

PUBLIC HEARING

before

ASSEMBLY REVENUE, FINANCE AND APPROPRIATIONS COMMITTEE

on

ASSEMBLY BILL 3827

To authorize \$150 million bond issue for local
wastewater treatment systems

ASSEMBLY BILL 3828

To authorize \$100 million bond issue for local
resource recovery and sanitary landfills

ASSEMBLY BILL 3829 (OCR)

To authorize \$30 million bond issue for local
infrastructure projects

June 24, 1985
Room 438
State House Annex
Trenton, New Jersey

MEMBERS OF COMMITTEE PRESENT:

Assemblywoman Barbara Kalik, Chairwoman
Assemblyman John S. Watson, Vice Chairman
Assemblyman Stephen Adubato, Jr.
Assemblyman Byron M. Baer
Assemblyman Willie B. Brown
Assemblywoman Marlene Lynch Ford
Assemblyman Francis J. Gorman
Assemblyman Robert A. Ranieri
Assemblywoman Jacqueline Walker
Assemblyman Joseph W. Chinnici
Assemblyman Robert D. Franks
Assemblyman Rodney P. Frelinghuysen
Assemblyman Walter J. Kavanaugh
Assemblyman Anthony M. Villane, Jr.
Assemblyman Karl Weidel

ALSO PRESENT:

Michael J. Basarab
Office of Legislative Services
Aide, Assembly Revenue, Finance and
Appropriations Committee

3604

Buy American requirements under
foreign assistance legislation:
a summary of buy-American and.....
..... 1985.
Contrassional REsearch Service.

DATE	ISSUED TO

AUG 6 1985

ASSEMBLY, No. 3827

STATE OF NEW JERSEY

INTRODUCED JUNE 17, 1985

By Assemblyman HOLLENBECK

AN ACT to authorize the creation of a debt of the State of New Jersey by the issuance of bonds of the State in the aggregate principal amount of \$150,000,000.00 to provide funds for loans and grants to local government units for the construction of wastewater treatment systems; providing the ways and means to pay the interest of the debt and also to pay and discharge the principal thereof; providing for the submission of this act to the people at a general election; and providing an appropriation therefor.

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

1 1. This act shall be known and may be cited as the "Wastewater
2 Treatment Trust Fund Bond Act of 1985."

1 2. The Legislature finds and declares that protecting the ground
2 and surface water of the State from pollution is vital to the health
3 and general welfare of the citizens of New Jersey; that the con-
4 struction, rehabilitation, and maintenance of modern and efficient
5 wastewater treatment systems is essential to protecting and im-
6 proving the State's water quality; that in addition to protecting
7 and improving water quality, adequate wastewater treatment
8 systems and facilities are essential to economic growth and develop-
9 ment and the removal of construction bans imposed because of
10 the lack of adequate wastewater treatment capacity; that many of
11 the local sewer systems and treatment plants in New Jersey must
12 be replaced or upgraded if an inexorable decline in water quality
13 is to be avoided during the coming decades; that many municipal-
14 ities rely on an outmoded and environmentally unsound combination
15 of sewerage and stormwater runoff collection and treatment sy-

16 stems, which must be separated to achieve individual collection
17 and treatment of sewerage and stormwater runoff; that the federal
18 government, in recognition of the crucial role wastewater treat-
19 ment systems and facilities play in maintaining and improving
20 water quality, and with an understanding that the cost of financing
21 and constructing these systems must be borne by local governments
22 and authorities with limited sources of revenues, established as
23 part of the "Clean Water Act," Pub. L. 95-200 (33 U.S.C. § 1251
24 et seq.), a grant program to provide funding for these systems;
25 that during the last several years the amount of federal grant
26 money available to states for assistance in constructing and im-
27 proving wastewater treatment systems has sharply diminished;
28 and that the current level of federal funding is inadequate to meet
29 the cost of upgrading the State's wastewater treatment capacity
30 to comply with federal water quality standards.

31 The Legislature therefor determines that it is in the public
32 interest for the State to issue bonds and establish a Wastewater
33 Treatment Trust Fund for the purpose of providing loans and
34 grants to local government units for the construction of waste-
35 water treatment systems.

1 3. As used in this act:

2 a. "Bonds" means the bonds authorized to be issued, or issued,
3 under this act;

4 b. "Commission" means the New Jersey Commission on Capital
5 Budgeting and Planning;

6 c. "Commissioner" means the Commissioner of the Department
7 of Environmental Protection;

8 d. "Construct" and "construction" mean, in addition to the usual
9 meanings thereof, the designing, engineering, financing, extension,
10 repair, remodeling, rehabilitation, or consolidation, or any combi-
11 nation thereof, of a wastewater treatment system or any component
12 part thereof;

13 e. "Cost" means the expenses incurred in connection with: the
14 acquisition by purchase, lease or otherwise, the development, and
15 the construction of any project authorized by this act; the acqui-
16 sition by purchase, lease or otherwise, and the development of any
17 real or personal property for use in connection with any project
18 authorized by this act, including any rights or interests therein;
19 the execution of any agreements and franchises deemed by the
20 department to be necessary or useful and convenient in connection
21 with any project authorized by this act; the procurement of engi-
22 neering, inspection, planning, legal, financial or other professional
23 services, including the services of a bond registrar or an authenti-
24 cating agent; the issuance of bonds, or any interest or discount

25 thereon; the administrative, or anizational, operating or other
 26 expenses incident to the financi g, completing and placing into
 27 service of projects authorized by this act; the establishment of a
 28 reserve fund or funds for working capital, operating, maintenance
 29 or replacement expenses and for the payment or security of prin-
 30 cipal or interest on bonds, as the Director of the Division of Budget
 31 and Accounting in the Department of the Treasury may determine;
 32 and reimbursement to any fund of the State of moneys which may
 33 have been transferred or advanced therefrom to any fund created
 34 by this act, or of any moneys which may have been expended
 35 therefrom for or in connection with any project authorized by
 36 this act.

37 f. "Department" means the Department of Environmental Pro-
 38 tection.

39 g. "Local government unit" means a county, municipality, mu-
 40 nicipal or county sewerage or utility authority, municipal sewerage
 41 district, joint meeting, or any other political subdivision of the
 42 State authorized to construct wastewater treatment systems.

43 h. "Project" means any work relating to the construction of a
 44 wastewater treatment system by a local government unit.

45 i. "Wastewater" means residential, commercial, industrial, or
 46 agricultural liquid waste, sewerage, stormwater runoff, or any
 47 combination thereof, or other residue discharged or collected into
 48 a sewer system or stormwater runoff system or any combination
 49 thereof.

50 j. "Wastewater treatment system" means any equipment, plants,
 51 structures, machinery, apparatus, or land, or any combination
 52 thereof, acquired, used, constructed or operated by a local govern-
 53 ment unit for the storage, collection, reduction, recycling, reclama-
 54 tion, disposal, separation, or other treatment of wastewater or
 55 sewer sludge, or for the separate collection or treatment, or both,
 56 of stormwater runoff and sewerage, or for the final disposal of
 57 residues resulting from the treatment of wastewater, including,
 58 but not limited to, pumping and ventilating stations, treatment
 59 plants and works, connections, outfall sewers, interceptors, trunk
 60 lines, stormwater runoff collection systems, and other personal
 61 property and appurtenances necessary thereto.

1 4. The commissioner shall adopt, pursuant to law, rules and
 2 regulations necessary to implement the provisions of this act. The
 3 commissioner shall review and consider the findings and recom-
 4 mendations of the commission in implementing the provisions of
 5 this act.

1 5. a. Bonds of the State of New Jersey are authorized to be

2 issued in the aggregate principal amount of \$150,000,000.00 for
3 the purpose of making State loans and grants to local government
4 units for financing the construction of wastewater treatment sy-
5 tems.

6 b. Of the total amount of bonds authorized pursuant to sub-
7 section a. of this section, no more than 20% of the total amount
8 may be used for the purpose of making grants to local government
9 units for the construction of wastewater treatment systems. No
10 grant shall exceed 20% of the project cost, and grants shall be
11 made only for projects which will serve at least one municipality
12 which in any year subsequent to the enactment of P. L. 1978, c. 14
13 (C. 52:27D-178 et seq.) was eligible to receive State aid pursuant
14 to that act.

15 c. The interest rate of loans made to local government units
16 from the "Wastewater Treatment Trust Fund" shall not exceed
17 50% of the average interest rate of the Bond Buyer Municipal
18 Bond Index for bonds available for purchase during the last 26
19 weeks preceding the date of the approval of the loan by the depart-
20 ment.

21 d. Payments of principal and interest on loans made from the
22 "Wastewater Treatment Trust Fund" shall be made to the "Waste-
23 water Treatment Trust Fund."

24 e. When a federal agency pays part of the cost of a project, the
25 cost of the project shall be computed after deducting the federal
26 contribution.

1 6. The bonds authorized under this act shall be serial bonds,
2 term bonds, or a combination thereof, and shall be known as
3 "Wastewater Treatment Bonds." These bonds shall be issued from
4 time to time as the issuing officials herein named shall determine,
5 and may be issued in coupon form, fully-registered form or book-
6 entry form. These bonds may be made subject to redemption prior
7 to maturity and shall mature and be paid not later than 35 years
8 from the dates of their issuance.

