

ASSEMBLY, No. 5220

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JANUARY 7, 2021

Sponsored by:

Assemblywoman VALERIE VAINIERI HUTTLE

District 37 (Bergen)

SYNOPSIS

Imposes tax on petroleum received by rail at marine terminals, storage or transfer terminals, and refineries, to fund local emergency preparedness and response to spills.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** imposing a tax to fund local government emergency
2 preparedness and response to discharges of petroleum
3 transported by rail, and supplementing Title 58 of the Revised
4 Statutes.

5
6 **BE IT ENACTED** *by the Senate and General Assembly of the State*
7 *of New Jersey:*

8
9 1. As used in this act:

10 "Commissioner" means the Commissioner of Environmental
11 Protection.

12 "Director" means the Director of the Division of Taxation in the
13 Department of the Treasury.

14 "Local unit" means any county or municipality, or any agency or
15 other instrumentality thereof, or a duly incorporated volunteer fire,
16 ambulance, first aid, emergency, or rescue company or squad.

17 "Marine terminal" means any facility used for transferring
18 petroleum or petroleum product to or from a tank ship or tank
19 barge, including all piping.

20 "Petroleum or petroleum product" means oil or petroleum of any
21 kind and in any form, including, but not limited to, oil, petroleum,
22 gasoline, kerosene, fuel oil, oil sludge, oil refuse, oil mixed with
23 other wastes, crude oils, and substances or additives to be utilized in
24 the refining or blending of crude petroleum or petroleum stock in
25 this State.

26 "Tank barge" means a vessel that carries petroleum or petroleum
27 products in bulk or in commercial quantities as cargo, but that is not
28 equipped with a means of self propulsion.

29 "Tank ship" means a self-propelled vessel used for the carriage
30 of petroleum or petroleum products in bulk or in commercial
31 quantities as cargo.

32
33 2. a. There is levied upon the owner of any petroleum or
34 petroleum product at the time the petroleum or petroleum product is
35 received by rail, at a marine terminal, storage or transfer terminal,
36 or refinery, a tax to pay for the costs of training, equipment, and
37 emergency assistance for local units to prepare for, and respond to,
38 discharges of petroleum or petroleum products transported by rail.

39 b. The tax shall be \$0.065 per barrel received and shall be
40 collected by the owner or operator of the marine terminal, storage
41 or transfer terminal, or refinery and remitted to the State Treasurer
42 on the 20th day of the month based upon the number of barrels
43 received during the preceding month.

44 c. Every person required to collect or pay the tax shall, within
45 30 days after the effective date of this act, register with the director
46 on forms prescribed by the director.

1 3. a. Every person required to collect or pay the tax under this
2 act shall on or before the effective date of this act, and on or before
3 the 20th day of each month thereafter, make and file a return for the
4 preceding month with the director. The return of an owner or
5 operator of a marine terminal, storage or transfer terminal, or
6 refinery shall show the number of barrels of petroleum or petroleum
7 products received by rail during that time period and at that time
8 shall pay the full amount due.

9 b. The director may permit or require returns to be made
10 covering other periods and upon such dates as the director may
11 specify. In addition, the director may require payments of tax
12 liability at such intervals as the director may designate. In
13 prescribing such other periods to be covered by the return or
14 intervals for payment of tax liability, the director may take into
15 account the dollar volume of tax involved as well as the need for
16 insuring the prompt and orderly collection of the taxes imposed.

17 c. The form of returns shall be prescribed by the director and
18 shall contain such information as the director may deem necessary
19 for the proper administration of this act. The director may require
20 amended returns to be filed within 20 days after notice and to
21 contain the information specified in the notice.

22 d. If a return required by this section is not filed, or if a return
23 when filed is incorrect or insufficient in the opinion of the director,
24 the amount due shall be determined by the director from such
25 information as may be available. Notice of the determination shall
26 be given to the person required to collect the tax. The
27 determination shall finally and irrevocably fix the amount due,
28 unless the person on whom it is imposed, within 90 days after the
29 giving of the notice of the determination, shall file a protest in
30 writing as provided in R.S.54:49-18 and request a hearing, or unless
31 the director on the director's own motion shall redetermine the
32 same. After the hearing the director shall give notice of the
33 determination to the person on whom the tax is imposed.

34 Any person who fails to file a return when due or to pay any tax
35 when it becomes due, as herein provided, shall be subject to such
36 penalties and interest as provided in the "State Uniform Tax
37 Procedure Law," R.S.54:48-1 et seq. If the director determines that
38 the failure to comply with any provision of this section was
39 excusable under the circumstances, the director may remit that part
40 or all of the penalty as shall be appropriate under the circumstances.

41

42 4. The director shall deposit all revenues collected pursuant to
43 this act in the "New Jersey Oil Spill First Responders Training and
44 Response Fund" established by section 5 of this act, and the
45 revenues shall be dedicated for the purposes of the fund.

46

47 5. a. There is established in the Department of Environmental
48 Protection a special, revolving fund to be known as the New Jersey

1 Oil Spill First Responders Training and Response Fund. Monies in
2 the fund shall be dedicated to and used only for:

3 (1) implementation of petroleum and petroleum product spill
4 prevention and response programs by local unit first responders;

5 (2) purchase of equipment and other facilities necessary for
6 local unit first responders to respond to, contain, and clean up
7 petroleum and petroleum product spills;

8 (3) training programs for local unit petroleum and petroleum
9 product spill response personnel;

10 (4) emergency assistance to local units that respond to, contain,
11 and clean up petroleum and petroleum product spills; and

12 (5) research on improved spill response and prevention.

13 b. The New Jersey Oil Spill First Responders Training and
14 Response Fund shall be credited with:

15 (1) monies deposited into the fund by the director from tax
16 revenues collected from the tax imposed pursuant to section 1 of
17 this act;

18 (2) monies as are appropriated by the Legislature; and

19 (3) any return on investment of monies deposited into the fund.

20 c. The commissioner shall use the monies in the fund to
21 provide training, purchase equipment, and provide emergency
22 assistance to local units to prepare for, and respond to, discharges of
23 petroleum or petroleum products transported by rail.

24

25 6. This act shall take effect on the first day of the third month
26 next following the date of enactment except that the director and the
27 commissioner may take any anticipatory administrative action in
28 advance thereof as may be necessary for the implementation of this
29 act.

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32 STATEMENT

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34 This bill would impose a tax of \$0.065 on petroleum and
35 petroleum products received by rail at marine terminals, storage or
36 transfer terminals, and refineries to fund local government
37 emergency preparedness and response to spills. The bill would
38 establish the "New Jersey Oil Spill First Responders Training and
39 Response Fund" and require that revenue from the tax be deposited
40 in the fund. Monies in the fund would be authorized to be used
41 only for implementation of spill prevention and response programs
42 by local unit first responders, the purchase of equipment and other
43 facilities necessary for local units to respond to, contain, and clean
44 up spills, training programs for local unit spill response personnel,
45 emergency assistance to local units, and research on improved spill
46 response and prevention.