58:10B-6

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF:	2009	CHAPTER:	303				
NJSA:	58:10B-6 Remediation Fu		ble applicants for innocent party grants fro ect property through application process)	om "Hazardous Discharge Site			
BILL NO:	A4342 (Substit	uted for S3039)		A CONTRACTOR OF CONTRACTOR			
SPONSOR(S)	McKeon and Others						
DATE INTRODUCED: December 14, 2009							
COMMITTEE:	ASSEN	IBLY: Enviro	nment and Solid Waste				
	SENAT	E:					
AMENDED DURING PASSAGE: No							
DATE OF PAS	SAGE:	ASSEMBLY:	January 11, 2010				
		SENATE:	January 11, 2010	e de la companya de			
DATE OF APP	ROVAL:	January 17, 20	10	the second se			
FOLLOWING ARE ATTACHED IF AVAILABLE:							
FINAL TEXT OF BILL (Introduced version of bill enacted)							
A4342		TATEMENT: (B	egins on page 6 of original bill)	Yes			
	COMMITTEE S	TATEMENT:	ASSEMBLY	Yes			
			SENATE:	No			
(Audio archived	t recordings of the	committee me	etings, corresponding to the date of the co	ommittee statement may possit			

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

	FLOOR AMENDMENT STATEMENT:		No
	LEGISLATIVE FISCAL ESTIMATE:		No
S3039			
	SPONSOR'S STATEMENT: (Begins on page 6 of original bill)		
	COMMITTEE STATEMENT:	ASSEMBLY:	No
		SENATE:	Yes
	FLOOR AMENDMENT STATEMENT:		No
	LEGISLATIVE FISCAL ESTIMATE:		No

(continued)

	VETO MESSAGE:	No
	GOVERNOR'S PRESS RELEASE ON SIGNING:	No
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	REPORTS:	No
	HEARINGS:	No
	NEWSPAPER ARTICLES:	No

LAW/RWH

ASSEMBLY, No. 4342 STATE OF NEW JERSEY 213th LEGISLATURE

INTRODUCED DECEMBER 14, 2009

Sponsored by: Assemblyman JOHN F. MCKEON District 27 (Essex)

Co-Sponsored by: Assemblywoman Greenstein, Assemblyman Chivukula and Senator B.Smith

SYNOPSIS

Requires eligible applicants for innocent party grants from "Hazardous Discharge Site Remediation Fund" to own subject property through application process.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 1/12/2010)

1 AN ACT concerning certain grants from the "Hazardous Discharge Site Remediation Fund" and amending P.L.1993, c.139. 2 3 4 BE IT ENACTED by the Senate and General Assembly of the State 5 of New Jersey: 6 7 1. Section 28 of P.L.1993, c.139 (C.58:10B-6) is amended to 8 read as follows: 9 28. a. Except for moneys deposited in the remediation fund for 10 specific purposes, and as provided in section 4 of P.L. 2007, c.135 (C.52:27D-130.7), financial assistance and grants from the 11 12 remediation fund shall be rendered for the following purposes. A 13 written report shall be sent to the Senate Environment Committee, 14 and the Assembly Environment and Solid Waste Committee, or 15 their successors at the end of each calendar quarter detailing the 16 allocation and expenditures related to the financial assistance and 17 grants from the fund. 18 (1) Moneys shall be allocated for financial assistance to persons, 19 for remediation of real property located in a qualifying municipality 20 as defined in section 1 of P.L.1978, c.14 (C.52:27D-178); 21 (2) Moneys shall be allocated to: (a) municipalities, counties, or 22 redevelopment entities authorized to exercise redevelopment 23 powers pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4), for: 24 (i) projects in brownfield development areas pursuant to 25 subsection f. of section 27 of P.L.1993, c.139 (C.58:10B-5), (ii) matching grants up to a cumulative total amount from the 26 27 fund of \$5,000,000 per year of up to 75% of the costs of the remedial action for projects involving the redevelopment of 28 29 contaminated property for recreation and conservation purposes, 30 provided that the use of the property for recreation and conservation 31 purposes is included in the comprehensive plan for the development 32 or redevelopment of contaminated property, or up to 50% of the 33 costs of the remedial action for projects involving the 34 redevelopment of contaminated property for affordable housing 35 pursuant to P.L.1985, c.222 (C.52:27D-301 et al.), 36 (iii) grants for preliminary assessment, site investigation or 37 remedial investigation of a contaminated site, 38 (iv) financial assistance for the implementation of a remedial 39 action, or (v) financial assistance for remediation activities at sites that 40 41 have been contaminated by a discharge of a hazardous substance or 42 hazardous waste, or at which there is an imminent and significant 43 threat of a discharge of a hazardous substance or hazardous waste,

