

40:37C-1 et al

**LEGISLATIVE HISTORY CHECKLIST**

**NJSA:** 40:37C-1 et al (Pollution Control Financing Law-permit creation of financing authorities')

**LAWS OF:** 1983

**CHAPTER:** 298

**Bill No:** A1161

**Sponsor(s):** McEnroe

**Date Introduced:** March 15, 1982

**Committee:** **Assembly:** Energy and Natural Resources

**Senate:** Energy and Environment

**Amended during passage:** NO

**Date of Passage:** **Assembly:** June 28, 1982

**Date of Approval:** **Senate:** June 23, 1983  
August 8, 1983

**Following statements are attached if available:**

**Sponsor statement:** Yes

**Committee statement:** **Assembly** Yes

**Senate** Yes

**Fiscal Note:** Yes

**Veto Message:** No

**Message on Signing:** No

**Following were printed:**

**Reports:** No

**Hearings:** No

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JUN 23 1983

ASSEMBLY, No. 1161

STATE OF NEW JERSEY

INTRODUCED MARCH 15, 1982

By Assemblyman McENROE

Referred to Committee on Energy and Natural Resources

AN Act to amend the title of "An act concerning the authorization, acquisition, financing, selling, and leasing of industrial pollution control facilities; authorizing the creating of industrial pollution control financing authorities; defining the powers thereof; authorizing the issuance of bonds and notes by such authorities for financing industrial pollution control facilities; and providing for the terms and security thereof," approved January 9, 1974 (P. L. 1973, c. 376), so that the same shall read "An act concerning the authorization, acquisition, financing, selling, and leasing of pollution control facilities; authorizing the creating of pollution control financing authorities; defining the powers thereof; authorizing the issuance of bonds and notes by such authorities for financing pollution control facilities; and providing for the terms and security thereof," and to amend the body of said act.

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

1 1. The title of P. L. 1973, c. 376 is amended to read as follows:

2 An act concerning the authorization, acquisition, financing, sell-  
3 ing, and leasing of **[industrial]** pollution control facilities; autho-  
4 rizing the creating of **[industrial]** pollution control financing  
5 authorities; defining the powers thereof; authorizing the issuance  
6 of bonds and notes by such authorities for financing **[industrial]**  
7 pollution control facilities; and providing for the terms and  
8 security thereof.

1 2. Section 1 of P. L. 1973, c. 376 (C. 40:37C-1) is amended to  
2 read as follows:

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

Matter printed in italics *thus* is new matter.

3 1. This act shall be known and may be cited as the "New Jersey  
4 **[Industrial]** Pollution Control Financing Law."

1 3. Section 2 of P. L. 1973, c. 376 (C. 40:37C-2) is amended to read  
2 as follows:

3 2. The Legislature hereby finds and declares that there is an  
4 urgent need to protect and enhance the quality of the natural en-  
5 vironment; that to reduce, abate and prevent environmental  
6 pollution, quality standards have been and will be established  
7 necessitating the employment of devices, equipment and facilities  
8 for the collection, reduction, treatment and disposal of gaseous,  
9 liquid and solid wastes or other contaminants deriving from the  
10 operation of public utility, industrial, manufacturing, warehousing,  
11 commercial, office and research facilities, *and residential units; that*  
12 *the prompt construction of pollution control facilities, including*  
13 *resource recovery facilities, is in the public interest; that it is*  
14 desirable to provide additional and alternative methods of financing  
15 the costs of the acquisition and installation of the devices, equip-  
16 ment and facilities required to comply with the quality standards  
17 which will accelerate the abatement process; and that the alterna-  
18 tive method of financing provided in this act is in the public interest  
19 and serves a public purpose in encouraging the protection of the  
20 health, welfare and safety of the citizens of this State.

1 4. Section 3 of P. L. 1973, c. 376 (C. 40:37C-3) is amended to  
2 read as follows:

3 3. In this act, unless the context otherwise clearly requires, the  
4 terms used herein shall have the meanings ascribed to them as  
5 follows:

6 "Act" means this New Jersey **[Industrial]** Pollution Control  
7 Financing Law.

8 "Authority" means **[an industrial]** a pollution control financing  
9 authority created pursuant to this act**[:]**.

10 "Bonds" means any notes, bonds and other evidences of indebt-  
11 edness or obligations of any agency.

12 "County" means any county of any class.

