

# 58:10B-5

## LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF:** 1999                      **CHAPTER:** 214

**NJSA:** 58:10B-5            (Hazardous Discharge Site Remediation Fund - revises qualifications)

**BILL NO:** S775

**SPONSOR(S):** McNamara and Busso

**DATE INTRODUCED:** February 23, 1998

**COMMITTEE:**                      **ASSEMBLY:** Solid and Hazardous Waste

**SENATE:** Environment

**AMENDED DURING PASSAGE:** Yes

**DATE OF PASSAGE:**                      **ASSEMBLY:** June 10, 1999

**SENATE:** June 21, 1999

**DATE OF APPROVAL:** September 20, 1999

### FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL: Second Reprint  
(Amendments during passage denoted by superscript numbers)

SPONSORS STATEMENT: (Begins on page 7 of original bill) [Yes](#)

**COMMITTEE STATEMENT:**    ASSEMBLY: [Yes](#)

SENATE: [Yes](#)

**FLOOR AMENDMENT STATEMENTS:** No

LEGISLATIVE FISCAL ESTIMATE: [Yes](#)

**VETO MESSAGE:** No

GOVERNOR'S PRESS RELEASE ON SIGNING: [Yes](#)

### FOLLOWING WERE PRINTED:

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**REPORTS:** No

**HEARINGS:** No

**NEWSPAPER ARTICLES:** No

P.L. 1999, CHAPTER 214, *approved September 20, 1999*

Senate, No. 775 (*Second Reprint*)

1 **AN ACT** concerning financial assistance and grants from the  
2 Hazardous Discharge Site Remediation Fund and amending  
3 P.L.1993, c.139.

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

7  
8 1. Section 27 of P.L.1993, c.139 (C.58:10B-5) is amended to read  
9 as follows:

10 27. a. (1) Financial assistance from the remediation fund may only  
11 be rendered to persons who cannot establish a remediation funding  
12 source for the full amount of a remediation. Financial assistance  
13 pursuant to this act may be rendered only for that amount of the cost  
14 of a remediation for which the person cannot establish a remediation  
15 funding source. The limitations on receiving financial assistance  
16 established in this paragraph (1) shall not limit the ability of municipal  
17 governmental entities, the New Jersey Redevelopment Authority,  
18 persons who are not required to establish a remediation funding source  
19 for the part of the remediation involving an innovative technology, an  
20 unrestricted use remedial action or a limited restricted use remedial  
21 action, persons performing a remediation in an environmental  
22 opportunity zone, or persons who voluntarily perform a remediation,  
23 **[to receive]** from receiving financial assistance from the fund.

24 (2) Financial assistance rendered to persons who voluntarily  
25 perform a remediation or perform a remediation in an environmental  
26 opportunity zone may only be made for that amount of the cost of the  
27 remediation that the person cannot otherwise fund by any of the  
28 authorized methods to establish a remediation funding source.

29 (3) Financial assistance rendered to persons who do not have to  
30 provide **[financial assurance]** a remediation funding source for the  
31 part of the remediation that involves an innovative technology, an  
32 unrestricted use remedial action, or a limited restricted use remedial  
33 action may only be made for that amount of the cost of the  
34 remediation that the person cannot otherwise fund by any of the  
35 authorized methods to establish a remediation funding source.

36 b. Financial assistance may be rendered from the remediation fund  
37 to (1) owners or operators of industrial establishments who are  
38 required to perform remediation activities pursuant to P.L.1983, c.330  
39 (C.13:1K-6 et al.), upon closing operations or prior to the transfer of

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

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

<sup>1</sup> Senate SEN committee amendments adopted March 2, 1998.

<sup>2</sup> Assembly ASH committee amendments adopted September 17, 1998.

1 ownership or operations of an industrial establishment, (2) persons  
2 who are liable for the cleanup and removal costs of a hazardous  
3 substance pursuant to P.L.1976, c.141 (C.58:10-23.11 et seq.), and  
4 (3) persons who voluntarily perform a remediation of a discharge of  
5 a hazardous substance or hazardous waste.

6 c. Financial assistance and grants may be made from the  
7 remediation fund to a municipal governmental ~~entities~~ entity or the  
8 New Jersey Redevelopment Authority ~~that own or hold a tax sale~~  
9 ~~certificate on~~ for real property [or that have];(1) on which it holds  
10 a tax sale certificate; (2) that it has acquired [real property] through  
11 foreclosure or other similar means [,]; or (3) that it has acquired, or  
12 has passed a resolution or ordinance or other appropriate document to  
13 acquire, by voluntary conveyance for the purpose of redevelopment[,  
14 and]. Financial assistance and grants may only be awarded for real  
15 property on which there has been a discharge or on which there is a  
16 suspected discharge of a hazardous substance or hazardous waste.  
17 Financial assistance and grants may not be made to any entity listed in  
18 this subsection for any real property used by that entity for the conduct  
19 of its official business.

