1 of each fiscal year. The Legislature is required to annually appropriate from the General Fund to the Fund such sums as may be necessary to maintain these levels, except that no annual appropriation may be less than \$40,000.

The substitute bill appropriates the sum of \$200,000 from the General Fund to the Fund to meet the first year funding level.

In order to insure that safe yield is maintained and that federal and State drinking water quality standards are met, the substitute bill requires the Commissioner of Environmental Protection to provide for the continuous monitoring of the impacts associated with releasing water from the Round Valley reservoir to sustain water recreation activities at Spruce Run reservoir.

The commissioner is authorized to alter the releases of water from the Spruce Run reservoir or the Round Valley reservoir as necessary to ensure the protection of the public health, safety or welfare, or the protection of the environment.

The commissioner must alter the releases of water from the Spruce Run reservoir or the Round Valley reservoir whenever there are inadequate moneys in the Fund for the Authority to replenish the water released from the Round Valley reservoir for the purpose of sustaining water recreational activities at the Spruce Run reservoir.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR **SENATE, No. 1462**

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 14, 2000

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 1462 (SCS).

This bill requires release of water from Spruce Run and Round Valley reservoirs into the south branch of the Raritan river for the purpose of supporting recreational water use of the Spruce Run reservoir.

Under current law, whenever the flow of water in the south branch of the Raritan river is less than 40 million gallons daily as measured at the U.S. Geological Survey stream gauging station at Stanton, or less than 70 million gallons daily at the U.S. Geological Survey stream gauging station at Manville, or less than 90 million gallons daily at the U.S. Geological Survey stream gauging station at Bound Brook, a sufficient amount of water must be released from the Spruce Run reservoir, and, if necessary, from the Round Valley reservoir in such amounts as will maintain not less than the aforementioned flows. The bill eliminates the "if necessary" qualifier from the statute.

The bill limits the quantity of water that could be released between June 1 and August 31 from the Spruce Run reservoir at any one time to an amount not to exceed an amount which lowers the water level in the reservoir more than 8 feet below its usual mean high water mark of each year to ensure the continued availability of the Spruce Run reservoir for water recreational activities.

To defray the additional, reasonable energy or water expenses incurred by the New Jersey Water Supply Authority in replenishing the water released from the Round Valley reservoir, the bill directs the Legislature to appropriate each year from the General Fund to the Authority such sums as may be necessary for this purpose.

The Commissioner of Environmental Protection must certify to the Legislature the actual energy or water expenses incurred by the Authority in replenishing the water released from the Round Valley reservoir for the purpose of sustaining water recreational activities at the Spruce Run reservoir. The Commissioner may require the

Authority to provide additional information verifying that the additional energy or water expenses incurred by the Authority are reasonable and based upon the lowest possible electric utility rates available.

The bill creates the New Jersey Water Supply Authority Round Valley Fund as a nonlapsing, special fund in the Department of the Treasury. The moneys in the Fund are dedicated and will be used solely for the purposes of defraying the increased energy or water costs of replenishing the water released from the Round Valley reservoir. The Fund is to be fully funded at a first year level of \$200,000, and must be fully funded annually thereafter at a level of not less than \$200,000 but not more than \$280,000 on July 1 of each fiscal year. The Legislature is required to annually appropriate from the General Fund to the Fund such sums as may be necessary to maintain these levels, except that no annual appropriation may be less than \$40,000.

The bill appropriates the sum of \$200,000 from the General Fund to the Fund to meet the first year funding level.

In order to insure that safe yield is maintained and that federal and State drinking water quality standards are met, the bill requires the Commissioner of Environmental Protection to provide for the continuous monitoring of the impacts associated with releasing water from the Round Valley reservoir to sustain water recreation activities at Spruce Run reservoir.

The commissioner is authorized to alter the releases of water from the Spruce Run reservoir or the Round Valley reservoir as necessary to ensure the protection of the public health, safety or welfare, or the protection of the environment.

The commissioner must alter the releases of water from the Spruce Run reservoir or the Round Valley reservoir whenever there are inadequate moneys in the Fund for the Authority to replenish the water released from the Round Valley reservoir for the purpose of sustaining water recreational activities at the Spruce Run reservoir.

COMMITTEE AMENDMENTS

Committee amendments to the bill eliminate a provision restricting the authority of the commissioner of DEP to alter reservoir water releases under the law to gubernatorially declared water emergencies.

FISCAL IMPACT

The bill appropriates from the General Fund to the New Jersey Water Supply Authority Fund the sum of \$200,000.

[First Reprint]

SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 1462

STATE OF NEW JERSEY
209th LEGISLATURE

ADOPTED NOVEMBER 13, 2000

Sponsored by:

Senator WILLIAM E. SCHLUTER

District 23 (Warren, Hunterdon and Mercer)

Senator ROBERT E. LITTELL

District 24 (Sussex, Hunterdon and Morris)

SYNOPSIS

Provides for release of water from Spruce Run and Round Valley reservoirs; appropriates \$200,000.

CURRENT VERSION OF TEXT

As reported by the Senate Budget and Appropriations Committee on December 14, 2000, with amendments.



1 **AN ACT** concerning the Spruce Run and Round Valley reservoirs,
2 revising parts of the statutory law, and making an appropriation.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. R.S.58:4-1 is amended to read as follows:

8 58:4-1. a. No municipality, corporation or person shall, without
9 the consent of the Commissioner of Environmental Protection,
10 hereafter in this chapter designated as the commissioner, build any
11 reservoir or construct any dam, or repair, alter or improve existing
12 dams on any river or stream in this State or between this State and any
13 other **[such]** state which will raise the waters of **[such]** the river or
14 stream more than five feet above **[their]** its usual mean low-water
15 height.

16 No municipality, corporation or person shall, without the consent
17 of the commissioner, build any reservoir or construct any dam, or
18 repair, alter or improve existing dams in the pinelands area, as
19 designated by subsection a. of section 10 of P.L.1979, c.111
20 (C.13:18A-11), which will raise the waters of any river or stream more
21 than eight feet above the surface of the ground where the drainage
22 area above the dam or reservoir is more than one square mile in extent
23 and where the water surface created by the dam or reservoir is more
24 than 100 acres in extent.

25 The commissioner may investigate and take appropriate action
26 regarding any dam or reservoir about which **[he]** the commissioner
27 has a security or safety concern.

28 With respect to dams and reservoirs located on lands utilized for
29 agricultural or horticultural purposes within the pinelands area, the
30 commissioner's actions shall be undertaken after consultation with the
31 Secretary of Agriculture.

32 b. The commissioner shall not require a permit for the repair of
33 any dam used for agricultural purposes within a special agricultural
34 production area designated pursuant to N.J.A.C.7:50-5.14 in the
35 pinelands area.

36 (cf: P.L.1995, c.402, s.1)

37

38 2. Section 7 of P.L.1958, c.34 (C.58:22-7) is amended to read as
39 follows:

40 7. No water shall be pumped from the south branch of the Raritan
41 river into the Round Valley reservoir whenever the flow in **[said]** the

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate SBA committee amendments adopted December 14, 2000.

1 Raritan river is less than 40 million gallons daily at the United States
2 Geological Survey stream gauging station at Stanton, or less than 70
3 million gallons daily at the United States Geological Survey stream
4 gauging station at Manville, or less than 90 million gallons daily at the
5 United States Geological Survey stream gauging station at Bound
6 Brook.

7 [Upon the completion and placing in operation of the Round
8 Valley reservoir, not] Not less than 830,000 gallons of water daily
9 shall be released at all times into Prescott brook from [such] the
10 Round Valley reservoir and at all times not less than 170,000 gallons
11 of water daily shall be released into the south branch of the Rockaway
12 creek from [such] the Round Valley reservoir.
13 (cf: P.L.1968, c.449, s.2)
14

15 3. Section 8 of P.L.1958, c.34 (C.58:22-8) is amended to read as
16 follows:

17 8. a. Whenever the flow of water in the south branch of the
18 Raritan river is less than 40 million gallons daily at the United States
19 Geological Survey stream gauging station at Stanton, or less than 70
20 million gallons daily at the United States Geological Survey stream
21 gauging station at Manville, or less than 90 million gallons daily at the
22 United States Geological Survey stream gauging station at Bound
23 Brook, a sufficient amount of water shall be released from the Spruce
24 Run reservoir, or from [such] the Round Valley reservoir or any other
25 reservoir or reservoirs as may be constructed on the [south branch of
26 the] Raritan river or its tributaries, and[, if necessary,] from the
27 Round Valley reservoir in [such] the amounts as will maintain not less
28 than the [said] aforementioned flows of 40 million gallons daily at
29 Stanton and 70 million gallons daily at Manville and 90 million gallons
30 daily at Bound Brook, and [such] the released water shall be returned
31 to the south branch of the Raritan river at the point of diversion or
32 pumping into [any such] the reservoir or at some point upstream
33 thereof, except that the amount of water to be released from the
34 Spruce Run reservoir shall not exceed an amount which lowers the
35 water level in the reservoir between June 1 and August 31 more than
36 8 feet below its usual mean high-water height of each year to ensure
37 the continued availability of the Spruce Run reservoir for water
38 recreational activities.

39 b. The commissioner is authorized to alter [these] the passing
40 flow requirements set forth in subsection a. of this section ¹[during a
41 [drought] state of water emergency, declared by the Governor
42 pursuant to an executive order authorized under section 4 of P.L.1981,
43 c.262 (C.58:1A-4).]¹ [in which danger to] as necessary to ensure the
44 protection of the public health, safety or welfare [is imminent] , or the
45 protection of the environment.