13 "Governing body" means the board of chosen freeholders.

14 "Person" means any individual, partnership, firm, company,  
15 corporation, public utility, association, trust, estate, or any other  
16 legal entity, or their legal representative, agent or assigns.

17 "Pollution" means any form of environmental pollution deriving  
18 from the operation of public utility, industrial, manufacturing,  
19 warehousing, commercial, office or research facilities, *or deriving*  
20 *from the disposal of solid waste generated at residences, hotels,*  
21 *apartments or any other public or private buildings, including, but*

22 not limited to, water pollution, air pollution, pollution caused by  
23 solid waste disposal, thermal pollution, radiation contamination,  
24 or noise pollution as determined by the various standards pre-  
25 scribed by this State or the Federal Government and including,  
26 but not limited to, anything which is considered as pollution or  
27 environmental damage pursuant to the laws, rules and regulations  
28 administered by the Department of Environmental Protection as  
29 established by P. L. 1970, c. 33 (C. 13:1D-1 et seq.), and any  
30 amendments and supplements thereto.

31 "Pollution control facilities" means any structures, facilities,  
32 systems, fixtures, lands and rights in lands, improvements, appur-  
33 tenances, machinery, equipment or any combination thereof de-  
34 signed and utilized *for the purpose of resource recovery or for the*  
35 *purpose of reducing, abating or preventing pollution, deriving from*  
36 *the operation of public utility, industrial, manufacturing, ware-*  
37 *housing, commercial, office or research facilities and provided that*  
38 *the State Department of Environmental Protection and the [board*  
39 *of freeholders] governing body of the county certify that any such*  
40 *facility does not conflict with, overlap or duplicate any other*  
41 *planned or existing pollution control facilities undertaken or*  
42 *planned by another public agency or authority.*

43 "Project costs" as applied to pollution control facilities financed  
44 under the provisions of this act means the sum total of all reason-  
45 able or necessary costs incident to the acquisition, construction,  
46 reconstruction, repair, alteration, improvement and extension of  
47 such pollution control facilities including, but not limited to, the cost  
48 of studies and surveys; plans, specifications, architectural and  
49 engineering services; organization, marketing or other special  
50 services; legal financing, acquisition, demolition, construction,  
51 equipment and site development of new and rehabilitated buildings;  
52 rehabilitation, reconstruction, repair or remodeling of existing  
53 buildings, fixtures, machinery and equipment; insurance premiums;  
54 and all other necessary and incidental expenses including an initial  
55 bond and interest reserve together with interest on bonds issued  
56 to finance such pollution control facilities to a date 6 months subse-  
57 quent to the estimated date of completion and such other reserves  
58 as may be required by resolution of an agency.

59 "*Resource recovery*" means *the collection, separation, recycling*  
60 *and recovery of metals, glass, paper and other materials for reuse*  
61 *or for energy production.*

1 5. Section 4 of P. L. 1973, c. 376 (C. 40:37C-4) is amended to  
2 read as follows:

3 4. a. Any county may create an authority under the provisions  
4 of this act which shall be a public body corporate and politic and a

5 political subdivision of the State for the purpose of acquiring;  
6 constructing, reconstructing, repairing, altering, improving, extend-  
7 ing, owning, leasing, financing, selling, maintaining, operating and  
8 disposing of pollution control facilities within such county provided  
9 that, *with respect to any pollution control facility which is not en-*  
10 *gaged in resource recovery*, the Department of Environmental Pro-  
11 tection certifies that the proposed undertaking of the authority is  
12 the proper method of solving the problem under consideration *and*  
13 *provided further that, with respect to any pollution control facility*  
14 *which is engaged in resource recovery, the facility conforms to the*  
15 *Statewide solid waste management plan and the applicable district*  
16 *solid waste management plan and has an approved registration*  
17 *statement and engineering design pursuant to section 5 of P. L.*  
17A *1970, c. 39 (C. 13:1E-5).*

18 b. The authority shall be created by resolution and shall be  
19 known as the “[Industrial] Pollution Control Financing Authority  
20 of . . . . .,” inserting all or any significant part of  
21 the name of the county creating the authority. The authority shall  
22 constitute an agency and instrumentality of the county creating it.

23 c. An authority shall consist of five members appointed by reso-  
24 lution of the governing body of the county which created such  
25 authority.