20 d. Grants may be made from the remediation fund to persons and  
21 the New Jersey Redevelopment Authority, who own real property on  
22 which there has been a discharge of a hazardous substance or a  
23 hazardous waste and that person or the authority qualifies for an  
24 innocent party grant pursuant to section 28 of P.L.1993, c.139  
25 (C.58:10B-6).

26 e. Grants may be made from the remediation fund to qualifying  
27 persons who propose to perform a remedial action that uses an  
28 innovative technology or that would result in an unrestricted use  
29 remedial action or a limited restricted use remedial action.

30 For the purposes of this section, "person" shall not include any  
31 governmental entity.

32 (cf: P.L.1997, c.278, s.13)

33

34 2. Section 28 of P.L.1993, c.139 (C.58: 10B-6) is amended to read  
35 as follows:

36 28. a. Except for moneys deposited in the remediation fund for  
37 specific purposes, financial assistance and grants from the remediation  
38 fund shall be rendered for the following purposes and, on an annual  
39 basis, obligated in the percentages as provided in this subsection.  
40 Upon a written joint determination by the authority and the department  
41 that the demand for financial assistance or grants for moneys allocated  
42 in any paragraph exceeds the percentage of funds allocated for that  
43 paragraph, financial assistance and grants dedicated for the purposes  
44 and in the percentages set forth in any other paragraph of this  
45 subsection, may, for any particular year, if the demand for financial  
46 assistance or grants for moneys allocated in that paragraph is less than

1 the percentage of funds allocated for that paragraph, be obligated to  
2 the purposes set forth in the over allocated paragraph. The written  
3 determination shall be sent to the Senate Environment Committee, and  
4 the Assembly Agriculture and Waste Management Committee, or their  
5 successors. For the purposes of this section, "person" shall not  
6 include any governmental entity.

7 (1) At least 15% of the moneys shall be allocated for financial  
8 assistance to persons, and the New Jersey Redevelopment Authority  
9 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), for  
10 remediation of real property located in a qualifying municipality as  
11 defined in section 1 of P.L.1978, c.14 (C.52:27D-178);

12 (2) At least 10% of the moneys shall be allocated for financial  
13 assistance and grants to municipal governmental entities and the New  
14 Jersey Redevelopment Authority **【that owns or holds a tax sale**  
15 **certificate on】for real property **【or】**: (1) on which they hold a tax sale  
16 certificate; (2) that they have acquired **【real property】**through  
17 foreclosure or other similar means**【,】**; or (3) that they have acquired,  
18 or have passed a resolution or ordinance or other appropriate  
19 document to acquire, by voluntary conveyance for the purpose of  
20 redevelopment**【,】**. Financial assistance and grants may only be  
21 awarded for real property on which there has been or on which there  
22 is suspected of being a discharge of a hazardous **【substances】**  
23 substance or a hazardous **【wastes】** waste. Grants provided pursuant  
24 to this paragraph shall be used for performing preliminary assessments,  
25 site investigations, and remedial investigations on real property in  
26 order to determine the existence or extent of any hazardous substance  
27 or hazardous waste contamination on those properties. No grant shall  
28 be awarded pursuant to this paragraph for the purposes of a remedial  
29 investigation until the municipal government entity or the New Jersey  
30 Redevelopment Authority actually owns the real property. A  
31 municipal governmental entity or the New Jersey Redevelopment  
32 Authority that has performed, or on which there has been performed,  
33 a preliminary assessment, site investigation or remedial investigation  
34 on property may obtain a loan for the purpose of continuing the  
35 remediation on those properties as necessary to comply with the  
36 applicable remediation regulations adopted by the department. No  
37 grant shall be awarded pursuant to this paragraph to a municipal  
38 government entity unless that entity has adopted by ordinance or  
39 resolution a comprehensive plan specifically for the development or  
40 redevelopment of contaminated or potentially contaminated real  
41 property in that municipality or the entity can demonstrate to the  
42 authority that a realistic opportunity exists that the subject real  
43 property will be developed or redeveloped within a <sup>2</sup>**【two】** <sup>2</sup>three<sup>2</sup>  
44 year period from <sup>1</sup>**【receipt of the grant】** the completion of the  
45 remediation<sup>1</sup>;**

1 (3) At least 15% of the moneys shall be allocated for financial  
2 assistance to persons, the New Jersey Redevelopment Authority, or  
3 municipal governmental entities for remediation activities at sites that  
4 have been contaminated by a discharge of a hazardous substance or  
5 hazardous waste, or at which there is an imminent and significant  
6 threat of a discharge of a hazardous substance or hazardous waste, and  
7 the discharge or threatened discharge poses or would pose an  
8 imminent and significant threat to a drinking water source, to human  
9 health, or to a sensitive or significant ecological area;

