[SENATE REPRINT]

ASSEMBLY COMMITTEE SUBSTITUTE FOR SENATE COMMITTEE SUBSTITUTE FOR

SENATE No. 1478 and ASSEMBLY No. 1781

STATE OF NEW JERSEY

ADOPTED DECEMBER 11, 1986

Sponsored by Senator CONTILLO and Assemblyman ALBOHN

As Acr concerning mandatory Statewide source separation and recycling of solid wasts, supplementing P. L. 1970, c. 39 (C. 13:1E-1 et seq.), amending and supplementing other parts of the statutory law, and making appropriations.

- BE IT EXACTED by the Senate and General Assembly of the State
- 2 of New Jersey:
- 1. (New section) The Legislature finds that removing certain
- 2 materials from the municipal solid waste stream will decrease the
- 3 flow of solid waste to sanitary landfill facilities, aid in the con-
 - 4 servation and recovery of valuable resources, conserve energy in
 - 5 the manufacturing process, and increase the supply of reusable
 - 6 raw materials for the State's industries; and that the recycling
 - 7 of reusable waste materials will reduce substantially the required
 - 8 capacity of proposed resource recovery facilities and contribute
 - to their overall combustion efficiency, thereby resulting in signifi-
 - 10 cant cost-savings in the planning, construction, and operation of
 - 11 these resource recovery facilities.
 - The Legislature further finds that the expeditious identification
 - 13 of local, national and international markets and distribution net-
 - works for recyclable materials is a necessary prerequisite to the
 - orderly development of mandatory Statewide county and municipal
 - recycling programs; and that the State must institute and complete
 - studies of market stimulation for recyclable materials. 17
 - The Legislature further finds that the State may most appro-18
 - printely demonstrate its long-term commitment to proper solid
 - waste management by establishing a mandatory Statewide source
 - 21 separation and recycling program, and by increasing the purchase

EXPLANATION—Matter enclosed in bold-forced brackets Ithus in the above bill is not exacted and is intensied to be omitted in the law.

Matter printed in Italies thus is new matter.

Matter enclosed in asterioks or stars has been adopted as follows: -Senate committee amendments adopted February 19. 1987. of recycled paper and paper products by the various agencies and instrumentalities of the State Government.

The Legislature therefore declares that it is in the public interest to mandate the source separation of marketable waste materials on a Statewide basis so that reusable materials may be returned to the economic mainstream in the form of raw materials or products rather than be disposed of at the State's overburdened landfills, and further declares that the recycling of marketable materials by every municipality in this State, and the development of public and private sector recycling activities on an orderly and incremental basis, will further demonstrate the State's long-term commitment to an effective and coherent solid waste management strategy.

1 2. (New section) As used in *sections 1 through 24 of this 2 *1987* amendatory and supplementary act:

3 "Beverage" means milk, alcoholic beverages, including beer or 4 other malt beverages, liquor, wine, vermouth and sparkling wire, 5 and nonalcoholic beverages, including fruit juice, mineral water 6 and soda water and similar nonalcoholic carbonated and noncar-7 bonated drinks intended for human consumption:

8 "Beverage container" means an individual, separate, hermetically
9 sealed, or made airtight with a metal or plastic cap, bottle or can
10 composed of glass, metal, plastic or any combination thereof,
11 containing a beverage;

12 "County" means any county of this State of whatever class;

13 "Department" means the Department of Environmental Protec-14 tion;

"Designated recyclable materials" means those recyclable materials, including metal, glass, paper. or plastic containers, food 17 waste, corrugated and other cardboard, newspaper, magazines, or 18 high-grade office paper designated in a district recycling plan to be 19 source separated in a municipality pursuant to section 3 of this 20 amendatory and supplementary act:

21 "Disposition" or "disposition of designated recyclable materials"
22 means the transportation, placement, reuse, sale, donation, transfer
23 or temporary storage for a period not exceeding six months of
24 designated recyclable materials for all possible uses except for
25 disposal as solid waste;

"District" means a solid waste management district as designated by section 10 of P. L. 1975, c. 326 (C. 13:1E-19), except that, as used in the provisions of this amendatory and supplementary act, "district" shall not include the Hackensack Meadowlands District; "District recycling plan" means the plan prepared and adopted
31 by the governing body of a county and approved by the department
32 to implement the State Recycling Plans goals pursuant to section 3

33 of this amendatory and supplementary act;

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"Market" or "markets" means the disposition of designated
recyclable materials source separated in a municipality which
dentails a disposition cost less than the cost of transporting the
recyclable materials to solid waste facilities and disposing of them
as municipal solid waste at the facility utilized by the municipality;

39 "Municipality" means any city, borough, town, township or 40 village situated within the boundaries of this State;

"Municipal solid waste stream" means all residential, commercial and institutional solid waste generated within the boundaries of any municipality;

"Paper" means and includes all newspaper, high-grade office paper, fine paper, bond paper, offset paper, xerographic paper, mimeo paper, duplicator paper, and related types of cellulosic material containing not more than 10% by weight or volume of non-cellulosic material such as laminates, binders, coatings, or saturants:

"Paper product" means any paper items or commodities, including but not limited to, paper napkins, towels, corrugated and other cardboard, construction material, toilet tissue, paper and related types of cellulosic products containing not more than 10% by weight or volume of non-cellulosic material such as laminates, binders, coatings, or saturants;

"Plastic container" means any hermetically scaled, or made airtight with a metal or plastic cap, container with a minimum wall thickness of not less than 0.010 inches, and composed of thermoplastic synthetic polymeric material;

"Post-consumer waste material" means any product generated by a business or consumer which has served its intended end use, and which has been separated from solid waste for the purposes of collection, recycling and disposition and which does not include secondary waste material or demolition waste;

61 secondary waste material or demolition waste;
63 "Recyclable material" means those materials which would other66 wise become municipal solid waste, and which may be collected,
67 separated or processed and returned to the economic mainstream
68 in the form of raw materials or products;

69 "Recycled paper" means any paper having a total weight con-70 sisting of not less than 50% secondary waste paper material;

"Recycled paper product" means any paper product consisting 72 of not less than 50% secondary waste paper material;

"Recycling" means any process by which materials which would 73

74 otherwise become solid waste are collected, separated or processed

75 and returned to the economic mainstream in the form of raw

materials or products:

77 "Recycling center" means any facility designed and operated

solely for receiving, storing, processing and transferring source

79 separated, nonputrescible or source separated commingled non-

putrescible metal, glass, paper, plastic containers, and corrugated

and other cardboard, or other recyclable materials approved by

82 the department;

"Recycling services" means the services provided by persons 83

engaging in the business of recycling, including the collection,

processing, storage, purchase, sale or disposition, or any combina-

tion thereof, of recyclable materials:

87 "Secondary waste material" means waste material generated

after the completion of a manufacturing process: 88

"Secondary waste paper material" means paper waste generated

after the completion of a paper making process, such as postconsumer waste material, envelope cuttings, bindery trimmings,

printing waste, cutting and other converting waste, butt rolls and

mill wrappers; except that secondary waste paper material shall

not include fibrous waste generated during the manufacturing

process, such as fibers recovered from waste water or trimmings of paper machine rolls, fibrous byproducts of harvesting, extractive

or woodcutting processes, or forest residue such as bark;

"Source separated recyclable materials" means recyclable mate-93

rials, including but not limited to, paper, metal, glass, food waste,

100 office paper and plastic which are kept separate and apart from

101 residential, commercial and institutional solid waste by the gene-

102 rator thereof for the purposes of collection, disposition and re-103 cycling.

3. (New section) a. Each county shall, within six months of 1

the effective date of this amendatory and supplementary act and

after consultation with each municipality within the county, pre-

pare and adopt a district recycling plan to implement the State

Recycling Plan goals. Each plan shall be adopted as an amendment

to the district solid waste management plan required pursuant to

the provisions of the "Solid Waste Management Act," P. L. 1970.

c. 39 (C. 13:1E-1 et seq.).

b. Each district recycling plan required pursuant to this section 9

shall include, but need not be limited to: 10

(1) Designation of a district recycling coordinator; 11

- 12 (2) Designation of the recyclable materials to be source sepa-13 rated in each municipality which shall include, in addition to 14 leaves, at least three other recyclable materials separated from 15 the municipal solid waste stream;
- 16 (3) Designation of the strategy for the collection, marketing 17 and disposition of designated source separated recyclable ma-18 terials in each municipality; and
- (4) Designation of recovery targets in each municipality to
 achieve the maximum feasible recovery of recyclable materials
 from the municipal solid waste stream which shall include, at a
 minimum, the following schedule:

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- (a) The recycling of at least 15% of the prior year's total municipal solid waste stream by the end of the first full year succeeding the adoption and approval by the department of the district recycling plan; and
- (b) The recycling of at least 25% of the "Iprior]" "second preceding" year's total municipal solid waste stream by the end of the second full year succeeding the adoption and approval by the department of the district recycling plan.

For the purposes of this paragraph, "total municipal solid waste stream" means the sum of the municipal solid waste stream disposed of as solid waste, as measured in tons, plus the total number of tons of recyclable materials recycled.

- 35 * c. Each district recycling plan, in designating a strategy for the
 36 collection, marketing and disposition of designated recyclable
 37 materials in each municipality, shall accord priority consideration
 38 to persons engaging in the business of recycling or otherwise law39 fully providing recycling services on behalf of a county or munici40 pality on January 1, 1986, if that person continues to provide
 41 recycling services prior to the adoption of the plan and that person
 42 has not discontinued these services for a period of 90 days or more
 43 between January 1, 1986, and the date on which the plan is adopted.
 44 d. Notwithstanding the provisions of the "Solid Waste Man-
- 5 agement Act." P. L. 1970, c. 30 (C. 13:1E-1 et seq.), each district 6 recycling plan may be modified after adoption pursuant to a pro-
- 47 cedure set forth in the adopted plan as approved by the department.
- 1 4 4. (New section) a. Each county shall, within six months of the
- 2 adoption and approval by the department of the district recycling
- 3 plan required pursuant to section 3 of this amendatory and supple-
- 4 mentary act, solicit proposals from, review the qualifications of,
- 5 and enter into contracts or agreements on behalf of municipalities
- 6 with persons providing recycling services or operating recycling
- 7 centers for the collection, storage, processing, and disposition of

8 recyclable materials designated in the district recycling plan in those instances where these services are not otherwise provided by the municipality, interlocal service agreement or joint service program, or other private or public recycling program operator. . b. In the event that a county is unable to enter into contracts or otherwise execute agreements to market specific designated recyclable materials in order to achieve the designated recovery targets set forth in the district recycling plan, the county may petition the department for a temporary exemption from the provisions of subsection a of this section for these specified materials. The 17 department is authorized to grant, deny or conditionally grant the exemption. If the exemption is denied, the department shall assist the county in identifying and securing markets for the recyclable materials designated in the district recycling plan. Any exemption 21 granted by the department shall not exceed one year in duration, and shall be granted or renewed only upon a finding that the county has made a good faith effort to identify and secure markets for its recyclable materials. Each county shall continue to solicit those recycling services necessary to achieve the maximum feasible recovery targets in each municipality as set forth in the district recycling plan. 5. (New section) Any county which has prepared and adogted 1

a district recycling plan as an amendment to the district solid waste management plan required pursuant to the provisions of the "Solid Waste Management Act," P. L. 1970, c. 39 (C. 13:1E-1 et seq.), and the district recycling plan has been approved by the department prior to January 1, 1987, shall be exempt from the provisions of sections 3 and 4 of this amendatory and supplementary act. To be eligible for an exemption pursuant to this section, a county shall have established and implemented a countywide mandatory source separation and recycling program for at least three recyclable materials, in addition to leaves, and shall have demonstrated that it has secured markets for these materials. 6. (New section) Each municipality in this State shall, within 2 30 days of the effective date of this amendatory and supplementary act, designate one or more persons as the municipal recycling coordinator. Each municipality shall establish and implement a municipal recycling program in accordance with the following requirements and schedule:

7 a. Within six months of the adoption by the county and ap8 proval by the department of the district recycling plan required
9 pursuant to section 3 of this amendatory and supplementary act,
10 each municipality shall provide for a collection system for the

recycling of the recyclable materials designated in the district recycling plan as may be necessary to achieve the designated recovery targets set forth in the plan in those instances where a recycling collection system is not otherwise provided for by the generator or by the county, interlocal service agreement or joint service program, or other private or public recycling program operator.