1 7. The Governor, the State Treasurer and the Director of the
2 Division of Budget and Accounting in the Department of the
3 Treasury, or any two of these officials, herein referred to as "the
4 issuing officials," are authorized to carry out the provisions of this
5 act relating to the issuance of bonds, and shall determine all mat-
6 ters in connection therewith, subject to the provisions of this act.
7 If an issuing official is absent from the State or incapable of acting
8 for any reason, the powers and duties of that issuing official shall
9 be exercised and performed by the person authorized by law to
10 act in an official capacity in the place of that issuing official.

1 8. Bonds issued in accordance with the provisions of this act
2 shall be direct obligations of the State of New Jersey, and the faith
3 and credit of the State are pledged for the payment of the interest
4 thereon when due and for the payment of the principal thereof at
5 maturity. The principal of and interest on the bonds shall be
6 exempt from taxation by the State or by any county, municipality
7 or other taxing district of the State.

1 9. The bonds shall be signed in the name of the State by means
2 of the manual or facsimile signature of the Governor under the
3 Great Seal of the State, which seal may be by facsimile or by way
4 of any other form of reproduction on the bonds, and attested by
5 the manual or facsimile signature of the Secretary of State, or
6 an assistant Secretary of State, and shall be countersigned by
7 the facsimile signature of the Director of the Division of Budget
8 and Accounting in the Department of the Treasury and may be
9 manually authenticated by an authenticating agent or bond regis-
10 trar, as the issuing officials shall determine. Interest coupons, if
11 any, attached to the bonds shall be signed by the facsimile signature
12 of the director. The bonds may be issued notwithstanding that an
13 issuing official signing them or whose manual or facsimile signature
14 appears thereon has ceased to hold office at the time of issuance, or
15 at the time of the delivery of the bonds to the purchaser thereof.

1 10. a. The bonds shall recite that they are issued for the purposes
2 set forth in section 5 of this act, that they are issued pursuant to
3 this act, that this act was submitted to the people of the State at
4 the general election held in the month of November, 1985, and
5 that this act was approved by a majority of the legally qualified
6 voters of the State voting thereon at the election. This recital
7 shall be conclusive evidence of the validity of the bonds and of
8 the authority of the State to issue them. Any bonds containing
9 this recital shall, in any suit, action or proceeding involving their
10 validity, be conclusively deemed to be fully authorized by this
11 act and to have been issued, sold, executed and delivered in con-
12 formity herewith and with all other provisions of laws applicable
13 hereto, and shall be incontestable for any cause.

14 b. The bonds shall be issued in such denominations and in such
15 form or forms, whether coupon, fully-registered or book-entry and
16 with or without provisions for the interchangeability thereof, as
17 may be determined by the issuing officials.

1 11. When the bonds are issued from time to time, the bonds of
2 each issue shall constitute a separate series to be designated by
3 the issuing officials. Each series of bonds shall bear such rate or
4 rates of interest as may be determined by the issuing officials, which

5 interest shall be payable semiannually; except that the first and
6 last interest periods may be longer or shorter, in order that inter-
7 vening semiannual payments may be at convenient dates.

1 12. The bonds shall be issued and sold at such price or prices
2 and under such terms, conditions and regulations as the issuing
3 officials may prescribe, after notice of the sale, published at least
4 once in at least three newspapers published in this State, and at
5 least once in a publication carrying municipal bond notices and
6 devoted primarily to financial news, published in this State or in
7 the city of New York, the first notice to appear at least five days
8 prior to the day of bidding. The notice of sale may contain a pro-
9 vision to the effect that any bid in pursuance thereof may be
10 rejected. In the event of rejection or of failure to receive any
11 acceptable bid, the issuing officials, at any time within 60 days
12 from the date of the advertised sale, may sell the bonds at a private
13 sale at such price or prices and under such terms and conditions
14 as the issuing officials may prescribe. The issuing officials may sell
15 all or part of the bonds of any series as issued to any State fund
16 or to the federal government or any agency thereof, at a private
17 sale, without advertisement.

1 13. Until permanent bonds are prepared, the issuing officials
2 may issue temporary bonds in such form and with such privileges
3 as to their registration and exchange for permanent bonds as
4 may be determined by the issuing officials.

1 14. The proceeds from the sale of the bonds shall be paid to the
2 State Treasurer, to be held thereby in a separate fund, which shall
3 be known as the "Wastewater Treatment Trust Fund." The pro-
4 ceeds of this fund shall be deposited in such depositories as may be
5 selected by the State Treasurer to the credit of the fund.

1 15. a. The moneys in the "Wastewater Treatment Trust Fund"
2 are specifically dedicated and shall be applied to the cost of the
3 purposes set forth in section 5 of this act, and all such moneys
4 are appropriated for those purposes, and no such moneys shall
5 be expended for those purposes, except as otherwise authorized
6 in this act, without the specific appropriation thereof by the Legis-
7 lature, but bonds may be issued as herein provided, notwithstand-
8 ing that the Legislature has not adopted an act making a specific
9 appropriation of any of the moneys. Any act appropriating moneys
10 from the "Wastewater Treatment Trust Fund" shall identify the
11 specific project or projects to be funded with those moneys.

12 b. At any time prior to the issuance and sale of bonds under
13 this act, the State Treasurer is authorized to transfer from avail-
14 able money in any fund of the treasury of the State to the credit
15 of the "Wastewater Treatment Trust Fund" such sum as he may

16 deem necessary. The sum so transferred shall be returned to the
17 same fund of the treasury by the State Treasurer from the pro-
18 ceeds of the sale of the first issue of bonds.

19 c. Pending their application to the purposes provided in this
20 act, the moneys in the "Wastewater Treatment Trust Fund" may
21 be invested and reinvested as are other trust funds in the custody
22 of the State Treasurer, in the manner provided by law. Net earn-
23 ings received from the investment or deposit of the "Wastewater
24 Treatment Trust Fund" shall be paid into the "Wastewater Treat-
25 ment Trust Fund."

1 16. If any coupon bond, coupon or registered bond is lost,
2-3 mutilated or destroyed, a new bond or coupon shall be
4 executed and delivered of like tenor, in substitution for the lost,
5 mutilated or destroyed bond or coupon, upon the owner furnishing
6 to the issuing officials such evidence satisfactory to them of the
7 loss, mutilation or destruction of the bond or coupon; the ownership
8 thereof; and the security, indemnity and reimbursement for ex-
9 penses connected therewith, as the issuing officials may require.

1 17. The accrued interest received upon the sale of the bonds shall
2 be applied to the discharge of a like amount of interest upon the
3 bonds when due. Any expense incurred by the issuing officials for
4 advertising, engraving, printing, clerical, authenticating, register-
5 ing, legal or other services necessary to carry out the duties im-
6 posed upon them by the provisions of this act shall be paid from
7 the proceeds of the sale of the bonds by the State Treasurer, upon
7A the warrant of the Director of the Division of Budget and Account-
8 ing in the Department of the Treasury, in the same manner as other
9 obligations of the State are paid.

1 18. Bonds of each series issued hereunder shall mature, including
2 any sinking fund redemptions, not later than the 35th year from
3 the date of issue of such series, and in such amounts as shall be
4 determined by the issuing officials. The issuing officials may
5 reserve to the State by appropriate provision in the bonds of any
6 series the power to redeem any of the bonds prior to maturity at
7 such price or prices and upon such terms and conditions as may
8 be provided in the bonds.

1 19. The issuing officials may at any time and from time to time
2 issue refunding bonds for the purpose of refunding in whole or
3 in part an equal principal amount of the bonds of any series
4 issued and outstanding hereunder, which by their terms are subject
5 to redemption prior to maturity, provided the refunding bonds
6 shall mature at any time or times not later than the latest maturity
7 date of that series, and the aggregate amount of interest to be paid

8 on the refunding bonds, plus the premium, if any, to be paid on
9 the bonds refunded, shall not exceed the aggregate amount of
10 interest which would be paid on the bonds refunded if the bonds
11 were not so refunded. Refunding bonds shall constitute direct
12 obligations of the State of New Jersey, and the faith and credit of
13 the State are pledged for the payment of the principal thereof
14 and the interest thereon. The proceeds received from the sale of
15 refunding bonds shall be held in trust and applied to the payment
16 of the bonds refunded thereby. Refunding bonds shall be entitled
17 to all the benefits of this act and subject to all its limitations except
18 as to the maturities thereof and to the extent herein otherwise
19 expressly provided.

1 20. To provide funds to meet the interest and principal payment
2 requirements for the bonds issued under this act and outstanding,
3 there is appropriated in the order following:

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

7 b. If, at any time, funds necessary to meet the interest and prin-
8 cipal payments on outstanding bonds issued under this act, are
9 insufficient or not available, there shall be assessed, levied and
10 collected annually in each of the municipalities of the counties of
11 this State, a tax on the real and personal property upon which
12 municipal taxes are or shall be assessed, levied and collected,
13 sufficient to meet the interest on all outstanding bonds issued here-
14 under and on the bonds proposed to be issued under this act in the
15 calendar year in which the tax is to be raised and for the payment
16 of bonds falling due in the year following the year for which the
17 tax is levied. The tax shall be assessed, levied and collected in the
18 same manner and at the same time as other taxes upon real and
19 personal property. The governing body of each municipality shall
20 pay to the treasurer of the county in which the municipality is
21 located, on or before December 15 in each year, the amount of tax
22 herein directed to be assessed and levied, and the county treasurer
23 shall pay the amount of the tax to the State Treasurer on or before
24 December 20 in each year.

