

13:1E-116.1 to 13:1E-116.7

**LEGISLATIVE HISTORY CHECKLIST**  
Compiled by the NJ State Law Library

"Municipal Landfill Site Closure"

NJSA: 13:1E-116.1 to 13:1E-116.7

LAWS OF: 1996 CHAPTER: 124

BILL NO: S294

SPONSOR(S): Gormey and others

DATE INTRODUCED: Pre-filed

ASSEMBLY: Agriculture

SENATE: Environment; Natural Resources

AMENDED DURING PASSAGE: Yes Amendments during passage  
First reprint enacted denoted by superscript numbers

DATE OF PASSAGE: ASSEMBLY: September 26, 1996

SENATE: May 30, 1996

DATE OF APPROVAL: November 6, 1996

**FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:**

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes

SENATE: Yes 5-2-96 & 1-22-96

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: Yes

FOLLOWING WERE PRINTED:  
REPORTS: No

HEARINGS: No

KBP:pp

[First Reprint]  
SENATE, No. 294

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Senators GORMLEY, LYNCH, Bryant, LaRossa, Kyrillos, Singer, Littell, Sinagra, Kosco, Ewing, Martin, Rice, Baer, Lesniak, DiFrancesco, Haines, Scott, Casey, Schluter, Inverso, Connors, Cafiero, Ciesla, Lipman, Girgenti, O'Connor, Matheussen, Bennett, Adler, Kenny, Sacco, Zane, MacInnes and McGreevey

1 AN ACT concerning the <sup>1</sup>closure,<sup>1</sup> remediation and redevelopment of  
2 municipal landfill sites, and revising parts of the statutory law.

3

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

6

7 1. (New section) This act shall be known and may be cited as the  
8 "Municipal Landfill Site <sup>1</sup>Closure,<sup>1</sup> Remediation and Redevelopment  
9 Act."

10

11 2. (New section) As used in this act:

12 <sup>1</sup>["Closing costs" or "closure"] "Closure"<sup>1</sup> means all activities <sup>1</sup>  
13 and costs<sup>1</sup> associated with the design, purchase, construction or  
14 maintenance of all measures required by the department, pursuant to  
15 law, in order to <sup>1</sup>[remediate,<sup>1</sup> prevent, minimize or monitor pollution  
16 or health hazards resulting from municipal solid waste landfills  
17 subsequent to the termination of operations at any portion thereof,  
18 including, but not necessarily limited to, the <sup>1</sup>[costs of the]<sup>1</sup>  
19 placement of final earthen or vegetative cover, <sup>1</sup>[groundwater  
20 remediation,<sup>1</sup> the installation of methane gas vents or monitors and  
21 leachate monitoring wells or collection systems, and long-term  
22 operations and maintenance, at the site of any municipal solid waste  
23 landfill <sup>1</sup>[that ceased operations prior to January 1, 1982 and]<sup>1</sup> that  
24 is not listed on the National Priorities List pursuant to the  
25 "Comprehensive Environmental Response, Compensation, and  
26 Liability Act of 1980," at 42 U.S.C. §9605. <sup>1</sup>[Any activity necessary

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup> Senate SEN committee amendments adopted May 2, 1996.

1 to remediate ground or surface water contamination caused by a  
2 municipal solid waste landfill shall be considered a closure activity. As  
3 appropriate, closure activities shall be conducted in accordance with  
4 the remediation standards developed by the department pursuant to  
5 section 35 of P.L.1993, c.139 (C.58:10B-12).】

6 "Closure and remediation costs" means all reasonable costs  
7 associated with the closure and remediation of a municipal solid waste  
8 landfill except that "closure and remediation costs" shall not include  
9 any costs incurred in financing the closure or remediation.<sup>1</sup>

10 "Commercial solid waste" means any nonhazardous solid waste  
11 derived from wholesale, retail or service establishments, including  
12 stores, markets, theaters, offices, restaurants, warehouses, or from  
13 other non-manufacturing commercial activities.

14 "Developer" means any person that enters or proposes to enter into  
15 a redevelopment agreement with the State pursuant to the provisions  
16 of section 3 of P.L. , c. (C. )(pending in the Legislature as  
17 this bill).

18 "Director" means the Director of the Division of Taxation in the  
19 Department of the Treasury.

20 "Household solid waste" means any solid waste derived from  
21 households, including but not limited to single and multiple residences,  
22 hotels and motels, bunkhouses, ranger stations, crew quarters,  
23 campgrounds, picnic grounds and day use recreation areas, except that  
24 "household solid waste" shall not include septic waste as defined in  
25 section 3 of P.L.1970, c.40 (C.48:13A-3).

26 "Industrial solid waste" means any solid waste derived from  
27 manufacturing, industrial and research and development processes and  
28 operations that is not a hazardous waste as defined in section 1 of  
29 P.L.1976, c.99 (C.13:1E-38), except that "industrial solid waste" shall  
30 not include mining waste, oil waste, gas waste, or cement kiln dust  
31 waste.

32 "Municipal solid waste landfill" means a landfill that <sup>1</sup>ceased  
33 operations prior to January 1, 1982 and<sup>1</sup> received for disposal  
34 household solid waste and at least one of the following: (1)  
35 commercial solid waste; (2) industrial solid waste; or (3) waste  
36 material that was received for disposal prior to October 21, 1976 and  
37 that is included within the definition of hazardous waste adopted by  
38 the federal government pursuant to the "Resource Conservation and  
39 Recovery Act," at 42 U.S.C. §6921; except that "municipal solid waste  
40 landfill" shall not include any landfill that is approved for disposal of  
41 hazardous waste and regulated pursuant to Subchapter III of the  
42 "Resource Conservation and Recovery Act," 42 U.S.C. §6921 et seq.

43 "Project" or "redevelopment project" means a specific work or  
44 improvement, including lands, buildings, improvements, real and  
45 personal property or any interest therein, including lands under water,  
46 riparian rights, space rights and air rights, acquired, owned, developed

1 or redeveloped, constructed, reconstructed, rehabilitated or improved,  
 2 undertaken by a developer within an area of land whereon a municipal  
 3 solid waste landfill is or has been located <sup>1</sup>,<sup>1</sup> under a redevelopment  
 4 agreement with the State pursuant to section 3 of P.L. , c. (C. )  
 5 (pending in the Legislature as this bill).