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b. The governing body of each municipality shall, if it has not already done so, within 30 days of the effective date of any contracts or agreements entered into by the county or other local government unit to market one or more of the specific designated recyclable materials as required pursuant to section 4 of this amendatory and supplementary act, adopt an ordinance which requires persons generating municipal solid waste within its municipal boundaries to source separate from the municipal solid waste stream, in addition to leaves, the specified recyclable materials for which markets have been secured and, unless recycling is otherwise provided for by the generator, place these specified recyclable materials for collection in the manner provided by the ordinance.

a. The governing body of each municipality shall, within 30 days of the effective date of the ordinance adopted pursuant to subsection b. of this section and at least once every 36 months thereafter, conduct a review and make necessary revisions to the master plan and development regulations adopted pursuant to P. L. 1975, c. 291 (C. 40:55D-1 et seq.), which revisions shall reflect changes in State, county and municipal policies and objectives concerning the collection, disposition and recycling of designated recyclable materials.

The revised master plan shall include provisions for the collection, disposition and recycling of recyclable materials designated in the municipal recycling ordinance adopted pursuant to subsection b. of this section, and for the collection, disposition and recycling of designated recyclable materials within any development proposal for the construction of 50 or more units of single-family residential housing or 25 or more units of multifamily residential housing and any commercial or industrial development proposal for the utilization of 1,000 square feet or more of land.

d. The governing body of a municipality may exempt persons occupying commercial and institutional premises within its municipal boundaries from the source separation requirements of the ordinance adopted pursuant to subsection b. of this section if those persons have otherwise provided for the recycling of the recyclable materials designated in the district recycling plan from solid waste generated at those premises. To be eligible for an exemption pursuant to this subsection, a commercial or institutional solid waste generator annually shall provide written documentation to

59 the municipality of the total number of tons recycled.

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e. The governing body of each municipality shall, on or before July 1, 1988 and on or before July 1 of each year thereafter, submit a recycling tonnage report to the New Jersey Office of Recycling in accordance with rules and regulations adopted by the department therefor.

f. The governing body of each municipality shall, within six months of the effective date of the ordinance adopted pursuant to subsection b. of this section and at least once every six months thereafter, notify all persons occupying residential, commercial, and institutional premises within its municipal boundaries of local recycling opportunities, and the source separation requirements of the ordinance. In order to fulfill the notification requirements of this subsection, the governing body of a municipality may, in its discretion, place an advertisement in a newspaper circulating in the municipality, post a notice in public places where public notices are customarily posted, include a notice with other official notifications periodically mailed to residential taxpayers, or any combination thereof, as the municipality deems necessary and appropriate.

8. (New section) Any additional expenditures for the collection, storage, processing or disposition of recyclable materials, or the procurement of recycling services made by *, or any expenditures of revenues received by.* any municipality as a result of the provisions *of P. L. 1981, c. 278 (C. 13:1E-92 et al.), as amended and

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6 supplemented, and the provisions of sections 1 through 30, in-
    7 clusive, and sections 32 and 36° of P. L. ..., c. ... (C. ......)
    8 (now pending before the Legislature as this bill) shall, for the
       purposes of P. L. 1976, c. 68 (C. 40A:4-45.1 et seq.), be considered
1. 10 "[expenditure mandated by State law]" an exception to the
  11 spending limitations, imposed thereby.
         9. (New section) A municipality may require that every solid
      waste collector or solid waste transporter registered pursuant
      to sections 4 and 5 of P. L. 1970, c. 39 (C. 13:1E-4 and 13:1E-5)
       and holding a certificate of public convenience and necessity pur-
      suant to sections 7 and 10 of P. L. 1970, c. 40 (C. 48:13A-6 and
      48:13A-9) bid on a contract for the collection or disposition of
      recyclable materials, if required to do so by the district recycling
      plan of the county in which the collector or transporter engages
      in solid waste collection or transportation services.
        10. (New section) a. No plastic or bi-metal beverage container
   2 shall be identified as a recyclable container unless the department
      determines that a convenient and economically feasible recycling
      system for that specific container is available.
        b. The department shall adopt, upon consultation with the ap-
     propriate industries and pursuant to the provisions of the "Ad-
      ministrative Procedure Act," P. L. 1968, c. 410 (C. 52:14B-1
      et seq.), any rules and regulations necessary to implement the
      provisions of this section.
        11. (New section) a. Within 18 months of the effective date of
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   2 this amendatory and supplementary act, the department shall
2 make a written determination as to whether a convenient and eco-
   4 nomically feasible mechanism for the collection, recycling, and
  · 5 marketing of plastic or bi-metal beverage containers is available
   6 to counties and municipalities in this State. A determination by
      the department that such a mechanism is available shall be based
  8. upon a finding that the manufacturers of plasite or bi-metal bev-
      erage containers and the beverage manufacturing industries have
      achieved, by the end of the previous 12 months, the recycling, on
     a percentage basis, of plastic or bi-metal beverage containers at
     a rate at least equal to the recovery rates achieved for glass
     or aluminum beverage containers during that one-year period.
 14 whichever is less.
        b. In the event that the department makes a written determina-
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    tion that the manufacturers of plastic or bi-metal beverage con-
     tainers and the beverage manufacturing industries have not
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18 achieved the recycling of plastic or bi-metal beverage containers

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at a recovery rate at least equal to that achieved for glass or aluminum beverage containers as provided in subsection a. of this section, the department shall transmit its findings to the Governor and the Legislature, including appropriate recommenda-23 tions for the proper disposition or recycling of these containers. 1 12 (New section) Within 18 months of the effective date of this amendatory and supplementary act, the department shall 3 prepare a report on convenient and economically feasible methods for the disposition of recycling of scrap automobile tires which may be available to counties and municipalities. The department shall investigate various methods for the recovery or reuse of automobile tires from the municipal solid waste stream, including, but not limited to, incineration, artificial reef construction, retreading, asphalt paving material manufacture, sludge composting and energy recovery, and shall report to the Governor and the Legislature thereon, including a recommendation that a deposit be imposed on automobile tires, if warranted by the findings. 13. (New section) a. Within 12 months of the effective date of this amendatory and supplementary act, all leaves collected by a municipality pursuant to the provisions of section 14 of this amendatory and supplementary act shall be transported to a leaf composting facility. Each district recycling plan shall identify the leaf composting facility or facilities to be untilized by each municipality within the county. Any two or more counties may negotiate an interdistrict agreement for the development or use of a leaf composting facility. Notwithstanding the provisions of section 18 of P. L. 1975, c. 326 (C. 13:1E-27) or any other law, rule or regulation to the contrary, the Board of Public Utilities shall not have jurisdiction over, or otherwise regulate 13 the tariffs or return of, a leaf composting facility approved by 14 the department. 15 b. No sanitary landfill facility in this State shall accept for final 16 disposal truckloads composed primarily of leaves at any time, except that leaves source separated from solid waste may be accepted by a sanitary landfill facility in those instances where 13 19 the facility has provided and maintains for that purpose separate leaf composting facilities, and the composted leaves are utilized as part of the final vegetative cover for the landfill, or for other 22 uses as a soil conditioning material.

1 14. (New section) Within 12 months of the effective date of this 2 amendatory and supplementary act, each municipality in this State 3 shall, by a duly adopted ordinance of its governing body, provide

4 for a collection system for leaves generated from residential

5 premises, and require that persons occupying residential premises

within its municipal boundaries shall, for the period from Sep-

tember 1 to December 31 of each year, source separate leaves

8 from solid waste generated at those premises and, unless leaves

9 are stored or recycled for composting or mulching by the gen-

O erator, place the leaves for collection in the manner provided

11 by the ordinance.

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1 15. (New section) All State and local agencies responsible for

2 the maintenance of public lands in this State shall, to the maximum

s extent practicable and feasible, give due consideration and pre-

4 ference to the use of compost materials in all land maintenance

5 activities which are to be paid for with public funds.

16. (New section) The provisions of P. L. 1971, c. 257 (C.

2 52:34-21 et seq.) or any rules and regulations adopted pursuant

3 thereto to the contrary notwithstanding, the Director of the Divi-

4 sion of Purchase and Property in the Department of Treasury

5 shall, upon consultation with the department, review and modify

6 all hid and product specifications relating to the purchase of re-

7 cycled paper or recycled paper products so that the specifications

8 do not discriminate against, but encourage the maximum pur-

9 chase of products made from recycled paper or recycled paper

10 products. Preference shall be given to recycled paper or recycled

1 paper products with the highest percentage of post-consumer

12 waste material.

1 17. (New section) a. In purchasing any paper or paper products

2 for use by the various agencies and departments of the State

3 government or for any county, municipality or school district pur-

suant to P. L. 1969, c. 104 (C. 52:25-16.1 et "[seq.]" "al."), the Di-

5 rector of the Division of Purchase and Property, whenever the price

s is competitive for the purpose intended, shall make contracts avail-

7 able for those items which are manufactured or produced from

s recycled paper or recycled paper products. For the purposes of

this section, "competitive" means a price within 10% of the price

10 of items which are manufactured or produced from virgin paper

11 products.

12 b. The Director of the Division of Purchase and Property, after

13 formal advertisement and solicitation of proposals for recycled

14 paper or recycled paper products, and having received no competi-

5 tive proposals for recycled paper or recycled paper products, may

16 award the contract for paper or paper products manufactured or

17 produced from virgin paper products in the manner prescribed by

- 18 law. Any award or contract made for virgin paper products shall .
- 19 not relieve the director of any future obligation to make avail-
- 20 able contracts for recycled paper or recycled paper products as
- 21 provided in subsection a of this section.
- 1 18. (New section) The Director of the Division of Local Govern-
- 2 ment Services in the Department of Community Affairs shall,
- 3 pursuant to the "Local Public Contracts Law," P. L. 1971, c. 198
- 4 (C. 40A:11-1 et seq.), permit counties, municipalities [, school
- 5 districts] and authorities , and the State Board of Education
- 6 shall, pursuant to the "Public School Contracts Law," N. J. S.
- 7 18A:18A-1 et seq., permit any board of education, to cooperatively
- 8 purchase recycled paper or products made from recycled paper
- 9 products procured by the Division of Purchase and Property.
- 1 19. (New section) a. The total dollar amount of recycled paper
- 2 or recycled paper products purchased by the State shall be as
- 3 follows:
- 4 Not less than 10% of the paper or paper products purchased on
- 5 or after "[January]" "July" 1, 1987 shall be made from recycled
- 6 paper or recycled paper products, not less than 30% by "[Jan-
- 7 nary] "July" 1, 1988, and not less than 45% by "[January]"
- 74 "July" 1, 1989.
- 8 Priority procurement consideration shall be given to recycled
- 9 paper or recycled paper products with the highest percentage of
- 10 post-consumer waste material.
- 11 h. The Director of the Division of Purchase and Property, after
- 12 formal advertisement and solicitation of proposals for recycled
- 13 paper or recycled paper products, and having received no competi-
- 14 tive proposals for recycled paper or recycled paper products, may
- 15 award the contract for paper or paper products manufactured or
- 16 produced from virgin paper products in the manner prescribed by
- 17 law. Any award or contract made for virgin paper products shall
- 18 not relieve the director of any future obligation to purchase
- 19 recycled paper or recycled paper products as provided in sub-
- 20 section a, of this section.
- 1 20. (New section) The provisions of B. S. 27:2-1 et seq. or any
 - 2 rules and regulations adopted pursuant thereto to the contrary
 - 3 notwithstanding, the Commissioner of Transportation shall, upon
 - 4 consultation with the department, review and modify all bid and
 - 5 paving material and sub base specifications relating to the pur-
 - 6 chase of recyclable asphalt pavement, crushed concrete sub base,
 - 7 foundry slag and paving materials utilizing recycled materials,
 - 8 including, but not limited to, crumb rubber from automobile tires,

.9 ash, glass and glassy aggregates, to provide that the specifications

10 encourage the maximum purchase of recyclable asphalt pavement

11 and paving materials utilizing recycled materials.

1 21. (New section) The provisions of R. S. 27:2-1 et seq. or any

2 rules and regulations adopted pursuant thereto to the contrary

3 notwithstanding, the Commissioner of Transportation shall, upon

4 consultation with the department, review and modify if necessary

5 all bid specifications relating to the purchase of asphalt or recycled 6 asphalt pavement to provide that the specifications encourage the

7 use of fuel derived from waste oil as a furnace or boiler fuel by

8 manufacturers of asphalt or recycled asphalt pavement.

1 22. (New section) a. The provisions of P. L. 1970, c. 39 (C.

