ASSEMBLY, No. 1921

STATE OF NEW JERSEY

217th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2016 SESSION

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SYNOPSIS

Requires DEP to offer to purchase and demolish certain contaminated residential property.

CURRENT VERSION OF TEXT

As reported by the Assembly Environment and Solid Waste Committee with technical review.

AN ACT concerning the purchase of contaminated residential property, and amending and supplementing P.L.1976, c.141.

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

1. (New Section) a. For any single family or two-family residential property that is constructed upon a contaminated site, and upon request of the owner thereof, the Department of Environmental Protection shall offer to purchase the property from the owner at fair market value without allowing for any diminution in value caused by the contamination, provided:

(1) the indoor air in the residence exceeded residential indoor air screening levels for volatile organic compounds adopted by the department, and the levels require remedial action to reduce the concentrations to prevent chronic exposure in order to protect the health of the residents;

(2) soil contaminated with volatile organic compounds existed on the property above the residential soil remediation standards; and

(3) the owner of the property had no notice that the property was contaminated at the time of purchase by the owner.

b. The provisions of this section shall apply no matter when the discharge that caused the contamination occurred.

c. The department shall use moneys from the New Jersey Spill Compensation Fund to purchase properties pursuant to this section.

d. Notwithstanding the provisions of section 12 of P.L.1976, c.141 (C.58:10-23.11k), the owner of any single family or two-family residential property whose property meets the criteria established in this section may request of the Department of Environmental Protection to make an offer to purchase the property within one year after the date of enactment of P.L. , c. (C.) (pending before the Legislature as this bill), or within one year after the date of discovery of the damage, whichever is later, and the department shall make that offer within 60 days of the request.

e. Any residential property purchased pursuant to this section shall be demolished by the State and the site shall be remediated for use as open space.

2. Section 16 of P.L.1976, c.141 (C.58:10-23.11o) is amended to read as follows:

16. a. Moneys in the New Jersey Spill Compensation Fund shall be disbursed by the administrator for the following purposes and no others:

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

Matter underlined <u>thus</u> is new matter.

(1) Costs incurred under section 7 of P.L.1976, c.141 (C.58:10-23.11f);

(2) Damages as defined in section 8 of P.L.1976, c.141 (C.58:10-23.11g);

(3) Such sums as may be necessary for research on the prevention and the effects of discharges of hazardous substances on the environment and public health, on methods of pollution prevention and recycling of hazardous substances, and on the development of improved cleanup, removal, and disposal operations as may be appropriated by the Legislature; provided, however, that such sums, together with sums appropriated pursuant to paragraph (5) of this subsection, shall not exceed, in any fiscal year, an amount equal to the amount of interest credited to the fund during the most recent State fiscal year for which the total amount of such interest income is known;

(4) Such sums as may be necessary for the boards, general administration of the fund, equipment and personnel costs of the department and any other State agency related to the enforcement of P.L.1976, c.141, including any costs incurred by the department pursuant to P.L.1990, c.78 or pursuant to any other law designed to prevent the discharge of a hazardous substance, as may be appropriated by the Legislature;

(5) Such sums as may be appropriated by the Legislature for research and demonstration programs concerning the causes and abatement of ocean pollution; provided, however, that such sums, together with sums appropriated pursuant to paragraph (3) of this subsection, shall not exceed, in any fiscal year, an amount equal to the amount of interest credited to the fund during the most recent State fiscal year for which the total amount of such interest income is known;

(6) Such sums as may be requested by the commissioner, up to a limit of $400,000 per year, to cover the costs associated with the administration of the "Environmental Cleanup Responsibility Act," P.L.1983, c.330 (C.13:1K-6 et seq.);

(7) Costs attributable to the State's obligation to defend and indemnify a contractor pursuant to sections 1 through 11 of P.L.1991, c.373 (C.58:10-23.11f8 et seq.);

(8) Administrative costs incurred by the department to implement the provisions of P.L.1977, c.74 (C.58:10A-1 et seq.), as amended and supplemented by P.L.1990, c.28, on a timely basis, except that the amounts used for this purpose shall not exceed $2,000,000. Any moneys disbursed by the department from the fund for this purpose shall be repaid to the fund in equal amounts from the penalties collected by the department pursuant to P.L.1977, c.74 and P.L.1990, c.28, in annual installments beginning July 1, 1991 and annually thereafter until the full amount is repaid according to a schedule of repayments determined by the State Treasurer; **[**and**]**

(9) Such sums as may be necessary to reimburse a local unit for costs incurred in an emergency response action taken to prevent, contain, mitigate, clean up or remove a discharge of a hazardous substance; and

(10) Such sums as may be necessary to purchase residential property pursuant to section 1 of P.L. , c. (C.) (pending before the Legislature as this bill).

b. The Treasurer may invest and reinvest any moneys in said fund in legal obligations of the United States, this State or any of its political subdivisions. Any income or interest derived from such investment shall be included in the fund.

(cf: P.L.1992, c.85, s.1)

3. This act shall take effect immediately.