25 If on or before December 31 in any year, the issuing officials,
26 by resolution, determine that there are moneys in the General
27 Fund beyond the needs of the State, sufficient to meet the principal
28 of bonds falling due and all interest payable in the ensuing calendar
29 year, the issuing officials shall file the resolution in the office of the
30 State Treasurer, whereupon the State Treasurer shall transfer the
31 moneys to a separate fund to be designated by him, and shall pay

32 the principal and interest out of the fund as the same shall become
 33 due and payable, and the other sources of payment of the principal
 34 and interest provided for in this section shall not then be available,
 35 and the receipts for the year from the tax specified in subsection a.
 36 of this section shall be considered part of the General Fund, avail-
 37 able for general purposes.

1 21. Should the State Treasurer, by December 31 of any year,
 2 deem it necessary, because of the insufficiency of funds collected
 3 from the sources of revenues as provided in this act, to meet the
 4 interest and principal payments for the year after the ensuing year,
 5 then the State Treasurer shall certify to the Director of the Di-
 6 vision of Budget and Accounting in the Department of the Treasury
 7 the amount necessary to be raised by taxation for those purposes,
 8 which is to be assessed, levied and collected for and in the ensuing
 9 calendar year. The director shall, on or before March 1 following,
 10 calculate the amount in dollars to be assessed, levied and collected
 11 in each county as herein set forth. This calculation shall be based
 12 upon the corrected assessed valuation of each county for the year
 13 preceding the year in which the tax is to be assessed, but the tax
 14 shall be assessed, levied and collected upon the assessed valuation
 15 of the year in which the tax is assessed and levied. The director
 16 shall certify the amount to the county board of taxation and the
 17 treasurer of each county. The county board of taxation shall in-
 18 clude the proper amount in the current tax levy of the several
 19 taxing districts of the county in proportion to the ratables as
 20 ascertained for the current year.

1 22. For the purpose of complying with the provisions of the
 2 State Constitution, this act shall be submitted to the people at the
 3 general election to be held in the month of November, 1985. To
 4 inform the people of the contents of this act, it shall be the duty
 5 of the Secretary of State, after this section takes effect, and at
 6 least 15 days prior to the election, to publish this act in at least
 7 10 newspapers published in this State and to notify the clerk of
 8 each county of this State of the passage of this act; and the clerks
 9 respectively, in accordance with the instructions of the Secretary
 10 of State, shall have each of the ballots printed as follows:

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

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

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

	Yes.	<p>WASTEWATER TREATMENT TRUST FUND BOND ISSUE</p> <p>Should the "Wastewater Treatment Trust Fund Bond Act of 1985," which authorizes the State to issue bonds in the amount of \$150,000,000.00 for the purpose of making State loans and grants to local government units for the construction of wastewater treatment systems, providing the ways and means to pay the interest on these bonds, and also to pay and discharge the principal thereof, be approved?</p>
	No.	<p>INTERPRETIVE STATEMENT</p> <p>Approval of this act would authorize the sale of \$150,000,000.00 in State bonds, which would be used to establish a trust fund to make loans and grants to local governments for the construction or improvement of wastewater treatment systems. The construction and rehabilitation of wastewater treatment systems would improve the filtration and purification of the wastewater which is discharged into the State's surface waters, and would thus improve the quality of the State's water resources.</p>

18 The fact and date of the approval or passage of this act, as the
19 case may be, may be inserted in the appropriate place after the
20 title in the ballot. No other requirements of law as to notice or
21 procedure, except as herein provided, need be adhered to.

22 The votes cast for and against the approval of this act, by ballot
23 or voting machine, shall be counted and the result thereof returned
24 by the election officer, and a canvass of the election had in the same
25 manner as is provided for by law in the case of the election of a
26 Governor, and the approval or disapproval of this act so deter-
27 mined shall be declared in the same manner as the result of an
28 election for a Governor, and if there is a majority of all votes
29 cast for and against it at the election in favor of the approval of
30 this act, then all the provisions of this act not made effective
31 theretofore shall take effect forthwith.

1 23. There is appropriated the sum of \$5,000.00 to the Department
2 of State for expenses in connection with the publication of notice
3 pursuant to section 22 of this act.

1 24. The commissioner shall submit to the State Treasurer and
2 the commission with the department's annual budget request a
3 plan for the expenditure of funds from the "Wastewater Treat-
4 ment Trust Fund" for the upcoming fiscal year. This plan shall

5 include the following information: a performance evaluation of
 6 the expenditures made from the fund to date; a description of
 7 programs planned during the upcoming fiscal year; a copy of the
 8 regulations in force governing the operations of programs that are
 9 financed, in part or in whole, by funds from the "Wastewater
 10 Treatment Trust Fund"; and an estimate of expenditures for the
 11 upcoming fiscal year.

1 25. Immediately following the submission to the Legislature of
 2 the Governor's annual budget message, the commissioner shall
 3 submit to the General Assembly Agriculture and Environment
 4 Committee, the Senate Energy and Environment Committee, or
 5 their successors, and the Subcommittee on Transfers of the Joint
 6 Appropriations Committee, or its successor, a copy of the plan
 7 called for under section 24 of this act, together with such changes
 8 therein as may have been required by the Governor's budget
 9 message.

1 26. This section and sections 22 and 23 of this act shall take effect
 2 immediately and the remainder of the act shall take effect as pro-
 3 vided in section 22.

STATEMENT

This bill would authorize, upon the approval of the voters, the issuance of \$150,000,000.00 in State bonds to be used to establish a "Wastewater Treatment Trust Fund," for the purpose of making loans and grants to local government units for the construction of wastewater treatment systems. The Department of Environmental Protection would be responsible for implementing this grant and revolving loan program.

Of the \$150,000,000.00 in bond moneys authorized by this bill, up to 20% of this amount could be used by the department for making grants. Grants could be made only for wastewater treatment projects which serve at least one municipality which in any year subsequent to the enactment of P. L. 1978, c. 14 (C. 52:27D-178 et seq.) was eligible to receive State aid pursuant to that act. The interest rate of loans made by the department would not exceed 50% of the average rate of the Bond Buyer Municipal Bond Index for the 26-week period preceding the date of the approval of the loan by the department.

Because the "Wastewater Treatment Trust Fund" is intended to be a revolving fund, payments of principal and interest on loans made from the fund would be paid back to the fund, thus making the maximum amount of funds available for the second and successive rounds of loans.

STATE OF NEW JERSEY

INTRODUCED JUNE 17, 1985

By Assemblymen McENROE, M. ADUBATO and PELLY

AN ACT to authorize the creation of a debt of the State of New Jersey by the issuance of bonds of the State in the aggregate principal amount of \$100,000,000.00 to provide funds for loans to local government units for the construction of resource recovery facilities and environmentally sound sanitary landfill facilities, providing the ways and means to pay the interest of the debt and also to pay and discharge the principal thereof; providing for submission of this act to the people at a general election; and providing an appropriation therefor.

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

1 1. This act shall be known and may be cited as the "Resource
2 Recovery and Solid Waste Disposal Facility Trust Fund Bond Act
3 of 1985."

1 2. The Legislature finds and declares that an environmentally
2 sound strategy for the disposal of solid waste is necessary for the
3 protection of the public health and safety and the preservation of
4 the State's natural resources; that the State should end its virtually
5 exclusive reliance on traditional landfills as a solid waste disposal
6 method and encourage the utilization of resource recovery facilities
7 designed to simultaneously dispose of, and recover the energy con-
8 tained in solid waste; that for areas of the State where the con-
9 struction of resource recovery facilities is not a feasible economic
10 option, the State should encourage the construction of environ-
11 mentally sound sanitary landfill facilities equipped with state-of-
12 the-art pollution control systems; that the cost of constructing and

13 operating a resource recovery facility or an environmentally sound
 14 sanitary landfill facility will significantly increase the cost of solid
 15 waste disposal above the historically low rates associated with the
 16 use of traditional landfills; that while the responsibility to plan
 17 for the rational and environmentally sound disposal of solid waste
 18 rests with solid waste management districts, the State has the
 19 responsibility to provide financial assistance to solid waste manage-
 20 ment districts in order to facilitate the transition to environmentally
 21 sound solid waste disposal methods; and that it is therefore in the
 22 public interest for the State to issue bonds and establish a Resource
 23 Recovery and Solid Waste Disposal Facility Trust Fund for the
 24 purpose of providing financial assistance to local government units
 25 for the construction of resource recovery facilities and environ-
 26 mentally sound sanitary landfill facilities.

1 3. As used in this act:

2 a. "Bonds" means the bonds authorized to be issued, or issued,
 3 under this act;

4 b. "Commission" means the New Jersey Commission on Capital
 5 Budgeting and Planning;

6 c. "Commissioner" means the Commissioner of the Department of
 7 Environmental Protection;

8 d. "Construct" and "construction" mean, in addition to the usual
 9 meanings thereof, the designing, engineering, financing, extension,
 10 repair, remodeling, or rehabilitation, or any combination thereof,
 11 of a resource recovery facility or an environmentally sound sanitary
 12 landfill facility or any component part thereof.

