

RULE ADOPTIONS

COMMUNITY AFFAIRS

(a)

DIVISION OF LOCAL GOVERNMENT SERVICES

Joint Insurance Funds Investments

Adopted Amendments: N.J.A.C. 5:38-1.1 and 1.2

Proposed: January 21, 2020, at 52 N.J.R. 96(a).

Adopted: April 7, 2020, by Lieutenant Governor Sheila Y. Oliver,
Commissioner.

Filed: April 7, 2020, as R.2020 d.054, **without change**.

Authority: P.L. 2018, c. 40.

Effective Date: May 4, 2020.

Expiration Date: December 9, 2026.

Summary of Public Comment and Agency Response:

No comments were received on the notice of proposal to amend N.J.A.C. 5:38-1.1 and 1.2.

Federal Standards Statement

No Federal standards analysis is required because the rulemaking is not being adopted in order to implement, comply with, or participate in any program established under Federal law or under a State law that incorporates or refers to Federal law, standards, or requirements.

Full text of the adoption follow:

SUBCHAPTER 1. INVESTMENTS

5:38-1.1 Definitions

The following words and terms, as used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

...
“Fair market value” means the purchase price of a long-term investment purchased in a competitive sale, or a negotiated sale if the government entity issuer and/or guarantor is not a member of the JIF or, in the case of a joint cash management and investment program, the JIFs that compose the JCMI program.

“Government entity” or “governmental entity” means an agency or corporation of the Federal government or a governmental entity established under the laws of the State of New Jersey.

“Guaranty” means the obligation of a governmental entity to raise taxes without limitation as to rate or amount to satisfy repayment on a long-term investment issued by another governmental entity.

...
“Long-term investments” means bonds, notes, or other obligations that are issued by a government entity. This term shall not include those types of securities already authorized for investment by a joint insurance fund pursuant to N.J.S.A. 18A:20-37 and 40A:5-15.1.

5:38-1.2 Long-term investments

(a) A joint insurance fund or a joint cash management and investment program may only purchase long-term investments that meet each of the following criteria:

1. (No change.)
2. The long-term investment is purchased at fair market value;
3. The long-term investment is secured by a pledge of all or a portion of the government entity issuer’s revenues, secured by the government entity issuer’s pledge to raise taxes without limitation as to the rate or amount and/or secured by another government entity’s guaranty. This paragraph shall not be interpreted to bar JIF or JCMI program investment in long-term investments issued by governmental entities without taxing power, so long as the issuer and issuance meet the provisions of this section; and
4. The long-term investment has, or is being issued or guaranteed by a government entity that has, a credit rating of A3 or higher by Moody’s

Investor Services, Inc., A- or higher by Standard & Poor’s Corporation, and A- or higher by Fitch Ratings, except that ratings from two of the three aforementioned credit ratings agencies shall be sufficient. If a rating for the long-term investment, or the government entity issuer or guarantor, has not been obtained from at least two of the three credit ratings agencies, the long-term investment may be purchased if the governmental entity responsible for the issuance or guaranty thereof has pledged to raise taxes without limitation as to rate or amount in order to satisfy repayment, and the issuance or the governmental entity responsible for the issuance or guarantee thereof has a rating from at least one of the aforementioned credit rating agencies that meets the above-referenced minimum rating criteria.

i. If the long-term investment, or the issuer or guarantor of a long-term investment, requires only one rating pursuant to this paragraph, but has multiple ratings, and at least one of the ratings is below the minimum required credit rating, a JIF or JCMI program shall not purchase the long-term investment.

ii. A JIF or JCMI program may invest in a long-term investment that is non-recourse, so long as the long-term investment has obtained ratings from at least two of the three credit ratings agencies, and those ratings meet at least the minimum required credit rating.

(b)-(c) (No change.)

ENVIRONMENTAL PROTECTION

(b)

AIR QUALITY, ENERGY, AND SUSTAINABILITY

DIVISION OF AIR QUALITY

Air Pollution Control

Outer Continental Shelf Air Regulations

Adopted New Rules: N.J.A.C. 7:27-30

Proposed: November 4, 2019, at 51 N.J.R. 1587(a).

Adopted: April 9, 2020, by Catherine R. McCabe, Commissioner,
Department of Environmental Protection.

Filed: April 9, 2020, as R.2020 d.055, **with non-substantial changes** not requiring additional public notice and comment (see N.J.A.C. 1:30-6.3).

Authority: N.J.S.A. 13:1B-3, 13:1D-9, 13:1D-134 et seq., 26:2C-1 et seq.; and Executive Order No. 8 (2018).

DEP Docket Number: 04-19-10.

Effective Date: May 4, 2020.

Operative Date: June 8, 2020, in accordance with N.J.S.A. 26:2C-8.a.

Expiration Date: Exempt.

Pursuant to Section 328(a)(1) of the Clean Air Act (CAA), 42 U.S.C. § 7627(a)(1), the U.S. Environmental Protection Agency (EPA) is required to establish air pollution control requirements for sources on the outer continental shelf (OCS), which includes the submerged lands beyond the seaward boundary of coastal states. See 43 U.S.C. § 1331(a). The EPA established these air pollution control requirements, as well as procedures for the implementation and enforcement of those requirements, at 40 CFR Part 55. The CAA authorizes the EPA to delegate the authority to implement and enforce air pollution control requirements on the OCS to any state with an adjacent OCS source, if the governor or governor’s designee requests delegation and the EPA determines that the state meets certain requirements. See 42 U.S.C. § 7627(a)(3); 40 CFR 55.11. The Department is incorporating by reference the relevant Federal regulations at 40 CFR Part 55 in order to fulfill one of the necessary requirements for delegation of this authority to New Jersey.