

SENATE, No. 909

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JANUARY 27, 2020

Sponsored by:

Senator CHRISTOPHER J. CONNORS

District 9 (Atlantic, Burlington and Ocean)

SYNOPSIS

Establishes special dredging account; directs \$5,000,000 of sales tax collected annually be deposited therein; directs DEP to administer account and dredging program with certain requirements.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** concerning the dedication of a certain portion of State sales
2 tax revenues for the dredging of certain inland waterways and
3 supplementing P.L.1966, c.30 and Title 12 of the Revised
4 Statutes.

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

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9 1. On the effective date of P.L. , c. (C.) (pending before
10 the Legislature as this bill), and annually thereafter, there shall be
11 deposited in a special dredging account, established pursuant to
12 section 3 of P.L. , c. (C.) (pending before the Legislature
13 as this bill) and named therein as the "Community and Navigational
14 Waterways Restorative and Maintenance Dredging Account," the
15 sum of \$5,000,000 of the tax collected annually pursuant to
16 P.L.1966, c.30, provided however, that the dedication and use of
17 those monies shall be subject and subordinate to the appropriation
18 of revenues from taxes in order to provide the ways and means to
19 pay the principal and interest on bonds of the State and the
20 dedication of sales tax collections pursuant to Article VIII, Section
21 II, paragraph 7 of the New Jersey Constitution.

22
23 2. The Legislature finds and declares that in recent years
24 essentially no funding has been available for dredging projects of
25 navigational waters outside of the New York-New Jersey port
26 region; that the "Port of New Jersey Revitalization, Dredging,
27 Environmental Cleanup, Lake Restoration, and Delaware Bay Area
28 Economic Development Bond Act of 1996," P.L.1996, c.70,
29 provided \$185,000,000 to the port region for dredging projects and
30 \$20,000,000 provided for non-port region dredging projects, but
31 while the majority of the \$185,000,000 has been appropriated for
32 port region dredging projects, the majority of the non-port region
33 dredging monies have been held for the Delaware River deepening
34 project; that although the Delaware River deepening project is an
35 important and necessary dredging project, other waterways require
36 attention on an ongoing basis; that it is also important to maintain
37 other navigable waterways for the sake of the \$27 billion tourism
38 industry in the State, of which recreational and commercial boating
39 businesses are a vital part; that a number of waterways in the State
40 are not officially designated as navigational waters but are used as
41 navigational waterways to access residences by boat in coastal
42 communities; that special attention is required for these waterways
43 and navigational waters in the State if the waters are to be used for
44 transportation by a large number of our residents, for practical and
45 recreational purposes, are not to become impassable; that the
46 designated navigational waters in the State involve hundreds of
47 thousands of miles of waterways that require dredging on a regular
48 basis; that a stable source of funding for non-port region dredging

1 projects is required if damage is to be reversed and avoided in the
2 future; and that sufficient monies are collected from sales tax on
3 sales of boats, canoes, kyacks, power vessels, personal watercraft
4 (jet skis), motor boat engines, boat trailers and other recreational
5 boating and personal watercraft supplies and equipment to provide
6 such a stable source.

7 The Legislature therefore determines it is altogether fitting and
8 proper for the State to dedicate a portion of sales tax revenues
9 collected to a special dredging account to fund the dredging of
10 waterways in the State outside of the port region, including, but not
11 limited to, the restorative and maintenance dredging of waterways
12 in the State that may not be officially designated as navigational
13 waters by the Department of Environmental Protection but provide
14 boat access from open water to residential dwelling units in coastal
15 areas.

16

17 3. a. There is established in the Department of Environmental
18 Protection a special dredging account to be known as the
19 "Community and Navigational Waterways Restorative and
20 Maintenance Dredging Account," and referred to herein as the
21 "special dredging account." The special dredging account shall be
22 separate from the General Fund and the Department of
23 Environmental Protection shall administer the account. The portion
24 of monies collected pursuant to P.L.1966, c.30 that are deposited
25 into the special dredging account pursuant to section 1 of
26 P.L. , c. (C.) (pending before the Legislature as this bill)
27 shall be used by the department exclusively for the purposes and in
28 the manner provided in subsection b. of this section.