13 e. "Cost" means the expenses incurred in connection with: the
 14 acquisition by purchase, lease or otherwise, the development, and
 15 the construction of any project authorized by this act; the acquisi-
 16 tion by purchase, lease or otherwise, and the development of any
 17 real or personal property for use in connection with any project
 18 authorized by this act, including any rights or interests therein;
 19 the execution of any agreements and franchises deemed by the
 20 department to be necessary or useful and convenient in connection
 21 with any project authorized by this act; the procurement of
 22 engineering, inspection, planning, legal, financial or other pro-
 23 fessional services, including the services of a bond registrar or an
 24 authenticating agent; the issuance of bonds, or any interest or dis-
 25 count thereon; the administrative, organizational, operating or
 26 other expenses incident to the financing, completing and placing
 27 into service of projects authorized by this act; the establishment of
 28 a reserve fund or funds for working capital, operating, mainte-
 29 nance or replacement expenses and for the payment or security of

30 principal or interest on bonds, as the Director of the Division of
 31 Budget and Accounting in the Department of the Treasury may
 32 determine; and reimbursement to any fund of the State of moneys
 33 which may have been transferred or advanced therefrom to any
 34 fund created by this act, or of any moneys which may have been
 35 expended therefrom for or in connection with any project au-
 36 thorized by this act.

37 f. "Department" means the Department of Environmental Pro-
 38 tection.

39 g. "Environmentally sound sanitary landfill facility" means a
 40 sanitary landfill facility which is equipped with a liner or liners, a
 41 leachate control and collection system, and a groundwater pollution
 42 monitoring system, or any other pollution control or other engineer-
 43 ing device required by the department pursuant to law or rule and
 44 regulation, and which is identified and included in a district solid
 45 waste management plan pursuant to the provisions of the "Solid
 46 Waste Management Act," P. L. 1970, c. 39 (C. 13:1E-1 et seq.).

47 h. "Local government unit" means a county, municipality,
 48 municipal or county utility authority, or any other political sub-
 49 division of the State authorized to construct or operate a resource
 50 recovery facility or an environmentally sound sanitary landfill
 51 facility.

52 i. "Project" means any work relating to the construction of a
 53 resource recovery facility or an environmentally sound sanitary
 54 landfill facility by a local government unit.

55 j. "Resource recovery facility" means a solid waste facility con-
 56 structed and operated for the incineration of solid waste for energy
 57 production and the recovery of metals and other materials for
 58 reuse, or a mechanized composting facility, or any other solid waste
 59 facility constructed or operated for the collection, separation, re-
 60 cycling, and recovery of metals, glass, paper, and other materials
 61 for reuse or for energy production, and which is identified and in-
 62 cluded in a district solid waste management plan pursuant to the
 63 provisions of the "Solid Waste Management Act," P. L. 1970, c. 39
 64 (C. 13:1E-1 et seq.).

65 k. "Sanitary landfill facility" means a solid waste facility at which
 66 solid waste is deposited on or in the land as fill for the purpose of
 67 permanent disposal or storage for a period exceeding six months.

1 4. The commissioner shall adopt, pursuant to law, rules and
 2 regulations necessary to implement the provisions of this act. The
 3 commissioner shall review and consider the findings and recom-
 4 mendations of the commission in implementing the provisions of
 5 this act.

1 5. a. Bonds of the State of New Jersey are authorized to be
2 issued in the aggregate principal amount of \$100,000,000.00 for the
3 purpose of making State loans to local government units for financ-
4 ing the construction of resource recovery facilities and environ-
5 mentally sound sanitary landfill facilities.

6 b. Of the total amount of bonds authorized to be issued pursuant
7 to subsection a. of this section, up to 33 $\frac{1}{3}$ % shall be allocated for
8 the purpose of making a zero interest loan to a local government
9 unit to finance the construction of a resource recovery facility the
10 site of which has been approved prior to June 1, 1985 by the govern-
11 ing body of the municipality within which the resource recovery
12 facility is to be located, and for which the department has issued a
13 draft permit for the registration statement and engineering design
14 required pursuant to section 5 of P. L. 1970, c. 39 (C. 13:1E-5) and
15 section 1 of P. L. 1983, c. 464 (C. 13:1E-5.1) prior to January 1,
16 1985.

17 c. Loans made to local government units from the "Resource
18 Recovery and Solid Waste Disposal Facility Trust Fund" shall be
19 at zero interest or at an interest rate not to exceed 50% of the
20 average interest rate of the Bond Buyer Municipal Bond Index for
21 bonds available for purchase during the last 26 weeks preceding the
22 date of the approval of the loan by the department.

23 d. Payments of principal and interest on loans made from the
24 "Resource Recovery and Solid Waste Disposal Facility Trust
25 Fund" shall be made to the "Resource Recovery and Solid Waste
26 Disposal Facility Trust Fund."

1 6. The bonds authorized under this act shall be serial bonds,
2 term bonds, or a combination thereof, and shall be known as "Re-
3 source Recovery and Solid Waste Disposal Facility Bonds." These
4 bonds shall be issued from time to time as the issuing officials herein
5 named shall determine, and may be issued in coupon form, fully-
6 registered form or book-entry form. These bonds may be made
7 subject to redemption prior to maturity and shall mature and be
8 paid not later than 35 years from the dates of their issuance.

1 7. The Governor, the State Treasurer and the Director of the
2 Division of Budget and Accounting in the Department of the
3 Treasury, or any two of these officials, herein referred to as "the
4 issuing officials," are authorized to carry out the provisions of this
5 act relating to the issuance of bonds, and shall determine all matters
6 in connection therewith, subject to the provisions of this act. If an
7 issuing official is absent from the State or incapable of acting for
8 any reason, the powers and duties of that issuing official shall be

9 exercised and performed by the person authorized by law to act in
10 an official capacity in the place of that issuing official.

1 8. Bonds issued in accordance with the provisions of this act shall
2 be direct obligations of the State of New Jersey, and the faith and
3 credit of the State are pledged for the payment of the interest
4 thereon when due and for the payment of the principal thereof at
5 maturity. The principal of and interest on the bonds shall be exempt
6 from taxation by the State or by any county, municipality or other
7 taxing district of the State.

1 9. The bonds shall be signed in the name of the State by means
2 of the manual or facsimile signature of the Governor under the
3 Great Seal of the State, which seal may be by facsimile or by way of
4 any other form of reproduction on the bonds, and attested by the
5 manual or facsimile signature of the Secretary of State, or an
6 assistant Secretary of State, and shall be countersigned by the
7 facsimile signature of the Director of the Division of Budget and
8 Accounting in the Department of the Treasury and may be manually
9 authenticated by an authenticating agent or bond registrar, as the
10 issuing officials shall determine. Interest coupons, if any, attached
11 to the bonds shall be signed by the facsimile signature of the
12 director. The bonds may be issued notwithstanding that an issuing
13 official signing them or whose manual or facsimile signature
14 appears thereon has ceased to hold office at the time of issuance, or
15 at the time of the delivery of the bonds to the purchaser thereof.

1 10. a. The bonds shall recite that they are issued for the purposes
2 set forth in section 5 of this act, that they are issued pursuant to
3 this act, that this act was submitted to the people of the State at
4 the general election held in the month of November, 1985, and that
5 this act was approved by a majority of the legally qualified voters
6 of the State voting thereon at the election. This recital shall be
7 conclusive evidence of the validity of the bonds and of the authority
8 of the State to issue them. Any bonds containing this recital shall,
9 in any suit, action or proceeding involving their validity, be con-
10 clusively deemed to be fully authorized by this act and to have
11 been issued, sold, executed and delivered in conformity herewith
12 and with all other provisions of laws applicable hereto, and shall
13 be incontestable for any cause.

14 b. The bonds shall be issued in such denominations and in such
15 form or forms, whether coupon, fully-registered or book-entry
16 and with or without provisions for the interchangeability thereof, as
17 may determined by the issuing officials.

1 11. When the bonds are issued from time to time, the bonds of
2 each issue shall constitute a separate series to be designated by the

3 issuing officials. Each series of bonds shall bear such rate or rates
4 of interest as may be determined by the issuing officials, which
5 interest shall be payable semi-annually; except that the first and
6 last interest periods may be longer or shorter, in order that inter-
7 vening semi-annual payments may be at convenient dates.

1 12. The bonds shall be issued and sold at such price or prices and
2 under such terms, conditions and regulations as the issuing officials
3 may prescribe, after notice of the sale, published at least once in
4 at least three newspapers published in this State, and at least once
5 in a publication carrying municipal bond notices and devoted
6 primarily to financial news, published in this State or in the City
7 of New York, the first notice to appear at least five days prior to
8 the day of bidding. The notice of sale may contain a provision to
9 the effect that any bid in pursuance thereof may be rejected. In
10 the event of rejection or of failure to receive any acceptable bid,
11 the issuing officials, at any time within 60 days from the date of
12 the advertised sale, may sell the bonds at a private sale at such
13 price or prices and under such terms and conditions as the issuing
14 officials may prescribe. The issuing officials may sell all or part of
15 the bonds of any series as issued to any State fund or to the federal
16 government or any agency thereof, at a private sale, without
17 advertisement.

