

## LEGISLATIVE HISTORY CHECKLIST

NJSA: 52:18A-209

("Petroleum Overcharge  
Reimbursement Fund")

LAWS OF: 1987

CHAPTER: 231

Bill No: S2666/A2349/A2351/A2352

Sponsor(s): O'Connor and others

Date Introduced: October 20, 1986

Committee: Assembly: Appropriations

Senate: Revenue, Finance and Appropriations; Energy and  
EnvironmentAmended during passage: Yes Amendments during passage denoted  
by asterisks.

Date of Passage: Assembly: April 27, 1987

Senate: June 8, 1987

Date of Approval: August 3, 1987

## Following statements are attached if available:

Sponsor statement: Yes

Committee statement: Assembly Yes

Senate Yes 5-21-87 and 4-27-87

Fiscal Note: No

Veto Message: Yes

Message on Signing: Yes

## Following were printed:

Reports: No

Hearings: Yes

See newspaper clippings-- attached:

"Kean to sign bill for energy assistance," 8-4-87 Trenton Times."\$30 million in fuel overcharge goes to help poor, elderly pay utility bills," 7-31-87  
Star Ledger

(OVER)

974.90  
-491  
1986a

New Jersey. Legislature. Assembly. Appropriations  
Committee. State Aid Subcommittee.

Public hearing on the possible uses of \$85 million in oil overcharge funds  
the State will receive within the next 60 days, held 3-11-86 and 3-18-86.

[OFFICIAL COPY REPRINT]

SENATE COMMITTEE SUBSTITUTE FOR

Senate No. 2666, Assembly No. 2349 2nd OCR,  
 Assembly No. 2351 2nd OCR,  
 Assembly No. 2352 2nd OCR,  
 Assembly No. 2388 2nd OCR,  
 Assembly No. 3347 OCR, Assembly No. 3348 OCR,  
 Assembly No. 3349 OCR, Assembly No. 3351 OCR,  
 Assembly No. 3444 OCR,  
 Assembly No. 3445 OCR and  
 Assembly No. 3446 OCR

## STATE OF NEW JERSEY

ADOPTED APRIL 27, 1987

AN ACT **\*[concerning]\*** *\*establishing a Petroleum Overcharge Reimbursement Fund and providing for\** the allocation and expenditure of **\*[petroleum overcharge reimbursements]\*** *\*the moneys in that fund\**, supplementing Title 52 of the Revised Statutes, and making appropriations.

1 BE IT ENACTED *by the Senate and General Assembly of the State*  
 2 *of New Jersey:*

1 1. **\*[a.]\*** There is established in the **\*[Department of the Trea-**  
 2 **sury]\*** *\*General Fund\** a **\*[restricted, nonlapsing, revolving]\***  
 3 *\*special\** fund to be known as the "Petroleum Overcharge Reim-

4 bursement Fund," hereinafter referred to as the "fund." The  
 5 State Treasurer shall credit the fund with all moneys received by  
 6 the State as **\*[reimbursement]\*** payments for overcharges for  
 7 petroleum products pursuant to any agreement between the United  
 8 States Government and a petroleum company. The fund shall be  
 9 administered by the State Treasurer, and any interest earned on  
 9A moneys in the fund shall be credited to the fund.

**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 printed in italics thus is new matter.**

**Matter enclosed in asterisks or stars has been adopted as follows:**

**\*—Senate committee amendments adopted May 21, 1987.**

10 \***[b.** Within two years of the effective date of this act, the State  
 11 Treasurer shall prepare and submit to the Governor and the Legis-  
 12 lature a report detailing the actual and proposed expenditures of  
 13 moneys in the fund.]\*

1 2. \***[a.** Upon certification by the Director of the Division of Bud-  
 2 get and Accounting in the Department of the Treasury that federal  
 3 funds to support the expenditures listed in this section are avail-  
 4 able in the fund, \$8,500,000.00]\* \**There* is appropriated \**from*  
 5 *the fund the sum of \$8,500,000.00*\* to the Department of Com-  
 6 munity Affairs for grants for retrofitting of oil-fired furnaces and  
 7 other energy efficiency improvements in low-income households.

8 \***[b.** The Department of Community Affairs may issue any guide-  
 9 lines, or adopt, pursuant to the "Administrative Procedure Act,"  
 10 P. L. 1968, c. 410 (C. 52:14B-1 et seq.), any rules and regulations  
 11 necessary to implement the provisions of this section.

12 c. The sums appropriated pursuant to this section shall be  
 13 obligated by the Department of Community Affairs within three  
 14 years of the effective date of this act.

15 d. Within two years of the effective date of this act, the Depart-  
 16 ment of Community Affairs shall submit to the Governor and the  
 17 Legislature a report detailing the proposed or actual expenditure  
 18 of the funds appropriated pursuant to this section.]\*

1 3. \***[a.** Upon certification by the Director of the Division of Bud-  
 2 get and Accounting that federal funds to support the expenditures  
 3 listed in this section are available in the fund, the following sums  
 4 are]\* \**There is* appropriated \**from the fund the sum of*  
 5 *\$58,500,000.00*\* to the Department of Commerce and Economic  
 6 Development for the following purposes:

7 \***[(1)]**\* \**a.*\* \$25,000,000.00 for energy efficiency rehabilitation  
 8 grants for nonprofit hospitals \***[or]**\* \**and*\* group homes, public  
 9 \***[or]**\* \**and*\* private nonprofit schools, boarding homes, residential  
 10 health care facilities, and homeless shelters;