1 c. The commissioner shall alter the releases of water from the
2 Spruce Run reservoir or the Round Valley reservoir as provided in
3 subsection a. of this section whenever there are inadequate moneys in
4 the New Jersey Water Supply Authority Round Valley Fund created
5 pursuant to section 7 of P.L. , c. (C.58:1B-9.2)(pending in the
6 Legislature as this bill) for the New Jersey Water Supply Authority to
7 replenish the water released from the Round Valley reservoir for the
8 purpose of sustaining water recreational activities at the Spruce Run
9 reservoir.

10 (cf: P.L.1981, c.10, s.1)

11
12 4. Section 5 of P.L.1981, c.293 (C.58:1B-5) is amended to read
13 as follows:

14 5. a. All water supply facilities, owned or operated by the State,
15 either now or hereafter, are transferred to the authority. The authority
16 shall operate these facilities pursuant to the statutory authorizations
17 enabling the State to operate and manage the facilities. The Delaware
18 and Raritan Canal Transmission Complex, the Spruce Run-Round
19 Valley Reservoir Complex and all other State-operated facilities now
20 or hereafter authorized to be designed, constructed and operated
21 pursuant to any past or future bond issues, including the "Water
22 Supply Bond Act of 1981," P.L.1981, c.261, as amended by P.L.1983,
23 c.355 and P.L.1997, c.223, are specifically included as State water
24 supply facilities.

25 b. The revenue from all State water supply facilities, the
26 disposition of which is not otherwise expressly provided for by law, is
27 pledged to the authority for the purposes provided [herein] in the
28 provisions of P.L.1981, c.293 (C.58:1B-1 et seq.).

29 (cf: P.L.1981, c.293, s.5)

30
31 5. Section 9 of P.L.1981, c.293 (C.58:1B-9) is amended to read
32 as follows:

33 9. a. The authority is hereby empowered from time to time to
34 issue its bonds in [such] the principal amounts as in the opinion of the
35 authority shall be necessary to provide sufficient funds for any of its
36 corporate purposes, including the payment, funding or refunding of the
37 principal of, or interest or redemption premiums on, any bonds issued
38 by it, whether the bonds or interest to be funded or refunded have or
39 have not become due, the establishment or increase of [such] the
40 reserves to secure or to pay [such] the bonds or interest thereon and
41 all other costs or expenses of the agency incident to and necessary to
42 carry out its corporate purposes and powers.

43 b. Except as may be otherwise expressly provided in [this act] the
44 provisions of P.L.1981, c.293 (C.58:1B-1 et seq.) or by the authority,
45 every issue of bonds shall be general obligations payable out of and
46 secured by any revenues or funds of the authority, subject only to any

1 agreements with holders of particular bonds pledging any particular
2 revenues or funds. The authority may issue [such] the types of bonds
3 as it may determine, including, without limiting the generality of the
4 foregoing, bonds as to which the principal and interest are payable (1)
5 exclusively from the revenues and funds derived from or relating to the
6 project or part thereof financed with the proceeds of the bonds; (2)
7 exclusively from the revenues and funds derived from or relating to
8 certain designated projects or parts thereof, whether or not the same
9 are financed in whole or in part from the proceeds of bonds; (3)
10 exclusively from certain designated funds of the authority; or (4) from
11 the revenues and funds of the authority generally. The bonds may be
12 additionally secured by a pledge of any grant, subsidy or contribution
13 from the United States of America or any agency or instrumentality
14 thereof or the State of New Jersey or any agency, instrumentality or
15 political subdivision thereof, or any person, or a pledge of any income
16 or revenues, funds or moneys of the authority from any source
17 whatsoever.

18 c. Whether or not the bonds are of such form and character as to
19 be negotiable instruments under the terms of Title 12A[, Commercial
20 Transactions,] of the New Jersey Statutes, the bonds are hereby made
21 negotiable instruments within the meaning of and for all the purposes
22 of [said] Title 12A of the New Jersey Statutes, subject only to the
23 provisions of the bonds for registration.

24 d. Bonds of the authority shall be authorized by a resolution or
25 resolutions of the authority and may be issued in one or more series
26 and shall bear [such] the date or dates, mature at [such] the time or
27 times, bear interest at [such] the rate or rates of interest per annum,
28 be in [such] the denomination or denominations, be in [such] the
29 form, either coupon or registered, carry [such] the conversion or
30 registration privileges, have [such] the rank or priority, be executed
31 in [such] the manner, be payable from [such] the sources, in [such]
32 the medium of payment at [such] the place or places within or without
33 the State, and be subject to [such] the terms of redemption, with or
34 without premium, as [such] the resolution or resolutions may provide.

35 e. Bonds of the authority may be sold at public or private sale at
36 [such] the price or prices and in [such] the manner as the authority
37 shall determine. Every bond shall mature and be paid not later than 40
38 years from the date thereof.

39 f. Bonds may be issued under the provisions of [the act]
40 P.L.1981, c.293 (C.58:1B-1 et seq.) without obtaining the consent of
41 any department, division, commission, board, bureau or agency of the
42 State, and without any other proceeding or the happening of any other
43 conditions or other things than those proceedings, conditions or things
44 which are specifically required by [this act] the provisions of
45 P.L.1981, c.293 (C.58:1B-1 et seq.).

1 g. Bonds of the authority issued under the provisions of [this act]
 2 P.L.1981, c.293 (C.58:1B-1 et seq.) shall not be in any way a debt or
 3 liability of the State or of any political subdivision thereof other than
 4 the authority and shall not create or constitute any indebtedness,
 5 liability or obligation of the State or of the political subdivision or be
 6 or constitute a pledge of the faith and credit of the State or of the
 7 political subdivision but all [such] the bonds, unless funded or
 8 refunded by bonds of the authority, shall be payable solely from
 9 revenues or funds pledged or available for their payment as authorized
 10 [in this act] pursuant to the provisions of P.L.1981, c.293 (C.58:1B-1
 11 et seq.). Each bond shall contain on its face a statement to the effect
 12 that the authority is obligated to pay the principal thereof or the
 13 interest thereon only from revenues or funds of the authority and that
 14 neither the State nor any political subdivision thereof is obligated to
 15 pay the principal or interest and that neither the faith and credit nor the
 16 taxing power of the State or any political subdivision thereof is
 17 pledged to the payment of the principal of or the interest on the bonds.

18 h. [All] Except as may be otherwise expressly provided in the
 19 provisions of subsection i. of this section, all expenses incurred in
 20 carrying out the provisions of [this act] P.L.1981, c.293 (C.58:1B-1
 21 et seq.) shall be payable solely from revenues or funds provided or to
 22 be provided under the provisions of [this act] P.L.1981, c.293
 23 (C.58:1B-1 et seq.) and nothing in [this act] the provisions of
 24 P.L.1981, c.293 (C.58:1B-1 et seq.) shall be construed to authorize
 25 the authority to incur any indebtedness or liability on behalf of or
 26 payable by the State or any political subdivision thereof.

27 i. The authority may receive moneys from the New Jersey Water
 28 Supply Authority Round Valley Fund created pursuant to section 7 of
 29 P.L. , c. (C.58:1B-9.2)(pending in the Legislature as this bill) to
 30 defray the additional, reasonable energy or water expenses incurred in
 31 replenishing the water released from the Round Valley reservoir for
 32 the purpose of sustaining water recreational activities at the Spruce
 33 Run reservoir as provided in subsection a. of section 8 of P.L.1958,
 34 c.34 (C.58:22-8).

35 (cf: P.L.1981, c.293, s.9)

36

37 6. (New section) a. In order to defray the additional, reasonable
 38 energy or water expenses incurred by the New Jersey Water Supply
 39 Authority in replenishing the water released from the Round Valley
 40 reservoir for the purpose of sustaining water recreational activities at
 41 the Spruce Run reservoir as provided in subsection a. of section 8 of
 42 P.L.1958, c.34 (C.58:22-8), the Legislature shall annually appropriate
 43 from the General Fund to the authority such sums as may be necessary
 44 for this purpose.

45 b. The Commissioner of Environmental Protection shall certify to
 46 the Legislature the actual energy or water expenses incurred by the

1 authority in replenishing the water released from the Round Valley
2 reservoir for the purpose of sustaining water recreational activities at
3 the Spruce Run reservoir. The commissioner may require the
4 authority to provide additional information verifying that the additional
5 energy or water expenses incurred by the authority are reasonable and
6 based upon the lowest possible electric utility rates available.

7
8 7. (New section) a. The New Jersey Water Supply Authority
9 Round Valley Fund is established as a nonlapsing, special fund in the
10 Department of the Treasury. The moneys in the fund are specifically
11 dedicated and allocated to, and shall be used solely to defray the
12 additional, reasonable energy or water expenses incurred by the New
13 Jersey Water Supply Authority in replenishing the water released from
14 the Round Valley reservoir for the purpose of sustaining water
15 recreational activities at the Spruce Run reservoir as provided in
16 subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8). Interest
17 received on moneys in the fund shall be credited to the fund. Moneys
18 in the fund may not be used for the routine operation and maintenance
19 expenses of the authority.

20 (1) The fund shall be fully funded at a first year level of \$200,000,
21 and shall be fully funded annually thereafter at a level of not less than
22 \$200,000 but not more than \$280,000 on July 1 of each fiscal year.

23 (2) The Legislature shall annually appropriate from the General
24 Fund to the fund such sums as may be necessary to maintain the levels
25 prescribed in this subsection, except that no annual appropriation shall
26 be less than \$40,000.

27 b. The sum of \$200,000 shall be deposited in the fund from the
28 moneys made available pursuant to section 9 of P.L. , c. (pending
29 in the Legislature as this bill), and from all interest received from the
30 investment of moneys in the fund, and from any moneys which, from
31 time to time, may otherwise become available for the purposes of the
32 fund.