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

and the discharge or threatened discharge poses or would pose an

Matter underlined thus is new matter.

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imminent and significant threat to a drinking water source, to
 human health, or to a sensitive or significant ecological area; or

3 (b) persons for financial assistance for remediation activities at 4 sites that have been contaminated by a discharge of a hazardous 5 substance or hazardous waste, or at which there is an imminent and significant threat of a discharge of a hazardous substance or 6 7 hazardous waste, and the discharge or threatened discharge poses or 8 would pose an imminent and significant threat to a drinking water 9 source, to human health, or to a sensitive or significant ecological 10 area.

11 Except as provided in subsection f. of section 27 of P.L.1993, 12 (C.58:10B-5), financial assistance and c.139 grants to 13 municipalities, counties, or redevelopment entities authorized to 14 exercise redevelopment powers pursuant to section 4 of P.L.1992, 15 c.79 (C.40A:12A-4) may be made for real property: (1) on which 16 they hold a tax sale certificate; (2) that they have acquired through 17 foreclosure or other similar means; or (3) that they have acquired, 18 or, in the case of a county governed by a board of chosen 19 freeholders, have passed a resolution or, in the case of a 20 municipality or a county operating under the "Optional County Charter Law," P.L.1972, c.154 (C.40:41A-1 et seq.), have passed an 21 22 ordinance or other appropriate document to acquire, by voluntary 23 conveyance for the purpose of redevelopment, or for recreation and 24 conservation purposes. Financial assistance and grants may only be 25 awarded for real property on which there has been or on which there 26 is suspected of being a discharge of a hazardous substance or a 27 hazardous waste. Grants and financial assistance provided pursuant 28 to this paragraph shall be used for performing preliminary 29 assessments, site investigations, remedial investigations, and 30 remedial actions on real property in order to determine the existence 31 or extent of any hazardous substance or hazardous waste 32 contamination, and to remediate the site in compliance with the 33 applicable health risk and environmental standards on those 34 properties. No financial assistance or grants for a remedial action 35 shall be awarded until the municipality, county, or redevelopment 36 entity authorized to exercise redevelopment powers pursuant to 37 section 4 of P.L.1992, c.79 (C.40A:12A-4), actually owns the real 38 property, provided that a matching grant for 75% of the costs of a 39 remedial action for a project involving the redevelopment of 40 contaminated property for recreation and conservation purposes, or 41 a matching grant for 50% of the costs of a remedial action for a 42 project involving the redevelopment of contaminated property for 43 affordable housing pursuant to P.L.1985, c.222 (C.52:27D-301 et al.) may be made to a municipality, county, or redevelopment entity 44 45 authorized to exercise redevelopment powers pursuant to section 4 46 of P.L.1992, c.79 even if it does not own the real property and a 47 grant may be made to a municipality, county, or redevelopment 48 entity authorized to exercise redevelopment powers pursuant to

