

ASSEMBLY, No. 4866

STATE OF NEW JERSEY

220th LEGISLATURE

INTRODUCED NOVEMBER 14, 2022

Sponsored by:

Assemblyman ROY FREIMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Assemblywoman SADAF F. JAFFER

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Co-Sponsored by:

Assemblymen Verrelli, Karabinchak and Guardian

SYNOPSIS

Establishes Resilient NJ Revolving Loan Fund in, and authorizes issuance of bonds by, NJ Infrastructure Bank to fund certain hazard mitigation and resiliency projects; makes various changes to NJ Infrastructure Bank's enabling act.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/8/2022)

1 AN ACT concerning the financing of certain resilience and hazard
2 mitigation projects, the establishment of a “Resilient New Jersey
3 Revolving Loan Fund,” and the authority of the New Jersey
4 Infrastructure Bank, supplementing Title 58 of the Revised
5 Statutes, and amending P.L.1985, c.334 and P.L.2009, c.59.

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

9
10 1. (New section) Sections 1 through 9 of P.L. , c. (C.)
11 (pending before the Legislature as this bill) shall be known and may
12 be cited as the “Resilient NJ Revolving Loan Fund Act.”

13
14 2. (New section) As used in sections 1 through 9 of P.L. , c.
15 (C.) (pending before the Legislature as this bill):

16 “Bank” means the New Jersey Infrastructure Bank, created
17 pursuant to section 4 of P.L.1985, c.334 (C.58:11B-4).

18 “Bonds” mean the bonds issued, or authorized to be issued, by
19 the bank pursuant to sections 1 through 9 of P.L. , c. (C.)
20 (pending before the Legislature as this bill) and in compliance with
21 the bank’s authority pursuant to, and subject to the same conditions
22 as provided in, P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,
23 c.224 (C.58:11B-10.1 et al.), as applicable.

24 “Commissioner” means the Commissioner of Environmental
25 Protection.

26 “Fund” means the Resilient New Jersey Revolving Loan Fund
27 established pursuant to section 3 of P.L. , c. (C.) (pending
28 before the Legislature as this bill).

29 “Hazard mitigation and resiliency project” means a hazard
30 mitigation and resiliency project identified on a State or local
31 hazard mitigation plan, undertaken by the State, a local government
32 unit, or a nonprofit organization in accordance with the provisions
33 of the STORM Act.

34 “Loan origination fee” means the fee charged by the bank in
35 connection with services provided to a sponsor of a hazard
36 mitigation and resilience project pursuant to the sponsor’s
37 participation in the Resilient New Jersey Financing Program. A
38 project sponsor may finance any portion of the loan origination fee
39 through the bank by a hazard mitigation and resilience project
40 assistance loan to pay a portion of the costs incurred by the bank in
41 the implementation of the Resilient New Jersey Financing Program.

42 “Local government unit” means any county or municipality, or
43 any agency, instrumentality, authority, or corporation of any county
44 or municipality.

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 “Nonprofit organization” means a private nonprofit organization
2 that is exempt from federal taxation pursuant to section 501 (c)(3)
3 of the federal Internal Revenue Code, 26 U.S.C. s.501 (c)(3).

4 “Other assistance” means the same as the same as the term is
5 defined in section 3 of P.L.1985, c.334 (C.58:11B-3).

6 “Resilient New Jersey Financing Program” means the program
7 established by the bank pursuant to sections 1 through 9 of P.L. ,
8 c. (C.) (pending before the Legislature as this bill).

9 “State Office of Emergency Management” means the Office of
10 Emergency Management in the Division of State Police in the
11 Department of Law and Public Safety.

12 “STORM Act” means the “Safeguarding Tomorrow through
13 Ongoing Risk Management Act,” Pub. L. 116-284, or any
14 amendatory or supplementary acts thereto, and any rules,
15 regulations, or guidance adopted pursuant thereto by the Federal
16 Emergency Management Agency.

17
18 3. (New section) a. (1) There is established in the New Jersey
19 Infrastructure Bank a special, nonlapsing fund to be known as the
20 “Resilient New Jersey Revolving Loan Fund.” Monies in the fund
21 shall be held separately and be available in perpetuity solely for the
22 purpose of funding hazard mitigation and resilience projects
23 undertaken by the State, local government units, and nonprofit
24 organizations in accordance with the provisions of the STORM Act
25 and sections 1 through 9 of P.L. , c. (C.) (pending before
26 the Legislature as this bill).

27 (2) There shall be established within the fund three subaccounts:

28 (a) a federally-funded hazard mitigation and resilience project
29 subaccount approved to receive federal funds, repayments of loans,
30 and interest earned on amounts in the subaccount;

31 (b) a State-funded hazard mitigation and resilience project
32 subaccount approved to receive State matching funds, and funds in
33 excess of those required to be deposited in the federally-funded
34 hazard mitigation and resilience project subaccount; and

35 (c) a Resilient New Jersey Financing Program Loan Origination
36 Fee subaccount established pursuant to section 4 of P.L. , c.
37 (C.) (pending before the Legislature as this bill).

38 b. The fund shall be credited with:

39 (1) any federal funds apportioned and allocated to the State
40 pursuant to the STORM Act;

41 (2) proceeds from bonds, notes, or any other credit instrument
42 issued by the bank pursuant to sections 1 through 9 of P.L. , c.
43 (C.) (pending before the Legislature as this bill);

44 (3) any other moneys appropriated by the Legislature or
45 otherwise made available to the fund for the purposes of sections 1
46 through 9 of P.L. , c. (C.) (pending before the Legislature
47 as this bill);

1 (4) moneys obtained from the payment of interest assessed on,
2 and the repayment of principal of, any loans made pursuant to
3 sections 1 through 9 of P.L. , c. (C.) (pending before the
4 Legislature as this bill);

5 (5) any interest earnings or other investment income earned or
6 received on the moneys in the fund; and

7 (6) loan origination fees paid and received pursuant to section 4
8 of P.L. , c. (C.) (pending before the Legislature as this bill).

9 c. All money appropriated or otherwise made available to the
10 fund shall be dedicated for the purposes of the fund. Pending use,
11 moneys in the fund may be invested and reinvested in the same
12 manner as other moneys of the bank in the manner provided by law.
13 All earnings received from the investment or deposit of such
14 moneys shall be paid into and become a part of the fund and be
15 available for use pursuant to sections 1 through 9 of P.L. , c.
16 (C.) (pending before the Legislature as this bill).

17 d. Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-
18 1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and
19 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
20 10.5, C.58:11B-20.2, C.58:11B-22.3), to the contrary, all moneys in
21 the fund shall be held separate from other funds of the bank, and
22 shall not be combined or comingled with any funds that finance
23 wastewater treatment system projects, water supply projects, other
24 environmental infrastructure projects, or transportation projects.
25 The amounts of federal capitalization grants appropriated pursuant
26 to the STORM act and associated State matching funds, the
27 repayments of loans, and the interest earned on amounts in the fund
28 shall be accounted for separately from other amounts in the fund.

29 e. The State Office of Emergency Management, in conjunction
30 with the bank, shall apply to the Federal Emergency Management
31 Agency when funding is made available to states under the
32 provisions of the STORM Act and the State Office of Emergency
33 Management and the bank shall have the authority to enter into any
34 agreement necessary to capitalize the fund.

35 f. The bank shall establish terms for providing assistance from
36 the fund, including below market interest rates, deferred payment
37 schedules, and other provisions that will enable these funds to be
38 used effectively and in accordance with the provisions of the
39 STORM Act, any agreement entered into with the Federal
40 Emergency Management Agency, and sections 1 through 9 of
41 P.L. , c. (C.) (pending before the Legislature as this bill).

42 g. The bank shall include an itemized account of expenditures
43 from the fund in the financial plan required pursuant to section 7 of
44 P.L. , c. (C.) (pending before the Legislature as this bill).

45
46 4. (New section) a. There is established in the Resilient New
47 Jersey Revolving Loan Fund a special subaccount to be known as

1 the Resilient New Jersey Financing Program Loan Origination Fee
2 subaccount.

3 The Resilient New Jersey Financing Program Loan Origination
4 Fee subaccount shall be credited with:

5 (1) moneys deposited into the subaccount as loan origination fees
6 received by the bank and paid by loan applicants for hazard
7 mitigation and resiliency projects Resilient New Jersey Financing
8 Program; and

9 (2) any interest paid on the amounts of the loan origination fees.

10 b. Moneys in the Resilient New Jersey Financing Program Loan
11 Origination Fee subaccount shall be drawn and used by the bank to
12 reimburse the bank for administrative and operating expenses
13 incurred in administering the Resilient New Jersey Financing
14 Program. The monies in the Resilient New Jersey Financing
15 Program Loan Origination Fee subaccount shall also be available
16 for application by the bank for loans to local government units and
17 nonprofit organizations for the cost of hazard mitigation and
18 resiliency projects. Amounts in excess of the funds drawn by the
19 bank from the subaccount established pursuant to this section
20 during any given fiscal year shall be carried forward into the
21 following fiscal year and held on deposit in the fund.

22

23 5. (New section) a. In addition to its powers and duties set forth
24 in P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224
25 (C.58:11B-10.1 et al.), and sections 22 and 34 through 38 of
26 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-
27 20.2, C.58:11B-22.3, and C.58:11B-22.4), the New Jersey
28 Infrastructure Bank shall establish a “Resilient New Jersey
29 Financing Program” to fund hazard mitigation and resiliency
30 projects undertaken by the State, local government units, and
31 nonprofit organizations in accordance with the provisions of the
32 STORM Act and sections 1 through 9 of P.L. , c. (C.)
33 (pending before the Legislature as this bill).

34 b. Except as otherwise provided in sections 1 through 9 of
35 P.L. , c. (C.) (pending before the Legislature as this bill),
36 the Resilient New Jersey Financing Program shall comply with all
37 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), unless such
38 provision is specifically related to environmental infrastructure or
39 transportation projects as defined in section 3 of P.L.1985, c.334
40 (C.58:11B-3).

41 In establishing this program and issuing bonds pursuant to
42 sections 1 through 9 of P.L. , c. (C.) (pending before the
43 Legislature as this bill), the bank shall have the same powers and
44 duties set forth in the “New Jersey Infrastructure Trust Act,”
45 P.L.1985, c.334 (C.58:11B-1 et seq.). The bank shall borrow
46 money and issue bonds, notes, and other obligations, and secure the
47 same, and provide for the rights of the holders thereof in the same

1 manner as provided pursuant to P.L.1985, c.334 (C.58:11B-1 et
2 seq.).

3 c. The bank shall make and contract to make loans and provide
4 other assistance to State entities, local government units, and
5 nonprofit organizations to finance the cost of hazard mitigation and
6 resiliency projects in accordance with the provisions of the STORM
7 Act and sections 1 through 9 of P.L. , c. (C.) (pending
8 before the Legislature as this bill) and acquire and contract to
9 acquire notes, bonds or other obligations issued or to be issued by
10 any local government units to evidence the loans, all in accordance
11 with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.). The
12 loans shall be made subject to those terms and conditions as the
13 bank shall determine to be consistent with the purposes of the
14 STORM Act and sections 1 through 9 of P.L. , c. (C.)
15 (pending before the Legislature as this bill). Each loan by the bank
16 and the terms and conditions thereof shall be subject to approval by
17 the State Treasurer, and the bank shall make available to the State
18 Treasurer all information, statistical data, and reports of
19 independent consultants or experts as the State Treasurer shall deem
20 necessary in order to evaluate the loan.

21
22 6. (New section) a. The State Office of Emergency
23 Management, in conjunction with the bank, shall for each fiscal
24 year develop a priority system for the ranking of hazard mitigation
25 and resiliency projects to be financed through the Resilient New
26 Jersey Financing Program and the Resilient New Jersey Revolving
27 Loan Fund.