33 c. Pending the use thereof as provided in subsection a. of this
34 section, the moneys in the fund shall be held in interest-bearing
35 accounts in public depositories as defined in section 1 of P.L.1970,
36 c.236 (C.17:9-41), and may be invested and reinvested in such
37 securities as are approved by the State Treasurer, in the manner
38 provided by law.

39
40 8. (New section) a. In order to ensure that safe yield is
41 maintained and the drinking water quality standards adopted pursuant
42 to the "Safe Drinking Water Act," P.L.1977, c.224 (C.58:12A-1 et
43 seq.) are met, the Commissioner of Environmental Protection shall
44 provide for the continuous monitoring of the impacts associated with
45 releasing water from the Round Valley reservoir for the purpose of
46 sustaining water recreational activities at the Spruce Run reservoir as

1 provided in subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8).

2 b. The commissioner is authorized to alter the releases of water
3 from the Spruce Run reservoir or the Round Valley reservoir as
4 provided in subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8)
5 as necessary to ensure the protection of the public health, safety or
6 welfare, or the protection of the environment.

7 c. The commissioner shall alter the releases of water from the
8 Spruce Run reservoir or the Round Valley reservoir as provided in
9 subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8) whenever
10 there are inadequate moneys in the New Jersey Water Supply
11 Authority Round Valley Fund created pursuant to section 7 of P.L. ,
12 c. (C.58:1B-9.2)(pending in the Legislature as this bill) for the New
13 Jersey Water Supply Authority to replenish the water released from
14 the Round Valley reservoir for the purpose of sustaining water
15 recreational activities at the Spruce Run reservoir.

16

17 9. There is appropriated from the General Fund to the New Jersey
18 Water Supply Authority Fund created pursuant to section 7 of P.L. ,
19 c. (C.58:1B-9.2)(pending in the Legislature as this bill) the sum of
20 \$200,000.

21

22 10. This act shall take effect immediately.

STATEMENT TO

[First Reprint]

SENATE, No. 1462

with Senate Floor Amendments
(Proposed By Senator SCHLUTER)

ADOPTED: MARCH 26, 2001

These amendments would: (1) authorize the Department of Environmental Protection to use moneys in the New Jersey Water Supply Authority Round Valley Fund for the additional, reasonable expenses incurred for additional monitoring which may be necessary, from time to time, to augment the continuous monitoring required of the Department under Section 8 of the bill; (2) provide that the Fund would be fully funded at a first year level of \$350,000 rather than \$200,000, and fully funded annually thereafter at a level of not less than \$225,000 but not more than \$350,000 on July 1 of each fiscal year, rather than between \$200,000 and \$280,000; and (3) increase the initial appropriation in the bill from \$200,000 to the sum of \$350,000.

[Second Reprint]

SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 1462

STATE OF NEW JERSEY
209th LEGISLATURE

ADOPTED NOVEMBER 13, 2000

Sponsored by:

Senator WILLIAM E. SCHLUTER

District 23 (Warren, Hunterdon and Mercer)

Senator ROBERT E. LITTELL

District 24 (Sussex, Hunterdon and Morris)

SYNOPSIS

Provides for release of water from Spruce Run and Round Valley reservoirs; appropriates \$350,000.

CURRENT VERSION OF TEXT

As amended by the Senate on March 26, 2001.



1 **AN ACT** concerning the Spruce Run and Round Valley reservoirs,
2 revising parts of the statutory law, and making an appropriation.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. R.S.58:4-1 is amended to read as follows:

8 58:4-1. a. No municipality, corporation or person shall, without
9 the consent of the Commissioner of Environmental Protection,
10 hereafter in this chapter designated as the commissioner, build any
11 reservoir or construct any dam, or repair, alter or improve existing
12 dams on any river or stream in this State or between this State and any
13 other **[such]** state which will raise the waters of **[such]** the river or
14 stream more than five feet above **[their]** its usual mean low-water
15 height.

16 No municipality, corporation or person shall, without the consent
17 of the commissioner, build any reservoir or construct any dam, or
18 repair, alter or improve existing dams in the pinelands area, as
19 designated by subsection a. of section 10 of P.L.1979, c.111
20 (C.13:18A-11), which will raise the waters of any river or stream more
21 than eight feet above the surface of the ground where the drainage
22 area above the dam or reservoir is more than one square mile in extent
23 and where the water surface created by the dam or reservoir is more
24 than 100 acres in extent.

25 The commissioner may investigate and take appropriate action
26 regarding any dam or reservoir about which **[he]** the commissioner
27 has a security or safety concern.

28 With respect to dams and reservoirs located on lands utilized for
29 agricultural or horticultural purposes within the pinelands area, the
30 commissioner's actions shall be undertaken after consultation with the
31 Secretary of Agriculture.

32 b. The commissioner shall not require a permit for the repair of
33 any dam used for agricultural purposes within a special agricultural
34 production area designated pursuant to N.J.A.C.7:50-5.14 in the
35 pinelands area.

36 (cf: P.L.1995, c.402, s.1)

37

38 2. Section 7 of P.L.1958, c.34 (C.58:22-7) is amended to read as
39 follows:

40 7. No water shall be pumped from the south branch of the Raritan
41 river into the Round Valley reservoir whenever the flow in **[said]** the

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate SBA committee amendments adopted December 14, 2000.

² Senate floor amendments adopted March 26, 2001.

1 Raritan river is less than 40 million gallons daily at the United States
2 Geological Survey stream gauging station at Stanton, or less than 70
3 million gallons daily at the United States Geological Survey stream
4 gauging station at Manville, or less than 90 million gallons daily at the
5 United States Geological Survey stream gauging station at Bound
6 Brook.

7 [Upon the completion and placing in operation of the Round
8 Valley reservoir, not] Not less than 830,000 gallons of water daily
9 shall be released at all times into Prescott brook from [such] the
10 Round Valley reservoir and at all times not less than 170,000 gallons
11 of water daily shall be released into the south branch of the Rockaway
12 creek from [such] the Round Valley reservoir.
13 (cf: P.L.1968, c.449, s.2)
14

15 3. Section 8 of P.L.1958, c.34 (C.58:22-8) is amended to read as
16 follows:

17 8. a. Whenever the flow of water in the south branch of the
18 Raritan river is less than 40 million gallons daily at the United States
19 Geological Survey stream gauging station at Stanton, or less than 70
20 million gallons daily at the United States Geological Survey stream
21 gauging station at Manville, or less than 90 million gallons daily at the
22 United States Geological Survey stream gauging station at Bound
23 Brook, a sufficient amount of water shall be released from the Spruce
24 Run reservoir, or from [such] the Round Valley reservoir or any other
25 reservoir or reservoirs as may be constructed on the [south branch of
26 the] Raritan river or its tributaries, and[, if necessary,] from the
27 Round Valley reservoir in [such] the amounts as will maintain not less
28 than the [said] aforementioned flows of 40 million gallons daily at
29 Stanton and 70 million gallons daily at Manville and 90 million gallons
30 daily at Bound Brook, and [such] the released water shall be returned
31 to the south branch of the Raritan river at the point of diversion or
32 pumping into [any such] the reservoir or at some point upstream
33 thereof, except that the amount of water to be released from the
34 Spruce Run reservoir shall not exceed an amount which lowers the
35 water level in the reservoir between June 1 and August 31 more than
36 8 feet below its usual mean high-water height of each year to ensure
37 the continued availability of the Spruce Run reservoir for water
38 recreational activities.

39 b. The commissioner is authorized to alter [these] the passing
40 flow requirements set forth in subsection a. of this section ¹[during a
41 [drought] state of water emergency, declared by the Governor
42 pursuant to an executive order authorized under section 4 of P.L.1981,
43 c.262 (C.58:1A-4),]¹ [in which danger to] as necessary to ensure the
44 protection of the public health, safety or welfare [is imminent] , or the
45 protection of the environment.

1 c. The commissioner shall alter the releases of water from the
2 Spruce Run reservoir or the Round Valley reservoir as provided in
3 subsection a. of this section whenever there are inadequate moneys in
4 the New Jersey Water Supply Authority Round Valley Fund created
5 pursuant to section 7 of P.L. , c. (C.58:1B-9.2)(pending in the
6 Legislature as this bill) for the New Jersey Water Supply Authority to
7 replenish the water released from the Round Valley reservoir for the
8 purpose of sustaining water recreational activities at the Spruce Run
9 reservoir.

10 (cf: P.L.1981, c.10, s.1)

11
12 4. Section 5 of P.L.1981, c.293 (C.58:1B-5) is amended to read
13 as follows:

14 5. a. All water supply facilities, owned or operated by the State,
15 either now or hereafter, are transferred to the authority. The authority
16 shall operate these facilities pursuant to the statutory authorizations
17 enabling the State to operate and manage the facilities. The Delaware
18 and Raritan Canal Transmission Complex, the Spruce Run-Round
19 Valley Reservoir Complex and all other State-operated facilities now
20 or hereafter authorized to be designed, constructed and operated
21 pursuant to any past or future bond issues, including the "Water
22 Supply Bond Act of 1981," P.L.1981, c.261, as amended by P.L.1983,
23 c.355 and P.L.1997, c.223, are specifically included as State water
24 supply facilities.

25 b. The revenue from all State water supply facilities, the
26 disposition of which is not otherwise expressly provided for by law, is
27 pledged to the authority for the purposes provided [herein] in the
28 provisions of P.L.1981, c.293 (C.58:1B-1 et seq.).

