

58:10B-6

LEGISLATIVE HISTORY CHECKLIST

Compiled by the NJ State Law Library

LAWS OF: 2001 **CHAPTER:** 70
NJSA: 58:10B-6 (Grants to clean up contamination—underground storage tanks)
BILL NO: S1339 (Substituted for A3048)

SPONSOR(S): Ciesla and Allen

DATE INTRODUCED: May 22, 2000

COMMITTEE: **ASSEMBLY:** Solid and Hazardous Waste; Appropriations
SENATE: Environment

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** March 8, 2001
SENATE: December 18, 2000

DATE OF APPROVAL: April 20, 2001

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (1st reprint enacted)

(Amendments during passage denoted by superscript numbers)

S1339

SPONSORS STATEMENT: (Begins on page 6 of original bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes 1/23/01 (Solid
Waste)

(Appropriations) 2/5/01

SENATE: Yes

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: Yes

A3048

SPONSORS STATEMENT: (Begins on page 6 of original bill) Yes

Bill and Sponsors Statement identical to S1339

COMMITTEE STATEMENT: **ASSEMBLY:** Yes 1/23/01 (Solid
Waste)
5/2/01
(Appropriations)

SENATE: No

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: Yes

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government

Publications at the State Library (609) 278-2640 ext.103 or <mailto:refdesk@njstatelib.org>

REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

SENATE, No. 1339

STATE OF NEW JERSEY
209th LEGISLATURE

INTRODUCED MAY 22, 2000

Sponsored by:

Senator ANDREW R. CIESLA

District 10 (Monmouth and Ocean)

Senator DIANE ALLEN

District 7 (Burlington and Camden)

SYNOPSIS

Provides for grants to clean up contamination discovered subsequent to underground storage tank removal or closure.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/9/2000)

1 AN ACT concerning grants to remediate hazardous substances, and
2 amending P.L.1993, c.139.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. Section 28 of P.L.1993, c.139 (C.58:10B-6) is amended to read
8 as follows:

9 28. a. Except for moneys deposited in the remediation fund for
10 specific purposes, financial assistance and grants from the remediation
11 fund shall be rendered for the following purposes and, on an annual
12 basis, obligated in the percentages as provided in this subsection.
13 Upon a written joint determination by the authority and the department
14 that the demand for financial assistance or grants for moneys allocated
15 in any paragraph exceeds the percentage of funds allocated for that
16 paragraph, financial assistance and grants dedicated for the purposes
17 and in the percentages set forth in any other paragraph of this
18 subsection, may, for any particular year, if the demand for financial
19 assistance or grants for moneys allocated in that paragraph is less than
20 the percentage of funds allocated for that paragraph, be obligated to
21 the purposes set forth in the over allocated paragraph. The written
22 determination shall be sent to the Senate Environment Committee, and
23 the Assembly Agriculture and Waste Management Committee, or their
24 successors. For the purposes of this section, "person" shall not
25 include any governmental entity.

26 (1) At least 15% of the moneys shall be allocated for financial
27 assistance to persons, and the New Jersey Redevelopment Authority
28 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), for
29 remediation of real property located in a qualifying municipality as
30 defined in section 1 of P.L.1978, c.14 (C.52:27D-178);

31 (2) At least 10% of the moneys shall be allocated for financial
32 assistance and grants to municipal governmental entities and the New
33 Jersey Redevelopment Authority for real property: (1) on which they
34 hold a tax sale certificate; (2) that they have acquired through
35 foreclosure or other similar means; or (3) that they have acquired, or
36 have passed a resolution or ordinance or other appropriate document
37 to acquire, by voluntary conveyance for the purpose of redevelopment.
38 Financial assistance and grants may only be awarded for real property
39 on which there has been or on which there is suspected of being a
40 discharge of a hazardous substance or a hazardous waste. Grants
41 provided pursuant to this paragraph shall be used for performing
42 preliminary assessments, site investigations, and remedial
43 investigations on real property in order to determine the existence or

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

Matter underlined thus is new matter.

1 extent of any hazardous substance or hazardous waste contamination
2 on those properties. No grant shall be awarded pursuant to this
3 paragraph for the purposes of a remedial investigation until the
4 municipal government entity or the New Jersey Redevelopment
5 Authority actually owns the real property. A municipal governmental
6 entity or the New Jersey Redevelopment Authority that has performed,
7 or on which there has been performed, a preliminary assessment, site
8 investigation or remedial investigation on property may obtain a loan
9 for the purpose of continuing the remediation on those properties as
10 necessary to comply with the applicable remediation regulations
11 adopted by the department. No grant shall be awarded pursuant to
12 this paragraph to a municipal government entity unless that entity has
13 adopted by ordinance or resolution a comprehensive plan specifically
14 for the development or redevelopment of contaminated or potentially
15 contaminated real property in that municipality or the entity can
16 demonstrate to the authority that a realistic opportunity exists that the
17 subject real property will be developed or redeveloped within a
18 three-year period from the completion of the remediation;

19 (3) At least 15% of the moneys shall be allocated for financial
20 assistance to persons, the New Jersey Redevelopment Authority, or
21 municipal governmental entities for remediation activities at sites that
22 have been contaminated by a discharge of a hazardous substance or
23 hazardous waste, or at which there is an imminent and significant
24 threat of a discharge of a hazardous substance or hazardous waste, and
25 the discharge or threatened discharge poses or would pose an
26 imminent and significant threat to a drinking water source, to human
27 health, or to a sensitive or significant ecological area;

28 (4) At least 10% of the moneys shall be allocated for financial
29 assistance to persons who voluntarily perform a remediation of a
30 hazardous substance or hazardous waste discharge;

31 (5) At least ~~[15%]~~ 10% of the moneys shall be allocated for
32 financial assistance to persons who are required to perform
33 remediation activities at an industrial establishment pursuant to
34 P.L.1983, c.330 (C.13:1K-6 et al.), as a condition of the closure,
35 transfer, or termination of operations at that industrial establishment;

36 (6) At least 15% of the moneys shall be allocated for grants to
37 persons who own real property on which there has been a discharge of
38 a hazardous substance or a hazardous waste and that person qualifies
39 for an innocent party grant. A person qualifies for an innocent party
40 grant if that person acquired the property prior to December 31, 1983,
41 except as provided hereunder, the hazardous substance or hazardous
42 waste that was discharged at the property was not used by the person
43 at that site, and that person certifies that he did not discharge any
44 hazardous substance or hazardous waste at an area where a discharge
45 is discovered; provided, however, that notwithstanding any other
46 provision of this section the New Jersey Redevelopment Authority

1 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), shall
2 qualify for an innocent party grant pursuant to this paragraph where
3 the immediate predecessor in title to the authority would have
4 qualified for but failed to apply for or receive such grant. A grant
5 authorized pursuant to this paragraph may be for up to 50% of the
6 remediation costs at the area of concern for which the person qualifies
7 for an innocent party grant, except that no grant awarded pursuant to
8 this paragraph to any person or the New Jersey Redevelopment
9 Authority may exceed \$1,000,000;

10 (7) At least 5% of the moneys shall be allocated for financial
11 assistance to persons who own and plan to remediate an environmental
12 opportunity zone for which an exemption from real property taxes has
13 been granted pursuant to section 5 of P.L.1995, c.413 (C.54:4-3.154);

14 (8) At least 5% of the moneys shall be allocated for matching
15 grants for up to 25% of the project costs to qualifying persons who
16 propose to perform a remedial action that uses an innovative
17 technology except that no grant awarded pursuant to this paragraph
18 to any qualifying person may exceed \$100,000;

19 (9) At least 5% of the moneys shall be allocated for matching
20 grants for up to 25% of the project costs to qualifying persons for the
21 implementation of a limited restricted use remedial action or an
22 unrestricted use remedial action except that no grant awarded pursuant
23 to this paragraph to any qualifying person may exceed \$100,000. The
24 authority may use money allocated pursuant to this paragraph to
25 provide loan guarantees to encourage financial institutions to provide
26 loans to any person who may receive financial assistance from the fund
27 who plans to implement a limited restricted use remedial action or an
28 unrestricted use remedial action; and

29 (10) At least 5% of the moneys shall be allocated for grants to
30 persons who own real property on which there has been a discharge of
31 a hazardous substance or a hazardous waste from an underground
32 storage tank and that person qualifies for an underground storage tank
33 grant. A person qualifies for an underground storage tank grant if that
34 person acquired the property prior to December 31, 1986, the person
35 complied with all laws, rules and regulations regarding the
36 underground storage tank, the underground storage tank was closed
37 or removed prior to December 31, 1990, and there is a discovery of
38 contamination that originated from the underground storage tank and
39 that discovery is made more than five years after closure or removal
40 of the underground storage tank. A grant authorized pursuant to this
41 paragraph may be for up to 50% of the remediation costs at the area
42 of concern for which the person qualifies for an underground storage
43 tank grant, except that no grant awarded pursuant to this paragraph to
44 any person may exceed \$1,000,000;

45 (11) Five percent of the moneys in the remediation fund shall be
46 allocated for financial assistance or grants for any of the purposes

1 enumerated in paragraphs (1) through ~~[(9)](10)~~ of this subsection,
2 except that where moneys in the fund are insufficient to fund all the
3 applications in any calendar year that would otherwise qualify for
4 financial assistance or a grant pursuant to this paragraph, the authority
5 shall give priority to financial assistance applications that meet the
6 criteria enumerated in paragraph (3) of this subsection.

7 For the purposes of paragraphs (8) and (9) of this subsection,
8 "qualifying persons" means any person who has a net worth of not
9 more than \$2,000,000 and "project costs" means that portion of the
10 total costs of a remediation that is specifically for the use of an
11 innovative technology or to implement an unrestricted use remedial
12 action or a limited restricted use remedial action, as applicable.

