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P.L. 2007, CHAPTER 135, *approved August 6, 2007*
Assembly, No. 4285 (*Second Reprint*)

1 AN ACT concerning grants to certain child care centers ¹[and
2 educational entities]¹ from the Hazardous Discharge Site
3 Remediation Fund, amending P.L.1993, c.139, and
4 supplementing P.L.2007, c.1 (C.52:27D-130.4 et al.).
5

6 **BE IT ENACTED** by the Senate and General Assembly of the State
7 of New Jersey:
8

9 1. Section 26 of P.L.1993, c.139 (C.58:10B-4) is amended to
10 read as follows:

11 26. a. There is established in the New Jersey Economic
12 Development Authority a special, revolving fund to be known as
13 the Hazardous Discharge Site Remediation Fund. **[Moneys]**
14 Except as provided in section 4 of P.L. , c. (C.) (pending
15 before the Legislature as this bill), moneys in the remediation fund
16 shall be dedicated for the provision of financial assistance or grants
17 to municipalities, counties, redevelopment entities authorized to
18 exercise redevelopment powers pursuant to section 4 of P.L.1992,
19 c.79 (C.40A:12A-4), and persons, for the purpose of financing
20 remediation activities at sites at which there is, or is suspected of
21 being, a discharge of hazardous substances or hazardous wastes.

22 b. The remediation fund shall be credited with:

23 (1) moneys as are appropriated by the Legislature;

24 (2) moneys deposited into the fund as repayment of principal
25 and interest on outstanding loans made from the fund;

26 (3) any return on investment of moneys deposited in the fund;

27 (4) remediation funding source surcharges imposed pursuant to
28 section 33 of P.L.1993, c.139 (C.58:10B-11);

29 (5) moneys deposited in the fund as repayment of recoverable
30 grants made by the New Jersey Redevelopment Authority for
31 brownfield redevelopment;

32 (6) moneys deposited into the fund from cost recovery
33 subrogation actions; and

34 (7) moneys made available to the authority for the purposes of
35 the fund.

36 (cf: P.L.2005, c.223, s.2)
37

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

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AEN committee amendments adopted May 21, 2007.

²Assembly ABU committee amendments adopted June 18, 2007.

1 27. a. (1) ~~【Financial】 Except as provided in section 4 of P.L. ,~~
2 ~~c. (C.) (pending before the Legislature as this bill), financial~~
3 assistance from the remediation fund may only be rendered to
4 persons who cannot establish a remediation funding source for the
5 full amount of a remediation. Financial assistance pursuant to this
6 act may be rendered only for that amount of the cost of a
7 remediation for which the person cannot establish a remediation
8 funding source. The limitations on receiving financial assistance
9 established in this paragraph (1) shall not limit the ability of
10 municipalities, counties, redevelopment entities authorized to
11 exercise redevelopment powers pursuant to section 4 of P.L.1992,
12 c.79 (C.40A:12A-4), persons who are not required to establish a
13 remediation funding source for the part of the remediation involving
14 an innovative technology, an unrestricted use remedial action or a
15 limited restricted use remedial action, persons performing a
16 remediation in an environmental opportunity zone, or persons who
17 voluntarily perform a remediation, from receiving financial
18 assistance from the fund.

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

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

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

41 c. Financial assistance and grants may be made from the
42 remediation fund to a municipality, county, or redevelopment entity
43 authorized to exercise redevelopment powers pursuant to section 4
44 of P.L.1992, c.79 (C.40A:12A-4), for real property: (1) on which it
45 holds a tax sale certificate; (2) that it has acquired through
46 foreclosure or other similar means; or (3) that it has acquired, or in
47 the case of a county governed by a board of chosen freeholders, has
48 passed a resolution or, in the case of a municipality or a county
49 operating under the "Optional County Charter Law," P.L.1972,

1 c.154 (C.40:41A-1 et seq.), has passed an ordinance or other
2 appropriate document to acquire, by voluntary conveyance for the
3 purpose of redevelopment, or for recreation and conservation
4 purposes. Financial assistance and grants may only be awarded for
5 real property on which there has been a discharge or on which there
6 is a suspected discharge of a hazardous substance or hazardous
7 waste.

8 d. Grants may be made from the remediation fund to persons
9 who own real property on which there has been a discharge of a
10 hazardous substance or a hazardous waste and that person qualifies
11 for an innocent party grant pursuant to section 28 of P.L.1993,
12 c.139 (C.58:10B-6).

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

17 f. Grants may be made from the remediation fund to
18 municipalities, counties, and redevelopment entities authorized to
19 exercise redevelopment powers pursuant to section 4 of P.L.1992,
20 c.79 (C.40A:12A-4), for the preliminary assessment, site
21 investigation, remedial investigation and remedial action on
22 contaminated real property within a brownfield development area.
23 An ownership interest in the contaminated property shall not be
24 required in order for a municipality, county, or redevelopment
25 entity authorized to exercise redevelopment powers pursuant to
26 section 4 of P.L.1992, c.79 (C.40A:12A-4) to receive a grant for a
27 remediation of property in a brownfield redevelopment area.
28 Notwithstanding the limitation on the total amount of financial
29 assistance and grants that may be awarded in any one year pursuant
30 to subsection b. of section 28 of P.L.1993, c.139 (C.58:10B-6), the
31 authority may award an additional amount of financial assistance
32 and grants in any one year, of up to \$2,000,000, to any one
33 municipality, county, or redevelopment entity for the remediation of
34 property in a brownfield development area. Any property on which
35 a municipality, county, or redevelopment entity makes expenditures
36 for a remedial action and the property is not owned by that entity
37 shall be subject to the provisions of section 8 of P.L.2005, c.223
38 (C.58:10B-25.2).
39 (cf: P.L.2005, c.223, s.3)

40
41 3. Section 28 of P.L.1993, c.139 (C.58:10B-6) is amended to
42 read as follows:

43 28. a. Except for moneys deposited in the remediation fund for
44 specific purposes, and as provided in section 4 of P.L. _____,
45 c. (C.) (pending before the Legislature as this bill), financial
46 assistance and grants from the remediation fund shall be rendered
47 for the following purposes. A written report shall be sent to the
48 Senate Environment Committee, and the Assembly Environment
49 and Solid Waste Committee, or their successors at the end of each

1 calendar quarter detailing the allocation and expenditures related to
2 the financial assistance and grants from the fund.

3 (1) Moneys shall be allocated for financial assistance to persons,
4 for remediation of real property located in a qualifying municipality
5 as defined in section 1 of P.L.1978, c.14 (C.52:27D-178);

6 (2) Moneys shall be allocated to: (a) municipalities, counties, or
7 redevelopment entities authorized to exercise redevelopment
8 powers pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4), for:

9 (i) projects in brownfield development areas pursuant to
10 subsection f. of section 27 of P.L.1993, c.139 (C.58:10B-5),

11 (ii) matching grants up to a cumulative total amount from the
12 fund of \$5,000,000 per year of up to 75% of the costs of the
13 remedial action for projects involving the redevelopment of
14 contaminated property for recreation and conservation purposes,
15 provided that the use of the property for recreation and conservation
16 purposes is included in the comprehensive plan for the development
17 or redevelopment of contaminated property, or up to 50% of the
18 costs of the remedial action for projects involving the
19 redevelopment of contaminated property for affordable housing
20 pursuant to P.L.1985, c.222 (C.52:27D-301 et seq.),

21 (iii) grants for preliminary assessment, site investigation or
22 remedial investigation of a contaminated site,

23 (iv) financial assistance for the implementation of a remedial
24 action, or

25 (v) financial assistance for remediation activities at sites that
26 have been contaminated by a discharge of a hazardous substance or
27 hazardous waste, or at which there is an imminent and significant
28 threat of a discharge of a hazardous substance or hazardous waste,
29 and the discharge or threatened discharge poses or would pose an
30 imminent and significant threat to a drinking water source, to
31 human health, or to a sensitive or significant ecological area; or

32 (b) persons for financial assistance for remediation activities at
33 sites that have been contaminated by a discharge of a hazardous
34 substance or hazardous waste, or at which there is an imminent and
35 significant threat of a discharge of a hazardous substance or
36 hazardous waste, and the discharge or threatened discharge poses or
37 would pose an imminent and significant threat to a drinking water
38 source, to human health, or to a sensitive or significant ecological
39 area.