29 (cf: P.L.1981, c.293, s.5)

30
31 5. Section 9 of P.L.1981, c.293 (C.58:1B-9) is amended to read
32 as follows:

33 9. a. The authority is hereby empowered from time to time to
34 issue its bonds in [such] the principal amounts as in the opinion of the
35 authority shall be necessary to provide sufficient funds for any of its
36 corporate purposes, including the payment, funding or refunding of the
37 principal of, or interest or redemption premiums on, any bonds issued
38 by it, whether the bonds or interest to be funded or refunded have or
39 have not become due, the establishment or increase of [such] the
40 reserves to secure or to pay [such] the bonds or interest thereon and
41 all other costs or expenses of the agency incident to and necessary to
42 carry out its corporate purposes and powers.

43 b. Except as may be otherwise expressly provided in [this act] the
44 provisions of P.L.1981, c.293 (C.58:1B-1 et seq.) or by the authority,
45 every issue of bonds shall be general obligations payable out of and
46 secured by any revenues or funds of the authority, subject only to any

1 agreements with holders of particular bonds pledging any particular
2 revenues or funds. The authority may issue [such] the types of bonds
3 as it may determine, including, without limiting the generality of the
4 foregoing, bonds as to which the principal and interest are payable (1)
5 exclusively from the revenues and funds derived from or relating to the
6 project or part thereof financed with the proceeds of the bonds; (2)
7 exclusively from the revenues and funds derived from or relating to
8 certain designated projects or parts thereof, whether or not the same
9 are financed in whole or in part from the proceeds of bonds; (3)
10 exclusively from certain designated funds of the authority; or (4) from
11 the revenues and funds of the authority generally. The bonds may be
12 additionally secured by a pledge of any grant, subsidy or contribution
13 from the United States of America or any agency or instrumentality
14 thereof or the State of New Jersey or any agency, instrumentality or
15 political subdivision thereof, or any person, or a pledge of any income
16 or revenues, funds or moneys of the authority from any source
17 whatsoever.

18 c. Whether or not the bonds are of such form and character as to
19 be negotiable instruments under the terms of Title 12A[, Commercial
20 Transactions,] of the New Jersey Statutes, the bonds are hereby made
21 negotiable instruments within the meaning of and for all the purposes
22 of [said] Title 12A of the New Jersey Statutes, subject only to the
23 provisions of the bonds for registration.

24 d. Bonds of the authority shall be authorized by a resolution or
25 resolutions of the authority and may be issued in one or more series
26 and shall bear [such] the date or dates, mature at [such] the time or
27 times, bear interest at [such] the rate or rates of interest per annum,
28 be in [such] the denomination or denominations, be in [such] the
29 form, either coupon or registered, carry [such] the conversion or
30 registration privileges, have [such] the rank or priority, be executed
31 in [such] the manner, be payable from [such] the sources, in [such]
32 the medium of payment at [such] the place or places within or without
33 the State, and be subject to [such] the terms of redemption, with or
34 without premium, as [such] the resolution or resolutions may provide.

35 e. Bonds of the authority may be sold at public or private sale at
36 [such] the price or prices and in [such] the manner as the authority
37 shall determine. Every bond shall mature and be paid not later than 40
38 years from the date thereof.

39 f. Bonds may be issued under the provisions of [the act]
40 P.L.1981, c.293 (C.58:1B-1 et seq.) without obtaining the consent of
41 any department, division, commission, board, bureau or agency of the
42 State, and without any other proceeding or the happening of any other
43 conditions or other things than those proceedings, conditions or things
44 which are specifically required by [this act] the provisions of
45 P.L.1981, c.293 (C.58:1B-1 et seq.).

1 g. Bonds of the authority issued under the provisions of [this act]
 2 P.L.1981, c.293 (C.58:1B-1 et seq.) shall not be in any way a debt or
 3 liability of the State or of any political subdivision thereof other than
 4 the authority and shall not create or constitute any indebtedness,
 5 liability or obligation of the State or of the political subdivision or be
 6 or constitute a pledge of the faith and credit of the State or of the
 7 political subdivision but all [such] the bonds, unless funded or
 8 refunded by bonds of the authority, shall be payable solely from
 9 revenues or funds pledged or available for their payment as authorized
 10 [in this act] pursuant to the provisions of P.L.1981, c.293 (C.58:1B-1
 11 et seq.). Each bond shall contain on its face a statement to the effect
 12 that the authority is obligated to pay the principal thereof or the
 13 interest thereon only from revenues or funds of the authority and that
 14 neither the State nor any political subdivision thereof is obligated to
 15 pay the principal or interest and that neither the faith and credit nor the
 16 taxing power of the State or any political subdivision thereof is
 17 pledged to the payment of the principal of or the interest on the bonds.

18 h. [All] Except as may be otherwise expressly provided in the
 19 provisions of subsection i. of this section, all expenses incurred in
 20 carrying out the provisions of [this act] P.L.1981, c.293 (C.58:1B-1
 21 et seq.) shall be payable solely from revenues or funds provided or to
 22 be provided under the provisions of [this act] P.L.1981, c.293
 23 (C.58:1B-1 et seq.) and nothing in [this act] the provisions of
 24 P.L.1981, c.293 (C.58:1B-1 et seq.) shall be construed to authorize
 25 the authority to incur any indebtedness or liability on behalf of or
 26 payable by the State or any political subdivision thereof.

27 i. The authority may receive moneys from the New Jersey Water
 28 Supply Authority Round Valley Fund created pursuant to section 7 of
 29 P.L. , c. (C.58:1B-9.2)(pending in the Legislature as this bill) to
 30 defray the additional, reasonable energy or water expenses incurred in
 31 replenishing the water released from the Round Valley reservoir for
 32 the purpose of sustaining water recreational activities at the Spruce
 33 Run reservoir as provided in subsection a. of section 8 of P.L.1958,
 34 c.34 (C.58:22-8).

35 (cf: P.L.1981, c.293, s.9)

36

37 6. (New section) a. In order to defray the additional, reasonable
 38 energy or water expenses incurred by the New Jersey Water Supply
 39 Authority in replenishing the water released from the Round Valley
 40 reservoir for the purpose of sustaining water recreational activities at
 41 the Spruce Run reservoir as provided in subsection a. of section 8 of
 42 P.L.1958, c.34 (C.58:22-8), the Legislature shall annually appropriate
 43 from the General Fund to the authority such sums as may be necessary
 44 for this purpose.

45 b. The Commissioner of Environmental Protection shall certify to
 46 the Legislature the actual energy or water expenses incurred by the

authority in replenishing the water released from the Round Valley reservoir for the purpose of sustaining water recreational activities at the Spruce Run reservoir. The commissioner may require the authority to provide additional information verifying that the additional energy or water expenses incurred by the authority are reasonable and based upon the lowest possible electric utility rates available.

7. (New section) a. The New Jersey Water Supply Authority Round Valley Fund is established as a nonlapsing, special fund in the Department of the Treasury. The moneys in the fund are specifically dedicated and allocated to, and shall be used ²[solely]² to defray the additional, reasonable energy or water expenses incurred by the New Jersey Water Supply Authority in replenishing the water released from the Round Valley reservoir for the purpose of sustaining water recreational activities at the Spruce Run reservoir as provided in subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8). Interest received on moneys in the fund shall be credited to the fund. Moneys in the fund may not be used for the routine operation and maintenance expenses of the authority. ²Moneys in the fund may be used by the Department of Environmental Protection for the additional, reasonable expenses incurred for additional monitoring which may be necessary, from time to time, to augment the continuous monitoring required of the department pursuant to section 8 of P.L. , c. (C.58:22-8.1)(pending in the Legislature as this bill).²

(1) The fund shall be fully funded at a first year level of ²[\$200,000] \$350,000², and shall be fully funded annually thereafter at a level of not less than ²[\$200,000] \$225,000² but not more than ²[\$280,000] \$350,000² on July 1 of each fiscal year.

(2) The Legislature shall annually appropriate from the General Fund to the fund such sums as may be necessary to maintain the levels prescribed in this subsection, except that no annual appropriation shall be less than \$40,000.

b. The sum of ²[\$200,000] \$350,000² shall be deposited in the fund from the moneys made available pursuant to section 9 of P.L. , c. (pending in the Legislature as this bill), and from all interest received from the investment of moneys in the fund, and from any moneys which, from time to time, may otherwise become available for the purposes of the fund.

c. Pending the use thereof as provided in subsection a. of this section, the moneys in the fund shall be held in interest-bearing accounts in public depositories as defined in section 1 of P.L.1970, c.236 (C.17:9-41), and may be invested and reinvested in such securities as are approved by the State Treasurer, in the manner provided by law.

8. (New section) a. In order to ensure that safe yield is

1 maintained and the drinking water quality standards adopted pursuant
2 to the "Safe Drinking Water Act," P.L.1977, c.224 (C.58:12A-1 et
3 seq.) are met, the Commissioner of Environmental Protection shall
4 provide for the continuous monitoring of the impacts associated with
5 releasing water from the Round Valley reservoir for the purpose of
6 sustaining water recreational activities at the Spruce Run reservoir as
7 provided in subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8).

8 b. The commissioner is authorized to alter the releases of water
9 from the Spruce Run reservoir or the Round Valley reservoir as
10 provided in subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8)
11 as necessary to ensure the protection of the public health, safety or
12 welfare, or the protection of the environment.

13 c. The commissioner shall alter the releases of water from the
14 Spruce Run reservoir or the Round Valley reservoir as provided in
15 subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8) whenever
16 there are inadequate moneys in the New Jersey Water Supply
17 Authority Round Valley Fund created pursuant to section 7 of P.L. ,
18 c. (C.58:1B-9.2)(pending in the Legislature as this bill) for the New
19 Jersey Water Supply Authority to replenish the water released from
20 the Round Valley reservoir for the purpose of sustaining water
21 recreational activities at the Spruce Run reservoir.