13 b. Loans issued from the remediation fund shall be for a term not
14 to exceed ten years, except that upon the transfer of ownership of any
15 real property for which the loan was made, the unpaid balance of the
16 loan shall become immediately payable in full. Loans to municipal
17 governmental entities and the New Jersey Redevelopment Authority
18 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), shall bear
19 an interest rate equal to 2 points below the Federal Discount Rate at
20 the time of approval or at the time of loan closing, whichever is lower,
21 except that the rate shall be no lower than 3 percent. All other loans
22 shall bear an interest rate equal to the Federal Discount Rate at the
23 time of approval or at the time of the loan closing, whichever is lower,
24 except that the rate on such loans shall be no lower than five percent.
25 Financial assistance and grants may be issued for up to 100% of the
26 estimated applicable remediation cost, except that the cumulative
27 maximum amount of financial assistance which may be issued to a
28 person, in any calendar year, for one or more properties, shall be
29 \$1,000,000. Financial assistance and grants to any one municipal
30 governmental entity or the New Jersey Redevelopment Authority may
31 not exceed \$2,000,000 in any calendar year. Repayments of principal
32 and interest on the loans issued from the remediation fund shall be paid
33 to the authority and shall be deposited into the remediation fund.

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

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

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

18 (cf: P.L.1999, c.214, s.2)

19

20 2. This act shall take effect immediately.

21

22

23

STATEMENT

24

25 This bill would make available grants to persons who own real
26 property on which there has been a discharge of a hazardous substance
27 or a hazardous waste from an underground storage tank under certain
28 circumstances. A person qualifies for an underground storage tank
29 grant if that person acquired the property prior to December 31, 1986,
30 the person complied with all laws, rules and regulations regarding the
31 underground storage tank, the underground storage tank was removed
32 or closed prior to December 31, 1990, and there is a discovery of
33 contamination that originated from the underground storage tank and
34 that discovery is made more than five years after removal or closure
35 of the underground storage tank. A grant may be for up to 50% of the
36 remediation costs except that no grant to any person may exceed
37 \$1,000,000.

SENATE ENVIRONMENT COMMITTEE

STATEMENT TO

SENATE, No. 1339

STATE OF NEW JERSEY

DATED: NOVEMBER 13, 2000

The Senate Environment Committee reports favorably Senate Bill No. 1339.

This bill would make available grants to persons who own real property on which there has been a discharge of a hazardous substance or a hazardous waste from an underground storage tank under certain circumstances. A person qualifies for an underground storage tank grant if that person acquired the property prior to December 31, 1986, the person complied with all laws, rules and regulations regarding the underground storage tank, the underground storage tank was removed or closed prior to December 31, 1990, and there is a discovery of contamination that originated from the underground storage tank and that discovery is made more than five years after removal or closure of the underground storage tank. A grant may be for up to 50% of the remediation costs except that no grant to any person may exceed \$1,000,000.

ASSEMBLY SOLID AND HAZARDOUS WASTE COMMITTEE

STATEMENT TO

SENATE, No. 1339

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 23, 2001

The Assembly Solid and Hazardous Waste Committee reports favorably Senate Bill No. 1339 with committee amendments.

As amended, this bill would make available grants to persons who own real property on which there has been a discharge of a hazardous substance or a hazardous waste from an underground storage tank under certain circumstances. A person qualifies for an underground storage tank grant if that person acquired the property prior to December 31, 1986, the person complied with all laws, rules and regulations regarding the underground storage tank, the underground storage tank was removed or closed prior to December 31, 1990, and there is a discovery of contamination that originated from the underground storage tank and that discovery is made more than five years after removal or closure of the underground storage tank. A grant may be for up to 50% of the remediation costs except that no grant to any person may exceed \$1,000,000.

The committee amendments provide for the expiration of the changes rendered to existing law under the provisions of this bill one year following the bill's effective date. In so doing, the provisions of section 28 of P.L.1993, c.139 (C.58:10B-6) would revert back to current law as embodied in section 2 of P.L.1999, c.214.

As amended, this bill is identical to Assembly Bill No. 3048 Aca.

[First Reprint]

SENATE, No. 1339

STATE OF NEW JERSEY
209th LEGISLATURE

INTRODUCED MAY 22, 2000

Sponsored by:

Senator ANDREW R. CIESLA

District 10 (Monmouth and Ocean)

Senator DIANE ALLEN

District 7 (Burlington and Camden)

Co-Sponsored by:

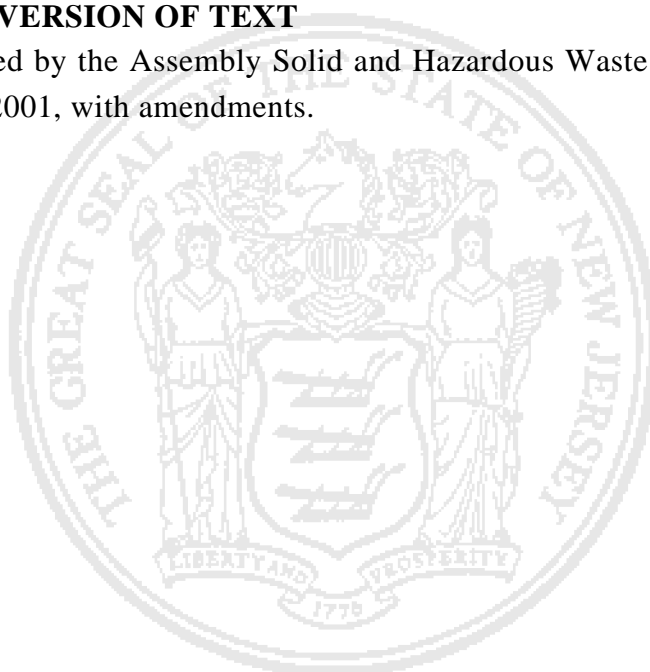
Assemblymen Wolfe and Corodemus

SYNOPSIS

Provides for grants to clean up contamination discovered subsequent to underground storage tank removal or closure.

CURRENT VERSION OF TEXT

As reported by the Assembly Solid and Hazardous Waste Committee on January 23, 2001, with amendments.



(Sponsorship Updated As Of: 3/9/2001)

1 AN ACT concerning grants to remediate hazardous substances, and
2 amending P.L.1993, c.139.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. Section 28 of P.L.1993, c.139 (C.58:10B-6) is amended to read
8 as follows:

9 28. a. Except for moneys deposited in the remediation fund for
10 specific purposes, financial assistance and grants from the remediation
11 fund shall be rendered for the following purposes and, on an annual
12 basis, obligated in the percentages as provided in this subsection.
13 Upon a written joint determination by the authority and the department
14 that the demand for financial assistance or grants for moneys allocated
15 in any paragraph exceeds the percentage of funds allocated for that
16 paragraph, financial assistance and grants dedicated for the purposes
17 and in the percentages set forth in any other paragraph of this
18 subsection, may, for any particular year, if the demand for financial
19 assistance or grants for moneys allocated in that paragraph is less than
20 the percentage of funds allocated for that paragraph, be obligated to
21 the purposes set forth in the over allocated paragraph. The written
22 determination shall be sent to the Senate Environment Committee, and
23 the Assembly Agriculture and Waste Management Committee, or their
24 successors. For the purposes of this section, "person" shall not
25 include any governmental entity.

26 (1) At least 15% of the moneys shall be allocated for financial
27 assistance to persons, and the New Jersey Redevelopment Authority
28 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), for
29 remediation of real property located in a qualifying municipality as
30 defined in section 1 of P.L.1978, c.14 (C.52:27D-178);

31 (2) At least 10% of the moneys shall be allocated for financial
32 assistance and grants to municipal governmental entities and the New
33 Jersey Redevelopment Authority for real property: (1) on which they
34 hold a tax sale certificate; (2) that they have acquired through
35 foreclosure or other similar means; or (3) that they have acquired, or
36 have passed a resolution or ordinance or other appropriate document
37 to acquire, by voluntary conveyance for the purpose of redevelopment.
38 Financial assistance and grants may only be awarded for real property
39 on which there has been or on which there is suspected of being a
40 discharge of a hazardous substance or a hazardous waste. Grants
41 provided pursuant to this paragraph shall be used for performing
42 preliminary assessments, site investigations, and remedial

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 Assembly ASH committee amendments adopted January 23, 2001.

1 investigations on real property in order to determine the existence or
2 extent of any hazardous substance or hazardous waste contamination
3 on those properties. No grant shall be awarded pursuant to this
4 paragraph for the purposes of a remedial investigation until the
5 municipal government entity or the New Jersey Redevelopment
6 Authority actually owns the real property. A municipal governmental
7 entity or the New Jersey Redevelopment Authority that has performed,
8 or on which there has been performed, a preliminary assessment, site
9 investigation or remedial investigation on property may obtain a loan
10 for the purpose of continuing the remediation on those properties as
11 necessary to comply with the applicable remediation regulations
12 adopted by the department. No grant shall be awarded pursuant to
13 this paragraph to a municipal government entity unless that entity has
14 adopted by ordinance or resolution a comprehensive plan specifically
15 for the development or redevelopment of contaminated or potentially
16 contaminated real property in that municipality or the entity can
17 demonstrate to the authority that a realistic opportunity exists that the
18 subject real property will be developed or redeveloped within a
19 three-year period from the completion of the remediation;

20 (3) At least 15% of the moneys shall be allocated for financial
21 assistance to persons, the New Jersey Redevelopment Authority, or
22 municipal governmental entities for remediation activities at sites that
23 have been contaminated by a discharge of a hazardous substance or
24 hazardous waste, or at which there is an imminent and significant
25 threat of a discharge of a hazardous substance or hazardous waste, and
26 the discharge or threatened discharge poses or would pose an
27 imminent and significant threat to a drinking water source, to human
28 health, or to a sensitive or significant ecological area;

29 (4) At least 10% of the moneys shall be allocated for financial
30 assistance to persons who voluntarily perform a remediation of a
31 hazardous substance or hazardous waste discharge;

32 (5) At least ~~[15%]~~ 10% of the moneys shall be allocated for
33 financial assistance to persons who are required to perform
34 remediation activities at an industrial establishment pursuant to
35 P.L.1983, c.330 (C.13:1K-6 et al.), as a condition of the closure,
36 transfer, or termination of operations at that industrial establishment;

