Sponsored by:
Senator ANTHONY M. BUCCO
District 25 (Morris and Somerset)

SYNOPSIS
Authorizes use of certain constitutionally dedicated CBT revenues for grants for prevention and remediation of harmful algal blooms.

CURRENT VERSION OF TEXT
As introduced.

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

1. Section 4 of P.L.1997, c.261 (C.58:29-4) is amended to read as follows:

4. The "Watershed Management Fund," hereinafter referred to as the "fund," is hereby established as a nonlapsing, revolving fund in the Department of Environmental Protection. The fund shall be credited annually with [all monies appropriated] an amount equal to five percent of the six percent of the revenue annually derived from the tax imposed pursuant to the "Corporation Business Tax Act (1945)," P.L.1945, c.162 (C.54:10A-1 et seq.), as amended and supplemented, or any other State law of similar effect, dedicated to paying or financing the cost of water quality point and nonpoint source pollution monitoring, watershed based water resource planning and management, and nonpoint source pollution prevention projects, pursuant to the requirements of Article VIII, Section II, paragraph 6, subparagraph (a) of the New Jersey Constitution. Any interest that accrues on monies in the fund shall be credited to the fund.

(cf:  P.L.1997, c.261, s.4)

2. Section 5 of P.L.1997, c.261 (C.58:29-5) is amended to read as follows:

5. Monies in the fund shall be used only for the following purposes:

a. The development and adoption of a priority list of water quality limited waterbodies pursuant to the requirements of section 303(d)(1)(A) of the Federal Act (33 U.S.C. s.1313);

b. The monitoring and assessment of all State waters pursuant to the requirements of section 305(b) of the Federal Act (33 U.S.C. s.1315);

c. The delineation of watershed management areas and stream segments;

d. The identification of potential causes of the use impairment or water quality standard violations related to waterbodies on the priority list required pursuant to sections 303(d)(1)(A) and 305(b) of the Federal Act by means of assessment of reliable data, including, but not necessarily limited to, identification of point sources, nonpoint sources, habitat degradation, and hydrologic changes. This identification shall include a broad-based intensive
survey monitoring program that shall supplement the existing chemical, biological and toxics-in-biota monitoring networks, and that shall intensively sample watersheds or segments of watersheds on a periodic basis and establish a detailed watershed-wide assessment process. The number of monitoring sites within a watershed shall be determined by existing water quality, land uses, known and potential pollution sources, and the amount of available historical data. The supplemental survey monitoring program, shall be designed to provide:

(1) a detailed profile of water quality over specified time periods;
(2) an identification and detailed profile of both point and nonpoint pollution sources;
(3) a quantification of pollutant loadings and pollution impacts on receiving waters from both point and nonpoint sources; and
(4) water quality modeling based upon amounts of point and nonpoint sources of pollution and land use;

e. The development of total maximum daily loads and water quality-based effluent limitations for water quality limited waterbodies, as required pursuant to section 303(d)(1)(C) of the Federal Act, and any rules or regulations adopted pursuant thereto;
f. The development and presentation of data on the department’s Geographic Information System (GIS);
g. The development and adoption of pollution prevention best management practices to control point and nonpoint sources of pollution;
h. The characterization of land use and land cover in each watershed;
i. The development and adoption of a watershed management plan;
j. The development and planning by the department of a watershed management program and the integration of the department’s rules and regulations with the program; and
k. The development and implementation of a watershed protection loan and grant program, as described pursuant to section 6 of this act.

l. The provision of grants to local governments to fund sewer or stormwater infrastructure projects that reduce nonpoint source pollution of the State’s lakes and reservoirs, and help prevent harmful algal blooms. The grant money may be used as matching funds for the purpose of securing grants from other sources, including State and federal grants.