section 4 of P.L.1992, c.79 (C.40A:12A-4) for a remediation in a 1 2 brownfield development area pursuant to subsection f. of section 27 3 of P.L.1993, c.139 (C.58:10B-5) even if the entity does not own the 4 real property. No grant shall be awarded for a remedial action for a 5 project involving the redevelopment of contaminated property for 6 recreation or conservation purposes unless the use of the property is 7 preserved for recreation and conservation purposes by conveyance 8 of a development easement, conservation restriction or easement, or 9 other restriction or easement permanently restricting development, 10 which shall be recorded and indexed with the deed in the registry of 11 deeds for the county. A municipality that has performed, or on 12 which there has been performed, a preliminary assessment, site 13 investigation or remedial investigation on property may obtain a 14 loan for the purpose of continuing the remediation on those 15 properties as necessary to comply with the applicable remediation 16 regulations adopted by the department. No grant shall be awarded 17 pursuant to this paragraph to a municipality, a county, or a 18 redevelopment entity authorized to exercise redevelopment powers 19 pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4) unless that 20 entity has adopted by ordinance or resolution a comprehensive plan 21 specifically for the development or redevelopment of contaminated 22 or potentially contaminated real property in that municipality or the 23 entity can demonstrate to the authority that a realistic opportunity 24 exists that the subject real property will be developed or 25 redeveloped within a three-year period from the completion of the 26 remediation;

(3) Moneys shall be allocated for financial assistance to persons
who voluntarily perform a remediation of a hazardous substance or
hazardous waste discharge;

30 (4) Moneys shall be allocated for grants to persons who own 31 real property on which there has been a discharge of a hazardous 32 substance or a hazardous waste and that person qualifies for an 33 innocent party grant. A person qualifies for an innocent party grant 34 if that person acquired the property prior to December 31, 1983 and 35 continues to own the property until such time as the authority 36 approves the grant, the hazardous substance or hazardous waste that 37 was discharged at the property was not used by the person at that 38 site, and that person certifies that he did not discharge any 39 hazardous substance or hazardous waste at an area where a 40 discharge is discovered. A grant authorized pursuant to this 41 paragraph may be for up to 50% of the remediation costs at the area 42 of concern for which the person qualifies for an innocent party 43 grant, except that no grant awarded pursuant to this paragraph to 44 any person may exceed \$1,000,000;

(5) Moneys shall be allocated for (a) financial assistance to
persons who own and plan to remediate an environmental
opportunity zone for which an exemption from real property taxes
has been granted pursuant to section 5 of P.L.1995, c.413 (C.54:4-

1 3.154), or (b) matching grants for up to 25% of the project costs to 2 qualifying persons, municipalities, counties, and redevelopment 3 entities authorized to exercise redevelopment powers pursuant to 4 section 4 of P.L.1992, c.79 (C.40A:12A-4), who propose to perform 5 a remedial action that uses an innovative technology, or for the 6 implementation of a limited restricted use remedial action or an 7 unrestricted use remedial action except that no grant awarded 8 pursuant to this paragraph may exceed \$250,000; and

9 (6) Twenty percent of the moneys in the remediation fund shall 10 be allocated for financial assistance or grants for any of the 11 purposes enumerated in paragraphs (1) through (5) of this 12 subsection.

For the purposes of paragraph (5) of this subsection, "qualifying persons" means any person who has a net worth of not more than \$2,000,000 and "project costs" means that portion of the total costs of a remediation that is specifically for the use of an innovative technology or to implement an unrestricted use remedial action or a limited restricted use remedial action, as applicable.

19 b. Loans issued from the remediation fund shall be for a term 20 not to exceed ten years, except that upon the transfer of ownership 21 of any real property for which the loan was made, the unpaid 22 balance of the loan shall become immediately payable in full. The 23 unpaid balance of a loan for the remediation of real property that is 24 transferred by devise or succession shall not become immediately 25 payable in full, and loan repayments shall be made by the person 26 who acquires the property. Loans to municipalities, counties, and 27 redevelopment entities authorized to exercise redevelopment 28 powers pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4), 29 shall bear an interest rate equal to 2 points below the Federal 30 Discount Rate at the time of approval or at the time of loan closing, 31 whichever is lower, except that the rate shall be no lower than 3 32 percent. All other loans shall bear an interest rate equal to the 33 Federal Discount Rate at the time of approval or at the time of the 34 loan closing, whichever is lower, except that the rate on such loans 35 shall be no lower than five percent. Financial assistance and grants 36 may be issued for up to 100% of the estimated applicable 37 remediation cost, except that the cumulative maximum amount of 38 financial assistance which may be issued to a person, in any 39 calendar year, for one or more properties, shall be \$1,000,000. 40 Financial assistance and grants to any one municipality, county, or 41 redevelopment entity authorized to exercise redevelopment powers 42 pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4) may not 43 exceed \$3,000,000 in any calendar year except as provided in 44 subsection f. of section 27 of P.L.1993, c.139 (C.58:10B-5). Grants 45 to a municipality, county, or redevelopment entity authorized to 46 exercise redevelopment powers pursuant to section 4 of P.L.1992, 47 c.79 may be for up to 100% of the total costs of the preliminary 48 assessment, site investigation, or remedial investigation regardless