26 Members shall serve for terms of 5 years, provided that the  
27 members first appointed shall be designated by the resolution of  
28 appointment to serve for terms expiring on the first days of the  
29 first, second, third, fourth and fifth Februarys next ensuing after  
30 such appointment. Each member shall hold office for the term  
31 of his appointment and until his successor shall have been ap-  
32 pointed and qualified. Any vacancy shall be filled in the same man-  
33 ner as the original appointment but for the unexpired term only.

34 d. The governing body of any county which has created an au-  
35 thority may dissolve the authority by resolution on condition that  
36 the authority has no debts or obligations outstanding or that provi-  
37 sion has been made for the retirement of such debts or obligations.  
38 Upon any such dissolution, all property, funds and assets of the  
39 authority shall be vested in the county which created the authority.

40 e. A certified copy of each resolution creating or dissolving an  
41 authority and each resolution appointing members thereto shall  
42 be filed in the office of the Secretary of State. A copy of any such  
43 certified resolution, certified by or on behalf of the Secretary of  
44 State, shall be conclusive evidence of the due and proper creation or  
45 dissolution of the authority or the due and proper appointment of  
46 the member or members named therein.

47 f. The powers of an authority shall be vested in the members  
48 thereof from time to time and three members shall constitute a  
49 quorum. Action may be taken and motions and resolutions adopted  
50 by an agency at any meeting thereof by the affirmative vote of at  
51 least three members of the authority.

52 No vacancy in the membership of an authority shall impair the  
53 right of a quorum of the members thereof to exercise all the powers  
54 and perform all the duties of the authority.

55 g. At the first meeting of any authority and thereafter on or  
56 after February 1 in each year, the members shall elect from among  
57 their number a chairman and vice chairman who shall hold office  
58 until February 1 next ensuing and until their respective successors  
59 have been appointed and qualified. Every authority also may  
60 appoint, without regard to the provisions of Title 11 of the Revised  
61 Statutes, a secretary, treasurer and such other officers, agents and  
62 employees as it may require.

63 h. The members of an authority shall serve without compen-  
64 sation, but the authority shall reimburse its members for actual  
65 expenses necessarily incurred in the discharge of their official  
66 duties.

67 i. No member, officer or employee of an authority, nor member  
68 of their family, shall have or acquire any interest, direct or indirect  
69 in any pollution control facilities undertaken or planned by the  
70 authority or in any contract or proposed contract for materials  
71 or services to be furnished to or used by the authority, but neither  
72 the holding of any office or employment in the government of any  
73 county or municipality or under any law of the State shall be  
74 deemed a disqualification for membership in or employment by an  
75 authority, except as may be specifically provided by law, and mem-  
76 bers of the governing body of a county may be appointed by such  
77 governing body and may serve as members of the authority. A  
78 member may be removed only by the governing body by which he  
79 was appointed for inefficiency or neglect of duty or misconduct in  
80 office or conviction of a crime, and after he shall have been given  
81 a copy of the charges against him and, not sooner than 10 days  
82 thereafter, had the opportunity in person or by counsel to be heard  
83 thereon by such governing body.

1 6. Section 5 of P. L. 1973, c. 376 (C. 40:37C-5) is amended to  
2 read as follows:

3 5. The authority shall have the following powers together with  
4 all powers incidental thereto or necessary for the performance  
5 thereof:

6 a. To have perpetual succession as a public body corporate and  
7 politic;

