

34:1B-7.14

LEGISLATIVE HISTORY CHECKLIST
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(Hazardous discharge--
clean-up--loans)

NJSA: 34:1B-7.14

LAWS OF: 1993 **CHAPTER:** 286

BILL NO: S1036

SPONSOR(S) McNamara and others

DATE INTRODUCED: June 30, 1992

COMMITTEE: **ASSEMBLY:** Appropriations
SENATE: Environment; Budget

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

DATE OF PASSAGE: **ASSEMBLY:** June 21, 1993
SENATE: March 22, 1993

DATE OF APPROVAL December 16, 1993

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes
SENATE: Yes 3-15-93 & 3-18-93

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: Yes

974.90 New Jersey. Legislature. Senate. Environment Committee.
P777 Public hearing, held 1-26-93. Trenton.
1993

[SECOND REPRINT]

SENATE, No. 1036

STATE OF NEW JERSEY

INTRODUCED JUNE 30, 1992

By Senators McNAMARA, GORMLEY and Girgenti

1 AN ACT concerning loans for the cleanup of hazardous
2 discharges, amending P.L.1992, c.16, and making an
3 appropriation.

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

7 1. Section 4 of P.L.1992, c.16 (C.34:1B-7.14) is amended to
8 read as follows:

9 4. The authority may use the moneys in the fund to pay
10 principal of, premium, if any, and interest on bonds or notes,
11 which shall be entitled "Economic Recovery Fund Bonds or
12 Notes," as appropriate, the proceeds, or net proceeds, of which
13 shall be deposited into the fund, or used for purposes of the fund,
14 and moneys in the fund, including money received from the sale
15 of bonds shall, in such manner as is determined by the authority,
16 and pursuant to subsections d., e., and f. of this section, be used
17 for the financing of projects as set forth in section 3 of P.L.1974,
18 c.80 (C.34:1B-3) and to establish:

19 a. an economic growth account for business programs, which
20 will invest in small and medium-size businesses that have the
21 greatest potential for creating jobs and stimulating economic
22 growth through such elements as a Statewide lending pool for
23 small business, a business composite bond guarantee, a fund to
24 further supplement the export finance program of the authority
25 to provide direct loans and working capital necessary for New
26 Jersey businesses to compete in the global market, real estate
27 partnerships, a Statewide composite bond pool to assist
28 municipalities in acquiring needed financing for capital
29 expenditures, community-based assistance to assist
30 municipalities in establishing local development corporations to
31 stimulate economic development, a venture capital fund for
32 start-up costs for businesses developing new concepts and
33 inventions, and a fund to assist businesses with expansion in such
34 areas as manufacturing retooling to improve quality, to reduce
35 production costs and to train employees to apply the latest
36 technology;

37 b. an economic development infrastructure program account,
38 which shall provide for the financing and development of
39 infrastructure and transportation projects, including but not
40 limited to ports, terminal and transit facilities, roads and
41 airports, parking facilities used in connection with transit
42 facilities, and related facilities, including public-private
43 partnerships, that are integral to economic growth;

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:

¹ Senate SEN committee amendments adopted March 15, 1993.

² Assembly AAP committee amendments adopted June 14, 1993.

1 c. an account for a cultural, recreational, fine and performing
2 arts, military and veterans memorial, historic preservation
3 project and tourism facilities and improvements program, which
4 shall provide for the financing and development of cultural,
5 recreational, fine and performing arts, military and veterans
6 memorial, historic preservation and tourism projects, including
7 partnerships with public, private and non-profit entities;

8 d. an account, into which shall be deposited an amount not less
9 than \$45,000,000, out of the total amounts deposited or credited
10 to the fund from the proceeds of the sale of Economic Recovery
11 Fund Bonds or Notes, for the financing of capital facilities for
12 primary and secondary schools in the State, to make direct loans
13 to school districts for the purpose of the renovation, repair or
14 alteration of existing school buildings, the construction of new
15 school buildings or the conversion of existing, school buildings to
16 other instructional purposes.