28 b. (1) The State Office of Emergency Management, in
29 conjunction with the bank, shall set forth a Resilient New Jersey
30 Financing Program Project Priority List, hereinafter referred to as
31 the "hazard mitigation and resiliency project priority list," for
32 funding by the bank for each fiscal year and shall include the
33 aggregate amount of funds of the bank to be authorized for these
34 purposes. The hazard mitigation and resiliency project priority list
35 shall include a description of each project and an explanation of the
36 manner in which projects are ranked.

37 The hazard mitigation and resiliency project priority list for the
38 ensuing fiscal year shall be submitted to the Legislature pursuant to
39 section 2 of P.L.1991, c.164 (C.52:14-19.1) on or before January 15
40 of each year. The Senate Secretary and the Clerk of the General
41 Assembly shall cause the date of submission to be entered upon the
42 Senate Journal and the Minutes of the General Assembly,
43 respectively.

44 (2) Any hazard mitigation and resiliency project, or sponsor
45 thereof, not identified in the hazard mitigation and resiliency
46 project priority list shall not be eligible for a loan from the Resilient
47 New Jersey Revolving Loan Fund. The bank may revise or
48 supplement the hazard mitigation and resiliency project priority list

1 no more than four times during the fiscal year and shall submit the
2 revised list to the Legislature when the revisions are made.

3 No funds may be disbursed pursuant to this subsection for hazard
4 mitigation and resiliency project activities prior to certification in
5 writing, from the bank to the State Treasurer, that the project
6 activities satisfy the provisions of the STORM Act, sections 1
7 through 9 of P.L. , c. (C.) (pending before the Legislature
8 as this bill), and P.L.1985, c.334 (C.58:11B-1 et seq.).

9 Any short-term or temporary loans made by the bank may only
10 be made in advance of an anticipated long-term hazard mitigation
11 and resiliency project loan. Any such short-term or temporary loan
12 made shall mature no later than the last day of the fifth succeeding
13 fiscal year following the closing date on which the short-term or
14 temporary loan was made by the bank. Any short-term or
15 temporary loan made by the bank pursuant to this subsection may
16 mature in a shorter period of time as may be necessary to align with
17 construction completion. With respect to any short-term or
18 temporary loan for planning, design, and construction expenses, the
19 bank may authorize one short-term supplemental loan for residual
20 expenses thereof upon receipt by the bank from the State Office of
21 Emergency Management of a certification that states that the time
22 required to complete construction of the project exceeds the
23 maximum maturity date of the short-term or temporary loan. Any
24 such short-term supplemental loan shall not exceed in duration the
25 last day of the third succeeding fiscal year following the loan
26 closing of the short-term supplemental loan.

27 c. The State Office of Emergency Management, in conjunction
28 with the bank, shall set forth a Resilient New Jersey Financing
29 Program Project Eligibility List for long-term funding by the bank
30 and shall include the aggregate amount of funds to be authorized for
31 these purposes.

32 On or before May 15 of each year, the bank shall submit the
33 Resilient New Jersey Financing Program Project Eligibility List, to
34 the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-
35 19.1) to be introduced in each House in the form of legislative
36 appropriations bills, which shall be referred to the Senate
37 Environment and Energy Committee and the Assembly
38 Environment and Solid Waste Committee, or their successors, for
39 their respective consideration. The Senate Secretary and the Clerk
40 of the General Assembly shall cause the date of submission to be
41 entered upon the Senate Journal and the Minutes of the General
42 Assembly, respectively.

43 The Senate Environment and Energy Committee and the
44 Assembly Environment and Solid Waste Committee shall, either
45 individually or jointly, consider the legislation containing the
46 Resilient New Jersey Program Project Eligibility List, and shall
47 report the legislation, together with any modifications, out of
48 committee for consideration by each House of the Legislature. On

1 or before July 1 of each year, the Legislature shall approve an
2 appropriations act containing the Resilient New Jersey Program
3 Project Eligibility List, which act shall include the authorization of
4 an aggregate amount of funds of the bank to be expended for long-
5 term loans and guarantees for the hazard mitigation and resiliency
6 projects, including the individual amounts therefor, on the list.

7 On or before October 15 of each year the bank may submit an
8 additional Resilient New Jersey Financing Program Project
9 Eligibility List, to be introduced in each House in the form of
10 legislative appropriations bills, which shall be referred to the Senate
11 Environment and Energy Committee and the Assembly
12 Environment and Solid Waste Committee, or their successors, for
13 their respective consideration. The Secretary of the Senate and the
14 Clerk of the General Assembly shall cause the date of submission to
15 be entered upon the Senate Journal and the Minutes of the General
16 Assembly, respectively.

17 d. The bank shall not expend any money for a loan or guarantee
18 during a fiscal year for any hazard mitigation or resiliency project
19 unless the expenditure is authorized pursuant to an appropriations
20 act of the current or three immediate preceding fiscal years as
21 provided in the provisions of this section, or as otherwise set forth
22 in an appropriations act.

23 e. The bank shall submit to the Secretary of the Senate and the
24 Clerk of the General Assembly on or before January 15 of each year
25 a report which shall identify the hazard mitigation resiliency
26 projects financed during the prior fiscal year, including a project
27 description, the amount of the loan provided for each project, and
28 the duration of each loan.

29

30 7. (New section) a. On or before May 15 of each year, the bank
31 shall submit to the Legislature pursuant to section 2 of P.L.1991,
32 c.164 (C.52:14-19.1), a financial plan designed to implement the
33 financing of hazard mitigation and resiliency projects on the
34 Resilient New Jersey Financing Program Project Eligibility List
35 approved pursuant to section 6 of P.L. , c. (C.) (pending
36 before the Legislature as this bill) or as otherwise approved by the
37 Legislature. The financial plan shall list the bonds, notes, or other
38 obligations of the bank which the bank intends to issue, including
39 the amounts thereof and the terms and conditions thereof, a list of
40 loans to be made, including the terms and conditions thereof and the
41 anticipated rate of interest per annum and repayment schedule
42 therefor, and a list of loan guarantees or contracts to guarantee the
43 payment of all or a portion of the principal and interest on the
44 bonds, notes, or other obligations.

45 The financial plan shall also set forth a complete operating and
46 financial statement covering the proposed operations of the
47 Resilient New Jersey Financing Program during the forthcoming
48 fiscal year, including amounts of income from all sources, and the

1 uniform schedule of fees and charges established by the bank, and
2 the amounts to be derived therefrom. The financial plan shall also
3 summarize the status of each hazard mitigation and resiliency
4 project for which loans or guarantees have been made by the bank,
5 and shall describe major impediments to the accomplishment of the
6 planned hazard mitigation and resiliency projects.

7 b. On or before June 30 of each year, the Legislature may
8 reject the financial plan through the adoption by both houses of a
9 concurrent resolution. If the Legislature takes no action on or
10 before June 30, the financial plan shall be deemed approved.

11 c. The financial plan required by this section shall not be
12 eligible for inclusion in a consolidated financial plan as established
13 in section 27 of P.L.1997, c.224 (C.58:11B-22.2).
14

15 8. (New section) a. Monies in the Resilient New Jersey
16 Revolving Loan Fund (1) shall be used in accordance with the
17 provisions of the STORM Act and sections 1 through 9 of P.L. , c.
18 (C.) (pending before the Legislature as this bill) for the
19 purpose of providing loans or other financial assistance for hazard
20 mitigation and resiliency projects undertaken by State entities, local
21 government units, and nonprofit organizations, and (2) shall be
22 supplemental to, and not intended to take the place of, funding that
23 otherwise would be appropriated to State agencies, local
24 government units, or nonprofit organizations for hazard mitigation
25 or resiliency projects.

26 b. The bank may provide loans or other financial assistance from
27 the fund to local government units and nonprofit organizations to
28 (1) supplement, as allowable under federal law, rule, or regulation,
29 funding received from other federal resilience grant programs,
30 including the Building Resilient Infrastructures and Communities
31 (BRIC) program, the Flood Mitigation Assistance (FMA) program,
32 the Hazard Mitigation Grant Program (HMGP), and the United
33 States Department of Housing and Urban Development's
34 Community Development Block Grant Mitigation program, and (2)
35 participate in the United States Army Corps of Engineers' Flood
36 Risk Management Program.

37 c. (1) The bank may provide loans or other financial assistance
38 from the fund to local government units for the purpose of
39 establishing a program to provide loan funds to private property
40 owners to use for hazard mitigation and resilience projects for a
41 building. Hazard mitigation projects for private property owners
42 shall include, but not be limited to, wind retrofit, flood mitigation
43 elevation, floodproofing, fire retrofit mitigation, hurricane retrofit
44 mitigation projects, and any other eligible projects pursuant to the
45 STORM act.

46 (2) Repayment of a loan provided by a local government unit to a
47 private property owner may be collected in the same manner as
48 property taxes and shall be collateralized by a lien on the real

1 property that is the site of the hazard mitigation and resilience
2 project. A property owner may sell property after receiving a loan
3 pursuant to this subsection, provided that the property owner repays
4 the loan.

5 (3) To the extent permitted by federal law, a local government
6 unit that provides loans to private property owners pursuant to
7 paragraph (1) of this subsection shall establish a graduated loan
8 forgiveness program that shall, at minimum:

9 (a) provide full loan forgiveness for eligible households with
10 income between 80 percent and 50 percent of the median income
11 for the municipality in which the property to which the loan applies
12 is located;

13 (b) provide 50 percent loan forgiveness for eligible households
14 with income between 80 percent to 100 percent of the median
15 income for the municipality in which the property to which the loan
16 applies is located; and

17 (c) provide additional loan forgiveness percentages for
18 households not covered by subparagraph (a) or (b) of this
19 paragraph, based on:

20 (i) the number of private property owners with loans issued
21 pursuant to this subsection that are outstanding;

22 (ii) the availability of funding; and

23 (iii) any other factor that the local government unit, in
24 consultation with the State Office of Emergency Management, finds
25 reasonable and necessary.

26 d. The bank may provide grants or other financial assistance to
27 nonprofit organizations for natural hazard or resiliency projects.

28 e. The bank shall, taking into consideration and in accordance
29 with the requirements of the STORM Act, establish, in consultation
30 with the State Office of Emergency Management, application
31 procedures and eligibility criteria for State entities, local
32 government units, and nonprofit organizations to receive loans or
33 other financial assistance from the fund. The eligibility criteria
34 shall require that an applicant demonstrate:

35 (1) the need for the loan or other financial assistance to address
36 hazard mitigation; and

37 (2) the ability to repay the loan or other financial assistance, if
38 required, at a later date.

39 f. Long-term loans provided from the fund shall be for a fixed
40 loan period, and shall comply with all applicable requirements of
41 the STORM Act and any rules, regulations, or guidelines adopted
42 by the Federal Emergency Management Agency governing funding
43 provided pursuant to the STORM Act. The bank shall establish
44 terms for providing assistance from the fund, including short-term
45 loans for planning, design, and construction, below market interest
46 rates, deferred payment schedules, and other provisions that will
47 enable these funds to be used effectively.

1 9. (New section) The bank and the Department of Law and
2 Public Safety shall adopt, pursuant to the “Administrative
3 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.), any rules and
4 regulations deemed appropriate and necessary for the
5 implementation of sections 1 through 9 of P.L. , c. (C.)
6 (pending before the Legislature as this bill). These rules and
7 regulations shall include, but not be limited to: procedures for the
8 submission of applications; standards for the evaluation of
9 applications; provisions implementing priority systems for projects;
10 reporting requirements of the recipient of any loan concerning the
11 progress and the expenditure of funds; and limitations, restrictions,
12 or requirements concerning the use of monies in the fund as may be
13 necessary pursuant to the provisions of the STORM Act and any
14 rules or regulations adopted pursuant thereto.

