

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 4011
STATE OF NEW JERSEY
219th LEGISLATURE

DATED: DECEMBER 30, 2021

SUMMARY

- Synopsis:** Directs DEP to develop State water infrastructure investment plan; requires NJ Infrastructure Bank to publish additional information about water infrastructure projects; appropriates \$200,000 to NJ Infrastructure Bank.
- Type of Impact:** Annual State expenditure increase from the General Fund.
- Agencies Affected:** Department of Environmental Protection, New Jersey Infrastructure Bank

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
State Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) determines that this bill would result in an indeterminate annual expenditure increase from the General Fund since it imposes additional administrative duties on the Department of Environmental Protection (DEP) and the New Jersey Infrastructure Bank (NJIB).
- It is likely that the additional duties imposed on the DEP can be subsumed by existing staff. However, it is possible that the DEP would need to hire an additional dedicated staff member with expertise in water infrastructure in its Division of Water Quality, with an estimated annual compensation in the range of \$80,000 to \$120,000, plus additional costs for benefits, equipment, and technology.
- The bill's requirements on the NJIB can likely be subsumed within existing staff duties, since the NJIB already publishes similar information about water infrastructure projects as the information required by the bill. In addition, the bill provides a \$200,000 appropriation to the NJIB to develop and maintain the webpage required by the bill.

BILL DESCRIPTION

This bill directs the DEP to prepare a State Water Infrastructure Investment Plan every five years. The bill also requires the NJIB to publish additional information about water infrastructure projects in the State.

No later than 12 months after the bill's effective date and every five years thereafter, the bill would direct the DEP, in consultation with the NJIB and the Board of Public Utilities and the Department of Community Affairs, to prepare and submit to Governor and the Legislature a State Water Infrastructure Investment Plan. The plan would serve as the State's long-term capital investment strategy for upgrading and maintaining the State's drinking water, wastewater, and stormwater infrastructure. Each time the DEP prepares a plan, the bill requires the DEP to conduct at least three public meetings on the proposed plan and meet with other stakeholders.

The bill also requires the NJIB to prepare an Annual Water Infrastructure Capital Program, which would provide details about current water infrastructure projects in the State. The annual program would be submitted to the Governor, Legislature, and the DEP. The bill also requires the NJIB to develop and maintain a website that provides similar details about water infrastructure projects in the State. The bill requires the NJIB to update the website at least twice a year. The bill appropriates \$200,000 to the NJIB to develop and maintain the website.

Finally, the bill requires municipalities to review and consider any applicable recommendations of the current State Water Infrastructure Investment Plan before adopting or amending their municipal master plans.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS determines that this bill would result in an indeterminate annual expenditure increase from the General Fund since it imposes additional administrative duties on the DEP and the NJIB. In particular, the bill would require the DEP to hold at least three public meetings and consult with stakeholders every five years prior to publishing the State Water Infrastructure Investment Plan. It is likely that these duties can be subsumed by existing staff. However, it is possible that the DEP would need to hire an additional dedicated staff member with expertise in water infrastructure in its Division of Water Quality, with an estimated annual compensation in the range of \$80,000 to \$120,000, plus additional costs for benefits, equipment, and technology, in order to develop the plan. The OLS notes that the bill also requires the DCA and the BPU to participate in the development of the plan. However, these agencies are only required to consult with the DEP, so this requirement can likely be subsumed by existing staff.

The bill also imposes additional administrative duties on the NJIB, including publishing information on its website and developing a new webpage. The bill's requirements on the NJIB can likely be subsumed within existing duties, since the NJIB already publishes similar information about water infrastructure projects as the information required by the bill. In addition, the bill provides a \$200,000 appropriation to the NJIB to develop and maintain the webpage required by the bill.

The OLS notes that the bill would require municipalities to review the State Water Infrastructure Investment Plan prior to adopting or amending their municipal master plans. However, this requirement would likely not lead to a quantifiable expenditure increase, since the bill only requires consideration of the provisions of the State Water Infrastructure Investment Plan, rather than imposing any substantive requirements on the contents of the municipal master plan.

Section: Environment, Agriculture, Energy, and Natural Resources

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).