6 "Redevelopment agreement" means <sup>1</sup>**[a contract]** an agreement<sup>1</sup>  
 7 between the State and a developer <sup>1</sup>**[for]** under which the developer  
 8 agrees to perform<sup>1</sup> any work or undertaking <sup>1</sup>necessary<sup>1</sup> for the  
 9 <sup>1</sup>**[remediation or]** environmentally sound <sup>1</sup>and proper<sup>1</sup> closure <sup>1</sup>**[,]**  
 10 and remediation of the municipal solid waste landfill located at the site  
 11 of the redevelopment project, and for the<sup>1</sup> clearance, development or  
 12 redevelopment, construction or rehabilitation of any structure or  
 13 improvement of commercial, industrial or public structures or  
 14 improvements <sup>1</sup>**[that provide a public benefit]**<sup>1</sup> within an area of land  
 15 whereon a municipal solid waste landfill is or has been located  
 16 pursuant to section 3 of P.L. , c. (C. ) (pending in the  
 17 Legislature as this bill)<sup>1</sup>, and the State agrees that the developer shall  
 18 be eligible for the reimbursement of 75% of the costs of closure and  
 19 remediation of the municipal solid waste landfill from the fund  
 20 established pursuant to section 6 of P.L. c. (C. ) (pending in the  
 21 Legislature as this bill) as authorized pursuant to section 4 of P.L. ,  
 22 c. (C. ) (pending in the Legislature as this bill).

23 "Remediation" or "remediate" means all necessary actions to  
 24 investigate and clean up any known, suspected, or threatened  
 25 discharge of contaminants, including, as necessary, the preliminary  
 26 assessment, site investigation, remedial investigation, and remedial  
 27 action, as those terms are defined in section 23 of P.L.1993, c.139  
 28 (C.58:10B-1).<sup>1</sup>

29

30 3. (New section) a. The provisions of any other law, or rule or  
 31 regulation adopted pursuant thereto, to the contrary notwithstanding,  
 32 any developer may enter into a redevelopment agreement with the  
 33 State pursuant to the provisions of this section.

34 The Commissioner of the Department of Commerce and Economic  
 35 Development <sup>1</sup>in consultation with the State Treasurer<sup>1</sup> shall negotiate  
 36 the terms and conditions of any redevelopment agreement on behalf of  
 37 the State.

38 b. In negotiating a redevelopment agreement with a developer, the  
 39 commissioner shall consider the following factors:

40 (1) the economic feasibility of the redevelopment project;

41 <sup>1</sup>**[**(2) the funding source or sources for the closure element of the  
 42 redevelopment project;

43 (3) the projected closing costs of the closure element of the  
 44 redevelopment project, as certified by the Commissioner of  
 45 Environmental Protection pursuant to section 4 of P.L. , c.  
 46 (C. ) (pending in the Legislature as this bill);

- 1 (4) (2) the extent of economic and related social distress in the  
2 municipality and the area to be affected by the redevelopment project;  
3 [(5) (3)] the degree to which the redevelopment project will  
4 advance State, regional and local development strategies;  
5 [(6) (4)] the likelihood that the redevelopment project shall  
6 upon completion be capable of repaying [all or part of any financing]  
7 the closure and remediation costs incurred;  
8 [(7) (5)] the relationship of the redevelopment project to a  
9 comprehensive local development strategy, including other major  
10 projects undertaken within the municipality; and  
11 [(8) (6)] the degree to which the redevelopment project enhances  
12 and promotes job creation and economic development.

13  
14 4. (New section) a. The provisions of any other law, or rule or  
15 regulation adopted pursuant thereto, to the contrary notwithstanding,  
16 any developer that [commences] enters into a redevelopment  
17 agreement pursuant to section 3 of P.L. , c. (C. ) (pending in the  
18 Legislature as this bill), may be eligible for reimbursement of 75% of  
19 the costs of the closure and remediation of the municipal solid waste  
20 landfill pursuant to the provisions of this section upon the  
21 commencement of a business operation within a redevelopment  
22 project, the sales receipts of which are subject to the tax imposed  
23 under the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et  
24 seq.) [ , may be eligible for a reduction in the tax otherwise due and  
25 payable under P.L.1966, c.30 pursuant to the provisions of this  
26 section ] .

27 b. To be eligible for [a reduction in the tax otherwise due and  
28 payable under P.L.1966, c.30] reimbursement of 75% of the costs of  
29 closure and remediation , a developer shall submit an application, in  
30 writing, to the director for review and certification of the [reduction]  
31 reimbursement . The director shall review the request for the  
32 [reduction] reimbursement upon receipt of an application therefor,  
33 and shall approve or deny the application for certification on a timely  
34 basis.

35 The director [may] shall certify a developer to be eligible for the  
36 [reduction] reimbursement if the director shall find that:

- 37 (1) [the developer owns or operates] a place of business is  
38 located in the area subject to the redevelopment agreement for the  
39 purpose of making retail sales;  
40 (2) non-exempt items are regularly exhibited and offered for retail  
41 sale at that location;  
42 (3) the place of business is not utilized primarily for the purpose of  
43 catalogue or mail order sales; and  
44 (4) the developer has [obtained the approval from] entered into  
45 a memorandum of agreement with the Commissioner of

1 Environmental Protection <sup>1</sup>[of a financial plan]<sup>1</sup> for the  
2 <sup>1</sup>environmentally sound and proper<sup>1</sup> closure <sup>1</sup>and remediation<sup>1</sup> of the  
3 municipal solid waste landfill located on the site of the redevelopment  
4 project pursuant to section 5 of P.L. , c. (C. ) (pending in the  
5 Legislature as this bill) <sup>1</sup>and is in compliance with the memorandum of  
6 agreement<sup>1</sup>.

7 <sup>1</sup>c. When filing an application for certification for a reimbursement  
8 pursuant to this section, the developer shall submit to the director a  
9 certification of the total closure and remediation costs incurred by the  
10 developer for the closure and remediation of the municipal solid waste  
11 landfill located at the site of the redevelopment project as provided in  
12 the redevelopment agreement.<sup>1</sup>

13  
14 5. (New section) a. To qualify for the <sup>1</sup>[reduction in the tax  
15 otherwise due and payable under P.L.1966, c.30] certification of  
16 reimbursement of 75% of the closure and remediation costs<sup>1</sup>  
17 authorized pursuant to section <sup>1</sup>[6] <sup>4</sup> of P.L. , c. (C. )  
18 (pending in the Legislature as this bill), a developer shall <sup>1</sup>[submit to  
19 and receive the approval of ] enter into a memorandum of agreement  
20 with<sup>1</sup> the Commissioner of Environmental Protection <sup>1</sup>[of a financial  
21 plan]<sup>1</sup> for the <sup>1</sup>environmentally sound and proper<sup>1</sup> closure <sup>1</sup>or  
22 remediation<sup>1</sup> of the municipal solid waste landfill located on the site  
23 of the redevelopment project.