1 of when the application was received by the department. Grants to a 2 municipality, a county, or a redevelopment entity authorized to 3 exercise redevelopment powers pursuant to section 4 of P.L.1992, 4 c.79 (C.40A:12A-4) may not exceed 75% of the total costs of the 5 remedial action at any one site for any application received by the 6 department on or after September 15, 2005. Repayments of 7 principal and interest on the loans issued from the remediation fund 8 shall be paid to the authority and shall be deposited into the 9 remediation fund.

10 c. No person, other than a qualified person planning to use an 11 innovative technology for the cost of that technology, a qualified 12 person planning to use a limited restricted use remedial action or an 13 unrestricted use remedial action for the cost of the remedial action, 14 a person performing a remediation in an environmental opportunity 15 zone, or a person voluntarily performing a remediation, shall be 16 eligible for financial assistance from the remediation fund to the 17 extent that person is capable of establishing a remediation funding 18 source for the remediation as required pursuant to section 25 of 19 P.L.1993, c.139 (C.58:10B-3).

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

25 Prior to March 1 of each year, the authority shall submit to e. 26 the Senate Environment Committee and the Assembly Environment 27 and Solid Waste Committee, or their successors, a report detailing 28 the amount of money that was available for financial assistance and 29 grants from the remediation fund for the previous calendar year, the 30 amount of money estimated to be available for financial assistance 31 and grants for the current calendar year, the amount of financial 32 assistance and grants issued for the previous calendar year and the 33 category for which each financial assistance and grant was 34 rendered, and any suggestions for legislative action the authority 35 deems advisable to further the legislative intent to facilitate 36 remediation and promote the redevelopment and use of existing 37 industrial sites.

38 (cf: P.L.2007, c.135, s.3)

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2. This act shall take effect immediately.

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43 44 5PONSOR'S STATEMENT

This bill clarifies the eligibility of individuals seeking innocent
party grants from the "Hazardous Discharge Site Remediation
Fund." Specifically, the bill clarifies that a person qualifies for an
innocent party grant only if the person continues to own the subject

- 1 property until the Economic Development Authority has actually
- 2 approved the grant, in addition to meeting other criteria.

ASSEMBLY ENVIRONMENT AND SOLID WASTE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4342

STATE OF NEW JERSEY

DATED: JANUARY 4, 2010

The Assembly Environment and Solid Waste Committee reports favorably Assembly Bill No.4342.

This bill clarifies the eligibility of individuals seeking innocent party grants from the "Hazardous Discharge Site Remediation Fund." Specifically, the bill clarifies that a person qualifies for an innocent party grant only if the person continues to own the subject property until the Economic Development Authority has actually approved the grant, in addition to meeting other criteria.

SENATE, No. 3039 STATE OF NEW JERSEY 213th LEGISLATURE

INTRODUCED NOVEMBER 23, 2009

Sponsored by: Senator BOB SMITH District 17 (Middlesex and Somerset)

SYNOPSIS

Requires eligible applicants for innocent party grants from "Hazardous Discharge Site Remediation Fund" to own subject property through application process.

CURRENT VERSION OF TEXT

As introduced.