15
16 10. Section 3 of P.L.1985, c.334 (C.58:11B-3) is amended to
17 read as follows:

18 3. As used in sections 1 through 27 of P.L.1985, c.334
19 (C.58:11B-1 through C.58:11B-27), sections 23 through 27 of
20 P.L.1997, c.224 (C.58:11B-10.1, C.58:11B-20.1, C.58:11B-21.1,
21 C.58:11B-22.1, and C.58:11B-22.2), and sections 22 and 34 through
22 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5,
23 C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4):

24 “Aviation project” means a project to develop or improve county
25 or municipal airport facilities, or airport facilities owned or
26 operated by a regional transportation authority that is not a bi-state
27 authority, and related infrastructure or capital equipment, including,
28 but not limited to, any design, planning, acquisition, construction,
29 reconstruction, relocation, installation, removal, repair, or
30 rehabilitation project that facilitates, increases the efficiency of, or
31 improves the capacity for inter-modal trade for commercial and
32 industrial facilities that are part of airport facilities. “Aviation
33 project” includes, but is not limited to, any project to develop or
34 improve terminal facilities designed for public use and for the
35 transportation of persons or property, such as airports, runways,
36 berms, basins, storage places, sheds, warehouses, and related
37 infrastructure;

38 “Bonds” means bonds issued by the trust pursuant to P.L.1985,
39 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et
40 al.);

41 “Combined sewer overflow” means the discharge of untreated or
42 partially treated stormwater runoff and wastewater from a combined
43 sewer system into a body of water;

44 “Combined sewer system” means a sewer system designed to
45 carry sanitary wastewater at all times, which is also designed to
46 collect and transport stormwater runoff from streets and other
47 sources, thereby serving a combined purpose;

1 “Commissioner” means the Commissioner of the Department of
2 Environmental Protection;

3 “Cost” means the cost of all labor, materials, machinery and
4 equipment, lands, property, rights and easements, financing
5 charges, interest on bonds, notes or other obligations, plans and
6 specifications, surveys or estimates of costs and revenues,
7 engineering and legal services, and all other expenses necessary or
8 incident to all or part of an environmental infrastructure project;

9 “Department” means the Department of Environmental
10 Protection;

11 “Environmental infrastructure project” means the acquisition,
12 construction, improvement, repair or reconstruction of all or part of
13 any structure, facility or equipment, or real or personal property
14 necessary for or ancillary to any: (1) wastewater treatment system
15 project, including any stormwater management or combined sewer
16 overflow abatement projects; or (2) water supply project, as
17 authorized pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.) or
18 P.L.1997, c.224 (C.58:11B-10.1 et al.), including any water
19 resources project, as authorized pursuant to P.L.2003, c.162;

20 “Federal infrastructure bank program” means the United States
21 Department of Transportation State Infrastructure Bank Program
22 provided for in section 350 of Pub.L.104-59 and Pub.L.102-240 as
23 amended or superseded;

24 “Local government unit” means (1) a State authority, county,
25 municipality, municipal, county or regional sewerage or utility
26 authority, municipal sewerage district, joint meeting, improvement
27 authority, or any other political subdivision of the State authorized
28 to construct, operate, and maintain wastewater treatment systems;
29 (2) a State authority, district water supply commission, county,
30 municipality, municipal, county or regional utilities authority,
31 municipal water district, joint meeting, or any other political
32 subdivision of the State authorized pursuant to law to operate or
33 maintain a public water supply system or to construct, rehabilitate,
34 operate, or maintain water supply facilities or otherwise provide
35 water for human consumption; (3) a county, municipality,
36 municipal, county or regional transportation authority, or any other
37 political subdivision of the State authorized to construct, operate, or
38 maintain public highways or transportation projects; (4) a county,
39 municipality, or other political subdivision or instrumentality of the
40 State, or a municipal, county, or State authority that is not a bi-state
41 authority, authorized to construct, operate, or maintain ports or
42 marine projects; **【or】** (5) a county, municipality, municipal or
43 regional transportation authority, or other political subdivision or
44 instrumentality of the State authorized to construct, operate, or
45 maintain airports or aviation projects; or (6) a local government unit
46 as defined in section 2 of P.L. , c. (C.) (pending before the
47 Legislature as this bill) authorized to receive funds pursuant to the
48 “Safeguarding Tomorrow Through Ongoing Risk Mitigation

1 (STORM) Act,” Pub.L. 116-284 (42 U.S.C. s. 5135), as amended or
2 supplemented, and P.L. , c. (C.) (pending before the
3 Legislature as this bill);

4 “Marine project” means a project to develop or improve public
5 port or terminal facilities, and related infrastructure or capital
6 equipment, including, but not limited to, any design, planning,
7 acquisition, construction, reconstruction, relocation, installation,
8 removal, repair, or rehabilitation project that facilitates, increases
9 the efficiency of, or improves the capacity for inter-modal trade and
10 cargo movement for commercial or industrial facilities that are part
11 of port or terminal facilities. “Marine project” includes, but is not
12 limited to, dredging, soil hardening, and paving of the port
13 facilities, and ferry terminal facilities designed for public use and
14 the transportation of persons or property such as water craft, docks,
15 wharves, piers, slips, storage places, sheds, warehouses, and related
16 infrastructure. “Marine project” shall not include any project that
17 relates to or supports recreational or commercial boating activities;

18 “New Jersey Environmental Infrastructure Financing Program”
19 means the financing program to fund environmental infrastructure
20 projects;

21 “New Jersey Transportation Infrastructure Financing Program”
22 means the financing program to fund transportation projects,
23 aviation projects, and marine projects;

24 “Notes” means notes issued by the trust pursuant to P.L.1985,
25 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),
26 or sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
27 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
28 C.58:11B-22.4);

29 “Onsite wastewater treatment and disposal system” means an on-
30 site system designed to treat and dispose of domestic sewage;

31 “Other assistance” means forms of financial assistance, in
32 addition to loans, authorized by the New Jersey Infrastructure Bank
33 from the State Transportation Infrastructure Bank Fund, the
34 wastewater treatment system general loan fund, **【or】** the water
35 supply facilities general loan fund, or the Resilient New Jersey
36 Revolving Loan Fund established pursuant to section 3 of P.L. , c.
37 (C.) (pending before the Legislature as this bill), including, but
38 not limited to, use of funds to: provide credit enhancements; serve
39 as a capital reserve for bond or other debt instrument financing;
40 subsidize interest rates; ensure the issuance of letters of credit and
41 credit instruments; finance purchase and lease agreements with
42 respect to transit projects; and provide bond or other debt financing
43 instrument security;

44 “Planning, design, and construction loan” means a short-term or
45 temporary loan for eligible costs incurred in project planning,
46 engineering design, or construction issued before or during the
47 planning stage of a project;

1 “Project” means the acquisition, construction, improvement,
2 repair or reconstruction of all or part of any structure, facility, or
3 equipment, or real or personal property necessary for or ancillary to
4 any: (1) wastewater treatment system project, including any
5 stormwater management or combined sewer overflow abatement
6 projects; (2) water supply project, as authorized pursuant to
7 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-
8 10.1 et al.), including any water resources project, as authorized
9 pursuant to P.L.2003, c.162; or (3) transportation project, aviation
10 project, or marine project authorized pursuant to sections 22 and 34
11 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
12 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4);

13 “Public highway” means public roads, streets, expressways,
14 freeways, parkways, motorways and boulevards, including bridges,
15 tunnels, overpasses, underpasses, interchanges, express bus
16 roadways, bus pullouts and turnarounds, park-ride facilities, traffic
17 circles, grade separations, traffic control devices, the elimination or
18 improvement of crossings of railroads and highways, whether at-
19 grade or not at-grade, bicycle and pedestrian pathways and
20 pedestrian and bicycle bridges, and any property, rights of way,
21 easements and interests therein needed for the construction,
22 improvement, and maintenance of highways;

23 “Public water utility” means any investor-owned water company
24 or small water company;

25 “Small water company” means any company, purveyor or entity,
26 other than a governmental agency, that provides water for human
27 consumption and which regularly serves less than 1,000 customer
28 connections, including nonprofit, noncommunity water systems
29 owned or operated by a nonprofit group or organization;

30 “Stormwater management system” means any equipment, plants,
31 structures, machinery, apparatus, management practices, or land, or
32 any combination thereof, acquired, used, constructed, implemented
33 or operated to prevent nonpoint source pollution, abate improper
34 cross-connections and interconnections between stormwater and
35 sewer systems, minimize stormwater runoff, reduce soil erosion, or
36 induce groundwater recharge, or any combination thereof;

37 “Transportation project” means a capital project for public
38 highways, approach roadways and other necessary land-side
39 improvements, ramps, signal systems, roadbeds, transit lanes or
40 rights of way, pedestrian walkways and bridges connecting to
41 passenger stations and servicing facilities, bridges, and grade
42 crossings;

43 “Trust” means the New Jersey Infrastructure Bank created
44 pursuant to section 4 of P.L.1985, c.334 (C.58:11B-4);

45 “Wastewater” means residential, commercial, industrial, or
46 agricultural liquid waste, sewage, septage, stormwater runoff, or
47 any combination thereof, or other liquid residue discharged or

1 collected into a sewer system or stormwater management system, or
2 any combination thereof;

3 “Wastewater treatment system” means any equipment, plants,
4 structures, machinery, apparatus, or land, or any combination
5 thereof, acquired, used, constructed or operated by, or on behalf of,
6 a local government unit for the storage, collection, reduction,
7 recycling, reclamation, disposal, separation, or other treatment of
8 wastewater or sewage sludge, or for the collection or treatment, or
9 both, of stormwater runoff and wastewater, or for the final disposal
10 of residues resulting from the treatment of wastewater, including,
11 but not limited to, pumping and ventilating stations, treatment
12 plants and works, connections, outfall sewers, interceptors, trunk
13 lines, stormwater management systems, and other personal property
14 and appurtenances necessary for their use or operation; “wastewater
15 treatment system” shall include a stormwater management system
16 or a combined sewer system;

17 “Wastewater treatment system project” means any work relating
18 to the acquisition, construction, improvement, repair or
19 reconstruction of all or part of any structure, facility or equipment,
20 or real or personal property necessary for or ancillary to any
21 wastewater treatment system that meets the requirements set forth
22 in sections 20, 21, and 22 of P.L.1985, c.334 (C.58:11B-20,
23 C.58:11B-21, and C.58:11B-22); or any work relating to any of the
24 stormwater management or combined sewer overflow abatement
25 projects identified in the stormwater management and combined
26 sewer overflow abatement project priority list adopted by the
27 commissioner pursuant to section 28 of P.L.1989, c.181; or any
28 work relating to the purposes set forth in section 6 of P.L.2003,
29 c.162; or any work relating to any other project eligible for
30 financing under the “Federal Water Pollution Control Act
31 Amendments of 1972” (33 U.S.C. s.1251 et seq.), or any
32 amendatory or supplementary acts thereto;

33 “Water resources project” means any work related to transferring
34 water between public water systems during a state of water
35 emergency, to avert a drought emergency in all or any part of the
36 State, to plan, design or construct interconnections of existing water
37 supplies, or to extend water supplies to areas with contaminated
38 ground water supplies;

39 “Water supply facilities” means and refers to the real property
40 and the plants, structures, interconnections between existing water
41 supply facilities, machinery and equipment and other property, real,
42 personal and mixed, acquired, constructed or operated, or to be
43 acquired, constructed or operated, in whole or in part, by or on
44 behalf of a public water utility, or by or on behalf of the State or a
45 local government unit, for the purpose of augmenting the natural
46 water resources of the State and making available an increased
47 supply of water for all uses, or of conserving existing water
48 resources, and any and all appurtenances necessary, useful or

1 convenient for the collecting, impounding, storing, improving,
2 treating, filtering, conserving or transmitting of water, and for the
3 preservation and protection of these resources and facilities,
4 whether in public or private ownership, and providing for the
5 conservation and development of future water supply resources, and
6 facilitating incidental recreational uses thereof;

7 “Water supply project” means any work relating to the
8 acquisition, construction, improvement, repair or reconstruction of
9 all or part of any structure, facility or equipment, or real or personal
10 property necessary for or ancillary to water supply facilities that
11 meets the requirements set forth in sections 24, 25, and 26 of
12 P.L.1997, c.224 (C.58:11B-20.1, C.58:11B-21.1, and C.58:11B-
13 22.1); or any work relating to the purposes set forth in section 4 of
14 P.L.1981, c.261; or any work relating to the purposes set forth in
15 section 6 of P.L.2003, c.162; or any work relating to any other
16 project eligible for funding pursuant to the federal “Safe Drinking
17 Water Act Amendments of 1996,” Pub.L.104-182, and any
18 amendatory and supplementary acts thereto.