10 (4) At least 10% of the moneys shall be allocated for financial  
11 assistance to persons who voluntarily perform a remediation of a  
12 hazardous substance or hazardous waste discharge;

13 (5) At least 15% of the moneys shall be allocated for financial  
14 assistance to persons who are required to perform remediation  
15 activities at an industrial establishment pursuant to P.L.1983, c.330  
16 (C.13:1K-6 et al.), as a condition of the closure, transfer, or  
17 termination of operations at that industrial establishment;

18 (6) At least 15% of the moneys shall be allocated for grants to  
19 persons who own real property on which there has been a discharge of  
20 a hazardous substance or a hazardous waste and that person qualifies  
21 for an innocent party grant. A person qualifies for an innocent party  
22 grant if that person acquired the property prior to December 31, 1983,  
23 except as provided hereunder, the hazardous substance or hazardous  
24 waste that was discharged at the property was not used by the person  
25 at that site, and that person certifies that he did not discharge any  
26 hazardous substance or hazardous waste at an area where a discharge  
27 is discovered; provided, however, that notwithstanding any other  
28 provision of this section the New Jersey Redevelopment Authority  
29 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), shall  
30 qualify for an innocent party grant pursuant to this paragraph where  
31 the immediate predecessor in title to the authority would have  
32 qualified for but failed to apply for or receive such grant. A grant  
33 authorized pursuant to this paragraph may be for up to 50% of the  
34 remediation costs at the area of concern for which the person qualifies  
35 for an innocent party grant, except that no grant awarded pursuant to  
36 this paragraph to any person or the New Jersey Redevelopment  
37 Authority may exceed \$1,000,000;

38 (7) At least 5% of the moneys shall be allocated for financial  
39 assistance to persons who own and plan to remediate an environmental  
40 opportunity zone for which an exemption from real property taxes has  
41 been granted pursuant to section 5 of P.L.1995, c.413 (C.54:4-3.154);

42 (8) At least 5% of the moneys shall be allocated for matching  
43 grants for up to 25% of the project costs to qualifying persons who  
44 propose to perform a remedial action that uses an innovative  
45 technology except that no grant awarded pursuant to this paragraph  
46 to any qualifying person may exceed \$100,000;

1 (9) At least 5% of the moneys shall be allocated for matching  
2 grants for up to 25% of the project costs to qualifying persons for the  
3 implementation of a limited restricted use remedial action or an  
4 unrestricted use remedial action except that no grant awarded pursuant  
5 to this paragraph to any qualifying person may exceed \$100,000. The  
6 authority may use money allocated pursuant to this paragraph to  
7 provide loan guarantees to encourage financial institutions to provide  
8 loans to any person who may receive financial assistance from the fund  
9 who plans to implement a limited restricted use remedial action or an  
10 unrestricted use remedial action; and

11 (10) Five percent of the moneys in the remediation fund shall be  
12 allocated for financial assistance or grants for any of the purposes  
13 enumerated in paragraphs (1) through (9) of this subsection, except  
14 that where moneys in the fund are insufficient to fund all the  
15 applications in any calendar year that would otherwise qualify for  
16 financial assistance or a grant pursuant to this paragraph, the authority  
17 shall give priority to financial assistance applications that meet the  
18 criteria enumerated in paragraph (3) of this subsection.

19 For the purposes of paragraphs (8) and (9) of this subsection,  
20 "qualifying persons" means any person who has a net worth of not  
21 more than \$2,000,000 and "project costs" means that portion of the  
22 total costs of a remediation that is specifically for the use of an  
23 innovative technology or to implement an unrestricted use remedial  
24 action or a limited restricted use remedial action, as applicable.

25 b. Loans issued from the remediation fund shall be for a term not  
26 to exceed ten years, except that upon the transfer of ownership of any  
27 real property for which the loan was made, the unpaid balance of the  
28 loan shall become immediately payable in full. Loans to municipal  
29 governmental entities and the New Jersey Redevelopment Authority  
30 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), shall bear  
31 an interest rate equal to 2 points below the Federal Discount Rate at  
32 the time of approval or at the time of loan closing, whichever is lower,  
33 except that the rate shall be no lower than 3 percent. All other loans  
34 shall bear an interest rate equal to the Federal Discount Rate at the  
35 time of approval or at the time of the loan closing, whichever is lower,  
36 except that the rate on such loans shall be no lower than five percent.  
37 Financial assistance and grants may be issued for up to 100% of the  
38 estimated applicable remediation cost, except that the cumulative  
39 maximum amount of financial assistance which may be issued to a  
40 person, in any calendar year, for one or more properties, shall be  
41 \$1,000,000. Financial assistance and grants to any one municipal  
42 governmental entity or the New Jersey Redevelopment Authority may  
43 not exceed \$2,000,000 in any calendar year. Repayments of principal  
44 and interest on the loans issued from the remediation fund shall be paid  
45 to the authority and shall be deposited into the remediation fund.