24 b. <sup>1</sup>[The financial plan for closure required to be submitted  
25 pursuant to this section shall include an inventory of all specific  
26 closure activities or closing costs associated with environmental or  
27 health measures required by the Department of Environmental  
28 Protection, pursuant to law, to be undertaken by the developer or the  
29 governing body of the municipality within which the municipal solid  
30 waste landfill is or has been located, in the case of delegated closure  
31 responsibilities pursuant to section 7 of P.L. , c. (C.  
32 )](pending in the Legislature as this bill), at the landfill site and an  
33 estimate of the total closing costs likely to be incurred by the  
34 developer in undertaking these activities.] Under the memorandum of  
35 agreement, the developer shall agree to perform and complete any  
36 closure activity or remediation as may be required by the Department  
37 of Environmental Protection, pursuant to law, to ensure the  
38 environmentally sound and proper closure and remediation of the  
39 municipal solid waste landfill located at the site of the redevelopment  
40 project.<sup>1</sup> Any activity necessary to remediate ground or surface water  
41 contamination caused by a municipal solid waste landfill shall be  
42 <sup>1</sup>[considered a closure activity] undertaken in compliance with the  
43 remediation standards adopted by the Department of Environmental  
44 Protection pursuant to P.L.1993, c.139 (C.58:10B-1 et al.)<sup>1</sup>.

45 c. <sup>1</sup>[The] After the developer has entered into a memorandum of

1 agreement with the<sup>1</sup> Commissioner of Environmental Protection  
2 <sup>1</sup>【shall have 30 days from the date of receipt to approve or reject a  
3 financial plan for closure submitted by a developer pursuant to this  
4 section. Upon approval】<sup>1</sup>, the commissioner shall submit a copy  
5 thereof <sup>1</sup>【, including a statement of the projected closing costs of the  
6 municipal solid waste landfill located at the site of the redevelopment  
7 project,】<sup>1</sup> to the developer, <sup>1</sup>the clerk of the municipality in which the  
8 municipal solid waste landfill is located.<sup>1</sup> the Commissioner of the  
9 Department of Commerce and Economic Development, and the  
10 director.

11  
12 <sup>1</sup>【6. (New section) a. Upon approval of certification of the  
13 reduction by the director pursuant to section 4 of P.L. , c.  
14 (C. ) (pending in the Legislature as this bill), the taxpayer shall  
15 impose and collect the full amount of the tax due under section 3 of  
16 P.L.1966, c.30 (C.54:32B-3), but shall be entitled to a reduction in the  
17 tax otherwise due and payable to the State with each return filed  
18 pursuant to section 18 of P.L.1966, c.30 (C.54:32B-18) in an amount  
19 equal to \$0.03 of the amount of tax collected on each \$1.00 of  
20 non-exempt sales.

21 b. The reduction authorized pursuant to this section shall remain in  
22 effect until such time as the aggregate dollar amount of the reductions  
23 indicated on the tax returns equal the dollar amount of the closing  
24 costs incurred by the developer, as certified by the Commissioner of  
25 the Department of Environmental Protection, pursuant to the  
26 redevelopment agreement.

27 c. When filing a tax return that includes an initial claim for a  
28 reduction pursuant to this section, the developer shall include a copy  
29 of the certification and a statement that the claim is based on a  
30 redevelopment agreement entered into with the State pursuant to the  
31 provisions of section 3 of P.L. , c. (C. ) (pending in the  
32 Legislature as this bill).】<sup>1</sup>

33  
34 <sup>1</sup>【7. (New section) Upon application by the governing body of a  
35 municipality within which a municipal solid waste landfill is or has  
36 been located, or as a predicate to a developer entering into a  
37 redevelopment agreement with the State pursuant to the provisions of  
38 section 3 of P.L. , c. (C. )(pending in the Legislature as this  
39 bill), the Commissioner of Environmental Protection may delegate to  
40 the municipal governing body the closure responsibilities that would  
41 otherwise be required of the developer pursuant to the provisions of  
42 section 5 of P.L. , c. (C. )(pending in the Legislature as this  
43 bill), upon a finding that the municipality is capable of administering  
44 those responsibilities. This delegation shall be in accordance with rules  
45 and regulations adopted by the department pursuant to law.】<sup>1</sup>

1       <sup>1</sup>8. (New section) a. Any municipality proposing to undertake the  
2 environmentally sound closure of a municipal solid waste landfill  
3 pursuant to section 7 of P.L. , c. (C. )(pending in the  
4 Legislature as this bill) shall submit to and receive the approval of the  
5 Commissioner of Environmental Protection of a financial plan for the  
6 closure of the municipal solid waste landfill located on the site of the  
7 proposed redevelopment project.

8       b. The department shall make available moneys from the Sanitary  
9 Landfill Facility Contingency Fund established pursuant to section 6  
10 of P.L.1981, c.306 (C.13:1E-105) for loans to municipalities within  
11 which municipal solid waste landfills are or have been located to  
12 undertake municipal solid waste landfill closure projects.

13       c. The department may make a loan from the Sanitary Landfill  
14 Facility Contingency Fund to a municipality to which closure  
15 responsibility has been delegated sufficient to cover the closing costs  
16 of the delegated closure responsibilities.

17       d. Any loan made by the department to a municipality pursuant to  
18 this section shall be repaid to the Sanitary Landfill Facility  
19 Contingency Fund out of moneys received by the municipality from the  
20 developer pursuant to section 9 of P.L. , c. (C. )(pending in  
21 the Legislature as this bill).<sup>1</sup>

22  
23       <sup>1</sup>9. (New section) In the case of delegated closure responsibilities  
24 pursuant to section 7 of P.L. , c. (C. ) (pending in the  
25 Legislature as this bill), the developer shall make payments to the chief  
26 fiscal officer of the municipality to which closure responsibility has  
27 been delegated utilizing moneys derived from the reduction authorized  
28 pursuant to section 6 of P.L. , c. (C. )(pending in the  
29 Legislature as this bill) until such time as the aggregate dollar amount  
30 of the payments equal the dollar amount of the closing costs incurred  
31 by the municipality.<sup>1</sup>

32  
33       <sup>1</sup>10. Section 9 of P.L.1981, c.306 (C.13:1E-108) is amended to  
34 read as follows:

35       9. Moneys in the fund shall be disbursed by the department for the  
36 following purposes and no others:

37       a. Administrative costs incurred by the department pursuant to  
38 section 6 of P.L.1981, c.306 (C.13:1E-105)**;****1.**

39       b. Damages as provided in section 7 of P.L.1981, c.306  
40 (C.13:1E-106)**;****1.**

41       c. Grants for landfill mining demonstration projects as provided in  
42 section 1 of P.L.1994, c.99 (C.13:1E-34.1)**;** and**1.**

43       d. Loans for municipal solid waste landfill closure projects as  
44 provided in section 8 of P.L. , c. (C. )(pending in the  
45 Legislature as this bill).

