

CHAPTER 1A

WATER SUPPLY LOAN PROGRAMS

Authority

Water Supply Bond Act of 1981, P.L. 1981, c.261, as amended by P.L. 1983, c.355; N.J.S.A. 13:1B-3; 13:1D-9; 40A:11-1 et seq.; 58:1A-1 et seq.; 58:12A-1 et seq.; and 58:12A-22 through 58:12A-25.

Source and Effective Date

R.2002 d.176, effective May 10, 2002.
See: 34 N.J.R. 388(a), 34 N.J.R. 1901(a).

Chapter Expiration Date

Chapter 1A, Water Supply Loan Programs, expires on May 10, 2007.

Chapter Historical Note

Chapter 1A, Guidelines on Environmental Impact Statement for New Jersey Turnpike Extension, was adopted as R.1972 d.165, effective on August 22, 1972. See: 4 N.J.R. 214(a).

Chapter 1A, Guidelines on Environmental Impact Statement for New Jersey Turnpike Extension, was repealed by R.1980 d.433, effective October 7, 1980. See: 12 N.J.R. 454(b), 12 N.J.R. 643(a).

Chapter 1A, Water Supply Bond Loan Regulations for the Rehabilitation of Water Supply Facilities, was adopted as R.1982 d.179, effective June 7, 1982. See: 14 N.J.R. 10(a), 14 N.J.R. 573(a).

Chapter 1A, Water Supply Bond Loan Regulations for the Rehabilitation of Water Supply Facilities, was amended by R.1982 d.281, effective August 16, 1982. See: 14 N.J.R. 499(c), 14 N.J.R. 915(a).

Subchapter 6, Emergency Interim Rehabilitation Loan Procedures, was adopted as R.1983 d.26, effective February 7, 1983. See: 14 N.J.R. 1075(b), 15 N.J.R. 141(d).

Chapter 1A, Water Supply Bond Loan Regulations for the Rehabilitation of Water Supply Facilities, was further amended by R.1983 d.534 effective November 21, 1983. See: 15 N.J.R. 1307(a), 15 N.J.R. 1940(a); and R.1984 d.232, effective June 18, 1984. See: 16 N.J.R. 631(a), 16 N.J.R. 1479(a).

Pursuant to Executive Order No. 66(1978), Chapter 1A was readopted as R.1987 d.264, effective June 5, 1987. See: 19 N.J.R. 437(b), 19 N.J.R. 1190(b).

Public Notice: Acceptance of loan applications until June 30, 1987 for local projects rehabilitating or repairing publicly owned water supply transmission facilities. See: 19 N.J.R. 777(c).

Subchapter 7, Water Supply Replacement Projects (Type B Loans or Type C Loans), was adopted as emergency new rules by R.1988 d.479, effective September 19, 1988. See: 20 N.J.R. 2470(a).

The concurrent proposal of Subchapter 7 was adopted as R.1988 d.574, effective November 18, 1988. See: 20 N.J.R. 3129(a).

Public Notice: Availability of State loan funds. See: 23 N.J.R. 1465(b).

Pursuant to Executive Order No. 66(1978), Chapter 1A, Water Supply Bond Loan Programs, was readopted as R.1992 d.252, effective May 22, 1992. See: 24 N.J.R. 707(a), 24 N.J.R. 2245(a). As part of R.1992 d.252, effective June 15, 1992, Chapter 1A was renamed Water Supply Loan Programs.

Public Notice: Availability of loan funds, Water Supply Loan Programs. See: 25 N.J.R. 1579(a).

Pursuant to Executive Order No. 66(1978), Chapter 1A, Water Supply Loan Programs, was readopted as R.1997 d.223, effective May 19, 1997. See: 29 N.J.R. 7(a), 29 N.J.R. 2268(a). As a part of R.1997 d.223, Subchapter 8, Water Supply Treatment Projects, was adopted as new rules.

Chapter 1A, Water Supply Loan Programs, was readopted as R.2002 d.176, effective May 10, 2002. See: Source and Effective Date.