2 13:1E-1 et seq.) or any rules and regulations adopted pursuant

3 thereto to the contrary notwithstanding, on or after July 1,

1987, the department shall not issue a registration statement or

5 engineering design approval for any new or expanded solid waste

facility in any county unless the person or party proposing to con-

struct or operate the facility submits written documentation and

any other evidence the department may require demonstrating to

9 the department's satisfaction that the goals of the relevant dis-

trict recycling plan required by section 3 of this amendatory and

1 supplementary act have been incorporated into the plans for the

12 proposed facility.

13 b. The department may adopt, pursuant to the provisions of the

14 "Administrative Procedure Act," P. L. 1968, c. 410 (C. 52:14B-1

15 et seq.), any rules and regulations necessary to implement the

16 provisions of this section.

1 23. (New section) a. The provisions of section 6 of P. L. 1970.

c. 40 (C. 48:13A-5) to the contrary notwithstanding, on or after

July 1, 1987 the Board of Public Utilities shall not award a

franchise to any person or party proposing to construct or operate

a resource recovery facility unless the person or party proposing

to construct or operate the facility submits written documentation

and any other evidence the board may require demonstrating to

8 the satisfaction of the board that the goals of the relevant district

9 recycling plan required by section 3 of this amendatory and

10 supplementary act have been incorporated into the plans for the

11 proposed facility.

12 h. The board may adopt, pursuant to the provisions of the

"Administrative Procedure Act," P. L. 1968, c. 410 (C. 52:14B-1

14 et seq.), any rules and regulations necessary to implement the

15 provisions of this section.

- 1 24. Sections 1 through 24 inclusive of this *1987 amendatory and
- .. 2 supplementary act shall be known and may be cited as the "New
 - 3 Jersey Statewide Mandatory Source Separation and Recycling
- 4 Act."
- 25. Section 2 of P. L. 1975, c. 291 (C. 40:55D-2) is amended to
- 2 read as follows:
- 3 2. Purpose of the act. It is the intent and purpose of this act:
- 4 a. To encourage municipal action to guide the appropriate use
- 5 or development of all lands in this State, in a manner which will
- 6 promote the public health, safety, morals, and general welfare;
- 7 b. To secure safety from fire, flood, panic and other natural and
- 8 man-made disasters;
- 9 c. To provide adequate light, air and open space;
- 10 d. To ensure that the development of individual municipalities
- 11 does not conflict with the development and general welfare of
- 12 neighboring municipalities, the county and the State as a whole;
- 13 e. To promote the establishment of appropriate population den-
- 14 sities and concentrations that will contribute to the well-being of
- 15 persons, neighborhoods, communities and regions and preservation
- 16 of the environment:
- 17 f. To encourage the appropriate and efficient expenditure of
- 18 public funds by the coordination of public development with land
- 19 use policies;
- 20 g. To provide sufficient space in appropriate locations for a
- 21 variety of agricultural, residential, recreational, commercial and
- 22 industrial uses and open space, both public and private, accord-
- 23 ing to their respective environmental requirements in order to
- 24 meet the needs of all New Jersey citizens;
- 25 h. To encourage the location and design of transportation routes
 - which will promote the free flow of traffic while discouraging loca-
- 27 tion of such facilities and routes which result in congestion or
- 28 blight:
- 29 i. To promote a desirable visual environment through creative
- 30 development techniques and good civic design and arrangement;
- 31 j. To promote the conservation of historic sites and districts,
- 32 open space, energy resources and valuable natural resources in the
- 33 State and to prevent urban sprawl and degradation of the envi-
- 34 ronment through improper use of land;
- 35 k. To encourage planned unit developments which incorporate
- 36 the best features of design and relate the type, design and layout
- 37 of residential commercial industrial and recreational develop-
- 38 ment to the particular site;

- 39 L To encourage senior citizen community housing construction:
- 40 m. To encourage coordination of the various public and private
 - I procedures and activities shaping land development with a view
- 42 of lessening the cost of such development and to the more efficient
- 43 use of land: Tand?
- 44 n. To promote utilization of renewable energy resources[.]; and
- 45 o. To promote the maximum practicable recovery and recycling
- 46 of recyclable materials from municipal solid waste through the use
- 47 of planning practices designed to incorporate the State Recycling
- 48 Plan goals and to complement municipal recycling programs.
- 1 26. Section 19 of P. L. 1975, c. 291 (C. 40:55D-28) is amended to
- 2 read as follows:
- 3 19. Preparation; contents, modification.
- 4 a. The planning board may prepare and; after public hearing,
- adopt or amend a master plan or component parts thereof, to guide
- 6 the use of lands within the municipality in a manner which protects
- 7 public health and safety and promotes the general welfare.
- 8 b. The master plan shall generally comprise a report or state-
- 9 ment and land use and development proposals, with maps, dia-
- 10 grams and text, presenting, at least the following elements (1) and
- 11 (2) and, where appropriate, the following elements (3) through
- 12 [(11)] (12):
- 13 (1) A statement of objectives, principles, assumptions, policies
- 14 and standards upon which the constituent proposals for the physi-
- 15 cal economic and social development of the municipality are based;
- 16 (2) A land use plan element (a) taking into account and stating
- 17 its relationship to the statement provided for in paragraph (1)
- 18 hercof, and other master plan elements provided for in paragraphs
- 19 (3) through [(11)] (13) hereof and natural conditions, including,
- 20 but not necessarily limited to, topography, soil conditions, water
- 21 supply, drainage, flood plain areas, marshes, and woodlands;
- 22 (b) showing the existing and proposed location, extent and in-
- 23 tensity of development of land to be used in the future for varying
- 24 types of residential, commercial, industrial, agricultural, recrea-
- 25 tional, educational and other public and private purposes or com-
- 26 bination of purposes; and stating the relationship thereof to the
- 27 existing and any proposed zone plan and zoning ordinance; and
- 28 (c) showing the existing and proposed location of any airports
- (c) showing the carrier of the property of the carrier of the carr
- 29 and the boundaries of any ariport hazard areas delineated pur-
- 30 suant to the "Air Safety and Hazardous Zoning Act of 1983,"
- 31 P. L. 1983, c. 260 (C. 6:1-80 et seq.); and (d) including a state-
- 32 ment of the standards of population density and development
- 23 intensity recommended for the municipality;

- 34 (3) A housing plan element pursuant to section 10 of P. L. 1985. c. 222 (C. 52:27D-310), including, but not limited to, residential standards and proposals for the construction and improvement of
- 37. housing:
- 38 (4) A circulation plan element showing the location and types of facilities for all modes of transportation required for the efficient
- movement of people and goods into, about, and through the mu-41 nicipality, taking into account the functional highway classification
- system of the Federal Highway Administration and the types,
- locations, conditions and availability of existing and proposed
- 44 transportation facilities, including air, water, road and rail;
- 45 (5) A utility service plan element analyzing the need for and showing the future general location of water supply and distribu-
- 47 tion facilities, drainage and flood control facilities, sewerage and
- waste treatment, solid waste disposal and provision for other
- related utilities, and including any storm water management
- 50 plan required pursuant to the provisions of P. L. 1981, c. 32
- (C. 40:55D-93 et seq.); 51

59

- 52 (6) A community facilities plan element showing the existing and proposed location and type of educational or cultural facilities.
- historic sites, libraries, hospitals, firehouses, police stations and
- 55 other related facilities, including their relation to the surrounding 56 areas:
- 57 (7) A recreation plan element showing a comprehensive system
- 58 of areas and public sites for recreation;
- (8) A conservation plan element providing for the preservation, conservation, and utilization of natural resources, including, to the
- extent appropriate, energy, open space, water supply, forests, soil,
- 62
- marshes, wetlands, harbors, rivers and other waters, fisheries,
- endangered or threatened species wildlife and other resources, and
- which systematically analyzes the impact of each other component
- and element of the master plan on the present and future presenta-65
- 66 tion, conservation and utilization of those resources;
- 67 (9) An economic plan element considering all aspects of eco-
- nomic development and sustained economic vitality, including (a) a 68
- comparison of the types of employment expected to be provided 69
- by the economic development to be promoted with the characteristics of the labor pool resident in the municipality and nearby areas
- and (b) an analysis of the stability and diversity of the economic 72
- 73 development to be promoted;
- 74 (10) A historic preservation plan element (a) indicating the
- 75 .. location, significance, proposed utilization and means for preserva-
- 76 tion of historic sites and historic districts, and (b) identifying the

77 standards used to assess worthiness for historic site or district

78 designation; [and]

79 *[(11) A recycling plan element which incorporates the State

80 Recycling Plan goals, including provisions for the collection, dis-

1 position, and recycling of recyclable materials designated in the 2 municipal recycling ordinance, and for the collection, disposition

83 and recycling of recyclable materials within any development pro-

94 posal for the construction of 50 or more units of single-family

5 residential housing or 25 or more units of multi-family residential

86 housing and any commercial or industrial development proposal

87 for the utilization of 1,000 square feet or more of land; and].

[(11)] °[(12)]° °(11)° Appendices or separate reports con-

90 stituent elements [.] "; and"

92

91 °(12) A recycling plan element which incorporates the State

Recycling Plan goals, including provisions for the collection, dis-

98 position and recycling of recyclable materials designated in the

94 municipal recycling ordinance, and for the collection, disposition

5 and recycling of recyclable materials within any development

96 proposal for the construction of 50 or more units of single-family

97 residential housing or 25 or more units of multi-family residential

98 housing and any commercial or industrial development proposal

99 for the utilization of 1,000 square feet or more of land.

100 c. The master plan and its plan elements may be divided into 101 subplans and subplan elements projected according to periods

102 of time or staging sequences.

103 d. The master plan shall include a specific policy statement

104 indicating the relationship of the proposed development of the

105 municipality, as developed in the master plan to (1) the master

106 plans of contiguous municipalities, (2) the master plan of the 107 county in which the municipality is located, "I(3) the district

108 solid waste management plan required pursuant to the provisions

109 of the "Solid Waste Management Act," P. L. 1970, c. 39 (C.

110 13:1E-1 et seq.) of the county in which the municipality is located

111 and] • [(3)] • [(4)] • • (3) • the State Development and Redevelop-

112 ment Plan adopted pursuant to the "State Planning Act," sec-

113 tions 1 through 12 of P. L. 1985, c. 398 (C. 52:18A-196 et seq.)

114 °and (4) the district solid waste management plan required pur-

115 suant to the provisions of the "Solid Waste Management Act,"

116 P. L. 1970, c. 39 (C. 13:1E-1 et seq.) of the county in which the 117 municipality is located.

1 27. Section 29 of P. L. 1975, c. 291 (C. 40:55D-38) is amended

2 to read as follows:

- 3 29. Contents of ordinance. An ordinance requiring approval by
- 4 the planning board of either subdivisions or site plans, or both,
- 5 shall include the following:
- 6 a. Provisions, not inconsistent with other provisions of this act,
- 7 for submission and processing of applications for development,
- 8 including standards for preliminary and final approval and pro-
- 9 visions for processing of final approval by stages or sections of
- 10 development;
- 11 b. Provisions ensuring:
- 12 (1) Consistency of the layout or arrangement of the subdivision
- 13 or land development with the requirements of the zoning ordinance;
- 14 (2) Streets in the subdivision or land development of sufficient
- 15 width and suitable grade and suitably located to accommodate
- 16 prospective traffic and to provide access for firefighting and emer-
- 17 gency equipment to buildings and coordinated so as to compose
- 13 a convenient system consistent with the official map, if any, and
- 19 the circulation element of the master plan, if any, and so oriented
 - as to permit, consistent with the reasonable utilization of land, the
- 21 buildings constructed thereon to maximize solar gain; provided
- 22 that no street of a width greater than 50 feet within the right-of-
- 23 way lines shall be required unless said street constitutes an exten-
- 24 sion of an existing street of the greater width, or already has been
- 25 shown on the master plan at the greater width, or already has
- 26 been shown in greater width on the official map;
- 27 (3) Adequate water supply, drainage, shade trees, sewerage
 - facilities and other utilities necessary for essential services to
- 29 residents and occupants;
- 30 (4) Suitable size, shape and location for any area reserved for
- 21 public use pursuant to section 32 of this act;
- 32 (5) Reservation pursuant to section 31 of this act of any open
- 33 space to be set aside for use and benefit of the residents of
- 34 planned development, resulting from the application of standards
- 35 of density or intensity of land use, contained in the zoning ordi-
- 36 nance, pursuant to subsection 52 a. of this act;
- 37 (6) Regulation of land designated as subject to flooding, pur-
- 38 suant to subsection 52 e., to avoid danger to life or property;
- 39 (7) Protection and conservation of soils from erosion by wind
- 40 or water or from excavation or grading; [and]
- 41 (8) Conformity with standards promulgated by the Commis-
- 12 sioner of Transportation, pursuant to the "Air Safety and Haz-
- 3 ardous Zoning Act of 1983," P. L. 1983, c. 260 (C. 6:1-80 et seq.),
- 44 for any airport hazard areas delineated under that act; and