40 Except as provided in subsection f. of section 27 of P.L.1993,
41 c.139 (C.58:10B-5), financial assistance and grants to
42 municipalities, counties, or redevelopment entities authorized to
43 exercise redevelopment powers pursuant to section 4 of P.L.1992,
44 c.79 (C.40A:12A-4) may be made for real property: (1) on which
45 they hold a tax sale certificate; (2) that they have acquired through
46 foreclosure or other similar means; or (3) that they have acquired,
47 or, in the case of a county governed by a board of chosen
48 freeholders, have passed a resolution or, in the case of a
49 municipality or a county operating under the "Optional County

1 Charter Law," P.L.1972, c.154 (C.40:41A-1 et seq.), have passed an
2 ordinance or other appropriate document to acquire, by voluntary
3 conveyance for the purpose of redevelopment, or for recreation and
4 conservation purposes. Financial assistance and grants may only be
5 awarded for real property on which there has been or on which there
6 is suspected of being a discharge of a hazardous substance or a
7 hazardous waste. Grants and financial assistance provided pursuant
8 to this paragraph shall be used for performing preliminary
9 assessments, site investigations, remedial investigations, and
10 remedial actions on real property in order to determine the existence
11 or extent of any hazardous substance or hazardous waste
12 contamination, and to remediate the site in compliance with the
13 applicable health risk and environmental standards on those
14 properties. No financial assistance or grants for a remedial action
15 shall be awarded until the municipality, county, or redevelopment
16 entity authorized to exercise redevelopment powers pursuant to
17 section 4 of P.L.1992, c.79 (C.40A:12A-4), actually owns the real
18 property, provided that a matching grant for 75% of the costs of a
19 remedial action for a project involving the redevelopment of
20 contaminated property for recreation and conservation purposes, or
21 a matching grant for 50% of the costs of a remedial action for a
22 project involving the redevelopment of contaminated property for
23 affordable housing pursuant to P.L.1985, c.222 (C.52:27D-301 et
24 seq.) may be made to a municipality, county, or redevelopment
25 entity authorized to exercise redevelopment powers pursuant to
26 section 4 of P.L.1992, c.79 even if it does not own the real property
27 and a grant may be made to a municipality, county, or
28 redevelopment entity authorized to exercise redevelopment powers
29 pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4) for a
30 remediation in a brownfield development area pursuant to
31 subsection f. of section 27 of P.L.1993, c.139 (C.58:10B-5) even if
32 the entity does not own the real property. No grant shall be
33 awarded for a remedial action for a project involving the
34 redevelopment of contaminated property for recreation or
35 conservation purposes unless the use of the property is preserved
36 for recreation and conservation purposes by conveyance of a
37 development easement, conservation restriction or easement, or
38 other restriction or easement permanently restricting development,
39 which shall be recorded and indexed with the deed in the registry of
40 deeds for the county. A municipality that has performed, or on
41 which there has been performed, a preliminary assessment, site
42 investigation or remedial investigation on property may obtain a
43 loan for the purpose of continuing the remediation on those
44 properties as necessary to comply with the applicable remediation
45 regulations adopted by the department. No grant shall be awarded
46 pursuant to this paragraph to a municipality, a county, or a
47 redevelopment entity authorized to exercise redevelopment powers
48 pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4) unless that
49 entity has adopted by ordinance or resolution a comprehensive plan

1 specifically for the development or redevelopment of contaminated
2 or potentially contaminated real property in that municipality or the
3 entity can demonstrate to the authority that a realistic opportunity
4 exists that the subject real property will be developed or
5 redeveloped within a three-year period from the completion of the
6 remediation;

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

10 (4) Moneys shall be allocated for grants to persons who own
11 real property on which there has been a discharge of a hazardous
12 substance or a hazardous waste and that person qualifies for an
13 innocent party grant. A person qualifies for an innocent party grant
14 if that person acquired the property prior to December 31, 1983, the
15 hazardous substance or hazardous waste that was discharged at the
16 property was not used by the person at that site, and that person
17 certifies that he did not discharge any hazardous substance or
18 hazardous waste at an area where a discharge is discovered. A
19 grant authorized pursuant to this paragraph may be for up to 50% of
20 the remediation costs at the area of concern for which the person
21 qualifies for an innocent party grant, except that no grant awarded
22 pursuant to this paragraph to any person may exceed \$1,000,000;

23 (5) Moneys shall be allocated for (a) financial assistance to
24 persons who own and plan to remediate an environmental
25 opportunity zone for which an exemption from real property taxes
26 has been granted pursuant to section 5 of P.L.1995, c.413 (C.54:4-
27 3.154), or (b) matching grants for up to 25% of the project costs to
28 qualifying persons, municipalities, counties, and redevelopment
29 entities authorized to exercise redevelopment powers pursuant to
30 section 4 of P.L.1992, c.79 (C.40A:12A-4), who propose to perform
31 a remedial action that uses an innovative technology, or for the
32 implementation of a limited restricted use remedial action or an
33 unrestricted use remedial action except that no grant awarded
34 pursuant to this paragraph may exceed \$250,000; and

35 (6) Twenty percent of the moneys in the remediation fund shall
36 be allocated for financial assistance or grants for any of the
37 purposes enumerated in paragraphs (1) through (5) of this
38 subsection.

39 For the purposes of paragraph (5) of this subsection, "qualifying
40 persons" means any person who has a net worth of not more than
41 \$2,000,000 and "project costs" means that portion of the total costs
42 of a remediation that is specifically for the use of an innovative
43 technology or to implement an unrestricted use remedial action or a
44 limited restricted use remedial action, as applicable.

45 b. Loans issued from the remediation fund shall be for a term
46 not to exceed ten years, except that upon the transfer of ownership
47 of any real property for which the loan was made, the unpaid
48 balance of the loan shall become immediately payable in full. The
49 unpaid balance of a loan for the remediation of real property that is

1 transferred by devise or succession shall not become immediately
2 payable in full, and loan repayments shall be made by the person
3 who acquires the property. Loans to municipalities, counties, and
4 redevelopment entities authorized to exercise redevelopment
5 powers pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4),
6 shall bear an interest rate equal to 2 points below the Federal
7 Discount Rate at the time of approval or at the time of loan closing,
8 whichever is lower, except that the rate shall be no lower than 3
9 percent. All other loans shall bear an interest rate equal to the
10 Federal Discount Rate at the time of approval or at the time of the
11 loan closing, whichever is lower, except that the rate on such loans
12 shall be no lower than five percent. Financial assistance and grants
13 may be issued for up to 100% of the estimated applicable
14 remediation cost, except that the cumulative maximum amount of
15 financial assistance which may be issued to a person, in any
16 calendar year, for one or more properties, shall be \$1,000,000.
17 Financial assistance and grants to any one municipality, county, or
18 redevelopment entity authorized to exercise redevelopment powers
19 pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4) may not
20 exceed \$3,000,000 in any calendar year except as provided in
21 subsection f. of section 27 of P.L.1993, c.139 (C.58:10B-5). Grants
22 to a municipality, county, or redevelopment entity authorized to
23 exercise redevelopment powers pursuant to section 4 of P.L.1992,
24 c.79 may be for up to 100% of the total costs of the preliminary
25 assessment, site investigation, or remedial investigation regardless
26 of when the application was received by the department. Grants to a
27 municipality, a county, or a redevelopment entity authorized to
28 exercise redevelopment powers pursuant to section 4 of P.L.1992,
29 c.79 (C.40A:12A-4) may not exceed 75% of the total costs of the
30 remedial action at any one site for any application received by the
31 department on or after September 15, 2005. Repayments of
32 principal and interest on the loans issued from the remediation fund
33 shall be paid to the authority and shall be deposited into the
34 remediation fund.

35 c. No person, other than a qualified person planning to use an
36 innovative technology for the cost of that technology, a qualified
37 person planning to use a limited restricted use remedial action or an
38 unrestricted use remedial action for the cost of the remedial action,
39 a person performing a remediation in an environmental opportunity
40 zone, or a person voluntarily performing a remediation, shall be
41 eligible for financial assistance from the remediation fund to the
42 extent that person is capable of establishing a remediation funding
43 source for the remediation as required pursuant to section 25 of
44 P.L.1993, c.139 (C.58:10B-3).