22
23 9. There is appropriated from the General Fund to the New Jersey
24 Water Supply Authority Fund created pursuant to section 7 of P.L. ,
25 c. (C.58:1B-9.2)(pending in the Legislature as this bill) the sum of
26 ²[\$200,000] \$350,000².

27
28 10. This act shall take effect immediately.

LEGISLATIVE FISCAL ESTIMATE
[Second Reprint]
SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 1462
STATE OF NEW JERSEY
209th LEGISLATURE

DATED: APRIL 16, 2001

SUMMARY

Synopsis: Provides for release of water from Spruce Run and Round Valley reservoirs; appropriates \$350,000.

Type of Impact: Expenditure increase from the General Fund.

Agencies Affected: N.J. Water Supply Authority; Department of Environmental Protection.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost	\$350,000	\$225,000 to \$350,000	\$225,000 to \$350,000

- ! In order to maintain the recreational usage of Spruce Run reservoir, the bill amends statutory law to permit more water to be released from Round Valley reservoir to the south branch of the Raritan River during low flow periods. This would reduce the water release requirements of Spruce Run reservoir.
- ! The bill requires State funds to pay the costs incurred by the N.J. Water Supply Authority in replenishing Round Valley reservoir after such releases are made. The bill appropriates \$350,000 to a special Fund created by the bill for first year cost requirements.
- ! The bill directs the Department of Environmental Protection (DEP) to monitor the impacts of water releases from both reservoirs to ensure the proper water levels are maintained. Appropriated monies may be used by the DEP to meet expenses incurred for this purpose.
- ! The Office of Legislative Services (OLS) estimates that the bill's appropriation should sufficiently meet first year costs, but that the bill's direction to the Legislature to make future appropriations for this purpose cannot be statutorily guaranteed.

BILL DESCRIPTION

Senate Committee Substitute for Senate Bill No. 1462 (2R) of 2000 requires release of waters into the south branch of the Raritan River from both Spruce Run and Round Valley reservoirs for the purpose of supporting recreational water use of the Spruce Run reservoir. Under current law, whenever the flow of water in the south branch of the Raritan River is less than the required levels, a sufficient amount of water must be released from the Spruce Run reservoir, and, if necessary, from the Round Valley reservoir in such amounts as will maintain proper flows. The substitute bill eliminates the "if necessary" qualifier from the statute in order to ensure the continued availability of the Spruce Run reservoir for water recreational activities.

In order to defray the additional energy or water expenses incurred by the N. J. Water Supply Authority in replenishing the water released from the Round Valley reservoir, the substitute bill appropriates \$350,000 to meet first year funding costs and thereafter directs the Legislature to annually appropriate from the General Fund at least \$225,000 but not more than \$350,000 for this purpose. These monies would be appropriated to a nonlapsing, special Fund in the Department of the Treasury, as created under the bill.

Last, the substitute bill requires the Commissioner of Environmental Protection to provide for the continuous monitoring of the impacts associated with releasing water from the Round Valley reservoir to sustain water recreation activities at Spruce Run reservoir. The department is also allowed to receive monies from the special Fund created therein to cover any additional expenses incurred from the monitoring activities required under the bill.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services (OLS) estimates that the appropriation provided in the bill should adequately meet the first year costs of the N.J. Water Supply Authority. It should be noted, however, that despite the bill's provision requiring the Legislature to appropriate sufficient monies annually to defray costs incurred by the Authority under the bill, such future appropriations cannot be guaranteed because they can only be authorized by new legislation introduced for that purpose or in the annual Appropriations Act. In either case, the Legislature is not bound or required by previous enactments to approve specific purpose appropriations unless monies are statutorily dedicated from existing funding sources for a particular purpose.

With respect to potential costs incurred by the DEP in carrying out its monitoring responsibilities under the bill, existing staff who perform similar functions should be able to perform these duties as needed. If, however, this does not happen to be the case, the substitute bill does permit the department to be reimbursed for such expenses from the special Fund created by the bill. It is assumed that such reimbursements would occur only if monies were available after the N.J. Water Supply Authority was reimbursed for expenses incurred under the bill.

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

Analyst: *Richard M. Handelman*
Senior Fiscal Analyst

Approved: *Alan R. Kooney*
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.

§§6,7 -
C.58:1B-9.1 &
58:1B-9.2
§8 - C.58:22-8.1
§9 - Approp.

P.L. 2001, CHAPTER 82, *approved May 4, 2001*
Assembly Committee Substitute (*First Reprint*) for
Assembly, No. 2793

1 AN ACT concerning the Spruce Run and Round Valley reservoirs,
2 revising parts of the statutory law, and making an appropriation.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. R.S.58:4-1 is amended to read as follows:

8 58:4-1. a. No municipality, corporation or person shall, without
9 the consent of the Commissioner of Environmental Protection,
10 hereafter in this chapter designated as the commissioner, build any
11 reservoir or construct any dam, or repair, alter or improve existing
12 dams on any river or stream in this State or between this State and any
13 other [such] state which will raise the waters of [such] the river or
14 stream more than five feet above [their] its usual mean low-water
15 height.

16 No municipality, corporation or person shall, without the consent
17 of the commissioner, build any reservoir or construct any dam, or
18 repair, alter or improve existing dams in the pinelands area, as
19 designated by subsection a. of section 10 of P.L.1979, c.111
20 (C.13:18A-11), which will raise the waters of any river or stream more
21 than eight feet above the surface of the ground where the drainage
22 area above the dam or reservoir is more than one square mile in extent
23 and where the water surface created by the dam or reservoir is more
24 than 100 acres in extent.

25 The commissioner may investigate and take appropriate action
26 regarding any dam or reservoir about which [he] the commissioner
27 has a security or safety concern.

28 With respect to dams and reservoirs located on lands utilized for
29 agricultural or horticultural purposes within the pinelands area, the
30 commissioner's actions shall be undertaken after consultation with the
31 Secretary of Agriculture.

32 b. The commissioner shall not require a permit for the repair of
33 any dam used for agricultural purposes within a special agricultural
34 production area designated pursuant to N.J.A.C.7:50-5.14 in the
35 pinelands area.

36 (cf: P.L.1995, c.402, s.1)

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:

¹ Assembly AAP committee amendments adopted March 22, 2001.

1 2. Section 7 of P.L.1958, c.34 (C.58:22-7) is amended to read as
2 follows:

3 7. No water shall be pumped from the south branch of the Raritan
4 river into the Round Valley reservoir whenever the flow in [said] the
5 Raritan river is less than 40 million gallons daily at the United States
6 Geological Survey stream gauging station at Stanton, or less than
7 70 million gallons daily at the United States Geological Survey stream
8 gauging station at Manville, or less than 90 million gallons daily at the
9 United States Geological Survey stream gauging station at Bound
10 Brook.

11 [Upon the completion and placing in operation of the Round
12 Valley reservoir, not] Not less than 830,000 gallons of water daily
13 shall be released at all times into Prescott brook from [such] the
14 Round Valley reservoir and at all times not less than 170,000 gallons
15 of water daily shall be released into the south branch of the Rockaway
16 creek from [such] the Round Valley reservoir.

17 (cf: P.L.1968, c.449, s.2)

18

19 3. Section 8 of P.L.1958, c.34 (C.58:22-8) is amended to read as
20 follows:

21 8. a. Whenever the flow of water in the south branch of the
22 Raritan river is less than 40 million gallons daily at the United States
23 Geological Survey stream gauging station at Stanton, or less than
24 70 million gallons daily at the United States Geological Survey stream
25 gauging station at Manville, or less than 90 million gallons daily at the
26 United States Geological Survey stream gauging station at Bound
27 Brook, a sufficient amount of water shall be released from the Spruce
28 Run reservoir, or from [such] the Round Valley reservoir or any other
29 reservoir or reservoirs as may be constructed on the [south branch of
30 the] Raritan river or its tributaries, and[, if necessary,] from the
31 Round Valley reservoir in [such] the amounts as will maintain not less
32 than the [said] aforementioned flows of 40 million gallons daily at
33 Stanton and 70 million gallons daily at Manville and 90 million gallons
34 daily at Bound Brook, and [such] the released water shall be returned
35 to the south branch of the Raritan river at the point of diversion or
36 pumping into [any such] the reservoir or at some point upstream
37 thereof, except that the amount of water to be released from the
38 Spruce Run reservoir shall not exceed an amount which lowers the
39 water level in the reservoir between June 1 and August 31 more than
40 8 feet below its usual mean high-water height of each year to ensure
41 the continued availability of the Spruce Run reservoir for water
42 recreational activities.

43 b. The commissioner is authorized to alter [these] the passing
44 flow requirements [during a drought emergency, declared pursuant to
45 executive order, in which danger to] set forth in subsection a. of this

1 section as necessary to ensure the protection of the public health,
2 safety or welfare [is imminent], or the protection of the environment.

3 c. The commissioner shall alter the releases of water from the
4 Spruce Run reservoir or the Round Valley reservoir as provided in
5 subsection a. of this section whenever there are inadequate moneys in
6 the New Jersey Water Supply Authority Round Valley Fund created
7 pursuant to section 7 of P.L. , c. (C.58:1B-9.2)(pending in the
8 Legislature as this bill) for the New Jersey Water Supply Authority to
9 replenish the water released from the Round Valley reservoir for the
10 purpose of sustaining water recreational activities at the Spruce Run
11 reservoir.