11 \***[(2)]**\* \**b.*\* \$7,000,000.00 for loans or grants \**to small busi-*  
 12 *nesses, farms and other eligible businesses*\* for feasibility planning  
 13 for future energy conservation techniques pursuant to the Business  
 14 Energy Improvement Subsidy Program \**established pursuant to*  
 15 *regulations in New Jersey Administrative Code 14A:6-2.1 et seq.*\*;  
 16 except, that the department may allocate up to \$2,000,000.00 of the  
 17 amount appropriated pursuant to this paragraph for grants for  
 18 feasibility planning for future energy conservation techniques;

19 \***[(3)]**\* \**c.*\* \$15,000,000.00 for an energy conservation rehabilita-  
 20 tion loan program \***[to]**\* \**which shall*\* be implemented by the  
 21 New Jersey Housing and Mortgage Finance Agency. This pro-

22 gram shall be designed to direct the loan moneys to municipalities  
 23 which are implementing a housing element pursuant to the "Fair  
 24 Housing Act," P. L. 1985, c. 222 (C. 52:27D-301 et al.);

25 \*[(4)]\* \*d.\* \$10,000,000.00 for low- or zero-interest loans to local  
 26 government units for the energy efficiency or conservation com-  
 27 ponents of resource recovery facilities. For the purposes of this  
 28 paragraph, "resource recovery facility" means a solid waste  
 29 facility constructed and operated for the incineration of solid  
 30 waste for energy recovery and the recovery of metals and other  
 30A materials for reuse; \*and\*

30B \*[(5)]\* \*e.\* \$1,500,000.00 for planning and administrative costs  
 30C incurred by the Department of Commerce and Economic Develop-  
 30D ment in implementing the provisions of this section.

31 \*[(b. The Department of Commerce and Economic Development  
 32 may issue any guidelines, or adopt, pursuant to the "Administra-  
 33 tive Procedure Act," P. L. 1968, c. 410 (C. 52:14B-1 et seq.), any  
 34 rules and regulations necessary to implement the provisions of  
 35 this section.

36 c. The sums appropriated pursuant to this section shall be  
 37 obligated by the Department of Commerce and Economic Develop-  
 38 ment within three years of the effective date of this act.

39 d. Within two years of the effective date of this act, the Depart-  
 40 ment of Commerce and Economic Development shall submit a report  
 41 to the Governor and the Legislature detailing the proposed or  
 42 actual expenditure of the funds appropriated pursuant to this  
 43 section.]\*

1 4. \*[(a. Upon certification by the Director of the Division of Bud-  
 2 get and Accounting that federal funds to support the expenditures  
 3 listed in this section are available in the fund, the following sums  
 4 are]\* \*There is\* appropriated \*from the fund the sum of  
 5 \$50,000,000.00\* to the Department of Human Services for the fol-  
 6 lowing purposes:

7 \*[(1)]\* \*a.\* \$30,000,000.00 for providing energy assistance pur-  
 8 suant to the low-income energy assistance program established pur-  
 9 suant to the "Low-Income Home Energy Assistance Act of  
 10 1981\*,"'' \*Pub. L. 97-35, Title XXVI\* (42 U. S. C. § 8621 et seq.);  
 11 \*and\*

12 \*[(2)]\* \*b.\* \$20,000,000.00 to provide additional payments to  
 13 individuals currently receiving assistance pursuant to the "Life-  
 14 line Credit Program" established pursuant to P. L. 1979, c. 197  
 15 (C. 48:2-29.15 et seq.) or the "Tenants' Lifeline Assistance Pro-  
 16 gram" established pursuant to P. L. 1981, c. 210 (C. 48:2-29.30  
 17 et seq.), whose income is no greater than 60% of the State's medium

18 income, as determined annually by the Commissioner of the Depart-  
 19 ment of Human Services, and who otherwise meet any additional  
 20 requirements imposed by the low-income energy assistance pro-  
 21 gram but who are not participating in that program.

22 \***[b.]**\* \*5. a.\* The \***[Department of Human Services may]**\*  
 23 \**commissioner of any department receiving an appropriation pur-*  
 24 \**suant to this act shall*\* issue \***[any]**\* guidelines \**concerning the*  
 25 \**eligibility for available funds and procedures for the distribution*  
 26 \**of funds*\*, \***[or]**\* \*and may\* adopt, pursuant to the “Adminis-  
 27 trative Procedure Act,” P. L. 1968, c. 410 (C. 52:14B-1 et seq.),  
 28 any rules and regulations necessary to implement the provisions  
 29 of this \***[section]**\* \*act\*.

30 \***[c.]**\* \*b.\* The sums appropriated pursuant to this \***[section]**\*  
 31 \*act\* shall be obligated by the \***[Department of Human Services]**\*  
 32 \*departments receiving an appropriation pursuant to this act\*  
 33 within three years of the effective date of this act.

34 \***[d.]**\* \*c.\* Within two years of the effective date of this act, the  
 35 \***[Department of Human Services]**\* \*departments receiving an  
 36 appropriation pursuant to this act\* shall submit to the Governor  
 37 and the Legislature a report detailing the proposed \***[or]**\* \*and\*  
 38 actual expenditure of the sums appropriated \***[pursuant to this**  
 39 \*section]\*

1 \*6. The annual budget recommendation shall include a schedule  
 2 reflecting the actual expenditure and proposed appropriation of  
 3 amounts from the Petroleum Overcharge Reimbursement Fund  
 4 and shall further include a specific recommendation for appropria-  
 5 tion of amounts from the fund for each department for which an  
 6 appropriation is recommended, in the same manner and with the  
 7 same information as is the case with all other recommendations for  
 8 appropriations from the General Fund.\*

1 \***[5.]**\* \*7.\* This act shall take effect immediately.