(cf: P.L.1997, c.261, s.5)

3. Section 6 of P.L.2016, c.12 (C.13:8C-48) is amended to read as follows:

6. a. The State Treasurer shall establish a fund to be known as the “Preserve New Jersey Green Acres Fund” and shall deposit into
the fund all moneys received pursuant to paragraph (1) of subsection a. of section 5 of P.L.2016, c.12 (C.13:8C-47), paragraph (1) of subsection a. of section 1 of P.L.2019, c.136 (C.13:8C-47.1), and any other moneys appropriated by law for deposit into the fund.

Moneys in the fund shall be invested in permitted investments or shall be held in interest-bearing accounts in those depositories as the State Treasurer may select, and may be invested and reinvested in permitted investments or as other trust funds in the custody of the State Treasurer in the manner provided by law. All interest or other income or earnings derived from the investment or reinvestment of moneys in the fund shall be credited to the fund. Moneys derived from the payment of principal and interest on the loans to local government units authorized by P.L.2016, c.12 (C.13:8C-43 et seq.) shall also be held in the fund.

b. Of the amount deposited in State fiscal year 2017 through and including State fiscal year 2019 into the Preserve New Jersey Green Acres Fund pursuant to paragraph (1) of subsection a. of section 5 of P.L.2016, c.12 (C.13:8C-47):

(1) 55 percent shall be allocated for the purpose of paying the cost of acquisition and development of lands by the State for recreation and conservation purposes, and the amount provided pursuant to this paragraph shall be allocated as follows:

(a) 50 percent shall be allocated for the purpose of paying the cost of acquisition of lands by the State for recreation and conservation purposes; and

(b) 50 percent shall be allocated for the purpose of paying the cost of development of lands by the State for recreation and conservation purposes, and of the amount provided pursuant to this subparagraph:

(i) up to 22 percent shall be allocated for the purpose of paying the cost for stewardship activities undertaken on lands administered by the Division of Fish and Wildlife in the department; and

(ii) up to 22 percent shall be allocated for the purpose of paying the cost for stewardship activities undertaken on lands administered by the Division of Parks and Forestry in the department;

(2) 38 percent shall be allocated for the purposes of providing grants and loans to assist local government units to pay the cost of acquisition and development of lands for recreation and conservation purposes, and of this amount, up to two percent shall be allocated for stewardship activities undertaken by local government units; and

(3) seven percent shall be allocated for the purposes of providing grants to assist qualifying tax exempt nonprofit organizations to pay the cost of acquisition and development of lands for recreation and conservation purposes, and of this amount, 11 percent shall be allocated for stewardship activities undertaken by qualifying tax exempt nonprofit organizations.
c. Any repayments of the principal and interest on loans issued to local government units for the acquisition or development of lands for recreation and conservation purposes using constitutionally dedicated CBT moneys shall be deposited into the Preserve New Jersey Green Acres Fund, and shall be specifically dedicated for the issuance of additional grants and loans in the same manner as provided in subsections a. and b. of section 27 of P.L.1999, c.152 (C.13:8C-27) and this section.

d. (1) The moneys in the fund are specifically dedicated and shall be used for the same purposes and according to the same criteria and provisions as those set forth in section 26 of P.L.1999, c.152 (C.13:8C-26), and as provided pursuant to P.L.2016, c.12 (C.13:8C-43 et seq.) and this section.

(2) Grants and loans issued to local government units and grants issued to qualifying tax exempt nonprofit organizations using constitutionally dedicated CBT moneys for the acquisition and development of lands for recreation and conservation purposes shall be subject to the same provisions as those prescribed in section 27 of P.L.1999, c.152 (C.13:8C-27), except as otherwise provided in section 10 of P.L.2016, c.12 (C.13:8C-52).