17 (1) In order to ensure the most effective utilization of the
18 moneys in the account, the Commissioner of Education shall
19 review all of the public school facilities throughout the State to
20 determine the extent to which school districts are able to provide
21 suitable educational facilities as required pursuant to
22 N.J.S.18A:33-1. Upon completion of that review, the
23 commissioner shall establish a list of selection criteria for school
24 districts applying for a loan from the account, taking into
25 consideration all of the factors which impact on the ability of
26 each school district to provide suitable facilities, including the
27 number of unhoused pupils, the number of years on split or
28 curtailed sessions, the rate of pupil population increase, the
29 adequacy of existing or proposed facilities, the school tax rate of
30 the district, the equalized valuations per pupil of the district, and
31 any other factors which the State Board of Education deems
32 necessary or appropriate. Any school district shall be eligible to
33 receive an additional loan pursuant to this subsection even if the
34 district has received a previous loan if that additional loan is in
35 conformity with the selection criteria established pursuant to this
36 paragraph.

37 (2) Any local board of education may determine, by resolution,
38 to apply for a loan from the account. Upon adoption of that
39 resolution, the local board of education shall file an application
40 with the Commissioner of Education, which application shall
41 include a complete description of the project, and shall indicate
42 the manner in which the school district shall repay the loan.
43 Upon receipt of the application, the commissioner shall
44 investigate the conditions in the district in the context of the
45 selection criteria established pursuant to paragraph (1) of this
46 subsection. The commissioner shall report his findings to the
47 State Board of Education, and may include in his report a
48 recommendation as to the amount, if any, of the loan proposed
49 with respect to the school district.

50 (3) The State Board of Education shall review the
51 commissioner's reports, and, by resolution, shall approve or
52 disapprove a district's eligibility for funding. Upon determining
53 the districts eligible for loans from the account, the board shall
54 forward a copy of the resolution to the authority who shall
55 determine:

1 the amount of the loan for each district;
 2 the repayment schedule for the loan which shall in no event be
 3 in excess of 15 years; and

4 the interest rate to be charged for each loan, which shall be no
 5 more than 50% of the yearly average of the weekly Treasury Bill
 6 Index.

7 (4) Provided; if funds for school capital construction become
 8 available through the adoption of any State bond act or State
 9 authority or agency bond resolution authorizing the issuance of
 10 bonds for the funding of such capital construction facilities, the
 11 fund will be reimbursed or credited from those sources for any
 12 amounts expended or obligated from the fund for school capital
 13 construction purposes and the amounts so reimbursed or credited
 14 shall be used for any other purpose of this act;

15 e. an environmental cleanup assistance account, into which
 16 shall be deposited an amount not less than \$10,000,000, out of
 17 the total amounts deposited or credited to the fund from the
 18 proceeds of the sale of Economic Recovery Fund Bonds or Notes,
 19 to [an environmental cleanup business assistance pilot program
 20 account which will] provide [assistance] ²[loans] financial
 21 assistance² to ²[businesses which are conducting or may be
 22 required to conduct an environmental cleanup pursuant to the
 23 provisions of ¹[the "Environmental Cleanup Responsibility
 24 Act,"]¹ P.L.1983, c.330 (C.13:1K-6 et seq.), [or] ¹[which] to
 25 provide loans to persons who¹ have discovered a hazardous
 26 discharge on a property owned by that ¹[business] person¹ and are
 27 seeking to voluntarily initiate a cleanup process in accordance
 28 with law, ¹to provide loans for cleanups to persons who have
 29 discharged a hazardous substance or who are in any way
 30 responsible for a hazardous substance pursuant to P.L.1976, c.141
 31 (C.58:10-23.11 et seq.), to provide loans to persons for cleanups¹
 32 where a threat of a discharge poses an imminent and substantial
 33 threat to human health, or to ¹provide loans to¹ municipalities
 34 for the cleanup of a hazardous discharge. In determining
 35 eligibility for assistance, the authority shall consider, in
 36 consultation with the Department of Environmental Protection,
 37 the compliance history of any applicant] the persons and other
 38 entities entitled to apply for financial assistance pursuant to
 39 P.L. , c. , (now pending before the Legislature as
 40 Senate Bill No. 1070 of 1992)²; and

41 f. an account, into which shall be deposited an amount not less
 42 than \$15,000,000, out of the total amounts deposited or credited
 43 to the fund from the proceeds of the sale of Economic Recovery
 44 Fund Bonds or Notes, for the financing of shore restoration,
 45 maintenance, monitoring, protection and preservation projects
 46 pursuant to the shore protection master plan prepared by the
 47 Department of Environmental Protection pursuant to P.L.1978,
 48 c.157.

49 (cf: P.L.1992, c.16, s.4)

50 2. There is appropriated from the environmental cleanup
 51 assistance account, created pursuant to subsection e. of section 4
 52 of P.L.1992, c.16 (C.34:1B-7.14), the sum of \$10,000,000 to the
 53 "Hazardous Discharge Site Remediation Fund" created pursuant
 54 to section ¹[22] 26¹ of P.L. , c. (C.)(now before the

1 Legislature as Senate Bill No. 11070¹ of 1992), for the purposes
2 of that fund.

3 3. This act shall take effect immediately.

