

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

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

REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: Yes

"Murphy signs legislation banning oil and gas exploration off NJ coast," NJBIZ, 4-20-2018

"New Jersey governor signs drill ban to thwart Trump plan," Associated Press: Neptune Metro Area, 4-20-2018

"New Jersey governor signs drill ban to thwart Trump plan," Associated Press State Wire: New Jersey, 4-20-2018

"Murphy takes steps to prevent oil, gas drilling off coast," The Star-Ledger, 4-21-2018

"Politics," South Jersey Times, 4-21-2018

"Murphy takes steps to prevent oil, gas drilling off coast," The Times, 4-21-2018

"Politics," Jersey Journal, 4-21-2018

"Murphy signs ban on offshore oil drilling - law makes it difficult for feds to extract oil, gas," The Record, 4-21-2018

"Murphy signs offshore drilling ban into law - Murphy signs offshore drilling ban into law," The Press of Atlantic City, 4-21-2018

"Murphy signs drill ban to thwart Trump plan," Burlington County Times, 4-22-2018

RWH/JA

P.L. 2018, CHAPTER 7, *approved April 20, 2018*
Assembly, No. 839 (*Second Reprint*)

1 AN ACT concerning offshore ¹**[drilling for]** oil and natural gas
2 exploration, development, and production,¹ and supplementing
3 Title 13 of the Revised Statutes.

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

7
8 ¹1. This act shall be known and may be cited as the “Shore
9 Tourism and Ocean Protection from Offshore Oil and Gas Act” or
10 “STOP Offshore Oil and Gas Act.”¹

11
12 ¹2. The Legislature finds and declares that:

13 a. The Jersey Shore is a vital component of New Jersey’s annual
14 \$38 billion tourism industry; its 127-mile shoreline provides endless
15 opportunities for recreation; and its tidal waters are home to
16 countless animal and plant species and support a billion dollar
17 commercial and recreational fishing industry;

18 b. The State holds in trust for the people of the State those lands
19 flowed by tidal waters to the mean high water mark so that its
20 residents can use and enjoy the State's tidal waters and adjacent
21 shorelines for recreational uses, including, but not limited to,
22 bathing, swimming, fishing, and other shore-related activities;

23 c. The State has primary jurisdiction over the management of
24 coastal and ocean natural resources within three nautical miles of its
25 coastline, and from three nautical miles seaward to the boundary of
26 the 200-mile exclusive economic zone, the federal government has
27 primary jurisdiction. Since protection, conservation, and
28 development of the natural resources in the exclusive economic
29 zone directly affect New Jersey’s economy and environment, the
30 State has an inherent interest in how these resources are managed;

31 d. In 2010, a single rig located in the exclusive economic zone,
32 BP’s Deepwater Horizon, released an estimated 170 million gallons
33 of oil into ocean waters, severely impacting more than 600 miles of
34 shoreline, resulting in numerous beach closings, harming countless
35 numbers of marine mammals, fish, shellfish, marine birds, and other
36 wildlife, and causing an estimated loss of more than a billion dollars

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:

¹Assembly AEN committee amendments adopted February 1, 2018.

²Senate SEN committee amendments adopted March 5, 2018.

1 to the commercial fishing industry and an estimated loss of more
 2 than \$22 billion dollars to the tourism industry in Gulf States; and

3 e. Therefore, oil and natural gas exploration, development, and
 4 production both in New Jersey waters and in the exclusive
 5 economic zone proximate to New Jersey waters or the Gulf Stream
 6 to the south of New Jersey waters, poses a serious and unacceptable
 7 risk to the coastal resources of the State, the water quality of State
 8 waters, and the continued viability of the State's shore tourism and
 9 commercial fishing industries.¹

10
 11 ¹**[1.]** 3. a.¹ Notwithstanding the provisions of any other law,
 12 rule, or regulation to the contrary ¹**[.,.]** :

13 (1)¹ offshore ²**[drilling for]**² oil or natural gas ²exploration,
 14 development, and production² shall be prohibited in State waters ¹;
 15 and

16 (2) no tidal or submerged lands in State waters shall be leased for
 17 the purposes of oil or natural gas exploration, development, or
 18 production¹ .

19 ¹**b.**¹ The Department of Environmental Protection shall not ¹;

20 (1)¹ issue any permit or other approval pursuant to the "Coastal
 21 Area Facility Review Act," P.L.1973, c.185 (C.13:19-1 et seq.),
 22 R.S.12:5-3, the federal "Coastal Zone Management Act of 1972," 16
 23 U.S.C. s.1451 et seq., or any other State or federal law, rule, or
 24 regulation, for ²**[the]** any² development ²**[of any facility, or related**
 25 **infrastructure,]**² associated with offshore drilling for oil or natural gas,
 26 whether proposed for in State waters or outside of State waters ¹;

27 (2) permit, approve, or otherwise authorize any oil or natural gas
 28 exploration, development, or production in State waters; or

29 (3) develop, adopt, or endorse any plans for the exploration,
 30 development, or production of oil and natural gas in State waters¹ .

31 ²**c.** As used in this section, "development" means, but is not
 32 necessarily limited to, any pipeline or other infrastructure that
 33 transports oil or natural gas from production facilities located in
 34 federal waters or other coastal state waters in the Atlantic Ocean
 35 through New Jersey State waters, and any land-based support facilities
 36 for offshore oil or natural gas production facilities located in the
 37 Atlantic Ocean.²

38
 39 ¹**4. a.** The Department of Environmental Protection shall
 40 implement the provisions of section 3 of this act through the
 41 enforceable policies of the State, including, but not limited to, any
 42 rules and regulations adopted pursuant to R.S.12:5-3.

43 b. Within 30 days after the effective date of this act, the
 44 Commissioner of Environmental Protection shall submit this act to
 45 the National Oceanic and Atmospheric Administration under the
 46 provisions of the federal "Coastal Zone Management Act of 1972,"

1 as amended, 16 U.S.C. s.1451 et seq., for incorporation into the
2 enforceable policies of the approved State coastal management
3 program.¹
4

5 ¹5. The Department of Environmental Protection shall review any
6 proposed oil or natural gas lease, license, permit, or plan for
7 exploration, development, or production of oil and natural gas in the
8 ²[Mid-Atlantic or South]² Atlantic ²[regions] region² of the
9 exclusive economic zone of the United States to determine if the
10 proposal can reasonably be expected to affect State waters, particularly
11 in terms of proximity to State waters or to the Gulf Stream south of
12 State waters. Whenever a review pursuant to this section results in an
13 affirmative finding, the commissioner shall advise the Governor
14 thereof and take all actions necessary to initiate a consistency review
15 under the federal “Coastal Zone Management Act of 1972,” as
16 amended, 16 U.S.C. s.1451 et seq.¹
17

18 ¹[2.] 6.¹ This act shall take effect immediately.
19
20

21 _____
22
23 Prohibits offshore oil and gas exploration, development, and
24 production in State waters, and issuance of DEP permits and
25 approvals for activities associated with offshore oil and gas
26 activities.

ASSEMBLY, No. 839

STATE OF NEW JERSEY 218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

Sponsored by:

Assemblyman R. BRUCE LAND

District 1 (Atlantic, Cape May and Cumberland)

Assemblyman BOB ANDRZEJCZAK

District 1 (Atlantic, Cape May and Cumberland)

Assemblyman VINCENT MAZZEO

District 2 (Atlantic)

Assemblyman NICHOLAS CHIARAVALLOTI

District 31 (Hudson)

Co-Sponsored by:

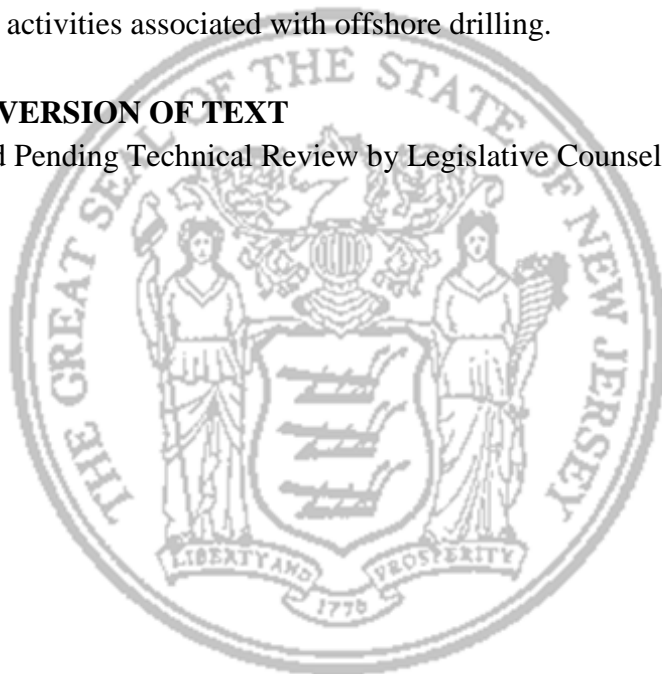
**Assemblymen Johnson, Eustace, Assemblywomen Pinkin, Downey and
Assemblyman Houghtaling**