1 13. Until permanent bonds are prepared, the issuing officials may
2 issue temporary bonds in such form and with such privileges as
3 to their registration and exchange for permanent bonds as may be
4 determined by the issuing officials.

1 14. The proceeds from the sale of the bonds shall be paid to
2 the State Treasurer, to be held thereby in a separate fund, which
3 shall be known as the "Resource Recovery and Solid Waste Dis-
4 posal Facility Trust Fund." The proceeds of this fund shall be
5 deposited in such depositories as may be selected by the State
6 Treasurer to the credit of the fund.

1 15. a. The moneys in the "Resource Recovery and Solid Waste
2 Disposal Facility Trust Fund" are specifically dedicated and shall
3 be applied to the cost of the purposes set forth in section 5 of this
4 act, and all such moneys are appropriated for those purposes, and
5 no such moneys shall be expended for those purposes, except as
6 otherwise authorized in this act, without the specific appropriation
7 thereof by the Legislature, but bonds may be issued as herein pro-
8 vided, notwithstanding that the Legislature has not adopted an
9 act making a specific appropriation of any of the moneys. Any act
10 appropriating moneys from the "Resource Recovery and Solid

7
11 Waste Disposal Facility Trust Fund" shall identify the specific
12 project or projects to be funded with those moneys.

13 b. At any time prior to the issuance and sale of bonds under
14 this act, the State Treasurer is authorized to transfer from avail-
15 able money in any fund of the treasury of the State to the credit
16 of the "Resource Recovery and Solid Waste Disposal Facility
17 Trust Fund" such sums as he may deem necessary. The sum so
18 transferred shall be returned to the same fund of the treasury by
19 the State Treasurer from the proceeds of the sale of the first issue
20 of bonds.

21 c. Pending their application to the purposes provided in this act,
22 the moneys in the "Resource Recovery and Solid Waste Disposal
23 Facility Trust Fund" may be invested and reinvested as are other
24 trust funds in the custody of the State Treasurer, in the manner
25 provided by law. Net earnings received from the investment or
26 deposit of the "Resource Recovery and Solid Waste Disposal
27 Facility Trust Fund" shall be paid into the "Resource Recovery
28 and Solid Waste Disposal Facility Trust Fund."

1 16. If any coupon bond, coupon or registered bond is lost,
2 mutilated or destroyed, a new bond or coupon shall be executed and
3 delivered of like tenor, in substitution for the lost, mutilated or
4 destroyed bond or coupon, upon the owner furnishing to the issuing
5 officials such evidence satisfactory to them of the loss, mutilation
6 or destruction of the bond or coupon; the ownership thereof; and
7 the security, indemnity and reimbursement for expenses connected
8 therewith, as the issuing officials may require.

1 17. The accrued interest received upon the sale of the bonds
2 shall be applied to the discharge of a like amount of interest upon
3 the bonds when due. Any expense incurred by the issuing officials
4 for advertising, engraving, printing, clerical, authenticating,
5 registering, legal or other services necessary to carry out the duties
6 imposed upon them by the provisions of this act shall be paid from
7 the proceeds of the sale of the bonds by the State Treasurer, upon
8 the warrant of the Director of the Division of Budget and Account-
9 ing in the Department of the Treasury, in the same manner as other
10 obligations of the State are paid.

1 18. Bonds of each series issued hereunder shall mature, including
2 any sinking fund redemptions, not later than the 35th year from the
3 date of issue of such series, and in such amounts as shall be deter-
4 mined by the issuing officials. The issuing officials may reserve
5 to the State by appropriate provision in the bonds of any series the
6 power to redeem any of the bonds prior to maturity at such price
7 or prices and upon such terms and conditions as may be provided
8 in the bonds.

1 19. The issuing officials may at any time and from time to time
 2 issue refunding bonds for the purpose of refunding in whole or in
 3 part an equal principal amount of the bonds of any series issued
 4 and outstanding hereunder, which by their terms are subject to
 5 redemption prior to maturity, provided the refunding bonds shall
 6 mature at any time or times not later than the latest maturity date
 7 of that series, and the aggregate amount of interest to be paid on
 8 the refunding bonds, plus the premium, if any, to be paid on the
 9 bonds refunded, shall not exceed the aggregate amount of interest
 10 which would be paid on the bonds refunded if the bonds were not so
 11 refunded. Refunding bonds shall constitute direct obligations of
 12 the State of New Jersey, and the faith and credit of the State are
 13 pledged for the payment of the principal thereof and the interest
 14 thereon. The proceeds received from the sale of refunding bonds
 15 shall be held in trust and applied to the payment of the bonds
 16 refunded thereby. Refunding bonds shall be entitled to all the
 17 benefits of this act and subject to all its limitations except as to the
 18 maturities thereof and to the extent herein otherwise expressly
 19 provided.

1 20. To provide funds to meet the interest and principal payment
 2 requirements for the bonds issued under this act and outstanding,
 3 there is appropriated in the order following:

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

7 b. If, at any time, funds necessary to meet the interest and
 8 principal payments on outstanding bonds issued under this act, are
 9 insufficient or not available, there shall be assessed, levied and
 10 collected annually in each of the municipalities of the counties of
 11 this State, a tax on the real and personal property upon which
 12 municipal taxes are or shall be assessed, levied and collected, suffi-
 13 cient to meet the interest on all outstanding bonds issued here-
 14 under and on the bonds proposed to be issued under this act in the
 15 calendar year in which the tax is to be raised and for the payment
 16 of bonds falling due in the year following the year for which the
 17 tax is levied. The tax shall be assessed, levied and collected in the
 18 same manner and at the same time as other taxes upon real and
 19 personal property. The governing body of each municipality shall
 20 pay to the treasurer of the county in which the municipality is
 21 located, on or before December 15 in each year, the amount of tax
 22 herein directed to be assessed and levied, and the county treasurer
 23 shall pay the amount of the tax to the State Treasurer on or before
 24 December 20 in each year.

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

1 21. Should the State Treasurer, by December 31 of any year,
 2 deem it necessary, because of the insufficiency of funds collected
 3 from the sources of revenues as provided in this act, to meet the
 4 interest and principal payments for the year after the ensuing
 5 year, then the State Treasurer shall certify to the Director of the
 6 Division of Budget and Accounting in the Department of the
 7 Treasury the amount necessary to be raised by taxation for those
 8 purposes, which is to be assessed, levied and collected for and in the
 9 ensuing calendar year. The director shall, on or before March 1
 10 following, calculate the amount in dollars to be assessed, levied and
 11 collected in each county as herein set forth. This calculation shall
 12 be based upon the corrected assessed valuation of each county for
 13 the year preceding the year in which the tax is to be assessed, but
 14 the tax shall be assessed, levied and collected upon the assessed
 15 valuation of the year in which the tax is assessed and levied. The
 16 director shall certify the amount to the county board of taxation
 17 and the treasurer of each county. The county board of taxation
 18 shall include the proper amount in the current tax levy of the
 19 several taxing districts of the county in proportion to the ratables
 20 as ascertained for the current year.

1 22. For the purpose of complying with the provisions of the State
 2 Constitution, this act shall be submitted to the people at the general
 3 election to be held in the month of November, 1985. To inform the
 4 people of the contents of this act, it shall be the duty of the Secre-
 5 tary of State, after this section takes effect, and at least 15 days
 6 prior to the election, to publish this act in at least 10 newspapers
 7 published in this State and to notify the clerk of each county of this
 8 State of the passage of this act; and the clerks respectively, in
 9 accordance with the instructions of the Secretary of State, shall
 10 have each of the ballots printed as follows:

- 11 If you approve of the act entitled below, make a cross (×), plus
 12 (+), or check (✓) mark in the square opposite the word "Yes."
 13 If you disapprove of the act entitled below, make a cross (×),
 14 plus (+), or check (✓) mark in the square opposite the word "No."
 15 If voting machines are used, a vote of "Yes" or "No" shall be
 16 equivalent to these markings respectively.

	Yes.	<p>RESOURCE RECOVERY AND SOLID WASTE DISPOSAL FACILITY TRUST FUND BOND ISSUE</p> <p>Should the "Resource Recovery and Solid Waste Disposal Facility Trust Fund Bond Act of 1985," which authorizes the State to issue bonds in the amount of \$100,000,000.00 for the purpose of making State loans to local government units for the construction of resource recovery facilities and environmentally sound sanitary landfill facilities, providing the ways and means to pay the interest on these bonds, and also to pay and discharge the principal thereof, be approved?</p>
	No.	<p>INTERPRETIVE STATEMENT</p> <p>Approval of this act would authorize the sale of \$100,000,000.00 in State bonds, which would be used to establish a trust fund to make low cost loans to local governments for the construction of resource recovery facilities and environmentally sound sanitary landfill facilities. Construction of these facilities would encourage and facilitate the environmentally safe disposal of solid waste.</p>

- 17 The fact and date of the approval or passage of this act, as the
 18 case may be, may be inserted in the appropriate place after the title
 19 in the ballot. No other requirements of law as to notice or pro-
 20 cedure, except as herein provided, need be adhered to.
- 21 The votes cast for and against the approval of this act, by ballot
 22 or voting machine, shall be counted and the result thereof returned
 23 by the election officer, and a canvass of the election had in the same
 24 manner as is provided for by law in the case of the election of a
 25 Governor, and the approval or disapproval of this act so determined
 26 shall be declared in the same manner as the result of an election for
 27 a Governor, and if there is a majority of all votes cast for and
 28 against it at the election in favor of the approval of this act, then
 29 all the provisions of this act not made effective theretofore shall
 30 take effect forthwith.