37 (6) At least 15% of the moneys shall be allocated for grants to
38 persons who own real property on which there has been a discharge of
39 a hazardous substance or a hazardous waste and that person qualifies
40 for an innocent party grant. A person qualifies for an innocent party
41 grant if that person acquired the property prior to December 31, 1983,
42 except as provided hereunder, the hazardous substance or hazardous
43 waste that was discharged at the property was not used by the person
44 at that site, and that person certifies that he did not discharge any
45 hazardous substance or hazardous waste at an area where a discharge
46 is discovered; provided, however, that notwithstanding any other

1 provision of this section the New Jersey Redevelopment Authority
2 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), shall
3 qualify for an innocent party grant pursuant to this paragraph where
4 the immediate predecessor in title to the authority would have
5 qualified for but failed to apply for or receive such grant. A grant
6 authorized pursuant to this paragraph may be for up to 50% of the
7 remediation costs at the area of concern for which the person qualifies
8 for an innocent party grant, except that no grant awarded pursuant to
9 this paragraph to any person or the New Jersey Redevelopment
10 Authority may exceed \$1,000,000;

11 (7) At least 5% of the moneys shall be allocated for financial
12 assistance to persons who own and plan to remediate an environmental
13 opportunity zone for which an exemption from real property taxes has
14 been granted pursuant to section 5 of P.L.1995, c.413 (C.54:4-3.154);

15 (8) At least 5% of the moneys shall be allocated for matching
16 grants for up to 25% of the project costs to qualifying persons who
17 propose to perform a remedial action that uses an innovative
18 technology except that no grant awarded pursuant to this paragraph
19 to any qualifying person may exceed \$100,000;

20 (9) At least 5% of the moneys shall be allocated for matching
21 grants for up to 25% of the project costs to qualifying persons for the
22 implementation of a limited restricted use remedial action or an
23 unrestricted use remedial action except that no grant awarded pursuant
24 to this paragraph to any qualifying person may exceed \$100,000. The
25 authority may use money allocated pursuant to this paragraph to
26 provide loan guarantees to encourage financial institutions to provide
27 loans to any person who may receive financial assistance from the fund
28 who plans to implement a limited restricted use remedial action or an
29 unrestricted use remedial action; and

30 (10) At least 5% of the moneys shall be allocated for grants to
31 persons who own real property on which there has been a discharge of
32 a hazardous substance or a hazardous waste from an underground
33 storage tank and that person qualifies for an underground storage tank
34 grant. A person qualifies for an underground storage tank grant if that
35 person acquired the property prior to December 31, 1986, the person
36 complied with all laws, rules and regulations regarding the
37 underground storage tank, the underground storage tank was closed
38 or removed prior to December 31, 1990, and there is a discovery of
39 contamination that originated from the underground storage tank and
40 that discovery is made more than five years after closure or removal
41 of the underground storage tank. A grant authorized pursuant to this
42 paragraph may be for up to 50% of the remediation costs at the area
43 of concern for which the person qualifies for an underground storage
44 tank grant, except that no grant awarded pursuant to this paragraph to
45 any person may exceed \$1,000,000;

46 (11) Five percent of the moneys in the remediation fund shall be

1 allocated for financial assistance or grants for any of the purposes
2 enumerated in paragraphs (1) through ~~[(9)](10)~~ of this subsection,
3 except that where moneys in the fund are insufficient to fund all the
4 applications in any calendar year that would otherwise qualify for
5 financial assistance or a grant pursuant to this paragraph, the authority
6 shall give priority to financial assistance applications that meet the
7 criteria enumerated in paragraph (3) of this subsection.

8 For the purposes of paragraphs (8) and (9) of this subsection,
9 "qualifying persons" means any person who has a net worth of not
10 more than \$2,000,000 and "project costs" means that portion of the
11 total costs of a remediation that is specifically for the use of an
12 innovative technology or to implement an unrestricted use remedial
13 action or a limited restricted use remedial action, as applicable.

14 b. Loans issued from the remediation fund shall be for a term not
15 to exceed ten years, except that upon the transfer of ownership of any
16 real property for which the loan was made, the unpaid balance of the
17 loan shall become immediately payable in full. Loans to municipal
18 governmental entities and the New Jersey Redevelopment Authority
19 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), shall bear
20 an interest rate equal to 2 points below the Federal Discount Rate at
21 the time of approval or at the time of loan closing, whichever is lower,
22 except that the rate shall be no lower than 3 percent. All other loans
23 shall bear an interest rate equal to the Federal Discount Rate at the
24 time of approval or at the time of the loan closing, whichever is lower,
25 except that the rate on such loans shall be no lower than five percent.
26 Financial assistance and grants may be issued for up to 100% of the
27 estimated applicable remediation cost, except that the cumulative
28 maximum amount of financial assistance which may be issued to a
29 person, in any calendar year, for one or more properties, shall be
30 \$1,000,000. Financial assistance and grants to any one municipal
31 governmental entity or the New Jersey Redevelopment Authority may
32 not exceed \$2,000,000 in any calendar year. Repayments of principal
33 and interest on the loans issued from the remediation fund shall be paid
34 to the authority and shall be deposited into the remediation fund.

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

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

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

18 (cf: P.L.1999, c.214, s.2)

19

20 2. This act shall take effect immediately ¹and shall expire one year
21 thereafter¹.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 1339

STATE OF NEW JERSEY

DATED: FEBRUARY 5, 2001

The Assembly Appropriations Committee reports favorably Senate Bill No. 1339 (1R).

Senate Bill No. 1339 (1R) makes grants available from the Hazardous Discharge Site Remediation Fund (established under the "Brownfield and Contaminated Site Remediation Act") to persons who own real property on which there has been a discharge of a hazardous substance or a hazardous waste from an underground storage tank under certain circumstances.

A person qualifies for an underground storage tank grant if that person acquired the property prior to December 31, 1986, the person complied with all laws, rules and regulations regarding the underground storage tank, the underground storage tank was removed or closed prior to December 31, 1990, there is a discovery of contamination that originated from the underground storage tank, and that discovery is made more than five years after removal or closure of the underground storage tank. A grant may be for up to 50% of the remediation costs except that no grant to any person may exceed \$1,000,000.

The bill expires one year following the bill's effective date.

As reported by the committee, the bill is identical to Assembly Bill No. 3048 (1R) as also reported by the committee.

FISCAL IMPACT:

The increased funding required to support the grants under the bill cannot be estimated because the number of potential applicants and level of remediation costs is not known at this time.

The Hazardous Discharge Site Remediation Fund is capitalized by bond fund appropriations from the "Hazardous Discharge Bond Act of 1986," port Authority of New York and New Jersey monies appropriated from the Economic Recovery Fund, repayments of program loans, program participant surcharges, and project cost recoveries. The fund's balance as of January 1, 2000 was \$25.6 million.

The bill decreases the fund allocation for financial assistance to persons who are required to perform remediation activities at an

industrial establishment pursuant to P.L.1983, c.330 (C.13:1K-6 et al.), as a condition of the closure, transfer, or termination of operations at that industrial establishment from 15% to 10%, and allocates that 5% to the grant program under the bill. The expiration of the bill one year after its effective date is intended to allow that allocation to revert back to the current law.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 1339

STATE OF NEW JERSEY

209th LEGISLATURE

DATED: FEBRUARY 15, 2001

SUMMARY

- Synopsis:** Provides for grants to clean up contamination discovered subsequent to underground storage tank removal or closure.
- Type of Impact:** Increased expenditures from the Hazardous Discharge Site Remediation Fund.
- Agencies Affected:** None.

Office of Legislative Services Estimate

Fiscal Impact	Year 1	Year 2	Year 3
State Cost	Indeterminate	Indeterminate	Indeterminate

- ! The bill amends the "Brownfield and Contaminated Site Remediation Act" (P.L. 1993, c.139) by providing remediation grants of up to \$1.0 million to property-owners whose land has been contaminated by hazardous substances under certain circumstances. Applicants have one year from the bill's enactment to apply for this assistance.
- ! Grants are supported by the Hazardous Discharge Site Remediation Fund, which funds similar assistance programs authorized under the Brownfields Act that are administered by the Department of Environmental Protection and the N.J. Economic Development Authority.
- ! The Hazardous Discharge Site Remediation Fund was established under the Brownfields Act and is supported by various bond appropriations, surcharges, loan repayments, and project cost recoveries.
- ! The Office of Legislative Services (OLS) cannot estimate the potential cost of the grant program but contends that it will not affect the General Fund or the State Budget.

BILL DESCRIPTION

Senate Bill No. 1339 (1R) of 2000 amends the "Brownfield and Contaminated Site Remediation Act" (P.L. 1993, c.139) by adding a funding category that would, under certain circumstances, make grants available to persons who own property on which there has been a discharge of a hazardous substance or a hazardous waste from an underground storage tank.

Such grants would be awarded to persons who (1) acquired property prior to December 31, 1986; (2) complied with all laws, rules and regulations regarding an underground storage tank on said property; (3) removed or closed the underground storage tank prior to December 31, 1990; (4) discovered contamination that originated from the underground storage tank; and (5) certify that discovery was made more than five years after removal or closure of the underground storage tank.

Under the bill, grants may be used to pay up to 50 percent of remediation costs, up to \$1.0 million per project. Grant funds will be derived from the Hazardous Discharge Site Remediation Fund, which supports various site remediation programs that are jointly administered by the Department of Environmental Protection and the N.J. Economic Development Authority. The provisions of the bill expire one year after enactment.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services (OLS) cannot estimate the amount of increased funding that will be required to support the grants created under the bill because the number of potential applicants or the level of remediation costs are not known at this time. Since the Hazardous Discharge Site Remediation Fund is not directly supported by State monies, the bill's enactment will have no impact on the General Fund or the State Budget. Any additional administrative costs should be negligible since the new grants will constitute another category of an existing financial aid program rather than require the implementation of a new program.

For information purposes, the Hazardous Discharge Site Remediation Fund is capitalized by bond fund appropriations from the "Hazardous Discharge Bond Act of 1986," Port Authority of New York and New Jersey monies appropriated from the Economic Recovery Fund, repayments of program loans, program participant surcharges, and project cost recoveries. The Fund's balance as of January 1, 2000 was \$25.6 million.

