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1991

PUBLIC HEARING

before

ASSEMBLY CONSERVATION AND NATURAL RESOURCES COMMITTEE

ASSEMBLY BILL No. 5102

(The "Clean Water and Natural Resources Bond Act of 1991";
authorizes bonds for \$325,000,000; appropriates \$5000)

July 29, 1991
2:25 p.m.
Room 403
State House Annex
Trenton, New Jersey

MEMBERS OF COMMITTEE PRESENT:

Assemblyman Thomas J. Duch, Chairman
Assemblyman Daniel P. Jacobson, Vice-Chairman

ALSO PRESENT:

Assemblyman John Paul Doyle
District 10

Jeffrey T. Climpson
Office of Legislative Services
Aide, Assembly Conservation and
Natural Resources Committee

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Hearing Recorded and Transcribed by
Office of Legislative Services
Public Information Office
Hearing Unit
State House Annex
CN 068
Trenton, New Jersey 08625

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THOMAS J. DUCH
CHAIRMAN
DANIEL P. JACOBSON
VICE-CHAIRMAN
JOSEPH A. MECCA
MAUREEN OGDEN
JOHN E. ROONEY

New Jersey State Legislature
ASSEMBLY CONSERVATION
AND NATURAL RESOURCES COMMITTEE
STATE HOUSE ANNEX, CN-068
TRENTON, NEW JERSEY 08625-0068
(609) 292-7676

NOTICE OF PUBLIC HEARING
AND
COMMITTEE NOTICE

TO: MEMBERS OF THE ASSEMBLY CONSERVATION AND
NATURAL RESOURCES COMMITTEE

FROM: ASSEMBLYMAN THOMAS J. DUCH, CHAIRMAN

SUBJECT: PUBLIC HEARING and COMMITTEE MEETING - July 29, 1991

The public may address comments and questions to Jeffrey T. Climpson, Committee Aide, and persons wishing to testify should contact Carol Hendryx, secretary, at (609) 292-7676. Those persons presenting written testimony at the hearing should provide three copies thereof to the committee aide at least three days in advance of the hearing and should provide 10 additional copies to the committee on the day of the hearing.

The Assembly Conservation and Natural Resources Committee will hold a Public Hearing and Committee Meeting on Monday, July 29, 1991 at 2:00 P.M. in Room 403, State House Annex, Trenton, New Jersey on the following bill:

A-5102
Doyle/Duch

The "Clean Water and Natural Resources Bond Act of 1991"; authorizes bonds for \$325,000,000; appropriates \$5,000.

Issued 7/18/91

ASSEMBLY, No. 5102
STATE OF NEW JERSEY

INTRODUCED JULY 15, 1991

By Assemblymen DOYLE and DUCH

1 AN ACT authorizing the creation of a debt of the State of New
2 Jersey by the issuance of bonds of the State in the aggregate
3 principal amount of \$325,000,000 for the purpose of providing
4 funds for public acquisition and development of lands for
5 recreation and conservation purposes; providing grants and
6 loans to local governments in the pinelands area for
7 infrastructure capital projects necessary to protect water
8 resources while accommodating development in the regional
9 growth and town management areas; providing funds for
10 financial aid to local governments for the construction of
11 wastewater treatment systems; providing funds for dam
12 construction and restoration projects; providing funds for shore
13 protection projects; providing the ways and means to pay the
14 interest on the debt and providing the ways and means to pay
15 and discharge the principal and interest on the bonds and
16 refunding bonds; providing for the submission of this act to the
17 people at a general election and making an appropriation
18 therefor.

19
20 BE IT ENACTED *by the Senate and General Assembly of the*
21 *State of New Jersey:*

22 1. This act shall be known and may be cited as the "Clean
23 Water and Natural Resources Bond Act of 1991."

24 2. The Legislature finds and declares that:

25 The preservation and enhancement of the quality and
26 accessibility of the State's water and other natural resources are
27 essential to the welfare, commerce, and prosperity of the people
28 of the State;

29 The provision of land for public recreation and the conservation
30 of natural resources promotes the public health, prosperity, and
31 general welfare;

32 There is a specific need for lands in or near waterfront areas to
33 expand opportunities for water-related recreation activities and
34 to protect water supply and recharge areas and stream corridors;

35 Lands now dedicated to these purposes will not be adequate to
36 meet the needs of an expanding population in years to come;

37 Lands that are available and appropriate for these purposes will
38 gradually disappear as their cost correspondingly increases;

39 At some parks and recreation areas, water supply systems,
40 sanitary facilities, bathhouses, and other facilities are in need of
41 repair;

1 The "Pinelands Protection Act," P.L.1979, c.111 (C.13:18A-1
2 et seq.) was enacted and the comprehensive management plan
3 was adopted thereunder to protect the unique natural, ecological,
4 agricultural, scenic, and recreational resources of the pinelands
5 area, and these resources are dependent upon the quality and
6 quantity of surface and ground waters;

7 The Kirkwood-Cohansey aquifer system may be vulnerable to
8 degradation because of overuse, and existing and new wastewater
9 treatment systems must be designed and constructed to protect
10 the special qualities of those surface and ground waters;

11 The Kirkwood-Cohansey aquifer system provides water supply
12 to areas outside of the pinelands, and it is unreasonable and
13 unjust to expect the taxpayers of these pinelands regional growth
14 and town management areas to assume the full financial burdens
15 which result from the growth;

16 Protecting the ground and surface water of the State from
17 pollution is vital to the health and general welfare of the citizens
18 of New Jersey, and the upgrading, improvement, and maintenance
19 of modern and efficient wastewater treatment systems is
20 essential to protecting and improving water quality;

21 In addition to protecting and improving water quality, adequate
22 wastewater treatment systems and facilities are essential to
23 economic growth and development and the removal of
24 construction bans imposed because of the lack of adequate
25 wastewater treatment capacity;

26 The construction of new dams and the restoration of existing
27 dams will help assure a continuous water supply service, flood
28 control, and recreation and will protect the life and property of
29 the State's citizens;

30 Our beaches, dunes, riverfronts, stream corridors, bayfronts,
31 and inlets require restoration, maintenance, and protection to
32 ensure that the ecological and recreational qualities of these
33 areas are not diminished;

34 The State's growing population, expanding commercial
35 development, and tourist industry all require a shoreline which is
36 adequately protected and accessible to the public;

37 The Shore Protection Master Plan prepared by the department
38 pursuant to P.L.1978, c.157, as subsequently updated, has
39 identified the need for additional State funding for shore
40 protection projects and has recommended a method for allocating
41 that funding; and

42 For these reasons, it is necessary to provide funding for:
43 acquiring and developing lands for recreation and conservation
44 purposes by the State, local governments, and qualifying tax
45 exempt nonprofit organizations; making grants and loans to local
46 governments in the pinelands area for infrastructure capital
47 projects; furnishing aid to local governments for the construction
48 of wastewater treatment systems; State dam construction and
49 restoration projects and grants to local governments and loans to

1 certain private entities for dam construction and restoration
2 projects; and State shore protection projects and grants to local
3 governments for shore protection projects.

4 3. As used in this act:

5 "Commission" means the New Jersey Commission on Capital
6 Budgeting and Planning;

7 "Commissioner" means the Commissioner of Environmental
8 Protection;

9 "Comprehensive management plan" means the plan for the
10 protection of the pinelands area, adopted pursuant to section 7 of
11 P.L.1979, c.111 (C.13:18A-8);

12 "Cost" means the expenses incurred in connection with: all
13 things deemed necessary or useful and convenient in connection
14 with the acquisition by fee simple purchase, easement, lease, or
15 otherwise and development of lands by or with the assistance of
16 the State for recreation and conservation purposes; the
17 acquisition by purchase, lease, or otherwise, the development,
18 and the construction of any project authorized by this act; the
19 acquisition by purchase, lease, or otherwise, and the development
20 of any real or personal property for use in connection with any
21 project authorized by this act, including any rights or interests
22 therein; the execution of any agreements and franchises deemed
23 by the commissioner to be useful and convenient in connection
24 with any project authorized by this act; the procurement of
25 engineering, inspection, planning, geological, hydrological,
26 research, legal, financial, or other professional services,
27 estimates, or advice; the services of a bond registrar or an
28 authenticating agent; the issuance of bonds, or any interest or
29 discount thereon; the administrative, organizational, operating,
30 or other expenses, including salaries, material, and equipment,
31 necessary to administer the applicable provisions of this act; the
32 establishment of a reserve fund or funds for working capital,
33 operating, maintenance, or replacement expenses and for the
34 payment of security of principal or interest on bonds, as the
35 Director of the Division of Budget and Accounting in the
36 Department of Treasury may determine; and reimbursement to
37 any fund of the State of moneys which may have been transferred
38 or advanced therefrom to any fund created by this act, or of any
39 moneys which may have been expended therefrom for or in
40 connection with any project authorized by this act;

41 "Dam construction or restoration" means the construction,
42 demolition, reconstruction, rehabilitation, or restoration of
43 structures that impound water for supply purposes, flood control,
44 or recreation;

45 "Department" means the Department of Environmental
46 Protection;

47 "Development of lands" or "to develop lands" means any
48 improvement to land or water areas designed to expand and
49 enhance their utilization for recreation and conservation

1 purposes, including, but not limited to, site preparation,
2 landscaping, and structures or facilities which are substantially
3 consistent with the natural setting and topographical conditions.
4 These structures and facilities may include, but are not limited
5 to, access roads, interpretative facilities, parking areas, and
6 comfort facilities;

7 "Infrastructure capital projects" means the acquisition,
8 construction, improvement, expansion, repair or rehabilitation of
9 all or part of any structure, facility, or equipment necessary for
10 or ancillary to any wastewater treatment system or water supply
11 system;

12 "Land" or "lands" means real property, including improvements
13 thereof or thereon, rights-of-way, water, riparian, and other
14 rights, easements, privileges, and all other rights or interests of
15 any kind or description in, relating to, or connected with real
16 property;

17 "Local government" means a county, a municipality, or other
18 political subdivision of this State, or any agency, authority or
19 other entity thereof, that is: (1) authorized to administer,
20 protect, develop, and maintain lands for recreation and
21 conservation purposes; (2) authorized by law to construct
22 wastewater treatment systems, to construct or restore dams, or
23 to engage in shore protection projects; or (3) which has
24 administrative jurisdiction over an area which would be served
25 by, or which exercises functions which are appropriate for, the
26 management of an infrastructure capital project;

27 "Pinelands area" means the area so designated by subsection a.
28 of section 10 of P.L.1979, c.111 (C.13:18A-11);

29 "Pinelands commission" means the commission created
30 pursuant to section 4 of P.L.1979, c.111 (C.13:18A-4);

31 "Project" means the acquisition and development of lands for
32 recreation and conservation purposes; infrastructure capital
33 projects; dam construction or restoration; and any work relating
34 to shore protection;

35 "Qualifying tax exempt nonprofit organization" means a tax
36 exempt nonprofit organization that qualifies for a matching grant
37 pursuant to subsection d of section 6 of this act;

38 "Recreation and conservation purposes" means the use of lands
39 for parks, natural areas, ecological and biological study, historic
40 areas, historic buildings, forests, camping, fishing, water
41 reserves, wildlife preserves, hunting, boating, winter sports, and
42 similar uses for either public outdoor recreation or conservation
43 of natural and historic resources or both;

44 "Regional growth area" means an area designated in the
45 comprehensive management plan as a receiving area for pinelands
46 development credits to accommodate regional growth; and

47 "Town management area" means an area designated in the
48 comprehensive management plan in which municipalities may
49 plan for growth and development and in which the potential exists

- 1 for the use of pinelands development credits;
- 2 "Trust" or "Wastewater Treatment Trust" means the New
3 Jersey Wastewater Treatment Trust established pursuant to the
4 "New Jersey Wastewater Treatment Trust Act," P.L.1985, c.334
5 (C.58:11B-1 et seq.).
- 6 "Wastewater" means residential, commercial, industrial, or
7 agricultural liquid waste, sewerage, stormwater runoff, or any
8 combination thereof, or other residue discharged or collected into
9 a sewer system or stormwater runoff system or any combination
10 thereof; and
- 11 "Wastewater treatment system" means any equipment, plants,
12 structures, machinery, apparatus, or land, or any combination
13 thereof, acquired, used, constructed, or operated by a local
14 government for the storage, collection, reduction, recycling,
15 reclamation, disposal, separation, or other treatment of
16 wastewater or sewer sludge, or for the separate collection or
17 treatment, or both, of stormwater runoff and sewerage, or for
18 the final disposal of residues resulting from the treatment of
19 wastewater, including, but not limited to, pumping and
20 ventilating stations, treatment plants and works, connections,
21 outfall sewers, interceptors, trunk lines, stormwater runoff
22 collection systems, and other personal property and
23 appurtenances necessary thereto.
- 24 4. The commissioner shall adopt, pursuant to the
25 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
26 seq.), rules and regulation to carry out the provisions of this act.
27 The commissioner shall review and consider the findings and
28 recommendations of the commission in the administration of the
29 provisions of this act.
- 30 5. a. The pinelands commission shall adopt an infrastructure
31 plan for use in determining infrastructure capital projects to be
32 funded with funds made available pursuant to this act.
- 33 b. The pinelands commission shall adopt, pursuant to the
34 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
35 seq.), rules and regulations which permit municipalities to
36 designate town management areas as receiving areas for
37 pinelands development credits. The rules and regulations shall be
38 made part of the comprehensive management plan, by
39 amendment adopted pursuant to subsection j. of section 6 of
40 P.L.1979, c.111 (C.13:18A-6).
- 41 c. The pinelands commission shall conduct an assessment of
42 the potential impact of groundwater supply and related
43 development of the Kirkwood-Cohansey aquifer system in
44 cooperation with the State Department of Environmental
45 Protection, Rutgers University, and the United States Geological
46 Survey.
- 47 6. a. Bonds of the State of New Jersey are authorized to be
48 issued in the aggregate principal amount of \$100,000,000 for the
49 purposes of: providing moneys to meet the cost of public

1 acquisition and development of lands by the State for recreation
2 and conservation purposes; providing State grants and loans to
3 assist local governments to acquire and develop lands for
4 recreation and conservation purposes; and providing State
5 matching grants to assist qualifying tax exempt nonprofit
6 organizations to acquire lands for recreation and conservation
7 purposes, to be allocated as follows:

8 (1) \$45,000,000 for the acquisition and development of lands
9 by the State for recreation and conservation purposes;

10 (2) \$50,000,000 for State grants and loans to assist local
11 governments to acquire and develop lands for recreation and
12 conservation purposes in conjunction with the State
13 Comprehensive Outdoor Recreation Plan; and

14 (3) \$5,000,000 for State grants, on a 50% matching basis, to
15 qualifying tax exempt nonprofit organizations to acquire lands for
16 recreation and conservation purposes.

17 b. Of the \$50,000,000 allocated for State grants and loans to
18 assist local governments to acquire and develop lands for
19 recreation and conservation purposes, \$7,500,000 shall be for
20 grants for up to 50% of the cost of acquisition or development of
21 lands by local governments eligible to receive State aid pursuant
22 to P.L.1978, c.14.(C.52:27D-178 et seq.).

23 c. In making decisions concerning the acquisition and
24 development of lands by the State for recreation and
25 conservation purposes and the making of grants to assist local
26 government units to acquire and develop lands for recreation and
27 conservation purposes pursuant to this section, the commissioner
28 shall give special consideration to increasing public access to
29 waterfront areas and to protecting water supplies and water
30 recharge areas and stream corridors.

31 7. a. Except for those grants to local government units
32 eligible to receive State aid pursuant to P.L.1978, c.14
33 (C.52:27D-178 et seq.), as provided for in subsection b. of section
34 6 of this act, a grant by the State for lands acquired or developed
35 by a local government for recreation and conservation purposes
36 shall include up to 25% of the cost of the acquisition or
37 development of those lands, or both; by the local government;
38 provided, however, that at such time as the balance of the
39 "Green Trust Fund" established pursuant to the "1983 Green
40 Acres Bond Act," P.L.1983, c.354, exceeds \$83,000,000, the
41 commissioner in consultation with the State Treasurer may
42 increase the State's share of the cost of acquisition to a
43 maximum of 50%.

44 b. A loan by the State for lands to be acquired or developed by
45 a local government shall include up to 100% of the cost of
46 acquisition or development of those lands, by the local
47 government. The local government share of the cost of this
48 acquisition, if any, may be reduced by the (1) fair market value,
49 as determined by the commissioner, of any portion of the lands to

1 be acquired which have been donated to, or otherwise received
2 without cost by, any of the local governments concerned; or (2) in
3 the case of a conveyance of the lands, or any portion thereof, to
4 any local governments concerned at less than fair market value,
5 by the difference between the fair market value thereof at the
6 time of the conveyance and the conveyance price thereof to the
7 local government or governments.

8 c. Loans made to local governments from the "1991 New
9 Jersey Green Trust" established pursuant to section 21 of this act
10 shall bear interest of not more than 2% per year, and shall be for
11 a term of not more than 20 years.

12 d. A grant by the State for lands to be acquired by a qualifying
13 tax exempt nonprofit organization for recreation and
14 conservation purposes shall include 50% of the cost of acquisition
15 of these lands by a qualifying tax exempt nonprofit organization.
16 To qualify to receive a grant, the board of directors or governing
17 body of the applying tax exempt nonprofit organization shall:

18 (1) demonstrate to the commissioner that it qualifies as a
19 charitable conservancy for the purposes of P.L.1979, c.378
20 (C.13:8B-1 et seq.);

21 (2) demonstrate that it has the resources to match the grant
22 requested;

23 (3) agree to make and keep the lands accessible to the public,
24 unless the commissioner determines that public accessibility
25 would be detrimental to the lands or any natural resources
26 associated therewith;

27 (4) agree not to sell, lease, exchange, or donate the lands
28 except to the State, a local government unit, or another
29 qualifying tax exempt nonprofit organization for recreation and
30 conservation purposes; and

31 (5) agree to execute and donate to the State at no charge a
32 conservation restriction or historic preservation restriction, as
33 the case may be, pursuant to P.L.1979, c.378 (C.13:8B-1 et seq.),
34 on the lands to be acquired utilizing the grant.

35 e. Moneys provided for the acquisition and development of
36 lands by the State for recreation and conservation purposes using
37 the proceeds of bonds issued by the State under this act shall
38 include 100% of the costs of acquisition and development of these
39 lands.

40 8. a. Bonds of the State of New Jersey are authorized to be
41 issued in the aggregate principal amount of \$50,000,000 for the
42 purpose of providing grants and loans to any local government in
43 the pinelands area for infrastructure capital projects necessary to
44 accommodate development in regional growth areas. Grants and
45 loans may be provided to local governments for infrastructure
46 capital projects which serve town management areas, provided
47 that the municipality makes provisions for the accommodation of
48 pinelands development credits in a manner consistent with the
49 comprehensive management plan. These infrastructure capital

1 projects shall be approved by the commissioner only upon a
2 finding that the master plan and zoning ordinance of the
3 municipality, and the master plan of the county wherein the
4 infrastructure capital project is to take place, has been certified
5 by the pinelands commission to be in conformance with the
6 comprehensive management plan and upon a finding by the
7 pinelands commission that the infrastructure capital project
8 conforms with the infrastructure plan adopted by the pinelands
9 commission pursuant to subsection b. of section 4 of this act and
10 the provisions of the comprehensive management plan.

11 b. No more than \$5,000,000 of the aggregate principal amount
12 of the bonds authorized in this section shall be available for the
13 preparation of the infrastructure plan and aquifer assessment
14 prepared pursuant to subsections b. and d. of section 4 of this act.

15 c. No more than \$10,000,000 of the aggregate principal
16 amount of the bonds authorized in this section shall be made
17 available for infrastructure capital projects designed to eliminate
18 the direct discharge of treated wastewater into the Atlantic
19 Ocean and the Delaware River.

20 d. The interest rate of loans made to local governments
21 pursuant to this section shall not exceed 50% of the average
22 interest rate of the Bond Buyer Municipal Bond Index for bonds
23 available for purchase during the last 26 weeks preceding the
24 date of the approval of the loan by the department.