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

1 e. Prior to March 1 of each year, the authority shall submit to
2 the Senate Environment Committee and the Assembly Environment
3 and Solid Waste Committee, or their successors, a report detailing
4 the amount of money that was available for financial assistance and
5 grants from the remediation fund for the previous calendar year, the
6 amount of money estimated to be available for financial assistance
7 and grants for the current calendar year, the amount of financial
8 assistance and grants issued for the previous calendar year and the
9 category for which each financial assistance and grant was
10 rendered, and any suggestions for legislative action the authority
11 deems advisable to further the legislative intent to facilitate
12 remediation and promote the redevelopment and use of existing
13 industrial sites.
14 (cf: P.L.2007, c.25, s.1)

15
16 4. (New section) a. Notwithstanding any provisions of
17 P.L.1993, c.139 (C.58:10B-1 et seq.) to the contrary, the New
18 Jersey Economic Development Authority ², in conjunction with the
19 Department of Environmental Protection,² may provide ¹ **[grants]** a
20 grant¹ ² of \$1,500² from the Hazardous Discharge Site Remediation
21 Fund, established pursuant to section 26 of P.L.1993, c.139
22 (C.58:10B-4), to ¹ the owner or operator of¹ a child care center
23 licensed pursuant to P.L.1983, c.492 (C.30:5B-1 et seq.), ¹ **[or an**
24 **educational entity, required to perform an environmental evaluation**
25 **and assessment pursuant to P.L.2007, c.1 (C.52:27D-130.4 et al.),**
26 **for the costs of such evaluation and assessment up to \$1,200.]** or a
27 prospective owner or operator of a child care center who has
28 applied for a license pursuant to P.L.1983, c.492 (C.30:5B-1 et
29 seq.), for the costs of a preliminary assessment performed in order
30 to obtain a no further action letter as required pursuant to the
31 provisions of subsection b. of section 2 of P.L.2007, c.1 (C.52:27D-
32 130.5) or performed as part of the child care center licensing
33 requirements established by the² **[Department of Health and Senior**
34 **Services. A grant awarded pursuant to this section shall not exceed**
35 **\$1,500.]** Department of Children and Families.²

36 b. The New Jersey Economic Development Authority ², in the
37 administration of the Hazardous Discharge Site Remediation Fund,²
38 shall ² **[establish** ¹ **[a]** an application¹ procedure for ¹ **[a child care**
39 **center licensed pursuant to P.L.1983, c.492, or an educational**
40 **entity, required to perform an environmental evaluation and**
41 **assessment pursuant to P.L.2007, c.1 (C.52:27D-130.4 et al.), to**
42 **apply to the Hazardous Discharge Site Remediation Fund for**
43 **reimbursement of funds expended on the environmental evaluation**
44 **and assessment, up to a maximum of \$1,200]** grants to be awarded
45 pursuant to subsection a. of this section¹. The procedure
46 established shall require the applicant to complete the
47 ¹ **[environmental evaluation and]** preliminary¹ assessment prior to

1 seeking reimbursement from the fund] authorize the Department of
2 Environmental Protection to implement a program for the grants to
3 be awarded pursuant to subsection a. of this section².

4 c. ¹For the purposes of this section, “preliminary assessment”
5 means the same as that term is defined in section 23 of P.L.1993,
6 c.139 (C.58:10B-1).

7 d.¹ The ²[New Jersey Economic Development Authority shall]
8 Department of Environmental Protection may² adopt, pursuant to
9 the “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1
10 et seq.), rules and regulations necessary to effectuate this section.

11
12 5. This act shall take effect on the 90th day after the date of
13 enactment, but the ²[Chief Executive Officer of the New Jersey
14 Economic Development Authority] Department of Environmental
15 Protection² may take such anticipatory administrative action in
16 advance thereof as shall be necessary for the implementation of this
17 act.

18

19

20

21

22 Permits certain child care centers to receive \$1,500 grants from
23 Hazardous Discharge Site Remediation Fund.

ASSEMBLY, No. 4285

STATE OF NEW JERSEY 212th LEGISLATURE

INTRODUCED MAY 17, 2007

Sponsored by:

Assemblyman JOHN F. MCKEON

District 27 (Essex)

Assemblyman LOUIS M. MANZO

District 31 (Hudson)

Assemblyman CHRISTOPHER "KIP" BATEMAN

District 16 (Morris and Somerset)

Assemblyman ROBERT M. GORDON

District 38 (Bergen)

Co-Sponsored by:

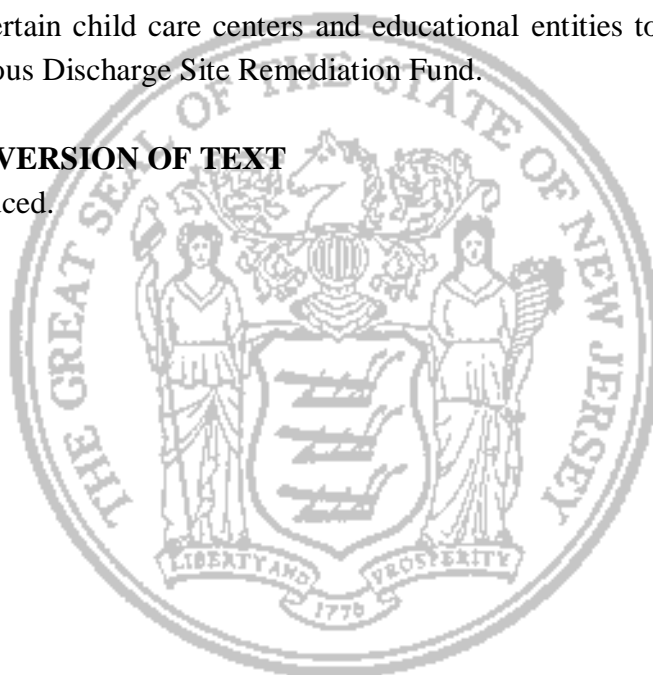
Assemblyman Epps

SYNOPSIS

Permits certain child care centers and educational entities to receive grants from Hazardous Discharge Site Remediation Fund.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/22/2007)

1 AN ACT concerning grants to certain child care centers and
2 educational entities from the Hazardous Discharge Site
3 Remediation Fund, amending P.L.1993, c.139, and
4 supplementing P.L.2007, c.1 (C.52:27D-130.4 et al.).
5

6 **BE IT ENACTED** by the Senate and General Assembly of the State
7 of New Jersey:
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10 read as follows:

11 26. a. There is established in the New Jersey Economic
12 Development Authority a special, revolving fund to be known as
13 the Hazardous Discharge Site Remediation Fund. **[Moneys]**
14 Except as provided in section 4 of P.L. , c. (C.) (pending
15 before the Legislature as this bill), moneys in the remediation fund
16 shall be dedicated for the provision of financial assistance or grants
17 to municipalities, counties, redevelopment entities authorized to
18 exercise redevelopment powers pursuant to section 4 of P.L.1992,
19 c.79 (C.40A:12A-4), and persons, for the purpose of financing
20 remediation activities at sites at which there is, or is suspected of
21 being, a discharge of hazardous substances or hazardous wastes.

22 b. The remediation fund shall be credited with:

23 (1) moneys as are appropriated by the Legislature;

24 (2) moneys deposited into the fund as repayment of principal
25 and interest on outstanding loans made from the fund;

26 (3) any return on investment of moneys deposited in the fund;

27 (4) remediation funding source surcharges imposed pursuant to
28 section 33 of P.L.1993, c.139 (C.58:10B-11);

29 (5) moneys deposited in the fund as repayment of recoverable
30 grants made by the New Jersey Redevelopment Authority for
31 brownfield redevelopment;

32 (6) moneys deposited into the fund from cost recovery
33 subrogation actions; and

34 (7) moneys made available to the authority for the purposes of
35 the fund.

36 (cf: P.L.2005, c.223, s.2)
37

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

40 27. a. (1) **[Financial]** Except as provided in section 4 of P.L. ,
41 c. (C.) (pending before the Legislature as this bill), financial
42 assistance from the remediation fund may only be rendered to
43 persons who cannot establish a remediation funding source for the
44 full amount of a remediation. Financial assistance pursuant to this

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 act may be rendered only for that amount of the cost of a
2 remediation for which the person cannot establish a remediation
3 funding source. The limitations on receiving financial assistance
4 established in this paragraph (1) shall not limit the ability of
5 municipalities, counties, redevelopment entities authorized to
6 exercise redevelopment powers pursuant to section 4 of P.L.1992,
7 c.79 (C.40A:12A-4), persons who are not required to establish a
8 remediation funding source for the part of the remediation involving
9 an innovative technology, an unrestricted use remedial action or a
10 limited restricted use remedial action, persons performing a
11 remediation in an environmental opportunity zone, or persons who
12 voluntarily perform a remediation, from receiving financial
13 assistance from the fund.

14 (2) Financial assistance rendered to persons who voluntarily
15 perform a remediation or perform a remediation in an
16 environmental opportunity zone may only be made for that amount
17 of the cost of the remediation that the person cannot otherwise fund
18 by any of the authorized methods to establish a remediation funding
19 source.

20 (3) Financial assistance rendered to persons who do not have to
21 provide a remediation funding source for the part of the remediation
22 that involves an innovative technology, an unrestricted use remedial
23 action, or a limited restricted use remedial action may only be made
24 for that amount of the cost of the remediation that the person cannot
25 otherwise fund by any of the authorized methods to establish a
26 remediation funding source.

27 b. Financial assistance may be rendered from the remediation
28 fund to (1) owners or operators of industrial establishments who are
29 required to perform remediation activities pursuant to P.L.1983,
30 c.330 (C.13:1K-6 et al.), upon closing operations or prior to the
31 transfer of ownership or operations of an industrial establishment,
32 (2) persons who are liable for the cleanup and removal costs of a
33 hazardous substance pursuant to P.L.1976, c.141 (C.58:10-23.11 et
34 seq.), and (3) persons who voluntarily perform a remediation of a
35 discharge of a hazardous substance or hazardous waste.