- 45 (9) Conformity with a municipal recycling ordinance required
- 46 pursuant to section 8 of P. L. , c. (C.) (now
- 47 pending before the Legislature as this bill).
- 48 c. Provisions governing the standards for grading, improvement
- 49 and construction of streets or drives and for any required walk-
- 50 ways, curbs, gutters, streetlights, shade trees, fire hydrants and
- 51 water, and drainage and sewerage facilities and other improve-
- 52 ments as shall be found necessary, and provisions ensuring that
- 53 such facilities shall be completed either prior to or subsequent to
- 54 final approval of the subdivision or site plan by allowing the
- 55 posting of performance bonds by the developer:
- 56 d. Provisions ensuring that when a municipal zoning ordinance
- 57 is in effect, a subdivision or site plan shall conform to the applica-
- 58 ble provisions of the zoning ordinance, and where there is no
- 59 zoning ordinance, appropriate standards shall be specified in an
- 60 ordinance, pursuant to this article; and
- 61 e. Provisions ensuring performance in substantial accordance
- 62 with the final development plan: provided that the planning board
- 63 may permit a deviation from the final plan, if caused by change of
- 64 conditions beyond the control of the developer since the date of
- 55 final approval, and the deviation would not substantially alter the
- 66 character of the development or substantially impair the intent
- 67 and purpose of the master plan and zoning ordinance.
- 1 28. Section 29.3 of P. L. 1973, c. 291 (C. 40:55D-41) is amended
- 2 to read as follows:
- 3 20.3. Contents of site plan ordinance. An ordinance requiring
- 4 site plan review and approval pursuant to this article shall include
- 5 and shall be limited to, except as provided in sections 29 and 29.1
- 6 of this act standards and requirements relating to:
- 7 a. Preservation of existing natural resources on the site;
- 8 b. Safe and efficient vehicular and pedestrian circulation, park-
- 9 ing and loading:
- 10 c. Screening, landscaping and location of structures;
- 11 d. Exterior lighting needed for safety reasons in addition to
- 12 any requirements for street lighting: [and]
- 13 e. Conservation of energy and use of renewable energy sources;
- 14 and
- 15 f. Recycling of designated recyclable materials.
- 1 29. Section 76 of P. L. 1975, c. 291 (C. 40:55D-89) is amended
- 2 to read as follows:
- 3 76. Periodic reexamination. The governing body shall, at least
- 4 every six years, provide for a general reexamination of its master

- 5 plan and development regulations by the planning board, which
- 6 shall prepare and adopt by resolution a report on the findings of
- 7 such reexamination, a copy of which report and resolution shall be
- 8 sent to the county planning board and the municipal "Iclerks I"
- 9 *clerk* of each adjoining municipality. The first such reexamination
- 10 shall have been completed by August 1, 1982. The next reexamina-
- 11 tion shall be completed by August 1, 1988. Thereafter, a reexami-
- 12 nation shall be completed at least once every six years from the
- 13 previous reexamination. The reexamination report shall state:
- 14 a. The major problems and objectives relating to land develop-
- 15 ment in the municipality at the time of the adoption of the last
- 16 reexamination report.
- 17 b. The extent to which such problems and objectives have been
- 18 reduced or have increased subsequent to such date.
- 19 c. The extent to which there have been significant changes in the 20 assumptions, policies and objectives forming the basis for the
- 20 assumptions, policies and objectives forming the basis for the
- 21 master plan or development regulations as last revised, with par-
- 22 ticular regard to the density and distribution of population and
- 23 land uses, housing conditions, circulation, conservation of natural
- 24 resources, energy conservation, collection, disposition, and recy-
- 25 cling of designated recyclable materials, and changes in State,
- 26 county and municipal policies and objectives.
 - d. The specific changes recommended for the master plan or
- 28 development regulations, if any, including underlying objectives,
- 29 policies and standards, or whether a new plan or regulations
- 30 should be prepared.

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- 1 30. Section 2 of P. L. 1971, c. 198 (C. 40A:11-2) is amended to
- 2 read as follows:
- 3 2. Definitions. As used herein the following words have the
- 4 following definitions, unless the context otherwise indicates:
- (1) "Contracting unit" means:
 - (a) Any county; or
 - (b) Any municipality: or
- 8 (c) Any board, commission, committee, authority or agency.
- which is not a State board, commission, committee, authority
- 10 or agency, and which has administravtive jurisdiction over any
- 11 district other than a school district, project, or facility, in-
- 12 cluded or operating in whole or in part, within the territorial
- 13 boundaries of any county or municipality which exercises
- 14 functions which are appropriate for the exercise by one or
- 15 more units of local government, and which has statutory power
- 16 to make purchases and enter into contracts or agreements for

the performance of any work or the furnishing or hiring of any materials or supplies usually required, the cost or contract price of which is to be paid with or out of public funds.

(2) "Governing body" means:

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- (a) The governing body of the county, when the purchase is to be made or the contract or agreement is to be entered into by, or in behalf of, a county: or
- (b) The governing body of the municipality, when the purchase is to be made or the contract or agreement is to be entered into by, or on behalf of, a municipality: or
- (c) Any board, commission, committee, authority or agency of the character described in subsection (1) (c) of this section.
- 29 (3) "Contracting agent" means the governing body of a con-30 tracting unit. or any board, commission, committee, officer, depart-31 ment. branch or agency which has the power to prepare the ad-32 vertisements, to advertise for and receive bids and, as permitted 33 by this act, to make awards for the contracting unit in connection 34 with purchases, contracts or agreements.
- —35 (4) "Purchase" is a transaction, for a valuable consideration, 36 creating or acquiring an interest in goods, services and property, 37 except real property or any interest therein.
 - (5) "Materials" includes goods and property subject to chapter 2 of Title 12A of the New Jersey Statutes, apparatus, or any other tangible thing, except real property or any interest therein.
 - (6) "Professional services" means services rendered or performed by a person authorized by law to practice a recognized profession, whose practice is regulated by law, and the performance of which services requires knowledge of an advanced type in a field of learning acquired by a prolonged formal course of specialized instruction and study as distinguished from general academic instruction or apprenticeship and training. Professional services may also mean services rendered in the performance of work that is original and creative in character in a recognized field of artistic endeavor.
 - (7) "Extraordinary unspecifiable services" means services which are specialized and qualitative in nature requiring expertise, extensive training and proven reputation in the field of endeavor.
- 54 (8) "Project" means any work, undertaking, program, activity, 55 development, redevelopment, construction or reconstruction of any 56 area or areas.
- 57 (9) "Work" includes services and any other activity of a tangi-53 ble or intangible nature performed or assumed pursuant to a con-59 tract or agreement with a contracting unit.

60 (10) "Homemaker—home health services" means at home personal care and home management provided to an individual or 61 members of his family who reside with him, or both, necessitated

by the individual's illness or incapacity. "Homemaker-home 63

health services" includes, but is not limited to, the services of a

trained homemaker.

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(11) "Recyclable material" means those materials which would 66 otherwise become municipal solid waste, and which may be collected, separated or processed and returned to the economic mainstream in the form of raw materials or products.

(12) "Recycling" means any process by which materials which 70 would otherwise become solid waste are collected, separated or processed and returned to the economic mainstream in the form of raw materials or products.

*(13) "Marketing" means the marketing of designated recy-74 dable materials source separated in a municipality which entails a marketing cost less than the cost of transporting the recyclable materials to solid waste facilities and disposing of the materials as municipal solid waste at the facility utilized by the municipality. 78

(14) "Municipal solid waste" means all residential, commercial 79 and institutional solid waste generated within the boundaries of 80 81 a municipality."

31. "[Section 3 of P. L. 1971, c. 198 (C. 40A:11-3) is amended 1 to read as follows:

3. a. Purchases, contracts or agreements not required to be advertised. Any purchase, contract or agreement for the performance of any work or the furnishing or hiring of materials or supplies, the cost or price of which, together with any other sums expended or to be expended for the performance of any work or services in connection with the same immediate program, undertaking, activity or project or the furnishing of similar materials or supplies during the same fiscal year paid with or out of public funds, does not exceed in the fiscal year the total sum of \$7,500.00 or the amount determined pursuant to subsection [b.] a of this section, may be 12 made, negotiated or awarded by a contracting agent when so 13 authorized by resolution of the governing body of the contracting unit without public advertising for bids. Such authorization may be granted for each purchase, contract or agreement or by a 16 general delegation of the power to make, negotiate or award such purchases, contracts or agreements pursuant to this section. 18

b. Any purchase, or contract or agreement to purchase recyclable materials from any one individual, group or business as part of a 21 recycling program undertaken by a contracting unit may be made, 22 negotiated, or awarded without public bidding by that unit, when

23 so authorized by resolution of the governing body of the contract-

ing unit, if the amount of the purchase, contract, or agreement does

25 not exceed in the fiscal year the total sum of \$7,500.00 or the

26 amount determined pursuant to subsection c. of his section.

27 [Any] Except as otherwise provided in section 15 of P. L. 1971,

28 c. 198 (C. 404:11-15), any purchase, contract or agreement made

29 pursuant to this section may be awarded for a period of 12 con-

30 secutive months, notwithstanding that such 12-month period does

not coincide with the fiscal year. The Division of Local Govern-

32 ment Services shall adopt and promulgate rules and regulations

33 concerning the methods of accounting for all contracts that do not

34 coincide with the fiscal year.

35 [h.] c. The Governor, in consultation with the Department of

36 the Treasury, shall, no later than March 1 of each odd-numbered

37 year, adjust the threshold amount set forth in subsection a. of this

section, or subsequent to 1985 the threshold amount resulting from

9 any adjustment under this subsection or section 17 of P. L. 1985,

40 a. 469, in direct proportion to the rise or fall of the consumer price

41 index for all urban consumers in the New York City and the

42 Philadelphia areas as reported by the United States Department

43 of Labor. The Governor shall, no later than June 1 of each odd-

44 numbered year, notify each governing body of the adjustment.

5 The adjustment shall become effective on July 1 of each odd-

46 numbered year.]°

Section 15 of P. L. 1971, c. 198 (C. 40A:11-15) is amended

2 to read as follows:

15. Duration of certain contracts. All purchases, contracts or

agreements for the performing of work or the furnishing of

5 materials, supplies or services shall be made for a period not to

exceed 12 consecutive months, except that contracts or agreements

may be entered into for longer periods of time as follows:

Supplying of;

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(a) Fuel for heating purposes, for any term not exceeding

in the aggregate, two years;

(b) Fuel or oil for use of airplanes, automobiles, motor

12 vehicles or equipment for any term not exceeding in the

13 aggregate, two years:

(c) Thermal energy produced by a cogeneration facility,

15 for use for heating or air conditioning or both, for any term not exceeding 40 years, when the contract is approved by the

Board of Public Utilities. For the purposes of this paragraph,

- "cogeneration" means the simultaneous production in one facility of electric power and other forms of useful energy
- 20 such as heating or process steam;
- 21 (2) (Deleted by amendment: P. L. 1977, c. 53.)
- (3) The collection and disposal of garbage and refuse, and the
 barging and disposal of sewage sludge, for any term not exceeding
- 24 in the aggregate, five years:
- 25 (4) The recycling of solid waste, including the collection of meth-
- 26 ane gas from a sanitary landfill facility; for any term not exceed-
- 27 ing 25 years, when such contract is in conformance with a solid
- 28 waste management plan approved pursuant to P. L. 1970, c. 39 (C.
- 29 13:1E-1 et seq.), and with the approval of the Division of Local
- 30 Government Services and the Department of Environmental Pro-
- 31 tection. The contracting unit shall award the contract to the high-
- 32 est responsible bidder, notwithstanding that the contract price may
- 33 be in excess of the amount of any necessarily related administra-
- 34 tive expenses; except that if the contract requires the contracting
- 35 unit to expend funds only, the contracting unit shall award the
- 36 contract to the lowest responsible bidder. The approval by the
- 37 Division of Local Government Services of Public bidding require-
- 38 ments shall not be required for those contracts exempted there-
- 9 from pursuant to section 5 of P. L. 1971, c. 198 (C. 404:11-5);
- 40 (5) Data processing service, for any term of not more than 41 three years;
 - (6) Insurance, for any term of not more than three years:
- 43 (7) Leasing or servicing of automobiles, motor vehicles, ma-
- 44 chinery and equipment of every nature and kind, for a period not
- 45 to exceed three years; provided, however, such contracts shall be
- 46 entered into only subject to and in accordance with the rules and
 - regulations promulgated by the Director of the Division of Local
- 48 Government Services of the Department of Community Affairs;
- 49 (8) The supplying of any product or the rendering of any ser-
- 50 vice by a telephone company which is subject to the jurisdiction of
- 51 the Board of Public Utilities for a term not exceeding five years;
- 52 (9) Any single project for the construction, reconstruction or
- 53 rehabilitation of any public building, structure or facility, or any
- 54 public works project, including the retention of the services of
- 55 any architect or engineer in connection therewith, for the length
- 56 of time authorized and necessary for the completion of the actual
- 57 construction:

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- 58 (10) The providing of food services for any term not exceeding
- 59 three years:

- 60 (11) On-site inspections undertaken by private agencies pur-
- 61 suant to the "State Uniform Construction Code Act" (P. L.
- 62 1975, c. 217; C. 52:27D-119 et seq.) for any term of not more
- 63 than three years;
- 64 (12) The performance of work or services or the furnishing of 65 materials or supplies for the purpose of conserving energy in
- 66 buildings owned by, or operations conducted by, the contracting
- 67 unit, the entire price of which to be established as a percentage of
- 68 the resultant savings in energy costs, for a term not to exceed
- 69 10 years; provided, however, that such contracts shall be entered
- 70 into only subject to and in accordance with rules and regulations
 - promulgated by the Department of Energy establishing a meth-
- 72 odology for computing energy cost savings;
- 73 (13) The performance of work or services or the furnishing of
- 74 materials or supplies for the purpose of elevator maintenance for
- 75 any term not exceeding three years;
- 76 -(14) Leasing or servicing of electronic communications equip-
- 77 ment for a period not to exceed five years; provided, however, such
- 78 contract shall be entered into only subject to and in accordance
- 79 with the rules and regulations promulanted by the Director of the
- 80 Division of Local Government Services of the Department of
- 81 Community Affairs:
- 82 (15) Leasing of motor vehicles, machinery and other equipment
- 83 primarily used to fight fires, for a term not to exceed seven years,
- 84 when the contract includes an option to purchase, subject to and in
- 85 accordance with rules and regulations promulgated by the Di-
- 86 rector of the Division of Local Government Services of the De-
- 87 partment of Community Affairs;
- 88. (16) The provision of water supply services or the designing,
- 9 financing, construction, operation, or maintenance, or any combina-
- 90 tion thereof, of a water supply facility, or any component part or
- 91 parts thereof, including a water filtration system, for a period not
- 92 to exceed 40 years, when the contract for these services is approved
- 93 by the Division of Local Government Services in the Department
- 94 of Community Affairs, the Board of Public Utilities, and the
- 95 Department of Environmental Protection pursuant to P. L. 1985,
 - c. 37 (C. 58:26-1 et seq.). For the purposes of this [paragraph]
- 97 subsection, "water supply services" means any service provided
- 98 by a water supply facility; "water filtration system" means any
- 99 equipment, plants, structures, machinery, apparatus, or land, or
- 100 any combination thereof, acquired, used; constructed, rehabilitated,
- 101 or operated for the collection, impoundment, storage, improvement,

102 filtration, or other treatment of drinking water for the purposes 103 of purifying and enhancing water quality and insuring its pota-104 bility prior to the distribution of the drinking water to the general 105 public for human consumption, including plants and works, and 106 other personal property and appurtenances necessary for their 107 use or operation; and "water supply facility" means and refers 108 to the real property and the plants, structures, interconnections 109 between existing water supply facilities, machinery and equipment 110 and other property, real, personal and mixed, acquired, constructed 111 or operated, or to be acquired, constructed or operated, in whole 112 or in part by or on behalf of a political subdivision of the State 113 or any agency thereof, for the purpose of augmenting the natural 114 water resources of the State and making available an increased 115 supply of water for all uses, or of conserving existing water 116 resources, and any and all appurtenances necessary, useful or con-117 venient for the collecting, impounding, storing, improving, treat-118 ing, filtering, conserving or transmitting of water and for the 119 preservation and protection of these resources and facilities and 120 providing for the conservation and development of future water 121 supply resources:

(17) The provision of solid waste disposal services by a resource 123 recovery facility, the furnishing of products of a resource recovery 124 facility, the disposal of the solid waste delivered for disposal which 125 cannot be processed by a resource recovery facility or the waste 126 products resulting from the operation of a resource recovery facil-127 ity, including hazardous waste and recovered metals and other 128 materials for reuse, or the design, financing, construction, opera-129 tion or maintenance of a resource recovery facility for a period 130 not to exceed 40 years when the contract is approved by the Division 131 of Local Government Services in the Department of Community 132 Affairs, the Board of Public Utilities, and the Department of En-133 vironmental Protection; and when the facility is in conformance 134 with a solid waste management plan approved pursuant to P. L. 135 1970, c. 39 (C. 13:1E-1 et seq.). For the purposes of this subsec-136 tion, "resource recovery facility" means a solid waste facility con-137 structed and operated for the incineration of solid waste for energy 138 production and the recovery of metals and other materials for 139 reuse; or a mechanized composting facility, or any other solid 140 waste facility constructed or operated for the collection, separa-141 tion, recycling, and recovery of metals, glass, paper, and other 142 materials for reuse or for energy production;

والرابي والمرابي والمرابط والمراسية والمستقد المنام والمرازعة المناس

143 (18) The sale of electricity or thermal energy, or both, produced 144 by a resource recovery facility for a period not to exceed 40 years 145 when the contract is approved by the Board of Public Utilities; and 146 when the facility is in conformance with a solid waste management 147 plan approved pursuant to P. L. 1970, c. 39 (C. 13:1E-1 et seq.). 148 For the purposes of this subsection, "resource recovery facility" 149 means a solid waste facility constructed and operated for the in-150 cineration of solid waste for energy production and the recovery 151 of metals and other materials for reuse; or a mechanized composting facility, or any other solid waste facility constructed or oper-153 ated for the collection, separation, recycling, and recovery of 154 metals, glass, paper, and other materials for reuse or for energy 155 production;

(19) The provision of wastewater treatment services or the de-156 157 signing, financing, construction, operation, or maintenance, or any 158 combination thereof, of a wastewater treatment system, or any 159 component part or parts thereof, for a period not to exceed 40 160 years, when the contract for these services is approved by the 161 Division of Local Government Services in the Department of Com-162 munity Affairs and the Department of Environmental Protection 163 pursuant to P. L. 1985, c. 72 (C. 58:27-1 et seq.). For the purposes 164 of this [paragraph] subsection, "wastewater treatment services" 165 means any service provided by a wastewater treatment system, 166 and "wastewater treatment system" means equipment, plants, 167 structures, machinery, apparatus, or land, or any combination 168 thereof, acquired, used, constructed, or operated for the storage, 169 collection, reduction, recycling, reclamation, disposal, separation, 170 or other treatment of wastewater or [sewer] sewage sludge, or 171 for the final disposal of residues resulting from the treatment of 172 wastewater, including, but not limited to, pumping and ventilating 173 stations, facilities, plants and works, connections, outfall sewers, 174 interceptors, trunk lines, and other personal property and appur-175 tenances necessary for their operation;

176 (20) The supplying of materials or services for the purpose of 177 lighting public streets, for a term not to exceed five years, pro178 vided that the rates, fares, tariffs or charges for the supplying of 179 electricity for that purpose are approved by the Board of Public 180 Utilities.

All multi-year leases and contracts entered into pursuant to this 182 section, except contracts for the leasing or servicing of equipment 183 supplied by a telephone company which is subject to the jurisdic-184 tion of the Board of Public Utilities, contracts involving the sup-185 plying of electricity for the purpose of lighting public streets and

186 contracts for thermal energy authorized pursuant to subsection 187 (1) above, construction contracts authorized pursuant to subsec-188 tion (9) above, contracts and agreements for the provision of work 189 or the supplying of equipment to promote energy conservation 190 authorized pursuant to subsection (12) above, contracts for water 191 supply services or for a water supply facility, or any component 192 part or parts thereof authorized pursuant to subsection (16) above, 193 contracts for resource recovery services or a resource recovery 194 facility authorized pursuant to subsection (17) above, contracts 195 for the sale of energy produced by a resource recovery facility 196 authorized pursuant to subsection (18) above, contracts for waste-197 water treatment services or for a wastewater treatment system 198 or any component part or parts thereof authorized pursuant to 199 subsection (19) above, shall contain a clause making them subject 200 to the availability and appropriation annually of sufficient funds 201 as may be required to meet the extended obligation, or contain 202 an annual cancellation clause.

203 The Division of Local Government Services shall adopt and pro-204 mulgate rules and regulations concerning the methods of account-205 ing for all contracts that do not coincide with the fiscal year.

- 32. *[Section 36 of P. L. 1971, c. 198 (C. 40A:11-36) is amended
 to read as follows:
- 36. Sale or other disposition of personal property. [Any] a.

 4 Except as otherwise provided in subsection b. of this section, any

 5 contracting unit by resolution of its governing body may authorize

 6 the sale of its personal property not needed for public use.
- 7 (1) If the estimated fair value of the property to be sold exceeds 8 \$2,500.00 in any one sale and it is neither livestock nor perishable 9 goods, it shall be sold at public sale to the highest bidder.
- 10 (2) The contracting unit need not advertise for bids when it 11 makes any such sale to the United States, the State of New Jersey, 12 another contracting unit or to any body politic to which it con-13 tributes tax raised funds.
- 14 (3) Notice of the date, time and place of the public sale together
 15 with a description of the items to be sold and the conditions of
 16 sale shall be published in a newspaper circulating in the con17 tracting unit. Such sale shall be held not less than seven nor more
 18 than 14 days after the latest publication of the notice thereof.
- 19 (4) If no bids are received the property may then be sold at 20 private sale without further publication or notice thereof, but in 21 no event at less than the estimated fair value; or the contracting 22 unit may if it so elect reoffer the property at public sale. As 23 used herein, "estimated fair value" means the market value of the

- 24 property between a willing seller and a willing buyer less the cost to the municipality to continue storage or maintenance of any
- personal property not needed for public use to be sold pursuant
- 27 to this section.
- 28 (5) A contracting unit may reject all bids if it determines such 29
- rejection to be in the public interest. In any case in which the contracting unit has rejected all bids, it may readvertise such personal
- property for a subsequent public sale. If it elects to reject all bids 31
- at a second public sale, pursuant to this section, it may then sell
- such personal property without further publication or notice
- thereof at private sale, provided that in no event shall the nego-
- tiated price at private sale be less than the highest price of any
- bid rejected at the preceding two public sales and provided further
- that in no event shall the terms or conditions of sale be changed or 37
- 38 amended.
- 39 b. Any contracting unit may, by resolution of its governing body.
- authorize the sale or disposition of recyclable materials recovered
- through a recycling program undertaken by the contracting unit.
- The sale of these recyclable materials, by contract or agreement.
- may be entered into or negotiated without public bidding by that
- 44 contracting unit.].
 - 1 *Section 5 of P. L. 1971, c. 198 (C. 40A:11-5) is amended to read
- as follows:

15

- 5. Exceptions. Any purchase, contract or agreement of the
- character described in section 4 of this act may be made, negotiated
- or awarded by the governing body without public advertising for
- bids and bidding therefor if
- (1) The subject matter thereof consists of
- (a) (i) Professional services. The governing body shall in each
- instance state supporting reasons for its action in the resolution
- swarding each contract and shall forthwith cause to be printed
- once, in a newspaper authorized by law to publish its legal adver-
- tisements, a brief notice stating the nature, duration, service and
- amount of the contract, and that the resolution and contract are
- on file and available for public inspection in the office of the clerk
- 15 of the country or municipality, or, in the case of a contracting unit
- 16 created by more than one county or municipality, of the counties
- or municipalities creating such contracting unit; or (ii) Extra-
- ordinary unspecifiable services. The application of this exception 19 shall be construed narrowly in favor of open competitive bidding.
- where possible, and the Division of Local Government Services is 20
- authorized to adopt and promulgate rules and regulations limiting
- the use of this exception in accordance with the intention herein