25 e. Payments of principal and interest on loans made pursuant
26 to this section shall be paid to the "Pinelands Water Resources
27 Protection Trust Fund."

28 f. When assistance for an infrastructure capital project is
29 obtained from a federal agency or another State program, the
30 cost of the project shall be computed after deducting the federal
31 or other state contribution.

32 9. a. Bonds of the State of New Jersey are authorized to be
33 issued in the aggregate principal amount of \$150,000,000 for the
34 purpose of financing the cost of the restoration and improvement
35 of wastewater treatment systems.

36 b. Of the total amount of bonds authorized pursuant to this
37 section, \$135,000,000 is allocated for the purpose of making low
38 or zero interest loans to local governments for financing the cost
39 of the upgrading and improvement of wastewater treatment
40 systems.

41 c. Of the total amount of bonds authorized pursuant to this
42 section, \$15,000,000 is allocated for payment to and use by the
43 Wastewater Treatment Trust pursuant to the provisions of
44 P.L.1985, c.334 (C.58:11B-1 et seq.).

45 10. a. Bonds of the State of New Jersey are authorized to be
46 issued in the aggregate principal amount of \$10,000,000 for the
47 purposes of: providing funds for State dam construction and
48 restoration projects; providing State grants to local governments
49 for dam construction or restoration projects; and providing State

1 loans to the owners of private dams for dam construction or
2 restoration projects, to be allocated as follows:

3 (1) \$8,000,000 for State dam construction and restoration
4 projects and State grants to local governments for dam
5 construction or restoration projects; and

6 (2) \$2,000,000 for State loans to the owners of private dams
7 for dam construction or restoration projects.

8 b. State grants to local governments made pursuant to this
9 section shall provide no more than 50% of the total cost of a dam
10 construction or restoration project, and the local government
11 shall provide the remainder.

12 c. When a federal agency pays part of the cost of a dam
13 construction or restoration project eligible for a State grant
14 pursuant to this section, the State and local government share
15 shall be computed after deducting the federal contribution.

16 d. The interest rate of loans made to owners of private dams
17 pursuant to this section shall not exceed 50% of the average
18 interest rate of the Bond Buyer Municipal Bond Index for bonds
19 available for purchase during the last 26 weeks preceding the
20 date of the approval of the loan by the department.

21 e. Payments of principal on loans made to owners of private
22 dams pursuant to this section shall be paid to the "Dam
23 Construction and Restoration Fund," and may be used for any of
24 the purposes authorized in this section. Payments of interest on
25 loans made to owners of private dams pursuant to this section
26 shall be paid to the General Fund.

27 11. a. Bonds of the State of New Jersey are hereby authorized
28 to be issued in the aggregate principal amount of \$15,000,000 for
29 the purpose of State shore protection projects and the making of
30 State grants to local governments for the cost of researching,
31 planning, acquiring, developing, constructing, and maintaining
32 shore protection projects.

33 b. State grants to local governments made pursuant to this
34 section shall provide no more than 75% of the total cost of a
35 shore protection project, and the recipient local government shall
36 provide the remainder.

37 c. When a federal agency pays part of the cost of a shore
38 protection project, the State and local share shall be computed
39 after deducting the federal contribution.

40 d. In selecting and approving shore protection projects for
41 funding with moneys made available pursuant to this section, the
42 commissioner shall give special consideration to: (1) the local
43 government's ability to finance the shore protection project
44 based on the per capita income and equalized property tax rate in
45 the local government's jurisdiction; (2) shore protection projects
46 which would be located in shorefront areas heavily used by the
47 public; and (3) shore protection projects that will increase public
48 access to waterfront areas.

49 12. The bonds authorized under this act shall be serial bonds,

1 term bonds, or a combination thereof, and shall be known as
2 "1991 New Jersey Clean Water and Natural Resources Bonds."
3 They shall be issued from time-to-time as the issuing officials
4 herein named shall determine, and may be issued in coupon form,
5 fully-registered form, or book-entry form. The bonds may be
6 made subject to redemption prior to maturity and shall mature
7 and be paid not later than 35 years from the respective dates of
8 their issuance.

9 13. The Governor, the State Treasurer, and the Director of the
10 Division of Budget and Accounting in the Department of the
11 Treasury, or any two of these officials, herein referred to as "the
12 issuing officials," are authorized to carry out the provisions of
13 this act relative to the issuance of bonds, and shall determine all
14 matters in connection therewith, subject to the provisions of this
15 act. If an issuing official is absent from the State or incapable of
16 acting for any reason, the powers and duties of that issuing
17 official shall be exercised and performed by the person
18 authorized by law to act in an official capacity in the place of
19 that issuing official.

20 14. Bonds issued in accordance with the provisions of this act
21 shall be a direct obligation of the State of New Jersey, and the
22 faith and credit of the State are pledged for the payment of the
23 interest and redemption premium if any, thereon when due and
24 for the payment of the principal thereof at maturity or earlier
25 redemption date. The principal of and interest on the bonds shall
26 be exempt from taxation by the State or by any county,
27 municipality or other taxing district of the State.

28 15. The bonds shall be signed in the name of the State by
29 means of the manual or facsimile signature of the Governor under
30 the Great Seal of the State, which seal may be by facsimile or by
31 way of any other form of reproduction on the bonds, and attested
32 by the manual or facsimile signature of the Secretary of State, or
33 an Assistant Secretary of State, and shall be countersigned by the
34 facsimile signature of the Director of the Division of Budget and
35 Accounting in the Department of the Treasury and may be
36 manually authenticated by an authenticating agent or bond
37 registrar, as the issuing officials shall determine. Interest
38 coupons, if any, attached to the bonds shall be signed by the
39 facsimile signature of the Director of the Division of Budget and
40 Accounting. The bonds may be issued notwithstanding that an
41 issuing official signing them or whose manual or facsimile
42 signature appears on the bonds or coupons has ceased to hold
43 office at the time of issuance, or at the time of the delivery of
44 the bonds to the purchaser thereof.

45 16. a. The bonds shall recite that they are issued for the
46 purposes set forth in sections 6, 8, 9, 10, and 11 of this act, that
47 they are issued pursuant to this act, that this act was submitted
48 to the people of the State at the general election held in the
49 month of November 1991, and that this act was approved by a

1 majority of the legally qualified voters of the State voting
2 thereon at the election. This recital shall be conclusive evidence
3 of the validity of the bonds and of the authority of the State to
4 issue them. Any bonds containing this recital shall, in any suit,
5 action or proceeding involving their validity, be conclusively
6 deemed to be fully authorized by this act and to have been issued,
7 sold, executed and delivered in conformity herewith and with all
8 other provisions of laws applicable thereto, and shall be
9 incontestable for any cause.

10 b. The bonds shall be issued in those denominations and in the
11 form or forms, whether coupon, fully-registered or book-entry,
12 and with or without provisions for the interchangeability thereof,
13 as may be determined by the issuing officials.

14 17. When the bonds are issued, from time-to-time, the bonds
15 of each issue shall constitute a separate series to be designated
16 by the issuing officials. Each series of bonds shall bear such rate
17 or rates of interest as may be determined by the issuing officials,
18 which interest shall be payable semiannually; except that the
19 first and last interest periods may be longer or shorter, in order
20 that intervening semiannual payments may be at convenient dates.

21 18. The bonds shall be sold at public sale or by direct sale at
22 the price or prices and under such terms, conditions and
23 regulations as the issuing officials may prescribe. Notice of a
24 public sale shall be published at least once in at least three
25 newspapers published in this State, and at least once in a
26 publication carrying municipal bond notices and devoted primarily
27 to financial news, published in this State or in the City of New
28 York, the first notice to appear at least five days prior to the day
29 of bidding. The notice of public sale may contain a provision to
30 the effect that any bid in pursuance thereof may be rejected. In
31 the event of rejection or of failure to receive any acceptable bid,
32 the issuing officials, at any time within 60 days from the date of
33 the advertised sale, may sell the bonds at a private sale at such
34 price or prices and under such terms and conditions as the issuing
35 officials may prescribe. The issuing officials may sell all or part
36 of the bonds of any series as issued to any State fund or to the
37 federal government or any agency thereof, at a private sale,
38 without advertisement.

39 19. Until permanent bonds are prepared, the issuing officials
40 may issue temporary bonds in the form and with those privileges
41 as to their registration and exchange for permanent bonds as may
42 be determined by the issuing officials.

43 20. a. The proceeds from the sale of bonds authorized
44 pursuant to subsection a. of section 6 of this act and allocated
45 pursuant to paragraph (1) of subsection a. of section 6 of this act
46 shall be paid to the State Treasurer, to be held by the State
47 Treasurer in a separate fund, hereby created, which shall be
48 known as the "1991 New Jersey Green Acres Fund." The
49 proceeds of this fund shall be deposited in those depositories as

1 may be selected by the State Treasurer to the credit of the fund.
2 Such grants, contributions, donations and reimbursement from
3 federal aid programs as may be lawfully used for the purposes of
4 State acquisition and development of lands for recreation and
5 conservation purposes shall also be held in the "1991 New Jersey
6 Green Acres Fund."

7 b. The proceeds from the sale of bonds authorized pursuant to
8 subsection a. of section 6 of this act and allocated pursuant to
9 paragraphs (2) and (3) of subsection a. of section 6 of this act
10 shall be paid to the State Treasurer, to be held by the State
11 Treasurer in a separate fund, which shall be known as the "1991
12 New Jersey Green Acres Trust Fund." The proceeds of this fund
13 shall be deposited in those depositories as may be selected by the
14 State Treasurer to the credit of the fund. Moneys derived from
15 the payment of principal and interest on loans to local
16 governments authorized in paragraph (2) of subsection a. of
17 section 6 of this act, and such grants, contributions, donations
18 and reimbursement from federal aid programs as may be lawfully
19 used for the purposes of making grants and loans to local
20 governments for recreation and conservation purposes shall also
21 be held in the "1991 New Jersey Green Acres Trust Fund."

22 21. a. The moneys in the "1991 New Jersey Green Acres
23 Fund" are specifically dedicated and shall be applied to the cost
24 of the purposes set forth in paragraph (1) of subsection a. of
25 section 6 of this act. However, no moneys in the fund shall be
26 expended for those purposes, except as otherwise authorized in
27 this act, without the specific appropriation thereof by the
28 Legislature, but bonds may be issued as herein provided,
29 notwithstanding that the Legislature shall not have then adopted
30 an act making a specific appropriation of any of the moneys. Any
31 act appropriating moneys from the "1991 New Jersey Green
32 Acres Fund" shall identify the project or projects to be funded by
33 the moneys.

34 b. The moneys in the "1991 New Jersey Green Acres Trust
35 Fund" are specifically dedicated and shall be applied to the cost
36 of the purposes set forth in paragraphs (2) and (3) of subsection a.
37 of section 5 of this act. However, no moneys for the fund shall
38 be expended for those purposes, except as otherwise authorized in
39 this act, without the specific appropriation thereof by the
40 Legislature, but bonds may be issued as herein provided,
41 notwithstanding that the Legislature shall not have then adopted
42 an act making a specific appropriation of any of the moneys. Any
43 act appropriating moneys from the "1991 New Jersey Green
44 Acres Trust Fund" shall identify the project or projects to be
45 funded with those moneys.

46 22. a. At any time prior to the issuance and sale of bonds
47 under this act, the State Treasurer is authorized to transfer from
48 available moneys in any fund of the treasury of the State to the
49 credit of the "1991 New Jersey Green Acres Fund" or the "1991

1 New Jersey Green Acres Trust Fund" those sums as the State
2 Treasurer may deem necessary. The sums so transferred shall be
3 returned to the same fund of the treasury of the State by the
4 State Treasurer from the proceeds of the sale of the first issue of
5 bonds.

6 b. Pending their application to the purposes provided in this
7 act, the moneys in the "1991 New Jersey Green Acres Fund" or
8 the "1991 New Jersey Green Acres Trust Fund" may be invested
9 and reinvested as are other trust funds in the custody of the State
10 Treasurer, in the manner provided by law. Net earnings received
11 from the investment or deposit of moneys in the "1991 New
12 Jersey Green Acres Fund" shall be redeposited and become part
13 of the "1991 New Jersey Green Acres Fund," and net earnings
14 received from the investment or deposit of monies in the "1991
15 New Jersey Green Acres Trust Fund" shall be redeposited and
16 become part of the "1991 New Jersey Green Acres Trust Fund."

17 23. Any proceeds from the sale of lands acquired with funds
18 made available pursuant to P.L.1961, c.46; P.L.1971, c.165;
19 P.L.1974, c.102; P.L.1978, c.118; and P.L. 1983, c.354, and any
20 proceeds from the sale of lands acquired for recreation and
21 conservation purposes with funds made available pursuant to
22 P.L.1987, c.265, and P.L.1989 c.183, may be deposited in the
23 "1991 New Jersey Green Acres Fund" or the "1991 New Jersey
24 Green Trust Fund," as applicable, or in any fund established in
25 any subsequent bond act enacted for similar purposes.

26 24. The proceeds from the sale of bonds authorized pursuant to
27 section 8 of this act shall be paid to the State Treasurer, to be
28 held by the State Treasurer in a separate fund, hereby created,
29 which shall be known as the "Pinelands Water Resources
30 Protection Trust Fund." The proceeds of this fund shall be
31 deposited in those depositories as may be selected by the State
32 Treasurer to the credit of the fund.

33 25. a. The moneys in the "Pinelands Water Resources
34 Protection Trust Fund" are specifically dedicated and shall be
35 applied to the cost of the purposes set forth in section 8 of this
36 act. However, no moneys in the fund shall be expended from the
37 fund for those purposes, except as otherwise authorized in this
38 act, without the specific appropriation thereof by the
39 Legislature, but bonds may be issued as herein provided,
40 notwithstanding that the Legislature shall not have then adopted
41 an act making a specific appropriation of any of the moneys.

42 b. At any time prior to the issuance and sale of bonds under
43 this act, the State Treasurer is authorized to transfer from
44 available moneys in any fund of the treasury of the State to the
45 credit of the "Pinelands Water Resources Protection Trust Fund,"
46 those sum as he may deem necessary. The sum so transferred
47 shall be returned to the same fund of the treasury by the State
48 Treasurer from the proceeds of the sale of the first issue of
49 bonds.

1 c. Pending their application to the purposes provided in this
2 act, the moneys in the "Pinelands Water Resources Protection
3 Trust Fund" may be invested and reinvested as are other trust
4 funds in the custody of the State Treasurer, in the manner
5 provided by law. Net earnings received from the investment or
6 deposit of the fund shall be paid into the "Pinelands Water
7 Resources Protection Trust Fund."

8 26. The proceeds from the sale of the bonds authorized
9 pursuant to subsection a. of section 9 of this act and allocated
10 pursuant to subsection b. of section 9 of this act shall be paid to
11 the State Treasurer to be held by the State Treasurer in a
12 separate fund, hereby created, which shall be known as the
13 "Wastewater Treatment Fund." The proceeds of this fund shall
14 be deposited in such depositories as may be selected by the State
15 Treasurer to the credit of the fund.

16 27. a. The moneys in the "Wastewater Treatment Fund" are
17 specifically dedicated and shall be applied to the cost of the
18 purposes set forth in subsection b. of section 9 of this act.
19 However, no such moneys in the fund shall be expended for those
20 purposes, except as otherwise authorized in this act, without the
21 specific appropriation thereof by the Legislature, but bonds may
22 be issued as herein provided, notwithstanding that the Legislature
23 shall not have then adopted an act making a specific
24 appropriation of any of the moneys. Any act appropriating
25 moneys from the "Wastewater Treatment Fund" shall identify the
26 project or projects to be funded with those moneys and the terms
27 and conditions of any loan made from the "Wastewater
28 Treatment Fund." Payments of principal and interest on loans
29 made from the "Wastewater Treatment Fund" shall be returned
30 to the "Wastewater Treatment Fund," subject to temporary use
31 by the trust under terms and conditions established by the
32 commissioner and the trust, and approved by the State
33 Treasurer. The trust shall repay any such sums to the department
34 for deposit into the "Wastewater Treatment Fund."

35 b. Any federal or State funds which may be made available to
36 the State for loans to local governments for the restoration and
37 improvement of wastewater treatment systems may be deposited
38 in the "Wastewater Treatment Fund."

39 c. Moneys in the "Wastewater Treatment Fund" may be
40 appropriated by law to the trust.

41 28. a. At any time prior to the issuance and sale of bonds
42 under this act, the State Treasurer is authorized to transfer from
43 available moneys in any fund of the treasury of the State to the
44 credit of the "Wastewater Treatment Fund" or the Wastewater
45 Treatment Trust such sums as the State Treasurer may deem
46 necessary. The sums so transferred shall be returned to the same
47 fund of the treasury of the State by the State Treasurer from the
48 proceeds of the sale of the first issue of bonds.

49 b. Pending their application to the purposes provided in this

1 act, the moneys in the "Wastewater Treatment Fund" may be
2 invested and reinvested as are other trust funds in the custody of
3 the State Treasurer, in the manner provided by law. Net earnings
4 received from the investment or deposit of moneys in the
5 "Wastewater Treatment Fund."

6 29. The proceeds from the sale of bonds authorized pursuant to
7 section 10 of this act shall be paid to the State Treasurer, to be
8 held by the State Treasurer in a separate fund, hereby created,
9 which shall be known as the "Dam Construction and Restoration
10 Fund." The proceeds of this fund shall be deposited in such
11 depositories as may be selected by the State Treasurer to the
12 credit of the fund.

13 30. a. The moneys in the "Dam Construction and Restoration
14 Fund" are specifically dedicated and shall be applied to the cost
15 of the purposes set forth in section 10 of this act. However, no
16 such moneys in the fund shall be expended from the fund for
17 those purposes, except as otherwise authorized in this act,
18 without the specific appropriation thereof by the Legislature, but
19 bonds may be issued as herein provided, notwithstanding that the
20 Legislature shall not have then adopted an act making a specific
21 appropriation of any of the moneys.

22 b. At any time prior to the issuance and sale of bonds under
23 this act, the State Treasurer is authorized to transfer from
24 available moneys in any fund of the treasury of the State to the
25 credit of the "Dam Construction and Restoration Fund," such
26 sum as he may deem necessary. The sum so transferred shall be
27 returned to the same fund of the treasury by the State Treasurer
28 from the proceeds of the sale of the first issue of bonds.

29 c. Pending their application to the purposes provided in this
30 act, the moneys in the "Dam Construction and Restoration Fund"
31 may be invested and reinvested as are other trust funds in the
32 custody of the State Treasurer, in the manner provided by law.
33 Net earnings received from the investment or deposit of the fund
34 shall be paid into the "Dam Construction and Restoration Fund."

35 31. The proceeds from the sale of bonds authorized pursuant to
36 section 10 of this act shall be paid to the State Treasurer, to be
37 held by the State Treasurer in a separate fund, hereby created,
38 which shall be known as the "1991 Shore Protection Fund." The
39 proceeds of this fund shall be deposited in such depositories as
40 may be selected by the State Treasurer to the credit of the fund.

41 32. a. The moneys in the "1991 Shore Protection Fund" are
42 specifically dedicated and shall be applied to the cost of the
43 purposes set forth in section 11 of this act. However, no moneys
44 in the fund shall be expended from the fund for those purposes,
45 except as otherwise authorized in this act, without the specific
46 appropriation thereof by the Legislature, but bonds may be issued
47 as herein provided, notwithstanding that the Legislature shall not
48 have then adopted an act making a specific appropriation of any
49 of the moneys.

1 b. At any time prior to the issuance and sale of bonds under
2 this act, the State Treasurer is authorized to transfer from
3 available moneys in any fund of the treasury of the State to the
4 credit of the "1991 Shore Protection Fund," such sum as he may
5 deem necessary. The sum so transferred shall be returned to the
6 same fund of the treasury by the State Treasurer from the
7 proceeds of the sale of the first issue of bonds.