SYNOPSIS

Prohibits offshore drilling in State waters and issuance of DEP permits and approvals for activities associated with offshore drilling.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 2/2/2018)

1 AN ACT concerning offshore drilling for oil and natural gas and
2 supplementing Title 13 of the Revised Statutes.

3

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

6

7 1. Notwithstanding the provisions of any other law, rule, or
8 regulation to the contrary, offshore drilling for oil or natural gas
9 shall be prohibited in State waters. The Department of
10 Environmental Protection shall not issue any permit or other
11 approval pursuant to the "Coastal Area Facility Review Act,"
12 P.L.1973, c.185 (C.13:19-1 et seq.), R.S.12:5-3, the federal "Coastal
13 Zone Management Act of 1972," 16 U.S.C. s.1451 et seq., or any
14 other State or federal law, rule, or regulation, for the development
15 of any facility, or related infrastructure, associated with offshore
16 drilling for oil or natural gas, whether proposed for in State waters
17 or outside of State waters.

18

19 2. This act shall take effect immediately.

20

21

22 STATEMENT

23

24 This bill would prohibit offshore drilling for oil or natural gas in
25 State waters and prohibit the Department of Environmental
26 Protection (DEP) from issuing any permits and approvals for the
27 development of any facility, or related infrastructure, associated
28 with offshore drilling in State waters or outside State waters.

29

30 On April 28, 2017, President Trump signed Executive Order No.
31 13795 entitled "Implementing an America-First Offshore Energy
32 Strategy." This executive order seeks to encourage oil and natural gas
33 production off the Atlantic coast. Opening up the Atlantic Ocean for
34 offshore drilling would put at risk beaches, fisheries, and marine life
35 all along the coast. An oil spill, like the BP Deepwater Horizon Oil
36 spill of 2010 in Louisiana, would damage the fragile marine
37 ecosystem, kill off endangered and threatened species of fish and
38 wildlife, and poison the many types of fish and shellfish that New
39 Jersey residents and visitors eat and harvest for sale. It would also
40 cause catastrophic and lasting economic harm to the Jersey Shore,
41 which supports a tourism industry worth \$38 billion annually, and
42 reduce the quality of life for New Jersey's residents. Consequently, it
43 is in the best interests of this State to prohibit offshore drilling for oil
or natural gas.

ASSEMBLY ENVIRONMENT AND SOLID WASTE
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 839

with committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 1, 2018

The Assembly Environment and Solid Waste Committee reports favorably and with committee amendments Assembly Bill No. 839.

As amended by the committee, this bill would prohibit offshore drilling for oil or natural gas in State waters, and prohibit the leasing of tidal or submerged lands in State waters for the purposes of oil or natural gas exploration, development, or production.

The bill would prohibit the Department of Environmental Protection (DEP) from issuing any permits and approvals for the development of any facility, or related infrastructure, associated with offshore drilling in State waters or outside State waters. The bill would also prohibit the DEP from permitting, approving, or otherwise authorizing any oil or natural gas exploration, development, or production in State waters, and from developing, adopting, or endorsing any plans for the exploration, development, or production of oil and natural gas in State waters.

The bill directs the DEP to implement the provisions of the bill through the enforceable policies of the State, including, but not limited to, any rules and regulations adopted pursuant to R.S.12:5-3, commonly referred to as the "Waterfront Development Law." The bill also directs the DEP Commissioner to submit this bill, within 30 days after enactment, to the National Oceanic and Atmospheric Administration under the provisions of the federal "Coastal Zone Management Act of 1972" for incorporation into the enforceable policies of the approved State coastal management program.

Lastly, the bill would require the DEP to review any proposed oil or natural gas lease, license, permit, or plan for exploration, development, or production of oil and natural gas in the Mid-Atlantic or South Atlantic regions of the U.S. exclusive economic zone to determine if the proposal can reasonably be expected to affect State waters, particularly in terms of proximity to State waters or to the Gulf Stream south of State waters. Whenever such a review results in an affirmative finding, the commissioner would be required to advise the Governor thereof and take all actions necessary to initiate a

consistency review under the federal “Coastal Zone Management Act of 1972.”

This bill was pre-filed for introduction in the 2018-2019 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

COMMITTEE AMENDMENTS

The committee amendments to the bill:

(1) add a short title and findings and declarations section to the bill;

(2) expand the bill to prohibit the leasing of tidal or submerged lands in State waters for the purposes of oil or natural gas exploration, development, or production;

(3) prohibit the DEP from permitting, approving, or otherwise authorizing any oil or natural gas exploration, development, or production in State waters;

(4) prohibit the DEP from developing, adopting, or endorsing any plans for the exploration, development, or production of oil and natural gas in State waters;

(5) direct the DEP to implement the provisions of the bill through the enforceable policies of the State, including, but not limited to, any rules and regulations adopted pursuant to R.S.12:5-3 (the “Waterfront Development Law”), and require the DEP Commissioner to submit the bill, within 30 days after enactment, to the National Oceanic and Atmospheric Administration under the provisions of the federal “Coastal Zone Management Act of 1972” for incorporation into the enforceable policies of the approved State coastal management program; and

(6) require the DEP to review any proposed oil or natural gas lease, license, permit, or plan for exploration, development, or production of oil and natural gas in the Mid-Atlantic or South Atlantic regions of the U.S. exclusive economic zone to determine if the proposal can reasonably be expected to affect State waters, and take certain actions when an affirmative finding is made.

SENATE ENVIRONMENT AND ENERGY COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 839

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 5, 2018

The Senate Environment and Energy Committee favorably reports Assembly Bill No. 839 (1R) with committee amendments.

This bill, as amended, would prohibit offshore oil or natural gas exploration, development, and production in State waters, and prohibit the leasing of tidal or submerged lands in State waters for the purposes of oil or natural gas exploration, development, or production.

Additionally, the bill, as amended, would prohibit the Department of Environmental Protection (DEP) from issuing any permits and approvals for any development associated with offshore drilling in State waters or outside State waters. The bill would also prohibit the DEP from permitting, approving, or otherwise authorizing any oil or natural gas exploration, development, or production in State waters, and from developing, adopting, or endorsing any plans for the exploration, development, or production of oil and natural gas in State waters.

The bill directs the DEP to implement the provisions of the bill through the enforceable policies of the State, including, but not limited to, any rules and regulations adopted pursuant to R.S.12:5-3, commonly referred to as the “Waterfront Development Law.” The bill also directs the DEP Commissioner to submit this bill, within 30 days after enactment, to the National Oceanic and Atmospheric Administration under the provisions of the federal “Coastal Zone Management Act of 1972” for incorporation into the enforceable policies of the approved State coastal management program.

Lastly, the bill, as amended, would require the DEP to review any proposed oil or natural gas lease, license, permit, or plan for exploration, development, or production of oil and natural gas in the Atlantic region of the U.S. exclusive economic zone to determine if the proposal can reasonably be expected to affect State waters, particularly in terms of proximity to State waters or to the Gulf Stream south of State waters. Whenever such a review results in an affirmative finding, the commissioner would be required to advise the Governor thereof and take all actions necessary to initiate a

consistency review under the federal “Coastal Zone Management Act of 1972.”

The committee amendments to the bill would:

(1) specify that oil and natural gas exploration, development, and production are prohibited in State waters;

(2) define the term “development” to include any pipeline or other infrastructure that transports oil or natural gas from production facilities located in federal waters or other coastal state waters in the Atlantic Ocean through New Jersey State waters, and any land-based support facilities for offshore oil or natural gas production facilities located in the Atlantic Ocean;

(3) specify that the DEP shall review any proposed oil or natural gas activities in the Atlantic region of the exclusive economic zone of the United States; and

(4) make a clarifying and technical change.