Section: *Environment, Agriculture, Energy and Natural Resources*

Analyst: *Richard M. Handelman*
Senior Fiscal Analyst

Approved: *Alan R. Kooney*
Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

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

ASSEMBLY, No. 3048

STATE OF NEW JERSEY 209th LEGISLATURE

INTRODUCED DECEMBER 11, 2000

Sponsored by:

Assemblyman DAVID W. WOLFE

District 10 (Monmouth and Ocean)

Assemblyman STEVE CORODEMUS

District 11 (Monmouth)

SYNOPSIS

Provides for grants to clean up contamination discovered subsequent to underground storage tank removal or closure.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning grants to remediate hazardous substances, and
2 amending P.L.1993, c.139.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. Section 28 of P.L.1993, c.139 (C.58:10B-6) is amended to read
8 as follows:

9 28. a. Except for moneys deposited in the remediation fund for
10 specific purposes, financial assistance and grants from the remediation
11 fund shall be rendered for the following purposes and, on an annual
12 basis, obligated in the percentages as provided in this subsection.
13 Upon a written joint determination by the authority and the department
14 that the demand for financial assistance or grants for moneys allocated
15 in any paragraph exceeds the percentage of funds allocated for that
16 paragraph, financial assistance and grants dedicated for the purposes
17 and in the percentages set forth in any other paragraph of this
18 subsection, may, for any particular year, if the demand for financial
19 assistance or grants for moneys allocated in that paragraph is less than
20 the percentage of funds allocated for that paragraph, be obligated to
21 the purposes set forth in the over allocated paragraph. The written
22 determination shall be sent to the Senate Environment Committee, and
23 the Assembly Agriculture and Waste Management Committee, or their
24 successors. For the purposes of this section, "person" shall not
25 include any governmental entity.

26 (1) At least 15% of the moneys shall be allocated for financial
27 assistance to persons, and the New Jersey Redevelopment Authority
28 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), for
29 remediation of real property located in a qualifying municipality as
30 defined in section 1 of P.L.1978, c.14 (C.52:27D-178);

31 (2) At least 10% of the moneys shall be allocated for financial
32 assistance and grants to municipal governmental entities and the New
33 Jersey Redevelopment Authority for real property: (1) on which they
34 hold a tax sale certificate; (2) that they have acquired through
35 foreclosure or other similar means; or (3) that they have acquired, or
36 have passed a resolution or ordinance or other appropriate document
37 to acquire, by voluntary conveyance for the purpose of redevelopment.
38 Financial assistance and grants may only be awarded for real property
39 on which there has been or on which there is suspected of being a
40 discharge of a hazardous substance or a hazardous waste. Grants
41 provided pursuant to this paragraph shall be used for performing
42 preliminary assessments, site investigations, and remedial
43 investigations on real property in order to determine the existence or

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.

1 extent of any hazardous substance or hazardous waste contamination
2 on those properties. No grant shall be awarded pursuant to this
3 paragraph for the purposes of a remedial investigation until the
4 municipal government entity or the New Jersey Redevelopment
5 Authority actually owns the real property. A municipal governmental
6 entity or the New Jersey Redevelopment Authority that has performed,
7 or on which there has been performed, a preliminary assessment, site
8 investigation or remedial investigation on property may obtain a loan
9 for the purpose of continuing the remediation on those properties as
10 necessary to comply with the applicable remediation regulations
11 adopted by the department. No grant shall be awarded pursuant to
12 this paragraph to a municipal government entity unless that entity has
13 adopted by ordinance or resolution a comprehensive plan specifically
14 for the development or redevelopment of contaminated or potentially
15 contaminated real property in that municipality or the entity can
16 demonstrate to the authority that a realistic opportunity exists that the
17 subject real property will be developed or redeveloped within a
18 three-year period from the completion of the remediation;

19 (3) At least 15% of the moneys shall be allocated for financial
20 assistance to persons, the New Jersey Redevelopment Authority, or
21 municipal governmental entities for remediation activities at sites that
22 have been contaminated by a discharge of a hazardous substance or
23 hazardous waste, or at which there is an imminent and significant
24 threat of a discharge of a hazardous substance or hazardous waste, and
25 the discharge or threatened discharge poses or would pose an
26 imminent and significant threat to a drinking water source, to human
27 health, or to a sensitive or significant ecological area;

28 (4) At least 10% of the moneys shall be allocated for financial
29 assistance to persons who voluntarily perform a remediation of a
30 hazardous substance or hazardous waste discharge;

31 (5) At least ~~15%~~ 10% of the moneys shall be allocated for
32 financial assistance to persons who are required to perform
33 remediation activities at an industrial establishment pursuant to
34 P.L.1983, c.330 (C.13:1K-6 et al.), as a condition of the closure,
35 transfer, or termination of operations at that industrial establishment;

36 (6) At least 15% of the moneys shall be allocated for grants to
37 persons who own real property on which there has been a discharge of
38 a hazardous substance or a hazardous waste and that person qualifies
39 for an innocent party grant. A person qualifies for an innocent party
40 grant if that person acquired the property prior to December 31, 1983,
41 except as provided hereunder, the hazardous substance or hazardous
42 waste that was discharged at the property was not used by the person
43 at that site, and that person certifies that he did not discharge any
44 hazardous substance or hazardous waste at an area where a discharge
45 is discovered; provided, however, that notwithstanding any other
46 provision of this section the New Jersey Redevelopment Authority

1 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), shall
2 qualify for an innocent party grant pursuant to this paragraph where
3 the immediate predecessor in title to the authority would have
4 qualified for but failed to apply for or receive such grant. A grant
5 authorized pursuant to this paragraph may be for up to 50% of the
6 remediation costs at the area of concern for which the person qualifies
7 for an innocent party grant, except that no grant awarded pursuant to
8 this paragraph to any person or the New Jersey Redevelopment
9 Authority may exceed \$1,000,000;

10 (7) At least 5% of the moneys shall be allocated for financial
11 assistance to persons who own and plan to remediate an environmental
12 opportunity zone for which an exemption from real property taxes has
13 been granted pursuant to section 5 of P.L.1995, c.413 (C.54:4-3.154);

14 (8) At least 5% of the moneys shall be allocated for matching
15 grants for up to 25% of the project costs to qualifying persons who
16 propose to perform a remedial action that uses an innovative
17 technology except that no grant awarded pursuant to this paragraph
18 to any qualifying person may exceed \$100,000;

19 (9) At least 5% of the moneys shall be allocated for matching
20 grants for up to 25% of the project costs to qualifying persons for the
21 implementation of a limited restricted use remedial action or an
22 unrestricted use remedial action except that no grant awarded pursuant
23 to this paragraph to any qualifying person may exceed \$100,000. The
24 authority may use money allocated pursuant to this paragraph to
25 provide loan guarantees to encourage financial institutions to provide
26 loans to any person who may receive financial assistance from the fund
27 who plans to implement a limited restricted use remedial action or an
28 unrestricted use remedial action; and

29 (10) At least 5% of the moneys shall be allocated for grants to
30 persons who own real property on which there has been a discharge of
31 a hazardous substance or a hazardous waste from an underground
32 storage tank and that person qualifies for an underground storage tank
33 grant. A person qualifies for an underground storage tank grant if that
34 person acquired the property prior to December 31, 1986, the person
35 complied with all laws, rules and regulations regarding the
36 underground storage tank, the underground storage tank was closed
37 or removed prior to December 31, 1990, and there is a discovery of
38 contamination that originated from the underground storage tank and
39 that discovery is made more than five years after closure or removal
40 of the underground storage tank. A grant authorized pursuant to this
41 paragraph may be for up to 50% of the remediation costs at the area
42 of concern for which the person qualifies for an underground storage
43 tank grant, except that no grant awarded pursuant to this paragraph to
44 any person may exceed \$1,000,000;

45 (11) Five percent of the moneys in the remediation fund shall be
46 allocated for financial assistance or grants for any of the purposes

1 enumerated in paragraphs (1) through ~~[(9)]~~(10) of this subsection,
2 except that where moneys in the fund are insufficient to fund all the
3 applications in any calendar year that would otherwise qualify for
4 financial assistance or a grant pursuant to this paragraph, the authority
5 shall give priority to financial assistance applications that meet the
6 criteria enumerated in paragraph (3) of this subsection.

7 For the purposes of paragraphs (8) and (9) of this subsection,
8 "qualifying persons" means any person who has a net worth of not
9 more than \$2,000,000 and "project costs" means that portion of the
10 total costs of a remediation that is specifically for the use of an
11 innovative technology or to implement an unrestricted use remedial
12 action or a limited restricted use remedial action, as applicable.

13 b. Loans issued from the remediation fund shall be for a term not
14 to exceed ten years, except that upon the transfer of ownership of any
15 real property for which the loan was made, the unpaid balance of the
16 loan shall become immediately payable in full. Loans to municipal
17 governmental entities and the New Jersey Redevelopment Authority
18 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), shall bear
19 an interest rate equal to 2 points below the Federal Discount Rate at
20 the time of approval or at the time of loan closing, whichever is lower,
21 except that the rate shall be no lower than 3 percent. All other loans
22 shall bear an interest rate equal to the Federal Discount Rate at the
23 time of approval or at the time of the loan closing, whichever is lower,
24 except that the rate on such loans shall be no lower than five percent.
25 Financial assistance and grants may be issued for up to 100% of the
26 estimated applicable remediation cost, except that the cumulative
27 maximum amount of financial assistance which may be issued to a
28 person, in any calendar year, for one or more properties, shall be
29 \$1,000,000. Financial assistance and grants to any one municipal
30 governmental entity or the New Jersey Redevelopment Authority may
31 not exceed \$2,000,000 in any calendar year. Repayments of principal
32 and interest on the loans issued from the remediation fund shall be paid
33 to the authority and shall be deposited into the remediation fund.

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

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

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

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

15 (cf: P.L.1999, c.214, s.2)

16

17 2. This act shall take effect immediately.

18

19

20

STATEMENT

21

22 This bill would make available grants to persons who own real
23 property on which there has been a discharge of a hazardous substance
24 or a hazardous waste from an underground storage tank under certain
25 circumstances. A person qualifies for an underground storage tank
26 grant if that person acquired the property prior to December 31, 1986,
27 the person complied with all laws, rules and regulations regarding the
28 underground storage tank, the underground storage tank was removed
29 or closed prior to December 31, 1990, and there is a discovery of
30 contamination that originated from the underground storage tank and
31 that discovery is made more than five years after removal or closure
32 of the underground storage tank. A grant may be for up to 50% of the
33 remediation costs except that no grant to any person may exceed
34 \$1,000,000.