8 c. Pending their application to the purposes provided in this
9 act, the moneys in the "1991 Shore Protection Fund" may be
10 invested and reinvested as are other trust funds in the custody of
11 the State Treasurer, in the manner provided by law. Net earnings
12 received from the investment or deposit of the fund shall be paid
13 into the "1991 Shore Protection Fund."

14 33. If any coupon bond, coupon or registered bond is lost,
15 mutilated or destroyed, a new bond or coupon shall be executed
16 and delivered of like tenor, in substitution for the lost, mutilated
17 or destroyed bond or coupon, upon the owner furnishing to the
18 issuing officials evidence satisfactory to them of the loss,
19 mutilation or destruction of the bond or coupon, the ownership
20 thereof, and security, indemnity and reimbursement for expenses
21 connected therewith, as the issuing officials may require.

22 34. The accrued interest, if any, received upon the sale of the
23 bonds shall be applied to the discharge of a like amount of
24 interest upon the bonds when due. Any expense incurred by the
25 issuing officials for advertising, engraving, printing, clerical,
26 authenticating, registering, legal or other services necessary to
27 carry out the duties imposed upon them by the provisions of this
28 act shall be paid from the proceeds of the sale of the bonds by
29 the State Treasurer, upon the warrant of the Director of the
30 Division of Budget and Accounting in the Department of the
31 Treasury, in the same manner as other obligations of the State
32 are paid.

33 35. Bonds of each series issued hereunder shall mature,
34 including any sinking fund redemptions, not later than the 35th
35 year from the date of issue of that series, and in amounts as shall
36 be determined by the issuing officials. The issuing officials may
37 reserve to the State by appropriate provision in the bonds of any
38 series the power to redeem any of the bonds prior to maturity at
39 the price or prices and upon the terms and conditions as may be
40 provided in the bonds.

41 36. The issuing officials may issue refunding bonds in an
42 amount not to exceed the amount necessary to effectuate the
43 refinancing of any bonds issued pursuant to this act, at any time
44 and from time to time, for the purpose of refinancing any bond or
45 bonds issued pursuant to this act, subject to the following
46 provisions:

47 a. Refunding bonds may be issued at any time prior to the
48 maturity or redemption of the bonds to be refinanced thereby as
49 the issuing officials shall determine.

1 b. Each series of refunding bonds may be issued in a sufficient
2 amount to pay or to provide for the payment of the principal of
3 the bonds to be refinanced thereby, together with any redemption
4 premium thereon, any interest accrued or to accrue on the bonds
5 to be refinanced to the date of payment of the outstanding bonds,
6 the expense of issuing the refunding bonds and the expenses, if
7 any, of paying the bonds to be refinanced.

8 c. No refunding bonds shall be issued unless the issuing
9 officials shall first determine that the present value of the
10 aggregate principal amount of and interest on the refunding bonds
11 is less than the present value of the aggregate principal amount
12 of and interest on the bonds to be refinanced thereby; provided
13 that, for the purposes of this limitation, present value shall be
14 computed using a discount rate equal to the yield of those
15 refunding bonds, and yield shall be computed using an actuarial
16 method based upon a 360-day year with semiannual compounding
17 and upon the price or prices paid to the State by the initial
18 purchasers of those refunding bonds.

19 d. Any refinancing authorized hereunder may be effected by
20 the sale of the refunding bonds and the application of the
21 proceeds thereof to the immediate payment of the principal of
22 the bonds to be refinanced thereby, together with any redemption
23 premium thereon, any interest accrued or to accrue on those
24 bonds to be refinanced to the date of payment of those bonds, the
25 expenses of issuing the refunding bonds and the expenses, if any,
26 of paying those bonds to be refinanced, or, to the extent not
27 required for that immediate payment, shall be deposited,
28 together with any other moneys legally available therefor, in
29 trust with one or more trustees or escrow agents, which trustees
30 or escrow agents shall be trust companies or national or state
31 banks having powers of a trust company, located either within or
32 without the State, to be applied solely to the payment when due
33 of the principal of, redemption premium, if any, and interest due
34 and to become due on the bonds to be refinanced on or prior to
35 the redemption date or maturity date thereof, as the case may
36 be. The proceeds or moneys so held by the trustees or escrow
37 agents may be invested in government securities, including
38 government securities issued or held in book-entry form on the
39 books of the Department of Treasury of the United States;
40 provided those government securities shall not be subject to
41 redemption prior to their maturity other than at the option of the
42 holder thereof. Except as otherwise provided in this subsection,
43 neither government securities nor moneys so deposited with the
44 trustees or escrow agents shall be withdrawn or used for any
45 purpose other than, and shall be held in trust for, the payment of
46 the principal of, redemption premium, if any, and interest on the
47 bonds to be refinanced thereby; provided that any cash received
48 from the principal or interest payments on those government
49 securities deposited with the trustees, or escrow agents, to the

1 extent the cash will not be required at any time for that purpose,
2 shall be paid over to the trustees or escrow agents, and to the
3 extent the cash will be required for that purpose at a later date,
4 shall, to the extent practicable and legally permissible, be
5 reinvested in government securities maturing at times and in
6 amounts sufficient to pay when due the principal of, redemption
7 premium, if any, and interest to become due on the bonds to be
8 refinanced, on and prior to the redemption date or maturity date
9 thereof, as the case may be, and interest earned from those
10 reinvestments, to the extent not required for the payment of
11 bonds, shall be paid over to the State, as received by the trustees
12 or escrow agents. Notwithstanding anything to the contrary
13 contained herein: (1) the trustees or escrow agents shall, if so
14 directed by the issuing officials, apply moneys on deposit with the
15 trustees or escrow agents pursuant to the provisions of this
16 section, and redeem or sell government securities so deposited
17 with the trustees or escrow agents, and apply the proceeds
18 thereof to (a) the purchase of bonds which were refinanced by the
19 deposit with the trustees or escrow agents of the moneys and
20 government securities and immediately thereafter cancel all
21 outstanding bonds so purchased or (b) the purchase of different
22 government securities; provided however, that the moneys and
23 government securities on deposit with the trustees or escrow
24 agents after the purchase and cancellation of the outstanding
25 bonds or the purchase of different government securities shall be
26 sufficient to pay when due the principal of, redemption premium,
27 if any, and interest on all other bonds in respect of which the
28 moneys and government securities were deposited with the
29 trustees or escrow agents on or prior to the redemption date or
30 maturity date thereof, as the case may be; and (2) in the event
31 that on any date, as a result of any purchases and cancellations of
32 the outstanding bonds or any purchases of different government
33 securities as provided in this subsection, the total amount of
34 moneys and government securities remaining on deposit with the
35 trustees or escrow agents is in excess of the total amount which
36 would have been required to be deposited with the trustees or
37 escrow agents on that date in respect of the remaining bonds for
38 which such deposit was made in order to pay when due the
39 principal of, redemption premium, if any, and interest on those
40 remaining bonds, the trustees or escrow agents shall, if so
41 directed by the issuing officials, pay the amount of that excess to
42 the State. Any amounts held by the State Treasurer in a separate
43 fund or funds for the payment of the principal of, redemption
44 premium, if any, and interest on bonds to be refinanced, as
45 provided herein, shall, if so directed by the issuing officials, be
46 transferred by the State Treasurer for deposit with one or more
47 trustees or escrow agents, as provided herein, to be applied to the
48 payment when due of the principal of, redemption premium, if
49 any, and interest to become due on those bonds to be refinanced,

1 as provided in this section, or be applied by the State Treasurer
2 to the payment when due of the principal of, redemption
3 premium, if any, and interest on refunding bonds issued hereunder
4 to refinance those bonds. The State Treasurer is authorized to
5 enter into contracts with one or more trust companies or national
6 or state banks, as provided herein, to act as trustees or escrow
7 agents, as provided herein, subject to the approval of the issuing
8 officials.

9 e. Notwithstanding the provisions of section 19 of this act, any
10 series of refunding bonds issued pursuant to this section shall
11 mature at any time or times not later than five years following
12 the latest scheduled final maturity date, determined without
13 regard to any redemptions prior thereto, of any of the bonds to be
14 refunded thereby, and in no event later than 35 years following
15 the date of issuance of that series of refunding bonds, and those
16 refunding bonds may be sold at public or private sale at prices
17 and under terms, conditions and regulations as the issuing
18 officials may prescribe. Refunding bonds shall be entitled to all
19 the benefits of this act and subject to all its limitations, except
20 as to sale provisions and to the extent therein otherwise expressly
21 provided.

22 f. Upon the decision by the issuing officials to issue refunding
23 bonds pursuant to this section, and prior to the sale of those
24 bonds, the issuing officials shall transmit to the Joint Budget
25 Oversight Committee, or its successor, a report that a decision
26 has been made, reciting the basis on which the decision was
27 made, including an estimate of the debt service savings to be
28 achieved and the calculations upon which the issuing officials
29 relied when making the decision to issue refunding bonds. The
30 report also shall disclose the intent of the issuing officials to
31 issue and sell the refunding bonds at public or private sale and the
32 reasons therefor.

33 g. The Joint Budget Oversight Committee, or its successor,
34 shall have authority to approve or disapprove the sale of
35 refunding bonds as included in each report submitted in
36 accordance with subsection f. of this section. The committee
37 shall notify the issuing officials in writing of the approval or
38 disapproval as expeditiously as possible.

39 h. No refunding bonds shall be issued unless the report has
40 been submitted to and approved by the Joint Budget Oversight
41 Committee, or its successor, as set forth in subsection g. of this
42 section.

43 i. Within 30 days after the sale of the refunding bonds, the
44 issuing officials shall notify the Joint Budget Oversight
45 Committee, or its successor, of the result of that sale, including
46 the prices and terms, conditions and regulations concerning the
47 refunding bonds, the actual amount of debt service savings to be
48 realized as a result of the sale of refunding bonds, and the
49 intended use of the proceeds from the sale of those bonds.

1 j. The Joint Budget Oversight Committee, or its successor,
2 shall, however, review all information and reports submitted in
3 accordance with this section and may, on its own initiative, make
4 observations and recommendations to the issuing officials, or to
5 the Legislature, or both, as it deems appropriate.

6 37. Any bond or bonds issued hereunder shall no longer be
7 deemed to be outstanding, shall no longer constitute a direct
8 obligation of the State of New Jersey, and the faith and credit of
9 the State shall no longer be pledged to the payment of the
10 principal of, redemption premium, if any, and interest on the
11 bonds, and the bonds shall be secured solely by and payable solely
12 from moneys and government securities deposited in trust with
13 one or more trustees or escrow agents, which trustees and escrow
14 agents shall be trust companies or national or state banks having
15 powers of a trust company, located either within or without the
16 State, as provided herein, whenever there shall be deposited in
17 trust with the trustees or escrow agents, as provided herein,
18 either moneys or government securities, including government
19 securities issued or held in book-entry form on the books of the
20 Department of Treasury of the United States, the principal of and
21 interest on which when due will provide money which, together
22 with the moneys, if any, deposited with the trustees or escrow
23 agents at the same time, shall be sufficient to pay when due the
24 principal of, redemption premium, if any, and interest due and to
25 become due on the bonds on or prior to the redemption date or
26 maturity date thereof, as the case may be; provided the
27 government securities shall not be subject to redemption prior to
28 their maturity other than at the option of the holder thereof.
29 The State of New Jersey hereby covenants with the holders of
30 any bonds for which government securities or moneys shall have
31 been deposited in trust with the trustees or escrow agents as
32 provided in this section that, except as otherwise provided in this
33 section, neither the government securities nor moneys so
34 deposited with the trustees or escrow agents shall be withdrawn
35 or used by the State for any purpose other than, and shall be held
36 in trust for, the payment of the principal of, redemption
37 premium, if any, and interest to become due on the bonds;
38 provided that any cash received from the principal or interest
39 payments on the government securities deposited with the
40 trustees or escrow agents, to the extent the cash will not be
41 required at any time for that purpose, shall be paid over to the
42 State, as received by the trustees or escrow agents, free and
43 clear of any trust, lien, pledge or assignment securing the bonds;
44 and to the extent the cash will be required for that purpose at a
45 later date, shall, to the extent practicable and legally
46 permissible, be reinvested in government securities maturing at
47 times and in amounts sufficient to pay when due the principal of,
48 redemption premium, if any, and interest to become due on the
49 bonds on and prior to the redemption date or maturity date

1 thereof, as the case may be, and interest earned from the
2 reinvestments shall be paid over to the State, as received by the
3 trustees or escrow agents, free and clear of any trust, lien or
4 pledge securing the bonds. Notwithstanding anything to the
5 contrary contained herein: a. the trustees or escrow agents shall,
6 if so directed by the issuing officials, apply moneys on deposit
7 with the trustees or escrow agents pursuant to the provisions of
8 this section, and redeem or sell government securities so
9 deposited with the trustees or escrow agents, and apply the
10 proceeds thereof to (1) the purchase of the bonds which were
11 refinanced by the deposit with the trustees or escrow agents of
12 the moneys and government securities and immediately
13 thereafter cancel all bonds so purchased, or (2) the purchase of
14 different government securities; provided however, that the
15 moneys and government securities on deposit with the trustees or
16 escrow agents after the purchase and cancellation of the bonds or
17 the purchase of different government securities shall be
18 sufficient to pay when due the principal of, redemption premium,
19 if any, and interest on all other bonds in respect of which the
20 moneys and government securities were deposited with the
21 trustees or escrow agents on or prior to the redemption date or
22 maturity date thereof, as the case may be; and b. in the event
23 that on any date, as a result of any purchases and cancellations of
24 bonds or any purchases of different government securities, as
25 provided in this sentence, the total amount of moneys and
26 government securities remaining on deposit with the trustees or
27 escrow agents is in excess of the total amount which would have
28 been required to be deposited with the trustees or escrow agents
29 on that date in respect of the remaining bonds for which the
30 deposit was made in order to pay when due the principal of,
31 redemption premium, if any, and interest on the remaining bonds,
32 the trustees or escrow agents shall, if so directed by the issuing
33 officials, pay the amount of the excess to the State, free and
34 clear of any trust, lien, pledge or assignment securing the
35 refunding bonds.

36 38. Refunding bonds issued pursuant to this act may be
37 consolidated with bonds issued pursuant to sections 6, 8, 9, 10 and
38 11 of this act or with bonds issued pursuant to any other act for
39 purposes of sale.

40 39. To provide funds to meet the interest and principal
41 payment requirements for the bonds and refunding bonds issued
42 under this act and outstanding, there is appropriated in the order
43 following:

44 a. Revenue derived from the collection of taxes under the
45 "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.), or
46 so much thereof as may be required; and

47 b. If, at any time, funds necessary to meet the interest,
48 redemption premium, if any, and principal payments on
49 outstanding bonds issued under this act are insufficient or not

1 available, there shall be assessed, levied and collected annually in
2 each of the municipalities of the counties of this State, a tax on
3 the real and personal property upon which municipal taxes are or
4 shall be assessed, levied and collected, sufficient to meet the
5 interest on all outstanding bonds issued hereunder and on the
6 bonds proposed to be issued under this act in the calendar year in
7 which the tax is to be raised and for the payment of bonds falling
8 due in the year following the year for which the tax is levied.
9 The tax shall be assessed, levied and collected in the same
10 manner and at the same time as are other taxes upon real and
11 personal property. The governing body of each municipality shall
12 cause to be paid to the county treasurer of the county in which
13 the municipality is located, on or before December 15 in each
14 year, the amount of tax herein directed to be assessed and levied,
15 and the county treasurer shall pay the amount of the tax to the
16 State Treasurer on or before December 20 in each year.

17 If, on or before December 31 in any year, the issuing officials,
18 by resolution, determine that there are moneys in the General
19 Fund beyond the needs of the State, sufficient to meet the
20 principal of bonds falling due and all interest and redemption
21 premium, if any, payable in the ensuing calendar year, the issuing
22 officials shall file the resolution in the office of the State
23 Treasurer, whereupon the State Treasurer shall transfer the
24 moneys to a separate fund to be designated by the State
25 Treasurer, and shall pay the principal, redemption premium, if
26 any, and interest out of that fund as the same shall become due
27 and payable, and the other sources of payment of the principal,
28 redemption premium, if any, and interest provided for in this
29 section shall not then be available, and the receipts for the year
30 from the tax specified in subsection a. of this section shall be
31 considered and treated as part of the General Fund, available for
32 general purposes.

33 40. Should the State Treasurer, by December 31 of any year,
34 deem it necessary, because of the insufficiency of funds collected
35 from the sources of revenues as provided in this act, to meet the
36 interest and principal payments for the year after the ensuing
37 year, then the State Treasurer shall certify to the Director of the
38 Division of Budget and Accounting, in the Department of the
39 Treasury, the amount necessary to be raised by taxation for those
40 purposes, the same to be assessed, levied and collected for and in
41 the ensuing calendar year. The director shall, on or before March
42 1 following, calculate the amount in dollars to be assessed, levied
43 and collected in each county as herein set forth. This calculation
44 shall be based upon the corrected assessed valuation of each
45 county for the year preceding the year in which the tax is to be
46 assessed, but the tax shall be assessed, levied and collected upon
47 the assessed valuation of the year in which the tax is assessed and
48 levied. The director shall certify the amount to the county board
49 of taxation and the treasurer of each county. The county board

1 of taxation shall include the proper amount in the current tax
2 levy of the several taxing districts of the county in proportion to
3 the ratables as ascertained for the current year.

4 41. For the purposes of complying with the provisions of the
5 State Constitution, this act shall be submitted to the people at
6 the general election to be held in the month of November 1991.
7 To inform the people of the contents of this act, it shall be the
8 duty of the Secretary of State, after this section takes effect,
9 and at least 60 days prior to the election, to cause this act to be
10 published in at least 10 newspapers published in this State and to
11 notify the clerk of each county of this State of the passage of
12 this act; and the clerks respectively, in accordance with the
13 instructions of the Secretary of State, shall have each of the
14 ballots printed as follows:

15 If you approve of the act entitled below, make a cross (X), plus
16 (+), or check (✓) mark in the square opposite the word "Yes."

17 If you disapprove the act entitled below, make a cross (X), plus
18 (+), or check (✓) mark in the square opposite the word "No."

19 If voting machines are used, a vote of "Yes" or "No" shall be
20 equivalent to these markings respectively.

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YES.	<p>CLEAN WATER BOND AND NATURAL RESOURCES ACT OF 1991</p> <p>Shall the act entitled the "Clean Water and Natural Resources Bond Act of 1991," which authorizes the State to issue bonds in the amount of \$325,000,000 for the purposes of providing funds for public acquisition and development of lands for recreation and conservation purposes, with emphasis on waterfront access and water quality protection; providing grants and loans to local governments in the pinelands area for projects to protect ground and surface water while accommodating appropriate development in a manner prescribed by law; providing moneys for financial aid to local governments for restoring and improving wastewater treatment systems; providing funds for dam construction and restoration projects; providing funds for shore protection projects; and which provides ways and means to pay the interest on the debt and also to pay and discharge the principal thereof, be approved?</p>
NO.	<p>INTERPRETIVE STATEMENT</p> <p>Approval of this act will authorize the sale of \$325,000,000 in State general obligation bonds, the proceeds of which shall be appropriated by the Legislature to fund public land acquisitions and development and other projects to improve water quality and the quality of other natural resources in the State, to help ensure an adequate supply of water in the future, and to increase public access to waterfront areas for recreation. Specifically, this act will authorize the sale of bonds, the proceeds of which shall be appropriated by the Legislature for the acquisition and development by the State, local governments, and certain nonprofit organizations of lands for recreation and conservation purposes; for grants and loans to local governments in the Pinelands area for wastewater treatment and water supply projects and to help finance water supply planning to protect ground and surface water resources; for loans and other financial assistance to local governments throughout the State for the restoration and improvement of wastewater treatment systems; for dam construction and restoration projects; and for State shore protection projects and grants to local governments for shore protection projects. The pinelands infrastructure projects would be approved only upon a finding that the master plan and zoning ordinance of the municipality, and the master plan of the county where the project is to take place, has been certified by the pinelands commission to be in conformance with the pinelands comprehensive management plan and that the project conforms with the infrastructure plan adopted by the pinelands commission.</p>

1 The fact and date of the approval or passage of this act, as the
2 case may be, may be inserted in the appropriate place after the
3 title of the ballot. No other requirements of law of any kind or
4 character as to notice or procedure except as herein provided
5 need be adhered to.