AN ACT concerning certain grants from the "Hazardous Discharge

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2 Site Remediation Fund" and amending P.L.1993, c.139. 3 4 **BE IT ENACTED** by the Senate and General Assembly of the State 5 of New Jersey: 6 7 1. Section 28 of P.L.1993, c.139 (C.58:10B-6) is amended to 8 read as follows: 9 28. a. Except for moneys deposited in the remediation fund for 10 specific purposes, and as provided in section 4 of P.L.2007, c.135 11 (C.52:27D-130.7), financial assistance and grants from the 12 remediation fund shall be rendered for the following purposes. A 13 written report shall be sent to the Senate Environment Committee, 14 and the Assembly Environment and Solid Waste Committee, or 15 their successors at the end of each calendar quarter detailing the 16 allocation and expenditures related to the financial assistance and 17 grants from the fund. 18 (1) Moneys shall be allocated for financial assistance to persons, 19 for remediation of real property located in a qualifying municipality 20 as defined in section 1 of P.L.1978, c.14 (C.52:27D-178); 21 (2) Moneys shall be allocated to: (a) municipalities, counties, or 22 redevelopment entities authorized to exercise redevelopment 23 powers pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4), for: 24 (i) projects in brownfield development areas pursuant to subsection f. of section 27 of P.L.1993, c.139 (C.58:10B-5), 25 (ii) matching grants up to a cumulative total amount from the 26 fund of \$5,000,000 per year of up to 75% of the costs of the 27 28 remedial action for projects involving the redevelopment of 29 contaminated property for recreation and conservation purposes, provided that the use of the property for recreation and conservation 30 purposes is included in the comprehensive plan for the development 31 32 or redevelopment of contaminated property, or up to 50% of the 33 costs of the remedial action for projects involving the 34 redevelopment of contaminated property for affordable housing 35 pursuant to P.L.1985, c.222 (C.52:27D-301 et al.), 36 (iii) grants for preliminary assessment, site investigation or 37 remedial investigation of a contaminated site, 38 (iv) financial assistance for the implementation of a remedial 39 action, or (v) financial assistance for remediation activities at sites that 40 41 have been contaminated by a discharge of a hazardous substance or 42 hazardous waste, or at which there is an imminent and significant 43 threat of a discharge of a hazardous substance or hazardous waste, 44 and the discharge or threatened discharge poses or would pose an

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 <u>thus</u> is new matter.

imminent and significant threat to a drinking water source, to
 human health, or to a sensitive or significant ecological area; or

3 (b) persons for financial assistance for remediation activities at 4 sites that have been contaminated by a discharge of a hazardous 5 substance or hazardous waste, or at which there is an imminent and 6 significant threat of a discharge of a hazardous substance or 7 hazardous waste, and the discharge or threatened discharge poses or 8 would pose an imminent and significant threat to a drinking water 9 source, to human health, or to a sensitive or significant ecological 10 area.

11 Except as provided in subsection f. of section 27 of P.L.1993, 12 financial c.139 (C.58:10B-5), assistance and grants to 13 municipalities, counties, or redevelopment entities authorized to 14 exercise redevelopment powers pursuant to section 4 of P.L.1992, 15 c.79 (C.40A:12A-4) may be made for real property: (1) on which 16 they hold a tax sale certificate; (2) that they have acquired through 17 foreclosure or other similar means; or (3) that they have acquired, 18 or, in the case of a county governed by a board of chosen 19 freeholders, have passed a resolution or, in the case of a 20 municipality or a county operating under the "Optional County 21 Charter Law," P.L.1972, c.154 (C.40:41A-1 et seq.), have passed an 22 ordinance or other appropriate document to acquire, by voluntary 23 conveyance for the purpose of redevelopment, or for recreation and 24 conservation purposes. Financial assistance and grants may only be awarded for real property on which there has been or on which there 25 26 is suspected of being a discharge of a hazardous substance or a 27 hazardous waste. Grants and financial assistance provided pursuant to this paragraph shall be used for performing preliminary 28 29 assessments, site investigations, remedial investigations, and 30 remedial actions on real property in order to determine the existence 31 or extent of any hazardous substance or hazardous waste 32 contamination, and to remediate the site in compliance with the 33 applicable health risk and environmental standards on those 34 properties. No financial assistance or grants for a remedial action 35 shall be awarded until the municipality, county, or redevelopment entity authorized to exercise redevelopment powers pursuant to 36 37 section 4 of P.L.1992, c.79 (C.40A:12A-4), actually owns the real 38 property, provided that a matching grant for 75% of the costs of a 39 remedial action for a project involving the redevelopment of 40 contaminated property for recreation and conservation purposes, or 41 a matching grant for 50% of the costs of a remedial action for a 42 project involving the redevelopment of contaminated property for 43 affordable housing pursuant to P.L.1985, c.222 (C.52:27D-301 et 44 al.) may be made to a municipality, county, or redevelopment entity 45 authorized to exercise redevelopment powers pursuant to section 4 46 of P.L.1992, c.79 even if it does not own the real property and a 47 grant may be made to a municipality, county, or redevelopment 48 entity authorized to exercise redevelopment powers pursuant to