ASSEMBLY SOLID AND HAZARDOUS WASTE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3048

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 23, 2001

The Assembly Solid and Hazardous Waste Committee reports favorably Assembly Bill No. 3048 with committee amendments.

As amended, this bill would make available grants to persons who own real property on which there has been a discharge of a hazardous substance or a hazardous waste from an underground storage tank under certain circumstances. A person qualifies for an underground storage tank grant if that person acquired the property prior to December 31, 1986, the person complied with all laws, rules and regulations regarding the underground storage tank, the underground storage tank was removed or closed prior to December 31, 1990, and there is a discovery of contamination that originated from the underground storage tank and that discovery is made more than five years after removal or closure of the underground storage tank. A grant may be for up to 50% of the remediation costs except that no grant to any person may exceed \$1,000,000.

The committee amendments provide for the expiration of the changes rendered to existing law under the provisions of this bill one year following the bill's effective date. In so doing, the provisions of section 28 of P.L.1993, c.139 (C.58:10B-6) would revert back to current law as embodied in section 2 of P.L.1999, c.214.

Assembly Bill No. 3048 Aca is identical to Senate Bill No. 1339 Aca.

[First Reprint]

ASSEMBLY, No. 3048

STATE OF NEW JERSEY
209th LEGISLATURE

INTRODUCED DECEMBER 11, 2000

Sponsored by:

Assemblyman DAVID W. WOLFE

District 10 (Monmouth and Ocean)

Assemblyman STEVE CORODEMUS

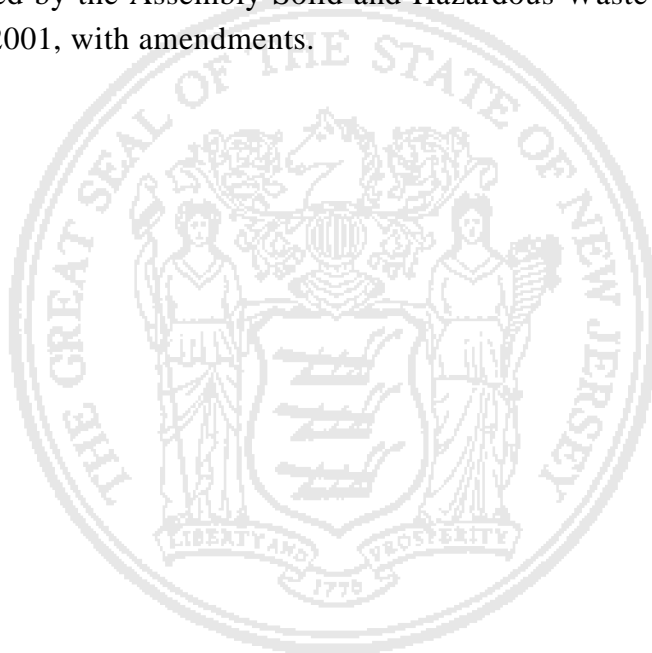
District 11 (Monmouth)

SYNOPSIS

Provides for grants to clean up contamination discovered subsequent to underground storage tank removal or closure.

CURRENT VERSION OF TEXT

As reported by the Assembly Solid and Hazardous Waste Committee on January 23, 2001, with amendments.



1 AN ACT concerning grants to remediate hazardous substances, and
2 amending P.L.1993, c.139.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. Section 28 of P.L.1993, c.139 (C.58:10B-6) is amended to read
8 as follows:

9 28. a. Except for moneys deposited in the remediation fund for
10 specific purposes, financial assistance and grants from the remediation
11 fund shall be rendered for the following purposes and, on an annual
12 basis, obligated in the percentages as provided in this subsection.
13 Upon a written joint determination by the authority and the department
14 that the demand for financial assistance or grants for moneys allocated
15 in any paragraph exceeds the percentage of funds allocated for that
16 paragraph, financial assistance and grants dedicated for the purposes
17 and in the percentages set forth in any other paragraph of this
18 subsection, may, for any particular year, if the demand for financial
19 assistance or grants for moneys allocated in that paragraph is less than
20 the percentage of funds allocated for that paragraph, be obligated to
21 the purposes set forth in the over allocated paragraph. The written
22 determination shall be sent to the Senate Environment Committee, and
23 the Assembly Agriculture and Waste Management Committee, or their
24 successors. For the purposes of this section, "person" shall not
25 include any governmental entity.

26 (1) At least 15% of the moneys shall be allocated for financial
27 assistance to persons, and the New Jersey Redevelopment Authority
28 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), for
29 remediation of real property located in a qualifying municipality as
30 defined in section 1 of P.L.1978, c.14 (C.52:27D-178);

31 (2) At least 10% of the moneys shall be allocated for financial
32 assistance and grants to municipal governmental entities and the New
33 Jersey Redevelopment Authority for real property: (1) on which they
34 hold a tax sale certificate; (2) that they have acquired through
35 foreclosure or other similar means; or (3) that they have acquired, or
36 have passed a resolution or ordinance or other appropriate document
37 to acquire, by voluntary conveyance for the purpose of redevelopment.
38 Financial assistance and grants may only be awarded for real property
39 on which there has been or on which there is suspected of being a
40 discharge of a hazardous substance or a hazardous waste. Grants
41 provided pursuant to this paragraph shall be used for performing
42 preliminary assessments, site investigations, and remedial

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:

¹ Assembly ASH committee amendments adopted January 23, 2001.

1 investigations on real property in order to determine the existence or
2 extent of any hazardous substance or hazardous waste contamination
3 on those properties. No grant shall be awarded pursuant to this
4 paragraph for the purposes of a remedial investigation until the
5 municipal government entity or the New Jersey Redevelopment
6 Authority actually owns the real property. A municipal governmental
7 entity or the New Jersey Redevelopment Authority that has performed,
8 or on which there has been performed, a preliminary assessment, site
9 investigation or remedial investigation on property may obtain a loan
10 for the purpose of continuing the remediation on those properties as
11 necessary to comply with the applicable remediation regulations
12 adopted by the department. No grant shall be awarded pursuant to
13 this paragraph to a municipal government entity unless that entity has
14 adopted by ordinance or resolution a comprehensive plan specifically
15 for the development or redevelopment of contaminated or potentially
16 contaminated real property in that municipality or the entity can
17 demonstrate to the authority that a realistic opportunity exists that the
18 subject real property will be developed or redeveloped within a
19 three-year period from the completion of the remediation;

20 (3) At least 15% of the moneys shall be allocated for financial
21 assistance to persons, the New Jersey Redevelopment Authority, or
22 municipal governmental entities for remediation activities at sites that
23 have been contaminated by a discharge of a hazardous substance or
24 hazardous waste, or at which there is an imminent and significant
25 threat of a discharge of a hazardous substance or hazardous waste, and
26 the discharge or threatened discharge poses or would pose an
27 imminent and significant threat to a drinking water source, to human
28 health, or to a sensitive or significant ecological area;

29 (4) At least 10% of the moneys shall be allocated for financial
30 assistance to persons who voluntarily perform a remediation of a
31 hazardous substance or hazardous waste discharge;

32 (5) At least ~~[15%]~~ 10% of the moneys shall be allocated for
33 financial assistance to persons who are required to perform
34 remediation activities at an industrial establishment pursuant to
35 P.L.1983, c.330 (C.13:1K-6 et al.), as a condition of the closure,
36 transfer, or termination of operations at that industrial establishment;

37 (6) At least 15% of the moneys shall be allocated for grants to
38 persons who own real property on which there has been a discharge of
39 a hazardous substance or a hazardous waste and that person qualifies
40 for an innocent party grant. A person qualifies for an innocent party
41 grant if that person acquired the property prior to December 31, 1983,
42 except as provided hereunder, the hazardous substance or hazardous
43 waste that was discharged at the property was not used by the person
44 at that site, and that person certifies that he did not discharge any
45 hazardous substance or hazardous waste at an area where a discharge
46 is discovered; provided, however, that notwithstanding any other

1 provision of this section the New Jersey Redevelopment Authority
2 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), shall
3 qualify for an innocent party grant pursuant to this paragraph where
4 the immediate predecessor in title to the authority would have
5 qualified for but failed to apply for or receive such grant. A grant
6 authorized pursuant to this paragraph may be for up to 50% of the
7 remediation costs at the area of concern for which the person qualifies
8 for an innocent party grant, except that no grant awarded pursuant to
9 this paragraph to any person or the New Jersey Redevelopment
10 Authority may exceed \$1,000,000;

11 (7) At least 5% of the moneys shall be allocated for financial
12 assistance to persons who own and plan to remediate an environmental
13 opportunity zone for which an exemption from real property taxes has
14 been granted pursuant to section 5 of P.L.1995, c.413 (C.54:4-3.154);

15 (8) At least 5% of the moneys shall be allocated for matching
16 grants for up to 25% of the project costs to qualifying persons who
17 propose to perform a remedial action that uses an innovative
18 technology except that no grant awarded pursuant to this paragraph
19 to any qualifying person may exceed \$100,000;

20 (9) At least 5% of the moneys shall be allocated for matching
21 grants for up to 25% of the project costs to qualifying persons for the
22 implementation of a limited restricted use remedial action or an
23 unrestricted use remedial action except that no grant awarded pursuant
24 to this paragraph to any qualifying person may exceed \$100,000. The
25 authority may use money allocated pursuant to this paragraph to
26 provide loan guarantees to encourage financial institutions to provide
27 loans to any person who may receive financial assistance from the fund
28 who plans to implement a limited restricted use remedial action or an
29 unrestricted use remedial action; and

30 (10) At least 5% of the moneys shall be allocated for grants to
31 persons who own real property on which there has been a discharge of
32 a hazardous substance or a hazardous waste from an underground
33 storage tank and that person qualifies for an underground storage tank
34 grant. A person qualifies for an underground storage tank grant if that
35 person acquired the property prior to December 31, 1986, the person
36 complied with all laws, rules and regulations regarding the
37 underground storage tank, the underground storage tank was closed
38 or removed prior to December 31, 1990, and there is a discovery of
39 contamination that originated from the underground storage tank and
40 that discovery is made more than five years after closure or removal
41 of the underground storage tank. A grant authorized pursuant to this
42 paragraph may be for up to 50% of the remediation costs at the area
43 of concern for which the person qualifies for an underground storage
44 tank grant, except that no grant awarded pursuant to this paragraph to
45 any person may exceed \$1,000,000;

46 (11) Five percent of the moneys in the remediation fund shall be

1 allocated for financial assistance or grants for any of the purposes
2 enumerated in paragraphs (1) through ~~[(9)](10)~~ of this subsection,
3 except that where moneys in the fund are insufficient to fund all the
4 applications in any calendar year that would otherwise qualify for
5 financial assistance or a grant pursuant to this paragraph, the authority
6 shall give priority to financial assistance applications that meet the
7 criteria enumerated in paragraph (3) of this subsection.