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#### ENERGY

Allocates Petroleum Overcharge funds; appropriates \$117,000,000.

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SENATE, No. 2666

STATE OF NEW JERSEY

INTRODUCED OCTOBER 20, 1986

By Senators O'CONNOR, DALTON, LYNCH, LESNIAK, CONTILLO,  
COWAN, COSTA, RAND, WEISS, STOCKMAN, CODY and  
GRAVES

Referred to Committee on Energy and Environment

AN ACT concerning petroleum overcharge reimbursements, and  
supplementing Title 52 of the Revised Statutes.

1 BE IT ENACTED *by the Senate and General Assembly of the State*  
2 *of New Jersey:*

1 1. a. There is established in the Department of the Treasury a  
2 restricted nonlapsing, revolving fund to be known as the "Petroleum  
3 Overcharge Reimbursement Fund," hereinafter referred to as the  
4 "fund." The State Treasurer shall deposit in the fund all moneys  
5 received by the State as reimbursement payments for overcharges  
6 for petroleum products pursuant to any agreement between the  
7 United States Government and a petroleum company.

8 b. Moneys deposited in the fund shall be allocated for the  
9 following purposes:

10 (1) Up to 5% of the moneys in the fund shall be utilized for  
11 weatherization projects;

12 (2) Up to 50% of the moneys in the fund shall be utilized for  
13 energy assistance grants to low income households;

14 (3) Up to 15% of the moneys in the fund shall be utilized to  
15 finance a revolving loan program for schools, health facilities, and  
16 small businesses to promote energy conservation and the use and  
17 development of alternative energy sources and technology;

18 (4) Up to 23% of the moneys in the fund shall be utilized for  
19 grants to schools, State institutions, and nonprofit health facilities  
20 to promote energy conservation and the use and development of  
21 alternative energy sources and technology;

22 (5) Up to 5% of the moneys in the fund shall be utilized to  
23 replace any loss of federal low income energy assistance funding;  
24 and

25 (6) Up to 2% of the moneys in the fund shall be utilized for  
26 planning and administration costs incurred by State agencies in  
27 administering the fund.

1 2. No moneys shall be disbursed from the fund unless appropri-  
2 ated by law.

1 3. This act shall take effect immediately.

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#### STATEMENT

This bill would establish a special fund in the Department of the Treasury, to be known as the "Petroleum Overcharge Reimbursement Fund," which would serve as a repository for all moneys received by the State in reimbursement for overcharges for petroleum products pursuant to any agreement reached between the federal government and a petroleum company. Moneys deposited in the fund would not be disbursed unless appropriated by law. This bill would also provide that up to 5% of the moneys in the fund would be allocated for weatherization projects; up to 50% for energy assistance grants to low income households; up to 15% for a revolving loan program for schools, health facilities, and small businesses to promote energy conservation and the use of alternative energy sources; up to 23% for grants to schools, State institutions, and nonprofit health facilities to promote energy conservation and the use of alternative energy sources; up to 5% to replace any loss of federal low income energy assistance funding; and up to 1% for the planning and administration costs incurred by State agencies in administering the fund.

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#### ENERGY

Establishes oil overcharge reimbursement fund in Department of Treasury.

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**ASSEMBLY, No. 2349**

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**STATE OF NEW JERSEY**

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INTRODUCED MARCH 13, 1986

By Assemblyman RAFFERTY, Assemblywoman DONOVAN, Assemblymen ARANGO, GARGIULO, FRANKS, Assemblywoman SMITH, Assemblymen CHINNICI, NAPLES and BRYANT

AN ACT providing for the establishment of the Home Energy Assistance Fund.

1     BE IT ENACTED *by the Senate and General Assembly of the State*  
2     *of New Jersey:*

1     1. A Home Energy Assistance Fund is established in a separate  
2     account in the Department of Human Services. The fund shall be  
3     credited with \$50,000,000.00 in revenues received by the State from  
4     the Exxon oil overcharge settlement. Interest received on monies  
5     in the fund shall be credited to the fund.

1     2. The monies in the fund shall be distributed as follows:

2     a. 75% shall be distributed to households whose annual income  
3     is not greater than 150% of the federal poverty level or whose  
4     annual income is not greater than 60% of the State's median in-  
5     come, as determined annually by the Commissioner of the Depart-  
6     ment of Human Services; and

7     b. 25% shall be used for weatherization activities including  
8     furnace retrofitting programs for eligible low income, owner-  
9     occupied households; except that, the amount spent on weatheriza-  
10    tion or retrofitting activities shall not exceed \$1,600.00 per eligible  
11    household.

1     3. a. All households currently receiving assistance pursuant to the  
2     "Lifeline Credit Program," P. L. 1979, c. 197 (C. 48:2-29.15 et seq.)  
3     or the "Tenants' Lifeline Assistance Program," P. L. 1981, c. 210  
4     (C. 48:2-29.30 et seq.), and whose annual income does not exceed  
5     standards enumerated in section 2. a. of this act shall receive an  
6     additional annual benefit of \$100.00.

7 The Commissioner of Human Services shall certify that these  
 8 households are not currently participating in the Low Income  
 9 Energy Assistance program, Pub. L. 97-35 (42 U. S. C. § 8622 et  
 10 seq.). In the case of Supplemental Security Income recipients who  
 11 participate in the "Tenants' Lifeline Assistance Program," the  
 12 commissioner shall obtain federal approval before the additional  
 13 \$100.00 payment is distributed.