1 23. There is appropriated the sum of \$5,000.00 to the Department
2 of State for expenses in connection with the publication of notice
3 pursuant to section 22 of this act.

1 24. The commissioner shall submit to the State Treasurer and
2 the commission with the department's annual budget request a plan
3 for the expenditure of funds from the "Resource Recovery and Solid
4 Waste Disposal Facility Trust Fund" for the upcoming fiscal year.
5 This plan shall include the following information: a performance
6 evaluation of the expenditures made from the fund to date; a
7 description of programs planned during the upcoming fiscal year;
8 a copy of the regulations in force governing the operations of
9 programs that are financed, in part or in whole, by funds from the
10 "Resource Recovery and Solid Waste Disposal Facility Trust
11 Fund"; and an estimate of expenditures for the upcoming fiscal
12 year.

1 25. Immediately following the submission to the Legislature of
2 the Governor's annual budget message, the commissioner shall sub-
3 mit to the General Assembly Agriculture and Environment Com-
4 mittee, the Senate Energy and Environment Committee, or their
5 successors, and the Subcommittee on Transfers of the Joint Appro-
6 priations Committee, or its successor, a copy of the plan called for
7 under section 24 of this act, together with such changes therein as
8 may have been required by the Governor's budget message.

1 26. This section and sections 22 and 23 of this act shall take
2 effect immediately and the remainder of the act shall take effect as
3 provided in section 22.

STATEMENT

This bill would authorize, upon the approval of the voters, the issuance of \$100,000,000.00 in State bonds to be used to establish a "Resource Recovery and Solid Waste Disposal Facility Trust Fund," for the purpose of making loans to local government units for the construction of resource recovery facilities and environmentally sound sanitary landfill facilities. The Department of Environmental Protection would be responsible for implementing this revolving loan program.

Of the \$100,000,000.00 in bond moneys authorized by this bill, up to 33 $\frac{1}{3}$ % is allocated for the purpose of making a zero interest loan to a local government unit for the construction of a resource recovery facility the site of which has been approved prior to June 1, 1985 by the governing body of the municipality in which the facility is to be located, and for which the department has issued

a draft permit for the registration statement and engineering design prior to January 1, 1985. All other loans made by the department with moneys from the "Resource Recovery and Solid Waste Disposal Facility Trust Fund" shall be at zero interest or at an interest rate not to exceed 50% of the average rate of the Bond Buyer Municipal Bond Index for the 26-week period preceding the date of the approval of the loan by the department. Because the "Resource Recovery and Solid Waste Disposal Facility Trust Fund" is intended to be a revolving fund, payments of principal and interest on loans made from the fund would be paid to the fund, thus making the maximum amount of funds available for the second and successive rounds of loans.

[OFFICIAL COPY REPRINT]
ASSEMBLY, No. 3829

STATE OF NEW JERSEY

INTRODUCED JUNE 17, 1985

By Assemblyman MARSELLA

AN Act authorizing the creation of a debt of the State of New Jersey by issuance of bonds of the State in the sum of \$30,000,000.00 for the purpose of providing grants and loans to local units of government in the pinelands area for infrastructure capital projects necessary to accommodate development in the regional growth area; providing the ways and means to pay the interest on the debt and also to pay and discharge the principal thereof; providing for the submission of this act to the people at a general election and making an appropriation therefor.

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

1 1. This act shall be known and may be cited as the "Pinelands
2 Infrastructure Trust Bond Act of 1985."

1 2. The Legislature finds and declares that the "Pinelands Pro-
2 tection Act," P. L. 1979, c. 111 (C. 13:18A-1 et seq.) was enacted
3 and the comprehensive management plan was adopted thereunder
4 to protect the unique natural, ecological, agricultural, scenic and
5 recreational resources of the pinelands areas for the enjoyment of
6 all of the citizens of the State but the land use restrictions im-
7 posed and the development patterns encouraged to protect those
8 resources will result in the increase in population in regional
9 growth areas; that this growth will be accommodated through the
10 pinelands development credit program which seeks to encourage
11 landowners in areas wherein development is restricted to record
12 use restrictions in the deeds to their land in return for monetary

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

Matter printed in italics *thus* is new matter.

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

*—Assembly committee amendments adopted June 24, 1985.

13 remuneration; that these pinelands development credits will be
 14 redeemed in regional growth areas permitting greater development
 15 densities; that this growth will require concomitant improvements
 16 to the infrastructure in these areas; that it is unreasonable and
 17 unjust to expect the taxpayers of these regional growth areas to
 18 assume the full financial burdens which result from the growth;
 19 and that it is altogether fitting and proper to provide for the capital
 20 investment in infrastructure improvements by the State through
 21 the issuance of bonds.

1 3. As used in this act:

2 a. "Commission" means the New Jersey Commission on Capital
 3 Budgeting and Planning;

4 b. "Commissioner" means the Commissioner of Environmental
 5 Protection;

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

9 d. "Cost" means the expenses incurred in connection with: the
 10 acquisition by purchase, lease or otherwise, the development, and
 11 the construction of any project authorized by this act; the acqui-
 12 sition by purchase, lease or otherwise, and the development of any
 13 real or personal property for use in connection with any project
 14 authorized by this act, including any rights or interests therein;
 15 the execution of any agreements and franchises deemed by the
 16 department to be necessary or useful and convenient in connection
 17 with any project authorized by this act; the procurement of engi-
 18 neering, inspection, planning, legal, financial or other professional
 19 services, including the services of a bond registrar or an authen-
 20 ticating agent; the issuance of bonds, or any interest or discount
 21 thereon; the administrative, organizational, operating or other
 22 expenses incident to the financing, completing and placing into
 23 service of projects authorized by this act; the establishment of
 24 a reserve fund or funds for working capital, operating, mainte-
 25 nance or replacement expenses and for the payment or security
 26 of principal or interest on bonds, as the Director of the Division
 27 of Budget and Accounting in the Department of the Treasury
 28 may determine; and reimbursement to any fund of the State of
 29 moneys which may have been transferred or advanced therefrom
 30 to any fund created by this act, or of any moneys which may have
 31 been expended therefrom for or in connection with any project
 32 authorized by his act;

33 e. "Department" means the Department of Environmental Pro-
 34 tection;

35 f. "Infrastructure capital projects" or "project" means the
 36 acquisition, construction, improvement, expansion, repair or re-
 37 habilitation of all or part of any structure, facility or equipment
 38 (1) necessary for or ancillary to any transportation system, waste-
 39 water treatment system or water supply system, or (2) necessary
 40 for or ancillary to any system which may be authorized and desig-
 41 nated by the Legislature as an infrastructure capital project;

42 g. "Local unit" means any county, municipality, authority or
 43 agency, which is not a State authority or agency, which has admin-
 44 istrative jurisdiction over an area which would be served by, or
 45 which exercises functions which are appropriate for, the manage-
 46 ment of an infrastructure capital project;

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

49 i. "Pinelands commission" means the commission created pur-
 50 suant to section 4 of P. L. 1979, c. 111 (C. 13:18A-4);

51 j. "Regional growth area" means an area designated in the
 52 comprehensive management plan as a receiving area for pinelands
 53 development credits to accommodate regional growth.

1 4. a. The commissioner shall adopt, pursuant to the "Admin-
 2 istrative Procedure Act," P. L. 1968, c. 410 (C. 52:14B-1 et seq.),
 3 rules and regulations to carry out the provisions of this act. The
 4 commissioner shall review and consider the findings and recom-
 5 mendations of the commission in the administration of the pro-
 6 visions of this act.

7 b. The pinelands commission shall adopt an infrastructure master
 8 plan for use in evaluating projects to be funded with funds made
 9 available pursuant to this act.

1 5. a. Bonds of the State of New Jersey are authorized to be
 2 issued in the aggregate principal amount of \$30,000,000.00 for the
 3 purpose of providing grants and loans to any local unit in the
 4 pinelands area for infrastructure capital projects necessary to
 5 accommodate development in the regional growth area. These
 6 projects shall be approved by the commissioner only upon a finding
 7 that the master plan and zoning ordinance of the municipality,
 8 and the master plan of the county wherein the project is to take
 9 place has been certified by the pinelands commission to be in con-
 10 formance with the comprehensive management plan and *upon a*
 11 *finding by the pinelands commission* that the project conforms
 12 with the infrastructure master plan adopted by the pinelands com-
 13 mission pursuant to subsection b. of section 4 of this act *and the*
 13A *provisions of the Comprehensive Management Plan*.

14 b. The interest rate of loans made to local units from the "Pine-
 15 lands Infrastructure Trust Fund" shall not exceed 50% of the

16 average interest rate of the Bond Buyer Municipal Bond Index
 17 for bonds available for purchase during the last 26 weeks preceding
 18 the date of the approval of the loan by the department.

19 c. Payments of principal and interest on loans made from the
 20 "Pinelands Infrastructure Trust Fund" shall be paid to the "Pine-
 21 lands Infrastructure Trust Fund."

