# ASSEMBLY, No. 1115 STATE OF NEW JERSEY 220th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

Sponsored by: Assemblywoman ANNETTE CHAPARRO District 33 (Hudson) Assemblywoman VERLINA REYNOLDS-JACKSON District 15 (Hunterdon and Mercer) Assemblyman JOE DANIELSEN District 17 (Middlesex and Somerset)

Co-Sponsored by: Assemblywoman Murphy and Assemblyman Conaway

### SYNOPSIS

Requires DEP to prioritize funding for environmental infrastructure projects for applicants with established program to employ, at project or related facilities, local residents or residents of nearby urban aid qualifying municipalities.

## CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



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1 **AN ACT** concerning environmental infrastructure projects and 2 amending P.L.1985, c.334 and P.L.1997, c.224.

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

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7 1. Section 20 of P.L.1985, c.334 (C.58:11B-20) is amended to8 read as follows:

9 20. a. (1) The Commissioner of Environmental Protection shall 10 for each fiscal year develop a priority system for wastewater treatment 11 systems and shall establish the ranking criteria and funding policies for 12 the clean water projects to be financed by the New Jersey Environmental Infrastructure Financing Program. The commissioner 13 14 shall set forth an Interim Clean Water Financing Program Project 15 Priority List, hereinafter referred to as the "clean water project priority 16 list," for funding by the trust for each fiscal year and shall include the 17 aggregate amount of funds of the trust to be authorized for these 18 The clean water project priority list may include any purposes. 19 stormwater management or combined sewer overflow abatement 20 project identified in the stormwater management and combined sewer 21 overflow abatement project priority list adopted by the commissioner 22 pursuant to section 28 of P.L.1989, c.181.

23 The clean water project priority list, which shall include for each 24 wastewater treatment system the date each project is scheduled to be 25 certified as ready for funding, shall be in conformance with applicable 26 provisions of the "Federal Water Pollution Control Act Amendments 27 of 1972," Pub.L.92-500 (33 U.S.C. s.1251 et al.), and any amendatory 28 or supplementary acts thereto, and State law, or in the case of a 29 wastewater treatment system project for the reduction of lead in a 30 publicly-owned facility, conformance with requirements established 31 by the Department of Environmental Protection for those projects or, 32 in the case of a wastewater treatment system project financed through 33 another source of funds, conformance with the requirements 34 established by the department and the other source of funds for that 35 project. The clean water project priority list shall include a description 36 of each project and its purpose, impact, cost, and construction 37 schedule, and an explanation of the manner in which priorities were 38 established. The department shall, to the extent consistent with federal 39 law, assign additional priority points to project applicants with an 40 established program to employ at the project facility, or at related 41 offices or facilities, persons who reside in the municipality in which 42 the project is located, the service area of the project, or in surrounding 43 municipalities that meet the criteria for State aid pursuant to P.L.1978, 44 c.14 (C.52:27D-178 et seq.). The priority system and clean water 45 project priority list for the ensuing fiscal year shall be submitted to the

Matter underlined <u>thus</u> is new matter.

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Secretary of the Senate and the Clerk of the General Assembly on or before January 15 of each year. The Secretary and the Clerk shall cause the date of submission to be entered upon the Senate Journal and the Minutes of the General Assembly, respectively. Incremental revisions or supplements to the clean water project priority list may be submitted to the Legislature as provided in subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9).

8 (2) The commissioner shall set forth a clean water project 9 eligibility list for long-term funding by the trust and shall include the 10 aggregate amount of funds to be authorized for these purposes. The 11 clean water project eligibility list shall consist of clean water project 12 priority list projects certified by the department that have commenced 13 construction and demonstrated a high likelihood of construction 14 completion on or before the end of the ensuing fiscal year. On or 15 before May 15 of each year, the trust shall submit the clean water 16 project eligibility list for the ensuing fiscal year, including any revision 17 thereof or supplement thereto, to be introduced in each House in the 18 form of legislative appropriations bills, which shall be referred to the 19 Senate Environment and Energy Committee and the Assembly 20 Environment and Solid Waste Committee, or their successors, for their 21 respective consideration. On or before October 15 of each year the 22 trust may submit an additional clean water project eligibility list, to be 23 introduced in each House in the form of legislative appropriations 24 bills, which shall be referred to the Senate Environment and Energy 25 Committee and the Assembly Environment and Solid Waste 26 Committee, or their successors, for their respective consideration.

27 b. The Senate Environment and Energy Committee and the 28 Assembly Environment and Solid Waste Committee shall, either 29 individually or jointly, consider the legislation containing the clean 30 water project eligibility list, and shall report the legislation, together 31 with any modifications, out of committee for consideration by each 32 House of the Legislature. On or before July 1 of each year, the 33 Legislature shall approve an appropriations act containing the clean 34 water project eligibility list, including any amendatory or 35 supplementary provisions thereto, which act shall include the 36 authorization of an aggregate amount of funds of the trust to be 37 expended for long-term loans and guarantees for the specific projects, 38 including the individual amounts therefor, on the list.

c. The trust shall not expend any money for a long-term loan or
guarantee during a fiscal year for any wastewater treatment system
project unless the expenditure is authorized pursuant to an
appropriations act as provided in the provisions of this section, or as
otherwise set forth in an appropriations act.

d. The trust shall submit to the Secretary of the Senate and the
Clerk of the General Assembly on or before January 15 of each year a
report which shall identify the wastewater treatment system projects
financed during the prior fiscal year, including a project description,

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the amount of the loan provided for each project, and the duration ofeach loan.