36 c. Financial assistance and grants may be made from the
37 remediation fund to a municipality, county, or redevelopment entity
38 authorized to exercise redevelopment powers pursuant to section 4
39 of P.L.1992, c.79 (C.40A:12A-4), for real property: (1) on which it
40 holds a tax sale certificate; (2) that it has acquired through
41 foreclosure or other similar means; or (3) that it has acquired, or in
42 the case of a county governed by a board of chosen freeholders, has
43 passed a resolution or, in the case of a municipality or a county
44 operating under the "Optional County Charter Law," P.L.1972,
45 c.154 (C.40:41A-1 et seq.), has passed an ordinance or other
46 appropriate document to acquire, by voluntary conveyance for the
47 purpose of redevelopment, or for recreation and conservation
48 purposes. Financial assistance and grants may only be awarded for
49 real property on which there has been a discharge or on which there

1 is a suspected discharge of a hazardous substance or hazardous
2 waste.

3 d. Grants may be made from the remediation fund to persons
4 who own real property on which there has been a discharge of a
5 hazardous substance or a hazardous waste and that person qualifies
6 for an innocent party grant pursuant to section 28 of P.L.1993,
7 c.139 (C.58:10B-6).

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

12 f. Grants may be made from the remediation fund to
13 municipalities, counties, and redevelopment entities authorized to
14 exercise redevelopment powers pursuant to section 4 of P.L.1992,
15 c.79 (C.40A:12A-4), for the preliminary assessment, site
16 investigation, remedial investigation and remedial action on
17 contaminated real property within a brownfield development area.
18 An ownership interest in the contaminated property shall not be
19 required in order for a municipality, county, or redevelopment
20 entity authorized to exercise redevelopment powers pursuant to
21 section 4 of P.L.1992, c.79 (C.40A:12A-4) to receive a grant for a
22 remediation of property in a brownfield redevelopment area.
23 Notwithstanding the limitation on the total amount of financial
24 assistance and grants that may be awarded in any one year pursuant
25 to subsection b. of section 28 of P.L.1993, c.139 (C.58:10B-6), the
26 authority may award an additional amount of financial assistance
27 and grants in any one year, of up to \$2,000,000, to any one
28 municipality, county, or redevelopment entity for the remediation of
29 property in a brownfield development area. Any property on which
30 a municipality, county, or redevelopment entity makes expenditures
31 for a remedial action and the property is not owned by that entity
32 shall be subject to the provisions of section 8 of P.L.2005, c.223
33 (C.58:10B-25.2).
34 (cf: P.L.2005, c.223, s.3)

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

38 28. a. Except for moneys deposited in the remediation fund for
39 specific purposes, and as provided in section 4 of P.L. _____, c.
40 (C. _____) (pending before the Legislature as this bill), financial
41 assistance and grants from the remediation fund shall be rendered
42 for the following purposes. A written report shall be sent to the
43 Senate Environment Committee, and the Assembly Environment
44 and Solid Waste Committee, or their successors at the end of each
45 calendar quarter detailing the allocation and expenditures related to
46 the financial assistance and grants from the fund.

47 (1) Moneys shall be allocated for financial assistance to persons,
48 for remediation of real property located in a qualifying municipality
49 as defined in section 1 of P.L.1978, c.14 (C.52:27D-178);

1 (2) Moneys shall be allocated to: (a) municipalities, counties, or
2 redevelopment entities authorized to exercise redevelopment
3 powers pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4), for:
4 (i) projects in brownfield development areas pursuant to
5 subsection f. of section 27 of P.L.1993, c.139 (C.58:10B-5),
6 (ii) matching grants up to a cumulative total amount from the
7 fund of \$5,000,000 per year of up to 75% of the costs of the
8 remedial action for projects involving the redevelopment of
9 contaminated property for recreation and conservation purposes,
10 provided that the use of the property for recreation and conservation
11 purposes is included in the comprehensive plan for the development
12 or redevelopment of contaminated property, or up to 50% of the
13 costs of the remedial action for projects involving the
14 redevelopment of contaminated property for affordable housing
15 pursuant to P.L.1985, c.222 (C.52:27D-301 et seq.),
16 (iii) grants for preliminary assessment, site investigation or
17 remedial investigation of a contaminated site,
18 (iv) financial assistance for the implementation of a remedial
19 action, or
20 (v) financial assistance for remediation activities at sites that
21 have been contaminated by a discharge of a hazardous substance or
22 hazardous waste, or at which there is an imminent and significant
23 threat of a discharge of a hazardous substance or hazardous waste,
24 and the discharge or threatened discharge poses or would pose an
25 imminent and significant threat to a drinking water source, to
26 human health, or to a sensitive or significant ecological area; or
27 (b) persons for financial assistance for remediation activities at
28 sites that have been contaminated by a discharge of a hazardous
29 substance or hazardous waste, or at which there is an imminent and
30 significant threat of a discharge of a hazardous substance or
31 hazardous waste, and the discharge or threatened discharge poses or
32 would pose an imminent and significant threat to a drinking water
33 source, to human health, or to a sensitive or significant ecological
34 area.
35 Except as provided in subsection f. of section 27 of P.L.1993,
36 c.139 (C.58:10B-5), financial assistance and grants to
37 municipalities, counties, or redevelopment entities authorized to
38 exercise redevelopment powers pursuant to section 4 of P.L.1992,
39 c.79 (C.40A:12A-4) may be made for real property: (1) on which
40 they hold a tax sale certificate; (2) that they have acquired through
41 foreclosure or other similar means; or (3) that they have acquired,
42 or, in the case of a county governed by a board of chosen
43 freeholders, have passed a resolution or, in the case of a
44 municipality or a county operating under the "Optional County
45 Charter Law," P.L.1972, c.154 (C.40:41A-1 et seq.), have passed an
46 ordinance or other appropriate document to acquire, by voluntary
47 conveyance for the purpose of redevelopment, or for recreation and
48 conservation purposes. Financial assistance and grants may only be
49 awarded for real property on which there has been or on which there

1 is suspected of being a discharge of a hazardous substance or a
2 hazardous waste. Grants and financial assistance provided pursuant
3 to this paragraph shall be used for performing preliminary
4 assessments, site investigations, remedial investigations, and
5 remedial actions on real property in order to determine the existence
6 or extent of any hazardous substance or hazardous waste
7 contamination, and to remediate the site in compliance with the
8 applicable health risk and environmental standards on those
9 properties. No financial assistance or grants for a remedial action
10 shall be awarded until the municipality, county, or redevelopment
11 entity authorized to exercise redevelopment powers pursuant to
12 section 4 of P.L.1992, c.79 (C.40A:12A-4), actually owns the real
13 property, provided that a matching grant for 75% of the costs of a
14 remedial action for a project involving the redevelopment of
15 contaminated property for recreation and conservation purposes, or
16 a matching grant for 50% of the costs of a remedial action for a
17 project involving the redevelopment of contaminated property for
18 affordable housing pursuant to P.L.1985, c.222 (C.52:27D-301 et
19 seq.) may be made to a municipality, county, or redevelopment
20 entity authorized to exercise redevelopment powers pursuant to
21 section 4 of P.L.1992, c.79 even if it does not own the real property
22 and a grant may be made to a municipality, county, or
23 redevelopment entity authorized to exercise redevelopment powers
24 pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4) for a
25 remediation in a brownfield development area pursuant to
26 subsection f. of section 27 of P.L.1993, c.139 (C.58:10B-5) even if
27 the entity does not own the real property. No grant shall be
28 awarded for a remedial action for a project involving the
29 redevelopment of contaminated property for recreation or
30 conservation purposes unless the use of the property is preserved
31 for recreation and conservation purposes by conveyance of a
32 development easement, conservation restriction or easement, or
33 other restriction or easement permanently restricting development,
34 which shall be recorded and indexed with the deed in the registry of
35 deeds for the county. A municipality that has performed, or on
36 which there has been performed, a preliminary assessment, site
37 investigation or remedial investigation on property may obtain a
38 loan for the purpose of continuing the remediation on those
39 properties as necessary to comply with the applicable remediation
40 regulations adopted by the department. No grant shall be awarded
41 pursuant to this paragraph to a municipality, a county, or a
42 redevelopment entity authorized to exercise redevelopment powers
43 pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4) unless that
44 entity has adopted by ordinance or resolution a comprehensive plan
45 specifically for the development or redevelopment of contaminated
46 or potentially contaminated real property in that municipality or the
47 entity can demonstrate to the authority that a realistic opportunity
48 exists that the subject real property will be developed or

1 redeveloped within a three-year period from the completion of the
2 remediation;