- 8     b. To adopt [by laws] *bylaws* for the regulation of its affairs  
9 and the conduct of its business;
- 10     c. To sue and to be sued;
- 11     d. To have and to use a corporate seal and to alter the same at  
12 pleasure;
- 13     e. To maintain an office at such place or places within the  
14 county as it may designate;
- 15     f. To acquire after a public notice has been given at least 20 days  
16 prior thereto in a newspaper of general circulation in the area  
17 served by the authority, in the name of the authority by purchase  
18 or otherwise, on such terms and conditions and in such manner as  
19 it may deem proper any land and other property which it may  
20 determine is reasonably necessary for any of its pollution control  
21 facilities[.];
- 22     g. To determine, with the approval of the State Department of  
23 Environmental Protection, the location and manner of construction  
24 of pollution control facilities to be financed under the provisions  
25 of this act, and to acquire, construct, reconstruct, repair, alter,  
26 improve, extend, own, lease, finance, sell, maintain and dispose of  
27 the same and to enter into contracts for any and all of such pur-  
28 poses, and to designate persons as its employees and agents to  
29 accomplish the same;
- 30     h. To lease to a person or persons any or all of the pollution  
31 control facilities upon such terms, conditions and guarantees as the  
32 authority shall deem proper, and to charge and collect rent and  
33 fees therefor and to terminate any such lease upon the failure of  
34 the lessee to comply with any of the obligations thereof; and to  
35 include in any such lease, if desired, provisions that the lessee or  
36 lessees thereof, and any guarantor of such lease, shall have upon  
37 the termination of the lease term options to renew the term of the  
38 lease for such period or periods and at such rent as shall be de-  
39 termined by the authority or to purchase any or all of the pollution  
40 control facilities for a nominal amount or otherwise or that upon  
41 payment of all of the indebtedness incurred by the authority for the  
42 financing of such pollution control facilities of the authority may  
43 convey any or all of the pollution control facilities to the lessee  
44 or lessees thereof;
- 45     i. To sell to a person or persons any or all of the pollution con-  
46 trol facilities upon such terms and conditions as the authority shall  
47 deem proper including the right to receive for such sale the note  
48 or notes of the person or persons purchasing the facility;
- 49     j. To acquire, hold, pledge, mortgage and dispose of real and  
50 personal property in the exercise of its powers and performance  
51 of its duties under this act;

52 k. To invest and reinvest bond proceeds pending application to  
 53 the purposes for which such bonds were issued and other funds  
 54 under its control, subject only to the provisions of any bond resolu-  
 55 tion, lease or other agreement entered into by such authority;

56 l. To issue bonds in such principal amounts as, in the opinion  
 57 of such authority, shall be necessary to provide sufficient funds to  
 58 carry out the purpose of this act, including the planning, financing,  
 59 acquisition, construction and other project costs of pollution control  
 60 facilities, the payment of interest on the bonds of the authority,  
 61 the provision for working capital and all other expenditures of the  
 62 agency incident to and necessary or convenient for carrying out its  
 63 purposes and powers and to refund the same, all as provided for  
 64 in this act;

65 m. To employ engineers, architects, attorneys, accountants, con-  
 66 struction and financial experts, superintendents, managers and  
 67 such other employees and agents, without regard to the provisions  
 68 of Title 11, **Civil Service** of the Revised Statutes, as may be  
 69 necessary in its judgment and to fix their compensation;

70 n. To receive and accept from any public agency loans or grants  
 71 for or in aid of the construction of pollution control facilities and  
 72 any portion thereof, or for equipping the same, and to receive and  
 73 accept grants, gifts or other contributions from any source;

74 o. To refund, after public notice has been given, outstanding  
 75 obligations incurred by any agency or any person to finance the  
 76 cost of pollution control facilities, including obligations incurred  
 77 for pollution control facilities undertaken and completed after the  
 78 enactment of this act when the authority finds that such financing  
 79 is in the public interest; **[and]**

80 *p. To extend credit or make loans to any person in order to pay*  
 81 *or provide for the payment of any project costs of a pollution con-*  
 82 *trol facility; and*

83 **[p.] q.** To do all things necessary and convenient to carry out  
 84 the purposes of this act.

1 7. Section 8 of P. L. 1973, c. 376 (C. 40:37C-8) is amended to  
 2 read as follows:

3 8. All bonds issued by an authority may be issued as serial bonds  
 4 or as term bonds or a combination of both types. Such bonds shall  
 5 be payable solely out of the revenues and receipts derived from the  
 6 leasing or sale by the authority of the pollution control facilities  
 7 acquired with the proceeds thereof as may be designated in the  
 8 proceedings under which the bonds shall be authorized to be issued  
 9 *or from the loan and security agreements or other instruments*  
 10 *entered into between an authority and the person to whom the*



