

Have You Revised Your Contracts to Reflect New Jersey's Amended Environmental Laws?

by John M. Scagnelli on April 11, 2012

The Site Remediation Reform Act (SRRA) dramatically overhauled the way contaminated sites are remediated in New Jersey. Therefore, it is important for New Jersey businesses to revise their standard agreements to reflect those changes.

As we discussed last week, starting May 7, 2012, a New Jersey Licensed Site Remediation Professional (LSRP) must be hired to conduct all environmental remediation work in the State of New Jersey, for both new and existing cases. In addition, the SRRA implemented several other changes to the state's remediation process.

Beginning on May 7, 2012, NJDEP will also no longer issue No Further Action (NFA) Letters confirming the completion of environmental remediation, even for existing cases. After that date, the completion of environmental remediation cases will be confirmed by the issuance of Remedial Action Outcome (RAO) Approvals issued by the LSRP conducting the remediation case. The RAO approvals issued by the LSRP, however, are subject to NJDEP audit and reopening within three (3) years after they are issued.

The changes discussed above will require changes to the standard environmental provisions contained in many real estate and corporate agreements. It is important that you review all of your real estate and corporate agreements to make certain that the legal provisions therein comply with the new LSRP requirements and the New Jersey statutory environmental remediation requirements, such as environmental reporting obligations and mandatory environmental cleanup time frames.

Given the sweeping changes, we strongly suggest that you conduct a strategic environmental legal review of your real estate and corporate agreements in light of these new requirements. For more information about the May 7 deadlines and other important regulatory changes impacting remediation in New Jersey, we invite you to check out Scarinci Hollenbeck's YouTube video titled, "New May 7th Law for New Jersey Licensed Site Remediation Professionals." This video features Scarinci and Hollenbeck, Partner and Chair of the Environmental and Land Use Law Group, John Scagnelli.

You can also contact John Scagnelli directly at 201-397-1776 with any questions regarding the new requirements and how they may impact your existing real estate and corporate agreements.