6 The votes so cast for and against the approval of this act, by
7 ballot or voting machines, shall be counted and the result thereof
8 returned by the election officer, and a canvass of the election
9 had in the same manner as is provided for by law in the case of
10 the election of the Governor, and the approval or disapproval of
11 this act so determined shall be declared in the same manner as
12 the result of an election for a Governor, and if there be a
13 majority of all the votes cast for and against it at the election in
14 favor of the approval of this act, then all the provisions of this
15 act not made effective theretofore shall take effect forthwith.

16 42. There is appropriated from the General Fund the sum of
17 \$5,000 to the Department of State for expenses in connection
18 with the publication of notice pursuant to section 41 of this act.

19 43. The commissioner shall submit to the State Treasurer and
20 the commission with the department's annual budget request a
21 plan for the expenditure of funds from each of the funds created
22 by this act for the upcoming fiscal year. Each plan shall include
23 the following information: a performance evaluation of the
24 expenditures made from the fund to date; a description of
25 programs planned during the upcoming fiscal year; a copy of the
26 regulations in force governing the operation of programs that are
27 financed, in part or whole, by funds from the fund, and an
28 estimate of expenditures for the upcoming fiscal year.

29 44. Immediately following the submission to the Legislature of
30 the Governor's annual budget message, the commissioner shall
31 submit to the Senate Environmental Quality Committee and the
32 General Assembly Energy and Environment Committee, or their
33 successors, and to the Joint Budget Oversight Committee, or its
34 successor, a copy of the plans called for under section 43 of this
35 act, together with such changes therein as may have been
36 required by the Governor's budget message.

37 45. Not less than 30 days prior to entering into any contract,
38 lease, obligation, or agreement to effectuate the purposes of this
39 act, the commissioner shall report to and consult with the Joint
40 Budget Oversight Committee, or its successor.

41 46. All appropriations from any of the funds created by this
42 act shall be by specific project, and any transfer of any funds
43 appropriated shall require the approval of the Joint Budget
44 Oversight Committee, or its successor.

45 47. This section and sections 41 and 42 shall take effect
46 immediately, and the remainder of the act shall take effect as
47 and when provided in section 41.

STATEMENT

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This bill authorizes the issuance, by the State, of bonds of the State in the aggregate principal amount of \$325,000,000 for the purpose of funding a variety of environmental protection projects. Monies from the sale of the bonds would be available for appropriation, primarily, to the Department of Environmental Protection (DEP) for the purposes listed below.

The sum of \$100,000,000 would be allocated for certain State and local "Green Acres" projects;

The sum of \$50,000,000 would be allocated for State grants and loans to local units in the Pinelands, for water system improvement projects;

The sum of \$150,000,000 would be allocated for loans to local governments for building or upgrading wastewater treatment systems. Of this amount, \$135,000,000 would be available for appropriation to DEP, and \$15,000,000 would be made available to the New Jersey Wastewater Treatment Trust.

The sum of \$10,000,000 would be allocated for dam construction and restoration projects. Of this amount \$8,000,000 would be used as grants for local units, and \$2,000,000 would be used for loans to private dam owners.

The sum of \$15,000,000 would be allocated for grants to local units for shore protection.

NATURAL RESOURCES

The "Clean Water and Natural Resources Bond Act of 1991;" authorizes bonds for \$325,000,000; appropriates \$5,000.

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mjz: 1-33
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ASSEMBLYMAN THOMAS J. DUCH (Chairman): Good afternoon, everyone. This is a special meeting of the Conservation and Natural Resources Committee. The meeting has been called today to consider one piece of legislation, the Clean Water Bond Act.

At this time, I would like to recognize Assemblyman John Paul Doyle, who is the prime sponsor of this legislation, who I joined also in sponsoring this legislation.

Assemblyman Doyle?

ASSEMBLYMAN DOYLE: Mr. Chairman, let me, at the outset, say that I am privileged to join with you as the prime sponsors of this much needed legislation. I am particularly impressed by your continued willingness and diligence to move environmental concerns of this State ahead, as most recently testified by your holding of this special meeting devoted to this singularly important purpose of moving the bond issue about which you and I feel so strongly.

This bond issue would provide for the acquisition of public lands, for upgrading our wastewater treatment facilities, for protecting our Pinelands and our shore, and for repair of dams throughout the State that are hazardous to the traveling public.

As this Committee knows, there is a desperate and demonstrated need for the capital funds that would be provided by this bond issue were the public to approve it. We cannot ignore this need. We cannot afford to leave our waters unprotected. We cannot afford to sacrifice environmentally sensitive lands to overdevelopment.

The case for this bond issue is not only strong; it is a compelling one. Without this bond issue, dune protection and beach replenishment projects will be halted. Without this bond issue, there will not be sufficient funds for our wastewater treatment plants to meet the goals required by the Federal

Clean Water Act. Without this bill, high-hazard dams will continue to threaten people's lives throughout our State. And, most importantly, Mr. Chairman, without this bond issue, we will not be able to preserve those lands which are most fragile and most in need of protection.

In fact and in truth, the need for this bond issue is greater than the numbers in this bond issue would suggest. If we were to do all of the things that this bond issue would be an important first step toward doing, we could literally spend billions of dollars. Obviously, we cannot do that. But it is not too much to ask ourselves, the Legislature, and the public to spend \$325 million as an incentive -- an investment in our future.

Let me draw your attention to several important policy provisions of the bill. Moneys for wastewater treatment plant construction will be used for upgrades and remediation efforts only. Thus, we will not be generating new development pressures by expanding those systems into as of yet undeveloped areas. Moneys for a comprehensive evaluation of the Kirkwood-Cohansey Aquifer will also be provided. This evaluation is long overdue. Its completion will help us to resolve saltwater intrusion problems at the shore, as well as better allowing us to develop and apply better conservation strategies in other areas.

Let me say, too, that when we talk about this as an environmental bond issue, we cannot leave out the very -- equally important fact, particularly in today's difficult times, that this will be a boom to economic development. If we protect our coast and expand our recreational areas, the tourist industry, which is so vitally important to this State, will grow. If we upgrade our wastewater treatment plants and water supply infrastructure, sewer bans in many towns will be lifted and development will be steered towards areas of our State where substantial infrastructure has already occurred.

Thus, this bond, if authorized, has the capacity not to destroy jobs, but to create them in significant number.

While I have spoken to the importance of each of the items, let me suggest in the Committee's deliberation some additional concerns that I have that might suggest changes in the existing bill:

The amount of money provided for shore protection -- \$15 million -- would carry us through the needs for perhaps the next 12 to 18 months. The problem in having been the sponsor of the first shore protection bond issue ever to be adopted in this State-- We have too long treated this as an occasional need with temporary dollars on a transitory basis from year to year, period to period. We have to have a longer view. I would hope that by juggling the numbers, that we could find sufficient funds to provide \$25 million for shore protection. It is vitally needed. It is significant to our future. I think it would be a better disposition of fund.

Let me address, too, a second area that I would like to see a relatively small change in. The single biggest problem we have in terms of environmental difficulties and pollution, is nonpoint source pollution. It is a quiet killer of our groundwaters, our lakes, our streams, our bays, and even our ocean waters. In the Jersey shore area, I can tell you that when we see beach closings posted, rarely is it ocean beaches, but it is the bay front and the riverfront and the inner-water beaches that are equally important, to some degree, to our tourist industry, and to our environmental well-being, that are the ones that are closed, and why? It is because of nonpoint source pollution. It is the bird droppings, the animal leavings, the crankcase oils, all that pour down streets that do not have proper storm water systems, and into places like the Metedeconk and the Manasquan, and through them, out to the Barnegat Bay.

The DEP's 1988 Water Quality Report noted that 69% of the monitored freshwater rivers and streams in our State do not meet both the swimmable and fish propagation maintenance clean water goals. This is a statewide problem. We have begun to address this very serious problem through the Sewer Infrastructure Act that I sponsored, but which unfortunately has been underfunded by not only the past, but even this administration.

Under the 1987 Federal Clean Water Act amendments, we submitted a Nonpoint Source Assessment Management Plan. We should begin to implement that plan as soon as possible. Under this proposal, the DEP could administer a grant and local program through which moneys could be made available to local governmental entities for the implementation of nonpoint source pollution controls and best management practices on publicly owned lands.

I think this is a step that we should take, and I would ask that the Committee find within the existing overall number, the modest sum of \$5 million to go ahead with this much needed first step.

If New Jersey is to meet the challenges of our day, whether they be environmental, financial, or social, we cannot be paralyzed by fear. Fear will not clean up the waters of this State; only confidence, commitment, and money will. The people of this State understand. They have not, in the past, said no to the needs of the future and their children, from whom we borrow our environment. They, in my judgment, will not say no to a bond issue that protects our oceans and our bays, our rivers, our streams, our lakes, our wells, our reservoirs. They will, in my judgment, as they have done on eight previous occasions, act to make New Jersey better for the next generation, and generations to come.

We should have the same confidence in them that they have in themselves. Let's not worry about the track record.

Let's worry about whether we have safe dams, open space, cleaner water, and a better New Jersey.

Thank you very much.

ASSEMBLYMAN DUCH: Thank you very much, Assemblyman Doyle. I would like you to remain at the table, and I would like, at this time, to ask the Commissioner of the Department of Environmental Protection, Scott Weiner, to join you at the table for his comments and his input on this bill.

COMMISSIONER SCOTT WEINER: Thank you, Mr. Chairman. Mr. Chairman, I previously provided you with a copy of a letter from Governor Florio. I would ask that that be made part of the record of today's proceedings.

ASSEMBLYMAN DUCH: Mr. Commissioner, maybe before you proceed I might read that letter into the record.

"To the Assembly Committee on Natural Resources and Conservation:

"I would like to thank the Committee for holding this hearing on the Clean Water Bond Act.

"I proposed this Bond Act because there is nothing more important for New Jerseyans than keeping our water clean and preserving our open space. This Bond Act is an investment in the future.

"This Bond Act will allow us to buy land so that we can protect drinking water supplies and the shore. It provides funds to improve water systems. It protects our precious Pine Barrens.

"I urge the Legislature to move forward quickly to pass this important piece of legislation so that the voters of New Jersey can decide this fall to make this investment in keeping New Jersey clean and green. Very truly yours, Jim Florio, Governor"

Commissioner, with that, would you make your--

COMMISSIONER WEINER: Thank you, Mr. Chairman. I want to thank you for the opportunity to come today to speak in

support of the bill before you. I had the privilege of standing with the Governor when he announced the proposal which is reflected in the legislation, sponsored by yourself and Assemblyman Doyle. On behalf of the Governor, in fact, on behalf of all the citizens of New Jersey, I want to thank you for your response to that proposal in bringing us here today so we can try and continue our commitment as a State to the goals and the programs that are illustrated in the bond proposal.

I think when anyone thinks of New Jersey, when we think about ourselves as New Jerseyans, among the things by which we define ourselves is water -- it's clean, safe water, it's open spaces, it's green areas, identifying them, preserving them. That is really what this proposal is all about.

Assemblyman Doyle went through the policy, or the programs that are enunciated in there. But it really provides an opportunity -- and I don't want to belabor the points of the bill which are known to all of us-- It really provides an opportunity for us, as a State, to continue our tradition of building a legacy for the future, at the same time recognizing our needs today. That point, I don't think can be stressed enough. And yet, as New Jerseyans, I think we define ourselves by the water we drink and the air we breathe, our beaches and shore protection. Water and open space are what make us the type of State and people we are.

Let me also point out that everyone in this room, everyone who follows these issues in the State, is aware of the tremendous constraints and demands on our limited financial resources. We are all aware and share that concern over money. As we tried to piece together a combination of investments that would achieve the underlying goals that we all share, we came up with the proposal announced by the Governor. We recognize that, in fact, we can't afford to do more; that

these times make us husband our financial resources. But we also can't afford to do less.

As I was listening to the Assemblyman talk about the suggested reallocations, the goals that he is seeking to achieve are important ones, and ones that I would wholeheartedly endorse. We try to strike a balance, but there is no magic formula. I have said in the past that nonpoint source pollution is the single biggest problem facing New Jersey, in terms of environmental problems. The ability to have \$5 million towards capital improvements in that area is very important.

The Assemblyman appropriately points out that the amount of money in this bill would take us just about a year -- a little more than a year -- in our shore protection projects. That process of weighing and allocating is one we are happy to -- in concert with you and your colleagues in the Legislature. So, clearly to the extent that you would decide to reallocate some of that amount, we would support that. All these goals are important.

But again, we are at a time when we recognize that we are in this dilemma. As a State, we need to be conscious of financial constraints; we need to husband our resources. But we can't afford not to act on these problems. We just simply can't afford it for ourselves for tomorrow, and certainly for our children. So ultimately I think it is important that we let the voters decide this question. Very often I think we have found that voters and the citizens of New Jersey can be way ahead of public officials when it comes to making the investment in clean air and clean water and open spaces. This bill provides them an opportunity to continue that investment.

ASSEMBLYMAN DUCH: Thank you very much, Commissioner.

At this time, I am going to ask Assemblyman Doyle to join me. Assemblyman Doyle will be replacing Assemblyman Mecca on our Committee today.

Commissioner, I thank you very, very much for coming forward and stating your position, as well as bringing the letter from the Governor. Assemblyman Doyle and I believe in the bill and its importance. This meeting has been called to draw attention to this piece of legislation, and hopefully to convince the members of the Senate that this is the way to go to preserve our environment in this State, and indeed to enhance our environment in this State.

So, I thank you very, very much for joining us.

COMMISSIONER WEINER: Thank you.

ASSEMBLYMAN DUCH: We appreciate your testimony.

We will next call upon Bill Dressel, from the New Jersey League of Municipalities.

W I L L I A M G. D R E S S E L, JR.: Thank you very much, Mr. Chairman and members of the Committee. I have a prepared statement. My statement is before you, and your stenographer has received a copy.

The New Jersey State League of Municipalities supports Assembly Bill No. 5102, which will generate \$325 million for recreation, conservation, and wastewater treatment projects. If approved by the voters, the money could be used for acquisition and development of land for recreation and conservation purposes, for wastewater treatment and remediation purposes in the Pinelands, for the construction and rehabilitation of local wastewater treatment systems throughout the State, for dam construction and restoration projects, and for shore protection projects.

The League is extremely pleased that the sponsors have recognized the fact that New Jersey municipalities want to be full partners in efforts to ensure clean and safe water for all New Jerseyans. These funds are absolutely essential if we are to get our wastewater treatment facilities prepared for life in the 21st century.

The League believes that this plan could produce a better environment and lower property taxes. The investments that we will make through the Clean Water Bond Act of 1991 will yield dividends for our children and our children's children. Clean water is not a luxury; it is a necessity, and this Act will help us to meet our State's need for this vital resource well into the future.

Lastly, Mr. Chairman, I support Assemblyman Doyle's recommendation and suggestion for a modification to this plan to include more money for nonpoint source pollution grants. I believe it is clear. I believe it was brought out by the League during the testimony that was presented through the deliberations on the Clean Water Enforcement Act amendments a couple of years ago, that we will never, never, as a State, effectively clean up our waterways and achieve acceptable clean water standards, unless we really address this pressing issue of nonpoint source pollution.

Again, we support this legislation, and we would urge you to act on this in an expeditious fashion so that this question can go before the voters in November.

Mr. Chairman, members of the Committee, thank you for your time.

ASSEMBLYMAN DUCH: Thank you very much, Bill.

At this time, the Commissioner of the Department--

ASSEMBLYMAN DOYLE: Mr. Chairman, if I might?

ASSEMBLYMAN DUCH: I'm sorry.

ASSEMBLYMAN DOYLE: I just wanted to note the presence -- in the same vein as the League of Municipalities -- of our former colleague, Assemblyman Pankok, on behalf of the New Jersey Association of Counties. I appreciate the League and the Counties' organizations for their public spiritedness on this issue. Thank you both. I'm sorry I interrupted you, Mr. Chairman.

ASSEMBLYMAN DUCH: Thank you, Assemblyman Doyle.

We have a letter from Commissioner George Zoffinger, Department of Commerce and Economic Development. The Department is supporting the legislation, and their statement will be made a part of the record of this hearing.

We will next hear from Michael Catania, former DEP Deputy Commissioner, now Executive Director of the New Jersey Conservation Foundation.

M I C H A E L F. C A T A N I A, E S Q.: Thank you, Mr. Chairman. Actually I am the Executive Director of The Nature Conservancy in New Jersey, although we are a sister organization to the Conservation Foundation. We do very similar things.

ASSEMBLYMAN DUCH: The sign-in slip says that, so I apologize.

MR. CATANIA: Sorry for the confusion.

I would like to compliment Assemblyman Doyle and the Chairman for sponsoring this bond legislation. The Nature Conservancy wholeheartedly endorses the bond proposal, and we would actively work with you to try and encourage both the Legislature and the public to support it.

I would like to talk about two issues today. One is that I think there has been a lot of concern that this may not be the right time for a bond act in New Jersey, given the economy and what has recently happened with the rating agencies downgrading the State's credit rating. From the perspective of the 18,000 members of The Nature Conservancy in New Jersey, we happen to think that it is a very good time to move forward with a bond issue that does a number of things. One of those things is to set aside additional open space.

But the other item in the bond issue that we enthusiastically support is making some wise decisions about where to put wastewater treatment upgrades to sewerage treatment plants. We think that these are really two sides of the same coin, because you are really making land use decisions when you decide where to put infrastructure that encourages

development, or where to save open space. We think it is very possible to make those two goals compatible, and we think that this bond issue can, and should, do that.

We have worked on this issue with a number of other environmental groups, some of whom will testify just after I do today, and we would like to offer some specific amendments to the Bond Act which we think can enhance its ability to make the goals of meeting clean water and preserving open space a realistic possibility, if we can have this measure approved.

We think the way to do that is to ensure that the money that would be used for wastewater treatment systems goes to the right places, and by the right places I really mean that it goes to upgrade plants that are not now in compliance with their water pollution control permits; that are violating those permit limits and polluting the waterways, as well as to areas where we can solve existing environmental problems like failing septic systems. Those are the areas that we should be putting our money in.

If there were any money left over from the amounts appropriated in this Bond Act for wastewater treatment systems, we would then suggest that wastewater treatment systems in areas where development and redevelopment should be encouraged should be next on the priority list. By that I mean urban areas where we would like to see redevelopment occur, again not only helping those plants to come into compliance, but also encouraging the preservation of open space, and taking some of the development pressure off of open space outside of urban areas. So we think you can make some wise decisions about how to make both of those investments.

The Nature Conservancy is probably the largest nonprofit group in the United States that invests in preserving open space. We work with government, sometimes buying land before government agencies can buy it, and then turning it over to them later on. We work with other organizations, like the

Conservation Foundation, like county parks commissions. We have a lot of experience in terms of buying land. One of the things we are really seeing right now is that this is the right time to invest in open space in New Jersey. Of all of the unfortunate aspects of the economic downturn, one of the things that is somewhat helpful about it -- which doesn't offset the other negative aspects -- is that this is a good time to invest in land. For a State like New Jersey, this may be the last good time to invest in land. We are not sure that if we do not make those investments in the next few years, that the opportunities will be available. So we intend to bring our full resources to bear to raise as much in the way of private dollars as we can, to be making investments in open space preservation in the next few years.

We really salute the State for acknowledging this, and the sponsors of this legislation for realizing that this is a vital opportunity and perhaps one of our last opportunities. That is really, from our perspective, our answer to when people say, "This may not be the right time for a bond issue." I am not sure how much sense it will make to talk about agreeing on a bond issue five or ten years from now, if we don't do one now. So we will wholeheartedly support the bond issue.

The only other items that we would bring to your attention -- and again, some of my colleagues will go into additional detail -- would be-- We would just question whether or not the money that was put into the bond issue for dam construction and restoration should be limited to repair and reconstruction of existing dams, especially high hazard dams that are threatening life. While it is a minor part of the Bond Act, I think in the past it has been the understanding of the Legislature and the administrative agencies that we would really try and repair high hazard dams so that we could eliminate that problem.