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

6 (4) Moneys shall be allocated for grants to persons who own
7 real property on which there has been a discharge of a hazardous
8 substance or a hazardous waste and that person qualifies for an
9 innocent party grant. A person qualifies for an innocent party grant
10 if that person acquired the property prior to December 31, 1983, the
11 hazardous substance or hazardous waste that was discharged at the
12 property was not used by the person at that site, and that person
13 certifies that he did not discharge any hazardous substance or
14 hazardous waste at an area where a discharge is discovered. A
15 grant authorized pursuant to this paragraph may be for up to 50% of
16 the remediation costs at the area of concern for which the person
17 qualifies for an innocent party grant, except that no grant awarded
18 pursuant to this paragraph to any person may exceed \$1,000,000;

19 (5) Moneys shall be allocated for (a) financial assistance to
20 persons who own and plan to remediate an environmental
21 opportunity zone for which an exemption from real property taxes
22 has been granted pursuant to section 5 of P.L.1995, c.413 (C.54:4-
23 3.154), or (b) matching grants for up to 25% of the project costs to
24 qualifying persons, municipalities, counties, and redevelopment
25 entities authorized to exercise redevelopment powers pursuant to
26 section 4 of P.L.1992, c.79 (C.40A:12A-4), who propose to perform
27 a remedial action that uses an innovative technology, or for the
28 implementation of a limited restricted use remedial action or an
29 unrestricted use remedial action except that no grant awarded
30 pursuant to this paragraph may exceed \$250,000; and

31 (6) Twenty percent of the moneys in the remediation fund shall
32 be allocated for financial assistance or grants for any of the
33 purposes enumerated in paragraphs (1) through (5) of this
34 subsection.

35 For the purposes of paragraph (5) of this subsection, "qualifying
36 persons" means any person who has a net worth of not more than
37 \$2,000,000 and "project costs" means that portion of the total costs
38 of a remediation that is specifically for the use of an innovative
39 technology or to implement an unrestricted use remedial action or a
40 limited restricted use remedial action, as applicable.

41 b. Loans issued from the remediation fund shall be for a term
42 not to exceed ten years, except that upon the transfer of ownership
43 of any real property for which the loan was made, the unpaid
44 balance of the loan shall become immediately payable in full. The
45 unpaid balance of a loan for the remediation of real property that is
46 transferred by devise or succession shall not become immediately
47 payable in full, and loan repayments shall be made by the person
48 who acquires the property. Loans to municipalities, counties, and
49 redevelopment entities authorized to exercise redevelopment

1 powers pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4),
2 shall bear an interest rate equal to 2 points below the Federal
3 Discount Rate at the time of approval or at the time of loan closing,
4 whichever is lower, except that the rate shall be no lower than 3
5 percent. All other loans shall bear an interest rate equal to the
6 Federal Discount Rate at the time of approval or at the time of the
7 loan closing, whichever is lower, except that the rate on such loans
8 shall be no lower than five percent. Financial assistance and grants
9 may be issued for up to 100% of the estimated applicable
10 remediation cost, except that the cumulative maximum amount of
11 financial assistance which may be issued to a person, in any
12 calendar year, for one or more properties, shall be \$1,000,000.
13 Financial assistance and grants to any one municipality, county, or
14 redevelopment entity authorized to exercise redevelopment powers
15 pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4) may not
16 exceed \$3,000,000 in any calendar year except as provided in
17 subsection f. of section 27 of P.L.1993, c.139 (C.58:10B-5). Grants
18 to a municipality, county, or redevelopment entity authorized to
19 exercise redevelopment powers pursuant to section 4 of P.L.1992,
20 c.79 may be for up to 100% of the total costs of the preliminary
21 assessment, site investigation, or remedial investigation regardless
22 of when the application was received by the department. Grants to a
23 municipality, a county, or a redevelopment entity authorized to
24 exercise redevelopment powers pursuant to section 4 of P.L.1992,
25 c.79 (C.40A:12A-4) may not exceed 75% of the total costs of the
26 remedial action at any one site for any application received by the
27 department on or after September 15, 2005. Repayments of
28 principal and interest on the loans issued from the remediation fund
29 shall be paid to the authority and shall be deposited into the
30 remediation fund.

31 c. No person, other than a qualified person planning to use an
32 innovative technology for the cost of that technology, a qualified
33 person planning to use a limited restricted use remedial action or an
34 unrestricted use remedial action for the cost of the remedial action,
35 a person performing a remediation in an environmental opportunity
36 zone, or a person voluntarily performing a remediation, shall be
37 eligible for financial assistance from the remediation fund to the
38 extent that person is capable of establishing a remediation funding
39 source for the remediation as required pursuant to section 25 of
40 P.L.1993, c.139 (C.58:10B-3).

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

46 e. Prior to March 1 of each year, the authority shall submit to
47 the Senate Environment Committee and the Assembly Environment
48 and Solid Waste Committee, or their successors, a report detailing
49 the amount of money that was available for financial assistance and

1 grants from the remediation fund for the previous calendar year, the
2 amount of money estimated to be available for financial assistance
3 and grants for the current calendar year, the amount of financial
4 assistance and grants issued for the previous calendar year and the
5 category for which each financial assistance and grant was
6 rendered, and any suggestions for legislative action the authority
7 deems advisable to further the legislative intent to facilitate
8 remediation and promote the redevelopment and use of existing
9 industrial sites.

10 (cf: P.L.2007, c.25, s.1)

11

12 4. (New section) a. Notwithstanding any provisions of P.L.1993,
13 c.139 (C.58:10B-1 et seq.) to the contrary, the New Jersey
14 Economic Development Authority may provide grants from the
15 Hazardous Discharge Site Remediation Fund, established pursuant
16 to section 26 of P.L.1993, c.139 (C.58:10B-4), to a child care center
17 licensed pursuant to P.L.1983, c.492 (C.30:5B-1 et seq.), or an
18 educational entity, required to perform an environmental evaluation
19 and assessment pursuant to P.L.2007, c.1 (C.52:27D-130.4 et al.),
20 for the costs of such evaluation and assessment up to \$1,200.

21 b. The New Jersey Economic Development Authority shall
22 establish a procedure for a child care center licensed pursuant to
23 P.L.1983, c.492, or an educational entity, required to perform an
24 environmental evaluation and assessment pursuant to P.L.2007, c.1
25 (C.52:27D-130.4 et al.), to apply to the Hazardous Discharge Site
26 Remediation Fund for reimbursement of funds expended on the
27 environmental evaluation and assessment, up to a maximum of
28 \$1,200. The procedure established shall require the applicant to
29 complete the environmental evaluation and assessment prior to
30 seeking reimbursement from the fund.

31 c. The New Jersey Economic Development Authority shall
32 adopt, pursuant to the "Administrative Procedure Act," P.L.1968,
33 c.410 (C.52:14B-1 et seq.), rules and regulations necessary to
34 effectuate this section.

35

36 5. This act shall take effect on the 90th day after the date of
37 enactment, but the Chief Executive Officer of the New Jersey
38 Economic Development Authority may take such anticipatory
39 administrative action in advance thereof as shall be necessary for
40 the implementation of this act.

41

42

43

STATEMENT

44

45 This bill would allow licensed child care centers and certain
46 educational entities, required to perform an environmental
47 evaluation and assessment pursuant to law, to seek reimbursement
48 from the Hazardous Discharge Site Remediation Fund of up to
49 \$1,200 for the cost of the evaluation and assessment. The bill

1 would amend the Hazardous Discharge Site Remediation Fund to
2 permit funds to be allocated to this purpose. The bill would also
3 require the New Jersey Economic Development Authority to
4 establish a procedure for eligible child care centers and educational
5 entities to apply for this assistance.

ASSEMBLY ENVIRONMENT AND SOLID WASTE
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4285

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 21, 2007

The Assembly Environment and Solid Waste Committee reports favorably and with committee amendments Assembly Bill No. 4285.

This bill, as amended, would allow an owner or operator of a licensed child care center or a prospective owner or operator of a child care center who has applied for a license to seek a grant from the Hazardous Discharge Site Remediation Fund of up to \$1,500 for the costs of a preliminary assessment performed in order to obtain a no further action letter as required pursuant to the provisions of subsection b. of section 2 of P.L.2007, c.1 (C.52:27D-130.5) or performed as part of the child care center licensing requirements established by the Department of Health and Senior Services.

The bill would amend the Hazardous Discharge Site Remediation Fund to permit funds to be allocated to this purpose. The bill would also require the New Jersey Economic Development Authority to establish an application procedure for grants to be awarded pursuant to the bill. This procedure will require the applicant to complete the preliminary assessment prior to seeking reimbursement from the fund.

COMMITTEE AMENDMENTS:

The committee amendments to the bill:

1) provide that a prospective owner or operator of a child care center who has applied for a license would also be eligible to receive a grant from the Hazardous Discharge Site Remediation Fund for the cost of the preliminary assessment;

2) clarify that the grant would be for a preliminary assessment performed in order to obtain a no further action letter as required pursuant to the provisions of subsection b. of section 2 of P.L.2007, c.1 (C.52:27D-130.5) or performed as part of the child care center licensing requirements established by the Department of Health and Senior Services;

3) increase the allowable grant amount from up to \$1,200 to up to \$1,500;

- 4) clarify the application procedure to be established by the New Jersey Economic Development Authority;
- 5) add a definition for “preliminary assessment”; and
- 6) update the title of the bill.