(3) Notwithstanding any provision of P.L.2016, c.12 (C.13:8C-43 et seq.) or P.L.1999, c.152 (C.13:8C-1 et seq.) to the contrary, projects of the Palisades Interstate Park Commission established pursuant to P.L.1980, c.104 (C.32:14-1.1 et seq.) for the acquisition or development of land for recreation and conservation purposes in New Jersey shall be considered State projects for the purposes of eligibility for funding pursuant to the provisions of P.L.2016, c.12 (C.13:8C-43 et seq.).

e. Moneys in the fund shall not be expended except in accordance with appropriations from the fund made by law. Any act appropriating moneys from the Preserve New Jersey Green Acres Fund shall identify any particular project or projects to be funded by the moneys, and any expenditure for a project for which the location is not identified by municipality and county in the appropriation shall require the approval of the Joint Budget Oversight Committee, or its successor, except as permitted otherwise in accordance with the same exceptions as those specified in paragraph (2) of subsection a. of section 23 of P.L.1999, c.152 (C.13:8C-23).

f. Unexpended moneys due to project withdrawals, cancellations, or cost savings shall be returned to the fund.

g. Of the amount authorized pursuant to this section, not more than five percent shall be utilized for organizational, administrative and other work and services, including salaries, equipment and materials necessary to administer the applicable provisions of P.L.2016, c.12 (C.13:8C-43 et seq.).

h. To the end that municipalities may not suffer a loss of taxes by reason of the acquisition and ownership by the State of lands in...
fee simple for recreation and conservation purposes, or the
acquisition and ownership by qualifying tax exempt nonprofit
organizations of lands in fee simple for recreation and conservation
purposes that become certified as exempt from property taxes
pursuant to P.L.1974, c.167 (C.54:4-3.63 et seq.) or similar laws,
the State shall make payments annually in the same manner as
payments are made pursuant to section 29 of P.L.1999, c.152
(C.13:8C-29).
   i. The State shall not use the power of eminent domain in any
manner for the acquisition of lands by the State for recreation and
conservation purposes using constitutionally dedicated CBT
moneys in whole or in part unless a concurrent resolution approving
that use is approved by both Houses of the Legislature; except that,
without the need for such a concurrent resolution, the State may use
the power of eminent domain to the extent necessary to establish a
value for lands to be acquired from a willing seller by the State for
recreation and conservation purposes using constitutionally
dedicated CBT moneys in whole or in part.
   j. Of the amount deposited in each State fiscal year
commencing in State fiscal year 2020 and annually thereafter into
the Preserve New Jersey Green Acres Fund pursuant to paragraph
(1) of subsection a. of section 1 of P.L.2019, c.136 (C.13:8C-47.1):
(1) 60 percent shall be allocated for the purpose of paying the
cost of acquisition and development of lands by the State for
recreation and conservation purposes, and the amount provided
pursuant to this paragraph shall be allocated as follows:
   (a) 45 percent shall be allocated for the purpose of paying the
cost of acquisition of lands by the State for recreation and
conservation purposes, and of this amount, a minimum of 10
percent shall be allocated for Blue Acres projects; and
   (b) 55 percent shall be allocated for the purpose of paying the
cost of development of lands by the State for recreation and
conservation purposes, and of the amount provided pursuant to this
subparagraph:
      (i) up to 22 percent shall be allocated for the purpose of paying
the cost for stewardship activities undertaken on lands administered
by the Division of Fish and Wildlife in the department; and
      (ii) up to 22 percent shall be allocated for the purpose of paying
the cost for stewardship activities undertaken on lands administered
by the Division of Parks and Forestry in the department;
(2) 30 percent shall be allocated for the purposes of providing
grants and loans to assist local government units to pay the cost of
acquisition and development of lands for recreation and
conservation purposes, including Blue Acres projects, and of this
amount 1.1:
   (a) up to 20 percent shall be allocated for the provision of grants
to local government units to fund 100 percent of the costs of
projects undertaken for the management and maintenance of lakes
and reservoirs with the aim of preventing or mitigating harmful algal blooms, which grant funds may be used as matching funds for the purpose of securing grants from other sources, including State and federal grants; and

(b) up to 10 percent shall be allocated for stewardship activities undertaken by local government units, in addition to the projects eligible for funding pursuant to subparagraph (a) of this paragraph; and