46       e. Administrative costs incurred by the Attorney General, the



1 department or any other State agency to implement the provisions of  
2 P.L.1983, c.392 (C.13:1E-126 et seq.), as amended and supplemented  
3 by P.L.1991, c.269 (C.13:1E-128.1 et al.), on a timely basis, except  
4 that the amounts used for this purpose shall not exceed \$5,000,000.00.  
5 Any moneys disbursed by the department from the fund for this  
6 purpose shall be repaid to the fund in equal amounts from the fees  
7 collected by the department pursuant to section 3 of P.L.1971, c.461  
8 (C.13:1E-18), in annual installments beginning July 1, 1990 and  
9 annually thereafter until the full amount is repaid according to a  
10 schedule of repayments determined by the State Treasurer. For the  
11 purposes of this subsection, "State agency" means any State  
12 department, division, agency, commission or authority.  
13 (cf: P.L.1994, c.99, s.2)]<sup>1</sup>  
14

15 <sup>16.</sup> (New section) a. There is created in the Department of  
16 Treasury a special fund to be known as the Municipal Landfill Closure  
17 and Remediation Fund. Moneys in the fund shall be dedicated to the  
18 purpose of reimbursing a developer who enters into a redevelopment  
19 agreement pursuant to section 3 of P.L. c. (C. ) (pending in the  
20 Legislature as this bill) and is certified for reimbursement pursuant to  
21 section 4 of P.L. c. (C. ) (pending in the Legislature as this bill)  
22 in an amount equal to 75% of the closure and remediation costs of the  
23 municipal solid waste landfill. A special account within the fund shall  
24 be created for each developer upon approval of a certification pursuant  
25 to section 4 of P.L. , c. (C. ) (pending in the Legislature as this  
26 bill). The Legislature shall annually appropriate the entire balance of  
27 the fund for the purposes of reimbursement of closure and remediation  
28 costs as provided in section 7 of P.L. , c. (C. ) (pending in the  
29 Legislature as this bill).

30 b. The fund shall be credited with one half of all taxes due and  
31 payable pursuant to the "Sales and Use Tax Act." P.L.1966, c.30  
32 (C.54:32B-1 et seq.) by any person required to collect the tax at the  
33 site of a redevelopment project which is the subject of a  
34 redevelopment agreement with the State pursuant to section 3 of  
35 P.L. , c. (C. ) (pending in the Legislature as this bill) until the  
36 amount credited equals 75% of the dollar amount of the closure and  
37 remediation costs actually and reasonably incurred by the developer,  
38 as certified to the director by the developer.<sup>1</sup>  
39

40 <sup>17.</sup> (New section) a. The State Treasurer shall reimburse the  
41 developer for 75% of the closure and remediation costs of the  
42 municipal solid waste landfill from the Municipal Landfill Closure and  
43 Remediation Fund upon approval of certification of the reimbursement  
44 pursuant to section 4 of P.L. , c. (C. ) (pending in the  
45 Legislature as this bill). The developer shall be entitled to periodic  
46 payments from the fund in an amount equal to one half of the taxes

1 due and payable pursuant to the "Sales and Use Tax Act," P.L.1966,  
2 c.30 (C.54:32B-1 et seq.) from any person required to collect the tax  
3 at the site of a redevelopment project which is subject to a  
4 redevelopment agreement between the developer and the State  
5 pursuant to section 3 of P.L. c. (C. ) (pending in the Legislature  
6 as this bill). Payments from the fund shall be made to a developer at  
7 the same frequency in which the payments are made to the State from  
8 the persons required to collect the tax. Payments to the developer  
9 shall be made within 15 days of receipt by the State of the taxes.

10 b. A developer shall submit to the director updated closure and  
11 remediation costs actually incurred by the developer for the closure or  
12 remediation of the municipal solid waste landfill located at the site of  
13 the redevelopment project as provided in the redevelopment  
14 agreement. The reimbursement authorized pursuant to this section  
15 shall continue until such time as the aggregate dollar amount of the  
16 reimbursement equals 75% of the dollar amount of the closure and  
17 remediation costs actually incurred by the developer, as certified to  
18 the director by the developer. To remain entitled to the reimbursement  
19 authorized pursuant to this section, the developer shall perform and  
20 complete all closure and remediation activities during the closure and  
21 post-closure periods as may be required pursuant to the memorandum  
22 of agreement entered into with the Commissioner of Environmental  
23 Protection pursuant to section 5 of P.L. , c. (C. )(pending in  
24 the Legislature as this bill). The Department of Environmental  
25 Protection may review the closure and remediation costs incurred by  
26 the developer to determine if they are reasonable.<sup>1</sup>

27  
28 <sup>1</sup>8. Section 21 of P.L.1983, c.303 (C.52:27H-80) is amended to  
29 read as follows:

30 21. Receipts of retail sales, except retail sales of motor vehicles, of  
31 alcoholic beverages as defined in the "Alcoholic Beverage Tax Law,"  
32 R.S.54:41-1 et seq., cigarettes as defined in the "Cigarette Tax Act,"  
33 P.L.1948, c.65 (C.54:40A-1 et seq.) and of manufacturing machinery,  
34 equipment or apparatus, made by a certified vendor from a place of  
35 business owned or leased and regularly operated by the vendor for the  
36 purpose of making retail sales, and located in a designated enterprise  
37 zone established pursuant to the "New Jersey Urban Enterprise Zones  
38 Act," P.L.1983, c.303 (C.52:27H-60 et al.), are exempt to the extent  
39 of 50% of the tax imposed under the "Sales and Use Tax Act,"  
40 P.L.1966, c.30 (C.54:32B-1 et seq.).

41 Any vendor, which is a qualified business having a place of business  
42 located in a designated enterprise zone, may apply to the Director of  
43 the Division of Taxation in the Department of the Treasury for  
44 certification pursuant to this section. The director shall certify a  
45 vendor if he shall find that the vendor owns or leases and regularly  
46 operates a place of business located in the designated enterprise zone

1 for the purpose of making retail sales, that items are regularly  
2 exhibited and offered for retail sale at that location, and that the place  
3 of business is not utilized primarily for the purpose of catalogue or  
4 mail order sales. The certification under this section shall remain in  
5 effect during the time the business retains its status as a qualified  
6 business meeting the eligibility criteria of section 27 of P.L.1983,  
7 c.303 (C.52:27H-86). However, the director may at any time revoke  
8 a certification granted pursuant to this section if he shall determine  
9 that the vendor no longer complies with the provisions of this section.