1 section 4 of P.L.1992, c.79 (C.40A:12A-4) for a remediation in a 2 brownfield development area pursuant to subsection f. of section 27 3 of P.L.1993, c.139 (C.58:10B-5) even if the entity does not own the 4 real property. No grant shall be awarded for a remedial action for a 5 project involving the redevelopment of contaminated property for 6 recreation or conservation purposes unless the use of the property is 7 preserved for recreation and conservation purposes by conveyance 8 of a development easement, conservation restriction or easement, or 9 other restriction or easement permanently restricting development, 10 which shall be recorded and indexed with the deed in the registry of 11 deeds for the county. A municipality that has performed, or on 12 which there has been performed, a preliminary assessment, site 13 investigation or remedial investigation on property may obtain a 14 loan for the purpose of continuing the remediation on those 15 properties as necessary to comply with the applicable remediation 16 regulations adopted by the department. No grant shall be awarded 17 pursuant to this paragraph to a municipality, a county, or a 18 redevelopment entity authorized to exercise redevelopment powers 19 pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4) unless that 20 entity has adopted by ordinance or resolution a comprehensive plan 21 specifically for the development or redevelopment of contaminated 22 or potentially contaminated real property in that municipality or the 23 entity can demonstrate to the authority that a realistic opportunity 24 exists that the subject real property will be developed or 25 redeveloped within a three-year period from the completion of the 26 remediation;

(3) Moneys shall be allocated for financial assistance to persons
who voluntarily perform a remediation of a hazardous substance or
hazardous waste discharge;

30 (4) Moneys shall be allocated for grants to persons who own 31 real property on which there has been a discharge of a hazardous 32 substance or a hazardous waste and that person qualifies for an 33 innocent party grant. A person qualifies for an innocent party grant 34 if that person acquired the property prior to December 31, 1983 and 35 continues to own the property until such time as the authority 36 approves the grant, the hazardous substance or hazardous waste that 37 was discharged at the property was not used by the person at that 38 site, and that person certifies that he did not discharge any 39 hazardous substance or hazardous waste at an area where a 40 discharge is discovered. A grant authorized pursuant to this 41 paragraph may be for up to 50% of the remediation costs at the area 42 of concern for which the person qualifies for an innocent party 43 grant, except that no grant awarded pursuant to this paragraph to 44 any person may exceed \$1,000,000;

(5) Moneys shall be allocated for (a) financial assistance to
persons who own and plan to remediate an environmental
opportunity zone for which an exemption from real property taxes
has been granted pursuant to section 5 of P.L.1995, c.413 (C.54:4-

3.154), or (b) matching grants for up to 25% of the project costs to 1 2 qualifying persons, municipalities, counties, and redevelopment 3 entities authorized to exercise redevelopment powers pursuant to 4 section 4 of P.L.1992, c.79 (C.40A:12A-4), who propose to perform 5 a remedial action that uses an innovative technology, or for the 6 implementation of a limited restricted use remedial action or an 7 unrestricted use remedial action except that no grant awarded 8 pursuant to this paragraph may exceed \$250,000; and

9 (6) Twenty percent of the moneys in the remediation fund shall 10 be allocated for financial assistance or grants for any of the 11 purposes enumerated in paragraphs (1) through (5) of this 12 subsection.

For the purposes of paragraph (5) of this subsection, "qualifying persons" means any person who has a net worth of not more than \$2,000,000 and "project costs" means that portion of the total costs of a remediation that is specifically for the use of an innovative technology or to implement an unrestricted use remedial action or a limited restricted use remedial action, as applicable.