- 23 expressed. The governing body shall in each instance state [sub-
- 24 porting] supporting reasons for its action in the resolution award-
- 25 ing each contract and shall forthwith cause to be printed, in the
- 26 manner set forth in subsection (1) (a) (i) of this section, a brief
- 27 notice of the award of such contract;
- 23 (b) The doing of any work by employees of the contracting unit;
- 29 (c) The printing of legal briefs, records and appendices to be
- 30 used in any legal proceeding in which the contracting party may be 31 a party [:];
- 31 a party[:];
 32 (d) The furnishing of a tax map or maps for the contracting
 33 party;
- 34 (e) The purchase of perishable foods as a subsistence supply;
- 35 (f) The supplying of any product or the rendering of any service
- 36 by a public utility, which is subject to the jurisdiction of the Board
- 37 of Public Utilities, in accordance with tariffs and schedules of
- 38 charges made, charged or exacted, filed with said board;
- 39 (g) The acquisition, subject to prior approval of the Attorney
- O General, of special equipment for confidential investigation;
- 41 (h) The printing of bonds and documents necessary to the issu-
- 42 ance and sale thereof by a contracting unit:
 - (i) Equipment repair service if in the nature of an extra-
- 44 ordinary unspecifiable service and necessary parts furnished in
- 45 connection with such service, which exception shall be in accor-
- 46 dance with the requirements for extraordinary unspecifiable
- 17 services;
- 48 (j) The publishing of legal notices in newspapers as required
- 49 by law:
- 50 (k) The acquisition of artifacts or other items of unique intrin-
- 51 sic, artistic or historical character;
- 52 (1) Election expenses;
- 58 (m) Insurance, including the purchase of insurance coverage and
- 54 consultant services, which exception shall be in accordance with the
- 55 requirements for extraordinary unspecifiable services;
- 56 (n) The doing of any work by handicapped persons employed
- 57 by a sheltered workshop;
- 58 (o) The [provisions] provision of any service or the furnishing
- 59 of materials including those of a commercial nature, attendant
- 60 upon the operation of a restaurant by any nonprofit, duly incor-
- 61 porated historical society at or on any historical preservation
- 62 site;
- 63 (p) Homemaker—home health services performed by voluntary,
- 64 nonprofit agencies;

- 65 · (q) The purchase of materials and services for a law library
- 66 established pursuant to R. S. 40:33-14, including books, periodicals,
- 67 newspapers, documents, paniphlets, photographs, reproductions,
- 68 microforms, pictorial or graphic works, copyright and patent
- 69 materials, maps, charts, globes, sound recordings, slides, films,
- 70 filmscripts, video and magnetic tapes, and other audiovisual,
- 71 printed, or published material of a similar nature; necessary
- 72 binding or rebinding of law library materials; and specialized
- 73 library services; [or]
- 74 (r) On-site inspections undertaken by private agencies pursuant
- 75 to the "State Uniform Construction Code Act" (P. L. 1973, c. 217;
- 76 C. 52:27D-119 et seq.) and the regulations adopted pursuant
- 77 thereto; or
- 78 (s) The marketing of recyclable materials recovered through a 79 recycling program.
- 80 (2) It is to be made or entered into with the United States of
- 81 America, the State of New Jersey, county or municipality or any
- 82 board, body, officer, agency or authority thereof and any other
- 3 state or subdivision thereof.
- 84 (3) The contracting agent has advertised for bids pursuant to
- 85 section 4 on two occasions and (a) has received no bids on both
- 86 occasions in response to its advertisement, or (b) the governing
- 87 body has rejected such bids on two occasions because the contract-
- 88 ing agent has determined that they are not reasonable as to price,
- 89 on the basis of cost estimates prepared for or by the contracting
- Va in basis of cost terminates property for or by the continues
- 90 agent prior to the advertising therefor, or have not been inde-
- 91 pendently arrived at in open competition, or (c) on one occasion
- 92 no bids were received pursuant to (a) and on one occasion all
- 93 bids were rejected pursuant to (b), in whatever sequence; any such
- 94 contract or agreement may then be negotiated and may be awarded
- 95 upon adoption of a resolution by a two-thirds affirmative vote of
- 96 the authorized membership of the governing body authorizing such
- 97 contract or agreement; provided, however, that:
- 98 (i) A reasonable effort is first made by the contracting agent
- 99 to determine that the same or equivalent materials or supplies,
- 100 at a cost which is lower than the negotiated price, are not
- 101 available from an agency or authority of the United States,
- 102 the State of New Jersey or of the county in which the contract-
- ing unit is located, or any municipality in close proximity to
- 104 the contracting unit;
- 105 (ii) The terms, conditions, restrictions and specifications
- 106 . set forth in the negotiated contract or agreement are not

substantially different from those which were the subject of competitive bidding pursuant to section 4 of this act; and

109 (iii) Any minor amendment or modification of any of the
110 terms, conditions, restrictions and specifications, which were
111 the subject of competitive bidding pursuant to section 4 of this
112 act, shall be stated in the resolution awarding such contract
113 or agreement:

114 provided I further, however, that if on the second occasion the bids
115 received are rejected as unreasonable as to price, the contracting
116 agent shall notify each responsible bidder I submitting bids on
117 the second occasion of its intention to negotiate, and afford each
118 such bidder a reasonable opportunity to negotiate, but the govern119 ing body shall not award such contract or agreement unless the
120 negotiated price is lower than the lowest rejected bid price sub121 mitted on the second occasion by a responsible bidder, is the lowest
122 negotiated price offered by any responsible supplier, and is a
123 reasonable price for such work, materials, supplies or services.

Whenever a contracting unit shall determine that a bid was not 125 arrived at independently in open competition pursuant to sub-126 section (3) of this section it shall thereupon notify the county 127 prosecutor of the county in which the contracting unit is located 128 and the Attorney General of the facts upon which its determination 129 is based, and when appropriate, it may institute appropriate pro-130 ceedings in any State or federal court of competent jurisdiction for 131 a violation of any State or federal antitrust law or laws relating to 132 the unlawful restraint of trade.

1 33. Section 2 of P. L. 1981, c. 278 (C. 13:1E-93) is amended to 2 read as follows:

2. The Legislature finds that New Jersey must continue to seek
4 solutions to its energy, environmental and economic problems;
5 that solutions to these problems require proper solid waste and
6 resource recovery management; that the generation of municipal
7 solid waste is increasing while landfill capacity is decreasing; that
8 the siting of environmentally secure landfills is an area of serious
9 concern and limited choice; that the planning and construction of
10 waste-to-energy resource recovery facilities requires substantial
11 capital expenditures and a guaranteed flow of processible and
12 combustible waste; and that the disposal of [solid] reusable waste
13 materials is wasteful of valuable resources.

The Legislature further finds that the recycling of waste mate-15 rials decreases waste flow to landfill sites, substantially reduces the 16 required capacity and cost of proposed waste-to-energy resource 17 recovery facilities while contributing to their overall combustion

18 efficiency through the removal of noncombustible and nonproces-

9 sible materials at the source, recovers valuable resources, con-

20 serves energy in the manufacturing process, and offers a supply

21 of domestic raw materials for the State's industries; that a com-

22 prehensive recycling plan and progam is necessary to achieve the

3 maximum practicable recovery of reusable materials from solid

24 waste in this State; and that such a plan will reduce the amount

25 of waste to landfills, result in significant cost savings in the plan-

s ning and construction of waste-to-energy resource recovery facili-

27 ties, conserve energy and resources, and recover materials for

23 industrial uses.

29 The Legislature finds that an uncluttered landscape is among the

30 most priceless heritages which New Jersey can bequeath to poster-31 ity; that it is the duty of government to promote and encourage

32 a clean and safe environment: that the proliferation and accumula-

33 tion of carelessly discarded litter may pose a threat to the public

4 health and safety; that the litter problem is especially serious in a

35 State as densely populated and heavily traveled as New Jersey:

36 and that unseemly litter has an adverse economic effect on New

7 Jersey by making the State less attractive to tourists and new in-

38 dustry and residents.

39 The Legislature, therefore, declares it to be in the energy,

environmental, and economic interests of the State of New Jersey

41 to implement a comprehensive Statewide recycling plan and to

42 establish a clean communities account to develop resources to be

3 used in a litter abatement and removal pickup plan as provided for

44 by law.

1 34 Section 3 of P. L. 1991, c. 278 (C. 13:1E-94) is amended to

2 read as follows:

3. As used in this act:

a. "Department" means the State Department of Environmental

5 Protection:

6 b. "Division" means the Division of Taxation in the Department

of the Treasury:

8 c. "Director" means the Director of the Division of Taxation in

9 the Department of the Treasury;

10 d. "Litter" means any used or unconsumed substance or waste

1 material which has been discarded, whether made of aluminum.

12 glass, plastic, rubber, paper, or other natural or synthetic material,

13 or any combination thereof . including, but not limited to, any

14 bottle, jar or can, or any top, cap or detachable tab of any bottle,

15 jar or can, any unlighted cigarette, cigar, match or any daming or

16 glowing material or any garbage, trash, refuse, debris, rubbish.

- 17 grass clippings or other lawn or garden waste, "Inewspaper]"
- 18 "newspapers", magazines, glass, metal, plastic or paper containers
- 19 or other packaging or construction material, but does not include
- 20 the waste of the primary processes of mining or other extraction
- 21 processes, logging, sawmilling, farming or manufacturing;
- 22 e. "Litter-generating products" means the following specific
- 23 goods which are produced, distributed, or purchased in disposable
- 24 containers, packages or wrappings; or which are not usually sold
- 25 in packages, containers, or wrappings but which are commonly dis-
- 26 carded in public places"; or" which are of an unsightly or unsani-
- 27 tary nature", commonly thrown, dropped, discarded, placed, or
- 28 deposited by a person on public property, or on private property
- 29 not owned by him:
- 30 (1) Beer and other malt beverages:
- 31 (2) Cigarettes and tobacco products:
- 32 (3) Cleaning agents and toiletries;
- 33 (4) Distilled spirits;
- 34 (5) Food for human or pet consumption:
- 35 (6) Glass containers sold as such;
- 36 (7) Groceries;
- 37 (8) Metal containers sold as such;
- 38 (9) Motor vehicle tires:
- 39 (10) Newsprint and magnzine paper stock:
- 40 (11) Drugstore sundry products, but not including prescription
- 41 drugs or nonprescription drugs;
- 42 (12) Paper products and household paper;
- 43 (13) Plastic or fiber containers made of synthetic material and
- 44 sold as such, but not including any container which is routinely
- 45 reused, has a useful life of more than one year and is ordinarily
- 46 sold empty at retail:
- 47 (14) Soft drinks and carbonated waters: and
- 48 (15) Wine;
- 49 L "Litter receptacle" means a container suitable for the deposit-
- 50 ing of litter:
- 51 g. "Municipality" means any city, borough, town, township or
- 52 village situated within the boundaries of this State;
- 53 h. "Public place" means any area that is used or held out for
- 54 use by the publice," whether owned or operated by public or private
- 55 interests:
- 56 i. "Recycling" means any process by which materials which
- 57 would otherwise become solid waste are collected, separated or
 - 8 processed and returned to the economic mainstream in the form
- 59 of raw materials or products:

j. "Sold within the State" or "sales within the State" means all sales of retailers engaged in business within the State and, in the case of manufacturers, wholesalers and distributors, all sales of products for use and consumption within the State. It shall be presumed that all sales of manufacturers, wholesalers and distributors sold within the State are for use and consumption within the State unless the taxpayer shows that the products are shipped out of State for out-of-State use;

68 k. "Tax period" means every calendar month or any other period
69 as may be prescribed by rule and regulation adopted by the director,
70 on the basis of which the owner or operator of a [sanitary landfill]
71 solid waste facility is required to report to the director pursuant
72 to [this act] section 4 of P. L. 1981, c. 278 (C. 13:1E-95);

13 h. "Taxpayer" means the owner or operator of a [sanitary land-74 fill] solid waste facility or the manufacturer, wholesaler, distri-75 butor, or retailer of litter-generating products subject to the tax 76 provisions of section 4 of P. L. 1981, c. 278 (C. 13:1E-95) or section 77 6 of P. L. 1985, c. 533 (C. 13:1E-99.1), as the case may be.

1 35. Section 4 of P. L. 1981, c. 278 (C. 13:1E-95) is amended to 2 rend as follows:

4. a. There is levied upon the owner or operator of every [sanitary landfill] solid waste facility a recycling tax of [\$0.12] \$1.50 per [cubic yard] ton of all solid waste accepted for disposal "or transfer at the facility [on or after January 1, 1982]. In the event that any solid waste is measured upon acceptance for disposal "or transfer" by other than [cubic yards] tons, the tax shall be levied on the equivalents thereof as shall be determined by the director. "Liny]" "The tax shall not be imposed on the" owner or operator of a resource recovery facility, "upon the acceptance of solid waste for disposal at that facility," or "on the owner or operator of" a solid waste transfer station facility which is designed and operated solely for receiving and transferring solid waste from collection vehicles to hauluge vehicles for the purposes of facilitating the 134 transportation of solid waste", upon the acceptance of solid waste 15s for transfer to an instate solid waste facility for permanent 15c disposal L is not subject to the tax under this subsection].

b. (1) Every owner or operator of a [sanitary landfill] solid
waste facility shall, on or before the twentieth day of the month
following the close of each tax period, render a return under oath
to the director on such form as may be prescribed by the director
indicating the number of [cubic yards] tons of solid waste accepted
for disposal or transfer which is subject to the tax pursuant to

22 subsection a. of this section and at said time owner or operator 224 shall pay the full amount of tax due.