8 For the purposes of paragraphs (8) and (9) of this subsection,
9 "qualifying persons" means any person who has a net worth of not
10 more than \$2,000,000 and "project costs" means that portion of the
11 total costs of a remediation that is specifically for the use of an
12 innovative technology or to implement an unrestricted use remedial
13 action or a limited restricted use remedial action, as applicable.

14 b. Loans issued from the remediation fund shall be for a term not
15 to exceed ten years, except that upon the transfer of ownership of any
16 real property for which the loan was made, the unpaid balance of the
17 loan shall become immediately payable in full. Loans to municipal
18 governmental entities and the New Jersey Redevelopment Authority
19 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), shall bear
20 an interest rate equal to 2 points below the Federal Discount Rate at
21 the time of approval or at the time of loan closing, whichever is lower,
22 except that the rate shall be no lower than 3 percent. All other loans
23 shall bear an interest rate equal to the Federal Discount Rate at the
24 time of approval or at the time of the loan closing, whichever is lower,
25 except that the rate on such loans shall be no lower than five percent.
26 Financial assistance and grants may be issued for up to 100% of the
27 estimated applicable remediation cost, except that the cumulative
28 maximum amount of financial assistance which may be issued to a
29 person, in any calendar year, for one or more properties, shall be
30 \$1,000,000. Financial assistance and grants to any one municipal
31 governmental entity or the New Jersey Redevelopment Authority may
32 not exceed \$2,000,000 in any calendar year. Repayments of principal
33 and interest on the loans issued from the remediation fund shall be paid
34 to the authority and shall be deposited into the remediation fund.

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

45 d. The authority may use a sum that represents up to 2% of the
46 moneys issued as financial assistance or grants from the remediation

1 fund each year for administrative expenses incurred in connection with
2 the operation of the fund and the issuance of financial assistance and
3 grants.

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

16 (cf: P.L.1999, c.214, s.2)

17

18 2. This act shall take effect immediately ¹and shall expire one year
19 thereafter¹.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 3048

STATE OF NEW JERSEY

DATED: FEBRUARY 5, 2001

The Assembly Appropriations Committee reports favorably Assembly Bill No. 3048 (1R).

Assembly Bill No. 3048 (1R) makes grants available from the Hazardous Discharge Site Remediation Fund (established under the "Brownfield and Contaminated Site Remediation Act") to persons who own real property on which there has been a discharge of a hazardous substance or a hazardous waste from an underground storage tank under certain circumstances.

A person qualifies for an underground storage tank grant if that person acquired the property prior to December 31, 1986, the person complied with all laws, rules and regulations regarding the underground storage tank, the underground storage tank was removed or closed prior to December 31, 1990, there is a discovery of contamination that originated from the underground storage tank, and that discovery is made more than five years after removal or closure of the underground storage tank. A grant may be for up to 50% of the remediation costs except that no grant to any person may exceed \$1,000,000.

The bill expires one year following the bill's effective date.

As reported by the committee, the bill is identical to Senate Bill No. 1339 (1R) as also reported by the committee.

FISCAL IMPACT:

The increased funding required to support the grants under the bill cannot be estimated because the number of potential applicants and level of remediation costs is not known at this time.

The Hazardous Discharge Site Remediation Fund is capitalized by bond fund appropriations from the "Hazardous Discharge Bond Act of 1986," port Authority of New York and New Jersey monies appropriated from the Economic Recovery Fund, repayments of program loans, program participant surcharges, and project cost recoveries. The fund's balance as of January 1, 2000 was \$25.6 million.

The bill decreases the fund allocation for financial assistance to persons who are required to perform remediation activities at an

industrial establishment pursuant to P.L.1983, c.330 (C.13:1K-6 et al.), as a condition of the closure, transfer, or termination of operations at that industrial establishment from 15% to 10%, and allocates that 5% to the grant program under the bill. The expiration of the bill one year after its effective date is intended to allow that allocation to revert back to the current law.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 3048

STATE OF NEW JERSEY

209th LEGISLATURE

DATED: MARCH 21, 2001

SUMMARY

Synopsis: Provides for grants to clean up contamination discovered subsequent to underground storage tank removal or closure.

Type of Impact: Increased expenditures from the Hazardous Discharge Site Remediation Fund.

Agencies Affected: None.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost	Indeterminate	Indeterminate	Indeterminate

- ! The bill amends the "Brownfield and Contaminated Site Remediation Act" (P.L. 1993, c.139) by providing remediation grants of up to \$1.0 million to property-owners whose land has been contaminated by hazardous substances under certain circumstances. Applicants have one year from the bill's enactment to apply for this assistance.
- ! Grants are supported by the Hazardous Discharge Site Remediation Fund, which funds similar assistance programs authorized under the Brownfields Act that are administered by the Department of Environmental Protection and the N.J. Economic Development Authority.
- ! The Hazardous Discharge Site Remediation Fund was established under the Brownfields Act and is supported by various bond appropriations, surcharges, loan repayments, and project cost recoveries.
- ! The Office of Legislative Services (OLS) cannot estimate the potential cost of the grant program but contends that it will not affect the General Fund or the State Budget.

BILL DESCRIPTION

Assembly Bill No. 3048 (1R) of 2000 amends the "Brownfield and Contaminated Site Remediation Act" (P.L. 1993, c.139) by adding a funding category that would, under certain

circumstances, make grants available to persons who own property on which there has been a discharge of a hazardous substance or a hazardous waste from an underground storage tank. Such grants would be awarded to persons who (1) acquired property prior to December 31, 1986; (2) complied with all laws, rules and regulations regarding an underground storage tank on said property; (3) removed or closed the underground storage tank prior to December 31, 1990; (4) discovered contamination that originated from the underground storage tank; and (5) certify that discovery was made more than five years after removal or closure of the underground storage tank.

Under the bill, grants may be used to pay up to 50 percent of remediation costs, up to \$1.0 million per project. Grant funds will be derived from the Hazardous Discharge Site Remediation Fund, which supports various site remediation programs that are jointly administered by the Department of Environmental Protection and the N.J. Economic Development Authority. The provisions of the bill expire one year after enactment.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services (OLS) cannot estimate the amount of increased funding that will be required to support the grants created under the bill because the number of potential applicants or the level of remediation costs are not known at this time. Since the Hazardous Discharge Site Remediation Fund is not directly supported by State monies, the bill's enactment will have no impact on the General Fund or the State Budget. Any additional administrative costs should be negligible since the new grants will constitute another category of an existing financial aid program rather than require the implementation of a new program.

For information purposes, the Hazardous Discharge Site Remediation Fund is capitalized by bond fund appropriations from the "Hazardous Discharge Bond Act of 1986," Port Authority of New York and New Jersey monies appropriated from the Economic Recovery Fund, repayments of program loans, program participant surcharges, and project cost recoveries. The Fund's balance as of January 1, 2000 was \$25.6 million.

Section: *Environment, Agriculture, Energy and Natural Resources*

Analyst: *Richard M. Handelman*
Senior Fiscal Analyst

Approved: *Alan R. Kooney*
Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

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

P.L. 2001, CHAPTER 70, *approved April 20, 2001*
Senate, No. 1339 (*First Reprint*)

1 **AN ACT** concerning grants to remediate hazardous substances, and
2 amending P.L.1993, c.139.

3

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

6

7 1. Section 28 of P.L.1993, c.139 (C.58:10B-6) is amended to read
8 as follows:

9 28. a. Except for moneys deposited in the remediation fund for
10 specific purposes, financial assistance and grants from the remediation
11 fund shall be rendered for the following purposes and, on an annual
12 basis, obligated in the percentages as provided in this subsection.
13 Upon a written joint determination by the authority and the department
14 that the demand for financial assistance or grants for moneys allocated
15 in any paragraph exceeds the percentage of funds allocated for that
16 paragraph, financial assistance and grants dedicated for the purposes
17 and in the percentages set forth in any other paragraph of this
18 subsection, may, for any particular year, if the demand for financial
19 assistance or grants for moneys allocated in that paragraph is less than
20 the percentage of funds allocated for that paragraph, be obligated to
21 the purposes set forth in the over allocated paragraph. The written
22 determination shall be sent to the Senate Environment Committee, and
23 the Assembly Agriculture and Waste Management Committee, or their
24 successors. For the purposes of this section, "person" shall not
25 include any governmental entity.

26 (1) At least 15% of the moneys shall be allocated for financial
27 assistance to persons, and the New Jersey Redevelopment Authority
28 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), for
29 remediation of real property located in a qualifying municipality as
30 defined in section 1 of P.L.1978, c.14 (C.52:27D-178);

31 (2) At least 10% of the moneys shall be allocated for financial
32 assistance and grants to municipal governmental entities and the New
33 Jersey Redevelopment Authority for real property: (1) on which they
34 hold a tax sale certificate; (2) that they have acquired through
35 foreclosure or other similar means; or (3) that they have acquired, or
36 have passed a resolution or ordinance or other appropriate document
37 to acquire, by voluntary conveyance for the purpose of redevelopment.
38 Financial assistance and grants may only be awarded for real property
39 on which there has been or on which there is suspected of being a

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 Assembly ASH committee amendments adopted January 23, 2001.