19 (cf: P.L.2021, c.74, s.1)

20
21 11. Section 5 of P.L.1985, c.334 (C.58:11B-5) is amended to
22 read as follows:

23 5. Except as otherwise limited by the provisions of P.L.1985,
24 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),
25 or sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
26 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
27 C.58:11B-22.4), the trust may:

28 a. Make and alter bylaws for its organization and internal
29 management and, subject to agreements with holders of its bonds,
30 notes or other obligations, make rules and regulations with respect
31 to its operations, properties and facilities;

32 b. Adopt an official seal and alter it;

33 c. Sue and be sued;

34 d. Make and enter into all contracts, leases and agreements
35 necessary or incidental to the performance of its duties and the
36 exercise of its powers under the provisions of P.L.1985, c.334
37 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or
38 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
39 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
40 C.58:11B-22.4), and subject to any agreement with the holders of
41 the trust's bonds, notes or other obligations, consent to any
42 modification, amendment or revision of any contract, lease or
43 agreement to which the trust is a party;

44 e. Enter into agreements or other transactions with and accept,
45 subject to the provisions of section 23 of P.L.1985, c.334
46 (C.58:11B-23), grants, appropriations and the cooperation of the
47 State, or any State agency, in furtherance of the purposes of
48 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-

1 10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56
2 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-
3 22.3, and C.58:11B-22.4), and do anything necessary in order to
4 avail itself of that aid and cooperation;

5 f. Receive and accept aid or contributions from any source of
6 money, property, labor or other things of value, to be held, used and
7 applied to carry out the purposes of P.L.1985, c.334 (C.58:11B-1 et
8 seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34
9 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
10 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4), subject
11 to the conditions upon which that aid and those contributions may
12 be made, including, but not limited to, gifts or grants from any
13 department or agency of the State, or any State agency, for any
14 purpose consistent with the provisions of P.L.1985, c.334
15 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or
16 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
17 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
18 C.58:11B-22.4), subject to the provisions of section 23 of P.L.1985,
19 c.334 (C.58:11B-23);

20 g. Acquire, own, hold, construct, improve, rehabilitate,
21 renovate, operate, maintain, sell, assign, exchange, lease, mortgage
22 or otherwise dispose of real and personal property, or any interest
23 therein, in the exercise of its powers and the performance of its
24 duties under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.),
25 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34
26 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
27 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4);

28 h. Appoint and employ an executive director and any other
29 officers or employees as it may require for the performance of its
30 duties, without regard to the provisions of Title 11A of the New
31 Jersey Statutes;

32 i. Borrow money and issue bonds, notes and other obligations,
33 and secure the same, and provide for the rights of the holders
34 thereof as provided in the provisions of P.L.1985, c.334 (C.58:11B-
35 1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and
36 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
37 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4);

38 j. Subject to any agreement with holders of its bonds, notes or
39 other obligations, invest moneys of the trust not required for
40 immediate use, including proceeds from the sale of any bonds, notes
41 or other obligations, in any obligations, securities and other
42 investments in accordance with the rules and regulations of the
43 State Investment Council or as may otherwise be approved by the
44 Director of the Division of Investment in the Department of the
45 Treasury upon a finding that such investments are consistent with
46 the corporate purposes of the trust;

47 k. Procure insurance to secure the payment of its bonds, notes
48 or other obligations or the payment of any guarantees or loans made

1 by it in accordance with the provisions of P.L.1985, c.334
2 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or
3 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
4 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
5 C.58:11B-22.4), or against any loss in connection with its property
6 and other assets and operations, in any amounts and from any
7 insurers as it deems desirable;

8 l. Engage the services of attorneys, accountants, engineers, and
9 financial experts and any other advisors, consultants, experts and
10 agents as may be necessary in its judgment and fix their
11 compensation;

12 m. (1) Make and contract to make loans and provide other
13 assistance to local government units, or to a local government unit
14 on behalf of another local government unit, to finance the cost of
15 wastewater treatment system projects or water supply projects and
16 acquire and contract to acquire notes, bonds or other obligations
17 issued or to be issued by any local government units to evidence the
18 loans, all in accordance with the provisions of P.L.1985, c.334
19 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.);

20 (2) Make and contract to make loans and provide other
21 assistance to public water utilities, or to any other person or local
22 government unit on behalf of a public water utility, to finance the
23 cost of water supply projects in accordance with the provisions of
24 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-
25 10.1 et al.);

26 (3) Make and contract to make loans and provide other
27 assistance to private persons other than local government units, or
28 to any other person or local government unit on behalf of a private
29 person, to finance the cost of onsite wastewater treatment and
30 disposal systems or stormwater management systems in accordance
31 with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or
32 P.L.1997, c.224 (C.58:11B-10.1 et al.);

33 (4) Make and contract to make loans and provide other
34 assistance to one or more local government units or consortia
35 thereof to finance the cost of transportation projects, aviation
36 projects, and marine projects in accordance with applicable
37 provisions of the federal infrastructure bank program and pursuant
38 to sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
39 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
40 C.58:11B-22.4);

41 n. Subject to any agreement with holders of its bonds, notes or
42 other obligations, purchase bonds, notes and other obligations of the
43 trust and (1) hold the same for resale for any duration, including
44 until maturity thereof, including in connection with any cross-
45 investment initiative of the trust, or (2) provide for the cancellation
46 thereof, all in accordance with the provisions of P.L.1985, c.334
47 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or
48 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3

1 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
2 C.58:11B-22.4);

3 o. (1) Charge to and collect from local government units, private
4 persons **【or】**, public water utilities or, nonprofit organizations any
5 fees and charges in connection with the trust's loans, guarantees or
6 other services, including, but not limited to, fees and charges
7 sufficient to reimburse the trust for all reasonable costs necessarily
8 incurred by it in connection with its financings and the
9 establishment and maintenance of reserve or other funds, as the
10 trust may determine to be reasonable. The fees and charges shall be
11 in accordance with a uniform schedule published by the trust for the
12 purpose of providing actual cost reimbursement for the services
13 rendered;

14 (2) Any fees and charges collected by the trust pursuant to this
15 subsection may be deposited and maintained in a special fund
16 separate from any other funds held by the trust pursuant to section
17 10 of P.L.1985, c.334 (C.58:11B-10) or section 23 of P.L.1997,
18 c.224 (C.58:11B-10.1), and shall be available for any corporate
19 purposes of the trust;

20 p. Subject to any agreement with holders of its bonds, notes or
21 other obligations, obtain as security or to provide liquidity for
22 payment of all or any part of the principal of and interest and
23 premium on the bonds, notes and other obligations of the trust or
24 for the purchase upon tender or otherwise of the bonds, notes or
25 other obligations, lines of credit, letters of credit and other security
26 agreements or instruments in any amounts and upon any terms as
27 the trust may determine, and pay any fees and expenses required in
28 connection therewith;

29 q. Provide to local government units any financial and credit
30 advice as these local government units may request;

31 r. Make payments to the State from any moneys of the trust
32 available therefor as may be required pursuant to any agreement
33 with the State or act appropriating moneys to the trust; and

34 s. Take any action necessary or convenient to the exercise of
35 the foregoing powers or reasonably implied therefrom.

36 (cf: P.L.2021, c.74, s.2)

37

38 12. Section 6 of P.L.1985, c.334 (C.58:11B-6) is amended to
39 read as follows:

40 6. a. Except as may be otherwise expressly provided in the
41 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224
42 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of
43 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-
44 20.2, C.58:11B-22.3, and C.58:11B-22.4), the trust may from time
45 to time issue its bonds, notes, or other obligations in any principal
46 amounts as in the judgment of the trust shall be necessary to
47 provide sufficient funds for any of its corporate purposes, including
48 the payment, funding, or refunding of the principal of, or interest or

1 redemption premiums on, any bonds, notes, or other obligations
2 issued by it, whether the bonds, notes, or other obligations or the
3 interest or redemption premiums thereon to be funded or refunded
4 have or have not become due, the establishment or increase of
5 reserves or other funds to secure or to pay the bonds, notes, or other
6 obligations or interest thereon and all other costs or expenses of the
7 trust incident to and necessary to carry out its corporate purposes
8 and powers.

9 b. Whether or not the bonds, notes or other obligations of the
10 trust are of a form and character as to be negotiable instruments
11 under the terms of Title 12A of the New Jersey Statutes, the bonds,
12 notes and other obligations are made negotiable instruments within
13 the meaning of and for the purposes of Title 12A of the New Jersey
14 Statutes, subject only to the provisions of the bonds, notes and other
15 obligations for registration.

16 c. Bonds, notes or other obligations of the trust shall be
17 authorized by a resolution or resolutions of the trust and may be
18 issued in one or more series and shall bear any date or dates, mature
19 at any time or times, bear interest at any rate or rates of interest per
20 annum, be in any denomination or denominations, be in any form,
21 either coupon, registered or book entry, carry any conversion or
22 registration privileges, have any rank or priority, be executed in any
23 manner, be payable in any coin or currency of the United States
24 which at the time of payment is legal tender for the payment of
25 public and private debts, at any place or places within or without
26 the State, and be subject to any terms of redemption by the trust or
27 the holders thereof, with or without premium, as the resolution or
28 resolutions may provide. A resolution of the trust authorizing the
29 issuance of bonds, notes or other obligations may provide that the
30 bonds, notes or other obligations be secured by a trust indenture
31 between the trust and a trustee, vesting in the trustee any property,
32 rights, powers and duties in trust consistent with the provisions of
33 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-
34 10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56
35 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-
36 22.3, and C.58:11B-22.4) as the trust may determine.

37 d. Bonds, notes or other obligations of the trust may be sold at
38 any price or prices and in any manner as the trust may determine.
39 Notwithstanding any provisions of the "Local Bond Law,"
40 N.J.S.40A:2-1 et seq., to the contrary, each bond, note, or other
41 obligation of the trust, and each bond, note, or other obligation of a
42 local government unit, public water utility, or other person, issued
43 to the trust to evidence the loan issued to the trust, or, if applicable,
44 issued to the State, acting by and through the Department of
45 Environmental Protection, to evidence a loan issued thereby,
46 pursuant to subsection a. of section 9 of P.L.1985, c.334 (C.58:11B-
47 9), shall mature and be paid not later than 30 years for
48 environmental infrastructure projects, 45 years for combined sewer

1 overflow projects, **【and】** 31 years for transportation projects,
2 aviation projects, and marine projects, and 30 years for hazard
3 mitigation and assistance projects pursuant to sections 1 through 9
4 of P.L. , c. (C.) (pending before the Legislature as this bill),
5 from the effective date thereof, or the certified useful life of the
6 project or projects to be financed by the bonds, notes, or other
7 obligations, whichever is less, or a shorter period of time as may be
8 applicable to any companion loan made concurrently with the loan
9 made by the trust and issued pursuant to federal law or regulation.