This bill, as amended and reported by the committee, is identical to Senate Bill No. 258, as also amended and reported by the committee.

LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

ASSEMBLY, No. 839

STATE OF NEW JERSEY 218th LEGISLATURE

DATED: APRIL 2, 2018

SUMMARY

- Synopsis:** Prohibits offshore oil and gas exploration, development, and production in State waters, and issuance of DEP permits and approvals for activities associated with offshore oil and gas activities.
- Type of Impact:** Potential expenditure increase to the General Fund.
- Agencies Affected:** Department of Environmental Protection.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual Cost</u>
State Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) concludes that the Department of Environmental Protection (DEP) could incur additional indeterminate costs to review each proposed lease, license, permit, or plan for exploration, development, or production of oil or natural gas in the Atlantic region of the exclusive economic zone of the United States to determine if the proposal can reasonably be expected to affect State waters.

BILL DESCRIPTION

This bill would prohibit offshore oil or natural gas exploration, development, and production in State waters (i.e., within three miles offshore), and prohibit the leasing of tidal or submerged lands in State waters for the purposes of oil or natural gas exploration, development, or production.

Additionally, the bill would prohibit the DEP from issuing any permits and approvals for any development associated with offshore drilling in State waters or outside State waters. The bill would also prohibit the DEP from permitting, approving, or otherwise authorizing any oil or natural gas exploration, development, or production in State waters, and from developing, adopting, or endorsing any plans for the exploration, development, or production of oil and natural gas in State waters.

The bill directs the DEP to implement the provisions of the bill through the enforceable policies of the State, including, but not limited to, any rules and regulations adopted pursuant to

R.S.12:5-3, commonly referred to as the “Waterfront Development Law.” The bill also directs the DEP Commissioner to submit this bill, within 30 days after enactment into law, to the National Oceanic and Atmospheric Administration under the provisions of the federal “Coastal Zone Management Act of 1972” for incorporation into the enforceable policies of the approved State coastal management program.

Lastly, the bill would require the DEP to review any proposed oil or natural gas lease, license, permit, or plan for exploration, development, or production of oil and natural gas in the Atlantic region of the U.S. exclusive economic zone (i.e., within three miles offshore) to determine if the proposal can reasonably be expected to affect State waters, particularly in terms of proximity to State waters or to the Gulf Stream south of State waters. Whenever such a review results in an affirmative finding, the commissioner would be required to advise the Governor thereof and take all actions necessary to initiate a consistency review under the federal “Coastal Zone Management Act of 1972.”

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS notes that the DEP currently performs federal consistency reviews for certain other types of coastal projects; however, in recent years the DEP has not performed nor has it needed to perform any consistency reviews for a proposed lease, license, permit, or plan for exploration, development, or production of oil or natural gas in the Atlantic region of the U.S. exclusive economic zone to determine if such a proposal can reasonably be expected to affect State waters. The DEP has existing staff in place to perform federal consistency reviews, but the department will probably incur some additional administrative costs to review potentially complex offshore development proposals. The OLS has insufficient information from which to derive an estimate of the marginal costs of fully complying with the bill’s mandate.

Section: Environment, Agriculture, Energy and Natural Resources

*Analyst: Neha Mehta Patel
Associate Fiscal Analyst*

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

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

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

SENATE, No. 258

STATE OF NEW JERSEY 218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

Sponsored by:

Senator JEFF VAN DREW

District 1 (Atlantic, Cape May and Cumberland)

Senator TROY SINGLETON

District 7 (Burlington)

Co-Sponsored by:

Senators Brown, Gopal and Connors

SYNOPSIS

Prohibits offshore drilling in State waters and issuance of DEP permits and approvals for activities associated with offshore drilling.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 2/27/2018)

1 AN ACT concerning offshore drilling for oil and natural gas and
2 supplementing Title 13 of the Revised Statutes.

3

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

6

7 1. Notwithstanding the provisions of any other law, rule, or
8 regulation to the contrary, offshore drilling for oil or natural gas
9 shall be prohibited in State waters. The Department of
10 Environmental Protection shall not issue any permit or other
11 approval pursuant to the "Coastal Area Facility Review Act,"
12 P.L.1973, c.185 (C.13:19-1 et seq.), R.S.12:5-3, the federal "Coastal
13 Zone Management Act of 1972," 16 U.S.C. s.1451 et seq., or any
14 other State or federal law, rule, or regulation, for the development
15 of any facility, or related infrastructure, associated with offshore
16 drilling for oil or natural gas, whether proposed for in State waters
17 or outside of State waters.

18

19 2. This act shall take effect immediately.

20

21

22

STATEMENT

23

24 This bill would prohibit offshore drilling for oil or natural gas in
25 State waters and prohibit the Department of Environmental
26 Protection (DEP) from issuing any permits and approvals for the
27 development of any facility, or related infrastructure, associated
28 with offshore drilling in State waters or outside State waters.

29

30 On April 28, 2017, President Trump signed Executive Order No.
31 13795 entitled "Implementing an America-First Offshore Energy
32 Strategy." This executive order seeks to encourage oil and natural gas
33 production off the Atlantic coast. Opening up the Atlantic Ocean for
34 offshore drilling would put at risk beaches, fisheries, and marine life
35 all along the coast. An oil spill, like the BP Deepwater Horizon Oil
36 spill of 2010 in Louisiana, would damage the fragile marine
37 ecosystem, kill off endangered and threatened species of fish and
38 wildlife, and poison the many types of fish and shellfish that New
39 Jersey residents and visitors eat and harvest for sale. It would also
40 cause catastrophic and lasting economic harm to the Jersey Shore,
41 which supports a tourism industry worth \$38 billion annually, and
42 reduce the quality of life for New Jersey's residents. Consequently, it
43 is in the best interests of this State to prohibit offshore drilling for oil
or natural gas.

SENATE ENVIRONMENT AND ENERGY COMMITTEE

STATEMENT TO

SENATE, No. 258

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 5, 2018

The Senate Environment and Energy Committee favorably reports Senate Bill No. 258 with committee amendments.

This bill, as amended, would prohibit offshore oil or natural gas exploration, development, and production in State waters, and prohibit the leasing of tidal or submerged lands in State waters for the purposes of oil or natural gas exploration, development, or production.

Additionally, the bill, as amended, would prohibit the Department of Environmental Protection (DEP) from issuing any permits and approvals for any development associated with offshore drilling in State waters or outside State waters. The bill would also prohibit the DEP from permitting, approving, or otherwise authorizing any oil or natural gas exploration, development, or production in State waters, and from developing, adopting, or endorsing any plans for the exploration, development, or production of oil and natural gas in State waters.

The bill directs the DEP to implement the provisions of the bill through the enforceable policies of the State, including, but not limited to, any rules and regulations adopted pursuant to R.S.12:5-3, commonly referred to as the “Waterfront Development Law.” The bill also directs the DEP Commissioner to submit this bill, within 30 days after enactment, to the National Oceanic and Atmospheric Administration under the provisions of the federal “Coastal Zone Management Act of 1972” for incorporation into the enforceable policies of the approved State coastal management program.

Lastly, the bill, as amended, would require the DEP to review any proposed oil or natural gas lease, license, permit, or plan for exploration, development, or production of oil and natural gas in the Atlantic region of the U.S. exclusive economic zone to determine if the proposal can reasonably be expected to affect State waters, particularly in terms of proximity to State waters or to the Gulf Stream south of State waters. Whenever such a review results in an affirmative finding, the commissioner would be required to advise the Governor thereof and take all actions necessary to initiate a consistency review under the federal “Coastal Zone Management Act of 1972.”