CHAPTER TABLE OF CONTENTS

SUBCHAPTER 1. GENERAL PROVISIONS

- 7:1A-1.1 Scope and construction of rules
- 7:1A-1.2 Purpose of rules
- 7:1A-1.3 Practice where rules do not govern
- 7:1A-1.4 Annual budget request
- 7:1A-1.5 Request for legislative appropriations
- 7:1A-1.6 Procedure for obtaining a water supply loan
- 7:1A-1.7 Severability

SUBCHAPTER 2. LOAN PROCEDURES AND REQUIREMENTS

- 7:1A-2.1 Scope
- 7:1A-2.2 Definitions
- 7:1A-2.3 Preapplication procedures
- 7:1A-2.4 Application procedures
- 7:1A-2.5 Use and disclosure of information
- 7:1A-2.6 Evaluation of application
- 7:1A-2.7 Department approval/disapproval
- 7:1A-2.8 Amount and terms of loan
- 7:1A-2.9 Loan award document
- 7:1A-2.10 Effect of loan award
- 7:1A-2.11 Notice of intent
- 7:1A-2.12 Project development phase of water supply loan program
- 7:1A-2.13 Eligible project costs
- 7:1A-2.14 Unused loan funds
- 7:1A-2.15 Recycling of funds
- 7:1A-2.16 Fraud and other unlawful or corrupt practices
- 7:1A-2.17 Loan conditions
- 7:1A-2.18 Administration and performance of loan
- 7:1A-2.19 Access
- 7:1A-2.20 State payment
- 7:1A-2.21 Assignment
- 7:1A-2.22 Publicity and signs
- 7:1A-2.23 Debarment
- 7:1A-2.24 Project changes and loan modifications
- 7:1A-2.25 Formal loan award amendments
- 7:1A-2.26 Administrative loan changes
- 7:1A-2.27 Other changes
- 7:1A-2.28 Noncompliance
- 7:1A-2.29 Notice of noncompliance
- 7:1A-2.30 Withholding of funds
- 7:1A-2.31 Stop work orders
- 7:1A-2.32 Termination of loans
- 7:1A-2.33 Annulment of loan
- 7:1A-2.34 Administrative hearings

SUBCHAPTER 3. REHABILITATION

- 7:1A-3.1 Eligibility and criteria
- 7:1A-3.2 Priority determination

SUBCHAPTER 4. INTERCONNECTION

- 7:1A-4.1 Eligibility and criteria
- 7:1A-4.2 Priority determination

SUBCHAPTER 5. WATER SUPPLY REPLACEMENT PROJECTS (TYPE A LOANS AND TYPE B LOANS)

- 7:1A-5.1 Eligibility and criteria (Type A and B loans)

7:1A-5.2 Priority determination (Type A and B loans)

SUBCHAPTER 6. EMERGENCY INTERIM REHABILITATION LOAN PROCEDURES

- 7:1A-6.1 Scope and construction rules
- 7:1A-6.2 Definition
- 7:1A-6.3 Application procedures
- 7:1A-6.4 Department approval/disapproval
- 7:1A-6.5 Amount and terms of emergency interim rehabilitation loan
- 7:1A-6.6 Required application for water supply bond rehabilitation loan
- 7:1A-6.7 Design specifications

SUBCHAPTER 7. WATER SUPPLY REPLACEMENT PROJECTS (TYPE B LOANS OR TYPE C LOANS)

- 7:1A-7.1 Water Supply Replacement Trust Fund
- 7:1A-7.2 Amount and terms of loan
- 7:1A-7.3 Eligibility and criteria (Type B Loans)
- 7:1A-7.4 Priority determination (Type B and C Loans)