23 (2) Every owner or operator of a [sanitary landfill] solid waste
24 facility which accepts solid waste for disposal *or transfer* and
25 which is subject to the tax under subsection a, of this section shall,
26 within 20 days after the first acceptance of this waste, register with
27 the director on forms prescribed by him.

e. If a return required by this act is not filed, or if a return when filed is incorrect or insufficient in the opinion of the director, the amount of tax due shall be determined by the director from such information as may be available. Notice of such determination shall be given to the taxpayer liable for the payment of the tax. Such determination shall finally and irrevocably fix the tax unless the person against whom it is assessed, within 30 days after receiving notice of such determination, shall apply to the director for a hearing, or unless the director on his own motion shall redetermine the same. After such hearing the director shall give notice of his determination to the person to whom the tax is assessed.

d. Any taxpayer who shall fail to file his return when due or to pay any tax when the same becomes due, as herein provided, shall be subject to such penalties and interest as provided in the "State Tax Uniform Procedure Law," [Subtitle 9 of Title 54 of the Revised Statutes] R. S. 54:43-1 et seq. If the Division of Taxation determines that the failure to comply with any provision of this section was excusable under the circumstances, it may remit such part or all of the penalty as shall be appropriate under such circumstances.

e. (1) Any person failing to file a return, failing to pay the tax, or filing or causing to be filed, or making or causing to be made, or giving or causing to be given any return, certificate, affidavit, representation, information, testimony, or statement required or authorized by this act, or rules or regulations adopted hereunder which is willfully false, or failing to keep any records required by this act or rules and regulations adopted hereunder, shall, in addition to any other penalties herein or elsewhere prescribed, be guilty of a crime of the fourth degree.

(2) The certificate of the director to the effect that a tax has not been paid, that a return has not been filed, that information has not been supplied or that inaccurate information has been supplied pursuant to the provisions of this act or rules or regulations adopted hereunder shall be presumptive evidence thereof.

1. In addition to the other powers granted to the director in this

64 section, he is hereby authorized and empowered:

- 65 (1) To delegate to any officer or employee of his division such
 66 of his powers and duties as he may deem necessary to carry out
 67 efficiently the provisions of this section, and the person or persons
 68 to whom such power has been delegated shall possess and may
 69 exercise all of said powers and perform all of the duties delegated
- 71 (2) To prescribe and distribute all necessary forms for the 72 implementation of this section.

by the director:

70

- g. The tax imposed by this section shall be governed in all respects by the provisions of the "State Tax Uniform Procedure Law," [Subtitle 9 of Title 54 of the Revised Statutes] R. S. 76 54:48-1 et seq., except only to the extent that a specific provision of this section may be in conflict therewith.
- 36. Section 5 of P. L. 1981, c. 278 (C. 13:1E-96) is amended
 to read as follows:
- 5. a. The State Recycling Fund (hereinafter referred to as the 4 "fund") is established as a nonlapsing, revolving fund. The fund 5 shall be administered [jointly] by the [Department of Energy 6 and the Department of Environmental Protection, and shall be 7 credited with all tax revenue collected by the division pursuant to section 4 of P. L. 1981, c. 278 (C. 13:1E-98). Interest received 9 on moneys in the fund and sums received as repayment of principal and interest on outstanding loans made from the fund shall be credited to the fund. The [Department of Energy and the] Department of Environmental Protection, in [their] the administration of the fund, [are] is authorized to assign to the New Jersey Economic Development Authority the responsibility for making credit evaluations of applicants for loans, for servicing loans on behalf of the [two departments] department, and, the provisions of any other law to the contrary notwithstanding, for making recommendations as to the approval or denial of loans pursuant to this section. The [departments are] department is 19 further authorized to pay or reimburse the authority in the amounts as the [departments jointly agree are] department agrees is appropriate for all services rendered by the authority in con-22 nection with any assignment of responsibility under the terms of this section out of moneys held in the fund for loans and the loan 24 guarantee program. 25
- 26 b. Moneys in the fund shall be allocated and used for the follow-27 ing purposes and no others:
- 28 (1) Not less than [45%] 40% of the estimated annual balance 29 of the fund shall be used for the annual expenses of a [five-year] 30 program for recycling grants to municipalities or counties in those

31 instances where a county; at it own expense, provides for the 32 collection, processing and marketing of recyclable materials on a 33 regional basis. The amount of these grants shall be calculated on the basis of the total number of tons of recyclable materials annually recycled from residential [and], commercial and institutional sources within that municipality, or group of municipalities in the case of a "[regional]" county recycling program, except that no such grant shall exceed [\$25.00] \$10.00 per ton of materials recycled. The [departments] department may allocate a portion of these grant moneys as bonus grants to municipalities and counties [that demonstrate high recovery rates in their] in those instances where a municipality or county, at its own expense, provides for the collection of recyclable materials in its recycling [programs] program. The [departments] department [shall issue guidelines establishing a formula defining a high recovery rate and shall announce each year the total amount of moneys available in the 464 bonus grant fund.

A municipality may distribute a portion of its grant moneys to
8 nonprofit groups that are located within that municipality and
which have contributed to the receipt of the recycling grant, except
that this distribution shall not exceed the value of approved documented tonnage contributed by a nonprofit group.

To be eligible for a grant pursuant to this subsection, a munici-53 pality or county in the case of a "[regional]" county recycling 54 program shall demonstrate that the materials recycled by the 55 municipal or "[regional]" county recycling program were not 56 diverted from a commercial recycling program already in existence 57 on the [effective] effective date of the ordinance or resolution 58 establishing the municipal or "[regional]" county recycling pro-58a gram.

59 To be eligible for a subsequent annual grant pursuant to this subsection, a municipality shall demonstrate that at least two types of materials are currently recycled, or will be recycled in the succeeding grant year by the municipal recycling program.] No recycling grant to any municipality shall be used for constructing or operating any facility for the baling of wastepaper or for the shearing, baling or shredding of ferrous or nonferrous materials;

67 (2) Not less than [20%] 35% of the estimated annual balance 68 of the fund shall be used to provide low interest loans or loan 69 guarantees to recycling businesses and industries, and to provide 70 moneys for research into collection, market stimulation and reuse 71 techniques applicable to recycling or the disposition of recyclable

- 72 materials, or to contract for market studies, and to establish a
- 73 sufficient reserve for a loan guarantee program for recycling busi-
- 74 nesses and industries:
- 75 (3) Not more than [10%] 7% of the estimated annual balance
- 76 of the fund shall be used for State recycling program planning
- 77 and program funding, including the admininstrative expenses
- 78 thereof:
- 79 (4) Not more than [10%] 8% of the estimated annual balance
- 80 of the fund shall be used for county [and municipal] recycling
- 81 program planning and program funding, including the adminis-
- 82 trative expenses thereof; and
- 83 (5) Not less than [15%] 10% of the estimated annual balance
- 84 of the fund shall be used for a public information and education
- 85 program concerning recycling activities.
- 1 37. Section 6 of P. L. 1981, c. 278 (C. 13:1E-97) is amended to
- read as follows:
- 3 6. a. The [Commissioners] Commissioner of the [Departments]
- 4 Department of [Energy and] Environmental Protection shall
- 5 adopt, pursuant to the "Administrative Procedure Act," P. L.
- 6 1963, c. 410 (C. 52:14B-1 et seq.), such rules and regulations as
- 7 are necessary to effectuate this [supplementary] act. These rules
- 8 and regulations shall be proposed within 90 days of the effective
- 9 date of this section, and thereafter adopted as provided in the
- 10 "Administrative Procedure Act."
- 11 b. The director shall adopt, pursuant to the "Administrative
- 12 Procedure Ast," such rules and regulations as are necessary to
- 13 effectuate this [supplementary] act.
- 1 38. Section 7 of P. L. 1981. c. 278 (C. 13:1E-99) is amended to
- 2 read as follows:
- 3 7. a. The provisions of any law to the contrary notwithstanding.
- 4 the owner or operator of any [sanitary landfill] solid weste facility
- 5 may collect the tax imposed pursuant to [this supplementary act]
- 6 section 4 of P. L. 1981, c. 278 (C. 13:1E-98) as a surcharge on any
- 7 tariff established pursuant to law for the solid waste disposal opera-
- 8 tions of the facility.
- 9 b. The Board of Public Utilities shall, I within 60 days of the
- 10 effective date of this supplementary act] "Ton or after January 1.
- 12 (C.) (now pending before the Legislature as this
- 12 bill) sissue an appropriate order increasing current tariffs estab-
- 12s lished pursuant to law for solid waste collection operations by an
- 13 amount equal to the total increase in the relevant solid waste
- 14 disposal tariff pursuant to subsection a, of this section. In issuing

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15 this order, the board shall be exempt from the provisions of
    [section 31 of P. L. 1962, c. 198 (C. 48:2-21.2)] R. S. 48:2-21.
       *ICO. Section 8 of P. L. 1981, c. 278 (C. 13:1E-99) is amended to
1
 2 read as follows:
      S. Any additional expenditures for the collection, processing,
    disposition or disposal of solid waste or recyclable materials
    made by any county or municipality as a result of the tax or
    other mandatory provision imposed pursuant to [this supple-
    mentary act] P. L. 1981, c. 273 (C. 13:1E-92 et al.) or P. L. . . . . ,
    c. ... (C. .....) (now pending before the Legislature as this
 9 bill) and any expenditure of revenues received by a county or
10 municipality pursuant to section 5 [hereof] of P. L. 1981, c. 278
11 (C. 13:1E-96) shall, for the purposes of P. L. 1976, c. 63 (C.
12 40A:1-15.1 et seq.), be considered an expenditure mandated by
    State law.]°
13
      "[40.]" "39." Section 10 of P. L. 1981, c. 278 is amended to read
 1
 la as follows:
      10. This act shall take effect on January 1, 1982, except that
    section 6 [hereof] of P. L. 1981, c. 278 (C. 13:1E-97) shall take
    effect immediately. Section 4 of [this act] P. L. 1981, c. 278 (C.
 5 13:1E-95) shall expire on December 31, [1986] 1996.
      "[41.]" "40." (New section) a. Any person engaged in the busi-
 1
 2 ness of solid waste collection or solid waste disposal in accordance
    with the provisions of P. L. 1970, c. 40 (C. 48:13A-1 et seq.) may
    engage in recycling or otherwise provide recycling services.
      b. Notwithstanding the provisions of P. L. 1970, c. 40 (C.
    48:13A-1 et seq.) or any other law, the Board of Public Utilities
    shall not have jurisdiction over charges or rates for recycling or
    services provided by persons engaging in the business of re-
    cycling or otherwise providing recycling services in this State.
   The revenues generated by persons engaging in the business of
11 recycling or otherwise providing recycling services shall not be
   included within the computation of current or adjusted tariffs
13 established pursuant to law for solid waste collection.
      "[12]" "17." (New section) a. Notwithstanding the provisions of
1
2 P. L. 1970, c. 39 (C. 13:1E-1 et seq.) or any other law, rule or regu-
3 lation to the contrary, no recycling center as defined in section 2
4 of P. L. ....., c. ... (C. .....) (now pending before the
5 Legislature as this bill) shall be required by the department to
6 obtain a registration statement, engineering design approval, or
7 approval of an environmental and health impact statement prior
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3 to the commencement of operations.