I will be happy to leave with your staff a marked up version of the bill, rather than go through each page and each section with suggested amendments.

I guess other than that, we look forward to working with you. We salute your leadership on proposing the bond issue, and we hope we can get it passed with you in November. Thank you.

ASSEMBLYMAN DUCH: Thank you very much. Assemblyman Doyle?

ASSEMBLYMAN DOYLE: I think your group needs no further imprimatur. It has been around for years and, as you say, it is the single biggest nonpublic sector acquirer of lands for green purposes, by and large.

I was much taken by your comments about wastewater treatment. You don't find it therefore, Mike, inconsistent to have that in an environmental bond issue--

MR. CATANIA: No, I think--

ASSEMBLYMAN DOYLE: --provided it has, as you indicated, that safeguard about being in existing areas, so it doesn't stretch out the sprawl of New Jersey?

MR. CATANIA: With that caveat, I think it is perfectly compatible, yes.

ASSEMBLYMAN DOYLE: I agree with your remarks about the dam, and I know the Chairman's area is more beset by that than mine, and strongly feels that way.

With respect to the other language, if you could leave us with a sample, it would be helpful. Thank you.

MR. CATANIA: Yes, okay. Thank you.

ASSEMBLYMAN DUCH: On the way in this morning, there were a number of people who stopped me to ask me about what the amount of the bond issue would be? Would there be a cutback? Were we going to pare it down?

The amount of the bond issue will be \$325 million, as originally conceived. We will talk a little bit about the

allocation, and we look forward to your continued testimony on that subject.

We will next hear from Tom Pankok and Linda Spalinski of the NJAC.

F R E E H O L D E R T H O M A S A. P A N K O K:
(speaking from audience) Thank you, Mr. Chairman. Assemblyman Doyle has indicated our support of this legislation.

ASSEMBLYMAN DUCH: Thank you very much. Next, Robert Briant, Jr., Utility and Transportation Contractors Association. Mr. Briant?

R O B E R T B R I A N T, J R.: I am Bob Briant, Jr., the Executive -- Assistant Executive Director, maybe that was wishful thinking-- I am the Assistant Executive Director of the Utility and Transportation Contractors Association.

Our organization numbers approximately 820 member firms active in all phases of heavy, highway, marine, utility, and hazardous waste cleanup construction. UTCA strongly supports A-5102, and urges the Committee to release the proposal.

This measure is greatly needed by New Jersey. It addresses Green Acres' needs, wastewater treatment, dam protection, shore protection, and protection of the Pineland's water resources. These are issues which New Jersey must address now so that our State does not fall further behind in these natural resource areas. In regards to wastewater treatment alone, New Jersey's needs are over \$4 billion and growing. This backlog of unfunded wastewater projects has resulted in over 250 local sewer bans throughout New Jersey, and has severely stifled economic growth and tax ratables.

Enactment of this bill will result in measurable environmental and economic benefits to New Jersey's citizens. Improving New Jersey's parks, beaches, reservoirs, and the water quality of its rivers and streams will improve our State's environment, benefit wildlife, and increase tourism.

New Jersey will realize increased economic benefits through the creation of jobs in construction and related industries, as well as eliminate municipal sewer bans which will lead to even more jobs and increased tax revenues.

It is a rare occasion that we have the opportunity to improve both the environment and the economy in one measure. UTCA urges the Committee to seize this opportunity and support the enactment of A-5102 in time to be included on the November 1991 election ballot. Such action would be investing in our future.

That is my testimony. If there are any questions--

ASSEMBLYMAN DUCH: Thank you very much. Assemblyman Doyle?

ASSEMBLYMAN DOYLE: Just say hello to Senior for me, please.

MR. BRIANT: Sure I will.

ASSEMBLYMAN DOYLE: Thank you, and don't take over his position too quickly.

ASSEMBLYMAN DUCH: Okay. Next we will hear from William Foelsch, New Jersey Recreation and Park Association.

W I L L I A M F O E L S C H: Thank you, Mr. Chairman, members of the Committee. I have a prepared statement, which I have left with the clerk, and it includes a series of recommendations on language within the bill which are mentioned within the statement.

Although I am not one to actually read statements too often before any committee, I would like to read this one which we have provided to you today, the reason being that it is a statement which now comes from 10 of the State's premier natural resource organizations.

When the bill was originally announced, in the amount of \$325 million with the split, there was quite a bit of communication amongst natural resources groups in the State about whether this should be supported. I am pleased to say

that we have prepared a statement of support from 10 of those associations: the Association of New Jersey Environmental Commissions, New Jersey State Federation of Sportsmen's Clubs, New Jersey Conservation Foundation, South Jersey Land Trust, Passaic River Coalition, The Nature Conservancy -- that is the New Jersey office and you have heard from Mr. Catania already this morning -- this afternoon -- Morris County Parks and Conservation Foundation, Natural Resources Education Foundation, and the Sierra Club of New Jersey. There are others that we discussed the bill with whom I am sure will be supporting our recommendations to you today. It is just a matter of timing in getting all of the Faxes together, if you will.

In terms of our support, the proposed Clean Water and Natural Resources Bond Act of 1991 represents a positive initiative in the protection of our State's natural resources and precious water supplies during difficult economic times. The programs which will receive funding from this Bond Act reflect tested, highly effective tools for State and local governments to invest jointly in cleaner water, additional open space, Pinelands protection, and shoreline improvements. While the demonstrated need in these public investment areas is many times the dollar amount proposed in this Bond Act, we believe that this level of public investment will balance the public's concern for prudent government spending with its overwhelming desire to continue New Jersey's record as a leader in natural resources protection. We do recommend that this bond be no less than the \$325 million that is currently proposed.

Without action to bring these programs to the voters of the State, we believe that we are going to lose quite a few initiatives in each funded area. There is no better time to protect open space or to provide economic stimulus in the construction of wastewater facilities, or through dam restoration and shore protection projects. These initiatives

also provide relief to the State's urban areas, where public moneys for investment in rebuilding infrastructure are in very short supply. With proper planning and investment in redevelopment and restoration, these urban areas can reverse population decline, environmental degradation, and their resultant economic drain.

While a very strong case can be made for the appropriation of much larger sums in each natural resource protection area, we believe that this proposed Clean Water and Natural Resources Bond Act earns our endorsement as a coordinated, short-term investment for continuation of these critical programs. I think the emphasis there should be on short term. As the State's economy rebounds, the citizens of New Jersey will view these funds as a seed to a growing harvest of protected shorelines, waterways, and open spaces.

The discussion of these natural resources groups over the last two weeks has come around quite a bit to the point of view of the division of the wastewater treatment funds. While I do not stand before you as an expert in wastewater treatment, I believe that the sum total of these discussions came from the language in the bill which would limit the use of wastewater treatment funds in this bond to improvement of existing facilities. I think that is consistent with the sponsors' intent, as mentioned this morning.

I think the idea of adding for improvements or expansions of facilities and this small amount of money runs counter to good environmental planning within the State.

As an aside from my own Association -- the New Jersey Recreation and Park Association -- we are very concerned about the level of funding for the Green Acres Program within this bill. We are supporting the bill at the current \$100 million, but we are doing so with the realization that the \$45 million provided in this fund is basically a one-year term from the Green Acres local grant program. We are very concerned that we

will be back before you again and again if we are going to do smaller bond amounts over the next few years, or until we come up with a stable source of funding to work into the Green Acres Program.

We are here to commit to endorse this bond at the \$325 million level, and we look forward to working with all the groups in the State to make sure it passes this fall. Thank you.

ASSEMBLYMAN DUCH: Bill, if we can just-- Just one comment as a follow-up: What you're saying then is that you would like to see the wastewater treatment section of this bond say that it would be used for new facilities where very poor facilities exist?

MR. FOELSCH: Well, to upgrade existing, up to permit compliance-- I think our language, as later stated in there, made some suggestions from these 10 groups relative to the wastewater treatment amount. I didn't want to go into them one by one, yet we felt that corrective measures to reduce surface water infiltration into wastewater treatment systems and upgrading treatment systems to bring such systems into full compliance with DEP operating permits-- Also, a provision of the funds for low interest loans for the improvement and expansion of wastewater treatment systems to solve existing environmental problems. I believe Mr. Catania mentioned areas such as septic failures and other environmental problems which should be responded to with a portion of the moneys.

Currently the language in the bill allows for -- it would seem to us -- additional expansions to bring service to new areas outside of where the existing infrastructure is occurring.

ASSEMBLYMAN DUCH: Okay. Thank you very much for addressing that issue. We are going to continue that discussion, but-- John Paul?

ASSEMBLYMAN DOYLE: The same question as to Mr. Catania: With that amendment in mind, and in the sense of broad and proper environmental planning, you find that expenditure of funds on upgrading wastewater treatment plants so they are consistent with current regulations to be consistent with good environmental planning?

MR. FOELSCH: That would be consistent with our interpretation of that, yes, sir, and also I believe the other groups that have signed on to that statement.

ASSEMBLYMAN DOYLE: Thank you.

ASSEMBLYMAN DUCH: Thank you very much, Bill.

Next we will hear from Lisa Verniero, Building Contractors Association of New Jersey.

L I S A V E R N I E R O: Thank you for letting me speak. My name is Lisa Verniero. I am the Director of Government and Public Affairs for the Building Contractors Association of New Jersey.

The Building Contractors Association of New Jersey represents general contractors who build commercial and industrial building construction throughout the State. We support the Clean Water Bond Act sponsored by Assemblyman Doyle. We are very pleased that \$150 million of the \$325 million Bond Act will be allocated for wastewater treatment facilities.

Currently, there are over 200 municipalities throughout New Jersey that have sewer bans and are unable to build. Improving our State's wastewater treatment facilities is needed to help the economy and to help the environment.

Many people before me today have spoken about creating new jobs from the Bond Act. I have before me a New Jersey Economic Fact Sheet. This was created by the Associated General Contractors of America, which is our national association. They have here that each \$1 million spent on new construction in New Jersey creates 27.7 jobs, so that is just

the impact -- what can be created by lifting many of the sewer bans throughout the State -- that construction has on the economy.

I urge the Committee and the Legislature to pass this bill as soon as possible to get it on the November ballot. Thank you.

ASSEMBLYMAN DUCH: Thank you very much. Next, Phyllis Elston, The Jersey Conservators.

P H Y L L I S R. E L S T O N: Thank you, Mr. Chairman. On behalf of The Jersey Conservators, you will see that the testimony that was placed before you requested an amended version of the bill. The concerns are those which you have already heard; namely the moneys in the wastewater treatment portion of the bonding issue being used to improve and upgrade, rather than create new ones. I believe, although I have not had a chance to read the amended bill which is out on the table, that the bill's sponsor has indicated that-- I assume you are dealing with that.

ASSEMBLYMAN DOYLE: That is correct.

MS. ELSTON: Good. Our second concern centers around the joining of the open space issue with the wastewater treatment section of the bill, and you have heard comment on that, too. We still expressed that concern. However, to bypass \$100 million of open space acquisition because it might not be the right time, is not a desirable option. We are concerned because one of the latest polls did show environmental concerns slipping from the public's first place concern to fourth or fifth, being replaced in the number one slot by issues of taxation.

Obviously, I think there has been enough publicity in the paper that the general public realizes at this point that they do indebt themselves for 35 years in favor of open space. We can only trust, being believers in the public's ability to

handle public questions, that they will speak positively on this. So, although I haven't seen the material that Bill Foelsch has put forward to you, the groups represented in that are aware of the concerns I have just expressed.

I guess one thing that I would be remiss if I overlooked, is reiterating the plea for consideration to permanent funding, because if things don't go as we hope they will with this, if the climate is not right, and the climate might not be right for who knows how long-- I hope in the background, as we have seen the struggle over the past, probably decade-- I hope that some thought is still being given to permanent funding for natural resource protection, the funding source being whatever someone can finally positively pull out of the hat.

Finally, we still have the clean water legislation -- the Clean Water Acts on the Federal and State levels -- with an awful lot of money under the citizen suit provision not being captured and directed right into treatment plant repair. I would ask that you go back and think about the possibility of taking those pieces of legislation and just offering a straight bounty across-the-board to any citizens' group which would participate in citizens' suits, and then taking the lion's share of the money and directing it toward the treatment plant improvements that we all know we need.

Thank you.

ASSEMBLYMAN DUCH: Thank you very much. Assemblyman Doyle?

ASSEMBLYMAN DOYLE: If I might, two questions. The first is just procedural, because I am obviously a pinch hitter on the Committee. Certain of the groups that came before us-- One cannot be in this State without being familiar with them, including Bill Foelsch's group and Mike Catania's, but I am not familiar with The Jersey Conservators.

MS. ELSTON: The Jersey Conservators was at the meeting that Bill Foelsch alluded to a week or so ago. The Jersey Conservators was originally formed about a year ago as the Association of Northwest Jersey Conservators. That was the group that was involved in the Allamuchy land swap procedure, if you recall -- sued the State, sued the Governor, sued the DEP, offered settlement, and managed to get \$5 million into the Green Acres Program as a result of all that, which, to the best that I can find out as of today on the phone, has not yet been allocated. But, subsequently the group did become a statewide group and changed its name to The Jersey Conservators.

We participated in the meeting that Bill Foelsch mentioned, which occurred about a week or 10 days ago. However, at that point none of the groups attending, except The Nature Conservancy, had a copy of the proposed legislation. I finally was able to get it from the Bill Room as of the close of last week. Again, that was not the version which I assume is out on the table today.

ASSEMBLYMAN DOYLE: Nor the version which might ultimately--

MS. ELSTON: Ultimately come, right.

ASSEMBLYMAN DOYLE: --be adopted, given our desire to try to respond to certain of the concerns we are hearing, which is why we have the hearing process.

The second is -- and it is a little afield from the bill, as was the testimony-- I feel compelled to ask: As much as we all feel about the need for a permanent funding source for environmental programs of varying types, including shore protection, Green Acres acquisition, Pinelands assistance, wastewater treatment, and all of those that are in the broad environmental planning stage, a permanent funding source perforce means a new tax.

MS. ELSTON: I know.

ASSEMBLYMAN DOYLE: Okay. So when you find out what that new tax should be, and are willing to-- I would be glad to hear about it, because I know we went long and hard about the hotel and motel taxes and additions to the realty transfer fee. I would love to hear the one that is salable.

MS. ELSTON: As the person who chaired that statewide coalition of natural resources groups standing behind that legislation, I still stand -- and I know a lot of us still stand -- behind those two modes, because they have proved themselves nationwide in 40-some-odd states out of our 50, to be effective revenue generators for natural resource protection.

It is my understanding that there is a proposal afoot now with regard to certain budget recommendations to again tap the hotel/motel tax for another purpose. I won't get into that because it is not particularly pertinent to what we are talking about here. But what is pertinent is that that particular tax does have the ability to gather revenue from people who pass through our State impacting our natural resources and not particularly contributing to the preservation and protection of same. That is why I always felt, and still feel that that is a very appropriate tax.

I must tell you, Mr. Doyle, it was with great sadness that after the failure of that legislation then Governor Kean's Chief of Staff said to me: "You know, you people missed the boat, because you didn't try to get that on a county-by-county basis." The situation we had with the casino industry in Atlantic City was such at the time that it was able, really, to impact that legislation. So, let me suggest that we should look at that again on a county-by-county basis, because if you go back and examine what has happened on the failure of that statewide proposal, in many of the counties they have gone ahead and funded their own permanent, stable source of funding, most of it connected with the real estate tax. Maybe this is the way to get it. Maybe we should bring back that statewide

proposal with the dreaded "t" word, and leave it to the particular counties to say whether they really want to do that or not, because I have every confidence that in that instance the people will say, "Yes."

ASSEMBLYMAN DOYLE: I wish-- (remainder of sentence indiscernible; both Assemblymen speaking at once)

ASSEMBLYMAN DUCH: I'm sorry.

ASSEMBLYMAN DOYLE: Okay, fine. Thank you.

ASSEMBLYMAN DUCH: Our discussion today is on the bond issue, okay?

MS. ELSTON: Thank you, Mr. Chairman, for your patience.

ASSEMBLYMAN DUCH: If the two of you would like to continue this other discussion, you may do so at the conclusion of this meeting. There are many people who have come here today to testify on the bond issue--

MS. ELSTON: I appreciate that, right.

ASSEMBLYMAN DUCH: --and I would like to hear them out.

MS. ELSTON: Thank you.

ASSEMBLYMAN DUCH: Thank you very much.

Next is Ellen Gulbinsky, Association of Environmental Authorities.

E L L E N G U L B I N S K Y: Thank you, Mr. Chairman. I will be very brief. I would just like to reiterate the comments that have been made by the League of Municipalities and the Counties Association with regard to need, and the fact that there is definitely a need for us to fund our wastewater upgrades. We all know that the challenges for abating water pollution are becoming very strict in New Jersey. They are of great concern to the Authorities. I represent 141 authorities across the State of New Jersey which are challenged with being sure to abide by their permit and come into compliance with those. So this bonding issue will help a great deal to meet those challenges.

We are also, in the future, going to be challenged with a new way of handling our sludge residual. That, too, I think, is going to require a greater commitment of funds in order to do that. So, I look forward to this being the beginning of also some future needs that are going to be there.

Thank you very much for putting this in and for considering putting it on the ballot, again for the public to take a look at, because they do want clean water, so therefore I think we do have to let them know that we need more resources to provide that clean water for them. Thank you.

ASSEMBLYMAN DUCH: Thank you very much.

Next, Richard Sword, Princeton Land Conservation Trust.

R I C H A R D S W O R D: Thank you, Mr. Chairman, for having us all here today. I responded to a personal letter from the Governor soliciting my support, as did the Chairman and Founder of the Princeton Land Conservation Trust. I am also a Director of the Delaware and Raritan Canal Greenway, which is an active greenway in the State of New Jersey.

I just wanted to say thank you. The review of the legislation, from my perspective, which is land preservation, really deals with the section devoted to lands, moneys made available to Green Acres, both on a grant basis and a debt basis. And I wanted to say that the land trust community, specifically the Princeton Land Trust, would be in favor of any and all efforts by the State government in that direction to make available funds for the acquisition of land. We all know in Princeton, where I operate-- It is a small town, but trying to save five acres at \$100,000 an acre gets to be a big job. We have a couple of multimillion dollar properties at the moment that need to be saved, and we're working on it, but we need access to State funds and State cooperation to do it. We certainly appreciate your help.

State acquisition of parklands, I wanted to comment, is an increasingly interesting alternative to private sector

involvement and purchase. The State has always provided for big park systems and big involvement in the ownership and maintenance of land on the State level and the county level and the municipal level on an ongoing basis, so it is an increasingly attractive alternative for cost reasons, as much as anything else.

I also wanted to make the comment that as regards the passage of the bond issue and the process this Committee is in, and the Senate will be in, and the Governor, to put this on the ballot in November, we have a big challenge. We know that the Big Green Initiative in California was turned down. We know that New York has had a problem with the billion dollar water and land preservation bill. New Jersey, it seems to me, has a unique opportunity here to speak as a State, to pass this at the Assembly level, at the Senate level, and let the voters pass it favorably in November. I believe it is going to take a good deal of work, but I hope we can do it.

Thank you. We are in favor of the bill. We need its swift passage. Thank you.

ASSEMBLYMAN DUCH: Thank you, Mr. Sword.

Next, Terrence Moore, Pinelands Commission.

T E R R E N C E D. M O O R E: Thank you, Mr. Chairman. I wanted to confine my remarks today, if I may, to those aspects of the proposed bond issue that affect the New Jersey Pinelands, and there are numbers, as members of the Committee know.

I think it is important to note that over a decade ago, New Jersey determined to pursue a land use venture that is really unparalleled anywhere else in the nation. In doing so, the State also created one of the strongest growth management programs that exist within the United States; a growth management program that is very heavily dependent on the ability for growth to occur within certain portions of the New Jersey Pinelands.