ASSEMBLY BUDGET COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 4285

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 18, 2007

The Assembly Budget Committee reports favorably Assembly Bill No. 4285 (1R), with committee amendments.

The bill, as amended, allows licensed child care centers, required to perform an environmental evaluation and assessment pursuant to law, to seek reimbursement from the Hazardous Discharge Site Remediation Fund of up to \$1,500 for the cost of the evaluation and assessment.

The bill also allows an owner or operator of a licensed child care center or a prospective owner or operator of a child care center who has applied for a license to seek a grant of \$1,500 from the Hazardous Discharge Site Remediation Fund for the costs of a preliminary assessment performed in order to obtain a no further action letter as required pursuant to the provisions of subsection b. of section 2 of P.L.2007, c.1 (C.52:27D-130.5) or performed as part of the child care center licensing requirements established by the Department of Children and Families.

The bill amends the Hazardous Discharge Site Remediation Fund to permit funds to be allocated for the purposes specified under the bill. The bill also requires the New Jersey Economic Development Authority to establish grant application procedures and requires the authority to authorize the Department of Environmental Protection to implement a program for grants to be awarded pursuant to the bill.

As amended by the committee, the bill is identical to Senate Bill No. 2737 (1R).

FISCAL IMPACT:

Grant moneys would be allocated from the Hazardous Discharge Site Remediation Fund. It is not known how many licensed child care centers would apply for this grant money.

COMMITTEE AMENDMENTS:

The committee amendments to the bill:

1) clarify that the child care center licensing requirements are those established by the Department of Children and Families;

2) require the New Jersey Economic Development Authority to establish grant application procedures and require the authority to authorize the Department of Environmental Protection to implement a program for grants to be awarded pursuant to the bill; and

3) provide that the Department of Environmental Protection, rather than the New Jersey Economic Development Authority, may take such anticipatory administrative action in advance as may be necessary for the implementation of this bill upon enactment into law.

SENATE, No. 2737

STATE OF NEW JERSEY
212th LEGISLATURE

INTRODUCED MAY 14, 2007

Sponsored by:

Senator FRED H. MADDEN, JR.

District 4 (Camden and Gloucester)

SYNOPSIS

Permits certain child care centers and educational entities to receive grants from Hazardous Discharge Site Remediation Fund.

CURRENT VERSION OF TEXT

As introduced.



S2737 MADDEN

2

1 AN ACT concerning grants to certain child care centers and
2 educational entities from the Hazardous Discharge Site
3 Remediation Fund, amending P.L.1993, c.139, and
4 supplementing P.L.2007, c.1 (C.52:27D-130.4 et seq.).
5

6 **BE IT ENACTED** by the Senate and General Assembly of the State
7 of New Jersey:
8

9 1. Section 26 of P.L.1993, c.139 (C.58:10B-4) is amended to
10 read as follows:

11 26. a. There is established in the New Jersey Economic
12 Development Authority a special, revolving fund to be known as
13 the Hazardous Discharge Site Remediation Fund. **[Moneys]**
14 Except as provided in section 4 of P.L. , c. (C.) (pending
15 before the Legislature as this bill), moneys in the remediation fund
16 shall be dedicated for the provision of financial assistance or grants
17 to municipalities, counties, redevelopment entities authorized to
18 exercise redevelopment powers pursuant to section 4 of P.L.1992,
19 c.79 (C.40A:12A-4), and persons, for the purpose of financing
20 remediation activities at sites at which there is, or is suspected of
21 being, a discharge of hazardous substances or hazardous wastes.

22 b. The remediation fund shall be credited with:

23 (1) moneys as are appropriated by the Legislature;

24 (2) moneys deposited into the fund as repayment of principal
25 and interest on outstanding loans made from the fund;

26 (3) any return on investment of moneys deposited in the fund;

27 (4) remediation funding source surcharges imposed pursuant to
28 section 33 of P.L.1993, c.139 (C.58:10B-11);

29 (5) moneys deposited in the fund as repayment of recoverable
30 grants made by the New Jersey Redevelopment Authority for
31 brownfield redevelopment;

32 (6) moneys deposited into the fund from cost recovery
33 subrogation actions; and

34 (7) moneys made available to the authority for the purposes of
35 the fund.

36 (cf: P.L.2005, c.223, s.2)
37

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

40 27. a. (1) **[Financial]** Except as provided in section 4 of
41 P.L. , c. (C.) (pending before the Legislature as this bill),
42 financial assistance from the remediation fund may only be
43 rendered to persons who cannot establish a remediation funding
44 source for the full amount of a remediation. Financial assistance
45 pursuant to this act may be rendered only for that amount of the

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

Matter underlined thus is new matter.

1 cost of a remediation for which the person cannot establish a
2 remediation funding source. The limitations on receiving financial
3 assistance established in this paragraph (1) shall not limit the ability
4 of municipalities, counties, redevelopment entities authorized to
5 exercise redevelopment powers pursuant to section 4 of P.L.1992,
6 c.79 (C.40A:12A-4), persons who are not required to establish a
7 remediation funding source for the part of the remediation involving
8 an innovative technology, an unrestricted use remedial action or a
9 limited restricted use remedial action, persons performing a
10 remediation in an environmental opportunity zone, or persons who
11 voluntarily perform a remediation, from receiving financial
12 assistance from the fund.

13 (2) Financial assistance rendered to persons who voluntarily
14 perform a remediation or perform a remediation in an
15 environmental opportunity zone may only be made for that amount
16 of the cost of the remediation that the person cannot otherwise fund
17 by any of the authorized methods to establish a remediation funding
18 source.

19 (3) Financial assistance rendered to persons who do not have to
20 provide a remediation funding source for the part of the remediation
21 that involves an innovative technology, an unrestricted use remedial
22 action, or a limited restricted use remedial action may only be made
23 for that amount of the cost of the remediation that the person cannot
24 otherwise fund by any of the authorized methods to establish a
25 remediation funding source.

26 b. Financial assistance may be rendered from the remediation
27 fund to (1) owners or operators of industrial establishments who are
28 required to perform remediation activities pursuant to P.L.1983,
29 c.330 (C.13:1K-6 et al.), upon closing operations or prior to the
30 transfer of ownership or operations of an industrial establishment,
31 (2) persons who are liable for the cleanup and removal costs of a
32 hazardous substance pursuant to P.L.1976, c.141 (C.58:10-23.11 et
33 seq.), and (3) persons who voluntarily perform a remediation of a
34 discharge of a hazardous substance or hazardous waste.

35 c. Financial assistance and grants may be made from the
36 remediation fund to a municipality, county, or redevelopment entity
37 authorized to exercise redevelopment powers pursuant to section 4
38 of P.L.1992, c.79 (C.40A:12A-4), for real property: (1) on which it
39 holds a tax sale certificate; (2) that it has acquired through
40 foreclosure or other similar means; or (3) that it has acquired, or in
41 the case of a county governed by a board of chosen freeholders, has
42 passed a resolution or, in the case of a municipality or a county
43 operating under the "Optional County Charter Law," P.L.1972,
44 c.154 (C.40:41A-1 et seq.), has passed an ordinance or other
45 appropriate document to acquire, by voluntary conveyance for the
46 purpose of redevelopment, or for recreation and conservation
47 purposes. Financial assistance and grants may only be awarded for
48 real property on which there has been a discharge or on which there

1 is a suspected discharge of a hazardous substance or hazardous
2 waste.

3 d. Grants may be made from the remediation fund to persons
4 who own real property on which there has been a discharge of a
5 hazardous substance or a hazardous waste and that person qualifies
6 for an innocent party grant pursuant to section 28 of P.L.1993,
7 c.139 (C.58:10B-6).

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

12 f. Grants may be made from the remediation fund to
13 municipalities, counties, and redevelopment entities authorized to
14 exercise redevelopment powers pursuant to section 4 of P.L.1992,
15 c.79 (C.40A:12A-4), for the preliminary assessment, site
16 investigation, remedial investigation and remedial action on
17 contaminated real property within a brownfield development area.
18 An ownership interest in the contaminated property shall not be
19 required in order for a municipality, county, or redevelopment
20 entity authorized to exercise redevelopment powers pursuant to
21 section 4 of P.L.1992, c.79 (C.40A:12A-4) to receive a grant for a
22 remediation of property in a brownfield redevelopment area.
23 Notwithstanding the limitation on the total amount of financial
24 assistance and grants that may be awarded in any one year pursuant
25 to subsection b. of section 28 of P.L.1993, c.139 (C.58:10B-6), the
26 authority may award an additional amount of financial assistance
27 and grants in any one year, of up to \$2,000,000, to any one
28 municipality, county, or redevelopment entity for the remediation of
29 property in a brownfield development area. Any property on which
30 a municipality, county, or redevelopment entity makes expenditures
31 for a remedial action and the property is not owned by that entity
32 shall be subject to the provisions of section 8 of P.L.2005, c.223
33 (C.58:10B-25.2).