10 Notwithstanding the provisions of this act to the contrary, except  
11 as may otherwise be provided by section 7 of P.L.1983, c.303  
12 (C.52:27H-66), the authority may, in its discretion, determine whether  
13 or not the provisions of this section shall apply to any enterprise zone  
14 designated after the effective date of P.L.1985, c.142 (C.52:27H-66  
15 et al.); provided, however, that the authority may make such a  
16 determination only where the authority finds that the award of an  
17 exemption of 50 percent of the tax imposed under the "Sales and Use  
18 Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.) will not have any  
19 adverse economic impact upon any other urban enterprise zone.

20 Notwithstanding any other provisions of law to the contrary, except  
21 as provided in subsection b. of section 6 of P.L. , c. (C. )  
22 (pending in the Legislature as this bill), after first depositing 10  
23 percent of the gross amount of all revenues received from the taxation  
24 of retail sales made by certified vendors from business locations in  
25 designated enterprise zones to which this exemption shall apply into  
26 the account created in the name of the authority in the enterprise zone  
27 assistance fund pursuant to section 29 of P.L.1983, c.303  
28 (C.52:27H-88), the remaining 90 percent shall be deposited  
29 immediately upon collection by the Department of the Treasury, as  
30 follows:

31 a. In the first five year period during which the State shall have  
32 collected reduced rate revenues within an enterprise zone, all such  
33 revenues shall be deposited in the enterprise zone assistance fund  
34 created pursuant to section 29 of P.L.1983, c.303 (C.52:27H-88);

35 b. In the second five year period during which the State shall have  
36 collected reduced rate revenues within an enterprise zone, 66 2/3% of  
37 all those revenues shall be deposited in the enterprise zone assistance  
38 fund, and 33 1/3% shall be deposited in the General Fund;

39 c. In the third five year period during which the State shall have  
40 collected reduced rate revenues within an enterprise zone, 33 1/3% of  
41 all those revenues shall be deposited in the enterprise zone assistance  
42 fund, and 66 2/3% shall be deposited in the General Fund;

43 d. In the final five year period during which the State shall have  
44 collected reduced rate revenues within an enterprise zone, but not to  
45 exceed the life of the enterprise zone, all those revenues shall be  
46 deposited in the General Fund.

1 Commencing on the effective date of P.L.1993, c.144, all revenues  
2 in any enterprise zone to which the provisions of this section have  
3 been extended prior to the enactment of P.L.1993, c.144 shall be  
4 deposited into the enterprise zone assistance fund until there shall have  
5 been deposited all revenues into that fund for a total of five full years,  
6 as set forth in subsection a. of this section. The State Treasurer then  
7 shall proceed to deposit funds into the enterprise zone assistance fund  
8 according to the schedule set forth in subsections b. through d. of this  
9 section, beginning at the point where the enterprise zone was located  
10 on that schedule on the effective date of P.L.1993, c.144. No  
11 enterprise zone shall receive the deposit benefit granted by any one  
12 subsection of this section for more than five cumulative years.

13 The revenues required to be deposited in the enterprise zone  
14 assistance fund under this section shall be used for the purposes of that  
15 fund and for the uses prescribed in section 29 of P.L.1983, c.303  
16 (C.52:27H-88), subject to annual appropriations being made for those  
17 purposes and uses.<sup>1</sup>  
18 (cf: P.L.1993, c.367, s.6)

19

20 <sup>1</sup>~~11.~~ 9.<sup>1</sup> This act shall take effect immediately.

21

22

23

24

25 "Municipal Landfill Site Closure, Remediation and Redevelopment  
26 Act."

1 schedule of repayments determined by the State Treasurer. For the  
2 purposes of this subsection, "State agency" means any State  
3 department, division, agency, commission or authority.  
4 (cf: P.L.1994, c.99, s.2)

5  
6 11. This act shall take effect immediately.

7  
8  
9 STATEMENT

10  
11 This bill provides for the remediation and redevelopment of  
12 municipal landfill sites under the terms and conditions of a  
13 redevelopment agreement negotiated by a developer and the State.

14 The bill would authorize an eligible developer to receive a sales tax  
15 reduction of up to \$0.03 per \$1.00 of non-exempt sales generated  
16 from any business located within the area subject to the redevelopment  
17 agreement as reimbursement for the remediation costs incurred in  
18 properly closing the municipal landfill site and redeveloping the area.

19 The developer would negotiate with the Commissioner of the  
20 Department of Commerce and Economic Development over the terms  
21 and conditions of the redevelopment agreement. The developer would  
22 undertake the environmentally-sound closure of the municipal landfill  
23 in accordance with a financial plan approved by the Commissioner of  
24 Environmental Protection.

25 To be eligible for the reduction, a developer must submit an  
26 application, in writing, to the Director of the Division of Taxation for  
27 review and certification. The director would review the request for  
28 certification on a timely basis.

29 The director may only certify a developer to be eligible for the  
30 reduction if: (1) the developer owns or operates a place of business  
31 located in the area subject to the redevelopment agreement for the  
32 purpose of making retail sales; (2) non-exempt items are regularly  
33 exhibited and offered for retail sale at that location; (3) the place of  
34 business is not utilized primarily for the purpose of catalogue or mail  
35 order sales; and (4) the developer has obtained the approval from the  
36 Commissioner of Environmental Protection of a financial plan for the  
37 closure of the municipal solid waste landfill located on the site of the  
38 redevelopment project.

39 The sales tax reduction authorized under this bill would remain in  
40 effect until such time as the developer recovered the dollar amount of  
41 the closing costs incurred by the developer, as certified by the  
42 Commissioner of Environmental Protection.

43 The bill also provides that the Commissioner of Environmental  
44 Protection may delegate to the municipal governing body the closure  
45 responsibilities that would otherwise be required of the developer.  
46 This delegation could be either at the initiative of the municipality or

1 as a predicate to a developer entering into a redevelopment agreement  
2 with the State.

3 Any municipality proposing to undertake a municipal solid waste  
4 landfill closure project must submit to and receive the approval of the  
5 Commissioner of Environmental Protection of a financial plan for the  
6 closure of the municipal solid waste landfill located on the site of the  
7 proposed redevelopment project.

8 The Department of Environmental Protection would make available  
9 moneys from the Sanitary Landfill Facility Contingency Fund  
10 established pursuant to section 6 of P.L.1981, c.306 (C.13:1E-105) for  
11 loans to municipalities to undertake such closure projects. A loan  
12 would be in an amount sufficient to cover the closing costs of the  
13 delegated closure responsibilities. Any loan made by the department  
14 to a municipality must be repaid to the Sanitary Landfill Facility  
15 Contingency Fund out of moneys received by the municipality from the  
16 developer.

