

**CHAPTER 24A****DAM RESTORATION AND INLAND WATERS  
PROJECTS LOAN PROGRAM****Authority**

N.J.S.A. 58:4-1 et seq., 13:1D-9 et seq. and the Green Acres,  
Clean Water, Farmland and Historic Preservation Bond  
Act of 1992, P.L. 1992, c.88

**Source and Effective Date**

R.2000 d.119, effective February 25, 2000.  
See: 31 N.J.R. 3898(a), 32 N.J.R. 1015(a).

**Executive Order No. 66(1978) Expiration Date**

Chapter 24A, Dam Restoration and Inland Waters Project Loan  
Program, expires on February 25, 2005.

**Chapter Historical Note**

Chapter 24A, Dam Restoration and Inland Waters Projects Loan  
Program, was adopted as R.1995 d.117, effective March 6, 1995. See:  
26 N.J.R. 2228(a), 27 N.J.R. 895(a).

Pursuant to Executive Order No. 66(1978), Chapter 24A, Dam  
Restoration and Inland Waters Projects Loan Program, was readopted  
as R.2000 d.119, effective February 25, 2000. See: Source and Effective  
Date. See, also, section annotations.

**CHAPTER TABLE OF CONTENTS****SUBCHAPTER 1. GENERAL PROVISIONS**

- 7:24A-1.1 Scope and construction
- 7:24A-1.2 Purposes
- 7:24A-1.3 Project eligibility
- 7:24A-1.4 Project phases
- 7:24A-1.5 Legislative appropriations
- 7:24A-1.6 Severability
- 7:24A-1.7 Definitions

**SUBCHAPTER 2. PROJECT APPLICATION PHASE**

- 7:24A-2.1 Pre-application procedures
- 7:24A-2.2 Application procedures
- 7:24A-2.3 Allowable project costs
- 7:24A-2.4 Use and disclosure of information
- 7:24A-2.5 Application review
- 7:24A-2.6 Approval or disapproval of application
- 7:24A-2.7 Notice of qualification

**SUBCHAPTER 3. PROJECT DEVELOPMENT PHASE**

- 7:24A-3.1 Pre-loan conference
- 7:24A-3.2 Required submittals prior to execution of a loan award  
agreement
- 7:24A-3.3 Execution of a loan award agreement

**SUBCHAPTER 4. PROJECT IMPLEMENTATION PHASE**

- 7:24A-4.1 Amount and terms of loan
- 7:24A-4.2 Loan conditions
- 7:24A-4.3 Formal amendments to loan award agreement
- 7:24A-4.4 Other changes to loan award agreement
- 7:24A-4.5 Modification of administrative provisions
- 7:24A-4.6 Loan disbursements
- 7:24A-4.7 Unused loan funds
- 7:24A-4.8 Assignment
- 7:24A-4.9 Publicity and signs

- 7:24A-4.10 Access
- 7:24A-4.11 Fraud and other unlawful or corrupt practices
- 7:24A-4.12 Debarment
- 7:24A-4.13 Noncompliance
- 7:24A-4.14 Notice of noncompliance
- 7:24A-4.15 Withholding of funds
- 7:24A-4.16 Stop work order
- 7:24A-4.17 Termination of loan
- 7:24A-4.18 Annulment of loan
- 7:24A-4.19 Adjudicatory hearings
- 7:24A-4.20 Accounting procedures, financial records and auditing  
requirements

**SUBCHAPTER 5. PRIORITY RANKING OF PROJECTS**

- 7:24A-5.1 Criteria for priority determination

**SUBCHAPTER 1. GENERAL PROVISIONS****7:24A-1.1 Scope and construction**

(a) The following constitute the rules governing loans to assist local government units, private lake associations or similar organizations, and owners of private dams for dam restoration and inland waters projects pursuant to the Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992, P.L.1992, c. 88. These rules prescribe the procedures, minimum standards for the conduct of borrowers, and standards for obtaining loans.

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

**7:24A-1.2 Purposes**

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

1. To implement the purposes and objectives of the Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992, P.L.1992, c. 88;

2. To establish policies and procedures for the administration of funds appropriated pursuant to the Act for the purpose of making loans for dam restoration and inland waters projects;

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

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

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

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

**7:24A-1.3 Project eligibility**

(a) Any local government unit with a proposed dam restoration or inland waters project as defined in N.J.A.C. 7:24A-1.7 is eligible to apply for loan under this chapter. Any private lake association or similar organization or any owner of a private dam with a proposed project is eligible to apply for loan as a co-applicant with a local government unit.

(b) To be eligible for a loan in any loan period, a proposed dam restoration or inland waters project, as defined in N.J.A.C. 7:24A-1.7, must satisfy the following criteria:

1. The proposed design of a dam restoration project must meet all requirements of the Dam Safety Standards, N.J.A.C. 7:20, including the development of an Operation and Maintenance Manual and Emergency Action Plan. The Operation and Maintenance Manual and Emergency Action Plan are not required to be completed at the time of application but must be completed as a condition of the loan award agreement;

2. A dredging or lake restoration project at a site where the dam impounding the lake is not in compliance with the Dam Safety Standards, N.J.A.C. 7:20, shall not be eligible unless the Department has awarded a loan for dam restoration pursuant to this chapter or the applicant provides with its application proof of other funding dedicated to the necessary dam repairs;

3. The project shall be an independent and complete project;

4. The project shall not be excessively expensive; and

5. The project shall not conflict with any other State projects.

**7:24A-1.4 Project phases**

(a) The application phase of a dam restoration or inland waters project shall consist of the following:

1. Pre-application conference;
2. Application submittal;
3. Review of application;
4. Priority ranking of project; and
5. Notice of qualification.

(b) The development phase of a dam restoration or inland waters project shall consist of the following:

1. Pre-loan conference;
2. Submittal and review of the materials required under N.J.A.C. 7:24A-3.2; and
3. Preparation and execution of the loan award agreement.

(c) The implementation phase of a dam restoration or inland waters project shall consist of the completion of the project in accordance with the terms of the loan award agreement and the requirements of this chapter.

**7:24A-1.5 Legislative appropriations**

Funding of loans shall be conditioned upon the appropriation by the legislature of funds from the 1992 Dam Restoration and Clean Water Trust Fund pursuant to the Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992, P.L.1992, c. 88, and subsequent bond acts.

**7:24A-1.6 Severability**

If any section, subsection, provision, clause or portion of this chapter is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of these rules shall not be affected thereby.

**7:24A-1.7 Definitions**

The following words and terms, when used in this chapter, have the following meanings unless the context clearly indicates otherwise.

“Act” means the Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992, P.L.1992, c. 88, and any subsequent bond acts and legislative appropriations made for the purposes provided in this chapter.

“Administrator” means the Section Chief of the Dam Safety Section of the Department or other person designated by the Commissioner to carry out the functions of the Administrator.

“Allowable project costs” means the costs which are determined by the Department under the Act and this chapter to be eligible for a dam restoration or inland waters project loan.

“Applicant” means any local government unit that applies independently, or a private lake association or similar organization or private dam owner who has a local government unit as a co-applicant, for a loan pursuant to the provisions of this chapter.

“Bonds” means the bonds authorized under the Green Acres, Clean Water, Farmland, and Historic Preservation Bond Act of 1992, P.L.1992, c. 88, and subsequent bond acts.

“Borrower” means an applicant who has been awarded a loan pursuant to the Act and this chapter, and who has executed a loan award agreement.

“Commissioner” means the Commissioner of the Department of Environmental Protection or his or her designated representative.