46 c. No person, other than a qualified person planning to use an

1 innovative technology for the cost of that technology, a qualified  
2 person planning to use a limited restricted use remedial action or an  
3 unrestricted use remedial action for the cost of the remedial action, a  
4 person performing a remediation in an environmental opportunity  
5 zone, or a person voluntarily performing a remediation, shall be  
6 eligible for financial assistance from the remediation fund to the extent  
7 that person is capable of establishing a remediation funding source for  
8 the remediation as required pursuant to section 25 of P.L.1993, c.139  
9 (C.58:10B-3).

10 d. The authority may use a sum that represents up to 2% of the  
11 moneys issued as financial assistance or grants from the remediation  
12 fund each year for administrative expenses incurred in connection with  
13 the operation of the fund and the issuance of financial assistance and  
14 grants.

15 e. Prior to March 1 of each year, the authority shall submit to the  
16 Senate Environment Committee and the Assembly Agriculture and  
17 Waste Management Committee, or their successors, a report detailing  
18 the amount of money that was available for financial assistance and  
19 grants from the remediation fund for the previous calendar year, the  
20 amount of money estimated to be available for financial assistance and  
21 grants for the current calendar year, the amount of financial assistance  
22 and grants issued for the previous calendar year and the category for  
23 which each financial assistance and grant was rendered, and any  
24 suggestions for legislative action the authority deems advisable to  
25 further the legislative intent to facilitate remediation and promote the  
26 redevelopment and use of existing industrial sites.

27 (cf: P.L.1997, c.278, s.14)

28

29 3. This act shall take effect immediately.

30

31

32

33

34 Revises certain qualifications to receive financial assistance and grants  
35 for remediations from the Hazardous Discharge Site Remediation  
36 Fund.

**SENATE, No. 775**

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**STATE OF NEW JERSEY**  
**208th LEGISLATURE**

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INTRODUCED FEBRUARY 23, 1998

**Sponsored by:**

**Senator HENRY P. MCNAMARA**

**District 40 (Bergen and Passaic)**

**Senator ANTHONY R. BUCCO**

**District 25 (Morris)**

**SYNOPSIS**

Revises certain qualifications to receive financial assistance and grants for remediations from the Hazardous Discharge Site Remediation Fund.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 2/27/1998)**



1 AN ACT concerning financial assistance and grants from the  
2 Hazardous Discharge Site Remediation Fund and amending  
3 P.L.1993, c.139.

4

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

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8 1. Section 27 of P.L.1993, c.139 (C.58:10B-5) is amended to read  
9 as follows:

10 27. a. (1) Financial assistance from the remediation fund may only  
11 be rendered to persons who cannot establish a remediation funding  
12 source for the full amount of a remediation. Financial assistance  
13 pursuant to this act may be rendered only for that amount of the cost  
14 of a remediation for which the person cannot establish a remediation  
15 funding source. The limitations on receiving financial assistance  
16 established in this paragraph (1) shall not limit the ability of municipal  
17 governmental entities, the New Jersey Redevelopment Authority,  
18 persons who are not required to establish a remediation funding source  
19 for the part of the remediation involving an innovative technology, an  
20 unrestricted use remedial action or a limited restricted use remedial  
21 action, persons performing a remediation in an environmental  
22 opportunity zone, or persons who voluntarily perform a remediation,  
23 **[to receive]** from receiving financial assistance from the fund.

24 (2) Financial assistance rendered to persons who voluntarily  
25 perform a remediation or perform a remediation in an environmental  
26 opportunity zone may only be made for that amount of the cost of the  
27 remediation that the person cannot otherwise fund by any of the  
28 authorized methods to establish a remediation funding source.

29 (3) Financial assistance rendered to persons who do not have to  
30 provide **[financial assurance]** a remediation funding source for the  
31 part of the remediation that involves an innovative technology, an  
32 unrestricted use remedial action, or a limited restricted use remedial  
33 action may only be made for that amount of the cost of the  
34 remediation that the person cannot otherwise fund by any of the  
35 authorized methods to establish a remediation funding source.

36 b. Financial assistance may be rendered from the remediation fund  
37 to (1) owners or operators of industrial establishments who are  
38 required to perform remediation activities pursuant to P.L.1983, c.330  
39 (C.13:1K-6 et al.), upon closing operations or prior to the transfer of  
40 ownership or operations of an industrial establishment, (2) persons  
41 who are liable for the cleanup and removal costs of a hazardous  
42 substance pursuant to P.L.1976, c.141 (C.58:10-23.11 et seq.), and  
43 (3) persons who voluntarily perform a remediation of a discharge of

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

**Matter underlined thus is new matter.**

1 a hazardous substance or hazardous waste.