17 Accordingly, the bill provides that in the case of delegated closure  
18 responsibilities, the developer would make payments to the chief fiscal  
19 officer of the municipality to which closure responsibility has been  
20 delegated utilizing moneys derived from the sales tax reduction  
21 authorized under the bill. The payments would continue until such time  
22 as the aggregate dollar amount of the payments received by the  
23 municipality equal the dollar amount of the closing costs incurred by  
24 that municipality.

25

26

27

28

29 "Municipal Landfill Site Remediation and Redevelopment Act."

ASSEMBLY AGRICULTURE AND WASTE MANAGEMENT  
COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 294

LAW LIBRARY COPY  
DO NOT REMOVE

**STATE OF NEW JERSEY**

DATED: JUNE 20, 1996

The Assembly Agriculture and Waste Management Committee favorably reports Senate Bill No.294 (1R).

Senate Bill No.294 (1R) provides for the remediation and redevelopment of municipal solid waste landfill sites under the terms and conditions of a redevelopment agreement negotiated by a developer and the State.

The bill provides that under a redevelopment agreement, an eligible developer who closes and remediates the site of a former municipal solid waste landfill would be eligible for reimbursement of 75 percent of the costs of closure and remediation of the municipal solid waste landfill after the site is redeveloped, from payments derived from one-half of the sales tax collected on non-exempt sales generated from any business located on the site.

The developer would negotiate with the Commissioner of the Department of Commerce and Economic Development, in consultation with the State Treasurer, over the terms and conditions of the redevelopment agreement. Under the redevelopment agreement, the developer would undertake the environmentally sound and proper closure and remediation of the municipal solid waste landfill and the State would agree that the developer is eligible for reimbursement of 75 percent of the costs of closure and remediation of the municipal solid waste landfill site.

To receive the reimbursement, a developer must submit an application, in writing, to the Director of the Division of Taxation for review and certification after the project is complete. The director would review the request for certification on a timely basis. The bill would require the director to certify a developer to be eligible for the reimbursement if: (1) a place of business is located in the area subject to the redevelopment agreement for the purpose of making retail sales; (2) non-exempt items are regularly exhibited and offered for retail sale at that location; (3) the place of business is not utilized primarily for the purpose of catalogue or mail order sales; and (4) the developer has entered into a memorandum of agreement with the Commissioner of

costs are necessary to establish the costs that, over time, would be reimbursed. Annual rates of revenue impact would depend on both the nature of the sales tax-collecting businesses on a redevelopment site, which would affect the gross receipts subject to sales and use taxation, and the impact on taxable gross receipts would depend on whether the redevelopment site were located in a regular sales tax rate or reduced rate area (such as Salem County, an urban enterprise zone, or Atlantic City).

Based on prior published information from the Department of Environmental Protection (DEP), there are 314 municipal landfill sites in all 21 counties that are potentially eligible for the redevelopment agreement program contained in S-294 (1R). The amount of total acreage is unknown; however, DEP estimated in 1990 that initial capital costs of closing a 20 acre municipal landfill site could range between \$1.3 million and \$9.2 million depending on the degree of remediation and stabilization required. If 20 of the eligible sites were included in the program through redevelopment agreements, closure costs could range from \$26 million to \$184 million, using the DEP guidelines. These costs would not be incurred at one time in all likelihood. Using these rough assumptions, developers who financed such closures would be eligible for reimbursement of 75 percent of the closure and remediation costs from the stream of sales tax revenues generated by the retail business constructed on the site. This would represent between \$19.5 million and \$138 million in potential sales tax revenue to the State that would be instead paid over to the site developer. Again, this would take place over a period of time rather than in any given year.

On the other hand, new or expanded retail establishments can be expected to generate not only long-term sales tax revenues, but also employment opportunities and substantial offsetting tax and economic development revenues. In addition, the business would pay local property taxes (either in full or under an partial abatement agreement) on property that is currently not on the tax rolls. The potential exists for substantial net tax and employment benefits to State and local governments, under a given set of assumptions. Those assumptions would rest on a premise that the retail business would not otherwise be opening or expanding elsewhere in the State, and that it would not opt to develop a landfill site in the absence of the subsidy provided by the bill. It is not possible to predict these outcomes, for the reasons cited above.

OLS notes further that, given that the number of participants is unknown, the personnel requirements of administering the provisions of the bill would also seem uncertain.

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



# SENATE ENVIRONMENT COMMITTEE

## STATEMENT TO

### **SENATE, No. 294**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: MAY 2, 1996

The Senate Environment Committee favorably reports Senate Bill No. 294 with committee amendments.

As amended, this bill provides for the remediation and redevelopment of municipal solid waste landfill sites under the terms and conditions of a redevelopment agreement negotiated by a developer and the State.

The bill would authorize that under a redevelopment agreement, an eligible developer who closes and remediates the municipal solid waste landfill would be eligible for reimbursement of 75 percent of the costs of closure and remediation of the municipal solid waste landfill after the site is redeveloped, from payments derived from one half of the sales tax collected on non-exempt sales generated from any business located on the site.

The developer would negotiate with the Commissioner of the Department of Commerce and Economic Development, in consultation with the State Treasurer, over the terms and conditions of the redevelopment agreement. Under the agreement, the developer would undertake the environmentally sound and proper closure and remediation of the municipal solid waste landfill and the State would agree that the developer is eligible for reimbursement of 75 percent of the costs of closure and remediation of the municipal solid waste landfill.

To receive the reimbursement, a developer must submit an application, in writing, to the Director of the Division of Taxation for review and certification after the project is complete. The director would review the request for certification on a timely basis. The bill would require the director to certify a developer to be eligible for the reimbursement if: (1) a place of business is located in the area subject to the redevelopment agreement for the purpose of making retail sales; (2) non-exempt items are regularly exhibited and offered for retail sale at that location; (3) the place of business is not utilized primarily for the purpose of catalogue or mail order sales; and (4) the developer has entered into a memorandum of agreement with the Commissioner of Environmental Protection for the sound and proper closure and

remediation of the municipal solid waste landfill located on the site of the redevelopment project and is in compliance with the memorandum of agreement.

The bill, as amended, would create in the Department of Treasury, a special fund to be known as the Municipal Landfill Closure and Remediation Fund, and would provide that upon approval of the certification for reimbursement by the director, a special account be created for that developer. The fund would be credited with one half of all taxes due and payable pursuant to the "Sales and Use Tax Act" by any person required to collect the tax at the site of the redevelopment project. Those funds would be used to reimburse the developer. The reimbursement authorized under this bill would continue until the developer recovers 75 percent of the actual and reasonable costs of closure and remediation incurred by the developer.