The committee amendments to the bill would:

(1) add a short title and a findings and declarations section to the bill;

(2) specify that oil and natural gas exploration, development, and production are prohibited in State waters;

(3) expand the bill to prohibit the leasing of tidal or submerged lands in State waters for the purposes of oil or natural gas exploration, development, or production;

(4) prohibit the DEP from permitting, approving, or otherwise authorizing any oil or natural gas exploration, development, or production in State waters;

(5) prohibit the DEP from developing, adopting, or endorsing any plans for the exploration, development, or production of oil and natural gas in State waters;

(6) direct the DEP to implement the bill through the enforceable policies of the State, including, but not limited to, any rules and regulations adopted pursuant to R.S.12:5-3 (the “Waterfront Development Law”), and require the DEP Commissioner to submit the bill, within 30 days after enactment, to the National Oceanic and Atmospheric Administration under the provisions of the federal “Coastal Zone Management Act of 1972” for incorporation into the enforceable policies of the approved State coastal management program;

(7) require the DEP to review any proposed oil or natural gas lease, license, permit, or plan for exploration, development, or production of oil and natural gas in the Atlantic region of the U.S. exclusive economic zone to determine if the proposal can reasonably be expected to affect State waters, and take certain actions when an affirmative finding is made;

(8) define the term “development” to include any pipeline or other infrastructure that transports oil or natural gas from production facilities located in federal waters or other coastal state waters in the Atlantic Ocean through New Jersey State waters, and any land-based support facilities for offshore oil or natural gas production facilities located in the Atlantic Ocean; and

(9) make a clarifying and technical change.

This bill, as amended and reported by the committee, is identical to Assembly Bill No. 839 (1R), as also amended and reported by the committee.

This bill was pre-filed for introduction in the 2018-2019 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 258

STATE OF NEW JERSEY 218th LEGISLATURE

DATED: APRIL 2, 2018

SUMMARY

- Synopsis:** Prohibits offshore oil and gas exploration, development, and production in State waters, and issuance of DEP permits and approvals for activities associated with offshore oil and gas activities.
- Type of Impact:** Potential expenditure increase to the General Fund.
- Agencies Affected:** Department of Environmental Protection.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual Cost</u>
State Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) concludes that the Department of Environmental Protection (DEP) could incur additional indeterminate costs to review each proposed lease, license, permit, or plan for exploration, development, or production of oil or natural gas in the Atlantic region of the exclusive economic zone of the United States to determine if the proposal can reasonably be expected to affect State waters.

BILL DESCRIPTION

This bill would prohibit offshore oil or natural gas exploration, development, and production in State waters (i.e., within three miles offshore), and prohibit the leasing of tidal or submerged lands in State waters for the purposes of oil or natural gas exploration, development, or production.

Additionally, the bill would prohibit the DEP from issuing any permits and approvals for any development associated with offshore drilling in State waters or outside State waters. The bill would also prohibit the DEP from permitting, approving, or otherwise authorizing any oil or natural gas exploration, development, or production in State waters, and from developing, adopting, or endorsing any plans for the exploration, development, or production of oil and natural gas in State waters.

The bill directs the DEP to implement the provisions of the bill through the enforceable policies of the State, including, but not limited to, any rules and regulations adopted pursuant to R.S.12:5-3, commonly referred to as the “Waterfront Development Law.” The bill also directs the DEP Commissioner to submit this bill, within 30 days after enactment into law, to the National Oceanic and Atmospheric Administration under the provisions of the federal “Coastal Zone Management Act of 1972” for incorporation into the enforceable policies of the approved State coastal management program.

Lastly, the bill would require the DEP to review any proposed oil or natural gas lease, license, permit, or plan for exploration, development, or production of oil and natural gas in the Atlantic region of the U.S. exclusive economic zone (i.e., within three miles offshore) to determine if the proposal can reasonably be expected to affect State waters, particularly in terms of proximity to State waters or to the Gulf Stream south of State waters. Whenever such a review results in an affirmative finding, the commissioner would be required to advise the Governor thereof and take all actions necessary to initiate a consistency review under the federal “Coastal Zone Management Act of 1972.”

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS notes that the DEP currently performs federal consistency reviews for certain other types of coastal projects; however, in recent years the DEP has not performed nor has it needed to perform any consistency reviews for a proposed lease, license, permit, or plan for exploration, development, or production of oil or natural gas in the Atlantic region of the U.S. exclusive economic zone to determine if such a proposal can reasonably be expected to affect State waters. The DEP has existing staff in place to perform federal consistency reviews, but the department will probably incur some additional administrative costs to review potentially complex offshore development proposals. The OLS has insufficient information from which to derive an estimate of the marginal costs of fully complying with the bill’s mandate.

Section: Environment, Agriculture, Energy and Natural Resources

*Analyst: Neha Mehta Patel
Associate Fiscal Analyst*

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

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

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



Newark, N.J.

Governor Murphy Signs Bipartisan Legislation to Protect New Jersey's Coast from Perils of Offshore Drilling

04/20/2018

Point Pleasant Beach – Taking swift action to ensure the environmental health and safety of the state's coast and shoreline, Governor Phil Murphy today signed bipartisan legislation that bans offshore oil and gas exploration and its production in New Jersey's ocean waters. The bill, **A-839**, also prohibits the Department of Environmental Protection (DEP) from issuing any permits and approvals for the development of any facility or infrastructure related to offshore drilling within or outside of New Jersey waters.

"Offshore drilling would be a disaster for our environment, our economy, and our coastal communities," **said Governor Murphy**. "The bipartisan legislation I am signing into law, on the eighth anniversary of the Deepwater Horizon Spill, will block oil companies from drilling in state waters. We simply cannot allow the danger of drilling off our coast. The societal, economic and environmental costs would be detrimental to the overall quality of life for our residents."

In addition, the bill requires DEP to review any proposed oil or natural gas development in the Atlantic region of the U.S. exclusive economic zone to determine if the proposal can reasonably be expected to affect New Jersey waters.

Last year, President Trump signed Executive Order 13795 to encourage oil and natural gas production off the Atlantic coast.

Opening the Atlantic Ocean for offshore drilling would cause catastrophic and lasting economic harm to the state's 130-mile shoreline, which supports a tourism industry worth \$44 billion annually and attracts millions of visitors each year.

It also would put New Jersey's beaches, fisheries, and marine life along the coast at great environmental risk. An oil spill, like the BP Deepwater Horizon Oil spill of 2010 in Louisiana, could damage the fragile marine ecosystem, kill off endangered and threatened species of fish and wildlife, and poison the many types of fish and shellfish, impacting New Jersey's billion-dollar commercial and recreational fishing industry.

"The Jersey Shore tourism industry is a \$44 billion economic engine and supports more than 838,000 jobs. We cannot allow President Trump's anti-environmental and pro-polluter agenda to hijack our economy or our environment," **commented Ed Potosnak, Executive Director of the New Jersey League of Conservation Voters**. "We commend Governor Murphy for signing this important legislation into law to protect our environment, critical coastal economy, and shore communities from dangerous offshore fossil fuel extraction."

The Center for American Progress added, "At a time when the Trump administration has made the federal government little more than a vehicle for the selloff of public lands and waters to oil companies, New Jersey has taken a bold step to protect its beaches, waterways, and its thriving coastal economy. Efforts to address climate

change and protect sustainable industries like fishing and tourism are smart, forward-looking ocean policies that other coastal states should emulate.”

“New Jersey’s fishing industry supports approximately 50,000 jobs while our Jersey shore tourism industry is worth \$44 billion annually,” **Assemblyman Vince Mazzeo said.** “Offshore drilling would unquestionably hurt the New Jersey shore economy as it relates to both the fishing and tourism industries. I’m grateful to Governor Murphy, Speaker Coughlin, and Senate President Sweeney for moving quickly to protect our shore.”

“Offshore drilling would have a damaging impact to the Jersey Shore, its multi-billion-dollar tourism industry and daily life for shore residents,” **said Assemblyman Bob Andrzejczak.** "We should prohibit offshore drilling for oil and natural gas."

The legislation received a 37-0 vote in the Senate and a 72-1 vote in the Assembly

Bill sponsors include: Senators Jeff Van Drew and Troy Singleton as well as Assembly Members R. Bruce Land, Bob Andrzejczak, Vincent Mazzeo and, Nicholas Chiaravalloti.

[Back to Top](#)

Powered by  [Translate](#) [Select Language](#)

[Translator Disclaimer](#)

Governor Phil Murphy

Statewide

Home

Administration

- Governor Phil Murphy
- Lt. Governor Sheila Oliver
- First Lady Tammy Snyder Murphy
- Cabinet
- Boards, Commissions & Authorities
- Internship
- Opportunities
- Governor’s Residence - Drumthwacket

Key Initiatives

- Economy & Jobs
- Education
- Environment
- Health
- Law & Justice
- Transportation

News & Events

- Press Releases
- Public Addresses
- Executive Orders
- Statements on Legislation
- Administration Reports
- Transition Reports
- Press Kits

Social

- Facebook
- Twitter
- Instagram
- Snapchat
- YouTube

Contact Us

- Scheduling Requests
- Contact Us

[NJ Home](#)

[Services A to Z](#)

[Departments/Agencies](#)

[FAQs](#)

[Contact Us](#)

[Privacy Notice](#)

[Legal Statement &](#)

[Disclaimers](#)

[Accessibility](#)

[Statement](#)

P.L. 2018, CHAPTER 7, *approved April 20, 2018*
Assembly, No. 839 (*Second Reprint*)

1 AN ACT concerning offshore ¹**[drilling for]** oil and natural gas
2 exploration, development, and production,¹ and supplementing
3 Title 13 of the Revised Statutes.