2 c. Financial assistance and grants may be made from the  
3 remediation fund to a municipal governmental ~~【entities】~~ entity or the  
4 New Jersey Redevelopment Authority ~~【that own or hold a tax sale~~  
5 ~~certificate on】~~ for real property ~~【or that have】~~; (1) on which it holds  
6 a tax sale certificate; (2) that it has acquired ~~【real property】~~ through  
7 foreclosure or other similar means ~~【,】~~ ; or (3) that it has acquired, or  
8 has passed a resolution or ordinance or other appropriate document to  
9 acquire, by voluntary conveyance for the purpose of redevelopment ~~【,~~  
10 ~~and】~~. Financial assistance and grants may only be awarded for real  
11 property on which there has been a discharge or on which there is a  
12 suspected discharge of a hazardous substance or hazardous waste.  
13 Financial assistance and grants may not be made to any entity listed in  
14 this subsection for any real property used by that entity for the conduct  
15 of its official business.

16 d. Grants may be made from the remediation fund to persons and  
17 the New Jersey Redevelopment Authority, who own real property on  
18 which there has been a discharge of a hazardous substance or a  
19 hazardous waste and that person or the authority qualifies for an  
20 innocent party grant pursuant to section 28 of P.L.1993, c.139  
21 (C.58:10B-6).

22 e. Grants may be made from the remediation fund to qualifying  
23 persons who propose to perform a remedial action that uses an  
24 innovative technology or that would result in an unrestricted use  
25 remedial action or a limited restricted use remedial action .

26 For the purposes of this section, "person" shall not include any  
27 governmental entity.

28 (cf: P.L. 1997, c.278, s.13)

29

30 2. Section 28 of P.L.1993, c.139 (C.58: 10B-6) is amended to read  
31 as follows:

32 28. a. Except for moneys deposited in the remediation fund for  
33 specific purposes, financial assistance and grants from the remediation  
34 fund shall be rendered for the following purposes and, on an annual  
35 basis, obligated in the percentages as provided in this subsection.  
36 Upon a written joint determination by the authority and the department  
37 that the demand for financial assistance or grants for moneys allocated  
38 in any paragraph exceeds the percentage of funds allocated for that  
39 paragraph, financial assistance and grants dedicated for the purposes  
40 and in the percentages set forth in any other paragraph of this  
41 subsection, may, for any particular year, if the demand for financial  
42 assistance or grants for moneys allocated in that paragraph is less than  
43 the percentage of funds allocated for that paragraph, be obligated to  
44 the purposes set forth in the over allocated paragraph. The written  
45 determination shall be sent to the Senate Environment Committee, and  
46 the Assembly Agriculture and Waste Management Committee, or their

1 successors. For the purposes of this section, "person" shall not  
2 include any governmental entity.

3 (1) At least 15% of the moneys shall be allocated for financial  
4 assistance to persons, and the New Jersey Redevelopment Authority  
5 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), for  
6 remediation of real property located in a qualifying municipality as  
7 defined in section 1 of P.L.1978, c.14 (C.52:27D-178);

8 (2) At least 10% of the moneys shall be allocated for financial  
9 assistance and grants to municipal governmental entities and the New  
10 Jersey Redevelopment Authority ~~that owns or holds a tax sale~~  
11 ~~certificate on]for real property [or]; (1) on which they hold a tax sale~~  
12 ~~certificate; (2) that they have acquired [real property ]through~~  
13 ~~foreclosure or other similar means[,]; or (3) that they have acquired,~~  
14 ~~or have passed a resolution or ordinance or other appropriate~~  
15 ~~document to acquire, by voluntary conveyance for the purpose of~~  
16 ~~redevelopment[,]. Financial assistance and grants may only be~~  
17 ~~awarded for real property on which there has been or on which there~~  
18 ~~is suspected of being a discharge of a hazardous [substances]~~  
19 ~~substance or a hazardous [wastes] waste. Grants provided pursuant~~  
20 ~~to this paragraph shall be used for performing preliminary assessments,~~  
21 ~~site investigations, and remedial investigations on real property in~~  
22 ~~order to determine the existence or extent of any hazardous substance~~  
23 ~~or hazardous waste contamination on those properties. No grant shall~~  
24 ~~be awarded pursuant to this paragraph for the purposes of a remedial~~  
25 ~~investigation until the municipal government entity or the New Jersey~~  
26 ~~Redevelopment Authority actually owns the real property. A~~  
27 ~~municipal governmental entity or the New Jersey Redevelopment~~  
28 ~~Authority that has performed, or on which there has been performed,~~  
29 ~~a preliminary assessment, site investigation or remedial investigation~~  
30 ~~on property may obtain a loan for the purpose of continuing the~~  
31 ~~remediation on those properties as necessary to comply with the~~  
32 ~~applicable remediation regulations adopted by the department. No~~  
33 ~~grant shall be awarded pursuant to this paragraph to a municipal~~  
34 ~~government entity unless that entity has adopted by ordinance or~~  
35 ~~resolution a comprehensive plan specifically for the development or~~  
36 ~~redevelopment of contaminated or potentially contaminated real~~  
37 ~~property in that municipality or the entity can demonstrate to the~~  
38 ~~authority that a realistic opportunity exists that the subject real~~  
39 ~~property will be developed or redeveloped within a two year period~~  
40 ~~from receipt of the grant;~~