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8 Allocates \$10 million in Economic Recovery Fund Bonds for loans
9 for hazardous discharge cleanup.

1 forward a copy of the resolution to the authority who shall
2 determine:

3 the amount of the loan for each district;

4 the repayment schedule for the loan which shall in no event be
5 in excess of 15 years; and

6 the interest rate to be charged for each loan, which shall be no
7 more than 50% of the yearly average of the weekly Treasury Bill
8 Index.

9 (4) Provided; if funds for school capital construction become
10 available through the adoption of any State bond act or State
11 authority or agency bond resolution authorizing the issuance of
12 bonds for the funding of such capital construction facilities, the
13 fund will be reimbursed or credited from those sources for any
14 amounts expended or obligated from the fund for school capital
15 construction purposes and the amounts so reimbursed or credited
16 shall be used for any other purpose of this act;

17 e. an environmental cleanup assistance account, into which
18 shall be deposited an amount not less than \$10,000,000, out of
19 the total amounts deposited or credited to the fund from the
20 proceeds of the sale of Economic Recovery Fund Bonds or Notes,
21 to [an environmental cleanup business assistance pilot program
22 account which will] provide [assistance] loans to businesses which
23 are conducting or may be required to conduct an environmental
24 cleanup pursuant to the provisions of the "Environmental Cleanup
25 Responsibility Act," P.L.1983, c.330 (C.13:1K-6 et seq.), [or]
26 which have discovered a hazardous discharge on a property owned
27 by that business and are seeking to voluntarily initiate a cleanup
28 process in accordance with law, where a threat of a discharge
29 poses an imminent and substantial threat to human health, or to
30 municipalities for the cleanup of a hazardous discharge. In
31 determining eligibility for assistance, the authority shall
32 consider, in consultation with the Department of Environmental
33 Protection, the compliance history of any applicant; and

34 f. an account, into which shall be deposited an amount not less
35 than \$15,000,000, out of the total amounts deposited or credited
36 to the fund from the proceeds of the sale of Economic Recovery
37 Fund Bonds or Notes, for the financing of shore restoration,
38 maintenance, monitoring, protection and preservation projects
39 pursuant to the shore protection master plan prepared by the
40 Department of Environmental Protection pursuant to P.L.1978,
41 c.157.

42 (cf: P.L. 1992, c. 16, s. 4)

43 2. There is appropriated from the environmental cleanup
44 assistance account, created pursuant to subsection e. of section 4
45 of P.L.1992, c.16 (C.34:1B-7.14), the sum of \$10,000,000 to the
46 "Hazardous Discharge Site Remediation Fund" created pursuant
47 to section 22 of P.L. , c. (C.)(now before the Legislature as
48 Senate Bill No. of 1992), for the purposes of that fund.

49 3. This act shall take effect immediately.

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STATEMENT

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54 This bill would provide that \$10 million of the proceeds of the

1 sale of Economic Recovery Fund Bonds or Notes pursuant to the
2 "Economic Recovery Fund Act," P.L. 1992, c. 16 (C. 34:1B-7.10
3 et seq.) would be allocated to provide loans to businesses required
4 to conduct a cleanup pursuant to the "Environmental Cleanup
5 Responsibility Act," P.L. 1983, c. 330 (C. 13:1K-6 et seq.) or
6 which are conducting a voluntary cleanup pursuant to law or to
7 protect against an imminent threat to human health, and to
8 municipalities for the cleanup of a hazardous discharge.

9 The bill appropriates the \$10 million to the "Hazardous
10 Discharge Site Remediation Fund," that will be created in a
11 pending bill, for the purposes set forth in that bill. The
12 remediation fund would be established in the Economic
13 Development Authority.

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17 Allocates \$10 million in Economic Recovery Fund Bonds for loans
18 for hazardous discharge cleanup.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[FIRST REPRINT]

SENATE, No. 1036

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: JUNE 14, 1993

The Assembly Appropriations Committee reports favorably Senate Bill No. 1036 (1R), with committee amendments.

Senate Bill No. 1036 (1R), as amended, provides that \$10 million of the proceeds of Economic Recovery Fund Bonds or Notes sold pursuant to the "Economic Recovery Fund Act," P.L.1992, c.16 (C.34:1B-7.10 et seq.) are to be deposited into an environmental cleanup assistance account. The moneys in the account are to be used to provide financial assistance to persons and entities entitled to financial assistance under Senate Bill No. 1070 of 1992.