11 *proceeds of the bonds have been loaned for the purpose of paying*  
12 *any of the project costs of a pollution control facility.* Such bonds  
13 may be executed and delivered by the authority at any time and  
14 from time to time, bear such date or dates, mature at such time  
15 or times, bear interest at such rate or rates, be in such denomina-  
16 tions, be in such form, either coupon or registered, carry such  
17 registration privileges, be executed in such manner, be payable  
18 in such medium of payment, at such place or places, be subject to  
19 such terms of redemption, be executed by the manual or facsimile  
20 signatures of such officers of the authority and contain such pro-  
21 visions not inconsistent herewith, all as shall be provided in the  
22 proceedings of the authority. If deemed advisable by the authority,  
23 there may be retained in the proceedings under which any bonds  
24 are authorized to be issued a right or option to redeem all or any  
25 part thereof as may be specified in such proceedings, at such price  
26 or prices and after such notice or notices and on such terms and  
27 conditions as may be set forth in such proceedings, but nothing  
28 herein contained shall be construed to confer on any authority the  
29 right or option to redeem any bonds except as may be provided in  
30 the proceedings under which they shall be issued. Any bonds may  
31 be sold at public or private sale for such price or prices and in such  
32 manner and at such time or times as may be determined by the  
33 authority and the authority may pay all expenses, premiums and  
34 commissions which it may deem necessary or advantageous in con-  
35 nection with the issuance thereof. Issuance by the authority of one  
36 or more series of bonds for one or more purposes shall not pre-  
37 clude it from issuing other bonds in connection with the same  
38 pollution control facilities or any other pollution control facilities  
39 or for any other purpose hereunder, but the proceedings where-  
40 under any subsequent bonds may be issued shall recognize and  
41 protect any prior pledge made for any prior issue of bonds. Any  
42 bonds at any time outstanding may at any time and from time to  
43 time be refunded by the issuance of refunding bonds in such amount  
44 as the authority may deem necessary but not exceeding an amount  
45 sufficient to refund the principal of the bonds so to be refunded,  
46 together with any unpaid interest thereon and any premiums,  
47 commissions, service fees and other expenses necessary to be paid  
48 in connection therewith. Any such refunding may be effected  
49 whether the bonds to be refunded shall have then matured or  
50 shall thereafter mature, either by sale of the refunding bonds and  
51 the application of the proceeds thereof for the payment of the  
52 bonds to be refunded thereby, or by the exchange of the refunding  
53 bonds for the bonds to be refunded thereby with the consent of all

54 or so many of the holders of the bonds so to be refunded as may be  
55 determined and regardless of whether or not the bonds to be re-  
56 funded were issued in connection with the same pollution control  
57 facilities or separate pollution control facilities or for any other  
58 purpose hereunder, and regardless of whether or not the bonds  
59 proposed to be refunded shall be payable on the same date or  
60 different dates or shall be due serially or otherwise. All such bonds  
61 and the interest coupons applicable thereto, if any, are hereby  
62 made and shall be construed to be negotiable instruments within  
63 the meaning, and for all purposes, of Title 12A, Commercial  
64 Transactions, of the New Jersey Statutes (N. J. S. 12A:1-101  
65 et seq.) with the exception of any provisions thereof pertaining to  
66 registration.

1 8. Section 9 of P. L. 1973, c. 376 (C. 40:37C-9) is amended to  
2 read as follows:

3 9. The principal of and interest and premiums, if any, on any  
4 bonds issued by an authority shall be secured by a mortgage or  
5 pledge of the revenues and receipts out of which the same shall be  
6 made payable and may be secured by the pledge of all or any part  
7 of the assets of such authority, subject to such agreements with  
8 bondholders as may then prevail, *or such bonds of the authority*  
9 *may be secured by loan and security agreements or any other*  
10 *instrument upon terms and conditions as the authority shall deem*  
11 *reasonable, including provision for the establishment and main-*  
12 *tenance of reserve and insurance funds; provided that any such*  
13 *agreement or instrument shall provide for payments at least ade-*  
14 *quate to pay the principal of and interest and premiums, if any, on*  
15 *bonds issued to finance pollution control facilities as they become*  
16 *due and payable.* The resolution under which the bonds are autho-  
17 rized to be issued may contain any agreements and provisions  
18 respecting the maintenance of the properties covered thereby;  
19 the fixing, collection and use of rents for any portions thereof  
20 leased by the authority to others; the determination, collection  
21 and application of payments to be received for the sale of any  
22 properties covered thereby; the creation and maintenance of special  
23 funds from such revenues or receipts and the limitations on the  
24 purpose to which the proceeds from the sale of the bonds may be  
25 applied and pledging such proceeds to secure the payment of the  
26 bonds; the limitations on the issuance of additional bonds and on  
27 the refunding of outstanding or other bonds; the procedure, if  
28 any, by which the terms of any such agreement may be amended  
29 or abrogated; and the rights and remedies available in the event  
30 of default, including the designation of a trustee, all as the author-