10 Notwithstanding the provisions of the “Local Bond Law,”
11 N.J.S.40A:2-1 et seq., or this subsection, to the contrary, each bond,
12 note, or other obligation **【funded】** of the trust, and each bond, note,
13 or other obligation of a local government unit, public water utility,
14 or other person, issued to the trust to evidence the loan issued to the
15 trust, or, if applicable, issued to the State, acting by and through the
16 Department of Environmental Protection, to evidence a loan issued
17 thereby, pursuant to subsection a. of section 9 of P.L.1985, c.334
18 (C.58:11B-9), and issued in connection with funding provided
19 pursuant to the “Water Infrastructure Finance and Innovation Act of
20 2014” (WIFIA), 33 U.S.C. s.3901 et seq., as amended and
21 supplemented, **【or】** the “Transportation Infrastructure Finance and
22 Innovation Act of 1998” (TIFIA), 23 U.S.C. s.601 et seq., as
23 amended and supplemented, or the “Safeguarding Tomorrow
24 Through Ongoing Risk Mitigation (STORM) Act,” Pub.L. 116-284
25 (42 U.S.C. s. 5135), as amended or supplemented, shall mature and
26 be paid not later than the maximum time period allowed by those
27 federal acts.

28 All bonds of the trust shall be sold at public or private sale at the
29 price or prices and in the manner as the trust shall determine, either
30 on a negotiated or on a competitive basis. If competitively sold,
31 bonds shall be sold after notice of sale, a summary of which shall be
32 **【published at least once in at least three newspapers published in**
33 **the State of New Jersey and at least once in a publication carrying**
34 **municipal bond notices and devoted primarily to financial news**
35 **published in New Jersey or the city of New York,】** made public on
36 three nationally recognized financial websites, accessible from the
37 trust website, and available on the State of New Jersey Internet
38 website, <https://buynjbonds.gov>, or its successor or a similar State
39 of New Jersey Internet website designed to provide information to
40 the State concerning the sale of bonds, with the first summary
41 notice to be at least five days prior to the day of bidding. The notice
42 of sale may contain a provision to the effect that any or all bids
43 made in pursuance thereof may be rejected. In the event of such
44 rejection or of failure to receive any acceptable bid, the trust, at any
45 time within 60 days from the date of such advertised sale, may sell
46 such bonds at private sale upon terms not less favorable to the State
47 than the terms offered by any rejected bid. The trust may sell all or

1 part of the bonds of any series as issued to any State fund or to the
2 federal government or any agency thereof, at private sale, without
3 advertisement.

4 e. Bonds, notes or other obligations of the trust may be issued
5 under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.),
6 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34
7 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
8 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) without
9 obtaining the consent of any department, division, board, bureau or
10 agency of the State, and without any other proceedings or the
11 happening of any other conditions or things, other than those
12 consents, proceedings, conditions or things which are specifically
13 required by P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224
14 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of
15 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-
16 20.2, C.58:11B-22.3, and C.58:11B-22.4).

17 f. Bonds, notes or other obligations of the trust issued under
18 the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997,
19 c.224 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of
20 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-
21 20.2, C.58:11B-22.3, and C.58:11B-22.4) shall not be a debt or
22 liability of the State or of any political subdivision thereof other
23 than the trust and shall not create or constitute any indebtedness,
24 liability or obligation of the State or any political subdivision, but
25 all these bonds, notes and other obligations, unless funded or
26 refunded by bonds, notes or other obligations, shall be payable
27 solely from revenues or funds pledged or available for their
28 payment as authorized in P.L.1985, c.334 (C.58:11B-1 et seq.),
29 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34
30 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
31 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4). Each
32 bond, note and obligation shall contain on its face a statement to the
33 effect that the trust is obligated to pay the principal thereof or the
34 interest thereon only from its revenues, receipts or funds pledged or
35 available for their payment as authorized in P.L.1985, c.334
36 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or
37 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
38 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
39 C.58:11B-22.4), and that neither the State, nor any political
40 subdivision thereof, is obligated to pay the principal or interest and
41 that neither the faith and credit nor the taxing power of the State, or
42 any political subdivision thereof, is pledged to the payment of the
43 principal of or the interest on the bonds, notes or other obligations.

44 g. The aggregate principal amount of bonds, notes or other
45 obligations, including subordinated indebtedness of the trust, shall
46 not exceed (1) \$5,000,000,000 with respect to bonds, notes, or other
47 obligations issued to finance the Disaster Relief Emergency
48 Financing Program established pursuant to section 1 of P.L.2013,

1 c.93 (C.58:11B-9.5), and (2) **【\$3,800,000,000】** \$5,000,000,000
2 with respect to bonds, notes, or other obligations issued for all other
3 purposes of the trust. In computing the foregoing limitations there
4 shall be excluded all the bonds, notes or other obligations, including
5 subordinated indebtedness of the trust, which shall be issued for
6 refunding purposes, whenever the refunding shall be determined to
7 result in a savings.

8 (1) Upon the decision by the trust to issue refunding bonds,
9 except for current refunding, and prior to the sale of those bonds,
10 the trust shall transmit to the Joint Budget Oversight Committee, or
11 its successor, a report that a decision has been made, reciting the
12 basis on which the decision was made, including an estimate of the
13 debt service savings to be achieved and the calculations upon which
14 the trust relied when making the decision to issue refunding bonds.
15 The report shall also disclose the intent of the trust to issue and sell
16 the refunding bonds at public or private sale and the reasons
17 therefor.

18 (2) The Joint Budget Oversight Committee or its successor shall
19 have the authority to approve or disapprove the sales of refunding
20 bonds as included in each report submitted in accordance with
21 paragraph (1) of this subsection. The committee shall notify the
22 trust in writing of the approval or disapproval within 30 days of
23 receipt of the report. Should the committee not act within 30 days
24 of receipt of the report, the trust may proceed with the sale of the
25 refunding bonds, provided that the sale of refunding bonds shall
26 realize not less than three percent net present value debt service
27 savings.

28 (3) No refunding bonds shall be issued unless the report has
29 been submitted to and approved by the Joint Budget Oversight
30 Committee or its successor as set forth in paragraphs (1) and (2) of
31 this subsection.

32 (4) Within 30 days after the sale of the refunding bonds, the
33 trust shall notify the committee of the result of that sale, including
34 the prices and terms, conditions and regulations concerning the
35 refunding bonds, the actual amount of debt service savings to be
36 realized as a result of the sale of refunding bonds, and the intended
37 use of the proceeds from the sale of those bonds.

38 (5) The committee shall review all information and reports
39 submitted in accordance with this subsection and may, on its own
40 initiative, make observations to the trust, or to the Legislature, or
41 both, as it deems appropriate.

42 h. Each issue of bonds, notes, or other obligations of the trust
43 may, if it is determined by the trust, be general obligations thereof
44 payable out of any revenues, receipts or funds of the trust, or
45 special obligations thereof payable out of particular revenues,
46 receipts or funds, subject only to any agreements with the holders of
47 bonds, notes or other obligations, and may be secured by one or
48 more of the following:

(1) Pledge of revenues and other receipts to be derived from the payment of the interest on and principal of notes, bonds or other obligations issued to the trust by one or more local government units, public water utilities, or other persons, and any other payment made to the trust pursuant to agreements with any local government units, public water utilities, or other persons, or a pledge or assignment of any notes, bonds, or other obligations of any local government unit public water utilities, or other persons and the rights and interest of the trust therein;

(2) Pledge of rentals, receipts and other revenues to be derived from leases or other contractual arrangements with any person or entity, public or private, including one or more local government units, public water utilities, or other persons, or a pledge or assignment of those leases or other contractual arrangements and the rights and interest of the trust therein;

(3) Pledge of all moneys, funds, accounts, securities and other funds, including the proceeds of the bonds, notes or other obligations;

(4) Pledge of the receipts to be derived from the payments of State aid, payable to the trust pursuant to section 12 of P.L.1985, c.334 (C.58:11B-12);

(5) A mortgage on all or any part of the property, real or personal, of the trust then owned or thereafter to be acquired, or a pledge or assignment of mortgages made to the trust by any person or entity, public or private, including one or more local government units, public water utilities, or other persons, and the rights and interest of the trust therein.

i. The trust shall not issue any bonds, notes or other obligations, or otherwise incur any additional indebtedness, on or after June 30, 2033.

j. (Deleted by amendment, P.L.1996, c.88).
(cf: P.L.2021, c.74, s.3)

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

7. In any resolution of the trust authorizing or relating to the issuance of any of its bonds, notes or other obligations, the trust, in order to secure the payment of the bonds, notes or other obligations and in addition to its other powers, may by provisions therein which shall constitute covenants by the trust and contracts with the holders of the bonds, notes or other obligations:

a. Secure the bonds, notes or other obligations as provided in section 6 of P.L.1985, c.334 (C.58:11B-6);

b. Covenant against pledging all or part of its revenues or receipts;

c. Covenant with respect to limitations on any right to sell, mortgage, lease or otherwise dispose of any notes, bonds or other

- 1 obligations of local government units or other persons, or any part
2 thereof, or any property of any kind;
- 3 d. Covenant as to any bonds, notes or other obligations to be
4 issued by the trust, and the limitations thereon, and the terms and
5 conditions thereof, and as to the custody, application, investment
6 and disposition of the proceeds thereof;
- 7 e. Covenant as to the issuance of additional bonds, notes or
8 other obligations of the trust or as to limitations on the issuance of
9 additional bonds, notes or other obligations and on the incurring of
10 other debts by it;
- 11 f. Covenant as to the payment of the principal of or interest on
12 bonds, notes or other obligations of the trust, as to the sources and
13 methods of payment, as to the rank or priority of the bonds, notes or
14 other obligations with respect to any lien or security or as to the
15 acceleration of the maturity of the bonds, notes or other obligations;
- 16 g. Provide for the replacement of lost, stolen, destroyed or
17 mutilated bonds, notes or other obligations of the trust;
- 18 h. Covenant against extending the time for the payment of
19 bonds, notes or other obligations of the trust or interest thereon;
- 20 i. Covenant as to the redemption of bonds, notes and other
21 obligations by the trust or the holders thereof and privileges of
22 exchange thereof for other bonds, notes or other obligations of the
23 trust;
- 24 j. Covenant to create or authorize the creation of special funds
25 or accounts to be held in trust or otherwise for the benefit of holders
26 of bonds, notes and other obligations of the trust, or reserves for
27 other purposes and as to the use, investment, and disposition of
28 moneys held in those funds, accounts or reserves;
- 29 k. Provide for the rights and liabilities, powers and duties
30 arising upon the breach of any covenant, condition or obligation and
31 prescribe the events of default and terms and conditions upon which
32 any or all of the bonds, notes or other obligations of the trust shall
33 become or may be declared due and payable before maturity and the
34 terms and conditions upon which the declaration and its
35 consequences may be waived;
- 36 l. Vest in a trustee or trustees within or without the State any
37 property, rights, powers and duties in trust as the trust may
38 determine, which may include any or all of the rights, powers and
39 duties of any trustee appointed by the holders of any bonds, notes or
40 other obligations of the trust pursuant to section 18 of P.L.1985,
41 c.334 (C.58:11B-18), including rights with respect to the sale or
42 other disposition of notes, bonds or other obligations of local
43 government units , public water utilities, or other persons, pledged
44 pursuant to a resolution or trust indenture for the benefit of the
45 holders of bonds, notes or other obligations of the trust and the right
46 by suit or action to foreclose any mortgage pledged pursuant to the
47 resolution or trust indenture for the benefit of the holders of the
48 bonds, notes or other obligations, and to limit or abrogate the right

1 of the holders of any bonds, notes or other obligations of the trust to
2 appoint a trustee under the provisions of P.L.1985, c.334
3 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or
4 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
5 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
6 C.58:11B-22.4), and to limit the rights, duties and powers of the
7 trustee;

8 m. Pay the costs or expenses incident to the enforcement of the
9 bonds, notes or other obligations of the trust or of the provisions of
10 the resolution authorizing the issuance of those bonds, notes or
11 other obligations or of any covenant or agreement of the trust with
12 the holders of the bonds, notes or other obligations;

13 n. Limit the rights of the holders of any bonds, notes or other
14 obligations of the trust to enforce any pledge or covenant securing
15 the bonds, notes or other obligations; and

16 o. Make covenants other than or in addition to the covenants
17 authorized by P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224
18 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of
19 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-
20 20.2, C.58:11B-22.3, and C.58:11B-22.4) of like or different
21 character, and make covenants to do or refrain from doing any acts
22 and things as may be necessary, or convenient and desirable, in
23 order to better secure the bonds, notes or other obligations of the
24 trust, or which, in the absolute discretion of the trust, would make
25 the bonds, notes or other obligations more marketable,
26 notwithstanding that the covenants, acts or things may not be
27 enumerated herein.