12 (cf: P.L.1981, c.10, s.1)

13
14 4. Section 5 of P.L.1981, c.293 (C.58:1B-5) is amended to read
15 as follows:

16 5. a. All water supply facilities, owned or operated by the State,
17 either now or hereafter, are transferred to the authority. The authority
18 shall operate these facilities pursuant to the statutory authorizations
19 enabling the State to operate and manage the facilities. The Delaware
20 and Raritan Canal Transmission Complex, the Spruce Run-Round
21 Valley Reservoir Complex and all other State-operated facilities now
22 or hereafter authorized to be designed, constructed and operated
23 pursuant to any past or future bond issues, including the "Water
24 Supply Bond Act of 1981," P.L.1981, c.261, as amended by P.L.1983,
25 c.355 and P.L.1997, c.223, are specifically included as State water
26 supply facilities.

27 b. The revenue from all State water supply facilities, the
28 disposition of which is not otherwise expressly provided for by law, is
29 pledged to the authority for the purposes provided [herein] in the
30 provisions of P.L.1981, c.293 (C.58:1B-1 et seq.).

31 (cf: P.L.1981, c.293, s.5)

32
33 5. Section 9 of P.L.1981, c.293 (C.58:1B-9) is amended to read
34 as follows:

35 9. a. The authority is hereby empowered from time to time to
36 issue its bonds in [such] the principal amounts as in the opinion of the
37 authority shall be necessary to provide sufficient funds for any of its
38 corporate purposes, including the payment, funding or refunding of the
39 principal of, or interest or redemption premiums on, any bonds issued
40 by it, whether the bonds or interest to be funded or refunded have or
41 have not become due, the establishment or increase of [such] the
42 reserves to secure or to pay [such] the bonds or interest thereon and
43 all other costs or expenses of the agency incident to and necessary to
44 carry out its corporate purposes and powers.

45 b. Except as may be otherwise expressly provided in [this act] the
46 provisions of P.L.1981, c.293 (C.58:1B-1 et seq.) or by the authority,

1 every issue of bonds shall be general obligations payable out of and
2 secured by any revenues or funds of the authority, subject only to any
3 agreements with holders of particular bonds pledging any particular
4 revenues or funds. The authority may issue [such] the types of bonds
5 as it may determine, including, without limiting the generality of the
6 foregoing, bonds as to which the principal and interest are payable (1)
7 exclusively from the revenues and funds derived from or relating to the
8 project or part thereof financed with the proceeds of the bonds; (2)
9 exclusively from the revenues and funds derived from or relating to
10 certain designated projects or parts thereof, whether or not the same
11 are financed in whole or in part from the proceeds of bonds; (3)
12 exclusively from certain designated funds of the authority; or (4) from
13 the revenues and funds of the authority generally. The bonds may be
14 additionally secured by a pledge of any grant, subsidy or contribution
15 from the United States of America or any agency or instrumentality
16 thereof or the State of New Jersey or any agency, instrumentality or
17 political subdivision thereof, or any person, or a pledge of any income
18 or revenues, funds or moneys of the authority from any source
19 whatsoever.

20 c. Whether or not the bonds are of such form and character as to
21 be negotiable instruments under the terms of Title 12A[, Commercial
22 Transactions,] of the New Jersey Statutes, the bonds are hereby made
23 negotiable instruments within the meaning of and for all the purposes
24 of [said] Title 12A of the New Jersey Statutes, subject only to the
25 provisions of the bonds for registration.

26 d. Bonds of the authority shall be authorized by a resolution or
27 resolutions of the authority and may be issued in one or more series
28 and shall bear [such] the date or dates, mature at [such] the time or
29 times, bear interest at [such] the rate or rates of interest per annum,
30 be in [such] the denomination or denominations, be in [such] the
31 form, either coupon or registered, carry [such] the conversion or
32 registration privileges, have [such] the rank or priority, be executed
33 in [such] the manner, be payable from [such] the sources, in [such]
34 the medium of payment at [such] the place or places within or without
35 the State, and be subject to [such] the terms of redemption, with or
36 without premium, as [such] the resolution or resolutions may provide.

37 e. Bonds of the authority may be sold at public or private sale at
38 [such] the price or prices and in [such] the manner as the authority
39 shall determine. Every bond shall mature and be paid not later than 40
40 years from the date thereof.

41 f. Bonds may be issued under the provisions of [the act]
42 P.L.1981, c.293 (C.58:1B-1 et seq.) without obtaining the consent of
43 any department, division, commission, board, bureau or agency of the
44 State, and without any other proceeding or the happening of any other
45 conditions or other things than those proceedings, conditions or things

1 which are specifically required by [this act] the provisions of
2 P.L.1981, c.293 (C.58:1B-1 et seq.).

3 g. Bonds of the authority issued under the provisions of [this act]
4 P.L.1981, c.293 (C.58:1B-1 et seq.) shall not be in any way a debt or
5 liability of the State or of any political subdivision thereof other than
6 the authority and shall not create or constitute any indebtedness,
7 liability or obligation of the State or of the political subdivision or be
8 or constitute a pledge of the faith and credit of the State or of the
9 political subdivision but all [such] the bonds, unless funded or
10 refunded by bonds of the authority, shall be payable solely from
11 revenues or funds pledged or available for their payment as authorized
12 [in this act] pursuant to the provisions of P.L.1981, c.293 (C.58:1B-1
13 et seq.). Each bond shall contain on its face a statement to the effect
14 that the authority is obligated to pay the principal thereof or the
15 interest thereon only from revenues or funds of the authority and that
16 neither the State nor any political subdivision thereof is obligated to
17 pay the principal or interest and that neither the faith and credit nor the
18 taxing power of the State or any political subdivision thereof is
19 pledged to the payment of the principal of or the interest on the bonds.

20 h. [All] Except as may be otherwise expressly provided in the
21 provisions of subsection i. of this section, all expenses incurred in
22 carrying out the provisions of [this act] P.L.1981, c.293 (C.58:1B-1
23 et seq.) shall be payable solely from revenues or funds provided or to
24 be provided under the provisions of [this act] P.L.1981, c.293
25 (C.58:1B-1 et seq.) and nothing in [this act] the provisions of
26 P.L.1981, c.293 (C.58:1B-1 et seq.) shall be construed to authorize
27 the authority to incur any indebtedness or liability on behalf of or
28 payable by the State or any political subdivision thereof.

29 i. The authority may receive moneys from the New Jersey Water
30 Supply Authority Round Valley Fund created pursuant to section 7 of
31 P.L. , c. (C.58:1B-9.2)(pending in the Legislature as this bill) to
32 defray the additional, reasonable energy or water expenses incurred in
33 replenishing the water released from the Round Valley reservoir for
34 the purpose of sustaining water recreational activities at the Spruce
35 Run reservoir as provided in subsection a. of section 8 of P.L.1958,
36 c.34 (C.58:22-8).

37 (cf: P.L.1981, c.293, s.9)

38
39 6. (New section) a. In order to defray the additional, reasonable
40 energy or water expenses incurred by the New Jersey Water Supply
41 Authority in replenishing the water released from the Round Valley
42 reservoir for the purpose of sustaining water recreational activities at
43 the Spruce Run reservoir as provided in subsection a. of section 8 of
44 P.L.1958, c.34 (C.58:22-8), the Legislature shall annually appropriate
45 from the General Fund to the authority such sums as may be necessary
46 for this purpose.

b. The Commissioner of Environmental Protection shall certify to the Legislature the actual energy or water expenses incurred by the authority in replenishing the water released from the Round Valley reservoir for the purpose of sustaining water recreational activities at the Spruce Run reservoir. The commissioner may require the authority to provide additional information verifying that the additional energy or water expenses incurred by the authority are reasonable and based upon the lowest possible electric utility rates available.

7. (New section) a. The New Jersey Water Supply Authority Round Valley Fund is established as a nonlapsing, special fund in the Department of the Treasury. The moneys in the fund are specifically dedicated and allocated to, and shall be used ¹[solely]¹ to defray the additional, reasonable energy or water expenses incurred by the New Jersey Water Supply Authority in replenishing the water released from the Round Valley reservoir for the purpose of sustaining water recreational activities at the Spruce Run reservoir as provided in subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8). Interest received on moneys in the fund shall be credited to the fund. Moneys in the fund may not be used for the routine operation and maintenance expenses of the authority. ¹Moneys in the fund may be used by the Department of Environmental Protection for the additional, reasonable expenses incurred for additional monitoring which may be necessary, from time to time, to augment the continuous monitoring required of the department pursuant to section 8 of P.L. , c. (C.58:22-8.1)(pending in the Legislature as this bill).¹

(1) The fund shall be fully funded at a first year level of ¹[\$200,000] \$350,000¹, and shall be fully funded annually thereafter at a level of not less than ¹[\$200,000] \$225,000¹ but not more than ¹[\$280,000] \$350,000¹ on July 1 of each fiscal year.

(2) The Legislature shall annually appropriate from the General Fund to the fund such sums as may be necessary to maintain the levels prescribed in this subsection, except that no annual appropriation shall be less than \$40,000.

b. The sum of ¹[\$200,000] \$350,000¹ shall be deposited in the fund from the moneys made available pursuant to section 9 of P.L. , c. (pending in the Legislature as this bill), and from all interest received from the investment of moneys in the fund, and from any moneys which, from time to time, may otherwise become available for the purposes of the fund.

c. Pending the use thereof as provided in subsection a. of this section, the moneys in the fund shall be held in interest-bearing accounts in public depositories as defined in section 1 of P.L.1970, c.236 (C.17:9-41), and may be invested and reinvested in such securities as are approved by the State Treasurer, in the manner provided by law.