The committee amendments would require that the developer enter into a memorandum of agreement with the Department of Environmental Protection to close and remediate the municipal solid waste landfill as a condition to the certification for reimbursement; delete the requirement that the DEP approve a financial plan for closure as a condition to the certification; delete the provisions authorizing a municipality to perform the closure and remediation in lieu of the developer with a loan from the Sanitary Landfill Contingency Fund; authorize the DEP to review the closure and remediation costs for reasonableness; exclude from reimbursable costs the costs incurred in financing the closure and remediation; and clarify that the provisions of the bill apply in urban enterprise zones so that one half of the sales tax collected at that site would be deposited into the Municipal Landfill Closure and Remediation Fund and the other half would be deposited into the enterprise zone assistance fund as provided in P.L.1983, c.303 (C.52:27H-60 et seq.).

SENATE NATURAL RESOURCES AND ECONOMIC  
DEVELOPMENT COMMITTEE

STATEMENT TO

**SENATE, No. 294**

**STATE OF NEW JERSEY**

DATED: JANUARY 22, 1996

The Senate Natural Resources and Economic Development committee favorably reports Senate Bill No. 294.

This bill provides for the remediation and redevelopment of municipal landfill sites under the terms and conditions of a redevelopment agreement negotiated by a developer and the State.

The bill would authorize an eligible developer to receive a sales tax reduction of up to \$0.03 per \$1.00 of non-exempt sales generated from any business located within the area subject to the redevelopment agreement as reimbursement for the remediation costs incurred in properly closing the municipal landfill site and redeveloping the area.

The developer would negotiate with the Commissioner of the Department of Commerce and Economic Development over the terms and conditions of the redevelopment agreement. The developer would undertake the environmentally-sound closure of the municipal landfill in accordance with a financial plan approved by the Commissioner of Environmental Protection.

To be eligible for the reduction, a developer must submit an application, in writing, to the Director of the Division of Taxation for review and certification. The director would review the request for certification on a timely basis.

The director may only certify a developer to be eligible for the reduction if: (1) the developer owns or operates a place of business located in the area subject to the redevelopment agreement for the purpose of making retail sales; (2) non-exempt items are regularly exhibited and offered for retail sale at that location; (3) the place of business is not utilized primarily for the purpose of catalogue or mail order sales; and (4) the developer has obtained the approval from the Commissioner of Environmental Protection of a financial plan for the closure of the municipal solid waste landfill located on the site of the redevelopment project.

The sales tax reduction authorized under this bill would remain in effect until such time as the developer recovered the dollar amount of the closing costs incurred by the developer, as certified by the Commissioner of Environmental Protection.

The bill also provides that the Commissioner of Environmental

Protection may delegate to the municipal governing body the closure responsibilities that would otherwise be required of the developer. This delegation could be either at the initiative of the municipality or as a predicate to a developer entering into a redevelopment agreement with the State.

Any municipality proposing to undertake a municipal solid waste landfill closure project must submit to and receive the approval of the Commissioner of Environmental Protection of a financial plan for the closure of the municipal solid waste landfill located on the site of the proposed redevelopment project.

The Department of Environmental Protection would make available moneys from the Sanitary Landfill Facility Contingency Fund established pursuant to section 6 of P.L.1981, c.306 (C.13:1E-105) for loans to municipalities to undertake such closure projects. A loan would be in an amount sufficient to cover the closing costs of the delegated closure responsibilities. Any loan made by the department to a municipality must be repaid to the Sanitary Landfill Facility Contingency Fund out of moneys received by the municipality from the developer.

Accordingly, the bill provides that in the case of delegated closure responsibilities, the developer would make payments to the chief fiscal officer of the municipality to which closure responsibility has been delegated utilizing moneys derived from the sales tax reduction authorized under the bill. The payments would continue until such time as the aggregate dollar amount of the payments received by the municipality equal the dollar amount of the closing costs incurred by that municipality.

This bill was pre-filed for introduction in the 1996-1997 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

FISCAL NOTE TO

[First Reprint]

SENATE, No. 294

LAW LIBRARY COPY  
DO NOT REMOVE

## STATE OF NEW JERSEY

DATED: May 24, 1996

Senate Bill No. 294 (1R) of 1996 provides for the remediation and redevelopment of municipal solid waste landfill sites under the terms and conditions of a redevelopment agreement negotiated by a developer and the State.

The bill provides that under a redevelopment agreement, an eligible developer who closes and remediates a municipal solid waste landfill would be eligible for reimbursement of 75 percent of its actual and reasonable closure and remediation cost, from payments derived from one half of the sales tax due and collected on sales generated from any business located on the site.

The redevelopment agreement negotiated between the developer and the Commissioner of the Department of Commerce and Economic Development, in consultation with the State Treasurer, would require the developer to undertake the environmentally sound and proper closure and remediation of the municipal solid waste landfill in return for the developer's eligibility for the 75 percent reimbursement of costs. After project completion, the developer would apply to the Director of the Division of Taxation for review and certification that a place of business is located in the area subject to the redevelopment agreement for making retail sales subject to the sales and use tax and that the developer has entered into, and is in compliance with, a memorandum of agreement with the Commissioner of Environmental Protection for the sound and proper closure and remediation of the municipal solid waste landfill. The reimbursement would continue until the developer recovered 75 percent of the actual and reasonable costs of closure and remediation.

Neither the Department of Environmental Protection nor the Division of Taxation in the Department of the Treasury has responded to the fiscal note request. The Department of Commerce and Economic Development has indicated that the overall revenue impacts are unpredictable because the number of potential participants in the program is unknown. Commerce has estimated that one full time Economic Development Representative position will be required to administer the provisions of the bill, at an annual initial estimated cost of \$65,551.

The Office of Legislative Services (OLS) concurs that insufficient data are available for estimating the bill's revenue impact. Both the number of participants and their estimated closure and remediation

Environmental Protection for the sound and proper closure and remediation of the municipal solid waste landfill located on the site of the redevelopment project and is in compliance with the memorandum of agreement.

The bill would create in the Department of Treasury, a special fund to be known as the Municipal Landfill Closure and Remediation Fund, and would provide that upon approval of the certification for reimbursement by the director, a special account be created for that developer. The fund would be credited with one half of all taxes due and payable pursuant to the "Sales and Use Tax Act" by any person required to collect the tax at the site of the redevelopment project. Those funds would be used to reimburse the developer. The reimbursement authorized under the bill would continue until the developer recovers 75 percent of the actual and reasonable costs of closure and remediation incurred by the developer.