b. No recycling center shall receive, store, process or transfer any waste material other than source separated nonputrescible or source separated commingled nonputrescible metal, glass, paper, or plastic containers, and corrugated and other cardboard without the prior approval of the department. 1 "[43.]" "42." (New section) "a." A taxpayer who purchases recycling equipment *certified by the Commissioner of the Department of Environmental Protection pursuant to subsection b. of this section," to be used "exclusively within this State, except for vehicles which are to be used primarily within this State, shall be entitled to a credit "as provided herein" against the tax imposed pursuant to section 5 of P. L. 1945, c. 162 (C. 54:10A-5) in an amount equal to 50% of the cost of the recycling equipment "less the amount of any loan received pursuant to section 38 of P. L., c. (C.) (now pending before the Legislature as this bill). The tax imposed pursuant to section 5 of P. L. 1945, c. 162 shall first be reduced by the amount of any credit allowable pursuant to section 19 of P. L. 1983, c. 303 (C. 52:27 H-78) prior to applying the credit allowed pursuant to this section. The amount of the credit claimed in the tax year for which certification of equipment is received, and the amount of credit claimed therefor in each tax year thereafter, shall not exceed 20% of the amount of the total credit allowable, shall not exceed 50% of the tax liability 19 which would be otherwise due, and shall not reduce the amount of tas liability to less than the statutory minimum provided in subsection (e) of section 5 of P. L. 1945, c. 162°. For the purposes of this section, "recycling equipment" means "new" vehicles used exclusively for the transportation of post-consumer waste material. or "new" machinery or "new" apparatus used exclusively to 24 process post-consumer waste material and manufacturing ma-25 chinery used exclusively to produce finished products, the composition of which is at least 50% post-consumer waste materials. 27 "Post-consumer waste material" means any product generated 23 by a business or consumer which has served its intended end use. 29 and which has been separated from solid waste for the purposes of collection, marketing and disposition and which does not include 31 32 secondary waste material or demolition waste; and "secondary waste material" means waste material generated after the completion of a manufacturing process. "[The Commissioner of the 35 Department of Environmental Protection, in consultation with the Director of the Division of Taxation, shall adopt rules and 37 regulations establishing technical specifications and certification requirements for eligibility for the credit established pursuant

39 to this section. Any unused portion of the credit established pur-

40 suant to this section for the purchase of recycling equipment may

41 be carried forward by the taxpayer for four subsequent tax

42 periods.]°

43 °b. In order to qualify for the tax credit pursuant to subsection

44 a. of this section, the taxpayer shall apply for a certification from

45 the Commissioner of the Department of Environmental Protection

46 that certifies that the equipment purchased qualifies as recycling 47 equipment as defined in subsection a. of this section. The certifica-

48 tion shall specifically indicate the date of purchase, a description

49 of the equipment, and the cost, and state that the equipment has

not previously qualified for a credit pursuant to this section either

51 for the owner or for a previous owner.

52 Upon certification, the Commissioner of the Department of

53 Environmental Protection shall submit a copy thereof to the tax-

4 payer and the Director of the Division of Taxation. When filing a

55 tax return that includes a claim for a credit pursuant to this sec-

56 tion, the taxpayer shall include a copy of the certification and a

of statement that the recycling equipment is in use in the applicable

58 tax year and is used exclusively in New Jersey, except for vehicles

59 which shall be used primarily in New Jersey. Any credit shall be

valid in the tax year in which the certification is approved and any

61 unused portion thereof may be carried forward into subsequent

62 years as provided in subsection a, of this section.

63 The Commissioner of the Department of Environmental Protec-

tion, in consultation with the Director of the Division of Taxation,

65 shall adopt rules and regulations establishing technical specifica-

66 tions and certification requirements for the qualification of re-

67 cycling equipment for the credit established pursuant to this

68 section.

69 a. On or before January 31 of each year, the Commissioner of

0 the Department of Environmental Protection shall submit a report

to the Governor, the State Treasurer, and the Legislature setting

2 forth the number of certifications that were approved during the

13 preceding calendar year and the cost of each type of recycling

74 equipment which has been certified as qualifying for the credit."

1 "[14.]" "43." (New section) a. On or after July 1, 1987, no person

shall sell, or offer for sale, at retail or at wholesale for direct retail

3 sale in this State any motor oil in containers for use off the

4 premises unless:

.5 . (1) Every container of lubricating or other oil is clearly marked

.6 or labeled as containing a recyclable material which shall be dis-

7 posed of after use only at a used oil collection center; and

(2) The motor oil retailer shall conspicuously post and main-9 tain, at or near the point of sale, a durable and legible metal 10 sign, not less than 11 inches by 15 inches in size, informing the 11 public of the importance of the proper collection and disposal of 12 used oil, and how and where used oil may be properly disposed. 13 For the purposes of this section, "motor oil retailer" means any person who sells to consumers more than 500 gallons of lubricating or other oil annually in containers for use off the premises 16 where sold. 17 b. The *Commissioner of the* Department of Environmental 18 Protection shall adopt, pursuant to the provisions of the "Administrative Procedure Act," P. L. 1968, c. 410 (C. 52:14B-1 et seq.) any rules and regulations necessary to implement the provisions 21 of this section. 1 "[45.]" "44." (New section) a. On or after July 1, 1987, every 2 owner or operator of a used oil collection center shall post and 3 maintain a durable and legible metal sign, not less than 11 inches by 4 15 inches in size, in a prominent location, informing the public that 5 it is a collection site for the disposal of used oil. For the purposes of this section, "used oil collection center" means any reinspection 7 station permitted by the Division of Motor Vehicles in the Department of Law and Public Safety, or retail service station which has a used oil collection tank on the premises, or any site which accepts used oil for recycling. 11 b. The "Commissioner of the" Department of Environmental 12 Protection shall adopt, pursuant to the provisions of the "Administrative Procedure Act," P. L. 1968, c. 410 (C. 52:14B-1 et seq.) any rules and regulations necessary to implement the provisions of this section. "[46.]" "45." (New section) a. The "Statewide Mandatory Source Separation and Recycling Program Fund" is established as a special account in the Department of Treasury. The fund shall be administered by the State Treasurer and shall be the depository of all moneys appropriated by the Legislature pursuant to this *1987 emendatory and supplementary* or any subsequent act for the purposes of assisting counties and municipalities in the implementation of the county and municipal recycling program requirements of sections 3, 4 and 6 of this amendatory and supplementary 10 act, and for studies of markets for recyclable materials as provided in section "[49]" "48" of this amendatory and supplementary act. 12 b. The moneys in the fund shall be allocated and used to pro-

13 vide State aid to counties and municipalities for implementing

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14 the recycling program requirements of sections 3, 4 and 6 of this
     amendatory and supplementary act. The amount of this State
     aid shall be calculated based on the proportion which the housing
     units of a county or municipality bears to the total housing units
     in the State, except that no municipality shall receive less than
 19
     .001% of the amount apportioned to aid all municipalities. Total
     housing units shall be determined using the most recent federal
     decennial population estimates for New Jersey and its municipali-
 22
     ties filed in the office of the Secretary of State.
 23
       c. Within 30 days of the effective date of this amendatory and
     supplementary act, the State Treasurer shall pay and distribute
 25
     to the chief fiscal officer of every county and municipality in this
26
     State, from moneys in the "Statewide Mandatory Source Separa-
     tion and Recycling Program Fund," an amount equal to the local
28
     government unit's proportionate share of the State aid as cal-
     culated pursuant to subsection b. of this section.
29
       "[47.]" "46." (New section) Any moneys due a county pursuant
 1
     to the provisions of section "[46]" "45" of P. L. ..., c. ... (C.
     .....) (now pending before the Legislature as this bill)
     shall be State aid and exempt from the limitations put on county
     tax levies pursuant to P. L. 1976, c. 68 (C. 41:45.1 et seq.).
       "[48.]" "47." (New section) The receipt and expenditure by a
    municipality of the moneys which a municipality receives under
     section "[46]" "45" of P. L. ..., c. ... (C. .......) (now
    pending before the Legislature as this bill) shall be exempt from
    the limitations on municipal expenditures imposed pursuant to
    section 3 of P. L. 1976, c. 68 (C. 40A:4-45.3).
 1
       *[49.] * *48. * (New section) a. Of the moneys appropriated from
    the General Fund to the "Statewide Mandatory Source Separation
    and Recycling Program Fund" pursuant to section "[53]" "52" of
    this amendatory and supplementary act, there is allocated the sum
    of $200,000.00 which shall be dedicated to studies of markets for
    recyclable materials, and of local, national and international dis-
    tribution networks for recyclable materials. These funds shall be
    distributed by the Commissioner of Environmental Protection
    through the New Jersey Office of Recycling as grants to qualified
    colleges and universities in this State or contracts to private
    firms which can demonstrate the administrative and technical
    capability to undertake studies of this nature. Each study shall
12
   focus on a particular recyclable material, including, but not lim-
14 ited to, automobile tires, paper, and plastic beverage containers.
15 In contracting for these studies, the New Jersey Office of Re-
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- 16 cling shall specify that consideration shall be accorded to alterna-
- .17 tive pricing structures and marketing strategies, including so-
- 18 called "negative pricing," in order to determine whether the com-
- 19 petitive disposition and marketing of recyclable materials may be
- 20 achieved through means other than traditional price structures
- 21 and commodity sales and transactions.
- 22 b. The New Jersey Office of Recycling in the Department of
- 23 Environmental Protection shall, within nine months of the effec-
- 24 tive date of this amendatory and supplementary act, transmit
- 5 copies of the studies prepared pursuant to subsection a. of this
- 26 section to the governing bodies of each county and municipality
- 27 in the State. These studies shall be made available to the general
- 28 public at a cost not to exceed the cost of reproduction and dis-
- 29 tribution.
- 1 *[50.] * 49. (New section) a. There is established in the Depart-
- 2 ment of Environmental Protection a New Jersey Office of Re-
- 3 cycling. All of the functions, powers and duties heretofore exer-
- 4 cised by the Department of Energy and the commissioner thereof
- 5 pursuant to P. L. 1981, c. 278 (C. 13:1E-92 et seq.) are transferred
- 6 to and vested in the New Jersey Office of Recycling in the Depart-
- 7 ment of Environmental Protection and the commissioner thereof.
- . mest of his nonmental I lotection and the commissioner thereof.
- 8 The New Jersey Office of Recycling shall be under the immediate 9 supervision of an administrator who shall be appointed by the
- 10 Commissioner of Environmental Protection and who shall be in
- 11 the unclassified service of the State.
- 12 b. The administrator shall administer the work of the New
- 13 Jersey Office of Recycing under the direction of the commissioner
- 14 and shall perform any other functions of the department as the
- 15 commissioner may prescribe.
- 16 c. Whenever in any law, rule, regulation, order, contract docu
 - ment, judicial or administrative proceeding or otherwise, ref-
- 18 erence is made to the de facto Office of Recycling under the joint
- 19 administration of the Departments of Energy and Environmental
- 20 Protection, the same shall mean and refer to the New Jersey
- 21 Office of Recycling in the Department of Environmental Pro-
- 22 tection.
- 23 d. All transfers directed by this section shall be made in ac-
- 24 cordance with the "State Agency Transfer Act," P. L. 1971,
- 25 c. 375 (C. 52:14D-1 et seq.).
 - 1 "[31.]" "50." (New section) The Commissioner of Environmental
- 2 Protection shall prepare a report to the Legislature concerning the
- 3 implementation of this amendatory and supplementary act, in-
- 4 cluding a recommendation that the continuation of the tax imposed

5 pursuant to section 4 of P. L. 1981, c. 278 (C. 13:1E-95) is necessary to ensure the achievement of the State Recycling Plan goals and the success of county and municipal recycling programs in meeting the designated recovery targets set forth in the district recycling plans, if warranted by the circumstances. This report shall be transmitted to the Legislature not later than April 1, 1990, and shall be revised, and modified if necessary, at least once every three years thereafter. •[32.] •51. There is appropriated from the General Fund to the New Jersey Office of Recycling in the Department of Environmental Protection the sum of \$300,000.00, to implement the provisions of this amendatory and supplementary act. *[53.] *52. There is appropriated from the General Fund to 1 the "Statewide Mandatory Source Separation and Recycling Program Fund" created pursuant to section "[46]" "45" of this amendatory and supplementary act the sum of \$8,000,000.00. Of this amount, not more than 83% shall be apportioned to aid municipalities to implement the provisions of section 6 of this amendatory and supplementary act, and not more than 15% shall be apportioned to counties to implement the provisions of section 3 and section 4 of this amendatory and supplementary act, all as 10 provided in section "[46]" "45" of this amendatory and supplementary act. The amount appropriated pursuant to this section shall be repaid to the General Fund, from moneys deposited in the "State Recycling Fund" established pursuant to section 5 of P. L. 1981, c. 278 (C. 13:1E-96), in annual installments not to exceed \$1,000,000.00 per fiscal year beginning January 1, 1988 and annually thereafter until the full amount is repaid according to a schedule of repayments determined by the State Treasurer. 17 *[54.]* *53.* This act shall take effect immediately except that 1 section 35 shall take effect the first day of the third month following ensetment and except that section 42 shall be applicable on and after the first day of the sixth month following enactment and shall expire on December 31, 1996, except that any unused credits claimed prior to January 1, 1997 shall be allowable after December

7 31, 1996 in accordance with the provisions of section 42.°.