1 8. (New section) a. In order to ensure that safe yield is
2 maintained and the drinking water quality standards adopted pursuant
3 to the "Safe Drinking Water Act," P.L.1977, c.224 (C.58:12A-1 et
4 seq.) are met, the Commissioner of Environmental Protection shall
5 provide for the continuous monitoring of the impacts associated with
6 releasing water from the Round Valley reservoir for the purpose of
7 sustaining water recreational activities at the Spruce Run reservoir as
8 provided in subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8).

9 b. The commissioner is authorized to alter the releases of water
10 from the Spruce Run reservoir or the Round Valley reservoir as
11 provided in subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8)
12 as necessary to ensure the protection of the public health, safety or
13 welfare, or the protection of the environment.

14 c. The commissioner shall alter the releases of water from the
15 Spruce Run reservoir or the Round Valley reservoir as provided in
16 subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8) whenever
17 there are inadequate moneys in the New Jersey Water Supply
18 Authority Round Valley Fund created pursuant to section 7 of P.L. ,
19 c. (C.58:1B-9.2)(pending in the Legislature as this bill) for the New
20 Jersey Water Supply Authority to replenish the water released from
21 the Round Valley reservoir for the purpose of sustaining water
22 recreational activities at the Spruce Run reservoir.

23
24 9. There is appropriated from the General Fund to the New Jersey
25 Water Supply Authority Fund created pursuant to section 7 of P.L. ,
26 c. (C.58:1B-9.2)(pending in the Legislature as this bill) the sum of
27 ¹[\$200,000] \$350,000¹.

28
29 10. This act shall take effect immediately.

30
31
32 _____
33
34 Provides for release of water from Spruce Run and Round Valley
35 reservoirs; appropriates \$350,000.

CHAPTER 82

AN ACT concerning the Spruce Run and Round Valley reservoirs, revising parts of the statutory law, and making an appropriation.

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

1. R.S.58:4-1 is amended to read as follows:

Reservoir, dam restrictions.

58:4-1. a. No municipality, corporation or person shall, without the consent of the Commissioner of Environmental Protection, hereafter in this chapter designated as the commissioner, build any reservoir or construct any dam, or repair, alter or improve existing dams on any river or stream in this State or between this State and any other state which will raise the waters of the river or stream more than five feet above its usual mean low-water height.

No municipality, corporation or person shall, without the consent of the commissioner, build any reservoir or construct any dam, or repair, alter or improve existing dams in the pinelands area, as designated by subsection a. of section 10 of P.L.1979, c.111 (C.13:18A-11), which will raise the waters of any river or stream more than eight feet above the surface of the ground where the drainage area above the dam or reservoir is more than one square mile in extent and where the water surface created by the dam or reservoir is more than 100 acres in extent.

The commissioner may investigate and take appropriate action regarding any dam or reservoir about which the commissioner has a security or safety concern.

With respect to dams and reservoirs located on lands utilized for agricultural or horticultural purposes within the pinelands area, the commissioner's actions shall be undertaken after consultation with the Secretary of Agriculture.

b. The commissioner shall not require a permit for the repair of any dam used for agricultural purposes within a special agricultural production area designated pursuant to N.J.A.C.7:50-5.14 in the pinelands area.

2. Section 7 of P.L.1958, c.34 (C.58:22-7) is amended to read as follows:

C.58:22-7 Restrictions on pumping water from south branch of Raritan river, release into Prescott brook, Round Valley reservoir.

7. No water shall be pumped from the south branch of the Raritan river into the Round Valley reservoir whenever the flow in the Raritan river is less than 40 million gallons daily at the United States Geological Survey stream gauging station at Stanton, or less than 70 million gallons daily at the United States Geological Survey stream gauging station at Manville, or less than 90 million gallons daily at the United States Geological Survey stream gauging station at Bound Brook.

Not less than 830,000 gallons of water daily shall be released at all times into Prescott brook from the Round Valley reservoir and at all times not less than 170,000 gallons of water daily shall be released into the south branch of the Rockaway creek from the Round Valley reservoir.

3. Section 8 of P.L.1958, c.34 (C.58:22-8) is amended to read as follows:

C.58:22-8 Release of water into south branch of Raritan river from Spruce Run, Round Valley reservoirs.

8. a. Whenever the flow of water in the south branch of the Raritan river is less than 40 million gallons daily at the United States Geological Survey stream gauging station at Stanton, or less than 70 million gallons daily at the United States Geological Survey stream gauging station at Manville, or less than 90 million gallons daily at the United States Geological Survey stream gauging station at Bound Brook, a sufficient amount of water shall be released from the Spruce Run reservoir, or from the Round Valley reservoir or any other reservoir or reservoirs as may be constructed on the Raritan river or its tributaries, and from the Round Valley reservoir in the amounts as will maintain not less than the aforementioned flows of 40 million gallons daily at Stanton and 70 million gallons daily at Manville and 90 million gallons daily at Bound Brook, and the released water shall be returned to the south branch of the Raritan river at the point of diversion or pumping into the reservoir or at some point upstream thereof, except that the

amount of water to be released from the Spruce Run reservoir shall not exceed an amount which lowers the water level in the reservoir between June 1 and August 31 more than 8 feet below its usual mean high-water height of each year to ensure the continued availability of the Spruce Run reservoir for water recreational activities.

b. The commissioner is authorized to alter the passing flow requirements set forth in subsection a. of this section as necessary to ensure the protection of the public health, safety or welfare, or the protection of the environment.

c. The commissioner shall alter the releases of water from the Spruce Run reservoir or the Round Valley reservoir as provided in subsection a. of this section whenever there are inadequate moneys in the New Jersey Water Supply Authority Round Valley Fund created pursuant to section 7 of P.L.2001, c.82 (C.58:1B-9.2) for the New Jersey Water Supply Authority to replenish the water released from the Round Valley reservoir for the purpose of sustaining water recreational activities at the Spruce Run reservoir.

4. Section 5 of P.L.1981, c.293 (C.58:1B-5) is amended to read as follows:

C.58:1B-5 Water supply facilities operated by authority, disposition of revenue.

5. a. All water supply facilities, owned or operated by the State, either now or hereafter, are transferred to the authority. The authority shall operate these facilities pursuant to the statutory authorizations enabling the State to operate and manage the facilities. The Delaware and Raritan Canal Transmission Complex, the Spruce Run-Round Valley Reservoir Complex and all other State-operated facilities now or hereafter authorized to be designed, constructed and operated pursuant to any past or future bond issues, including the "Water Supply Bond Act of 1981," P.L.1981, c.261, as amended by P.L.1983, c.355 and P.L.1997, c.223, are specifically included as State water supply facilities.

b. The revenue from all State water supply facilities, the disposition of which is not otherwise expressly provided for by law, is pledged to the authority for the purposes provided in the provisions of P.L.1981, c.293 (C.58:1B-1 et seq.).

5. Section 9 of P.L.1981, c.293 (C.58:1B-9) is amended to read as follows:

C.58:1B-9 Issuance of bonds.

9. a. The authority is hereby empowered from time to time to issue its bonds in the principal amounts as in the opinion of the authority shall be necessary to provide sufficient funds for any of its corporate purposes, including the payment, funding or refunding of the principal of, or interest or redemption premiums on, any bonds issued by it, whether the bonds or interest to be funded or refunded have or have not become due, the establishment or increase of the reserves to secure or to pay the bonds or interest thereon and all other costs or expenses of the agency incident to and necessary to carry out its corporate purposes and powers.

b. Except as may be otherwise expressly provided in the provisions of P.L.1981, c.293 (C.58:1B-1 et seq.) or by the authority, every issue of bonds shall be general obligations payable out of and secured by any revenues or funds of the authority, subject only to any agreements with holders of particular bonds pledging any particular revenues or funds. The authority may issue the types of bonds as it may determine, including, without limiting the generality of the foregoing, bonds as to which the principal and interest are payable (1) exclusively from the revenues and funds derived from or relating to the project or part thereof financed with the proceeds of the bonds; (2) exclusively from the revenues and funds derived from or relating to certain designated projects or parts thereof, whether or not the same are financed in whole or in part from the proceeds of bonds; (3) exclusively from certain designated funds of the authority; or (4) from the revenues and funds of the authority generally. The bonds may be additionally secured by a pledge of any grant, subsidy or contribution from the United States of America or any agency or instrumentality thereof or the State of New Jersey or any agency, instrumentality or political subdivision thereof, or any person, or a pledge of any income or revenues, funds or moneys of the authority from any source whatsoever.

c. Whether or not the bonds are of such form and character as to be negotiable instruments

under the terms of Title 12A of the New Jersey Statutes, the bonds are hereby made negotiable instruments within the meaning of and for all the purposes of Title 12A of the New Jersey Statutes, subject only to the provisions of the bonds for registration.

d. Bonds of the authority shall be authorized by a resolution or resolutions of the authority and may be issued in one or more series and shall bear the date or dates, mature at the time or times, bear interest at the rate or rates of interest per annum, be in the denomination or denominations, be in the form, either coupon or registered, carry the conversion or registration privileges, have the rank or priority, be executed in the manner, be payable from the sources, in the medium of payment at the place or places within or without the State, and be subject to the terms of redemption, with or without premium, as the resolution or resolutions may provide.

e. Bonds of the authority may be sold at public or private sale at the price or prices and in the manner as the authority shall determine. Every bond shall mature and be paid not later than 40 years from the date thereof.

f. Bonds may be issued under the provisions of P.L.1981, c.293 (C.58:1B-1 et seq.) without obtaining the consent of any department, division, commission, board, bureau or agency of the State, and without any other proceeding or the happening of any other conditions or other things than those proceedings, conditions or things which are specifically required by the provisions of P.L.1981, c.293 (C.58:1B-1 et seq.).