Mr. Chairman, I want to note first that I am hopeful that the Committee will be cognizant of the differences between the sections in the Bond Act. It is very important in terms of the New Jersey Pinelands that funds be made available not just for permit upgrades, but to service those areas that have been defined as regional growth. The bond issue, as it is worded today, does so, and it does so because the ability to have growth occur within certain regional growth areas of the Pinelands is very, very important to saving and preserving portions of the Pinelands so that that growth pressure does not evolve.

I would not want to speak for my friends in the environmental community, but I think they are aware that there is a difference in the two sections, the one dealing with the Pinelands. It is very necessary to have upgrades and new collection systems within that particular region, because that is where all growth in the Pinelands will go in the future. I might suggest as proof of that that over 95% of all of the development approvals by the Pinelands Commission over the past decade have been in those regions that are targeted for growth. So I would just hope that the Committee would take that into consideration in looking at how these funds will be utilized in the future.

The second important element of this bond issue as it affects the Pinelands is the analysis of the Kirkwood-Cohansey Aquifer. I think anyone who has been involved in the Pinelands effort for the last decade, or even before, has always placed very high on their agenda the undertaking of an analysis of the Kirkwood-Cohansey Aquifer. The decisions we make about water in the Pinelands in the future -- and water, I think we all know, is the lifeblood of the New Jersey Pinelands -- are very important. This study is the first in the nation type of a study. It is the first one to look at the ecological implications of water supply management. The Bond Act does

provide up to \$5 million for both the institution of the infrastructure master plan and this study. It is one that has been looked on with interest by the Department of Environmental Protection, by the USGS, and certainly by the Pinelands Commission over the past number of years, because we do need the answers to the questions of the future of that very sensitive aquifer resource.

The other third Pinelands element that is included within the bond issue is to look at ways and indeed projects to alleviate direct discharge of effluent into both the Atlantic Ocean and the Delaware River. Just for your information, presently sewage treatment plants in Atlantic, Ocean, and Camden Counties deposit 108,000,000 gallons a day of effluent directly into the Atlantic Ocean and the Delaware River. It does appear that in this decade it is perhaps appropriate to begin looking at bringing some of that back to replenish the aquifer systems, to lessen the pollutant loading within those water bodies, and also to deal with the impact of saltwater intrusion, because that impact is basically because water is being drained from those aquifers and saltwater is replacing the freshwater that is now being dumped back into the Delaware River.

This Bond Act is a very important initiative for New Jersey as we approach a new century. It provides for a future that is based on additional water resource protection and land conservation, and a continuing safeguarding of the irreplaceable resources of one of New Jersey's truest ecological treasures, the Pinelands National Reserve.

We had some testimony today on the concern about the voters and the belief in the voters. I am one who comes before this Committee with belief in the voters. I think the people of New Jersey will recognize in 1991 what they have always recognized on countless occasions before, that the resources of

this State are in need of continued protection; that measures such as this proposal are worthy of their support, and I would respectfully request that this Committee take the first step in allowing that support to be expressed by reporting this bill.

I should indicate, Mr. Chairman, that we do have some minor technical amendments that we are discussing with the Committee staff in terms of certain terminology relating to the Pinelands sections, and we will continue that discussion.

Since Assemblyman Doyle just returned, I do want to say that it is a great personal pleasure -- and I think he will understand why -- for me to stand in support of a bill that bears his name in 1991, and I am very pleased to support it.

Thank you.

ASSEMBLYMAN DOYLE: Let me say, Terry -- and I am sure you and I both know whereof we speak -- I have had long a concern that we should preserve and protect this fragile State, but I have always, and will consistently think that providing the funds to buy public lands is the best and fairest and most constitutional way of preserving and protecting those lands. While court decisions may come and go, I think, in retrospect, the Pinelands Protection stands with pride for those who did enact it and have enforced it, and I am glad to be on the same side of the table with you in this one.

MR. MOORE: And we look forward to continuing funding for that acquisition, Assemblyman.

Thank you.

ASSEMBLYMAN DUCH: Thank you very much.

We will next hear from Marie Curtis, New Jersey Environmental Lobby.

M A R I E A. C U R T I S: Good afternoon, Mr. Chairman and members of the Committee. I am here today representing the New Jersey Environmental Lobby, a body of some 1200 organizations and individuals statewide who are dedicated to preserving and

protecting New Jersey's natural environment. We come here today in strong support of A-5102.

While we recognize that these are difficult times fiscally, we, nonetheless, are also aware of the rapidly decreasing open space available for preservation and the ongoing needs for water treatment, dam restoration, Pinelands infrastructure, and beach protection. Costs continue to rise in all of these areas, and the continued decline of those facilities already in place makes timing of the essence here.

While the Green Acres Program may still have funds in its coffers, they are already allocated to specific projects. Failure to continue funding here could result in the dismantling of a program that has been highly successful and strongly supported by the voters of this State. In this most densely populated of all 50 states, preservation of open space is a necessity.

Our only real concern -- and you have heard this from many speakers before me today -- is in the area of wastewater treatment. We had some fears originally that this funding might be used for expansion of facilities, but were assured that the projects to be undertaken are improvements and replacements of antiquated facilities. However, just this afternoon we have had the new Assembly Committee Substitute given to us, and a cursory look shows two areas of concern: One is on page 6, where wastewater treatment systems is defined. When we look at reduction, disposal, etc. of wastewater or sewage sludge, this could conceivably be interpreted to mean a sludge incinerator being built with these funds. I am afraid that a lot of our member organizations would be quite concerned if it were so interpreted.

The other concern is on page 9 -- 9a. -- bonds of the State of New Jersey. We would be happier if at the end of that statement, where it reads: "financing the cost of the construction of wastewater treatment systems" -- adding

"remediation or upgrading," and "expansion only in areas where large numbers of septic systems have malfunctioned or become obsolete." I think that would clarify and make, you know, our concerns that these moneys be used for expansion into new areas-- It would certainly alleviate some of those fears.

ASSEMBLYMAN DUCH: Can you give us that language again?

MS. CURTIS: Yes, okay. "Remediation or upgrading," and "expansion only in areas where large numbers of septic systems have malfunctioned or become obsolete."

ASSEMBLYMAN DUCH: Thank you. Assemblyman Doyle?

ASSEMBLYMAN DOYLE: I appreciate-- The testimony Ms. Curtis gives is consistent with those witnesses who have indicated a desire that the wastewater treatment money be limited to basically existing problems in existing areas of development. I well understand and accept and agree with that.

Let me say, though, in truth, that while that would seem to be a limitation, I have a concern on the other side that we not put moneys in this bond issue and put the bond issue itself at risk, when those moneys could not be usefully spent. I am well-assured that even with the limitations and restrictions that are understandably suggested, we could still easily spend well more than the moneys for wastewater treatment. So the testimony I gave with respect to the fact that this money would provide not only a cleaner New Jersey, but a more employed New Jersey, would continue, nevertheless, to be true. That is important to me, because there is -- let us be clear -- a factor in here that we are putting people to work and putting people to work for one of the best things we could have them working for: a cleaner, more environmentally sound New Jersey. So even with those limitations that money not only will be well-spent, but could also be easily spent.

MS. CURTIS: I certainly concur with you, Assemblyman. In fact, the final paragraph in my official

testimony states that the amounts stated in this proposal are modest. They are nowhere near the totals--

ASSEMBLYMAN DOYLE: You said it so much more succinctly.

MS. CURTIS: --necessary to complete any of the categories listed in the Act. They are, however, a responsible attempt to continue programs in place that are environmentally essential. To allow such programs to lapse and then incur start-up costs at a later date is foolish. We applaud the cautious approach taken here, and urge passage.

ASSEMBLYMAN DUCH: Thank you very much.

MS. CURTIS: So I certainly concur with your comments at the end, sir.

ASSEMBLYMAN DOYLE: Thank you.

ASSEMBLYMAN DUCH: Thank you very much.

Next, Hal Bozarth, Chemical Industry Council.

H A L B O Z A R T H: (speaking from audience) Very quickly, Mr. Chairman, thank you. On behalf of the--

ASSEMBLYMAN DUCH: We need you to step forward because we are recording.

MR. BOZARTH: (complies) Thank you, Mr. Chairman and Assemblyman Doyle.

On behalf of the 105 member companies of my organization, we would like to support this Bond Act. We applaud its efforts in all the areas the previous speakers talked about. We find them most necessary and would urge this Committee to vote favorably on the bill, and, as expeditiously as possible, passage through the process.

Thank you, Mr. Chairman.

ASSEMBLYMAN DUCH: Thank you very much, Mr. Bozarth.

Next, George Howard, New Jersey State Federation of Sportsmen's Clubs, and also the Jersey Coast Anglers. Mr. Howard?

G E O R G E P. H O W A R D: Maybe I will start out by explaining the dual role up here. The Jersey Coast Anglers is one of our member clubs. Tom Foti (phonetic spelling), who is the President of that organization, was on his way here when he was in a minor automobile accident and was unable to get here. So he called, and he is all right.

ASSEMBLYMAN DUCH: He's okay?

ASSEMBLYMAN DOYLE: He's in good shape. I saw the car on 571 being put on the tow truck.

MR. HOWARD: He just asked me to add that.

My name is George Howard. I am President of the State Federation of Sportsmen's Clubs. We appreciate the opportunity to be able to testify here today on this most important issue.

The State Federation of Sportsmen's Clubs, representing 150,000 organized sportsmen statewide, supports the proposed Clean Water and Natural Resources Bond Act of 1991. Given the urgency and importance of protecting the State's waters and natural resources, it is imperative that this issue be brought to the voters for their consideration.

The Federation considers the \$325 million to be the minimum amount necessary at this time to address the goals of this legislation. While providing only a small portion of the funding required, this initiative offers a much needed short-term solution to the preservation of the economic and quality of life values provided by the resources to the citizens of our State.

We look forward to working with you in seeing that this legislation becomes law.

ASSEMBLYMAN DUCH: Thank you very much, Mr. Howard.

Next, Raymond Pocino, Heavy Construction Laborers' Local No. 172.

R A Y M O N D M. P O C I N O: Mr. Chairman and Committee members, good afternoon. I represent, as President and Business Manager, Heavy Construction Laborers' Local No. 172, around 4000 in number.

The officers and members of Heavy Laborers' Local No. 172 believe the projects and land acquisitions outlined in the Clean Water Bond Act of 1991 will go a long way towards promoting a healthy environment in New Jersey, while relieving our construction industry of the highest unemployment rate it has experienced in a decade.

We strongly urge the members of this Committee to release Assembly Bill No. 5102 so that the proposed \$325 million bond issue can pass both Houses of the Legislature in time to be placed on the November ballot.

The Clean Water Bond Act is a classic quality of life issue that will provide enormous environmental and economic dividends both immediately and in the future. Thousands of new jobs will be directly created by investing \$150 million in renovating wastewater treatment plants throughout New Jersey. In addition, the infrastructure improvement will result in the lifting of many of the 250 municipal sewer bans now in effect, thereby releasing additional hundreds of millions of dollars in private construction projects that are now on hold because of inadequate treatment capacity.

When you combine this strong economic potential with the sound environmental promise of raising some \$175 million for land acquisition, Pinelands protection, Shore protection, and dam construction and rehabilitation, you create a win-win scenario that New Jersey, simply, cannot afford to ignore.

Laborers' Local No. 172 agrees with members of the New Jersey Wastewater Treatment Trust when they suggest that wastewater treatment must be of central focus when establishing a solid infrastructure, because it is environmental protection of its most basic form. Likewise, we agree with Governor Florio's assessment of the Clean Water Bond Act as a measure that will help keep our economy moving forward while others have stalled.

New Jersey currently faces billions of dollars worth of wastewater treatment needs. Inadequate capacity, deficient treatment, failing septic systems, and sludge disposal problems serve to impede economic potential and long-term tax revenues by limiting private sector investments. It's safe to say that our response to these priority needs in the delivery and treatment of water resources and the safe disposal of solid and hazardous wastes will play a significant role in charting the course of New Jersey's economic and environmental futures.

Once again, Laborers' Local No. 172, respectively, urges your support of A-5102 and the Clean Water Bond Act Issue. It represents an unsurpassed opportunity to do something now about New Jersey's employment, economic, and environmental needs, in a way that is fiscally sound and that is important. Thank you.

ASSEMBLYMAN DUCH: Thank you very much, sir. Next is Ted Mash from the Maritime Exchange. Ted Mash, Maritime Exchange? (no response) Michele Byers, Conservation Foundation?

M I C H E L E S. B Y E R S: Good afternoon. I'm Michele Byers from the New Jersey Conservation Foundation. We are a private, nonprofit charitable organization dedicated to preserving open space in New Jersey. With over 5000 members, we conservatively estimate that we've been responsible for preserving over 50,000 acres in the last 30 years.

We wholeheartedly support the 1991 Clean Water and Natural Resources Bond Act, with a few caveats that I'll mention in a few minutes. We feel it's vital to New Jersey's continuing efforts to preserve open space and its natural resources. Continued funding of the Green Acres Program is unquestionably one of the most important things that we can ask the voters in New Jersey to vote on in the fall, and it's particularly timely right now.

We get calls constantly. Within the last, say, six to 12 months, requests for our assistance in preserving open space have increased dramatically, and it's primarily due to distressed landowners and lending institutions, which now are looking for outlets to unload and sell property. Many of these properties have significant natural resource values, and need to be acquired now -- as soon as possible.

In the future, changing economic decisions will probably price the properties out of reach of conservation organizations as well as the New Jersey Green Acres Program, in future years. Now is the time to act.

Demand for the Green Acres Program in New Jersey has been demonstrated repeatedly since the 1961 Green Acres Bond Issue. Municipal and county government applications to the Green Trust Program have consistently outpaced available funds. It's a very successful, highly efficient program.

A new program for nonprofit organizations that was instituted just last year, the 1989 Green Acres Open Space Program, allocated \$10 million to be matched 50/50 by local conservation organizations. Applications have just come in for that program. I have some estimates that you can also get from the Green Acres Program -- estimates, because it's just started.

Nineteen applications-- Nineteen conservation organizations applied for the funding on over 24,000 acres of land. The estimated project cost -- and these are only estimates that are based, probably, on higher-- The most recent appraisals are about \$29 million. Well over 50% of that \$29 million is going to be matched by private conservation initiatives. The State cost of roughly \$10,000 -- \$10 million will result conservatively in an overall average cost to the State of \$1200 per acre.

The program provides a real strong incentive for nonprofit organizations like us to get the best price possible on land, and pass that price along to the future of New

Jersey. Applications submitted under the first round of this program includes stream corridor protection plans in Hunterdon County; a riverfront park in Phillipsburg -- an urban area in New Jersey; large additions to migratory wetland areas in Salem and Cumberland Counties; and recreational lands that are much needed in Mercer County.

The \$5 million that are proposed under this 1991 Bond Act may seem small relative to the size of the entire project, but it has the potential to go a long way. I mention too, that a lot of lands that are targeted for acquisition by nonprofit groups such as ours are lands that are vital to local conservation and recreational needs, but may not be projects that would be targeted by the State Green Acres Program, for whatever reason. So it's in addition to. It supplements, and it's a way to really stretch public funding, and we strongly support the continuation of that program.

A couple of the concerns that we have, have already been reiterated here before, namely, with respect to wastewater treatment. Public expenditures for wastewater treatment should be confined to the correction of existing wastewater treatment problems in the upgrading of systems to conform to DEP permit requirements. Funding for new systems for new developments should only be permitted in urban areas consistent with the principles embodied now in the Interim State Development and Redevelopment Plan. Public funding for both land preservation and wastewater treatment, as a growth inducing infrastructure, has to be coordinated so that the future Green Acres Programs don't have to pay escalated costs for any increase in land value that might be created out of placing wastewater treatment systems throughout the State in a scattered fashion.

I'd, really, also, like to say that I wasn't aware earlier that Assemblyman Doyle was interested in the non-point pollution program down at the shore area, but that's also an

issue that we're very concerned with, and we support initiatives like that, that would add to and increase water quality in New Jersey.

Without this Bond Act to bring these programs to New Jersey voters in 1991, a significant initiative and a lot of momentum will be lost. Now is the time. Now is the time to buy important conservation and open space lands, and invest in the future of New Jersey's water supply, its greenways, recreational lands, and its quality of life. We strongly urge you to support this bill and ensure that it gets to the voters in November.

ASSEMBLYMAN DUCH: Thank you very much. Assemblyman Doyle, questions?

ASSEMBLYMAN DOYLE: No. I appreciate her support.

ASSEMBLYMAN DUCH: Okay. Ray Kalainikas? Is Ray Kalainikas here? (no response) Dirk Hofman, New Jersey Wastewater Treatment Trust? Mr. Hofman?

D I R K C. H O F M A N: Thank you, Mr. Chairman.

Mr. Doyle, I appreciate your sponsoring of the bill. Just a little bit of an update: The Trust, in our four years of existence, has sold, roughly, \$400 million in bonds and putting that together with our partner, DEP, we've financed over \$750 million in construction of wastewater treatment facilities. That amounts to 55 projects across the State. And listening to the testimony this morning I have to add that you've got to go back and look at how this program is run.

Basically, we finance projects that are needed today. We're not financing new growth. We're financing projects that are needed today to improve the environment. I mean, that was the purpose of the whole program to start off with. DEP runs through a lengthy process to set priorities. And those priorities are based on the amount of improvement that will be done to the environment as a result of the completion of that project.

One of the complaints that we've heard from authorities and municipalities is the fact that we don't finance growth, and if a project has a growth factor in it, it is called out as far as the financing program is concerned, and a municipality or an authority has to finance that on their own. So I think you should take some solace in the fact that that's the way we operate the program, and at the moment there's no intention of changing the program from that standpoint.

The program has been a success. However, I think you need to step back and take a look at what the overall need is. DEP, along with EPA, run every other year a need survey to determine what the need is in the State. And the latest need survey, which was done in 1990, shows that there's over \$4 billion of wastewater treatment needs in the State of New Jersey -- over \$4 billion. This is a staggering figure, and it's something that will be very difficult to begin to deal with, particularly in the environment that we have today with the economy the way it is.

So, we've looked with DEP. We've gone through an analysis and come to the conclusion that of that \$4 billion there's approximately \$2 billion that should be addressed -- (witness clears his throat) pardon me -- as quickly as possible. And you've got to realize that when we talk about \$2 billion of needs we're also talking about 200 towns, approximately, that are on sewer bans. That means that there's approximately 200 towns that are at a stagnation standpoint insofar as any new activities to go on in that particular town. That means that there are 200 towns that are, basically, polluting the environment, because there's something wrong with their facilities. That's the reason why they're on a ban in the first place.

So I don't think we're talking about any large amounts of money here that wouldn't go towards improving the

environment. We have to look at the resources that are available. The Federal funds are drying up under the Federal Clean Water Act. It's up now, obviously, for re-authorization, and they're taking a lot of testimony on how they're going to re-authorize that bill. But if you look at the current bill and the money that's available in that current bill, that begins to decline. And by 1995, they'll be nothing. And we're only getting a small portion of what was originally appropriated -- originally authorized, pardon me. The appropriations have not kept up with those authorizations.

And as you know, the State funds have dwindled. They've all been utilized in that \$750 million that we have out on the street. As a result of this \$4 billion and our \$2 billion of urgent needs, the Trust has been supporting by resolution and by action, a \$500 million Bond Act for this purpose. There was a Bond Act that was introduced on the Senate side and it has gone through one committee, and we were supporting that, recognizing that that \$500 million Bond Act when leveraged through the Trust program would generate \$900 million towards an overall \$2 billion need.

The Trust, however, recognizes that there are competing interests, and that we're not the only outfit that's out there looking for money to do their job. So, therefore, the Trust fully supports this particular Bond Act. The \$150 million that's been allocated for wastewater in the Bond Act, when leveraged by the Trust, will generate approximately \$270 million for wastewater treatment improvements. That's \$270 million in construction, and while it's not going to solve our problem, it will help us to continue to lead the way to improve the environment, which is what the name of the game is. That's why we are in existence: to improve the environment and continue New Jersey on its lead to environmental improvements.

As far as the technical aspects of the bill, there's a couple of minor technical changes that I've discussed with the

staff and I think they handled those minor changes. I won't take up your time with those now. They're just, merely, technical changes.