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

7
8 ¹1. This act shall be known and may be cited as the “Shore
9 Tourism and Ocean Protection from Offshore Oil and Gas Act” or
10 “STOP Offshore Oil and Gas Act.”¹

11
12 ¹2. The Legislature finds and declares that:

13 a. The Jersey Shore is a vital component of New Jersey’s annual
14 \$38 billion tourism industry; its 127-mile shoreline provides endless
15 opportunities for recreation; and its tidal waters are home to
16 countless animal and plant species and support a billion dollar
17 commercial and recreational fishing industry;

18 b. The State holds in trust for the people of the State those lands
19 flowed by tidal waters to the mean high water mark so that its
20 residents can use and enjoy the State's tidal waters and adjacent
21 shorelines for recreational uses, including, but not limited to,
22 bathing, swimming, fishing, and other shore-related activities;

23 c. The State has primary jurisdiction over the management of
24 coastal and ocean natural resources within three nautical miles of its
25 coastline, and from three nautical miles seaward to the boundary of
26 the 200-mile exclusive economic zone, the federal government has
27 primary jurisdiction. Since protection, conservation, and
28 development of the natural resources in the exclusive economic
29 zone directly affect New Jersey’s economy and environment, the
30 State has an inherent interest in how these resources are managed;

31 d. In 2010, a single rig located in the exclusive economic zone,
32 BP’s Deepwater Horizon, released an estimated 170 million gallons
33 of oil into ocean waters, severely impacting more than 600 miles of
34 shoreline, resulting in numerous beach closings, harming countless
35 numbers of marine mammals, fish, shellfish, marine birds, and other
36 wildlife, and causing an estimated loss of more than a billion dollars

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:

¹Assembly AEN committee amendments adopted February 1, 2018.

²Senate SEN committee amendments adopted March 5, 2018.

1 to the commercial fishing industry and an estimated loss of more
 2 than \$22 billion dollars to the tourism industry in Gulf States; and

3 e. Therefore, oil and natural gas exploration, development, and
 4 production both in New Jersey waters and in the exclusive
 5 economic zone proximate to New Jersey waters or the Gulf Stream
 6 to the south of New Jersey waters, poses a serious and unacceptable
 7 risk to the coastal resources of the State, the water quality of State
 8 waters, and the continued viability of the State's shore tourism and
 9 commercial fishing industries.¹

10
 11 ¹**[1.]** 3. a.¹ Notwithstanding the provisions of any other law,
 12 rule, or regulation to the contrary ¹**[.,.]** :

13 (1)¹ offshore ²**[drilling for]**² oil or natural gas ²exploration,
 14 development, and production² shall be prohibited in State waters ¹;
 15 and

16 (2) no tidal or submerged lands in State waters shall be leased for
 17 the purposes of oil or natural gas exploration, development, or
 18 production¹ .

19 ¹**b.**¹ The Department of Environmental Protection shall not ¹;

20 (1)¹ issue any permit or other approval pursuant to the "Coastal
 21 Area Facility Review Act," P.L.1973, c.185 (C.13:19-1 et seq.),
 22 R.S.12:5-3, the federal "Coastal Zone Management Act of 1972," 16
 23 U.S.C. s.1451 et seq., or any other State or federal law, rule, or
 24 regulation, for ²**[the]** any² development ²**[of any facility, or related**
 25 **infrastructure,]**² associated with offshore drilling for oil or natural gas,
 26 whether proposed for in State waters or outside of State waters ¹;

27 (2) permit, approve, or otherwise authorize any oil or natural gas
 28 exploration, development, or production in State waters; or

29 (3) develop, adopt, or endorse any plans for the exploration,
 30 development, or production of oil and natural gas in State waters¹ .

31 ²**c.** As used in this section, "development" means, but is not
 32 necessarily limited to, any pipeline or other infrastructure that
 33 transports oil or natural gas from production facilities located in
 34 federal waters or other coastal state waters in the Atlantic Ocean
 35 through New Jersey State waters, and any land-based support facilities
 36 for offshore oil or natural gas production facilities located in the
 37 Atlantic Ocean.²

38
 39 ¹**4. a.** The Department of Environmental Protection shall
 40 implement the provisions of section 3 of this act through the
 41 enforceable policies of the State, including, but not limited to, any
 42 rules and regulations adopted pursuant to R.S.12:5-3.

43 b. Within 30 days after the effective date of this act, the
 44 Commissioner of Environmental Protection shall submit this act to
 45 the National Oceanic and Atmospheric Administration under the
 46 provisions of the federal "Coastal Zone Management Act of 1972,"

1 as amended, 16 U.S.C. s.1451 et seq., for incorporation into the
2 enforceable policies of the approved State coastal management
3 program.¹
4

5 ¹5. The Department of Environmental Protection shall review any
6 proposed oil or natural gas lease, license, permit, or plan for
7 exploration, development, or production of oil and natural gas in the
8 ²[Mid-Atlantic or South]² Atlantic ²[regions] region² of the
9 exclusive economic zone of the United States to determine if the
10 proposal can reasonably be expected to affect State waters, particularly
11 in terms of proximity to State waters or to the Gulf Stream south of
12 State waters. Whenever a review pursuant to this section results in an
13 affirmative finding, the commissioner shall advise the Governor
14 thereof and take all actions necessary to initiate a consistency review
15 under the federal “Coastal Zone Management Act of 1972,” as
16 amended, 16 U.S.C. s.1451 et seq.¹
17

18 ¹[2.] 6.¹ This act shall take effect immediately.
19
20
21

22
23 Prohibits offshore oil and gas exploration, development, and
24 production in State waters, and issuance of DEP permits and
25 approvals for activities associated with offshore oil and gas
26 activities.

ASSEMBLY, No. 839

STATE OF NEW JERSEY 218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

Sponsored by:

Assemblyman R. BRUCE LAND

District 1 (Atlantic, Cape May and Cumberland)

Assemblyman BOB ANDRZEJCZAK

District 1 (Atlantic, Cape May and Cumberland)

Assemblyman VINCENT MAZZEO

District 2 (Atlantic)

Assemblyman NICHOLAS CHIARAVALLOTI

District 31 (Hudson)

Co-Sponsored by:

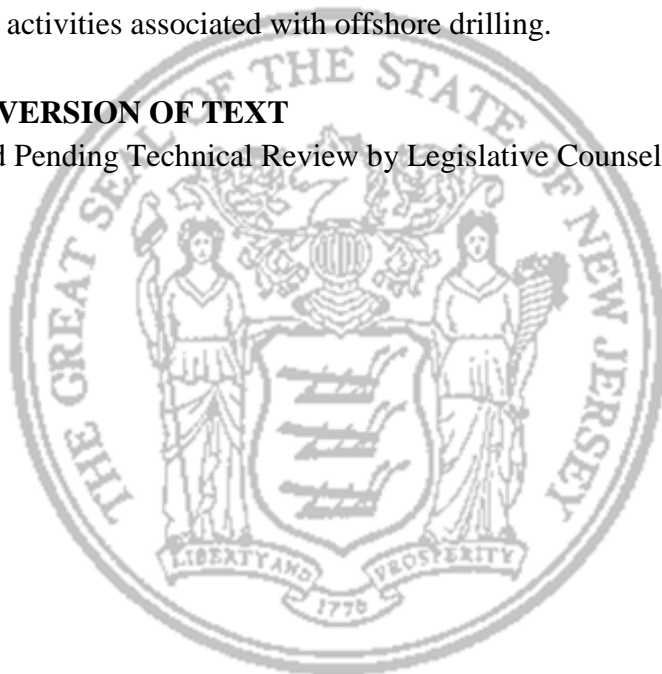
**Assemblymen Johnson, Eustace, Assemblywomen Pinkin, Downey and
Assemblyman Houghtaling**

SYNOPSIS

Prohibits offshore drilling in State waters and issuance of DEP permits and approvals for activities associated with offshore drilling.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 2/2/2018)

1 AN ACT concerning offshore drilling for oil and natural gas and
2 supplementing Title 13 of the Revised Statutes.

3

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

6

7 1. Notwithstanding the provisions of any other law, rule, or
8 regulation to the contrary, offshore drilling for oil or natural gas
9 shall be prohibited in State waters. The Department of
10 Environmental Protection shall not issue any permit or other
11 approval pursuant to the "Coastal Area Facility Review Act,"
12 P.L.1973, c.185 (C.13:19-1 et seq.), R.S.12:5-3, the federal "Coastal
13 Zone Management Act of 1972," 16 U.S.C. s.1451 et seq., or any
14 other State or federal law, rule, or regulation, for the development
15 of any facility, or related infrastructure, associated with offshore
16 drilling for oil or natural gas, whether proposed for in State waters
17 or outside of State waters.