g. Bonds of the authority issued under the provisions of P.L.1981, c.293 (C.58:1B-1 et seq.) shall not be in any way a debt or liability of the State or of any political subdivision thereof other than the authority and shall not create or constitute any indebtedness, liability or obligation of the State or of the political subdivision or be or constitute a pledge of the faith and credit of the State or of the political subdivision but all the bonds, unless funded or refunded by bonds of the authority, shall be payable solely from revenues or funds pledged or available for their payment as authorized pursuant to the provisions of P.L.1981, c.293 (C.58:1B-1 et seq.). Each bond shall contain on its face a statement to the effect that the authority is obligated to pay the principal thereof or the interest thereon only from revenues or funds of the authority and that neither the State nor any political subdivision thereof is obligated to pay the principal or interest and that neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal of or the interest on the bonds.

h. Except as may be otherwise expressly provided in the provisions of subsection i. of this section, all expenses incurred in carrying out the provisions of P.L.1981, c.293 (C.58:1B-1 et seq.) shall be payable solely from revenues or funds provided or to be provided under the provisions of P.L.1981, c.293 (C.58:1B-1 et seq.) and nothing in the provisions of P.L.1981, c.293 (C.58:1B-1 et seq.) shall be construed to authorize the authority to incur any indebtedness or liability on behalf of or payable by the State or any political subdivision thereof.

i. The authority may receive moneys from the New Jersey Water Supply Authority Round Valley Fund created pursuant to section 7 of P.L.2001, c.82 (C.58:1B-9.2) to defray the additional, reasonable energy or water expenses incurred in replenishing the water released from the Round Valley reservoir for the purpose of sustaining water recreational activities at the Spruce Run reservoir as provided in subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8).

C.58:1B-9.1 Annual appropriation to authority for certain energy or water expenses.

6. a. In order to defray the additional, reasonable energy or water expenses incurred by the New Jersey Water Supply Authority in replenishing the water released from the Round Valley reservoir for the purpose of sustaining water recreational activities at the Spruce Run reservoir as provided in subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8), the Legislature shall annually appropriate from the General Fund to the authority such sums as may be necessary for this purpose.

b. The Commissioner of Environmental Protection shall certify to the Legislature the actual energy or water expenses incurred by the authority in replenishing the water released from the Round Valley reservoir for the purpose of sustaining water recreational activities at the Spruce Run reservoir. The commissioner may require the authority to provide additional information verifying that the additional energy or water expenses incurred by the authority are reasonable and based upon the lowest possible electric utility rates available.

C.58:1B-9.2 New Jersey Water Supply Authority Round Valley Fund.

7. a. The New Jersey Water Supply Authority Round Valley Fund is established as a nonlapsing, special fund in the Department of the Treasury. The moneys in the fund are specifically dedicated and allocated to, and shall be used to defray the additional, reasonable energy or water expenses incurred by the New Jersey Water Supply Authority in replenishing the water released from the Round Valley reservoir for the purpose of sustaining water recreational activities at the Spruce Run reservoir as provided in subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8). Interest received on moneys in the fund shall be credited to the fund. Moneys in the fund may not be used for the routine operation and maintenance expenses of the authority. Moneys in the fund may be used by the Department of Environmental Protection for the additional, reasonable expenses incurred for additional monitoring which may be necessary, from time to time, to augment the continuous monitoring required of the department pursuant to section 8 of P.L.2001, c.82 (C.58:22-8.1).

(1) The fund shall be fully funded at a first year level of \$350,000, and shall be fully funded annually thereafter at a level of not less than \$225,000 but not more than \$350,000 on July 1 of each fiscal year.

(2) The Legislature shall annually appropriate from the General Fund to the fund such sums as may be necessary to maintain the levels prescribed in this subsection, except that no annual appropriation shall be less than \$40,000.

b. The sum of \$350,000 shall be deposited in the fund from the moneys made available pursuant to section 9 of P.L.2001, c.82, and from all interest received from the investment of moneys in the fund, and from any moneys which, from time to time, may otherwise become available for the purposes of the fund.

c. Pending the use thereof as provided in subsection a. of this section, the moneys in the fund shall be held in interest-bearing accounts in public depositories as defined in section 1 of P.L.1970, c.236 (C.17:9-41), and may be invested and reinvested in such securities as are approved by the State Treasurer, in the manner provided by law.

C.58:22-8.1 Continuous monitoring for compliance with C.58:12A-1 et seq.; altering of releases.

8. a. In order to ensure that safe yield is maintained and the drinking water quality standards adopted pursuant to the "Safe Drinking Water Act," P.L.1977, c.224 (C.58:12A-1 et seq.) are met, the Commissioner of Environmental Protection shall provide for the continuous monitoring of the impacts associated with releasing water from the Round Valley reservoir for the purpose of sustaining water recreational activities at the Spruce Run reservoir as provided in subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8).

b. The commissioner is authorized to alter the releases of water from the Spruce Run reservoir or the Round Valley reservoir as provided in subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8) as necessary to ensure the protection of the public health, safety or welfare, or the protection of the environment.

c. The commissioner shall alter the releases of water from the Spruce Run reservoir or the Round Valley reservoir as provided in subsection a. of section 8 of P.L.1958, c.34 (C.58:22-8) whenever there are inadequate moneys in the New Jersey Water Supply Authority Round Valley Fund created pursuant to section 7 of P.L.2001, c.82 (C.58:1B-9.2) for the New Jersey Water Supply Authority to replenish the water released from the Round Valley reservoir for the purpose of sustaining water recreational activities at the Spruce Run reservoir.

9. There is appropriated from the General Fund to the New Jersey Water Supply Authority Fund created pursuant to section 7 of P.L.2001, c.82 (C.58:1B-9.2) the sum of \$350,000

10. This act shall take effect immediately.

Approved May 4, 2001.

Office of the Governor
NEWS RELEASE

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RELEASE: May 4 , 2001

Acting Governor Donald T. DiFrancesco signed the following legislation today:

S-2026, sponsored by Senators William Gormley (R-Atlantic) and John Matheussen (R-Camden/Gloucester) transfers the Bureau of Parole in the Department of Corrections to the State Parole Board thus consolidating the Bureau of Parole and the State Parole Board under one direct authority.

A-2083, sponsored by Senators Diane Allen (R-Burlington/Camden) and Robert Littell (R-Sussex/Hunterdon/Morris) and Assembly members Joseph Azzolina (R-Middlesex/Monmouth) and Charlotte Vandervalk (R-Bergen) establishes a statewide Sexual Assault Nurse Examiner program (SSANE) in the Office of the Attorney General. The SSANE program is aimed at ensuring more accurate collection of forensic evidence for use in prosecuting suspected rapists and creates a compassionate way to treat sexual assault victims.

S-1708, sponsored by Joseph Kyrillos (R-Middlesex/Monmouth) and Henry McNamara (R-Bergen/Passaic) and Assemblymen Samuel Thompson (R-Middlesex/Monmouth) and Joseph Azzolina (R-Middlesex/Monmouth) requires the New Jersey Department of Transportation to prepare a plan for litter pickup and removal along the highways maintained by the department.

S-1709, sponsored by Senators Joseph Kyrillos (R-Middlesex/Monmouth) and Henry McNamara (R-Bergen/Passaic) and Assemblymen Joseph Azzolina (R-Middlesex/Monmouth) and Samuel Thompson (R-Middlesex/Monmouth) increases the penalties for littering by establishing a minimum penalty of \$100 for the offense of littering and a minimum fine of \$250 for any person convicted of littering within six months of a previous conviction for littering.

S-1079, sponsored by Senator John Cafiero (R-Cape May/Atlantic/Cumberland) and Assemblymen Michael Carroll (R-Morris) and Richard Merkt (R-Morris) establishes a ten-year limitation on surveyors' liability for deficiencies in a survey. There is an exception for adverse possession cases where the statute of limitations for surveying would be the same as the time period required for the adverse possession.

S-269, sponsored by Senators John Bennett (R-Monmouth) and John Lynch (D-Middlesex/Somerset/Union) and Assemblyman Michael Carroll (R-Morris) exempts from current post-employment restrictions any partnership, firm or corporation engaged in the practice of law with which a former member of the Judiciary is associated and any partner, officer, director or employee of the partnership, firm or corporation if the former member of the Judiciary 1) is associated with the firm in an 'of counsel' position without any equity interest and 2) is screened for a period of two years subsequent to termination of the former member's employment from any personal participation in any representation, appearance for or negotiation on behalf of any holder of or applicant for, a casino license.

A-2548, sponsored by Assembly members Loretta Weinberg (D-Bergen) and Ken Zisa (D-Bergen) allows municipalities to require owners of multiple dwellings comprised of more than 20 dwelling units to prepare an emergency evacuation plan. The plan must be prepared in coordination with local fire and emergency response agencies.

A-2793, sponsored by Senators William Schluter (R-Warren/Hunterdon/Mercer) and Joseph Littell (R-Sussex/Hunterdon/Morris) and Assemblyman Leonard Lance (R-Warren/Hunterdon/Mercer) requires the release of water from the Spruce Run and Round Valley reservoirs into the south branch of the Raritan River for the purpose of supporting recreational water use. Additionally, there is an appropriation for \$350,000 that creates a non-lapsing fund to defray the expense in releasing water from the Round Valley reservoir incurred by the New Jersey Water Supply Authority.

A-3039, sponsored by Senator Robert Singer (R-Burlington/Monmouth/Ocean) and Assemblymen Jeffrey Moran (R-Atlantic/Burlington/Ocean) and Anthony Impreveduto (D-Bergen/Hudson) allows any mortician who holds a license or certification from another state to become licensed in New Jersey through endorsement provided he has met education and experience requirements substantially equivalent to the requirements of current New Jersey law.