31 -ity shall deem advisable and not in conflict with the provisions  
32 hereof. Each pledge and agreement made for the benefit or security  
33 of any of the bonds of the authority shall continue effective until the  
34 principal of and interest and premiums, if any, on the bonds for  
35 the benefit of which the same were made shall have been fully paid  
36 or provision for such payment duly made. In the event of default  
37 in such payment or in any agreement of the authority made as a  
38 part of the contract under which the bonds were issued, whether  
39 contained in the proceedings authorizing the bonds or in any in-  
40 denture executed as security therefor, said payment or agreement  
41 may be enforced by suit, action in lieu of prerogative writ, or the  
42 appointment of a receiver in equity, or any one or more of said  
43 remedies.

44-64 As further security for the bonds, an authority may enter into  
65 contracts of insurance assuring that the principal of and interest on  
66 such bonds will be paid and that rental payments, installment  
67 payments or other payments to be made by the user of the facilities  
68 will be made; provided, however, that the authority shall not be  
69 obligated under the terms of such policy to any greater extent than  
70 allowed by the provisions of this act. The cost of any such insurance  
71 contract may be paid out of the proceeds of the sale of the bonds so  
72 insured.

1 9. This act shall take effect immediately.

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#### STATEMENT

The purposes of this bill are to include resource recovery facilities as a new class of pollution control facilities for which authorities, acting under the "Industrial Pollution Control Financing Law," P. L. 1973, c. 376 (C. 40:37C-1 et seq.), may extend credit or make loans for any project costs and to provide more flexible financing arrangements for all pollution control facilities. The addition of resource recovery facilities to those facilities which may be financed fully under the auspices of the law is necessary and desirable as an added encouragement to their construction. Resource recovery facilities serve the useful purposes of separating recyclable goods from other wastes and of incinerating waste, for purposes of energy production, which would otherwise be placed in New Jersey's overburdened landfills. Thus, resource recovery facilities not only serve to protect the environment, but also provide a new and useful way to contribute to the State's energy needs.

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31 ity shall deem advisable and not in conflict with the provisions  
 32 hereof. Each pledge and agreement made for the benefit or security  
 33 of any of the bonds of the authority shall continue effective until the  
 34 principal of and interest and premiums, if any, on the bonds for  
 35 the benefit of which the same were made shall have been fully paid  
 36 or provision for such payment duly made. In the event of default  
 37 in such payment or in any agreement of the authority made as a  
 38 part of the contract under which the bonds were issued, whether  
 39 contained in the proceedings authorizing the bonds or in any in-  
 40 denture executed as security therefor, said payment or agreement  
 41 may be enforced by suit, action in lieu of prerogative writ, or the  
 42 appointment of a receiver in equity, or any one or more of said  
 43 remedies.

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 65 contracts of insurance assuring that the principal of and interest on  
 66 such bonds will be paid and that rental payments, installment  
 67 payments or other payments to be made by the user of the facilities  
 68 will be made; provided, however, that the authority shall not be  
 69 obligated under the terms of such policy to any greater extent than  
 70 allowed by the provisions of this act. The cost of any such insurance  
 71 contract may be paid out of the proceeds of the sale of the bonds so  
 72 insured.

1 9. This act shall take effect immediately.

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#### STATEMENT

The purposes of this bill are to include resource recovery facilities as a new class of pollution control facilities for which authorities, acting under the "Industrial Pollution Control Financing Law," P. L. 1973, c. 376 (C. 40:37C-1 et seq.), may extend credit or make loans for any project costs and to provide more flexible financing arrangements for all pollution control facilities. The addition of resource recovery facilities to those facilities which may be financed fully under the auspices of the law is necessary and desirable as an added encouragement to their construction. Resource recovery facilities serve the useful purposes of separating recyclable goods from other wastes and of incinerating waste, for purposes of energy production, which would otherwise be placed in New Jersey's overburdened landfills. Thus, resource recovery facilities not only serve to protect the environment, but also provide a new and useful way to contribute to the State's energy needs.