1 discharge of a hazardous substance or a hazardous waste. Grants
2 provided pursuant to this paragraph shall be used for performing
3 preliminary assessments, site investigations, and remedial
4 investigations on real property in order to determine the existence or
5 extent of any hazardous substance or hazardous waste contamination
6 on those properties. No grant shall be awarded pursuant to this
7 paragraph for the purposes of a remedial investigation until the
8 municipal government entity or the New Jersey Redevelopment
9 Authority actually owns the real property. A municipal governmental
10 entity or the New Jersey Redevelopment Authority that has performed,
11 or on which there has been performed, a preliminary assessment, site
12 investigation or remedial investigation on property may obtain a loan
13 for the purpose of continuing the remediation on those properties as
14 necessary to comply with the applicable remediation regulations
15 adopted by the department. No grant shall be awarded pursuant to
16 this paragraph to a municipal government entity unless that entity has
17 adopted by ordinance or resolution a comprehensive plan specifically
18 for the development or redevelopment of contaminated or potentially
19 contaminated real property in that municipality or the entity can
20 demonstrate to the authority that a realistic opportunity exists that the
21 subject real property will be developed or redeveloped within a
22 three-year period from the completion of the remediation;

23 (3) At least 15% of the moneys shall be allocated for financial
24 assistance to persons, the New Jersey Redevelopment Authority, or
25 municipal governmental entities for remediation activities at sites that
26 have been contaminated by a discharge of a hazardous substance or
27 hazardous waste, or at which there is an imminent and significant
28 threat of a discharge of a hazardous substance or hazardous waste, and
29 the discharge or threatened discharge poses or would pose an
30 imminent and significant threat to a drinking water source, to human
31 health, or to a sensitive or significant ecological area;

32 (4) At least 10% of the moneys shall be allocated for financial
33 assistance to persons who voluntarily perform a remediation of a
34 hazardous substance or hazardous waste discharge;

35 (5) At least ~~15%~~ 10% of the moneys shall be allocated for
36 financial assistance to persons who are required to perform
37 remediation activities at an industrial establishment pursuant to
38 P.L.1983, c.330 (C.13:1K-6 et al.), as a condition of the closure,
39 transfer, or termination of operations at that industrial establishment;

40 (6) At least 15% of the moneys shall be allocated for grants to
41 persons who own real property on which there has been a discharge of
42 a hazardous substance or a hazardous waste and that person qualifies
43 for an innocent party grant. A person qualifies for an innocent party
44 grant if that person acquired the property prior to December 31, 1983,
45 except as provided hereunder, the hazardous substance or hazardous
46 waste that was discharged at the property was not used by the person

1 at that site, and that person certifies that he did not discharge any
2 hazardous substance or hazardous waste at an area where a discharge
3 is discovered; provided, however, that notwithstanding any other
4 provision of this section the New Jersey Redevelopment Authority
5 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), shall
6 qualify for an innocent party grant pursuant to this paragraph where
7 the immediate predecessor in title to the authority would have
8 qualified for but failed to apply for or receive such grant. A grant
9 authorized pursuant to this paragraph may be for up to 50% of the
10 remediation costs at the area of concern for which the person qualifies
11 for an innocent party grant, except that no grant awarded pursuant to
12 this paragraph to any person or the New Jersey Redevelopment
13 Authority may exceed \$1,000,000;

14 (7) At least 5% of the moneys shall be allocated for financial
15 assistance to persons who own and plan to remediate an environmental
16 opportunity zone for which an exemption from real property taxes has
17 been granted pursuant to section 5 of P.L.1995, c.413 (C.54:4-3.154);

18 (8) At least 5% of the moneys shall be allocated for matching
19 grants for up to 25% of the project costs to qualifying persons who
20 propose to perform a remedial action that uses an innovative
21 technology except that no grant awarded pursuant to this paragraph
22 to any qualifying person may exceed \$100,000;

23 (9) At least 5% of the moneys shall be allocated for matching
24 grants for up to 25% of the project costs to qualifying persons for the
25 implementation of a limited restricted use remedial action or an
26 unrestricted use remedial action except that no grant awarded pursuant
27 to this paragraph to any qualifying person may exceed \$100,000. The
28 authority may use money allocated pursuant to this paragraph to
29 provide loan guarantees to encourage financial institutions to provide
30 loans to any person who may receive financial assistance from the fund
31 who plans to implement a limited restricted use remedial action or an
32 unrestricted use remedial action; and

33 (10) At least 5% of the moneys shall be allocated for grants to
34 persons who own real property on which there has been a discharge of
35 a hazardous substance or a hazardous waste from an underground
36 storage tank and that person qualifies for an underground storage tank
37 grant. A person qualifies for an underground storage tank grant if that
38 person acquired the property prior to December 31, 1986, the person
39 complied with all laws, rules and regulations regarding the
40 underground storage tank, the underground storage tank was closed
41 or removed prior to December 31, 1990, and there is a discovery of
42 contamination that originated from the underground storage tank and
43 that discovery is made more than five years after closure or removal
44 of the underground storage tank. A grant authorized pursuant to this
45 paragraph may be for up to 50% of the remediation costs at the area
46 of concern for which the person qualifies for an underground storage

1 tank grant, except that no grant awarded pursuant to this paragraph to
2 any person may exceed \$1,000,000;

3 (11) Five percent of the moneys in the remediation fund shall be
4 allocated for financial assistance or grants for any of the purposes
5 enumerated in paragraphs (1) through ~~[(9)]~~(10) of this subsection,
6 except that where moneys in the fund are insufficient to fund all the
7 applications in any calendar year that would otherwise qualify for
8 financial assistance or a grant pursuant to this paragraph, the authority
9 shall give priority to financial assistance applications that meet the
10 criteria enumerated in paragraph (3) of this subsection.

11 For the purposes of paragraphs (8) and (9) of this subsection,
12 "qualifying persons" means any person who has a net worth of not
13 more than \$2,000,000 and "project costs" means that portion of the
14 total costs of a remediation that is specifically for the use of an
15 innovative technology or to implement an unrestricted use remedial
16 action or a limited restricted use remedial action, as applicable.

17 b. Loans issued from the remediation fund shall be for a term not
18 to exceed ten years, except that upon the transfer of ownership of any
19 real property for which the loan was made, the unpaid balance of the
20 loan shall become immediately payable in full. Loans to municipal
21 governmental entities and the New Jersey Redevelopment Authority
22 established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), shall bear
23 an interest rate equal to 2 points below the Federal Discount Rate at
24 the time of approval or at the time of loan closing, whichever is lower,
25 except that the rate shall be no lower than 3 percent. All other loans
26 shall bear an interest rate equal to the Federal Discount Rate at the
27 time of approval or at the time of the loan closing, whichever is lower,
28 except that the rate on such loans shall be no lower than five percent.
29 Financial assistance and grants may be issued for up to 100% of the
30 estimated applicable remediation cost, except that the cumulative
31 maximum amount of financial assistance which may be issued to a
32 person, in any calendar year, for one or more properties, shall be
33 \$1,000,000. Financial assistance and grants to any one municipal
34 governmental entity or the New Jersey Redevelopment Authority may
35 not exceed \$2,000,000 in any calendar year. Repayments of principal
36 and interest on the loans issued from the remediation fund shall be paid
37 to the authority and shall be deposited into the remediation fund.

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

1 (C.58:10B-3).

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

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

19 (cf: P.L.1999, c.214, s.2)

20

21 2. This act shall take effect immediately ¹and shall expire one year
22 thereafter¹.

23

24

25

26

27 Provides for grants to clean up contamination discovered subsequent
28 to underground storage tank removal or closure.

CHAPTER 70

AN ACT concerning grants to remediate hazardous substances, and amending P.L.1993, c.139.

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

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

C.58:10B-6 Financial assistance and grants from the fund; allocations.

28. a. Except for moneys deposited in the remediation fund for specific purposes, financial assistance and grants from the remediation fund shall be rendered for the following purposes and, on an annual basis, obligated in the percentages as provided in this subsection. Upon a written joint determination by the authority and the department that the demand for financial assistance or grants for moneys allocated in any paragraph exceeds the percentage of funds allocated for that paragraph, financial assistance and grants dedicated for the purposes and in the percentages set forth in any other paragraph of this subsection, may, for any particular year, if the demand for financial assistance or grants for moneys allocated in that paragraph is less than the percentage of funds allocated for that paragraph, be obligated to the purposes set forth in the over allocated paragraph. The written determination shall be sent to the Senate Environment Committee, and the Assembly Agriculture and Waste Management Committee, or their successors. For the purposes of this section, "person" shall not include any governmental entity.

(1) At least 15% of the moneys shall be allocated for financial assistance to persons, and the New Jersey Redevelopment Authority established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), for remediation of real property located in a qualifying municipality as defined in section 1 of P.L.1978, c.14 (C.52:27D-178);

(2) At least 10% of the moneys shall be allocated for financial assistance and grants to municipal governmental entities and the New Jersey Redevelopment Authority for real property: (1) on which they hold a tax sale certificate; (2) that they have acquired through foreclosure or other similar means; or (3) that they have acquired, or have passed a resolution or ordinance or other appropriate document to acquire, by voluntary conveyance for the purpose of redevelopment. Financial assistance and grants may only be awarded for real property on which there has been or on which there is suspected of being a discharge of a hazardous substance or a hazardous waste. Grants provided pursuant to this paragraph shall be used for performing preliminary assessments, site investigations, and remedial investigations on real property in order to determine the existence or extent of any hazardous substance or hazardous waste contamination on those properties. No grant shall be awarded pursuant to this paragraph for the purposes of a remedial investigation until the municipal government entity or the New Jersey Redevelopment Authority actually owns the real property. A municipal governmental entity or the New Jersey Redevelopment Authority that has performed, or on which there has been performed, a preliminary assessment, site investigation or remedial investigation on property may obtain a loan for the purpose of continuing the remediation on those properties as necessary to comply with the applicable remediation regulations adopted by the department. No grant shall be awarded pursuant to this paragraph to a municipal government entity unless that entity has adopted by ordinance or resolution a comprehensive plan specifically for the development or redevelopment of contaminated or potentially contaminated real property in that municipality or the entity can demonstrate to the authority that a realistic opportunity exists that the subject real property will be developed or redeveloped within a three-year period from the completion of the remediation;