14 The additional \$100.00 payment shall be distributed to eligible  
 15 households in accordance with the current method of distributing  
 16 benefits under the "Lifeline Credit Program" or the "Tenants' Life-  
 17 line Assistance Program," as appropriate.

18 b. Households currently participating in the Low Income Energy  
 19 Assistance program pursuant to Pub. L. 97-35 (42 U. S. C. § 8622  
 20 et seq.) shall have their annual benefit increased by \$100.00. Pay-  
 21 ments to eligible households shall be in accordance with existing  
 22 procedures for distributing Low Income Energy Assistance  
 23 benefits.

1 4. The Commissioner of Human Services shall notify all house-  
 2 holds receiving benefits pursuant to section 3 of this act about the  
 3 availability of weatherization assistance to make their residence  
 4 more energy efficient.

1 5. The Commissioner of Human Services shall include financial  
 2 and statistical information on the Home Energy Assistance Fund  
 3 in the annual report on the "Lifeline Credit Program" submitted  
 4 to the Legislature pursuant to section 7 of P. L. 1979, c. 197 (C.  
 5 48:2-29.21).

1 6. This act shall take effect immediately but shall remain in-  
 2 operative until Assembly Bill Nos. 2351 and 2352 of 1986 are en-  
 3 acted into law.

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#### STATEMENT

This bill establishes a \$50 million Home Energy Assistance Fund to provide low income elderly, disabled and other households with \$100.00 in additional energy assistance and to provide these households with weatherization assistance which would reduce their energy consumption.

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#### PUBLIC ASSISTANCE

Establishes a \$50 million Home Energy Assistance Fund to provide eligible households with energy and weatherization assistance.

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**ASSEMBLY, No. 2351**  
**STATE OF NEW JERSEY**

INTRODUCED MARCH 13, 1986

By Assemblywoman CRECCO, Assemblymen ARANGO, DARIO,  
GARGIULO, RAFFERTY and ZIMMER

AN ACT concerning funding for the federal Low Income Energy  
Assistance Program.

1     BE IT ENACTED *by the Senate and General Assembly of the State*  
2     *of New Jersey:*

1     1. The Commissioner of the Department of Human Services  
2     shall report to the Legislature by July 1, 1986 and semiannually  
3     thereafter as to the estimated amount of federal Low Income  
4     Energy Assistance funds received pursuant to Pub. L. 97-35 (42  
5     U. S. C. § 8622 et seq.) that shall be available to the State for  
6     distribution to eligible households.

1     2. Subject to the approval of the appropriate federal agencies,  
2     the commissioner shall allocate unexpended funds from the Home  
3     Energy Assistance Fund created pursuant to P. L. . . . , c. . . . (now  
4     pending before the Legislature as Assembly Bill No. 2349 of 1986)  
5     which have been set aside to provide an additional \$100.00 pay-  
6     ment to eligible low income households which receive assistance  
7     from the "Lifeline Credit Program," P. L. 1979, c. 197 (C.  
8     48:2-29.15 et seq.), the "Tenants' Lifeline Assistance Program,"  
9     P. L. 1981, c. 210 (C. 48:2-29.30 et seq.), or the federal Low In-  
10    come Energy Assistance Program, Pub. L. 97-35 (42 U. S. C. § 8622  
11    et seq.) to offset any loss of federal Low Income Energy Assistance  
12    benefits.

1     3. This act shall take effect immediately, but shall remain in-  
2     operative until Assembly Bill No. 2349 of 1986 is enacted into law.

STATEMENT

This bill would allocate unexpended funds from the Home Energy Assistance Fund to recipients of federal Low Income Energy Assistance to offset any loss of federal benefits. This allocation is subject to federal approval.

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PUBLIC ASSISTANCE

Provides financial assistance to recipients of federal Low Income Energy Assistance to offset the loss of federal funds, subject to federal approval.

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**ASSEMBLY, No. 2352**  

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**STATE OF NEW JERSEY**  

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INTRODUCED MARCH 13, 1986

By Assemblymen ARANGO, GARGIULO, DARIO, CATRILLO,  
RAFFERTY and Assemblywoman CRECCO

AN ACT to increase benefits to recipients of Low Income Energy  
Assistance.

1 BE IT ENACTED *by the Senate and General Assembly of the State*  
2 *of New Jersey:*

1 1. There is appropriated from the Home Energy Assistance Fund  
2 established pursuant to P. L. . . . ., c. . . . (now pending before  
3 the Legislature as Assembly Bill No. 2349 of 1986) such sums as  
4 may be necessary to provide an additional payment of \$100.00 per  
5 year to households which receive benefits from the Low Income  
6 Energy Assistance program established pursuant to Pub. L. 97-35  
7 (42 U. S. C. § 8622 et seq.).

1 2. The additional payment shall be distributed by the Com-  
2 missioner of Human Services to eligible households in accordance  
3 with the provisions of section 3 of P. L. . . . ., c. . . . (now pend-  
4 ing before the Legislature as Assembly Bill No. 2349 of 1986).

1 3. This act shall take effect immediately, but shall remain in-  
2 operative until Assembly Bill No. 2349 of 1986 is enacted into law.

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STATEMENT

This bill appropriates from the Home Energy Assistance Fund such funds as are necessary to provide recipients of Low Income Energy Assistance benefits with an additional \$100.00 benefit per year. The Home Energy Assistance Fund was established pursuant to P. L. . . . ., c. . . . (now pending before the Legislature as Assembly Bill No. 2349 of 1986).