(3) 10 percent shall be allocated for the purposes of providing grants to assist qualifying tax exempt nonprofit organizations to pay the cost of acquisition and development of lands for recreation and conservation purposes, including Blue Acres projects, and of this amount, 11 percent shall be allocated for stewardship activities undertaken by qualifying tax exempt nonprofit organizations.

k. (1) In addition to the purposes set forth in subsection d. of this section, moneys in the Preserve New Jersey Green Acres Fund may be applied for the purposes of providing moneys to:

(a) meet the Blue Acres costs to the State for the acquisition of lands for a Blue Acres project; or

(b) provide grants, pursuant to the provisions of paragraph (2) of this subsection, to assist a qualifying tax exempt nonprofit organization in meeting the Blue Acres costs for the acquisition of lands for a Blue Acres project.

(2) A grant by the State for lands to be acquired by a qualifying tax exempt nonprofit organization for a Blue Acres project may include up to 50 percent of the Blue Acres cost of acquisition of the lands by the qualifying tax exempt nonprofit organization.

(a) A qualifying tax exempt nonprofit organization shall not use as its matching share of the Blue Acres cost of acquisition of lands for a Blue Acres project any constitutionally dedicated moneys, as defined pursuant to section 3 of P.L.1999, c.152 (C.13:8C-3), or any grant moneys obtained from a Green Acres bond act.

(b) To qualify to receive a grant from the Preserve New Jersey Blue Acres Fund, the board of directors or governing body of the applying tax exempt nonprofit organization shall:

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

(ii) demonstrate that the organization has the resources to match the grant requested;

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

(iv) agree not to convey the lands except to the federal government, the State, a local government unit, or another qualifying tax exempt nonprofit organization, for recreation and conservation purposes; and
(v) agree to execute and donate to the State at no charge a conservation restriction pursuant to P.L.1979, c.378 (C.13:8B-1 et seq.) on the lands to be acquired with the grant.

1. In addition to any other reporting requirements required by law, the department shall annually send a written report to the Chairperson of the Senate Environment and Energy Committee, the Assembly Agriculture and Natural Resources Committee, and the Assembly Environment and Solid Waste Committee, or their successors, identifying the projects funded with moneys pursuant to subparagraph (b) of paragraph (1) of subsection j. of this section. This report shall: (1) identify the project type, location, and cost for each development project; and (2) identify the stewardship activities, including the location and cost for each stewardship activity, undertaken on lands administered by the Division of Fish and Wildlife and Division of Parks and Forestry pursuant to subparagraph (b) of paragraph (1) of subsection j. of this section. (cf: P.L.2019, c.136, s.3)

4. This act shall take effect immediately.

STATEMENT

This bill would authorize the use of constitutionally dedicated corporation business tax (CBT) revenues to provide grants to local governments to fund sewer or stormwater infrastructure projects that reduce nonpoint source pollution of the State's lakes and reservoirs, and help prevent harmful algal blooms. The bill would allow monies from the "Watershed Management Fund," which was established by the "Watershed Protection and Management Act of 1997," P.L.1997, c.261 (C.58:29-1 et seq.), to be used to fund the grants. The bill also clarifies that the "Watershed Management Fund" would serve as the repository for the 0.3 percent of annual CBT revenues that are constitutionally dedicated to paying or financing the cost of water quality point and nonpoint source pollution monitoring, watershed based water resource planning and management, and nonpoint source pollution prevention projects.

The bill would also amend the "Preserve New Jersey Act" to authorize a portion of CBT revenues—namely those dedicated to the provision of grants and loans to assist local government units to pay the cost of acquisition and development of lands for recreation and conservation purposes—to be used to provide grants to local government units to fund 100 percent of the costs of projects undertaken for the management and maintenance of lakes and reservoirs with the aim of preventing or mitigating harmful algal blooms. The amount authorized is approximately 0.17 percent of annual CBT revenues.
Finally, the bill provides that both kinds of grants can be used as matching funds by local government units for the purpose of obtaining other grants, including State or federal grants.