41 (3) At least 15% of the moneys shall be allocated for financial  
42 assistance to persons, the New Jersey Redevelopment Authority, or  
43 municipal governmental entities for remediation activities at sites that  
44 have been contaminated by a discharge of a hazardous substance or  
45 hazardous waste, or at which there is an imminent and significant  
46 threat of a discharge of a hazardous substance or hazardous waste, and

1 the discharge or threatened discharge poses or would pose an  
2 imminent and significant threat to a drinking water source, to human  
3 health, or to a sensitive or significant ecological area;

4 (4) At least 10% of the moneys shall be allocated for financial  
5 assistance to persons who voluntarily perform a remediation of a  
6 hazardous substance or hazardous waste discharge;

7 (5) At least 15% of the moneys shall be allocated for financial  
8 assistance to persons who are required to perform remediation  
9 activities at an industrial establishment pursuant to P.L.1983, c.330  
10 (C.13:1K-6 et al.), as a condition of the closure, transfer, or  
11 termination of operations at that industrial establishment;

12 (6) At least 15% of the moneys shall be allocated for grants to  
13 persons who own real property on which there has been a discharge of  
14 a hazardous substance or a hazardous waste and that person qualifies  
15 for an innocent party grant. A person qualifies for an innocent party  
16 grant if that person acquired the property prior to December 31, 1983,  
17 except as provided hereunder, the hazardous substance or hazardous  
18 waste that was discharged at the property was not used by the person  
19 at that site, and that person certifies that he did not discharge any  
20 hazardous substance or hazardous waste at an area where a discharge  
21 is discovered; provided, however, that notwithstanding any other  
22 provision of this section the New Jersey Redevelopment Authority  
23 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), shall  
24 qualify for an innocent party grant pursuant to this paragraph where  
25 the immediate predecessor in title to the authority would have  
26 qualified for but failed to apply for or receive such grant. A grant  
27 authorized pursuant to this paragraph may be for up to 50% of the  
28 remediation costs at the area of concern for which the person qualifies  
29 for an innocent party grant, except that no grant awarded pursuant to  
30 this paragraph to any person or the New Jersey Redevelopment  
31 Authority may exceed \$1,000,000;

32 (7) At least 5% of the moneys shall be allocated for financial  
33 assistance to persons who own and plan to remediate an environmental  
34 opportunity zone for which an exemption from real property taxes has  
35 been granted pursuant to section 5 of P.L.1995, c.413 (C.54:4-3.154);

36 (8) At least 5% of the moneys shall be allocated for matching  
37 grants for up to 25% of the project costs to qualifying persons who  
38 propose to perform a remedial action that uses an innovative  
39 technology except that no grant awarded pursuant to this paragraph  
40 to any qualifying person may exceed \$100,000;

41 (9) At least 5% of the moneys shall be allocated for matching  
42 grants for up to 25% of the project costs to qualifying persons for the  
43 implementation of a limited restricted use remedial action or an  
44 unrestricted use remedial action except that no grant awarded pursuant  
45 to this paragraph to any qualifying person may exceed \$100,000. The  
46 authority may use money allocated pursuant to this paragraph to

1 provide loan guarantees to encourage financial institutions to provide  
2 loans to any person who may receive financial assistance from the fund  
3 who plans to implement a limited restricted use remedial action or an  
4 unrestricted use remedial action; and

5 (10) Five percent of the moneys in the remediation fund shall be  
6 allocated for financial assistance or grants for any of the purposes  
7 enumerated in paragraphs (1) through (9) of this subsection, except  
8 that where moneys in the fund are insufficient to fund all the  
9 applications in any calendar year that would otherwise qualify for  
10 financial assistance or a grant pursuant to this paragraph, the authority  
11 shall give priority to financial assistance applications that meet the  
12 criteria enumerated in paragraph (3) of this subsection.

13 For the purposes of paragraphs (8) and (9) of this subsection,  
14 "qualifying persons" means any person who has a net worth of not  
15 more than \$2,000,000 and "project costs" means that portion of the  
16 total costs of a remediation that is specifically for the use of an  
17 innovative technology or to implement an unrestricted use remedial  
18 action or a limited restricted use remedial action, as applicable.