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PUBLIC ASSISTANCE

Provides households receiving Low Income Energy Assistance benefits with an additional \$100.00 benefit per year.

**ASSEMBLY, No. 3347**  
**STATE OF NEW JERSEY**

INTRODUCED OCTOBER 23, 1986

By Assemblyman SINGER and Assemblywoman SMITH

A SUPPLEMENT to "An act making appropriations for the support of the State Government and the several public purposes for the fiscal year ending June 30, 1987 and regulating the disbursement thereof," approved June 30, 1986 (P. L. 1986, c. 41).

1 BE IT ENACTED *by the Senate and General Assembly of the State*  
2 *of New Jersey:*

1 1. In addition to the sums appropriated under P. L. 1986, c. 41,  
2 there is appropriated out of the General Fund the following sum  
3 for the purpose specified:

FEDERAL FUNDS

22 DEPARTMENT OF COMMUNITY AFFAIRS

40 Economic Planning, Development and Security

55 Related Social Service Programs

4 05-8050 Human Resources ..... \$5,000,000

5 State Aid and Grants:

6 Oil heat retrofit program for low

7 income households ..... ( \$5,000,000)

1 2. This act shall take effect immediately.

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STATEMENT

This bill appropriates \$5 million of the estimated \$75 million in federal Exxon Oil Overcharge funds the State has received to the Department of Community Affairs for an oil heat retrofit program for low income households.

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STATE BUDGET AND FINANCE

Appropriates \$5 million in Exxon Oil Overcharge funds for an oil heat retrofit program for low income households.

**ASSEMBLY, No. 3349**  
**STATE OF NEW JERSEY**

INTRODUCED OCTOBER 23, 1986

By Assemblymen COLLINS and AZZOLINA

A SUPPLEMENT to "An act making appropriations for the support of the State Government and the several public purposes for the fiscal year ending June 30, 1987 and regulating the disbursement thereof," approved June 30, 1986 (P. L. 1986, c. 41).

1 BE IT ENACTED *by the Senate and General Assembly of the State*  
2 *of New Jersey:*

1 1. In addition to the amounts appropriated under P. L. 1986,  
2 c. 41, there is appropriated out of the General Fund the following  
3 sum for the purpose specified:

FEDERAL FUNDS

DEPARTMENT OF HEALTH

Physical and Mental Health

22 Health Planning and Evaluation

4 07-4270 Health Planning and Resource Develop-  
5 ment ..... \$10,000,000

6 Grants:

7 Grants to nonprofit hospitals and  
8 public schools for energy conser-  
9 vation improvements ..... (\$10,000,000)

1 2. These funds shall be used for grants in an amount up to 50%  
2 of the cost of a project and the recipient nonprofit hospital or  
3 public school shall provide the balance of the necessary funds to  
4 complete the project.

1 3. The Department of Health shall consult with the Department  
2 of Education regarding grants to public schools.

1 4. This act shall take effect immediately.

**STATEMENT**

The bill appropriates \$10 million of the estimated \$75 million in federal Exxon Oil Overcharge funds the State has received to the Department of Health to provide 50:50 matching grants to nonprofit hospitals and public schools for capital improvements to reduce energy consumption.

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**STATE BUDGET AND FINANCE**

Appropriates \$10 million in Exxon Oil Overcharge funds for 50:50 grants to nonprofit hospitals and public schools.

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**ASSEMBLY, No. 3351**  

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**STATE OF NEW JERSEY**  

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INTRODUCED OCTOBER 23, 1986

By Assemblymen KELLY and GARGIULO

A SUPPLEMENT to "An act making appropriations for the support of the State Government and the several public purposes for the fiscal year ending June 30, 1987 and regulating the disbursement thereof," approved June 30, 1986 (P. L. 1986, c. 41).

1 BE IT ENACTED *by the Senate and General Assembly of the State*  
2 *of New Jersey:*

1 1. In addition to the amounts appropriated under P. L. 1986,  
2 c. 41, there is appropriated out of the General Fund the following  
3 sum for the purpose specified:

FEDERAL FUNDS

DEPARTMENT OF HUMAN SERVICES

Government Direction, Management and Control

76 Management and Administration

7500 Division of Management and Budget

4 99-7500 Management and Administrative Ser-  
5 vices ..... \$8,900,000

6 Special Purpose:

7 Boarding home and residential  
8 health care facilities weather-  
9 ization projects ..... ( \$7,200,000)

10 Homeless shelters weatherization  
11 projects ..... ( 1,700,000)

1 2. The Department of Human Services shall consult with the  
2 Department of Community Affairs regarding the allocation of  
3 funds to boarding homes for weatherization projects and the De-  
4 partment of Health regarding the allocation of funds to residential  
5 health care facilities for weatherization projects.

1 3. This act shall take effect immediately.

## STATEMENT

This bill appropriates \$8.9 million of the approximately \$75 million in Exxon Oil Overcharge funds the State has received to the Department of Human Services. In consultation with the Departments of Community Affairs and Health, the department is directed to allocate \$7.2 million for weatherizing an estimated 600 boarding homes and residential health care facilities. The balance, \$1.7 million, will be used to weatherize 59 shelters for the homeless.

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**HUMAN SERVICES—GENERAL**

Appropriates \$8.9 million of Exxon Oil Overcharge Funds for weatherization projects at boarding homes, residential health care facilities, and homeless shelters.