A1161 (1982)

ASSEMBLY ENERGY AND NATURAL RESOURCES  
COMMITTEE

STATEMENT TO  
ASSEMBLY, No. 1161

STATE OF NEW JERSEY

DATED: JUNE 21, 1982

This bill would include resource recovery facilities as a new class of pollution control facilities for which county authorities, acting under the provisions of the "Industrial Pollution Control Financing Law," P. L. 1973, c. 376 (C. 40:37C-1 et seq.), may extend credit or make loans for any project costs and to provide more flexible financing arrangements for all pollution control facilities. The addition of resource recovery facilities to those facilities which may be financed fully under the auspices of the would-be "New Jersey Pollution Control Financing Law" is subject to the conformance of such facilities to the Statewide and applicable district solid waste management plans and an approved registration statement and engineering design for each resource recovery facility.

SENATE ENERGY AND ENVIRONMENT COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 1161**

**STATE OF NEW JERSEY**

DATED: SEPTEMBER 23, 1982

This bill would include resource recovery facilities as a new class of pollution control facilities for which county authorities, acting under the provisions of the "Industrial Pollution Control Financing Law," P. L. 1973, c. 376 (C. 40:37C-1 et seq.), may extend credit or make loans for any project costs and to provide more flexible financing arrangements for all pollution control facilities. The addition of resource recovery facilities to those facilities which may be financed under the auspices of the would-be "New Jersey Pollution Control Financing Law" is subject to the conformance of such facilities to the Statewide and applicable district solid waste management plans and an approved registration statement and engineering design for each resource recovery facility.

FISCAL NOTE TO  
ASSEMBLY, No. 1161

**STATE OF NEW JERSEY**

DATED: JUNE 29, 1982

Assembly Bill No. 1161, of 1982, would include resource recovery facilities as a new class of pollution control facilities for which authorities, acting under the "New Jersey Industrial Pollution Control Law" (P. L. 1973, c. 376) may extend credit or make loans for all project costs and to expand the more flexible financing arrangements to be permitted for resource recovery facilities to all pollution control facilities. The financing of resource recovery facilities would be done via revenue bonds issued by locally created authorities.

The Department of Environmental Protection, in light of the difficulty to judge the degree to which the arrangements in this bill may be used, has attempted to assess the impacts of the bill as follows:

*State Budget Impacts*—the direct impact appears to be minimal; no new resources would be utilized, and no new revenues are expected. There may be a reduction in requests for State financial assistance if the counties use all their options to their fullest.

*Local Budget Impacts*—likely to be small. The bonds to be issued under this law are to be revenue bonds issued by the local pollution control authority, which may reduce or slow the growth of the counties' overall indebtedness, which in turn may lower other borrowing costs.

*Volume of Financing Expected*—Presently, approved plans call for the construction of approximately 20 resource recovery facilities with total costs of \$1 billion to \$1½ billion. Presumably, only a portion of these 20 projects will involve bonding of the type considered by the bill, and it is likely that those which do involve such bonding will not utilize revenue bonds for the total cost. Therefore, it may be reasonable to estimate that less than \$500 million in new revenue bonds would result from these projects.

The Office of Legislative Services concurs.

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In compliance with written request received, there is hereby submitted a fiscal estimate for the above bill, pursuant to P. L. 1980, c. 67.

OFFICE OF THE GOVERNOR

RELEASE: IMMEDIATE

CONTACT: PAUL WOLCOTT

MONDAY, AUGUST 8, 1983

Governor Thomas H. Kean has signed the following bills:

S-1618, sponsored by State Senator Wynona Lipman, D-Essex, which appropriates \$90,000 to the Department of Community Affairs for State aid grants for cultural development for ethnic groups. The three groups to receive grants under the appropriation are the Ironbound Education and Cultural Center, the Leaguers, Inc., and the North Ward Educational and Cultural Center.

A-1161, sponsored by Assemblyman Harry A. McEnroe, D-Essex, which would make resource recovery (recycling) facilities eligible for funding under the Industrial Pollution Control Financing Law. That law permits counties to create authorities to finance and build such facilities. Under this bill those authorities would be able to extend credit or make loans against project costs for resource recovery facilities, provided that they are approved as part of the Statewide solid waste management plan.

A-1812, sponsored by Assemblyman Walter M. D. Kern, R-Bergen, which clarifies the law addressing the docketing of judgments by the Clerk of the Superior Court to provide for the automatic docketing of judgments or orders to pay counsel fees or other costs and fees.

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