19 b. Loans issued from the remediation fund shall be for a term not  
20 to exceed ten years, except that upon the transfer of ownership of any  
21 real property for which the loan was made, the unpaid balance of the  
22 loan shall become immediately payable in full. Loans to municipal  
23 governmental entities and the New Jersey Redevelopment Authority  
24 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), shall bear  
25 an interest rate equal to 2 points below the Federal Discount Rate at  
26 the time of approval or at the time of loan closing, whichever is lower,  
27 except that the rate shall be no lower than 3 percent. All other loans  
28 shall bear an interest rate equal to the Federal Discount Rate at the  
29 time of approval or at the time of the loan closing, whichever is lower,  
30 except that the rate on such loans shall be no lower than five percent.  
31 Financial assistance and grants may be issued for up to 100% of the  
32 estimated applicable remediation cost, except that the cumulative  
33 maximum amount of financial assistance which may be issued to a  
34 person, in any calendar year, for one or more properties, shall be  
35 \$1,000,000. Financial assistance and grants to any one municipal  
36 governmental entity or the New Jersey Redevelopment Authority may  
37 not exceed \$2,000,000 in any calendar year. Repayments of principal  
38 and interest on the loans issued from the remediation fund shall be paid  
39 to the authority and shall be deposited into the remediation fund.

40 c. No person, other than a qualified person planning to use an  
41 innovative technology for the cost of that technology, a qualified  
42 person planning to use a limited restricted use remedial action or an  
43 unrestricted use remedial action for the cost of the remedial action, a  
44 person performing a remediation in an environmental opportunity  
45 zone, or a person voluntarily performing a remediation, shall be  
46 eligible for financial assistance from the remediation fund to the extent

1 that person is capable of establishing a remediation funding source for  
2 the remediation as required pursuant to section 25 of P.L.1993, c.139  
3 (C.58:10B-3).

4 d. The authority may use a sum that represents up to 2% of the  
5 moneys issued as financial assistance or grants from the remediation  
6 fund each year for administrative expenses incurred in connection with  
7 the operation of the fund and the issuance of financial assistance and  
8 grants.

9 e. Prior to March 1 of each year, the authority shall submit to the  
10 Senate Environment Committee and the Assembly Agriculture and  
11 Waste Management Committee, or their successors, a report detailing  
12 the amount of money that was available for financial assistance and  
13 grants from the remediation fund for the previous calendar year, the  
14 amount of money estimated to be available for financial assistance and  
15 grants for the current calendar year, the amount of financial assistance  
16 and grants issued for the previous calendar year and the category for  
17 which each financial assistance and grant was rendered, and any  
18 suggestions for legislative action the authority deems advisable to  
19 further the legislative intent to facilitate remediation and promote the  
20 redevelopment and use of existing industrial sites.  
21 (cf: P.L.1997, c.278, s.14)

22

23 3. This act shall take effect immediately.

24

25

26

#### STATEMENT

27

28 This bill would require a municipal governmental entity to have a  
29 comprehensive brownfield development or redevelopment plan in  
30 place, or be able to demonstrate that a particular property has a  
31 realistic opportunity to be developed or redeveloped within two years,  
32 as a condition of receiving a grant from the Hazardous Discharge Site  
33 Remediation Fund. This bill also provides that a municipal  
34 governmental entity and the New Jersey Redevelopment Authority can  
35 receive a grant for site investigations and preliminary assessments  
36 prior to acquiring the land if they have adopted an ordinance or  
37 resolution approving that purchase. Finally, this bill provides that a  
38 grant to a municipal governmental entity or to the New Jersey  
39 Redevelopment Authority for a remedial investigation may only be  
40 made if the entity or authority actually owns the real property.

# ASSEMBLY SOLID AND HAZARDOUS WASTE COMMITTEE

## STATEMENT TO

[First Reprint]

## **SENATE, No. 775**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: SEPTEMBER 17, 1998

The Assembly Solid and Hazardous Waste Committee favorably reports Senate Bill No. 775 (1R) with committee amendments.

As amended, this bill would require a municipal governmental entity to have a comprehensive brownfield development or redevelopment plan in place, or be able to demonstrate that a particular property has a realistic opportunity to be developed or redeveloped within three years of the completion of the remediation, as a condition of receiving a grant from the Hazardous Discharge Site Remediation Fund. This bill also provides that a municipal governmental entity and the New Jersey Redevelopment Authority can receive a grant for site investigations and preliminary assessments prior to acquiring the land if they have adopted an ordinance or resolution approving that purchase. Finally, this bill provides that a grant to a municipal governmental entity or to the New Jersey Redevelopment Authority for a remedial investigation may only be made if the entity or authority actually owns the real property.