18

19 2. This act shall take effect immediately.

20

21

22 STATEMENT

23

24 This bill would prohibit offshore drilling for oil or natural gas in
25 State waters and prohibit the Department of Environmental
26 Protection (DEP) from issuing any permits and approvals for the
27 development of any facility, or related infrastructure, associated
28 with offshore drilling in State waters or outside State waters.

29

30 On April 28, 2017, President Trump signed Executive Order No.
31 13795 entitled "Implementing an America-First Offshore Energy
32 Strategy." This executive order seeks to encourage oil and natural gas
33 production off the Atlantic coast. Opening up the Atlantic Ocean for
34 offshore drilling would put at risk beaches, fisheries, and marine life
35 all along the coast. An oil spill, like the BP Deepwater Horizon Oil
36 spill of 2010 in Louisiana, would damage the fragile marine
37 ecosystem, kill off endangered and threatened species of fish and
38 wildlife, and poison the many types of fish and shellfish that New
39 Jersey residents and visitors eat and harvest for sale. It would also
40 cause catastrophic and lasting economic harm to the Jersey Shore,
41 which supports a tourism industry worth \$38 billion annually, and
42 reduce the quality of life for New Jersey's residents. Consequently, it
43 is in the best interests of this State to prohibit offshore drilling for oil
or natural gas.

ASSEMBLY ENVIRONMENT AND SOLID WASTE
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 839

with committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 1, 2018

The Assembly Environment and Solid Waste Committee reports favorably and with committee amendments Assembly Bill No. 839.

As amended by the committee, this bill would prohibit offshore drilling for oil or natural gas in State waters, and prohibit the leasing of tidal or submerged lands in State waters for the purposes of oil or natural gas exploration, development, or production.

The bill would prohibit the Department of Environmental Protection (DEP) from issuing any permits and approvals for the development of any facility, or related infrastructure, associated with offshore drilling in State waters or outside State waters. The bill would also prohibit the DEP from permitting, approving, or otherwise authorizing any oil or natural gas exploration, development, or production in State waters, and from developing, adopting, or endorsing any plans for the exploration, development, or production of oil and natural gas in State waters.

The bill directs the DEP to implement the provisions of the bill through the enforceable policies of the State, including, but not limited to, any rules and regulations adopted pursuant to R.S.12:5-3, commonly referred to as the "Waterfront Development Law." The bill also directs the DEP Commissioner to submit this bill, within 30 days after enactment, to the National Oceanic and Atmospheric Administration under the provisions of the federal "Coastal Zone Management Act of 1972" for incorporation into the enforceable policies of the approved State coastal management program.

Lastly, the bill would require the DEP to review any proposed oil or natural gas lease, license, permit, or plan for exploration, development, or production of oil and natural gas in the Mid-Atlantic or South Atlantic regions of the U.S. exclusive economic zone to determine if the proposal can reasonably be expected to affect State waters, particularly in terms of proximity to State waters or to the Gulf Stream south of State waters. Whenever such a review results in an affirmative finding, the commissioner would be required to advise the Governor thereof and take all actions necessary to initiate a

consistency review under the federal “Coastal Zone Management Act of 1972.”

This bill was pre-filed for introduction in the 2018-2019 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

COMMITTEE AMENDMENTS

The committee amendments to the bill:

(1) add a short title and findings and declarations section to the bill;

(2) expand the bill to prohibit the leasing of tidal or submerged lands in State waters for the purposes of oil or natural gas exploration, development, or production;

(3) prohibit the DEP from permitting, approving, or otherwise authorizing any oil or natural gas exploration, development, or production in State waters;

(4) prohibit the DEP from developing, adopting, or endorsing any plans for the exploration, development, or production of oil and natural gas in State waters;

(5) direct the DEP to implement the provisions of the bill through the enforceable policies of the State, including, but not limited to, any rules and regulations adopted pursuant to R.S.12:5-3 (the “Waterfront Development Law”), and require the DEP Commissioner to submit the bill, within 30 days after enactment, to the National Oceanic and Atmospheric Administration under the provisions of the federal “Coastal Zone Management Act of 1972” for incorporation into the enforceable policies of the approved State coastal management program; and

(6) require the DEP to review any proposed oil or natural gas lease, license, permit, or plan for exploration, development, or production of oil and natural gas in the Mid-Atlantic or South Atlantic regions of the U.S. exclusive economic zone to determine if the proposal can reasonably be expected to affect State waters, and take certain actions when an affirmative finding is made.

SENATE ENVIRONMENT AND ENERGY COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 839

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 5, 2018

The Senate Environment and Energy Committee favorably reports Assembly Bill No. 839 (1R) with committee amendments.

This bill, as amended, would prohibit offshore oil or natural gas exploration, development, and production in State waters, and prohibit the leasing of tidal or submerged lands in State waters for the purposes of oil or natural gas exploration, development, or production.

Additionally, the bill, as amended, would prohibit the Department of Environmental Protection (DEP) from issuing any permits and approvals for any development associated with offshore drilling in State waters or outside State waters. The bill would also prohibit the DEP from permitting, approving, or otherwise authorizing any oil or natural gas exploration, development, or production in State waters, and from developing, adopting, or endorsing any plans for the exploration, development, or production of oil and natural gas in State waters.

The bill directs the DEP to implement the provisions of the bill through the enforceable policies of the State, including, but not limited to, any rules and regulations adopted pursuant to R.S.12:5-3, commonly referred to as the “Waterfront Development Law.” The bill also directs the DEP Commissioner to submit this bill, within 30 days after enactment, to the National Oceanic and Atmospheric Administration under the provisions of the federal “Coastal Zone Management Act of 1972” for incorporation into the enforceable policies of the approved State coastal management program.

Lastly, the bill, as amended, would require the DEP to review any proposed oil or natural gas lease, license, permit, or plan for exploration, development, or production of oil and natural gas in the Atlantic region of the U.S. exclusive economic zone to determine if the proposal can reasonably be expected to affect State waters, particularly in terms of proximity to State waters or to the Gulf Stream south of State waters. Whenever such a review results in an affirmative finding, the commissioner would be required to advise the Governor thereof and take all actions necessary to initiate a

consistency review under the federal “Coastal Zone Management Act of 1972.”

The committee amendments to the bill would:

(1) specify that oil and natural gas exploration, development, and production are prohibited in State waters;

(2) define the term “development” to include any pipeline or other infrastructure that transports oil or natural gas from production facilities located in federal waters or other coastal state waters in the Atlantic Ocean through New Jersey State waters, and any land-based support facilities for offshore oil or natural gas production facilities located in the Atlantic Ocean;

(3) specify that the DEP shall review any proposed oil or natural gas activities in the Atlantic region of the exclusive economic zone of the United States; and

(4) make a clarifying and technical change.

This bill, as amended and reported by the committee, is identical to Senate Bill No. 258, as also amended and reported by the committee.

LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

ASSEMBLY, No. 839

STATE OF NEW JERSEY 218th LEGISLATURE

DATED: APRIL 2, 2018

SUMMARY

Synopsis: Prohibits offshore oil and gas exploration, development, and production in State waters, and issuance of DEP permits and approvals for activities associated with offshore oil and gas activities.

Type of Impact: Potential expenditure increase to the General Fund.