22 d. When a federal agency pays part of the cost of a project, the
 23 cost of the project shall be computed after deducting the federal
 24 contribution.

1 6. The bonds authorized under this act shall be serial bonds, term
 2 bonds, or a combination thereof, and shall be known as "Pinelands
 3 Infrastructure Trust Bonds." These bonds shall be issued from
 4 time-to-time as the issuing officials herein named shall determine,
 5 and may be issued in coupon form, fully-registered form or book-
 6 entry form. These bonds may be made subject to redemption prior
 7 to maturity and shall mature and be paid not later than 35 years
 8 from the dates of their issuance.

1 7. The Governor, the State Treasurer and the Director of the
 2 Division of Budget and Accounting in the Department of the Treas-
 3 ury, or any two of these officials, herein referred to as "the issuing
 4 officials," are authorized to carry out the provisions of this act
 5 relating to the issuance of bonds, and shall determine all matters
 6 in connection therewith, subject to the provisions of this act. If an
 7 issuing official is absent from the State or incapable of acting for
 8 any reason, the powers and duties of that issuing official shall be
 9 exercised and performed by the person authorized by law to act
 10 in an official capacity in the place of that issuing official.

1 8. Bonds issued in accordance with the provisions of this act
 2 shall be direct obligations of the State of New Jersey, and the
 3 faith and credit of the State are pledged for the payment of the
 4 interest thereon when due and for the payment of the principal
 5 thereof at maturity. The principal of and interest on the bonds
 6 shall be exempt from taxation by the State or by any county,
 7 municipality or other taxing district of the State.

1 9. The bonds shall be signed in the name of the State by means
 2 of the manual or facsimile signature of the Governor under the
 3 Great Seal of the State, which seal may be by facsimile or by way
 4 of any other form of reproduction on the bonds, and attested by
 5 the manual or facsimile signature of the Secretary of State, or an
 6 assistant Secretary of State, and shall be countersigned by the
 7 facsimile signature of the Director of the Division of Budget and
 8 Accounting in the Department of the Treasury and may be man-
 9 ually authenticated by an authenticating agent or bond registrar,

10 as the issuing officials shall determine. Interest coupons, if any,
11 attached to the bonds shall be signed by the facsimile signature
12 of the director. The bonds may be issued notwithstanding that an
13 issuing official signing them or whose manual or facsimile signature
14 appears thereon has ceased to hold office at the time of issuance,
15 or at the time of the delivery of the bonds to the purchaser thereof.

1 10. a. The bonds shall recite that they are issued for the purposes
2 set forth in section 5 of this act, that they are issued pursuant to
3 this act, that this act was submitted to the people of the State
4 at the general election held in the month of November, 1985, and
5 that this act was approved by a majority of the legally qualified
6 voters of the State voting thereon at the election. This recital shall
7 be conclusive evidence of the validity of the bonds and of the
8 authority of the State to issue them. Any bonds containing this
9 recital shall, in any suit, action or proceeding involving their
10 validity, be conclusively deemed to be fully authorized by this act
11 and to have been issued, sold, executed and delivered in conformity
12 herewith and with all other provisions of laws applicable hereto,
13 and shall be incontestable for any cause.

14 b. The bonds shall be issued in such denominations and in such
15 form or forms, whether coupon, fully-registered or book-entry and
16 with or without provisions for the interchangeability thereof, as
17 may be determined by the issuing officials.

1 11. When the bonds are issued from time-to-time, the bonds of
2 each issue shall constitute a separate series to be designated by
3 the issuing officials. Each series of bonds shall bear such rate or
4 rates of interest as may be determined by the issuing officials,
5 which interest shall be payable semiannually; except that the first
6 and last interest periods may be longer or shorter, in order that
7 intervening semiannual payments may be at convenient dates.

1 12. The bonds shall be issued and sold at such price or prices
2 and under such terms, conditions and regulations as the issuing
3 officials may prescribe, after notice of the sale, published at least
4 once in at least three newspapers published in this State, and at
5 least once in a publication carrying municipal bond notices and
6 devoted primarily to financial news, published in this State or
7 in the city of New York, the first notice to appear at least five days
8 prior to the day of bidding. The notice of sale may contain a pro-
9 vision to the effect that any bid in pursuance thereof may be
10 rejected. In the event of rejection or of failure to receive any
11 acceptable bid, the issuing officials, at any time within 60 days
12 from the date of the advertised sale, may sell the bonds at a private
13 sale at such price or prices and under such terms and conditions

14 as the issuing officials may prescribe. The issuing officials may sell
 15 all or part of the bonds of any series as issued to any State fund or
 16 to the federal government or any agency thereof, at a private sale,
 17 without advertisement.

1 13. Until permanent bonds are prepared, the issuing officials may
 2 issue temporary bonds in such form and with such privileges as
 3 to their registration and exchange for permanent bonds as may be
 4 determined by the issuing officials.

1 14. The proceeds from the sale of the bonds shall be paid to the
 2 State Treasurer, to be held thereby in a separate fund, which shall
 3 be known as the "Pinelands Infrastructure Trust Fund." The
 4 proceeds of this fund shall be deposited in such depositories as
 5 may be selected by the State Treasurer to the credit of the fund.

1 15. a. The moneys in the "Pinelands Infrastructure Trust Fund"
 2 are specifically dedicated and shall be applied to the cost of the
 3 purposes set forth in section 5 of this act, and all such moneys
 4 are appropriated for those purposes, and no such moneys shall be
 5 expended for those purposes, except as otherwise authorized in
 6 this act, without the specific appropriation thereof by the Legis-
 7-8 lature, but bonds may be issued as herein provided, notwithstand-
 9 ing that the Legislature has not adopted an act making a specific
 10 appropriation of any of the moneys.

11 b. At any time prior to the issuance and sale of bonds under this
 12 act, the State Treasurer is authorized to transfer from available
 13 money in any fund of the treasury of the State to the credit of the
 14 "Pinelands Infrastructure Trust Fund," such sum as he may deem
 15 necessary. The sum so transferred shall be returned to the same
 16 fund of the treasury by the State Treasurer from the proceeds
 17 of the sale of the first issue of bonds.

18 c. Pending their application to the purposes provided in this
 19 act, the moneys in the "Pinelands Infrastructure Trust Fund"
 20 may be invested and reinvested as are other trust funds in the
 21 custody of the State Treasurer, in the manner provided by law.
 22 Net earnings received from the investment or deposit of the fund
 23 shall be paid into the "Pinelands Infrastructure Trust Fund."

1 16. If any coupon bond, coupon or registered bond is lost, muti-
 2 lated or destroyed, a new bond or coupon shall be executed and
 3 delivered of like tenor, in substitution for the lost, mutilated or
 4 destroyed bond or coupon, upon the owner furnishing to the issuing
 5 officials such evidence satisfactory to them of the loss, mutilation
 6 or destruction of the bond or coupon; the ownership thereof; and
 7 the security, indemnity and reimbursement for expenses connected
 8 therewith, as the issuing officials may require.

1 17. The accrued interest received upon the sale of the bonds shall
2 be applied to the discharge of a like amount of interest upon the
3 bonds when due. Any expense incurred by the issuing officials for
4 advertising, engraving, printing, clerical, authenticating, register-
5 ing, legal or other services necessary to carry out the duties im-
6 posed upon them by the provisions of this act shall be paid from
7 the proceeds of the sale of the bonds by the State Treasurer,
8 upon the warrant of the Director of the Division of Budget and
9 Accounting in the Department of the Treasury, in the same manner
10 as other obligations of the State are paid.

1 18. Bonds of each series issued hereunder shall mature, including
2 any sinking fund redemptions, not later than the 35th year from
3 the date of issue of such series, and in such amounts as shall be
4 determined by the issuing officials. The issuing officials may reserve
5 to the State by appropriate provision in the bonds of any series
6 the power to redeem any of the bonds prior to maturity at such
7 price or prices and upon such terms and conditions as may be
8 in the bonds.

1 19. The issuing officials may at any time and from time to time
2 issue refunding bonds for the purpose of refunding in whole or in
3 part an equal principal amount of the bonds of any series issued
4 and outstanding hereunder, which by their terms are subject to
5 redemption prior to maturity, provided the refunding bonds shall
6 mature at any time or times not later than the latest maturity date
7 of that series, and the aggregate amount of interest to be paid on
8 the refunding bonds, plus the premium, if any, to be paid on the
9 bonds refunded, shall not exceed the aggregate amount of interest
10 which would be paid on the bonds refunded if the bonds were not so
11 refunded. Refunding bonds shall constitute direct obligations of
12 the State of New Jersey, and the faith and credit of the State are
13 pledged for the payment of the principal thereof and the interest
14 thereon. The proceeds received from the sale of refunding bonds
15 shall be held in trust and applied to the payment of the bonds re-
16 funded thereby. Refunding bonds shall be entitled to all the bene-
17 fits of this act and subject to all its limitations except as to the
18 maturities thereof and to the extent herein otherwise expressly
19 provided.