28 (cf: P.L.2016, c.56, s.16)

29
30 14. Section 9 of P.L.1985, c.334 (C.58:11B-9) is amended to
31 read as follows:

32 9. a. (1) The trust may make and contract to make loans to
33 local government units, or to a local government unit on behalf of
34 another local government unit, in accordance with and subject to the
35 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,
36 c.224 (C.58:11B-10.1 et al.) to finance the cost of any wastewater
37 treatment system project or water supply project, which the local
38 government unit may lawfully undertake or acquire and for which
39 the local government unit is authorized by law to borrow money.

40 (2) The trust may make and contract to make loans to public
41 water utilities, or to any other person or local government unit on
42 behalf of a public water utility, in accordance with and subject to
43 the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,
44 c.224 (C.58:11B-10.1 et al.) to finance the cost of any water supply
45 project, which the public water utility may lawfully undertake or
46 acquire.

47 (3) The trust may make and contract to make loans to private
48 persons other than local government units, or to any other person or

1 local government unit on behalf of a private person, in accordance
2 with and subject to the provisions of P.L.1985, c.334 (C.58:11B-1
3 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to finance the cost
4 of stormwater management systems.

5 (4) The trust may make and contract to make loans and provide
6 other assistance to a local government unit or consortia thereof to
7 finance the cost of transportation projects, aviation projects, and
8 marine projects pursuant to sections 22 and 34 through 38 of
9 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-
10 20.2, C.58:11B-22.3, and C.58:11B-22.4), and provided that the
11 federally-funded transportation subaccount is operated in
12 accordance with the provisions of the federal infrastructure bank
13 program.

14 The loans may be made subject to those terms and conditions as
15 the trust shall determine to be consistent with the purposes thereof.
16 Each loan by the trust and the terms and conditions thereof shall be
17 subject to approval by the State Treasurer, and the trust shall make
18 available to the State Treasurer all information, statistical data and
19 reports of independent consultants or experts as the State Treasurer
20 shall deem necessary in order to evaluate the loan. Each loan to a
21 local government unit, public water utility or any other person shall
22 be evidenced by notes, bonds or other obligations thereof issued to
23 the trust. In the case of each local government unit, notes and
24 bonds to be issued to the trust and, if applicable, the State, acting by
25 and through the Department of Environmental Protection, by the
26 local government unit (1) shall be authorized and issued as provided
27 by law for the issuance of notes and bonds by the local government
28 unit, (2) notwithstanding any provisions of the "Local Authorities
29 Fiscal Control Law," P.L.1983, c.313 (C.40A:5A-1 et seq.) to the
30 contrary, shall be approved by the Director of the Division of Local
31 Government Services in the Department of Community Affairs, and
32 (3) notwithstanding the provisions of N.J.S.40A:2-27, N.J.S.40A:2-
33 28 and N.J.S.40A:2-29 or any other provisions of law to the
34 contrary, may be sold at private sale to the trust or the State, as the
35 case may be, at any price, whether or not less than par value, and
36 shall be subject to redemption prior to maturity at any times and at
37 any prices as the trust or the State, as the case may be, and local
38 government units may agree. Each loan to a local government unit,
39 public water utility or any other person and the notes, bonds or
40 other obligations thereby issued shall bear interest at a rate or rates
41 per annum as the trust or the State, as the case may be, and the local
42 government unit, public water utility or any other person, as the
43 case may be, may agree.

44 b. The trust is authorized to guarantee or contract to guarantee
45 the payment of all or any portion of the principal and interest on
46 bonds, notes or other obligations issued by a local government unit,
47 public water utility, or other person, to finance , as applicable, the
48 cost of any wastewater treatment system project, water supply

1 project, transportation project, aviation project, or marine project,
2 or redevelopment project that includes, as a portion thereof, any
3 wastewater treatment system project, water supply project, **[or]**
4 transportation project, aviation project, marine project, or hazard
5 mitigation and resiliency project as defined in section 2 of P.L. ,
6 c. (C.) (pending before the Legislature as this bill) , which
7 the local government unit, public water utility, or other person may
8 lawfully undertake or acquire and for which the local government
9 unit is authorized by law to borrow money, and the guarantee shall
10 constitute an obligation of the trust, and shall be in furtherance of
11 the corporate purposes of the trust, for the purposes of P.L.1985,
12 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),
13 or sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
14 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
15 C.58:11B-22.4). Each guarantee by the trust and the terms and
16 conditions thereof shall be subject to approval by the State
17 Treasurer, and the trust shall make available to the State Treasurer
18 all information, statistical data and reports of independent
19 consultants or experts as the State Treasurer shall deem necessary in
20 order to evaluate the guarantee.

21 c. The trust shall not make or contract to make any loans or
22 guarantees to local government units, public water utilities or any
23 other person, or otherwise incur any additional indebtedness, on or
24 after June 30, **[2033]** 2053.

25 d. Notwithstanding any provision of P.L.1985, c.334
26 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
27 the contrary, the trust may receive funds from any source including,
28 without limitation, any funds drawn by the trust from a revolving
29 line of credit or other similar financial vehicle that may be procured
30 by the trust, either through a competitive or negotiated process,
31 pursuant to section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit
32 into the Interim Environmental Financing Program Fund or the trust
33 may issue its bonds, notes or other obligations, including
34 commercial paper issued through a competitive or negotiated
35 process, in any principal amounts, in either case, as in the judgment
36 of the trust shall be necessary to provide sufficient funds to finance
37 or refinance short-term or temporary loans to local government
38 units, public water utilities or private persons for any wastewater
39 treatment system projects included on the Department of
40 Environmental Protection project priority list and eligible for
41 approval pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20)
42 or water supply projects included on the Department of
43 Environmental Protection project priority list and eligible for
44 approval pursuant to section 24 of P.L.1997, c.224 (C.58:11B-20.1),
45 as applicable, without regard to any other provisions of P.L.1985,
46 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et
47 al.), including, without limitation, any administrative or legislative
48 approvals.

1 The trust shall create and establish a special fund to be known as
2 the “Interim Environmental Financing Program Fund” for the short-
3 term or temporary loan financing or refinancing program to be
4 known as the “Interim Environmental Financing Program.” The
5 monies in the fund shall be used for short-term or temporary loans
6 for clean water and drinking water projects pursuant to the New
7 Jersey Environmental Infrastructure Financing Program.

8 Except as provided in section 1 of P.L.2013, c.93 (C.58:11B-
9 9.5), any short-term or temporary loans made by the trust pursuant
10 to this subsection may only be made in advance of the anticipated
11 loans the trust may make and contract to make under the provisions
12 of subsection a. of this section from any source of funds anticipated
13 to be received by the trust. Any such short-term or temporary loan
14 made pursuant to the Interim Environmental Financing Program
15 shall mature no later than the last day of the third succeeding fiscal
16 year following the closing date on which the short-term or
17 temporary loan was made by the trust to the project sponsor; except
18 a planning, design, and construction loan shall mature no later than
19 the last day of the fifth succeeding fiscal year following the closing
20 date of the planning, design, and construction loan or the last day of
21 the third succeeding fiscal year following the date of construction
22 certification following the closing date of the planning, design, and
23 construction loan, whichever is sooner, provided that, in either case,
24 project planning or engineering design activities shall not exceed
25 two years from the closing date of the planning, design, and
26 construction loan; and except a short-term or temporary loan made
27 pursuant to this subsection for environmental planning and
28 engineering design costs associated with long-term control plans for
29 combined sewer overflow projects shall mature no later than the last
30 day of the 10th succeeding fiscal year following the closing date on
31 which the short-term or temporary loan was made by the trust to the
32 project sponsor; and except a short-term or temporary loan made
33 pursuant to this subsection which has been submitted as part of an
34 application for funding pursuant to the “Water Infrastructure
35 Finance and Innovation Act of 2014” (WIFIA), 33 U.S.C. s.3901 et
36 seq., as amended and supplemented, shall mature not later than the
37 funding draw period allowed by this federal act. Any short-term or
38 temporary loan or planning, design and construction loan made by
39 the trust pursuant to this subsection may mature in a shorter period
40 of time as may be necessary to align with construction completion.
41 With respect to any short-term or temporary loan or planning,
42 design, and construction loan made by the trust pursuant to this
43 subsection, the trust may authorize one short-term supplemental
44 loan for residual project expenses thereof upon receipt by the trust
45 from the Department of Environmental Protection of a certification
46 that states that the time required by the project sponsor to complete
47 construction of the project exceeds the maximum maturity date of
48 the project sponsor's outstanding short-term or temporary loan or

1 planning, design, and construction loan. Any such short-term
2 supplemental loan shall not exceed in duration the last day of the
3 third succeeding fiscal year following the loan closing of the
4 supplemental loan. The trust may make short-term or temporary
5 loans pursuant to the Interim Environmental Financing Program to
6 any one or more of the project sponsors, for the respective projects
7 thereof, identified in the interim financing project priority list to be
8 known as the “Interim Environmental Financing Program Project
9 Priority List” in the form provided to the Legislature by the
10 Commissioner of Environmental Protection.

11 The Interim Environmental Financing Program Project Priority
12 List, including any revision thereof or supplement thereto, shall be
13 submitted to the Legislature pursuant to section 2 of P.L.1991,
14 c.164 (C.52:14-19.1) at least once in each fiscal year as provided in
15 section 20 of P.L.1985, c.334 (C.58:11B-20) and section 24 of
16 P.L.1997, c.224 (C.58:11B-20.1). The Secretary and the Clerk shall
17 cause the date of submission to be entered upon the Senate Journal
18 and the Minutes of the General Assembly, respectively. The trust
19 may revise or supplement the Interim Environmental Financing
20 Program Project Priority List no more than four times during the
21 fiscal year and shall submit the revised list to the Legislature when
22 the revisions are made. Any environmental infrastructure project or
23 the project sponsor thereof not identified in the Interim
24 Environmental Financing Program Project Priority List shall not be
25 eligible for a short-term or temporary loan from the Interim
26 Environmental Financing Program Fund. The trust may issue short-
27 term or temporary loans pursuant to this subsection only if a project
28 is listed on an Interim Environmental Financing Program Project
29 Priority List that has been submitted to the Legislature. No funds
30 may be disbursed pursuant to this section for environmental
31 infrastructure project activities prior to a determination and
32 certification, in writing, from the Department of Environmental
33 Protection, that the project activities satisfy the provisions of
34 P.L.1985, c.334 (C.58:11B-1 et seq.).