Agencies Affected: Department of Environmental Protection.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual Cost</u>
State Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) concludes that the Department of Environmental Protection (DEP) could incur additional indeterminate costs to review each proposed lease, license, permit, or plan for exploration, development, or production of oil or natural gas in the Atlantic region of the exclusive economic zone of the United States to determine if the proposal can reasonably be expected to affect State waters.

BILL DESCRIPTION

This bill would prohibit offshore oil or natural gas exploration, development, and production in State waters (i.e., within three miles offshore), and prohibit the leasing of tidal or submerged lands in State waters for the purposes of oil or natural gas exploration, development, or production.

Additionally, the bill would prohibit the DEP from issuing any permits and approvals for any development associated with offshore drilling in State waters or outside State waters. The bill would also prohibit the DEP from permitting, approving, or otherwise authorizing any oil or natural gas exploration, development, or production in State waters, and from developing, adopting, or endorsing any plans for the exploration, development, or production of oil and natural gas in State waters.

The bill directs the DEP to implement the provisions of the bill through the enforceable policies of the State, including, but not limited to, any rules and regulations adopted pursuant to

R.S.12:5-3, commonly referred to as the “Waterfront Development Law.” The bill also directs the DEP Commissioner to submit this bill, within 30 days after enactment into law, to the National Oceanic and Atmospheric Administration under the provisions of the federal “Coastal Zone Management Act of 1972” for incorporation into the enforceable policies of the approved State coastal management program.

Lastly, the bill would require the DEP to review any proposed oil or natural gas lease, license, permit, or plan for exploration, development, or production of oil and natural gas in the Atlantic region of the U.S. exclusive economic zone (i.e., within three miles offshore) to determine if the proposal can reasonably be expected to affect State waters, particularly in terms of proximity to State waters or to the Gulf Stream south of State waters. Whenever such a review results in an affirmative finding, the commissioner would be required to advise the Governor thereof and take all actions necessary to initiate a consistency review under the federal “Coastal Zone Management Act of 1972.”

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS notes that the DEP currently performs federal consistency reviews for certain other types of coastal projects; however, in recent years the DEP has not performed nor has it needed to perform any consistency reviews for a proposed lease, license, permit, or plan for exploration, development, or production of oil or natural gas in the Atlantic region of the U.S. exclusive economic zone to determine if such a proposal can reasonably be expected to affect State waters. The DEP has existing staff in place to perform federal consistency reviews, but the department will probably incur some additional administrative costs to review potentially complex offshore development proposals. The OLS has insufficient information from which to derive an estimate of the marginal costs of fully complying with the bill’s mandate.

Section: Environment, Agriculture, Energy and Natural Resources

*Analyst: Neha Mehta Patel
Associate Fiscal Analyst*

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

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

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

SENATE, No. 258

STATE OF NEW JERSEY 218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

Sponsored by:

Senator JEFF VAN DREW

District 1 (Atlantic, Cape May and Cumberland)

Senator TROY SINGLETON

District 7 (Burlington)

Co-Sponsored by:

Senators Brown, Gopal and Connors

SYNOPSIS

Prohibits offshore drilling in State waters and issuance of DEP permits and approvals for activities associated with offshore drilling.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 2/27/2018)

1 AN ACT concerning offshore drilling for oil and natural gas and
2 supplementing Title 13 of the Revised Statutes.

3

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

6

7 1. Notwithstanding the provisions of any other law, rule, or
8 regulation to the contrary, offshore drilling for oil or natural gas
9 shall be prohibited in State waters. The Department of
10 Environmental Protection shall not issue any permit or other
11 approval pursuant to the "Coastal Area Facility Review Act,"
12 P.L.1973, c.185 (C.13:19-1 et seq.), R.S.12:5-3, the federal "Coastal
13 Zone Management Act of 1972," 16 U.S.C. s.1451 et seq., or any
14 other State or federal law, rule, or regulation, for the development
15 of any facility, or related infrastructure, associated with offshore
16 drilling for oil or natural gas, whether proposed for in State waters
17 or outside of State waters.

18

19 2. This act shall take effect immediately.

20

21

22

STATEMENT

23

24 This bill would prohibit offshore drilling for oil or natural gas in
25 State waters and prohibit the Department of Environmental
26 Protection (DEP) from issuing any permits and approvals for the
27 development of any facility, or related infrastructure, associated
28 with offshore drilling in State waters or outside State waters.

29

30 On April 28, 2017, President Trump signed Executive Order No.
31 13795 entitled "Implementing an America-First Offshore Energy
32 Strategy." This executive order seeks to encourage oil and natural gas
33 production off the Atlantic coast. Opening up the Atlantic Ocean for
34 offshore drilling would put at risk beaches, fisheries, and marine life
35 all along the coast. An oil spill, like the BP Deepwater Horizon Oil
36 spill of 2010 in Louisiana, would damage the fragile marine
37 ecosystem, kill off endangered and threatened species of fish and
38 wildlife, and poison the many types of fish and shellfish that New
39 Jersey residents and visitors eat and harvest for sale. It would also
40 cause catastrophic and lasting economic harm to the Jersey Shore,
41 which supports a tourism industry worth \$38 billion annually, and
42 reduce the quality of life for New Jersey's residents. Consequently, it
43 is in the best interests of this State to prohibit offshore drilling for oil
or natural gas.

SENATE ENVIRONMENT AND ENERGY COMMITTEE

STATEMENT TO

SENATE, No. 258

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 5, 2018

The Senate Environment and Energy Committee favorably reports Senate Bill No. 258 with committee amendments.

This bill, as amended, would prohibit offshore oil or natural gas exploration, development, and production in State waters, and prohibit the leasing of tidal or submerged lands in State waters for the purposes of oil or natural gas exploration, development, or production.

Additionally, the bill, as amended, would prohibit the Department of Environmental Protection (DEP) from issuing any permits and approvals for any development associated with offshore drilling in State waters or outside State waters. The bill would also prohibit the DEP from permitting, approving, or otherwise authorizing any oil or natural gas exploration, development, or production in State waters, and from developing, adopting, or endorsing any plans for the exploration, development, or production of oil and natural gas in State waters.

The bill directs the DEP to implement the provisions of the bill through the enforceable policies of the State, including, but not limited to, any rules and regulations adopted pursuant to R.S.12:5-3, commonly referred to as the “Waterfront Development Law.” The bill also directs the DEP Commissioner to submit this bill, within 30 days after enactment, to the National Oceanic and Atmospheric Administration under the provisions of the federal “Coastal Zone Management Act of 1972” for incorporation into the enforceable policies of the approved State coastal management program.

Lastly, the bill, as amended, would require the DEP to review any proposed oil or natural gas lease, license, permit, or plan for exploration, development, or production of oil and natural gas in the Atlantic region of the U.S. exclusive economic zone to determine if the proposal can reasonably be expected to affect State waters, particularly in terms of proximity to State waters or to the Gulf Stream south of State waters. Whenever such a review results in an affirmative finding, the commissioner would be required to advise the Governor thereof and take all actions necessary to initiate a consistency review under the federal “Coastal Zone Management Act of 1972.”

The committee amendments to the bill would:

(1) add a short title and a findings and declarations section to the bill;

(2) specify that oil and natural gas exploration, development, and production are prohibited in State waters;

(3) expand the bill to prohibit the leasing of tidal or submerged lands in State waters for the purposes of oil or natural gas exploration, development, or production;

(4) prohibit the DEP from permitting, approving, or otherwise authorizing any oil or natural gas exploration, development, or production in State waters;

(5) prohibit the DEP from developing, adopting, or endorsing any plans for the exploration, development, or production of oil and natural gas in State waters;

(6) direct the DEP to implement the bill through the enforceable policies of the State, including, but not limited to, any rules and regulations adopted pursuant to R.S.12:5-3 (the “Waterfront Development Law”), and require the DEP Commissioner to submit the bill, within 30 days after enactment, to the National Oceanic and Atmospheric Administration under the provisions of the federal “Coastal Zone Management Act of 1972” for incorporation into the enforceable policies of the approved State coastal management program;

(7) require the DEP to review any proposed oil or natural gas lease, license, permit, or plan for exploration, development, or production of oil and natural gas in the Atlantic region of the U.S. exclusive economic zone to determine if the proposal can reasonably be expected to affect State waters, and take certain actions when an affirmative finding is made;

(8) define the term “development” to include any pipeline or other infrastructure that transports oil or natural gas from production facilities located in federal waters or other coastal state waters in the Atlantic Ocean through New Jersey State waters, and any land-based support facilities for offshore oil or natural gas production facilities located in the Atlantic Ocean; and

(9) make a clarifying and technical change.