34 (cf: P.L.2005, c.223, s.3)

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

38 28. a. Except for moneys deposited in the remediation fund for
39 specific purposes, and as provided in section 4 of P.L. _____, c.
40 (C.) (pending before the Legislature as this bill), financial
41 assistance and grants from the remediation fund shall be rendered
42 for the following purposes. A written report shall be sent to the
43 Senate Environment Committee, and the Assembly Environment
44 and Solid Waste Committee, or their successors at the end of each
45 calendar quarter detailing the allocation and expenditures related to
46 the financial assistance and grants from the fund.

1 (1) Moneys shall be allocated for financial assistance to persons,
2 for remediation of real property located in a qualifying municipality
3 as defined in section 1 of P.L.1978, c.14 (C.52:27D-178);

4 (2) Moneys shall be allocated to: (a) municipalities, counties, or
5 redevelopment entities authorized to exercise redevelopment
6 powers pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4), for:

7 (i) projects in brownfield development areas pursuant to
8 subsection f. of section 27 of P.L.1993, c.139 (C.58:10B-5),

9 (ii) matching grants up to a cumulative total amount from the
10 fund of \$5,000,000 per year of up to 75% of the costs of the
11 remedial action for projects involving the redevelopment of
12 contaminated property for recreation and conservation purposes,
13 provided that the use of the property for recreation and conservation
14 purposes is included in the comprehensive plan for the development
15 or redevelopment of contaminated property, or up to 50% of the
16 costs of the remedial action for projects involving the
17 redevelopment of contaminated property for affordable housing
18 pursuant to P.L.1985, c.222 (C.52:27D-301 et seq.),

19 (iii) grants for preliminary assessment, site investigation or
20 remedial investigation of a contaminated site,

21 (iv) financial assistance for the implementation of a remedial
22 action, or

23 (v) financial assistance for remediation activities at sites that
24 have been contaminated by a discharge of a hazardous substance or
25 hazardous waste, or at which there is an imminent and significant
26 threat of a discharge of a hazardous substance or hazardous waste,
27 and the discharge or threatened discharge poses or would pose an
28 imminent and significant threat to a drinking water source, to
29 human health, or to a sensitive or significant ecological area; or

30 (b) persons for financial assistance for remediation activities at
31 sites that have been contaminated by a discharge of a hazardous
32 substance or hazardous waste, or at which there is an imminent and
33 significant threat of a discharge of a hazardous substance or
34 hazardous waste, and the discharge or threatened discharge poses or
35 would pose an imminent and significant threat to a drinking water
36 source, to human health, or to a sensitive or significant ecological
37 area.

38 Except as provided in subsection f. of section 27 of P.L.1993,
39 c.139 (C.58:10B-5), financial assistance and grants to
40 municipalities, counties, or redevelopment entities authorized to
41 exercise redevelopment powers pursuant to section 4 of P.L.1992,
42 c.79 (C.40A:12A-4) may be made for real property: (1) on which
43 they hold a tax sale certificate; (2) that they have acquired through
44 foreclosure or other similar means; or (3) that they have acquired,
45 or, in the case of a county governed by a board of chosen
46 freeholders, have passed a resolution or, in the case of a
47 municipality or a county operating under the "Optional County
48 Charter Law," P.L.1972, c.154 (C.40:41A-1 et seq.), have passed an

1 ordinance or other appropriate document to acquire, by voluntary
2 conveyance for the purpose of redevelopment, or for recreation and
3 conservation purposes. Financial assistance and grants may only be
4 awarded for real property on which there has been or on which there
5 is suspected of being a discharge of a hazardous substance or a
6 hazardous waste. Grants and financial assistance provided pursuant
7 to this paragraph shall be used for performing preliminary
8 assessments, site investigations, remedial investigations, and
9 remedial actions on real property in order to determine the existence
10 or extent of any hazardous substance or hazardous waste
11 contamination, and to remediate the site in compliance with the
12 applicable health risk and environmental standards on those
13 properties. No financial assistance or grants for a remedial action
14 shall be awarded until the municipality, county, or redevelopment
15 entity authorized to exercise redevelopment powers pursuant to
16 section 4 of P.L.1992, c.79 (C.40A:12A-4), actually owns the real
17 property, provided that a matching grant for 75% of the costs of a
18 remedial action for a project involving the redevelopment of
19 contaminated property for recreation and conservation purposes, or
20 a matching grant for 50% of the costs of a remedial action for a
21 project involving the redevelopment of contaminated property for
22 affordable housing pursuant to P.L.1985, c.222 (C.52:27D-301 et
23 seq.) may be made to a municipality, county, or redevelopment
24 entity authorized to exercise redevelopment powers pursuant to
25 section 4 of P.L.1992, c.79 even if it does not own the real property
26 and a grant may be made to a municipality, county, or
27 redevelopment entity authorized to exercise redevelopment powers
28 pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4) for a
29 remediation in a brownfield development area pursuant to
30 subsection f. of section 27 of P.L.1993, c.139 (C.58:10B-5) even if
31 the entity does not own the real property. No grant shall be
32 awarded for a remedial action for a project involving the
33 redevelopment of contaminated property for recreation or
34 conservation purposes unless the use of the property is preserved
35 for recreation and conservation purposes by conveyance of a
36 development easement, conservation restriction or easement, or
37 other restriction or easement permanently restricting development,
38 which shall be recorded and indexed with the deed in the registry of
39 deeds for the county. A municipality that has performed, or on
40 which there has been performed, a preliminary assessment, site
41 investigation or remedial investigation on property may obtain a
42 loan for the purpose of continuing the remediation on those
43 properties as necessary to comply with the applicable remediation
44 regulations adopted by the department. No grant shall be awarded
45 pursuant to this paragraph to a municipality, a county, or a
46 redevelopment entity authorized to exercise redevelopment powers
47 pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4) unless that
48 entity has adopted by ordinance or resolution a comprehensive plan

1 specifically for the development or redevelopment of contaminated
2 or potentially contaminated real property in that municipality or the
3 entity can demonstrate to the authority that a realistic opportunity
4 exists that the subject real property will be developed or
5 redeveloped within a three-year period from the completion of the
6 remediation;

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

10 (4) Moneys shall be allocated for grants to persons who own
11 real property on which there has been a discharge of a hazardous
12 substance or a hazardous waste and that person qualifies for an
13 innocent party grant. A person qualifies for an innocent party grant
14 if that person acquired the property prior to December 31, 1983, the
15 hazardous substance or hazardous waste that was discharged at the
16 property was not used by the person at that site, and that person
17 certifies that he did not discharge any hazardous substance or
18 hazardous waste at an area where a discharge is discovered. A
19 grant authorized pursuant to this paragraph may be for up to 50% of
20 the remediation costs at the area of concern for which the person
21 qualifies for an innocent party grant, except that no grant awarded
22 pursuant to this paragraph to any person may exceed \$1,000,000;

23 (5) Moneys shall be allocated for (a) financial assistance to
24 persons who own and plan to remediate an environmental
25 opportunity zone for which an exemption from real property taxes
26 has been granted pursuant to section 5 of P.L.1995, c.413 (C.54:4-
27 3.154), or (b) matching grants for up to 25% of the project costs to
28 qualifying persons, municipalities, counties, and redevelopment
29 entities authorized to exercise redevelopment powers pursuant to
30 section 4 of P.L.1992, c.79 (C.40A:12A-4), who propose to perform
31 a remedial action that uses an innovative technology, or for the
32 implementation of a limited restricted use remedial action or an
33 unrestricted use remedial action except that no grant awarded
34 pursuant to this paragraph may exceed \$250,000; and

35 (6) Twenty percent of the moneys in the remediation fund shall
36 be allocated for financial assistance or grants for any of the
37 purposes enumerated in paragraphs (1) through (5) of this
38 subsection.

39 For the purposes of paragraph (5) of this subsection, "qualifying
40 persons" means any person who has a net worth of not more than
41 \$2,000,000 and "project costs" means that portion of the total costs
42 of a remediation that is specifically for the use of an innovative
43 technology or to implement an unrestricted use remedial action or a
44 limited restricted use remedial action, as applicable.