35 e. Notwithstanding any provisions of the “Local Bond Law”
36 (N.J.S.40A:2-1 et seq.), the “sewerage authorities law,” P.L.1946,
37 c.138 (C.40:14A-1 et seq.), or the “municipal and county utilities
38 authorities law,” P.L.1957, c.183 (C.40:14B-1 et seq.) to the
39 contrary, short-term or temporary loans made by the trust pursuant
40 to section 9 of P.L.1985, c.334 (C.58:11B-9) or section 1 of
41 P.L.2013, c.93 (C.58:11B-9.5), and the obligations issued by project
42 sponsors to evidence such loans, may, at the discretion of the trust
43 and upon application by the project sponsor, bear interest at a
44 variable rate determined pursuant to a methodology as may be
45 established by the trust from time to time.

46 Further, notwithstanding any provisions of the “Local Bond
47 Law” (N.J.S.40A:2-1 et seq.), the “sewerage authorities law,”
48 P.L.1946, c.138 (C.40:14A-1 et seq.), or the “municipal and county

1 utilities authorities law,” P.L.1957, c.183 (C.40:14B-1 et seq.) to
2 the contrary, any short-term or temporary loans made by the trust
3 pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9) or section 1
4 of P.L.2013, c.93 (C.58:11B-9.5), and any notes or other
5 obligations issued by project sponsors to evidence such short-term
6 or temporary loans, as such loans, notes, or other obligations may
7 be refinanced or extended, as provided in subsections d. and g. of
8 this section and section 1 of P.L.2013, c.93 (C.58:11B-9.5), except
9 for loans for environmental planning and engineering design costs
10 associated with long-term control plans for combined sewer
11 overflow projects as provided in subsection d. of this section, shall
12 mature no later than the maturity date as established pursuant to
13 subsections d. and g. of this section and section 1 of P.L.2013, c.93
14 (C.58:11B-9.5), without payment by project sponsors of any portion
15 of the principal thereof prior to maturity.

16 f. Any balances remaining in the Emergency Loan Fund
17 established pursuant to section 4 of P.L.2007, c.138 (C.58:11B-9.1),
18 the Planning and Design Fund established pursuant to section 1 of
19 P.L.2009, c.59 (C.58:11B-9.2), the Onsite Wastewater Disposal
20 Loan Fund established pursuant to section 5 of P.L.2009, c.103
21 (C.58:11B-9.3), the Supplemental Loan Fund established pursuant
22 to section 2 of P.L.2011, c.94 (C.58:11B-9.4), and the Equipment
23 Loan Fund established pursuant to section 1 of P.L.2014, c.28
24 (C.58:11B-9.6) after the date of enactment of P.L.2016, c.30 shall
25 be transferred to the Interim Environmental Financing Program
26 Fund, and any loan repayments to the trust of principal and interest
27 or premium on loans made from those funds shall be credited to the
28 Interim Environmental Financing Program Fund.

29 g. The trust shall create and establish a special fund to be
30 known as the “Interim Transportation Financing Program Fund” for
31 the short-term or temporary loan financing or refinancing program
32 to be known as the “Interim Transportation Financing Program.”

33 Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-1
34 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to the contrary,
35 the trust may receive funds from any source including, without
36 limitation, any funds drawn by the trust from a revolving line of
37 credit or other similar financial vehicle that may be procured by the
38 trust, either through a competitive or negotiated process, pursuant to
39 section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit into the
40 Interim Transportation Financing Program Fund or the trust may
41 issue its bonds, notes or other obligations in any principal amounts,
42 in either case, as in the judgment of the trust shall be necessary to
43 provide sufficient funds to finance or refinance short-term or
44 temporary loans to local government units or private persons for
45 any transportation project, aviation project, or marine project
46 included on the Department of Transportation Interim
47 Transportation Financing Program Project Priority List for the
48 ensuing fiscal year and eligible for approval pursuant to sections 22

1 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through
2 C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-
3 22.4), without regard to any other provisions of P.L.1985, c.334
4 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or
5 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
6 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
7 C.58:11B-22.4), including, without limitation, any administrative or
8 legislative approvals.

9 Any short-term or temporary loans made by the trust pursuant to
10 this subsection may only be made in advance of the anticipated
11 loans the trust may make and contract to make under the provisions
12 of subsection a. of this section from any source of funds anticipated
13 to be received by the trust. Any such short-term or temporary loan
14 made pursuant to the Interim Transportation Financing Program
15 shall mature no later than the last day of the third succeeding fiscal
16 year following the closing date on which the short-term or
17 temporary loan was made by the trust to the project sponsor; except
18 a planning, design, and construction loan shall mature no later than
19 the last day of the fifth succeeding fiscal year following the closing
20 date of the planning, design, and construction loan or the last day of
21 the third succeeding fiscal year following the date of construction
22 certification following the closing date of the planning, design, and
23 construction loan, and except a short-term or temporary loan made
24 pursuant to this subsection which has been submitted as part of an
25 application for funding pursuant to the “Transportation
26 Infrastructure Finance and Innovation Act of 1998” (TIFIA), 23
27 U.S.C. s.601 et seq., as amended and supplemented, shall mature
28 not later than the funding draw period allowed by this federal act.
29 Any short-term or temporary loan or planning, design and
30 construction loan made by the trust pursuant to this subsection may
31 mature in a shorter period of time as may be necessary to align with
32 construction completion, whichever is sooner, provided that, in
33 either case, project planning or engineering design activities shall
34 not exceed two years from the closing date of the planning, design,
35 and construction loan. With respect to any short-term or temporary
36 loan or planning, design, and construction loan made by the trust
37 pursuant to this subsection, the trust may authorize one short-term
38 supplemental loan for residual expenses thereof upon receipt by the
39 trust from the Department of Transportation of a certification that
40 states that the time required by the project sponsor to complete
41 construction of the project exceeds the maximum maturity date of
42 the short-term or temporary loan or planning, design, and
43 construction loan. Any such short-term supplemental loan shall not
44 exceed in duration the last day of the third succeeding fiscal year
45 following the loan closing of the short-term supplemental loan. The
46 trust may make short-term or temporary loans pursuant to the
47 Interim Transportation Financing Program to any one or more of the
48 project sponsors, for the respective projects thereof, only if a

1 project is identified in the Department of Transportation Interim
2 Transportation Financing Program Project Priority List to be known
3 as the “Interim Transportation Financing Program Project Priority
4 List” in the form provided to the Legislature by the Commissioner
5 of Transportation.

6 The Interim Transportation Financing Program Project Priority
7 List, including any revision thereof or supplement thereto, shall be
8 submitted to the Secretary of the Senate and the Clerk of the
9 General Assembly on or before July 1 of each year. The Interim
10 Transportation Financing Program Project Priority List shall be
11 submitted to the Legislature pursuant to section 2 of P.L.1991,
12 c.164 (C.52:14-19.1) at least once in each fiscal year. The
13 Secretary and the Clerk shall cause the date of submission to be
14 entered upon the Senate Journal and the Minutes of the General
15 Assembly, respectively. Any transportation infrastructure project or
16 the project sponsor thereof not identified in the Interim
17 Transportation Financing Program Project Priority List shall not be
18 eligible for a short-term or temporary loan from the Interim
19 Transportation Financing Program Fund. The trust may revise or
20 supplement the Interim Transportation Financing Program Project
21 Priority List no more than four times during the fiscal year, and
22 shall submit the revised list to the Legislature when the revisions
23 are made.

24 No funds may be disbursed pursuant to this subsection for
25 transportation project, aviation project, or marine project activities
26 prior to certification in writing, from the trust, that the project
27 activities satisfy the provisions of P.L.1985, c.334 (C.58:11B-1 et
28 seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34
29 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
30 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4).
31 Construction activities for a transportation project shall also require
32 written notification of award concurrence from the Department of
33 Transportation prior to fund disbursement.
34 (cf: P.L.2021, c.160, s.60)

35
36 15. Section 11 of P.L.1985, c.334 (C.58:11B-11) is amended to
37 read as follows:

38 11. a. The trust shall establish reserve and guarantee funds into
39 which shall be deposited the proceeds from any State bond issue
40 authorized for deposit in the trust or other funds appropriated by
41 law to the trust for deposit in the reserve or guarantee funds. The
42 reserve fund shall be used by the trust to secure debt issued by the
43 trust. The guarantee fund shall be used by the trust to secure debt
44 issued by a local government unit, public water utility, or other
45 person.

46 b. The trust may establish any reserves, funds or accounts as it
47 may determine necessary or desirable to further the accomplishment

1 of the purposes of the trust or to comply with the provisions of any
2 agreement made by or authorized in any resolution of the trust.

3 (cf: P.L.1985, c.336, s.2)

4
5 16. Section 12 of P.L.1985, c.334 (C.58:11B-12) is amended to
6 read as follows:

7 12. a. To assure the continued operation and solvency of the
8 trust, the trust may require that if a local government unit fails or is
9 unable to pay to the trust in full when due any obligations of the
10 local government unit to the trust, an amount sufficient to satisfy
11 the deficiency shall be paid by the State Treasurer to the trust from
12 State aid payable to the local government unit. As used in this
13 section, obligations of the local government unit include the
14 principal of or interest on bonds, notes or other obligations of a
15 local government unit issued to or guaranteed by the trust, including
16 the subrogation of the trust to the right of the holders of those
17 obligations, any fees or charges payable to the trust, and any
18 amounts payable by a local government unit under any service
19 contract or other contractual arrangement the payments under which
20 are pledged to secure any bonds or notes issued to the trust by
21 another local government unit. State aid includes business personal
22 property tax replacement revenues, State urban aid and State
23 revenue sharing, as these terms are defined in section 2 of P.L.1976,
24 c.38 (C.40A:3-3), or other similar forms of State aid payable to the
25 local government unit and to the extent permitted by federal law,
26 federal moneys appropriated or apportioned to the local government
27 unit by the State, and for loans made in support of transportation
28 projects, State aid shall also include county and municipal
29 transportation aid issued pursuant to section 25 of P.L.1984, c.73
30 (C.27:1B-25).

31 (1) If the trust requires, and there has been a failure or inability
32 by a local government unit to pay its obligations to the trust
33 remaining uncured for a period of 30 days, the chairman of the trust
34 shall certify to the State Treasurer, with written notice to the fiscal
35 officer of the local government unit and to the Legislature, the
36 amount remaining unpaid, and the State Treasurer shall pay that
37 amount to the trust, or if the right to receive those payments has
38 been pledged or assigned to a trustee for benefit of the holders of
39 bonds, notes or other obligations of the trust, to that trustee, out of
40 the State aid payable to the local government unit, until the amount
41 so certified is paid.

42 (2) The amount paid over to the trust shall be deducted from the
43 corresponding appropriation or apportionment of State aid payable
44 to the local government unit and shall not obligate the State to
45 make, nor entitle the local government unit to receive, any
46 additional appropriation or apportionment. The obligation of the
47 State Treasurer to make payments to the trust or trustee and the
48 right of the trust or trustee to receive those payments shall be

1 subject and subordinate to the rights of holders of qualified bonds
2 issued or to be issued pursuant to P.L.1976, c.38 (C.40A:3-1 et
3 seq.).