This bill, as amended and reported by the committee, is identical to Assembly Bill No. 839 (1R), as also amended and reported by the committee.

This bill was pre-filed for introduction in the 2018-2019 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 258

STATE OF NEW JERSEY 218th LEGISLATURE

DATED: APRIL 2, 2018

SUMMARY

- Synopsis:** Prohibits offshore oil and gas exploration, development, and production in State waters, and issuance of DEP permits and approvals for activities associated with offshore oil and gas activities.
- Type of Impact:** Potential expenditure increase to the General Fund.
- Agencies Affected:** Department of Environmental Protection.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual Cost</u>
State Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) concludes that the Department of Environmental Protection (DEP) could incur additional indeterminate costs to review each proposed lease, license, permit, or plan for exploration, development, or production of oil or natural gas in the Atlantic region of the exclusive economic zone of the United States to determine if the proposal can reasonably be expected to affect State waters.

BILL DESCRIPTION

This bill would prohibit offshore oil or natural gas exploration, development, and production in State waters (i.e., within three miles offshore), and prohibit the leasing of tidal or submerged lands in State waters for the purposes of oil or natural gas exploration, development, or production.

Additionally, the bill would prohibit the DEP from issuing any permits and approvals for any development associated with offshore drilling in State waters or outside State waters. The bill would also prohibit the DEP from permitting, approving, or otherwise authorizing any oil or natural gas exploration, development, or production in State waters, and from developing, adopting, or endorsing any plans for the exploration, development, or production of oil and natural gas in State waters.

The bill directs the DEP to implement the provisions of the bill through the enforceable policies of the State, including, but not limited to, any rules and regulations adopted pursuant to R.S.12:5-3, commonly referred to as the “Waterfront Development Law.” The bill also directs the DEP Commissioner to submit this bill, within 30 days after enactment into law, to the National Oceanic and Atmospheric Administration under the provisions of the federal “Coastal Zone Management Act of 1972” for incorporation into the enforceable policies of the approved State coastal management program.

Lastly, the bill would require the DEP to review any proposed oil or natural gas lease, license, permit, or plan for exploration, development, or production of oil and natural gas in the Atlantic region of the U.S. exclusive economic zone (i.e., within three miles offshore) to determine if the proposal can reasonably be expected to affect State waters, particularly in terms of proximity to State waters or to the Gulf Stream south of State waters. Whenever such a review results in an affirmative finding, the commissioner would be required to advise the Governor thereof and take all actions necessary to initiate a consistency review under the federal “Coastal Zone Management Act of 1972.”

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS notes that the DEP currently performs federal consistency reviews for certain other types of coastal projects; however, in recent years the DEP has not performed nor has it needed to perform any consistency reviews for a proposed lease, license, permit, or plan for exploration, development, or production of oil or natural gas in the Atlantic region of the U.S. exclusive economic zone to determine if such a proposal can reasonably be expected to affect State waters. The DEP has existing staff in place to perform federal consistency reviews, but the department will probably incur some additional administrative costs to review potentially complex offshore development proposals. The OLS has insufficient information from which to derive an estimate of the marginal costs of fully complying with the bill’s mandate.

Section: Environment, Agriculture, Energy and Natural Resources

*Analyst: Neha Mehta Patel
Associate Fiscal Analyst*

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

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

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



Home Administration ▾ Key Initiatives ▾ News and Events ▾ Social ▾ Contact Us ▾

Newark, N.J.

Governor Murphy Signs Bipartisan Legislation to Protect New Jersey's Coast from Perils of Offshore Drilling

04/20/2018

Point Pleasant Beach – Taking swift action to ensure the environmental health and safety of the state's coast and shoreline, Governor Phil Murphy today signed bipartisan legislation that bans offshore oil and gas exploration and its production in New Jersey's ocean waters. The bill, **A-839**, also prohibits the Department of Environmental Protection (DEP) from issuing any permits and approvals for the development of any facility or infrastructure related to offshore drilling within or outside of New Jersey waters.

"Offshore drilling would be a disaster for our environment, our economy, and our coastal communities," **said Governor Murphy**. "The bipartisan legislation I am signing into law, on the eighth anniversary of the Deepwater Horizon Spill, will block oil companies from drilling in state waters. We simply cannot allow the danger of drilling off our coast. The societal, economic and environmental costs would be detrimental to the overall quality of life for our residents."

In addition, the bill requires DEP to review any proposed oil or natural gas development in the Atlantic region of the U.S. exclusive economic zone to determine if the proposal can reasonably be expected to affect New Jersey waters.

Last year, President Trump signed Executive Order 13795 to encourage oil and natural gas production off the Atlantic coast.

Opening the Atlantic Ocean for offshore drilling would cause catastrophic and lasting economic harm to the state's 130-mile shoreline, which supports a tourism industry worth \$44 billion annually and attracts millions of visitors each year.

It also would put New Jersey's beaches, fisheries, and marine life along the coast at great environmental risk. An oil spill, like the BP Deepwater Horizon Oil spill of 2010 in Louisiana, could damage the fragile marine ecosystem, kill off endangered and threatened species of fish and wildlife, and poison the many types of fish and shellfish, impacting New Jersey's billion-dollar commercial and recreational fishing industry.

"The Jersey Shore tourism industry is a \$44 billion economic engine and supports more than 838,000 jobs. We cannot allow President Trump's anti-environmental and pro-polluter agenda to hijack our economy or our environment," **commented Ed Potosnak, Executive Director of the New Jersey League of Conservation Voters**. "We commend Governor Murphy for signing this important legislation into law to protect our environment, critical coastal economy, and shore communities from dangerous offshore fossil fuel extraction."

The Center for American Progress added, "At a time when the Trump administration has made the federal government little more than a vehicle for the selloff of public lands and waters to oil companies, New Jersey has taken a bold step to protect its beaches, waterways, and its thriving coastal economy. Efforts to address climate

change and protect sustainable industries like fishing and tourism are smart, forward-looking ocean policies that other coastal states should emulate.”

“New Jersey’s fishing industry supports approximately 50,000 jobs while our Jersey shore tourism industry is worth \$44 billion annually,” **Assemblyman Vince Mazzeo said.** “Offshore drilling would unquestionably hurt the New Jersey shore economy as it relates to both the fishing and tourism industries. I’m grateful to Governor Murphy, Speaker Coughlin, and Senate President Sweeney for moving quickly to protect our shore.”

“Offshore drilling would have a damaging impact to the Jersey Shore, its multi-billion-dollar tourism industry and daily life for shore residents,” **said Assemblyman Bob Andrzejczak.** "We should prohibit offshore drilling for oil and natural gas."

The legislation received a 37-0 vote in the Senate and a 72-1 vote in the Assembly

Bill sponsors include: Senators Jeff Van Drew and Troy Singleton as well as Assembly Members R. Bruce Land, Bob Andrzejczak, Vincent Mazzeo and, Nicholas Chiaravalloti.

[Back to Top](#)

Powered by  [Translate](#) [Select Language](#)

[Translator Disclaimer](#)

Governor Phil Murphy

Statewide

Home

Key Initiatives

Social

[NJ Home](#)

[Services A to Z](#)

[Departments/Agencies](#)

Administration

[Economy & Jobs](#)

[Facebook](#)

[FAQs](#)

[Governor Phil Murphy](#)

[Education](#)

[Twitter](#)

[Contact Us](#)

[Lt. Governor Sheila](#)

[Environment](#)

[Instagram](#)

[Privacy Notice](#)

[Oliver](#)

[Health](#)

[Snapchat](#)

[Legal Statement &](#)

[First Lady Tammy](#)

[Law & Justice](#)

[YouTube](#)

[Disclaimers](#)

[Snyder Murphy](#)

[Transportation](#)

Contact Us

[Accessibility](#)

[Cabinet](#)

News & Events

[Scheduling Requests](#)

[Statement](#)

[Boards, Commissions](#)

[Press Releases](#)

[Contact Us](#)

[& Authorities](#)

[Public Addresses](#)

[Internship](#)

[Executive Orders](#)

[Opportunities](#)

[Statements on](#)

[Governor’s Residence](#)

[Legislation](#)

[- Drumthwacket](#)

[Administration Reports](#)

[Transition Reports](#)

[Press Kits](#)