45 b. Loans issued from the remediation fund shall be for a term
46 not to exceed ten years, except that upon the transfer of ownership
47 of any real property for which the loan was made, the unpaid
48 balance of the loan shall become immediately payable in full. The

1 unpaid balance of a loan for the remediation of real property that is
2 transferred by devise or succession shall not become immediately
3 payable in full, and loan repayments shall be made by the person
4 who acquires the property. Loans to municipalities, counties, and
5 redevelopment entities authorized to exercise redevelopment
6 powers pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4),
7 shall bear an interest rate equal to 2 points below the Federal
8 Discount Rate at the time of approval or at the time of loan closing,
9 whichever is lower, except that the rate shall be no lower than 3
10 percent. All other loans shall bear an interest rate equal to the
11 Federal Discount Rate at the time of approval or at the time of the
12 loan closing, whichever is lower, except that the rate on such loans
13 shall be no lower than five percent. Financial assistance and grants
14 may be issued for up to 100% of the estimated applicable
15 remediation cost, except that the cumulative maximum amount of
16 financial assistance which may be issued to a person, in any
17 calendar year, for one or more properties, shall be \$1,000,000.
18 Financial assistance and grants to any one municipality, county, or
19 redevelopment entity authorized to exercise redevelopment powers
20 pursuant to section 4 of P.L.1992, c.79 (C.40A:12A-4) may not
21 exceed \$3,000,000 in any calendar year except as provided in
22 subsection f. of section 27 of P.L.1993, c.139 (C.58:10B-5). Grants
23 to a municipality, county, or redevelopment entity authorized to
24 exercise redevelopment powers pursuant to section 4 of P.L.1992,
25 c.79 may be for up to 100% of the total costs of the preliminary
26 assessment, site investigation, or remedial investigation regardless
27 of when the application was received by the department. Grants to a
28 municipality, a county, or a redevelopment entity authorized to
29 exercise redevelopment powers pursuant to section 4 of P.L.1992,
30 c.79 (C.40A:12A-4) may not exceed 75% of the total costs of the
31 remedial action at any one site for any application received by the
32 department on or after September 15, 2005. Repayments of
33 principal and interest on the loans issued from the remediation fund
34 shall be paid to the authority and shall be deposited into the
35 remediation fund.

36 c. No person, other than a qualified person planning to use an
37 innovative technology for the cost of that technology, a qualified
38 person planning to use a limited restricted use remedial action or an
39 unrestricted use remedial action for the cost of the remedial action,
40 a person performing a remediation in an environmental opportunity
41 zone, or a person voluntarily performing a remediation, shall be
42 eligible for financial assistance from the remediation fund to the
43 extent that person is capable of establishing a remediation funding
44 source for the remediation as required pursuant to section 25 of
45 P.L.1993, c.139 (C.58:10B-3).

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

1 connection with the operation of the fund and the issuance of
2 financial assistance and grants.

3 e. Prior to March 1 of each year, the authority shall submit to
4 the Senate Environment Committee and the Assembly Environment
5 and Solid Waste Committee, or their successors, a report detailing
6 the amount of money that was available for financial assistance and
7 grants from the remediation fund for the previous calendar year, the
8 amount of money estimated to be available for financial assistance
9 and grants for the current calendar year, the amount of financial
10 assistance and grants issued for the previous calendar year and the
11 category for which each financial assistance and grant was
12 rendered, and any suggestions for legislative action the authority
13 deems advisable to further the legislative intent to facilitate
14 remediation and promote the redevelopment and use of existing
15 industrial sites.

16 (cf: P.L.2007, c.25, s.1)

17

18 4. (New section) a. Notwithstanding any provisions of P.L.1993,
19 c.139 (C.58:10B-1 et seq.) to the contrary, the New Jersey
20 Economic Development Authority may provide grants from the
21 Hazardous Discharge Site Remediation Fund, established pursuant
22 to section 26 of P.L.1993, c.139 (C.58:10B-4), to a child care center
23 licensed pursuant to P.L.1983, c.492 (C.30:5B-1 et seq.), or an
24 educational entity, required to perform an environmental evaluation
25 and assessment pursuant to P.L.2007, c.1 (C.52:27D-130.4 et seq.),
26 for the costs of such evaluation and assessment up to \$1,200.

27 b. The New Jersey Economic Development Authority shall
28 establish a procedure for a child care center licensed pursuant to
29 P.L.1983, c.492, or an educational entity, required to perform an
30 environmental evaluation and assessment pursuant to P.L.2007, c.1
31 (C.52:27D-130.4 et seq.), to apply to the Hazardous Discharge Site
32 Remediation Fund for reimbursement of funds expended on the
33 environmental evaluation and assessment, up to a maximum of
34 \$1,200. The procedure established shall require the applicant to
35 complete the environmental evaluation and assessment prior to
36 seeking reimbursement from the fund.

37 c. The New Jersey Economic Development Authority shall
38 adopt, pursuant to the "Administrative Procedure Act," P.L.1968,
39 c.410 (C.52:14B-1 et seq.), rules and regulations necessary to
40 effectuate this section.

41

42 5. This act shall take effect on the 90th day after the date of
43 enactment, but the Chief Executive Officer of the New Jersey
44 Economic Development Authority may take such anticipatory
45 administrative action in advance thereof as shall be necessary for
46 the implementation of this act.

1 STATEMENT

2

3 This bill would allow licensed child care centers and certain
4 educational entities, required to perform an environmental
5 evaluation and assessment pursuant to law, to seek reimbursement
6 from the Hazardous Discharge Site Remediation Fund of up to
7 \$1,200 for the cost of the evaluation and assessment. The bill
8 would amend the Hazardous Discharge Site Remediation Fund to
9 permit funds to be allocated to this purpose. The bill would also
10 require the New Jersey Economic Development Authority to
11 establish a procedure for eligible child care centers and educational
12 entities to apply for this assistance.

SENATE ENVIRONMENT COMMITTEE

STATEMENT TO

SENATE, No. 2737

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 24, 2007

The Senate Environment Committee reports favorably Senate Bill No. 2737 with committee amendments.

As introduced, Senate Bill No. 2737 would allow licensed child care centers and certain educational entities, required to perform an environmental evaluation and assessment pursuant to law, to seek reimbursement from the Hazardous Discharge Site Remediation Fund of up to \$1,200 for the cost of the evaluation and assessment. The bill would amend the Hazardous Discharge Site Remediation Fund to permit funds to be allocated to this purpose. The bill would also require the New Jersey Economic Development Authority to establish a procedure for eligible child care centers and educational entities to apply for this assistance.

Senate Bill No. 2737, as amended, would allow an owner or operator of a licensed child care center or a prospective owner or operator of a child care center who has applied for a license to seek a grant of \$1,500 from the Hazardous Discharge Site Remediation Fund for the costs of a preliminary assessment performed in order to obtain a no further action letter as required pursuant to the provisions of subsection b. of section 2 of P.L.2007, c.1 (C.52:27D-130.5) or performed as part of the child care center licensing requirements established by the Department of Children and Families.

The bill would amend the Hazardous Discharge Site Remediation Fund to permit funds to be allocated to this purpose. The bill would also require the New Jersey Economic Development Authority to authorize the Department of Environmental Protection to implement a program for grants to be awarded pursuant to the bill.

COMMITTEE AMENDMENTS:

The committee amendments to the bill:

- 1) delete references to educational entities and limit the applicability of the bill to licensed child care centers;
- 2) provide that a prospective owner or operator of a child care center who has applied for a license would also be eligible to receive a grant from the Hazardous Discharge Site Remediation Fund for the cost of the preliminary assessment;

3) clarify that the grant would be for a preliminary assessment performed in order to obtain a no further action letter as required pursuant to the provisions of subsection b. of section 2 of P.L.2007, c.1 (C.52:27D-130.5) or performed as part of the child care center licensing requirements established by the Department of Children and Families;

4) increase the allowable grant amount from up to \$1,200 to \$1,500;

5) provide that the application procedure would be replaced by a grant program to be implemented by the Department of Environmental Protection;

6) add a definition for “preliminary assessment”; and

7) update the title of the bill.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 2737

STATE OF NEW JERSEY

DATED: JUNE 14, 2007

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2737 (1R).

This bill allows licensed child care centers, required to perform an environmental evaluation and assessment pursuant to law, to seek reimbursement from the Hazardous Discharge Site Remediation Fund of up to \$1,500 for the cost of the evaluation and assessment.

The bill also allows an owner or operator of a licensed child care center or a prospective owner or operator of a child care center who has applied for a license to seek a grant of \$1,500 from the Hazardous Discharge Site Remediation Fund for the costs of a preliminary assessment performed in order to obtain a no further action letter as required pursuant to the provisions of subsection b. of section 2 of P.L.2007, c.1 (C.52:27D-130.5) or performed as part of the child care center licensing requirements established by the Department of Children and Families.

The bill amends the Hazardous Discharge Site Remediation Fund to permit funds to be allocated for the purposes specified under the bill. The bill also requires the New Jersey Economic Development Authority to establish grant application procedures and requires the authority to authorize the Department of Environmental Protection to implement a program for grants to be awarded.

FISCAL IMPACT:

This bill is not certified for a fiscal note.