(3) At least 15% of the moneys shall be allocated for financial assistance to persons, the New Jersey Redevelopment Authority, or municipal governmental entities for remediation activities at sites that have been contaminated by a discharge of a hazardous substance or hazardous waste, or at which there is an imminent and significant threat of a discharge of a hazardous substance or hazardous waste, and the discharge or threatened discharge poses or would pose an imminent and significant threat to a drinking water source, to human health, or to a sensitive or significant ecological area;

(4) At least 10% of the moneys shall be allocated for financial assistance to persons who voluntarily perform a remediation of a hazardous substance or hazardous waste discharge;

(5) At least 10% of the moneys shall be allocated for financial assistance to persons who are required to perform remediation activities at an industrial establishment pursuant to P.L.1983,

c.330 (C.13:1K-6 et al.), as a condition of the closure, transfer, or termination of operations at that industrial establishment;

(6) At least 15% of the moneys shall be allocated for grants to persons who own real property on which there has been a discharge of a hazardous substance or a hazardous waste and that person qualifies for an innocent party grant. A person qualifies for an innocent party grant if that person acquired the property prior to December 31, 1983, except as provided hereunder, the hazardous substance or hazardous waste that was discharged at the property was not used by the person at that site, and that person certifies that he did not discharge any hazardous substance or hazardous waste at an area where a discharge is discovered; provided, however, that notwithstanding any other provision of this section the New Jersey Redevelopment Authority established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), shall qualify for an innocent party grant pursuant to this paragraph where the immediate predecessor in title to the authority would have qualified for but failed to apply for or receive such grant. A grant authorized pursuant to this paragraph may be for up to 50% of the remediation costs at the area of concern for which the person qualifies for an innocent party grant, except that no grant awarded pursuant to this paragraph to any person or the New Jersey Redevelopment Authority may exceed \$1,000,000;

(7) At least 5% of the moneys shall be allocated for financial assistance to persons who own and plan to remediate an environmental opportunity zone for which an exemption from real property taxes has been granted pursuant to section 5 of P.L.1995, c.413 (C.54:4-3.154);

(8) At least 5% of the moneys shall be allocated for matching grants for up to 25% of the project costs to qualifying persons who propose to perform a remedial action that uses an innovative technology except that no grant awarded pursuant to this paragraph to any qualifying person may exceed \$100,000;

(9) At least 5% of the moneys shall be allocated for matching grants for up to 25% of the project costs to qualifying persons for the implementation of a limited restricted use remedial action or an unrestricted use remedial action except that no grant awarded pursuant to this paragraph to any qualifying person may exceed \$100,000. The authority may use money allocated pursuant to this paragraph to provide loan guarantees to encourage financial institutions to provide loans to any person who may receive financial assistance from the fund who plans to implement a limited restricted use remedial action or an unrestricted use remedial action;

(10) At least 5% of the moneys shall be allocated for grants to persons who own real property on which there has been a discharge of a hazardous substance or a hazardous waste from an underground storage tank and that person qualifies for an underground storage tank grant. A person qualifies for an underground storage tank grant if that person acquired the property prior to December 31, 1986, the person complied with all laws, rules and regulations regarding the underground storage tank, the underground storage tank was closed or removed prior to December 31, 1990, and there is a discovery of contamination that originated from the underground storage tank and that discovery is made more than five years after closure or removal of the underground storage tank. A grant authorized pursuant to this paragraph may be for up to 50% of the remediation costs at the area of concern for which the person qualifies for an underground storage tank grant, except that no grant awarded pursuant to this paragraph to any person may exceed \$1,000,000; and

(11) Five percent of the moneys in the remediation fund shall be allocated for financial assistance or grants for any of the purposes enumerated in paragraphs (1) through(10) of this subsection, except that where moneys in the fund are insufficient to fund all the applications in any calendar year that would otherwise qualify for financial assistance or a grant pursuant to this paragraph, the authority shall give priority to financial assistance applications that meet the criteria enumerated in paragraph (3) of this subsection.

For the purposes of paragraphs (8) and (9) of this subsection, "qualifying persons" means any person who has a net worth of not more than \$2,000,000 and "project costs" means that portion of the total costs of a remediation that is specifically for the use of an innovative technology or to implement an unrestricted use remedial action or a limited restricted use remedial action, as applicable.

b. Loans issued from the remediation fund shall be for a term not to exceed ten years, except that upon the transfer of ownership of any real property for which the loan was made, the unpaid balance of the loan shall become immediately payable in full. Loans to municipal governmental entities and the New Jersey Redevelopment Authority established pursuant to P.L.1996, c.62 (C.55:19-20 et al.), shall bear an interest rate equal to 2 points below the Federal Discount Rate at the time of approval or at the time of loan closing, whichever is lower, except that the rate shall be no lower than 3 percent. All other loans shall bear an interest rate equal to the Federal Discount Rate at the time of approval or at the time of the loan closing, whichever is lower, except that the rate on such loans shall be no lower than five percent. Financial assistance and grants may be issued for up to 100% of the estimated applicable remediation cost, except that the cumulative maximum amount of financial assistance which may be issued to a person, in any calendar year, for one or more properties, shall be \$1,000,000. Financial assistance and grants to any one municipal governmental entity or the New Jersey Redevelopment Authority may not exceed \$2,000,000 in any calendar year. Repayments of principal and interest on the loans issued from the remediation fund shall be paid to the authority and shall be deposited into the remediation fund.

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

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

e. Prior to March 1 of each year, the authority shall submit to the Senate Environment Committee and the Assembly Agriculture and Waste Management Committee, or their successors, a report detailing the amount of money that was available for financial assistance and grants from the remediation fund for the previous calendar year, the amount of money estimated to be available for financial assistance and grants for the current calendar year, the amount of financial assistance and grants issued for the previous calendar year and the category for which each financial assistance and grant was rendered, and any suggestions for legislative action the authority deems advisable to further the legislative intent to facilitate remediation and promote the redevelopment and use of existing industrial sites.

2. This act shall take effect immediately and shall expire one year thereafter

Approved April 20, 2001.

Office of the Governor
NEWS RELEASE

PO BOX 004
TRENTON, NJ 08625

CONTACT: Rae Hutton
609-777-2600

RELEASE: April 20 , 2001

Acting Governor Donald T. DiFrancesco signed the following legislation today:

S-1339, sponsored by Senators Andrew Ciesla(R-Monmouth/Ocean) and Diane Allen (R-Burlington/Camden) and Assembly members David Wolfe (R-Monmouth/Ocean) and Steve Corodemus (R-Monmouth), provides for grants to clean up contamination discovered subsequent to underground storage tank removal or closure.

Under the bill, a grant may be issued for up to 50 percent of the remediation costs except that no grant to any person may exceed \$1,000,000.

A-890, sponsored by Assembly members Kip Bateman (R-Morris/Somerset) and Anthony Impreveduto (D-Bergen/Hudson) and Senator Walter Kavanaugh (R-Morris/Somerset), removes the 20-year title search as prerequisite for tax title holder's claim for \$12 party search expense for ascertaining the persons interested in the property subject to the tax lien being foreclosed.

A-653, sponsored by Assembly members John Gibson (R-Cape May/Atlantic/Cumberland) and Nicholas Asselta (R-Cape May/Atlantic/Cumberland), revises conditions under which a municipality may require bond or other security from landlords of seasonal rental properties in Monmouth, Atlantic, Ocean and Cape May counties.

This bill changes the current "one-year" time frame, which could be construed as a calendar year, to a 12-month-period, and changes the number of substantiated complaints necessary for the municipality to institute the administrative proceeding from three to two.

SJR-7, sponsored by Senator Garry Furnari (D-Bergen/Essex/Passaic), designates the North Service Road portion of State Highway Route 3 in Rutherford Borough, Bergen County, as the "Thomas E. Dunn Memorial Highway."

SJR-8, sponsored by Senator Garry Furnari (D-Bergen/Essex/Passaic), designates South Service Road portion of State Highway Route 3 in Rutherford Borough, Bergen County, as the "Edwin L. Ward, Sr. Memorial Highway."

Acting Governor Donald T. DiFrancesco conditionally vetoed the following legislation today. A copy of the CV message is attached.

S-249, sponsored by Senator John Bennett (R-Monmouth) and Assembly members Nicholas Felice (R-Bergen/Passaic) and Anthony Impreveduto (D-Bergen/Hudson), requires a board of education to give the municipal clerk or clerks, the county board of elections no less than 60 days notice, in writing, of its intention to hold a special election, replaces the provisions in current law regarding when a special school election may be held in a type II district and eliminates the provisions of

existing law which authorizes legal voters of the district to petition the school board to hold a special election.

April 20, 2001

SENATE BILL NO. 249
(First Reprint)

To the Senate:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Senate Bill No. 249 (First Reprint) with my recommendations for reconsideration.

A. Summary of Bill

This bill makes three changes to existing law governing special school elections in Type II school districts. Specifically, the bill: (1) requires a board of education to give the municipal clerk or clerks, as the case may be, and the county board of elections no less than 60 days' notice, in writing, of its intention to hold a special election; (2) replaces the provisions in current law regarding when a special school election may be held in a type II district to provide that such an election may be held only on the following days: the fourth Tuesday in January, the second Tuesday in March, the last Tuesday in September, or the second Tuesday in December; and (3) eliminates the provisions of existing law which authorizes legal voters of the district to petition the school board to hold a special election.

B. Recommended Action

While I commend the sponsors of this bill for their efforts to streamline the school election process and increase voter participation and awareness, I have been advised that the bill contains a technical error which could lead to confusion as to the intent of this legislation. As a result, I recommend a Conditional Veto to clarify that this legislation intended to eliminate special elections by petition.

For this reason, I am returning Senate Bill No. 249 (First Reprint) and recommend that it be amended as follows:

Page 2, Line 31: After "was called" insert "." delete "and in the notices of any special election, called upon".

Page 2, Lines 32-34: Delete in entirety.

Respectfully,

/s/ Donald T. DiFrancesco

Acting Governor

[seal]

Attest:

/s/ James A. Harkness

Chief Counsel to the Governor