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ASSEMBLY, No. 3445  
STATE OF NEW JERSEY

INTRODUCED NOVEMBER 13, 1986

By Assemblywoman DONOVAN

A SUPPLEMENT to "An act making appropriations for the support of the State Government and the several public purposes for the fiscal year ending June 30, 1987 and regulating the disbursement thereof," approved June 30, 1986 (P. L. 1986, c. 41).

1 BE IT ENACTED *by the Senate and General Assembly of the State*  
2 *of New Jersey:*

1 1. In addition to the sums appropriated under P. L. 1986, c. 41,  
2 there is appropriated out of the General Fund the following sum  
3 for the purpose specified:

FEDERAL FUNDS

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

Community Development and Environmental Management

42 Natural Resource Management

4 05-4030 Energy Resource Management ..... \$10,000,000

5 Special Purpose:

6 Resource recovery projects ..... (\$10,000,000)

1 2. This act shall take effect immediately and be retroactive to  
2 July 1, 1986.

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STATEMENT

This bill appropriates \$10,000,000.00 in federal oil overcharge settlement funds to the Department of Commerce and Economic Development for the purpose of providing grants to local and county governments to reduce the construction costs of resource recovery facilities.

ENERGY

Appropriates \$10 million to Dept. of Commerce for resource recovery grants.

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**ASSEMBLY, No. 3446**  
**STATE OF NEW JERSEY**

INTRODUCED NOVEMBER 13, 1986

By Assemblyman FRELINGHUYSEN

A SUPPLEMENT to "An act making appropriations for the support of the State Government and the several public purposes for the fiscal year ending June 30, 1987 and regulating the disbursement thereof," approved June 30, 1986 (P. L. 1986, c. 41).

1 BE IT ENACTED *by the Senate and General Assembly of the State*  
2 *of New Jersey:*

1 1. Upon certification by the Director of the Division of Budget  
2 and Accounting in the Department of the Treasury that federal  
3 funds to support the expenditures listed below are available, the  
4 following sum is appropriated:

FEDERAL FUNDS

DEPARTMENT OF HUMAN SERVICES

Government Direction, Management and Control

76 Management and Administration

7500 Division of Management and Budget

5 There are appropriated from the federal oil overcharge funds  
6 received by the State such sums as may be available, not to exceed  
7 \$18,000,000.00, for energy conservation improvements at Depart-  
8 ment of Human Services facilities.

1 2. All interest earned after January 1, 1987 on federal oil over-  
2 charge funds received by the State shall be applied against the  
3 amount appropriated hereinabove.

1 3. This act shall take effect immediately.

## STATEMENT

This bill appropriates up to \$18,000,000.00 of federal oil overcharge funds the State has or will receive to the Department of Human Services for the purpose of making energy conservation improvements at facilities operated by the department. Interest earned on federal oil overcharge funds will be available for energy conservation improvements and applied against the total amount appropriated to the department.

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HUMAN SERVICES—GENERAL

Appropriates up to \$18 million in federal oil overcharge funds for energy conservation improvements at Department of Human Services facilities.

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ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 2388**

with Assembly committee amendments

**STATE OF NEW JERSEY**

DATED: JUNE 19, 1986

The Assembly Appropriations Committee favorably reports this bill, as amended.

Assembly Bill No. 2388 provides for a supplemental appropriation for such funds as are necessary to provide an additional payment of up to \$100.00 per year to households which receive benefits from the "Lifeline Credit Program," P. L. 1979, c. 197 (C. 48:2-29.15) or the "Tenants' Lifeline Assistance Program," P. L. 1981, c. 210 (C. 48:2-29.30), and are qualified under federal guidelines for the Low Income Energy Assistance Program. The funds are to be appropriated from the Home Energy Assistance Fund established pursuant to P. L. . . . , c. . . . (now pending before the Legislature as Assembly Bill No. 2349 of 1986), and are to be distributed by the Commissioner of Human Services in accordance with established procedures of distribution under the "Lifeline" Programs.

**COMMITTEE AMENDMENTS:**

The committee amended the bill to require the recipients of these funds to also be qualified under the Low Income Energy Assistance Program, established pursuant to Pub. L. 97-35 (42 U. S. C. § 8622 et seq.). The federal government must approve the use of the "Lifeline" program as an appropriate mechanism to distribute the oil overcharge funds. Should federal approval not be obtained, the Commissioner is empowered to distribute the funds through alternate mechanisms.

**FISCAL IMPACT:**

This bill appropriates funds from the Home Energy Assistance Fund, which was created from funds received from the Exxon Oil overcharge settlement. Therefore, no funds from the General Fund will have to be appropriated; the use of these funds for programs qualifying for the Low Energy Assistance Program was directed by the court in the settlement agreement. Based on income guidelines of 150% of the federal poverty level, approximately 93,000 single households and 19,300 married households currently participate in the Lifeline programs. In

addition, approximately 84,000 SSI households receive Lifeline benefits. Assuming that all 196,300 households meet other federal requirements, maximum expenditures under this bill might reach \$19.6 million. However, expenditures may be lower, as not all households are expected to qualify, and some households already receive benefits under the federal Low Income Energy Assistance Program, and therefore cannot receive the additional benefit.