The bill would also: (1) exclude from reimbursable costs the costs incurred in financing the closure and remediation; and (2) clarify that the provisions of the bill apply in urban enterprise zones so that one-half of the sales tax collected at the site of a former municipal solid waste landfill located in an urban enterprise zone would be deposited into the Municipal Landfill Closure and Remediation Fund and the other half would be deposited into the enterprise zone assistance fund as provided in P.L.1983, c.303 (C.52:27H-60 et seq.).

The definition of "municipal solid waste landfill" is a version of the definition used in the federal "Resource Conservation and Recovery Act" (RCRA) which has been modified to utilize current New Jersey definitions. To be eligible for inclusion under the bill, a municipal solid waste landfill must have received for disposal household solid waste and either commercial solid waste, industrial solid waste or hazardous waste material that was received prior to the effective date of the federal RCRA program regulating hazardous waste disposal. The Department of Environmental Protection has listed a universe of 314 landfills located in every county in the State that meet these criteria.

In favorably reporting this bill, it is the Committee's understanding that no closure activity or remediation as may be required by the Department of Environmental Protection to ensure the environmentally sound and proper closure and remediation of a municipal solid waste landfill located in any portion of the Pinelands area shall be inconsistent with the provisions of section 502 of the federal "National Parks and Recreation Act of 1978" (PL95-625), the "Pinelands Protection Act," P.L.1979, c.111 (C.13:18A-1 et seq.), or the comprehensive management plan prepared and adopted by the Pinelands Commission pursuant thereto.

Senate Bill No.294 (1R) is identical to the Assembly Committee Substitute for Assembly Bill No.882.

## MINORITY STATEMENT

Submitted by: Assemblyman Impreveduto and Assemblywoman Gill

While there is a need to provide a mechanism for the proper closure and remediation of municipal solid waste landfills and the goals of this bill are laudable, we have several objections to the provisions in this legislation. Primarily, in our view, the bill's financial subsidy, through a sales tax refund, for developers that close and remediate landfills as part of commercial retail projects is problematic.

Any contaminated site remediation project will be based on its economic value. Since this bill will refund up to 75 percent of the developer's remediation costs for a retail development project on these sites, this bill provides no incentive for equally desirable non-retail landfill reclamation projects. Because many of the urban municipal landfills would be ideal locations for office space, light industrial and commercial warehouse use, this bill offers no help to reclaim urban landfills for these purposes.

Equally important, because this bill applies to all landfills, regardless of their need for an economic subsidy to make these site financially viable for redevelopment, this bill will place public subsidies where they are unneeded. Indeed, if this bill were truly designed to provide public support for landfill remediation projects that the private sector deems financially unviable, the sponsors would have limited this bill's application to urban landfills or, at the very least, only applied the refund to those landfills where the cleanup costs exceeds the value of the property. Without such qualification, it is our view that this bill will undermine other municipal landfill reclamation programs that are directly aimed at promoting urban landfill closure and redevelopment projects through financial incentives.

Another serious issue raised by the provisions of this bill is the lack of direct economic recovery for the municipalities that own these landfills. Under this legislation, the developer, regardless of purchase price, is entitled to recover 75 percent of the cleanup costs. Since this bill is not prospective in its application, this bill would provide a significant financial windfall for any developer that purchased a municipal landfill site for future development at a nominal price. The other problem with this bill as it relates to municipalities is the lack of a public bidding requirement for these landfill sites given the financial subsidies to developers under this legislation. Should this bill become law, the financial incentives created by this legislation will automatically make municipal landfill sites inherently more valuable. This legislation should have a mechanism, through a public bidding process, to ensure that the municipality receives the largest economic value for these sites. Indeed, we find it disconcerting that the sponsors ignored the Department of Environmental Protection Commissioners's statement in committee that any municipal landfill site that has value in excess of the cleanup costs should be subject to

a public bidding process.

It should be noted that the only known improperly closed municipal landfill site that a developer has purchased and would be eligible for the remediation rebate under this bill is the "H Tract" site in Atlantic City. The developer of this site has publicly stated that he is willing to assume the clean-up responsibility for this site, is not seeking any state reimbursement for these costs and purchased this property outside of a public bidding process. For these reasons, we believe that this bill should require a public bidding process for these sites and limit its applicability prospectively after the date of enactment.

Finally, the lack of any review of the fiscal impact on the state of this bill by the appropriations committees in either the Assembly or Senate is irresponsible and directly contrary to the notion of a deliberative process.

For the above stated reasons, we note our objections to this bill in this statement.





## OFFICE OF THE GOVERNOR NEWS RELEASE

**CN-001**  
**CONTACT:** Becky Taylor  
Jayne Rebovich  
609-777-2600

**TRENTON, NJ 08625**  
**RELEASE:** Wed., Nov. 6, 1996

Governor Christie Whitman today demonstrated her commitment to promoting job growth and retention and a cleaner environment by signing legislation that provides for the redevelopment of municipal landfill sites throughout the state.

“There are more than 300 municipal landfill sites across the state which will be eligible for this program that currently lie idle and unproductive,” said Governor Whitman. “With this legislation, we will provide the tools needed to rehabilitate municipal landfills so that the properties can become revitalized, productive job-creators, and at the same time improve the overall quality of New Jersey’s environment.”

Governor Whitman signed the legislation during a ceremony at the Cartaret Landfill site. She was joined by sponsors of the legislation, **S-294/A-882**, Senators William Gormley (R-Atlantic) and John Lynch (D-Middlesex/Somerset/Union) and Assemblymen Francis Blee and Kenneth LeFevre both (R-Atlantic). AFL-CIO President Charles Marciante also joined the Governor for the bill signing.

The Municipal Landfill Site Closure, Remediation and Redevelopment Act encourages businesses to clean up and develop landfill sites that closed prior to January 1982.

Under this bill, developers agree to contribute to all cleanup and closure expenditures of landfill sites. In turn, developers who comply with all safety standards set by the Department of Environmental Protection during the cleanup of these sites, and generate sales tax revenues, qualify for state reimbursement of up to 75% of clean up costs. The funding for the

reimbursements will be drawn from one-half of the new sales taxes generated by these businesses.

Gov. Whitman is committed to striking a balance between business and the environment. The landfill redevelopment program is one of several programs supported by the administration that promote long-term economic vitality and create jobs in New Jersey, while protecting and enhancing the environment.

Last year, she signed legislation permitting municipalities to create landfill improvement districts and establish financing methods to redevelop municipal landfill sites throughout the state.

Last month, Governor Whitman and New York Governor George Pataki entered into a bi-state dredging plan for the Port of New York and New Jersey to develop environmentally sound solutions to dredge the channels that had silted up, preventing the passage of ships. The Governors had previously committed \$130 million from the Port Authority for port dredging projects.