So, I think I can report that, we're doing, basically, what you want us to do. We're only spending money to improve those projects that need improvement, to improve the environment as it is today, and not for new growth.

ASSEMBLYMAN DUCH: Thank you, Mr. Hofman.

ASSEMBLYMAN DOYLE: Thank you.

ASSEMBLYMAN DUCH: Next we will here from Dolores Phillips, New Jersey Environmental Federation.

D O L O R E S A. P H I L L I P S: Thank you, Chairman. I'm Dolores Phillips. I'm the Legislative Director for the New Jersey Environmental Federation, which is a statewide environmental organization consisting of 71,000 members with an adjunct coalition of 52 environmental and civic groups.

We were present at the Governor's sign-- Excuse me, I'm way ahead of myself. Yes, we want the Governor's to sign this, but before that, we have a couple of steps to go through. We were present at the Governor's announcement of the conception of this Bond Act, and we have been in the strong support of bringing it forth to the Legislature. Certainly, I don't need to reiterate all of the reasons why we need to have this Bond Act. It seems like others have done that for us today, prior to my coming to the stand.

However, I do want to call on the Legislature to bring this Bond Act forward, to the public. There certainly, are enough concerns that -- are many rumors floating around today that indeed that this Bond Act will not see the light of day. And we do want to call on, not only the leadership in the Assembly, but the leadership in the Senate to bring this to the public. We do believe that there's enough support out there, and we will certainly be out there working for that to happen.

However, we-- Having seen the Assembly Committee Substitute today, I do have to reiterate the concerns that Marie Curtis brought forth earlier. And, in fact, I feel that we need to reserve support for this particular Committee Substitute until there's some clarification on the language for the wastewater -- in the wastewater section, on extension and expansion, and on the reduction for sludge in itself. I would like to work with the Committee with that further. I do understand Mr. -- excuse me -- Assemblyman Doyle's concerns, but we do feel that the language is so vague at this point that there really needs to be some clarification on it.

ASSEMBLYMAN DOYLE: With respect to-- Mr. Chairman, with your leave, with respect to the language, I think that the purpose of those who have testified as well as the Chairman and myself are of the same mind, and that is to specifically limit the availability of those funds to the upgrading of systems that are in noncompliance and to be targeted -- excuse me, not targeted, that's a suggested prioritization -- to be used exclusively for those areas where remediation and upgrading is needed, and not for an expansion of suburban sprawl or for systems into virgin areas. I don't know how much clearer any of us can say it, but clearly, that is how the bill will come out.

And, as Mr. Hofman's testimony indicated, we could easily spend the \$175 million and more. We could add a zero to it in those areas. So I don't see a problem in that regard. With respect to what the problem is, I think that's your earlier point. We can only get it passed in one House. We collectively can show the light, the way, and the leadership, hopefully, so that ultimately it will be-- We'll all be at that Governor's signing ceremony together.

MS. PHILLIPS: Well, I certainly hope that's the case.

Chairman, I think what we're looking for now is some language to clarify those specific terms before we can fully

sign on to the Committee Substitute. We do feel that it is too vague, at this point.

ASSEMBLYMAN DUCH: All right. You're talking the same language that Marie Curtis already said on the record?

MS. PHILLIPS: Yes. Or, if there are other language that is going to come forth, we certainly would be willing to look at that, at that point.

ASSEMBLYMAN DUCH: Okay. Thank you.

MS. PHILLIPS: Thank you.

ASSEMBLYMAN DUCH: Thank you very much. Next, Lee Pfister, representing the National Dredging Association.

L E E O' T O O L E P F I S T E R: Good afternoon. Thank you, Mr. Chairman, for giving me the opportunity to address the Committee. I'm the Legislative Agent for the New Jersey Chapter of the National Dredging Association. The National Dredging Association strongly supports A-5102, which is sponsored by Assemblyman Doyle.

There are a variety of environmental and economic benefits to be gained from legislative and voter approval of this Bond Act. The projects included under A-5102 will help protect New Jersey's drinking water supplies, and improve the quality of life for its residents.

The \$15 million for shore protection projects will also help protect New Jersey's \$15 billion tourism industry. Under the Federal Water Resources Development Act of 1986, commonly referred to as H.R. 6, New Jersey has been allocated \$1.16 billion for a variety of water resource projects. To take advantage of these funds, however, New Jersey must match the funds at a ratio determined by the type of project. The \$15 million provided under this bill for shore protection projects will certainly help local and State government commit to projects.

Voter approval of this Bond Act will reap a variety of benefits for New Jersey residents. It will help protect New

Jersey's water supply and preserve recreation in environmentally significant areas. It will also help protect one of New Jersey's most important assets: its scenic and valuable shoreline.

We strongly support this legislation. Thank you for the opportunity to speak today.

ASSEMBLYMAN DUCH: Thank you very much, Lee. We will next hear from Philip Beachem, New Jersey Alliance for Action.

P H I L I P K. B E A C H E M: Good afternoon, Mr. Chairman. I'm Phil Beachem, the Executive Vice President of the New Jersey Alliance for Action. The Alliance, as many of you know, is a statewide, nonpartisan, nonprofit coalition of nearly 500 business, industry, labor, professional, academic, and governmental organizations. The Alliance is committed to the improvement of the quality of life for all the people of New Jersey through economic progress and the creation of jobs, balanced by responsible protection of the environment.

The Board of Directors of the Alliance has voted unanimously to endorse Governor Florio's proposed \$325 million Clean Water and Open Space Bond Issue and to urge you, the Legislature, to place the question on the November election ballot. That endorsement reflected the consensus of the broad diversity of interests represented on the Alliance for Action Board.

As our Chairman, Herman Simonse said in announcing the endorsement: "Clean water and a greener New Jersey are essential to protect and enhance our State's quality of life. Investment in water treatment systems, Green Acres, open spaces, protection of the Pinelands, shore protection, and dam construction and rehabilitation will pay huge dividends in New Jersey's future. We must act now."

In these difficult financial times, the Alliance members understand the caution of legislators about asking voters to approve bond issues. Some say New Jersey cannot

afford it. We submit that New Jersey cannot afford not to move ahead to meet its vital needs. Despite fiscal problems, public works and construction projects cannot be abandoned or the future health and economic viability and competitiveness of New Jersey will suffer.

Even in fiscal crisis, it is shortsighted to neglect New Jersey's long-term needs. The huge backlog of wastewater treatment projects, for example, threatens our critical supplies of clean water and has imposed sewer moratoriums that block job-creating, revenue-producing economic development in hundreds of communities in every part of the State.

I recently had the opportunity to cochair the public financing aspects of the Governor's Task Force on Capital Investment and Infrastructure. New Jersey has been retiring approximately \$200 million of general obligation debt annually. It is entirely feasible, therefore, to consider additional general obligation debt without significant impact on the State's annual debt service budget. The fact that one rating service downgraded New Jersey's credit rating to AA+ -- a rating, incidentally, that some States would love to share -- will have minimal impact on the cost of borrowing.

Fiscal prudence and caution are important, but so is a vital active economy that generates jobs, maintains the infrastructure and keeps New Jersey livable. Essential needs must be met, even in trying times.

The Alliance for Action urges the members of this Committee to give the voters of New Jersey the opportunity to make a decision on this most vital issue, and we stand ready to lend our support in that effort. Thank you, Mr. Chairman.

ASSEMBLYMAN DUCH: Thank you, sir. Next, Norm Goldman representing the Girl Scouts. Mr. Goldman?

N O R M G O L D M A N: Thank you for this opportunity to suggest a single concept, at this hour in the afternoon. We would like the Committee to consider expanding participation of the nonprofit sector in this proposed legislation.

The measure does recognize that a limited role at the State level, the nonprofit sector. Shouldn't we be asking ourselves if it's appropriate to recognize a greater role for the nonprofit sector, in keeping with the downsizing of government, and in keeping with developing effective public private sector partnerships?

Nonprofits have resources. Nonprofits have personnel, both professional staff and vast numbers of volunteers. They have networks of support. Increasing their role would maximize participation, would maximize commitment, would maximize ownership of such critical efforts.

What we are specifically suggesting is that on page 7 of the legislation, paragraph 6.a. -- introducing the various allocations -- the section, which begins: "Providing State grants and loans to assist local governments in the acquisition or Green Acres development of lands for recreation and conservation purposes--" What we are suggesting is adding there: "--and to assist qualifying tax-exempt nonprofit organizations in conjunction with local governments as co-applicants for such purposes in the public interest."

Thank you, Mr. Chairman.

ASSEMBLYMAN DUCH: If you could say that again, please?

MR. GOLDMAN: I, evidently, have piqued your interest.

ASSEMBLYMAN DUCH: None of us write that fast. Say that again, please.

MR. GOLDMAN: Following the section that says, "Providing State grants and loans to assist local governments in the acquisition or Green Acres development of lands for recreation and conservation purposes," to add the following language: "and to assist qualifying tax-exempt nonprofit organizations in conjunction with local governments as co-applicants for such purposes in the public interest."

ASSEMBLYMAN DUCH: Anything else, Mr. Goldman?

MR. GOLDMAN: That's it.

ASSEMBLYMAN DUCH: Thank you very much, sir.

MR. GOLDMAN: Thank you very much, Mr. Chairman.

ASSEMBLYMAN DUCH: We will consider that language. And finally, Ken Smith of The Coastal Advocate. Mr. Smith?

K E N N E T H J. S M I T H: Thank you, Mr. Chairman, for the opportunity to speak in support of the bill. When I prepared my testimony I had first knew that it was \$15 million, for shore protection. A fellow from the DEP, told me this weekend that is was \$25 million so I typed that in. And I hope-- The testimony looked so good I hope you won't make me red pencil that out.

The Coastal Advocate, on behalf of property owners, businesses, and local governments at the New Jersey shore, supports the passage of A-5102. New funds are desperately needed for shore protection, and we are hopeful that \$25 million will be provided in this bill and be maintained as it moves through the Legislature.

As many of you may know, the last bond issue for shore protection was passed in 1982, and those funds are gone. Indeed, they have been gone for several years, now.

The developed coastal communities of the Jersey shore provide the facilities which enable millions of people to enjoy the healthful recreation of a seashore vacation. Our beaches are a priceless resource and are the main attraction for a tourism industry which brings many billions of dollars in revenue into this State. I have heard arguments over how many billions it is; let's just say it's a lot. Actually, even the lowest estimates put us on a par with Florida in beach related revenues. Whether it's \$5 billion or \$13 billion, it more than justifies the commitment we should be making to beach restoration.

Our beaches need maintenance, just like our highways, airports, sewer systems, and anything else that provides a public benefit. We need to take a lesson from Florida and

begin to view shore protection as an investment in a healthy tourism economy rather than as a subsidy for property owners. Surely it's a little of both, but in regard to proximity to the ocean, someone has to be first, and we need to replace the complaints about that particular owner's benefit, with a view of shore protection as a valid and essential activity which benefits the general public in a cost-effective way.

The dollars we spend on our beaches are repaid a thousandfold, not only in the tangible beach related revenues which accrue to us, but also in the less tangible but even more important recreational benefits, which are measured in smiles, and in the screams of delight from our children as they run in the waves.

You know, Island Beach State Park is a wonderful, natural beach environment; a great place to take the family for a day. But anyone who thinks the Jersey shore should look like that is terribly misreading the wishes of our citizens. One of the largest majorities for the last shore protection bond issue came from Bergen County. They understand that the developed coast provides a place for them to enjoy the beach, but also to walk home and take a shower at the end of the day, without having to be trammed somewhere. The system works. It provides the amusement, restaurants, and amenities to handle the crowds and to keep them off the ecologically sensitive wetland areas on the mainland.

We need to make a new commitment to shore protection in this State. We need to begin again our search for a stable funding source for beach restoration funds. Much as we need this money, I think we all recognize that bonding would be much better served with a fund to cover the indebtedness. There are creative -- and not terribly abstract, but fundamentally creative -- funding mechanisms which are used in other states to rebuild their beaches. If they can do it, there's no reason

why we can't. All it takes is the political will to say, "Yes, we've neglected our beaches in the past, but we're not going to do it anymore."

I hope the Legislature will consider this in the fall. And my firm, through our contacts with the very best coastal expertise in the nation, will assist you in any way that we can.

Thank you.

ASSEMBLYMAN DUCH: Thank you very much, Mr. Smith. Does anyone else wish to be heard? I have no one else signed up to testify. (no response) If no one else wishes to be heard, we will have a 10-minute recess, and we will return to consider the bill. Thank you.

(HEARING CONCLUDED)

APPENDIX



STATE OF NEW JERSEY
DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT
MARY G. ROEBLING BUILDING
CN 820
TRENTON, NEW JERSEY 08625-0820

GEORGE R. ZOFFINGER
COMMISSIONER
(609) 292-2444

STATEMENT IN SUPPORT OF A-5102,
THE "CLEAN WATER AND NATURAL RESOURCES BOND ACT OF 1991"
PRESENTED TO
THE ASSEMBLY CONSERVATION AND NATURAL RESOURCES COMMITTEE
BY GEORGE R. ZOFFINGER, COMMISSIONER
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
MONDAY, JULY 29, 1991

The Department of Commerce and Economic Development is in full support of A-5102, the "Clean Water and Natural Resources Bond Act of 1991." This legislation proposes a \$325 million bond issue for two critically important purposes: protection of our environment and stimulation of economic development.

We emphasize that these two aims do not have to be mutually exclusive.

From the perspective of the Department of Commerce, one of the most timely and important elements of this bond act is the issuance of \$150 million in bonds for financing the restoration and improvement of wastewater treatment systems around the state.

Because of faulty or inadequate wastewater facilities, approximately 200 New Jersey municipalities are currently on sewer bans. This has effectively brought all new construction and development to a halt in these cities and towns.

By providing municipalities with low or zero interest loans to improve their wastewater treatment systems, this bond act will

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allow much needed development to take place, while protecting and improving water quality.

Concerning employment, providing funding for wastewater treatment systems also means increased job opportunities in several sectors. First, it will create construction jobs building and expanding the actual facilities. Additional jobs in this sector will be created constructing housing and commercial developments which have been crippled by the widespread sewer bans. Jobs will also increase in the manufacturing sector which produces the generators, instrumentation, piping and switchboards for the treatment plants as well as other items which are integral parts of housing construction. Of course, activity in these sectors will create growth in the service sector as well.

Overall, this bond act will provide a vital boost to the State's economy, at a time when it is most needed.

The Department of Commerce and Economic Development urges swift passage of A-5102.

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SUPPORT STATEMENT

The proposed Clean Water and Natural Resources Bond Act of 1991 represents a positive initiative in the protection of our State's natural resources and precious water supplies during difficult economic times. The programs which will receive funding from this Bond Act reflect tested, highly effective tools for State and local governments to invest jointly in cleaner water, additional open space, pinelands protection and shoreline improvements. While the demonstrated need in these environmental areas is many times the dollar amount proposed in this Bond Act, this level of public investment will balance the public's concern for prudent government spending, with its overwhelming desire to continue New Jersey's record as a leader in natural resource protection. We recommend that the amount of this Bond Act be no less than the proposed \$ 325 million.

Without action to bring these programs to the voters of the State, we believe that important initiatives in each funded area will be lost. There is no better time to buy and protect open space, or to provide economic stimulus in the construction of wastewater facilities, or through dam restoration and shore protection projects. These initiatives also provide relief to the State's urban areas, where public monies for the investment in rebuilding infrastructure are in short supply. With proper planning and investment in redevelopment and restoration, urban areas can reverse population decline, environmental degradation and their resultant economic drain.

While a very strong case can be made for the appropriation of much larger sums in each natural resource protection area, we believe that this proposed Clean Water and Natural Resources Bond Act earns our endorsement as a coordinated, short-term investment for continuation of these critical programs. As the State's economy rebounds, the citizens of New Jersey will view these funds as a seed to a growing harvest of protected shorelines, waterways and open spaces.

New Jersey Recreation & Park Association
Association of New Jersey Environmental Commissions
New Jersey State Federation of Sportsmen's Clubs
New Jersey Conservation Foundation
South Jersey Land Trust
Passaic River Coalition
The Nature Conservancy
Morris County Parks & Conservation Foundation
Natural Resources Education Foundation

[Material in brackets is omitted]

Material underlined is new text

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8. a. Bonds of the State of New Jersey are authorized to be issued in the aggregate principal amount of \$150,000,000 for the purpose of financing the cost of the restoration and improvement of wastewater treatment systems.

b. C total amount of bonds authorized pursuant to this section, \$.000,000 is allocated for the purpose of making low or zero interest loans to local governments for financing the cost of the upgrading and restoration [improvement] of wastewater treatment systems to be distributed as follows:

(1) \$100,000,000 for no interest loans to local governments for corrective measures to reduce surface water infiltration into wastewater treatment systems and for the upgrading of wastewater treatment systems to bring such systems into full compliance with Department of Environmental Protection operating permit requirements.

(2) \$35,000,000 for low interest loans to local governments for the improvement and expansion of wastewater treatment systems to solve existing environmental problems.

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c. Of the total amount of bonds authorized pursuant to this section, \$15,000,000 is allocated for payment to and use by the Wastewater Treatment Trust pursuant to the provisions of P.L.1985, c334 (C.58:11B-1 et seq.); and

(1) Of the \$15,000,000 allocated to the Wastewater Treatment Trust, a minimum of \$7,500,000 shall be allocated to local governments eligible to receive State aid pursuant to P.L.1978, c.14 (C.52:27D-178 et seq.).

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9. a. Bonds of the State of new Jersey are authorized to be issued in the aggregate principal amount of \$10,000,000 for the purposes of: providing funds for State high hazard dam [construction] replacement and restoration projects; providing State grants to local governments for high hazard dam [construction] replacement or restoration projects; and providing State loans to the owners of private high hazard dams for dam [construction] replacement or restoration projects, to be funded as follows:

(1) \$8,000,000 for State high hazard dam [construction] replacement and restoration projects and State grants to local governments for high hazard dam [construction] replacement or restoration projects; and

(2) \$2,000,000 for State loans to owners of private high hazard dams for dam [construction] replacement or restoration projects.

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Pages 27 & 28

STATEMENT

This bill authorizes the issuance, by the State, of bonds of the State in the aggregate principal amount of \$325,000,000 for the purpose of funding a variety of environmental protection projects. Monies from the sale of bonds would be available for appropriation, primarily, to the Department of Environmental Protection (DEP) for the purposes listed below.

The sum of \$100,000,000 would be allocated for certain State and local "Green Acres" projects;

The sum of \$50,000,000 would be allocated for State grants and loans to local [units] governments in the Pinelands, for water system project improvements;

The sum of \$150,000,000 would be allocated for State grants and loans to local governments for [building or] upgrading and restoration of wastewater treatment systems. Of this amount \$135,000,000 would be available for appropriation to DEP, and \$15,000,000 would be made available to the New Jersey Wastewater Treatment Trust[.];

The sum of \$10,000,000 would be allocated for high hazard dam [construction] replacement and restoration projects. Of this amount \$8,000,000 would be used as grants for local [units] governments, and \$2,000,000 would be used for loans to private dam owners;

The sum of \$15,000,000 would be allocated for grants to local [units] governments for shore protection.

- END -

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THE
JERSEY
CONSERVATORS
P.O. Box 774
Netcong, New Jersey 07857



LEGISLATIVE OFFICE:
395 West State St.
Trenton, NJ 08618
(609) 393-9232

TESTIMONY BY PHYLLIS R. ELSTON, Legislative Agent, before the Assembly Conservation & Natural Resources Committee, Monday, July 29, 1991

RE: Assembly Bill No. A-5102

While the Jersey Conservators recognize the past and present dilemma in our State regarding natural resource preservation and protection, we feel the necessity to reiterate our State's need for permanent funding for natural resource protection. In the past, since the 1970's, voters have consistently approved public questions allowing for the issuance of bonds for natural resource protection. Now, again, we ask the Public to assume future debt for this purpose. In the current economic climate, we fear for the fate of this question as presented in this legislation. The Public sympathy and support for green acres bonds in the past may not carry over to this proposal since the green acres allotments and the money proposed for State acquisition are tied to improvements in wastewater treatment projects. Please consider lifting the open space bond authorizations out of this proposal and placing them in a separate proposal.