- 3 (cf: P.L.2021, c.74, s.10)
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2. Section 24 of P.L.1997, c.224 (C.58:11B-20.1) is amended to read as follows:

7 24. a. (1) The Commissioner of Environmental Protection shall 8 for each fiscal year develop a priority system for water supply projects 9 and shall establish the ranking criteria and funding policies for the 10 water supply projects to be financed by the New Jersey Environmental 11 Infrastructure Financing Program. The commissioner shall set forth an 12 Interim Drinking Water Financing Program Project Priority List, 13 hereinafter referred to as the "drinking water project priority list," for 14 funding by the trust for each fiscal year and shall include the aggregate 15 amount of funds of the trust to be authorized for these purposes. The 16 commissioner may include a water supply project on the drinking 17 water project priority list if it is eligible for funding under the "Water 18 Supply Bond Act of 1981," P.L.1981, c.261, as amended, meets the 19 eligibility requirements for funding pursuant to the federal "Safe 20 Drinking Water Act Amendments of 1996," Pub.L.104-182, or, in the case of a water supply project for the reduction of lead in a publicly-21 22 owned facility, the project meets the eligibility requirements 23 established by the Department of Environmental Protection for those 24 projects or, in the case of a water supply project financed through 25 another source of funds, conformance with the requirements 26 established by the department and the other source of funds for that 27 project. The drinking water project priority list shall include a 28 description of each project and an explanation of the manner in which 29 priorities were established. The department shall, to the extent 30 consistent with federal law, assign additional priority points to project 31 applicants with an established program to employ at the project 32 facility, or at related offices or facilities, persons who reside in the 33 municipality in which the project is located, the service area of the 34 project, or in surrounding municipalities that meet the criteria for State 35 aid pursuant to P.L.1978, c.14 (C.52:27D-178 et seq.). The priority 36 system and drinking water project priority list for the ensuing fiscal 37 year shall be submitted to the Secretary of the Senate and the Clerk of 38 the General Assembly on or before January 15 of each year. The 39 Secretary and the Clerk shall cause the date of submission to be 40 entered upon the Senate Journal and the Minutes of the General 41 Assembly, respectively. Incremental revisions or supplements to the 42 drinking water project priority list may be submitted to the Legislature 43 as provided in subsection d. of section 9 of P.L.1985, c.334 44 (C.58:11B-9).

(2) The commissioner shall set forth a drinking water project
eligibility list for long-term funding by the trust and shall include the
aggregate amount of funds to be authorized for these purposes. The
drinking water project eligibility list shall consist of drinking water

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project priority list projects certified by the department that have 1 2 commenced construction and demonstrated a high likelihood of 3 construction completion on or before the end of the ensuing fiscal 4 year. On or before May 15 of each year, the trust shall submit the 5 drinking water project eligibility list for the ensuing fiscal year, 6 including any revision thereof or supplement thereto, to be introduced in each House in the form of legislative appropriations bills, which 7 8 shall be referred to the Senate Environment and Energy Committee 9 and the Assembly Environment and Solid Waste Committee, or their 10 successors, for their respective consideration. On or before October 15 11 of each year the trust may submit an additional drinking water project 12 eligibility list, to be introduced in each House in the form of legislative 13 appropriations bills, which shall be referred to the Senate Environment 14 and Energy Committee and the Assembly Environment and Solid 15 Waste Committee, or their successors, for their respective 16 consideration.

17 b. The Senate Environment and Energy Committee and the 18 Assembly Environment and Solid Waste Committee shall, either 19 individually or jointly, consider the legislation containing the drinking 20 water project eligibility list, and shall report the legislation, together with any modifications, out of committee for consideration by each 21 22 House of the Legislature. On or before July 1 of each year, the 23 Legislature shall approve an appropriations act containing the drinking 24 project eligibility list, including any amendatory or water 25 supplementary provisions thereto, which act shall include the 26 authorization of an aggregate amount of funds of the trust to be 27 expended for long-term loans and guarantees for the specific water 28 supply projects, including the individual amounts therefor, on the list.

c. The trust shall not expend any money for a long-term loan or
guarantee during a fiscal year for any water supply project unless the
expenditure is authorized pursuant to an appropriations act as provided
in the provisions of this section, or as otherwise set forth in an
appropriations act.

d. The trust shall submit to the Secretary of the Senate and the
Clerk of the General Assembly on or before January 15 of each year a
report which shall identify the water supply projects financed during
the prior fiscal year, including a project description, the amount of the
loan provided for each project, and the duration of each loan.

39 (cf: P.L.2021, c.74, s.11)

3. This act shall take effect immediately.

#### **STATEMENT**

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47 This bill, would direct the Department of Environmental48 Protection (DEP) to provide additional priority points to certain

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applicants that seek funding for sewerage and drinking water
 infrastructure projects from the New Jersey Infrastructure Bank (I Bank).

4 Specifically, under the bill, project applicants with an established 5 program to employ at the project facility, or at related offices or 6 facilities, persons who reside in the municipality in which the 7 project is located, the service area of the project, or in surrounding 8 municipalities that meet the criteria for State aid pursuant to 9 P.L.1978, c.14 (C.52:27D-178 et seq.) would receive additional 10 priority points. The DEP would factor these additional points into its calculations when establishing the "clean water project priority 11 12 list" pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20) and 13 the "drinking water project priority list," pursuant to section 24 of 14 P.L.1997, c.224 (C.58:11B-20.1).