29 b. The monies deposited in the special dredging account shall
30 be used exclusively for the purposes of funding the dredging of
31 waterways in the State outside of the port region as defined in
32 section 2 of P.L.1997, c.97 (C.12:6B-2). The funding may be used
33 for the dredging of navigational waters in the State, or the
34 restorative and maintenance dredging of waterways in the State that
35 may not be officially designated as navigational waters by the
36 Department of Environmental Protection but provide boat access
37 from open water to residential dwelling units in coastal areas;
38 provided that no less than one quarter of the monies deposited in the
39 account shall be allocated by the Department of Environmental
40 Protection to the restorative and maintenance dredging of
41 waterways in the State that provide boat access from open water to
42 residential dwelling units in coastal areas.

43 c. Within the 180 days after the effective date of this act, the
44 Department of Environmental Protection shall establish a list of all
45 navigational waters and waterways eligible for funding from the
46 special dredging account pursuant to the provisions of subsection b.
47 of this section, and a prioritized project list of the dredging projects
48 to be funded. Thereafter, the department shall update the lists

1 annually. When establishing and updating the lists, the Department
2 of Environmental Protection shall apply the broadest criteria in
3 determining the eligibility of projects for funding pursuant to the
4 requirements of subsection b. of this section, and shall solicit input
5 concerning areas, projects and waterways that should be included in
6 the lists from counties, municipalities, residential community
7 organizations in coastal areas, and any task force concerning lagoon
8 communities that may have been established. Whenever a county,
9 municipality, residential community, or task force recommends an
10 area, waterway or project for the lists that is eligible for funding
11 pursuant to the requirements of subsection b. of this section, the
12 area, waterway or project shall be included in the lists.

13 d. Each January after the establishment of the lists pursuant to
14 subsection c. of this section, the Department of Environmental
15 Protection shall submit to the Governor and the Legislature the lists
16 established and updated pursuant to subsection c. of this section,
17 and a list of the projects and their cost funded in the previous
18 calendar year and a list of the projects and their cost projected to be
19 funded in the current calendar year.

20

21 4. This act shall take effect on July 1 next following the date of
22 enactment, except that the State Treasurer and the Commissioner of
23 Environmental Protection are authorized to take any action
24 necessary immediately, including the adoption of rules or
25 regulations pursuant to the "Administrative Procedure Act,"
26 P.L.1968, c.410 (C.52:14B-1 et seq.), in order to implement the act
27 in a timely manner.

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30 STATEMENT

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32 This bill dedicates \$5,000,000 from sales tax revenues to a
33 special dredging account, created in this bill and named the
34 "Community and Navigational Waterways Restorative and
35 Maintenance Dredging Account," for the purposes of funding the
36 dredging of waterways in the State outside of the port region. More
37 specifically, the monies are to be used for the dredging of
38 navigational waters in the State, or the restorative and maintenance
39 dredging of waterways in the State that may not be officially
40 designated as navigational waters by the Department of
41 Environmental Protection but provide boat access from open water
42 to residential dwelling units in coastal areas. The bill requires that
43 no less than one quarter of the monies deposited in the account shall
44 be allocated by the Department of Environmental Protection to the
45 restorative and maintenance dredging of waterways in the State that
46 provide boat access from open water to residential dwelling units in
47 coastal areas.

48 The bill further requires that the Department of Environmental

1 Protection establish then annually update a list of eligible
2 waterways in the State and a prioritized list of the dredging
3 projects. The bill requires the Department of Environmental
4 Protection to be as broad as possible in determining eligibility and
5 to seek out and include recommendations from counties,
6 municipalities, residential communities, or any task force
7 concerning lagoon communities that may be established. Finally,
8 the bill requires the Department of Environmental Protection to
9 submit to the Governor and Legislature the eligible waterways and
10 prioritized project lists, a list of the projects and their cost funded in
11 the previous calendar year, and a list of the projects and their cost
12 projected to be funded in the current calendar year.

13 The "Port of New Jersey Revitalization, Dredging,
14 Environmental Cleanup, Lake Restoration, and Delaware Bay Area
15 Economic Development Bond Act of 1996," P.L.1996, c.70,
16 provided \$185,000,000 to the port region for dredging projects but
17 the majority of \$20,000,000 provided for non-port region dredging
18 projects has been held for the Delaware River deepening project,
19 leaving essentially no funding for any dredging projects outside of
20 the port region. Each year, substantial sales tax revenues are
21 collected on sales of boats, powered personal watercraft (jet skis),
22 motor boat engines, boat trailers and other recreational boating and
23 powered personal watercraft supplies and equipment, and the
24 Legislature finds it appropriate to use these revenues for
25 maintaining the waterways on which the vessels, supplies and
26 equipment were sold to be used.