19 b. Loans issued from the remediation fund shall be for a term 20 not to exceed ten years, except that upon the transfer of ownership 21 of any real property for which the loan was made, the unpaid 22 balance of the loan shall become immediately payable in full. The 23 unpaid balance of a loan for the remediation of real property that is 24 transferred by devise or succession shall not become immediately 25 payable in full, and loan repayments shall be made by the person 26 who acquires the property. Loans to municipalities, counties, and 27 redevelopment entities authorized to exercise redevelopment powers pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4), 28 29 shall bear an interest rate equal to 2 points below the Federal 30 Discount Rate at the time of approval or at the time of loan closing, 31 whichever is lower, except that the rate shall be no lower than 3 32 percent. All other loans shall bear an interest rate equal to the 33 Federal Discount Rate at the time of approval or at the time of the 34 loan closing, whichever is lower, except that the rate on such loans 35 shall be no lower than five percent. Financial assistance and grants 36 may be issued for up to 100% of the estimated applicable 37 remediation cost, except that the cumulative maximum amount of 38 financial assistance which may be issued to a person, in any 39 calendar year, for one or more properties, shall be \$1,000,000. 40 Financial assistance and grants to any one municipality, county, or 41 redevelopment entity authorized to exercise redevelopment powers 42 pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4) may not 43 exceed \$3,000,000 in any calendar year except as provided in 44 subsection f. of section 27 of P.L.1993, c.139 (C.58:10B-5). Grants 45 to a municipality, county, or redevelopment entity authorized to 46 exercise redevelopment powers pursuant to section 4 of P.L.1992, 47 c.79 may be for up to 100% of the total costs of the preliminary 48 assessment, site investigation, or remedial investigation regardless

1 of when the application was received by the department. Grants to a 2 municipality, a county, or a redevelopment entity authorized to 3 exercise redevelopment powers pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4) may not exceed 75% of the total costs of the 4 5 remedial action at any one site for any application received by the 6 department on or after September 15, 2005. Repayments of 7 principal and interest on the loans issued from the remediation fund 8 shall be paid to the authority and shall be deposited into the 9 remediation fund.

10 c. No person, other than a qualified person planning to use an 11 innovative technology for the cost of that technology, a qualified 12 person planning to use a limited restricted use remedial action or an 13 unrestricted use remedial action for the cost of the remedial action, 14 a person performing a remediation in an environmental opportunity 15 zone, or a person voluntarily performing a remediation, shall be 16 eligible for financial assistance from the remediation fund to the 17 extent that person is capable of establishing a remediation funding 18 source for the remediation as required pursuant to section 25 of 19 P.L.1993, c.139 (C.58:10B-3).

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

25 e. Prior to March 1 of each year, the authority shall submit to 26 the Senate Environment Committee and the Assembly Environment 27 and Solid Waste Committee, or their successors, a report detailing 28 the amount of money that was available for financial assistance and 29 grants from the remediation fund for the previous calendar year, the 30 amount of money estimated to be available for financial assistance 31 and grants for the current calendar year, the amount of financial 32 assistance and grants issued for the previous calendar year and the 33 category for which each financial assistance and grant was 34 rendered, and any suggestions for legislative action the authority 35 deems advisable to further the legislative intent to facilitate remediation and promote the redevelopment and use of existing 36 37 industrial sites.

38 (cf: P.L.2007, c.135, s.3)

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2. This act shall take effect immediately.

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5PONSORS STATEMENT

This bill clarifies the eligibility of individuals seeking innocent
party grants from the "Hazardous Discharge Site Remediation
Fund." Specifically, the bill clarifies that a person qualifies for an
innocent party grant only if the person continues to own the subject

- 1 property until the Economic Development Authority has actually
- 2 approved the grant, in addition to meeting other criteria.

SENATE ENVIRONMENT COMMITTEE

STATEMENT TO

SENATE, No. 3039

STATE OF NEW JERSEY

DATED: DECEMBER 3, 2009

The Senate Environment Committee favorably reports Senate Bill No. 3039.

This bill clarifies the eligibility of individuals seeking innocent party grants from the "Hazardous Discharge Site Remediation Fund." Specifically, the bill clarifies that a person qualifies for an innocent party grant only if the person continues to own the subject property until the Economic Development Authority has actually approved the grant, in addition to meeting other criteria.