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SENATE REVENUE, FINANCE AND APPROPRIATIONS  
COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR

**Senate No. 2666, Assembly No. 2349 2nd OCR,  
Assembly No. 2351 2nd OCR,  
Assembly No. 2352 2nd OCR,  
Assembly No. 2388 2nd OCR,  
Assembly No. 3347 OCR, Assembly No. 3348 OCR,  
Assembly No. 3349 OCR, Assembly No. 3351 OCR,  
Assembly No. 3444 OCR,  
Assembly No. 3445 OCR and  
Assembly No. 3446 OCR**

with Senate committee amendments

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**STATE OF NEW JERSEY**

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DATED: MAY 21, 1987

The Senate Revenue, Finance and Appropriations Committee reported a Senate Committee Substitute for Senate Bill No. 2666, Assembly Bill No. 2349 2nd OCR, Assembly Bill No. 2351 2nd OCR, Assembly Bill No. 2352 2nd OCR, Assembly Bill No. 2388 2nd OCR, Assembly Bill No. 3347 OCR, Assembly Bill No. 3348 OCR, Assembly Bill No. 3349 OCR, Assembly Bill No. 3351 OCR, Assembly Bill No. 3444 OCR, Assembly Bill No. 3445 OCR and Assembly Bill No. 3446 OCR with committee amendments.

The Senate Committee Substitute, as amended, establishes the "Petroleum Overcharge Reimbursement Fund" in the General Fund to be credited with all moneys, and any interest thereon, received by the State as payments for overcharges for petroleum products pursuant to any agreement between the United States Government and any petroleum company.

The substitute appropriates \$117,000,000.00 of the overcharge payment moneys in the fund to the following departments for the following purposes:

a. The Department of Community Affairs, the sum of \$8,500,000.00 for an oil-fired furnace retrofit program and other energy efficiency improvements in low-income households;

b. The Department of Commerce and Economic Development, the sum of \$58,500,000.00 as follows:

(1) \$25,000,000.00 for making energy efficiency rehabilitation grants for nonprofit hospitals, group homes, public schools, private nonprofit schools, boarding homes, health care facilities, and homeless shelters;

(2) \$7,000,000.00 for loans and grants for planning for future energy conservation techniques for small businesses, farms and other eligible businesses pursuant to the Business Energy Improvement Subsidy Program;

(3) \$15,000,000.00 to be used by the New Jersey Housing and Mortgage Finance Agency for an energy conservation rehabilitation loan program for municipalities complying with the provisions of the "Fair Housing Act;"

(4) \$10,000,000.00 for low or zero interest loans to local government units for the energy efficiency or conservation components of resource recovery facilities; and

(5) \$1,500,000.00 for the planning and administrative costs of the department; and

c. The Department of Human Services, the sum of \$50,000,000.00 as follows:

(1) \$30,000,000.00 for providing energy assistance pursuant to the federal "Low-Income Home Energy Assistance Act of 1981;" and

(2) \$20,000,000.00 for providing payments to those persons who may be eligible for the low-income energy assistance program but do not currently receive benefits under the program.

Each department receiving money would be required to obligate the moneys within three years of the effective date of the act and would be required to submit a report to the Governor and the Legislature on the expenditure of funds within two years. Each department is required to issue guidelines on program eligibility and expenditure of funds and may adopt rules and regulations necessary to implement the act.

#### COMMITTEE AMENDMENTS:

The committee amendments:

a. Delete the references to the appropriation of federal funds since the moneys appropriated are State funds;

b. Clarify that the Petroleum Overcharge Reimbursement Fund is established as a special fund in the General Fund;

c. Require, rather than allow, the departments receiving appropriations to issue guidelines concerning eligibility for the funds and expenditure of the funds;

d. Require the annual budget recommendation to include a schedule of the actual expenditure and proposed appropriation of the amounts from the fund, and to also include specific recommendations for appropriation of amounts from the fund for each department for which an appropriation is recommended;

e. Clarify that small businesses, farms and other eligible businesses are eligible to receive funds under the Business Energy Improvement Subsidy Program; and

f. Restructure and clarify the provisions of the bill.

**FISCAL IMPACT:**

This bill, as amended, establishes the Petroleum Overcharge Reimbursement Fund in the General Fund to be credited with all moneys, and interest thereon, received as payment for petroleum overcharges pursuant to agreements reached between the federal government and an oil company. To date, approximately \$100,000,000.00 has been received; \$75,000,000.00 due to an agreement with Exxon and \$25,000,000.00 due to an agreement with stripper well companies. An undetermined amount of interest has been earned on the moneys received.

This bill also appropriates \$117,000,000.00 from that fund: \$8,500,000.00 to the Department of Community Affairs, \$58,500,000.00 to the Department of Commerce and Economic Development, and \$50,000,000.00 to the Department of Human Services for various programs.

In addition, it is anticipated that moneys will be received due to an agreement between the federal government and Amoco.

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SENATE ENERGY AND ENVIRONMENT COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR

**Senate No. 2666, Assembly No. 2349 2nd OCR,  
Assembly No. 2351 2nd OCR,  
Assembly No. 2352 2nd OCR,  
Assembly No. 2388 2nd OCR,  
Assembly No. 3347 OCR, Assembly No. 3348 OCR,  
Assembly No. 3349 OCR, Assembly No. 3351 OCR,  
Assembly No. 3444 OCR,  
Assembly No. 3445 OCR and  
Assembly No. 3446 OCR**

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**STATE OF NEW JERSEY**

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DATED: APRIL 27, 1987

Senate Bill No. 2666 would establish the "Petroleum Overcharge Reimbursement Fund" in the Department of the Treasury, which would be credited with all monies received by the State as reimbursement for overcharges for petroleum products under agreements reached between the federal government and an oil company. The treasurer would be the administrator of the fund, and all interest earned on monies credited to the fund would be deposited in the fund. The treasurer would be required to report to the Governor and Legislature within two years of the bill's effective date on the disbursement of monies in the fund.