The committee amendments lengthened the time period in which the municipality would have to show a redevelopment is likely to take place from two years from the completion of the remediation to three years.

SENATE ENVIRONMENT COMMITTEE

STATEMENT TO

**SENATE, No. 775**

**STATE OF NEW JERSEY**

DATED: MARCH 2, 1998

The Senate Environment Committee favorably reports Senate Bill No. 775 with committee amendments.

This bill, as amended, would require a municipal governmental entity to have a comprehensive brownfield development or redevelopment plan in place, or be able to demonstrate that a particular property has a realistic opportunity to be developed or redeveloped within two years of the completion of the remediation, as a condition of receiving a grant from the Hazardous Discharge Site Remediation Fund. This bill also provides that a municipal governmental entity and the New Jersey Redevelopment Authority can receive a grant for site investigations and preliminary assessments prior to acquiring the land if they have adopted an ordinance or resolution approving that purchase. This bill also provides that a grant to a municipal governmental entity or to the New Jersey Redevelopment Authority for a remedial investigation may only be made if the entity or authority actually owns the real property.

The committee amendments would change the beginning of the two year period from which the municipality would have to show a redevelopment is likely to take place, from two years after receipt of the grant moneys to two years from the completion of the remediation.



# LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

**SENATE, No. 775**

## **STATE OF NEW JERSEY**

### **208th LEGISLATURE**

DATED: APRIL 16, 1998

Senate Bill No. 775 (1R) of 1998 amends provisions of P.L.1993, c.139, the "Industrial Site Recovery Act," which pertain to eligibility requirements and criteria that municipalities and the New Jersey Redevelopment Authority would have to follow in applying for a grant from the Hazardous Discharge Site Remediation Fund. For example, the bill directs a municipal governmental entity to have a comprehensive brownfield development or redevelopment plan in place, or to be able to demonstrate that a particular property has a realistic opportunity to be developed or redeveloped within two years of the completion of the remediation, as a condition of receiving a grant from the Fund. It also provides that a municipal governmental entity and the New Jersey Redevelopment Authority can receive a grant for site investigations and preliminary assessments prior to acquiring the land if they have adopted an ordinance or resolution approving that purchase.

The Hazardous Discharge Site Remediation Fund was created by P.L.1993, c.139 to provide financial assistance for remediation projects at abandoned industrial sites so they can be redeveloped. It is primarily capitalized by \$45 million from the "Hazardous Discharge Bond Act of 1986."

The Office of Legislative Services estimates that since the bill's provisions affect only the application and eligibility criteria and processes associated with this financial assistance program, its enactment should have no fiscal impact on the State or the applicants.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.

OFFICE OF THE GOVERNOR  
NEWS RELEASE

PO BOX- 004  
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TRENTON, NJ 08625  
RELEASE: MONDAY,  
SEPTEMBER 20, 1999

Gov. Christie Whitman today signed the following pieces of legislation:

S-1925, sponsored by Senator Peter A. Inverso (R-Mercer/Middlesex) and Assembly Members Jeffrey W. Moran (R-Atlantic/Burlington/Ocean) and Anthony Impreveduto (D-Bergen/Hudson), revises certain license requirements for certain accountants allowing for greater flexibility in the accounting industry. Many accounting firms are expanding to provide additional business consulting and financial review services beyond traditional accounting services. These services are called non-attest services. Under previous law, employees hired by accounting firms to perform non-attest services, who are not licensed accountants, were not permitted to hold an equity interest in an accounting firm. The bill allows unlicensed persons, under certain circumstances, to have an ownership interest in an accounting firm.

S-775, sponsored by Senator Henry P. McNamara (R-Berg6h/Passaic) and Anthony R. Bucco (RMorris), revises the qualification for municipalities to receive certain grants for remediation investigations from the Hazardous Discharge Site Remediation Fund (HDSRF). The bill requires a municipality either to have a comprehensive Brownfield redevelopment plan in place, or to demonstrate to the New Jersey Economic Development Authority (EDA) that a property has a realistic opportunity of being developed or redeveloped within three years of the completion of the remediation. The bill further requires a municipality or the New Jersey Redevelopment Authority to actually own the real property prior to receiving a grant for remedial investigation from the HDSRF. Under previously law, a municipality could obtain a grant from the HDSRF to perform, among other things, a preliminary assessment, site investigation or remedial investigation of any property to determine the existence of contamination. To qualify for such assistance, the municipality could either hold a tax sale certificate for the property, or have acquired it through foreclosure or voluntary conveyance for the purpose of redevelopment, or have enacted an ordinance or resolution to acquire the property by voluntary conveyance. The purpose of this bill is to make sure that a municipality does not spend HDSRF funds without having made a substantial commitment to the development of the Brownfields site.

*News releases are also available on our website at: [www.state.nj.us](http://www.state.nj.us)*