The bill then appropriates the \$10 million in the account to the "Hazardous Discharge Site Remediation Fund," established within the New Jersey Economic Development Authority in accordance with Senate Bill No. 1070 of 1992. The moneys in the fund are dedicated for the purpose of providing financial assistance to persons or entities entitled to apply.

FISCAL IMPACT:

This bill requires the deposit of not less than \$10,000,000 into the environmental cleanup assistance account established by the Economic Development Authority pursuant to the "Economic Recovery Fund Act." According to the authority, this amount has already been deposited into the account. The source of the \$10,000,000 deposited into the account was the recent sale of bonds by the authority.

The bill then appropriates the \$10,000,000 from the account to the "Hazardous Discharge Site Remediation Fund" which will be established pursuant to the provisions of Senate Bill No. 1070 of 1992.

COMMITTEE AMENDMENTS:

The amendments are clarifying in nature and simply cross reference the operative language in Senate Bill No. 1070 which establishes the categories of applicants for financial assistance.

SENATE ENVIRONMENT COMMITTEE

STATEMENT TO

SENATE, No. 1036

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 15, 1993

The Senate Environment Committee favorably reports Senate Bill No. 1036 with committee amendments.

This bill would provide that \$10 million of the proceeds of the sale of Economic Recovery Fund Bonds or Notes pursuant to the "Economic Recovery Fund Act," P.L.1992, c.16 (C.34:1B-7.10 et seq.) would be allocated to provide loans to businesses required to conduct a cleanup pursuant to the "Environmental Cleanup Responsibility Act," P.L.1983, c.330 (C.13:1K-6 et seq.), to persons conducting a voluntary cleanup, to persons for the cleanup of contamination that poses an imminent threat to human health, and to municipalities for the cleanup of a hazardous discharge. The committee amended the bill to provide that the funds may also be used to provide loans for cleanups to persons who have discharged a hazardous substance or who are in any way responsible for a hazardous substance pursuant to P.L.1976, c.141 (C.58:10-23.11 et seq.).

The bill appropriates the \$10 million to the "Hazardous Discharge Site Remediation Fund," created in Senate Bill No. 1070, for the purposes set forth in that bill. The remediation fund would be established in the Economic Development Authority.

The committee amended to bill to correct grammatical errors and to make other technical corrections.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[FIRST REPRINT]

SENATE, No. 1036

STATE OF NEW JERSEY

DATED: MARCH 18, 1993

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 1036 Sca.

Senate Bill No. 1036 Sca provides that \$10 million of the proceeds of Economic Recovery Fund Bonds or Notes sold pursuant to the "Economic Recovery Fund Act," P.L.1992, c.16 (C.34:1B-7.10 et seq.) are to be deposited into an environmental cleanup assistance account. The moneys in the account are to be used to provide loans to (1) businesses required to conduct a cleanup pursuant to the "Environmental Cleanup Responsibility Act," P.L.1983, c.330 (C.13:1K-6 et seq.), (2) persons conducting a voluntary cleanup, (3) persons who have discharged a hazardous substance or who are in any way responsible for a hazardous substance pursuant to P.L.1976, c.141 (C.58:10-23.11 et seq.), (4) persons for the cleanup of contamination that poses an imminent threat to human health, and (5) municipalities for the cleanup of a hazardous discharge.

The bill then appropriates the \$10 million in the account to the "Hazardous Discharge Site Remediation Fund," a fund established within the New Jersey Economic Development Authority in accordance with section 26 of the Senate Committee Substitute for Senate Bill No. 1070 of 1992. The moneys in the fund are dedicated for the purpose of providing loans or grants to municipal governmental entities, individuals, corporations, partnerships, or other private business entities for the purpose of financing remediation activities at sites where there is discharge of hazardous substances or waste.

FISCAL IMPACT

This bill requires the deposit of not less than \$10,000,000 into the environmental cleanup assistance account established by the Economic Development Authority pursuant to the "Economic Recovery Fund Act." According to the authority, this amount has already been deposited into the account. The source of the \$10,000,000 deposited into the account was the recent sale of bonds by the authority.

The bill then appropriates the \$10,000,000 from the account to the "Hazardous Discharge Site Remediation Fund" which will be established pursuant to the provisions of the Senate Committee Substitute for Senate Bill No. 1070 of 1992.