Regarding the wastewater treatment upgrade and improvement section of the bill -- is the bill addressing existing systems? Are the bonds to be issued for NEW systems? Shall there be any designations or methods to preclude new plants in areas targeted by the Proposed State Development & Redevelopment Plan as areas where growth should not be encouraged?

In summary, while the Jersey Conservators cannot oppose the purposes of natural resource preservation and protection espoused in the bill, we question whether another bond proposal is the most desirable solution. Should we not instead be examining an appropriate mode to establish permanent funding for this purpose? And, with regard to the State's needs for upgraded and improved wastewater treatment plants, we remind all members of the Legislature that we still allow provision for "Citizen Suits" under the Federal & State Clean Water Acts with settlements lacking accountability and follow up. A better idea is to capture these moneys and appropriately direct them to plant improvement and operator training, offering a straight, across-the-board "Bounty" to citizen groups bringing these suits.

Thank you for the opportunity to comment.

7X Phyllis R Elston, Leg. Agent



The Pinelands Commission

P.O. Box 7, New Lisbon, N. J. 08064 (609) 894-9342

Testimony
of
Terrence D. Moore
Executive Director, Pinelands Commission
Before
The Assembly Conservation and Natural Resources Committee
Regarding
A-5102
The Clean Water and Natural Resources Bond Act of 1991

Mr. Chairman and members of the Committee, my name is Terrence D. Moore and I am the executive director of the Pinelands Commission.

I am pleased to have the opportunity to appear before you to speak in support of A-5102, the Clean Water and Natural Resources Bond Act of 1991. My remarks will be specifically addressed to those portions of the bill affecting the New Jersey Pinelands.

More than a decade ago, New Jersey determined to pursue a land use venture unparalleled anywhere else in the nation. It set forth to preserve, protect and enhance the internationally significant resources of the Pinelands. In that endeavor this State also created a strong and viable growth management program for 22% of its land area. In accordance with the provisions of the Pinelands Protection Act future growth is being channeled to

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The Pinelands - Our Country's First National Reserve

locations in or adjacent to existing development. The success of this effort is best measured by the simple fact that close to 95% of all the development approved in the Pinelands since the adoption of the Comprehensive Management Plan has been in areas programmed for growth. The ability to accomplish that task was aided by the Pinelands Infrastructure Trust Bond Act of 1985 which provided \$30,000,000 for wastewater facilities.

A-5102 continues New Jersey's commitment to provide the necessary ingredients for continued success of the Pinelands Protection effort. Providing infrastructure to accommodate carefully planned growth in the Pinelands is a key component to ensure that areas planned for conservation will not experience scattered and piecemeal development pressures. This bond proposal provides for two additional measures that are of utmost importance to the future of the Pinelands and the future of our coast.

An assessment of the potential impact of groundwater supply and related development of the Kirkwood-Cohansey aquifer system has long been a top priority of those involved in Pinelands protection. It is obvious that the stringent land use measures of the past decade would be for naught if the lifeblood of the Pinelands, its aquifer systems, are mismanaged in the future. This study, like other Pinelands initiatives, will be a first in

the nation undertaking. No one has previously linked the issues of water supply and their ecological implications to a region where the ecological balance is so water dependent. The future of the New Jersey Pinelands is intrinsically tied to a clear understanding of the 17 trillion gallon aquifer system that lies beneath its sandy soils. The intelligent use of these water resources is of paramount importance, as well, to all of southern New Jersey. We should not repeat the mistakes of the past that have resulted in the need for "critical area" designations, and which today place additional burdens on the Kirkwood-Cohansey formations. We must understand the implications of decisions affecting this aquifer. This study will provide that understanding.

A-5102 also provides funds to begin to eliminate direct discharge of the effluent from sewage treatment systems to the Atlantic Ocean and the Delaware River. Presently, sewage treatment plants in Atlantic, Ocean, and Camden counties release 108,000,000 gallons of effluent per day into these water bodies, depleting inland groundwater and stream flow levels and resulting in increased pollutant loading. It would appear to be wiser now to begin the process of recycling effluent to replenish the groundwater systems, reduce ocean and river pollution, and

reduce salt water intrusion into aquifers drained for water supply purposes.

The Clean Water and Natural Resources Bond Act of 1991 is an important initiative for New Jersey as we approach a new century. It provides for a future based on additional water resource protection and land conservation, and a continued safeguarding of the irreplaceable resources of New Jersey's true ecological treasure, The Pinelands National Reserve. It is my belief that the people of New Jersey will recognize in 1991 what they have recognized on countless occasions before, that the resources of this State are in need of continued protection, and that measures such as this proposal are worthy of their support. May I respectfully request that this Committee take the first step in allowing that support to be expressed by reporting this bill favorably today.

Thank you.

THE NEED

IMAGINE Southern New Jersey twenty-five years from today. It might continue to be a great place to live and work . . . or it might be a place:

- where water shortages are in the headlines
- where ground water levels become so low that our streams and wetlands dry up
- where huge wildfires become commonplace because the streams and wetlands no longer serve as firebreaks
- where public and private wells dry up
- where wells that still operate are polluted
- where our cranberry and blueberry farms shut down because there's not enough water
- where our bays can no longer support shellfish and where our bayside forests die because of reduced freshwater stream flows
- where growth and development come to a screeching halt
- where taxpayers foot the bill to rectify these problems which could have been avoided with better planning

12X
Sound far-fetched? Maybe, but we've already seen some symptoms . . . cedar trees killed by salt water near the Delaware Bay in Cape May County, dried up wells in Lakewood, shallow wells closed due to pollution in Jackson Township, and a 76,000 acre fire near Chatsworth when drought conditions dried up our streams and wetlands.

The Kirkwood-Cohansey Aquifer System

Scientists tell us that seventeen trillion gallons of water are contained in the Kirkwood-Cohansey aquifer system, a sand and gravel geologic formation that underlies most of Southern New Jersey.

A seemingly inexhaustible supply of water, yet one from which more than 130 million gallons of water are already taken each and every day. As other sources of water become limited due to overuse and pollution and our needs grow due to development, this aquifer system becomes more vulnerable.

Because the Kirkwood-Cohansey is a shallow system, every drop of water taken out lowers our groundwater table, reduces stream flows, and reduces freshwater flowing to our bays. Take too much and the ecology, economy, and character of Southern New Jersey is at risk.

Unfortunately, no comprehensive study has ever been done to obtain the necessary hydrologic and ecological information upon which sound, long term water supply decisions can be made. NOW is the time to find those answers so vital to Southern New Jersey's future.

THE APPROACH

A scientific consortium, led by the United States Geological Survey, proposes to cooperatively undertake a multi-disciplinary investigation of the Kirkwood-Cohansey aquifer system and associated ecosystems. The other partners in this cooperative project are the New Jersey Department of Environmental Protection-Geological Survey, Rutgers University, and the New Jersey Pinelands Commission. The goal of the project is to obtain the key hydrologic and ecological information needed to judge how current and future water supply needs can best be met while protecting Southern New Jersey's natural resources.

The first of its kind in the United States, this ecological approach will play a pivotal role in future water supply planning. Without it, local and state officials, water purveyors, environmentalists, developers, and the public will be unable to reach a consensus on key water supply and development issues which we'll face in the coming years. More importantly, however, we'll be gambling on the legacy we all hope to leave to our children.



Let's protect our earth



THE RESEARCH PROJECT

The project represents a five year study consisting of eight integrated tasks. An advisory committee will be invited to review and comment on the study process and project at each step.

Task 1 - General Hydrology: Planning and Coordination - The **United States Geological Survey** will prepare general water budgets, water table maps, and develop a monitoring program

Task 2 - Geology: The **New Jersey Geological Survey** will study the region's soils and geology to establish connections between geology, hydrology, and vegetation.

Task 3 - Hydraulic Interactions: The **United States Geological Survey** will investigate the interaction between wetlands and shallow groundwater systems

Task 4 - Hydrology of Key Basins: The **United States Geological Survey** will investigate the groundwater flow system, especially recharge and discharge processes, of several key watersheds

Task 5 - Ecological Effects: The **New Jersey Pinelands Commission and Rutgers University** will investigate the ecological effects of natural and man-made groundwater changes on wetlands and aquatic habitats and develop a regional model to predict ecosystem changes

Task 6 - Surface Water Impacts: The **United States Geological Survey and the New Jersey Geological Survey** will determine how groundwater use affects stream flows and water quality

Task 7 - Groundwater Model: The **United States Geological Survey** will develop a numerical groundwater flow model based upon data gathered in other tasks to evaluate the hydrologic impacts of groundwater use. Hydrologic impacts can then be used in the ecological impact model

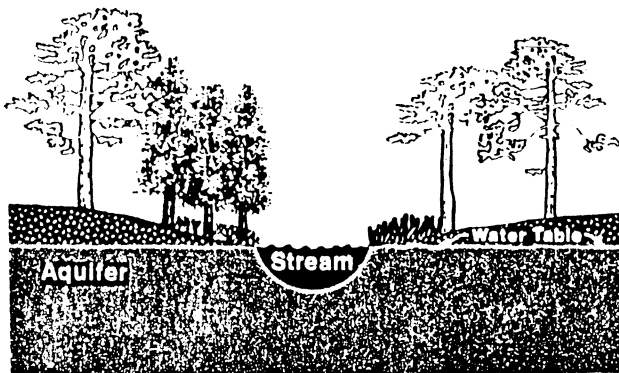
Task 8 - Hydrologic Monitoring: The **United States Geological Survey** will undertake the groundwater and stream monitoring program developed in Task 1. These data will be used in support of all of the other tasks

The total cost of the project is estimated to be **\$6.1 million**, of which \$400,000 has been pledged by the cooperating agencies.

THE BENEFITS

For the first time anywhere in the nation, a comprehensive program to address both ecosystem maintenance and regional water supply management objectives will be undertaken. As a result:

- **State, county, and municipal governments** will have better information on which to base growth and development plans
- **Water purveyors** will be able to better plan future water supply projects
- **Developers** will be able to make wiser investment decisions knowing how and where water supplies will be provided
- **Southern New Jersey residents** will be able to participate in these decisions and know what environmental legacy they're leaving for their children
- **Environmental and health officials** will be better able to plan for the clean-up of hazardous waste sites because they have a better understanding of the aquifer's hydrology
- **Scientists** will gain a better understanding of the relationship between hydrology and ecology that can be applied to other areas of the country



There is a direct relationship between the aquifer and streams in Southern New Jersey. In fact, it's estimated that 89 percent of the water in our streams comes from these underground water sources.

BUILDING A PARTNERSHIP

The research project can **only** become a reality with your help. Without your support and the necessary funding, this important work can not begin.

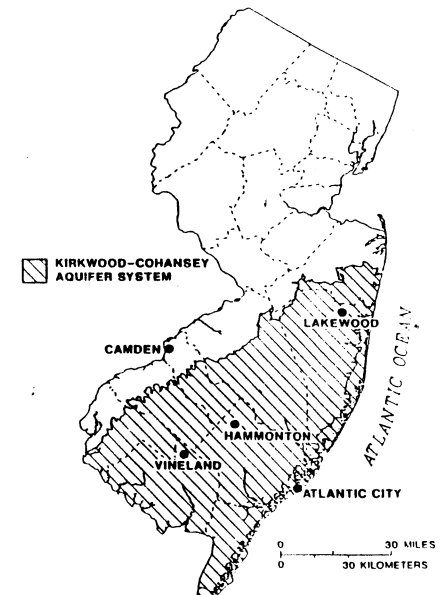
Please call or write to us if:

- You'd like to know more about the proposal
- Your business, organization, or governing body feels the project is important and wishes to endorse it
- You have any ideas as to how the necessary funding can be obtained
- You would like to recommend someone for membership on the project's research advisory committee

SOUTHERN NEW JERSEY WATER STUDY

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SOUTHERN NEW JERSEY: WATER SUPPLY AND THE ENVIRONMENT



A RESEARCH PROPOSAL FOR AN ECOLOGICAL APPROACH TO WATER SUPPLY PLANNING

New Jersey Environmental Lobby



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Marie A. Curtis, Legislative Agent

Assembly Conservation and Natural Resources Committee

Testimony Re: A.5102
July 29, 1991

Good afternoon. I am here today representing the New Jersey Environmental Lobby, a body of some 1200 organizations and individuals statewide who are dedicated to preserving and protecting New Jersey's natural environment. We come here in strong support of A.5102, the Clean Water and Natural Resources Bond Act of 1991.

While we recognize that these are difficult times fiscally, we nonetheless are also aware of the rapidly decreasing open space available for preservation and the ongoing needs for water treatment, dam restoration, Pinelands infrastructure and beach protection. Costs continue to rise in all these areas and the continued decline of those facilities already in place makes timing of the essence here.

While the Green Acres program may still have funds in its coffers, they are already allocated to specific projects. Failure to continue funding could result in dismantling a program that has been highly successful and strongly supported by the voters. In this most densely populated of all fifty states preservation of open space is a necessity.

Our only real concern with this proposal is in the area of wastewater treatment. We had some fears originally that this funding might be used for expansion of facilities. We have been assured that the projects to be undertaken are improvements and replacements of antiquated facilities mostly in urban areas. Wording stating that qualification would be reassuring to us all. Expanding and laying pipe in new areas while the old continue to leak and discharge pollutants is irresponsible. We want truly "clean water" to be a result of this bond issue.

The amounts stated in this proposal are modest. They are nowhere near the totals necessary to complete any of the categories listed in the act. They are, however, a responsible attempt to continue programs in place that are environmentally essential. To allow such programs to lapse and then incur start-up costs at a later date is foolish. We applaud the cautious approach taken here and urge support for A.5102.

New Jersey Conservation Foundation

300 Mendham Road, Morristown, N. J. 07960

201-539-7540

July 29, 1991

The New Jersey Conservation Foundation (NJCF), is a private, non-profit charitable organization dedicated to the preservation of open space and the conservation of New Jersey's unique natural resources. With over 5,000 members, NJCF has preserved over 50,000 acres of valuable open space in New Jersey during the past thirty years.

The proposed 1991 Clean Water and Natural Resources Bond Act is vital to New Jersey's continuing efforts to preserve open space and conserve natural resources for future generations. Continued funding of the Green Acres program through the proposed bonding of \$100 million for open space acquisition is particularly timely. Distressed landowners and lending institutions are hard pressed to sell land due to current economic real estate conditions. Many of these properties have significant open space and conservation values and should be acquired now, before changing economic conditions price them out of reach of future public land acquisition programs.

Demand for Green Acres funding to preserve open space has been demonstrated repeatedly by the actions of New Jersey voters since the first bond referendum in 1961. Municipal and county government applications to the Green Trust for local land acquisition projects have consistently outstripped available funding. A new program for non-profit conservation organizations, initiated with the last bond act, is now generating even broader support for the highly effective Green Acres program. Over 19 conservation organizations recently applied for matching grants toward the purchase and preservation of over 24,000 acres at a total estimated project cost of \$29,000,000. Well over 50% of this total project cost will be provided by the conservation groups, which is expected to result in a public expenditure of \$10 million or \$1200 per acre. This program provides strong incentives to local organizations to get the best price possible for valuable conservation lands. Applications submitted this year include stream corridor protection plans in Hunterdon County, a riverfront park in Phillipsburg, large additions to migratory bird wetlands habitat in Salem and Cumberland Counties, and much-needed recreational lands in Mercer County. The \$5 million proposed for this same program in the Clean Water Bond Act of 1991 may appear small relative to the entire package, it has the potential to go a long way through the efforts of the private non-profit conservation community.

While NJCF supports the overall concepts of the proposed 1991 Clean Water and Natural Resources Bond Act, we join with the New Jersey Recreation and Park Association in recommending several revisions. Public expenditures for wastewater treatment should be confined to the correction of existing wastewater treatment problems and the upgrading of systems to conform to Department of Environmental Protection operating permit requirements. Funding for new systems which permit new development should only be permitted in urban areas consistent with the principles embodied in the Interim State Development and Redevelopment Plan. Public funding for both land preservation and growth inducing infrastructure must be coordinated so that future Green Acres funding is not forced to pay prices created by public infrastructure investments.

Without this Bond Act to bring these programs to New Jersey voters in 1991, significant initiatives and momentum will be lost. Now is the time to buy important conservation and open space lands and invest in the future of New Jersey's water supply, greenways, recreational areas, and quality of life. We urge you to support this bill and ensure that these invaluable programs continue to be funded.



**National Dredging Association
New Jersey Chapter**

P.O. BOX 10514 • NEW BRUNSWICK, NJ 08906-0514 • 201/287-0045

**STATEMENT OF LEE OTOOLE PFISTER
BEFORE THE ASSEMBLY CONSERVATION AND NATURAL
RESOURCES COMMITTEE**

**REGARDING ASSEMBLY BILL NO. 5102,
THE CLEAN WATER AND NATURAL RESOURCES
BOND ACT OF 1991**

JULY 29, 1991

GOOD AFTERNOON, THANK YOU FOR THE OPPORTUNITY TO ADDRESS THE COMMITTEE. I'M LEE PFISTER, AND I'M THE LEGISLATIVE AGENT FOR THE NEW JERSEY CHAPTER OF THE NATIONAL DREDGING ASSOCIATION. AS A GROUP WHICH IS DEDICATED TO PROMOTING MARITIME COMMERCE AND WATER RESOURCE PROJECTS, THE NEW JERSEY CHAPTER OF THE NATIONAL DREDGING ASSOCIATION STRONGLY SUPPORTS A-5102, "THE CLEAN WATER AND NATURAL RESOURCES BOND ACT OF 1991."

THERE ARE A VARIETY OF ENVIRONMENTAL AND ECONOMIC BENEFITS TO BE GAINED FROM LEGISLATIVE AND VOTER APPROVAL OF THIS BOND ACT. THE PROJECTS INCLUDED UNDER A-5102 WILL HELP PROTECT NEW JERSEY'S DRINKING WATER SUPPLIES, AND IMPROVE THE QUALITY OF LIFE FOR ITS RESIDENTS.

THE \$15 MILLION FOR SHORE PROTECTION PROJECTS WILL ALSO HELP PROTECT NEW JERSEY'S \$15 BILLION TOURISM INDUSTRY. UNDER THE FEDERAL WATER RESOURCES DEVELOPMENT ACT OF 1986 -- COMMONLY REFERRED TO AS H.R. 6 -- NEW JERSEY HAS BEEN ALLOCATED \$1.16 BILLION FOR A VARIETY OF WATER RESOURCE PROJECTS. TO TAKE ADVANTAGE OF THESE FUNDS, HOWEVER, NEW JERSEY MUST MATCH THE FUNDS AT A RATIO DETERMINED BY THE TYPE OF PROJECT. THE \$15 MILLION PROVIDED UNDER A-5102 FOR SHORE PROTECTION PROJECTS WILL CERTAINLY HELP LOCAL AND STATE GOVERNMENT COMMIT TO PROJECTS.

HOWEVER, THERE ARE CURRENTLY NO AVAILABLE STATE FUNDS
REMAINING FOR NEW SHORE PROTECTION PROJECTS. THEREFORE,
IT'S MORE IMPORTANT THAN EVER THAT THE LEGISLATURE APPROVE
THIS BOND ISSUE IN TIME TO BE PLACED ON THIS NOVEMBER'S
BALLOT.

VOTER APPROVAL OF THIS BOND ACT WILL REAP A VARIETY OF
BENEFITS FOR NEW JERSEY RESIDENTS. THE BOND ACT WILL HELP
PROTECT NEW JERSEY'S WATER SUPPLY AND PRESERVE RECREATION
AND ENVIRONMENTALLY SIGNIFICANT AREAS. IT WILL ALSO HELP
PROTECT ONE OF NEW JERSEY'S MOST IMPORTANT ASSETS -- ITS
SCENIC AND VALUABLE SHORELINE.

THANK YOU FOR THE OPPORTUNITY TO ADDRESS THIS ISSUE.