This bill also appropriates and allocates \$117,000,000.00 in overcharge payments to the Department of Community Affairs, the Department of Commerce and Economic Development, and the Department of Human Services. Specifically, the appropriations in this bill are as follows:

(1) \$8,500,000.00 to the Department of Community Affairs for an oil-fired furnace retrofit program and other energy efficiency improvements in low-income households.

(2) \$25,000,000.00 to the Department of Commerce and Economic Development for making energy efficiency rehabilitation grants for nonprofit hospitals, homes, public schools, private nonprofit schools, boarding homes, health care facilities, and homeless shelters.

(3) \$7,000,000.00 to the Department of Commerce and Economic Development for loans or grants for planning for future energy con-

ervation techniques pursuant to the Business Energy Improvement Subsidy Program.

(4) \$15,000,000.00 to the Department of Commerce and Economic Development to be used by the New Jersey Housing and Mortgage Finance Agency for an energy conservation rehabilitation loan program, to be directed to municipalities complying with the provisions of the "Fair Housing Act."

(5) \$10,000,000.00 to the Department of Commerce and Economic Development to make zero or low interest loans to local government units for the energy efficiency or conservation components of resource recovery facilities.

(6) \$1,500,000.00 to the Department of Commerce and Economic Development for planning and administrative costs.

(7) \$30,000,000.00 to the Department of Human Services for providing energy assistance pursuant to the energy assistance program established pursuant to the "Low-Income Home Energy Assistance Act of 1981" (42 U. S. C. § 8621 et seq.).

(8) \$20,000,000.00 to the Department of Human Services to provide additional payments to those eligible for the low-income energy assistance program but who do not receive benefits pursuant to the program.

Each department would be required to obligate the monies appropriated to it within three years, and would be required to submit a report to the Governor and the Legislature on the expenditure of the funds within two years. Each department would be authorized to issue any guidelines or adopt any regulations necessary to expend the funds.

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# OFFICE OF THE GOVERNOR

## NEWS RELEASE

**CN-001**

**Contact:**

JOHN SAMERJAN  
609-292-8956 OR 292-6000 EXT. 207

**TRENTON, N.J. 08625**

**Release: MON., AUG. 3, 1987**

Governor Thomas H. Kean today signed legislation allocating \$117 million of oil overcharge settlement funds to the Petroleum Overcharge Reimbursement Fund to be used for the following programs:

\$8.5 million would be appropriated to the Department of Community Affairs to be used as grants for the retrofitting of oil-fired furnaces and other energy efficiency improvements in low income households. (Retrofit and Weatherization)

\$58.5 million would be appropriated to the Department of Commerce and Economic Development to be apportioned and utilized as follows:

a. \$25 million would be used for energy efficiency rehabilitation grants for nonprofit hospitals and group homes, public or private nonprofit schools, boarding homes, residential health care facilities and homeless shelters (Institutional Conservation Program and Weatherization);

b. \$7 million would be used to provide loans or grants to small businesses, farms and other eligible businesses to be used for feasibility planning for future energy conservation techniques pursuant to the existing Business Energy Improvement Subsidy Program. The bill specifies that the Department of Commerce and Economic Development may allocate up to \$2 million of this \$7 million sum for grants for feasibility planning for future energy conservation techniques (Business Loan Program and Research);

c. \$15 million would be used for an Energy Conservation Rehabilitation Loan Program which would be implemented by the New Jersey Housing and Mortgage Finance Agency. This program would be designed to direct the loan monies to municipalities which are implementing a housing element pursuant to the Fair Housing Act (Affordable Housing);

d. \$10 million would be allocated to provide low interest loans or grants to local government units for the energy efficiency or conservation components of resource recovery facilities. The bill defines a resource recovery facility as a solid waste facility constructed and operated for the incineration of solid waste for energy recovery and the recovery of minerals and other materials for reuse (Resource Recovery);

e. \$1.5 million would be available for planning and administrative costs incurred by the Department of Commerce and Economic Development in implementing the provisions of the act.

In addition, the bill appropriates \$50 million from the Fund to the Department of Human Services to be wholly obligated within three years of the bill's effective date for the following purposes:

a. \$30 million to be used to provide energy assistance pursuant to the Low Income Home Energy Assistance Program (LIHEAP) established pursuant to the federal Low Income Home Energy Assistance Act of 1981:

b. The remaining \$20 million to be used by the Department of Human Services to provide additional payments to individuals currently receiving assistance pursuant to the State Lifeline Credit Program or the Tenants Lifeline Assistance Program (senior citizens and disabled persons) whose income is no greater than 60 percent of the State's median income as determined annually by the Commissioner of the Department of Human Services and who otherwise meet any additional requirements imposed by the LIHEAP but who are not currently participants in that program.

Governor Kean did line-item veto \$20 million earmarked to provide benefits for an increased number of Low Income Energy Assistance Program recipients. Stating that this appropriation might not be spent, Governor Kean suggested two different uses for the \$20 million to bring immediate help to senior citizens and the disabled.

Governor Kean suggested that \$10 million be allocated for a program in the Housing and Mortgage Finance Agency for construction grants for energy conservation improvements in multi-family, senior citizens and handicapped housing projects. Governor Kean suggested that the other \$10 million be given to the existing oil heat retrofit program in the Department of Community Affairs.

The legislation is effective immediately.

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