SUBCHAPTER 8. WATER SUPPLY TREATMENT PROJECTS

- 7:1A-8.1 Eligibility and criteria
- 7:1A-8.2 Priority determination

SUBCHAPTER 1. GENERAL PROVISIONS**7:1A-1.1 Scope and construction of rules**

(a) The following shall constitute the rules governing loans for local projects for the rehabilitation or repair of antiquated, obsolete, damaged or inadequately operating publicly owned water supply facilities, for the interconnection of unconnected or inadequately connected water systems, and for the construction of water supply facilities or public water systems to address contamination problems as identified by the Department, pursuant to the Water Supply Management Act, N.J.S.A. 58:1A-1 et seq., the Safe Drinking Water Act, N.J.S.A. 58:12A-1 et seq., the Water Supply Bond Act of 1981, P.L. 1981, c.261, as amended by P.L. 1983, c.355, N.J.S.A. 58:12A-22 through 58:12A-25, and as recommended by the New Jersey Statewide Water Supply Plan. These rules prescribe procedures, minimum standards for conduct of borrowers, and standards for obtaining loans for the rehabilitation or repair of water supply facilities, for interconnections between water supply systems, and for the construction of water supply facilities or public water systems to address contamination problems as identified by the Department.

(b) These rules shall be liberally construed to permit the Department to effectuate the purposes of the law.

As amended, R.1984 d.232, effective June 18, 1984.
See: 16 N.J.R. 631(a), 16 N.J.R. 1479(a).

All DEP rules concerning applications for bond loans under the Water Supply Bond Act of 1981, as amended, were consolidated under this chapter. Formerly, N.J.A.C. 7:1A contained rules for the Rehabilitation of Water Supply Facilities only.

In addition, N.J.A.C. 7:1G concerning Water Supply Bond Loan Regulations for the Interconnection of Water Supply Systems was repealed with the exception of N.J.A.C. 7:1G-2.3 and 2.12 which were recodified as N.J.A.C. 7:1A-4.1 and 4.2, respectively.
Emergency amendment, R.1988 d.479, effective September 19, 1988 (expires November 18, 1988).

See: 20 N.J.R. 2470(a).

Substituted "address" for "resolve" and added new text "Water Supply Management Act ... N.J.S.A. 58:12A-1 et seq.," and "P.L. 1988 c.106,"

Adopted concurrent proposal, R.1988 d.574, effective November 18, 1988.

See: 20 N.J.R. 2470(a), 20 N.J.R. 3129(a).

Provisions of emergency amendment R.1988 d.479 readopted without change.

Amended by R.1992 d.252, effective June 15, 1992.

See: 24 N.J.R. 707(a), 24 N.J.R. 2245(a).

Corrected statutory cites; added references to public water systems.

Amended by R.1997 d.223, effective May 19, 1997.

See: 29 N.J.R. 7(a), 29 N.J.R. 2268(a).

In (a), inserted reference to repair of water supply facilities.

7:1A-1.2 Purpose of rules

(a) These rules are promulgated for the following purposes:

1. To implement the purposes and objectives of the Water Supply Management Act, N.J.S.A. 58:1A-1 et seq., the Safe Drinking Water Act, N.J.S.A. 58:12A-1 et seq., the Water Supply Bond Act of 1981, P.L. 1981, c.261, as amended by P.L. 1983, c.355, N.J.S.A. 58:12A-22 through 58:12A-25, and the New Jersey Statewide Water Supply Plan; and amendments;

2. To establish policies and procedures for administration of funds appropriated pursuant to the above acts for the purpose of making State loans for local projects for the rehabilitation or repair of antiquated, obsolete, damaged or inadequately operating water supply facilities, for the interconnection of unconnected or inadequately connected water supply systems, and for the construction of water supply facilities or public water systems to address contamination problems identified by the Department;

3. To protect the public and the State of New Jersey by insuring that funds appropriated are spent in a proper manner and for the intended purposes;

4. To assure that the distribution and use of funds are consistent with the laws and policies of the State of New Jersey;

5. To establish minimum standards of conduct to prevent conflicts of interest and insure proper administration of loans;

6. To establish accounting procedures for the administration of loans.

As amended, R.1984 d.232, effective June 18, 1984.

See: 16 N.J.R. 631(a), 16 N.J.R. 1479(a).

In (a)2, added "for the interconnection of unconnected ... systems, ... problems identified by the Department;"

Emergency amendment, R.1988 d.479, effective September 19, 1988 (expires November 18, 1988).

See: 20 N.J.R. 2470(a).