1 20. To provide funds to meet the interest and principal payment
2 requirements for the bonds issued under this act and outstanding,
3 there is appropriated in the order following:

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

7 b. If, at any time, funds necessary to meet the interest and
 8 principal payments on outstanding bonds issued under this act,
 9 are insufficient or not available, there shall be assessed, levied and
 10 collected annually in each of the municipalities of the counties of
 11 this State, a tax on the real and personal property upon which
 12 municipal taxes are or shall be assessed, levied and collected,
 13 sufficient to meet the interest on all outstanding bonds issued
 14 hereunder and on the bonds proposed to be issued under this act in
 15 the calendar year in which the tax is to be raised and for the pay-
 16 ment of bonds falling due in the year following the year for which
 17 the tax is levied. The tax shall be assessed, levied and collected
 18 in the same manner and at the same time as other taxes upon real
 19 and personal property. The governing body of each municipality
 20 shall pay to the treasurer of the county in which the municipality
 21 is located, on or before December 15 in each year, the amount of
 22 tax herein directed to be assessed and levied, and the county
 23 treasurer shall pay the amount of the tax to the State Treasurer
 24 on or before December 20 in each year.

25 If on or before December 31 in any year, the issuing officials,
 26 by resolution, determine that there are moneys in the General
 27 Fund beyond the needs of the State, sufficient to meet the principal
 28 of bonds falling due and all interest payable in the ensuing calendar
 29 year, the issuing officials shall file the resolution in the office of
 30 the State Treasurer, whereupon the State Treasurer shall transfer
 31 the moneys to a separate fund to be designated by him, and shall pay
 32 the principal and interest out of the fund as the same shall become
 33 due and payable, and the other sources of payment of the principal
 34 and interest provided for in this section shall not then be available,
 35 and the receipts for the year from the tax specified in subsection a.
 36 of this section shall be considered part of the General Fund, avail-
 37 able for general purposes.

1 21. Should the State Treasurer, by December 31 of any year,
 2 deem it necessary, because of the insufficiency of funds collected
 3 from the sources of revenues as provided in this act, to meet the
 4 interest and principal payments for the year after the ensuing
 5 year, then the State Treasurer shall certify to the Director of
 6 the Division of Budget and Accounting in the Department of the
 7 Treasury the amount necessary to be raised by taxation for those
 8 purposes, which is to be assessed, levied and collected for and in
 9 the ensuing calendar year. The director shall, on or before March 1
 10 following, calculate the amount in dollars to be assessed, levied
 11 and collected in each county as herein set forth. This calculation
 12 shall be based upon the corrected assessed valuation of each county

13 for the year preceding the year in which the tax is to be assessed,
14 but the tax shall be assessed, levied and collected upon the assessed
15 valuation of the year in which the tax is assessed and levied. The
16 director shall certify the amount to the county board of taxation
17 and the treasurer of each county. The county board of taxation
18 shall include the proper amount in the current tax levy of the
19 several taxing districts of the county in proportion to the ratables
20 as ascertained for the current year.

1 22. For the purpose of complying with the provisions of the
2 State Constitution, this act shall be submitted to the people at
3 the general election to be held in the month of November, 1985.
4 To inform the people of the contents of this act, it shall be the
5 duty of the Secretary of State, after this section takes effect, and
6 at least 15 days prior to the election, to publish this act in at least
7 10 newspapers published in this State and to notify the clerk of
8 each county of this State of the passage of this act; and the clerks
9 respectively, in accordance with the instructions of the Secretary
10 of State, shall have each of the ballots printed as follows:

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

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

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

	Yes.	<p>PINELANDS PROTECTION BOND ACT</p> <p>Shall the act entitled the "Pinelands Infrastructure Trust Bond Act of 1985," which authorizes the State to issue bonds in the amount of \$30,000,000.00 for the purpose of providing grants and loans to local units in the pinelands area for infrastructure capital projects necessary to accommodate development in the regional growth area in a manner prescribed by law, and which provides ways and means to pay the interest on the debt by the sale of the bonds, be approved?</p>
	No.	<p>INTERPRETIVE STATEMENT</p> <p>Approval of this act will provide \$30,000,000.00 for appropriation by the Legislature for grants and loans for transportation, wastewater treatment, water supply, and other infrastructure systems in the pinelands area. These 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 wherein the project is to take place has been certified by the pinelands commission to be in conformance with a comprehensive management plan and that the project conforms with the infrastructure master plan adopted by the pinelands commission.</p>

17 The fact and date of the approval or passage of this act, as the
18 case may be, may be inserted in the appropriate place after the
19 title in the ballot. No other requirements of law of any kind or
20 character as to notice or procedure except as herein provided need
21 be adhered to.

22 The votes so cast for and against the approval of this act, by
23 ballot or voting machines, shall be counted and the result thereof
24 returned by the election officer, and a canvass of the election had in
25 the same manner as is provided for by law in the case of the election
26 of a Governor, and the approval or disapproval of this act so
27 determined shall be declared in the same manner as the result of an
28 election for a Governor, and if there shall be a majority of all the
29 votes cast for and against it at the election in favor of the approval
30 of this act, then all the provisions of this act not made effective
31 theretofore shall take effect immediately.

1 23. There is appropriated from the General Fund the sum of
2 \$5,000.00 to the Department of State for expenses in connection
3 with the publication of notice pursuant to section 22 of this act.

1 24. The commissioner shall submit to the State Treasurer and
2 the commission with the department's annual budget request a
3 plan for the expenditure of funds from the "Pinelands Infrastruc-
4 ture Trust Fund" for the upcoming fiscal year. This plan shall
5 include the following information: a performance evaluation of
6 the expenditures made from the fund to date; a description of
7 programs planned during the upcoming fiscal year; a copy of the
8 regulations in force governing the operation of programs that are
9 financed, in part or whole, by funds from the fund; and an estimate
10 of expenditures for the upcoming fiscal year.

1 25. Immediately following the submission to the Legislature of
2 the Governor's annual budget message, the commissioner shall
3 submit to the General Assembly Agriculture and Environment
4 Committee, the Senate Energy and Environment Committee, or
5 their successors, and the Subcommittee on Transfers of the Joint
6 Appropriations Committee, or its successor, a copy of the plan
7 called for under section 24 of this act, together with such changes
8 therein as may have been required by the Governor's budget
9 message.

1 26. Not less than 30 days prior to entering into any contract,
2 lease, obligation, or agreement to effectuate the purposes of this
3 act, the commissioner shall report to and consult with the Sub-
4 committee on Transfers of the Joint Appropriations Committee,
5 or its successor.

1 27. This section and sections 22 and 23 of this act shall take effect
2 immediately and the remainder of the act shall take effect as pro-
3 vided in section 22.

ASSEMBLYWOMAN BARBARA KALIK (Chairwoman): You are hereby notified that the Committee meeting on June 24, 1985 to consider A-3827, A-3828, and A-3829 (OCR) shall serve as the public hearing required under that rule, and that the five-day notice of the Committee meeting is sufficient public notice.

We will recognize for the record that Assemblyman Gorman is here, Assemblyman Frelinghuysen is here, and myself, Barbara Kalik. We will proceed with an explanation of A-3827.

MR. BASARAB: Assembly Bill 3827, authorizes upon approval of the voters, a bond issue of \$150 million to establish a "Wastewater Treatment Trust Fund." This Fund is to be used to make loans and grants to local government units for the construction of wastewater treatment systems.

ASSEMBLYWOMAN KALIK: Thank you, Mike. Is there anyone who is going to publicly testify on this piece of legislation? (no response) Do any members of the Committee wish to make a statement? (no response)

The public hearing is now open on Assembly Bill 3828. May we have an explanation of A-3828, Mike?

MR. BASARAB: Assembly Bill 3828 authorizes, upon approval of the voters, a bond issue of \$100 million to establish the "Resource Recovery and Solid Waste Disposal Facility Trust Fund." This Fund will be used to make loans to local government units for the construction of resource recovery facilities and environmentally sound sanitary landfill facilities.

ASSEMBLYWOMAN KALIK: Thank you. Is there any public comment for the record on A-3828? (no response) Is there any Committee comment? (no response)

The public hearing is now open on Assembly Bill 3829 (OCR). May we have a brief explanation?

MR. BASARAB: Assembly Bill 3829 (OCR) authorizes, upon approval of the voters, a bond issue of \$30 million to be used to make loans and grants to local government units for infrastructure capital projects in the pinelands area of the State.

ASSEMBLYWOMAN KALIK: Thank you. Is there any public comment on Assembly Bill 3829 (OCR)? (no response) Is there any Committee comment? (no response)

At this point, I am going to recess; I am not going to adjourn, I am going to recess the public hearing. I understand there is some public comment on the way, so we are just going to recess. You may turn off the machine.

(RECESS)

AFTER RECESS:

ASSEMBLYWOMAN KALIK: With regard to Assembly Bill 3827, I don't see Mr. Hollenbeck here. In his absence, I will ask Mike to again give us a brief description of A-3827.

MR. BASARAB: Assembly Bill 3827 authorizes, upon approval of the voters, a bond issue of \$150 million to establish a "Wastewater Treatment Trust Fund." This Fund is to be used to make loans and grants to local government units for the construction of wastewater treatment systems.

ASSEMBLYWOMAN KALIK: Okay. Is there anyone from the public wishing to speak on A-3827? (no response) There being no response, the public hearing is adjourned at this time.

(HEARING CONCLUDED)

AUG 6 1985