4 (3) In those instances where the local government units are
5 municipal or county sewerage, utility or improvement authorities
6 created pursuant to P.L.1946, c.138 (C.40:14A-1 et seq.) or
7 P.L.1957, c.183 (C.40:14B-1 et seq.), the trust may require the
8 municipalities or counties which receive service or other benefits
9 from the districts or authorities to enter into service contracts or
10 other contractual arrangements under which they would be required
11 to make payments which would satisfy any deficiencies in the
12 revenues of the districts or authorities to repay the loans made by
13 the trust, which contracts would be pledged to secure the payment
14 of the loans of the trust.

15 b. Whenever a local government unit, public water utility, or
16 other person covenants or pledges to or secures the payment of its
17 obligations to the trust by, in whole or in part, certain revenues of
18 the local government unit, public water utility, or other person
19 derived by the local government unit from the imposition of rates,
20 fees and charges, and **the local government unit, and** if payments
21 by another local government unit, public water utility, or other
22 person under a service contract or other contractual arrangement are
23 pledged to the payment of the obligations, the other local
24 government unit, public water utility, or other person, fails or is
25 unable to pay in full when due any of the obligations and the State
26 aid revenues, if applicable, for any reason have not been made
27 available for the payment of the obligations or have not been made
28 available in sufficient amounts to pay the obligations in full, the
29 trust is authorized during the period of such failure to cause the
30 local government unit, public water utility, or other person, in
31 accordance with the covenants or pledges established in any loan or
32 other agreement relating thereto, to establish and collect rates, fees
33 and charges in the amounts required to pay the obligations in
34 accordance with the covenants or pledges established in the loan or
35 other agreement relating thereto.

36 c. In the event that a local government unit or public water
37 utility, consortia thereof or private entity receiving a loan from the
38 trust fails or is unable to pay to the trust in full when due any
39 obligations of the local government unit or public water utility,
40 consortia thereof, or private entity to the trust, the trust shall have
41 the authority to exercise any and all recourses available to it under
42 the law in an effort to recover any amounts owed to the trust.

43 (cf: P.L.2016, c.56, s.23)

44

45 17. Section 14 of P.L.1985, c.334 (C.58:11B-14) is amended to
46 read as follows:

47 14. The State does pledge to and covenant and agree with the
48 holders of any bonds, notes or other obligations of the trust issued

1 pursuant to authorization of P.L.1985, c.334 (C.58:11B-1 et seq.),
2 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34
3 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
4 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) that the
5 State shall not limit or alter the rights or powers vested in the trust
6 to perform and fulfill the terms of any agreement made with the
7 holders of the bonds, notes or other obligations or to fix, establish,
8 charge and collect any rents, fees, rates, payments or other charges
9 as may be convenient or necessary to produce sufficient revenues to
10 meet all expenses of the trust and to fulfill the terms of any
11 agreement made with the holders of bonds, notes or other
12 obligations, including the obligations to pay the principal of and
13 interest and premium on those bonds, notes or other obligations,
14 with interest on any unpaid installments of interest, and all costs
15 and expenses in connection with any action or proceedings by or on
16 behalf of the holders, and shall not limit or alter the rights and
17 powers of any local government unit, public water utility, or other
18 person to pay and perform its obligations owed to the trust in
19 connection with loans received from the trust, until the bonds, notes
20 and other obligations of the trust, together with interest thereon, are
21 fully met and discharged or provided for.

22 (cf: P.L.2016, c.56, s.25)

23
24 18. Section 18 of P.L.1985, c.334 (C.58:11B-18) is amended to
25 read as follows:

26 18. a. If the trust defaults in the payment of principal of, or
27 interest on, any issue of its bonds, notes or other obligations after
28 these are due, whether at maturity or upon call for redemption, and
29 the default continues for a period of 30 days or if the trust defaults
30 in any agreement made with the holders of any issue of bonds, notes
31 or other obligations, the holders of 25 percent in aggregate principal
32 amount of the bonds, notes or other obligations of the issue then
33 outstanding, by instrument or instruments filed in the office of the
34 clerk of any county in which the trust operates and has an office and
35 proved or acknowledged in the same manner as required for a deed
36 to be recorded, may direct a trustee to represent the holders of the
37 bonds, notes or other obligations of the issuers for the purposes
38 herein provided.

39 b. Upon default, the trustee may, and upon written request of
40 the holders of 25 percent in principal amount of the bonds, notes or
41 other obligations of the trust of a particular issue then outstanding
42 shall, in the trustee's own name:

43 (1) By suit, action or proceeding enforce all rights of the holders
44 of bonds, notes or other obligations of the issue, to require the trust
45 to carry out any other agreements with the holders of the bonds,
46 notes or other obligations of the issue and to perform its duties
47 under P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224
48 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of

1 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-
2 20.2, C.58:11B-22.3, and C.58:11B-22.4);

3 (2) Bring suit upon the bonds, notes or other obligations of the
4 issue;

5 (3) By action or suit, require the trust to account as if it were the
6 trustee of an express trust for the holders of the bonds, notes or
7 other obligations of the issue;

8 (4) By action or suit, enjoin any acts or things which may be
9 unlawful or in violation of the rights of the holders of the bonds,
10 notes or other obligations of the issue;

11 (5) Sell or otherwise dispose of bonds and notes of local
12 government units, public water utilities, or other persons pledged
13 pursuant to resolution or trust indenture for benefit of holders of
14 bonds, notes, or other obligations of the issue on any terms as
15 resolution or trust indenture may provide;

16 (6) By action or suit, foreclose any mortgage pledged pursuant
17 to the resolution or trust indenture for the benefit of the holders of
18 the bonds, notes or other obligations of the issue;

19 (7) Declare all bonds, notes or other obligations of the issue due
20 and payable, and if all defaults are made good, then with the
21 consent of the holders of 50 percent of the principal amount of the
22 bonds, notes or other obligations of the issue then outstanding, to
23 annul the declaration and its consequences.

24 c. The trustee shall, in addition to the foregoing, have those
25 powers necessary or appropriate for the exercise of any function
26 specifically set forth herein or incident to the general representation
27 of holders of bonds, notes or other obligations of the trust in the
28 enforcement and protection of their rights.

29 d. The Superior Court shall have jurisdiction over any suit,
30 action or proceeding by the trustees on behalf of the holders of
31 bonds, notes or other obligations of the trust. The venue of any suit,
32 action or proceeding shall be in the county in which the principal
33 office of the trust is located.

34 e. Before declaring the principal of bonds, notes or other
35 obligations of the trust due and payable as a result of a trust default
36 on any of its bonds, notes or other obligations, the trustee shall first
37 give 30 days' notice in writing to the trust and to the Governor,
38 State Treasurer, President of the Senate and Speaker of the General
39 Assembly.

40 (cf: P.L.2016, c.56, s.28)

41

42 19. Section 6 of P.L.2009, c.59 (C.58:11B-19.1) is amended to
43 read as follows:

44 6. Notwithstanding any provision of P.L.1985, c.334
45 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
46 the contrary, the trust may receive or access emergency or relief
47 federal funds that are appropriated to the State subsequent to a
48 federal or State declaration of emergency to make loans or grants in

1 the implementation of the New Jersey Environmental Infrastructure
2 Financing Program **[or]**, the New Jersey Transportation
3 Infrastructure Financing Program, or the Resilient New Jersey
4 Financing Program established pursuant to sections 1 through 9 of
5 P.L. , c. (C.) (pending before the Legislature as this bill), to
6 local government units, public water utilities or private persons for
7 any wastewater treatment system projects included on the clean
8 water project priority list for the ensuing fiscal year and eligible for
9 approval pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20),
10 water supply projects included on the drinking water project
11 priority list for the ensuing fiscal year and eligible for approval
12 pursuant to section 24 of P.L.1997, c.224 (C.58:11B-20.1), **[or]**
13 transportation projects included on the transportation project
14 priority list for the ensuing fiscal year and eligible for approval
15 pursuant to section 36 of P.L.2016, c.56 (C.58:11B-20.2), or hazard
16 mitigation and resiliency projects included on the Resilient New
17 Jersey Financing Program Project Eligibility List for the ensuing
18 fiscal year and eligible for approval pursuant to sections 1 through 9
19 of P.L. , c. (C.) (pending before the Legislature as this bill),
20 as applicable, or to make non-project related loans and provide
21 other assistance, including CAP payments and other financial
22 assistance on behalf of or as a conduit for local government units, in
23 accordance with the ranking criteria determined by the federal or
24 State government.

25 For the purposes of this section, “CAP Payment” means a
26 payment made by a project sponsor pursuant to a State or federal
27 relief program for utility customers or a consumer assistance
28 program.

29 (cf: P.L.2021, c.74, s.9)

30
31 20. Section 23 of P.L.1985, c.334 (C.58:11B-23) is amended to
32 read as follows:

33 23. a. No funds from State sources or State bond issues used to
34 capitalize the trust shall be available for use by the trust unless
35 appropriated by law to the trust.

36 b. No funds shall be expended by the trust for its annual
37 operating expenses unless appropriated by law to the trust. Unless
38 required to be otherwise applied pursuant to law, funds generated
39 by the operation of the trust, including, but not limited to: proceeds
40 from the sale of the trust's bonds, notes or other obligations;
41 revenues derived from investments by the trust; loan repayments
42 from local government units, public water utilities, or other persons;
43 and fees and charges levied by the trust, may thereafter be applied
44 in accordance with the provisions of P.L.1985, c.334 (C.58:11B-1
45 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and
46 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
47 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) for any
48 corporate purpose of the trust without appropriation; except that the

1 funds shall only be used to make loans or guarantees approved by
2 the Legislature in accordance with the provisions of sections 20, 21,
3 and 22 of P.L.1985, c.334 (C.58:11B-20, C.58:11B-21 and
4 C.58:11B-22), sections 24, 25, and 26 of P.L.1997, c.224
5 (C.58:11B-20.1, C.58:11B-21.1 and C.58:11B-22.1), or sections 35
6 through 37 of P.L.2016, c.56 (C.58:11B-10.5, C.58:11B-20.2, and
7 C.58:11B-22.3).

8 c. The trust shall not apply for federal funds, including funds
9 which are authorized pursuant to the “Federal Water Pollution
10 Control Act Amendments of 1972,” Pub.L. 92-500 (33 U.S.C.
11 s.1251 et seq.), and any amendatory or supplementary acts thereto,
12 except the trust is expressly authorized to apply, in consultation
13 with the Department of Environmental Protection, for funds under
14 the “Water Infrastructure Finance and Innovation Act,” (WIFIA) 33
15 U.S.C. s.3901 et seq. as amended or superseded, and, in
16 consultation with the State Office of Emergency Management in the
17 Department of Law and Public Safety for funds under the
18 “Safeguarding Tomorrow Through Ongoing Risk Mitigation
19 (STORM) Act,” Pub.L. 116-284 (42 U.S.C. s. 5135) as amended or
20 superseded, and with notice to the Department of Transportation,
21 for funds under the Transportation Infrastructure Finance and
22 Innovation Act (TIFIA) 23 U.S.C. 601 through 23 U.S.C. 609 as
23 amended or superseded, and provisions of the Moving Ahead for
24 Progress in the 21st Century Act (MAP-21) Pub. L. 112-141, the
25 Fixing America's Surface Transportation Act (FAST Act) Pub. L.
26 114-94, the Transportation Equity Act for the 21st Century (TEA-
27 21) Pub. L. 105-178, the Safe, Accountable, Flexible and Efficient
28 Transportation Equity Act: a Legacy for User (“SAFETEA-LU”)
29 Pub. L. 109-59, and the Rail Safety Improvement Act of 2008 Pub.
30 L. 110-432, or any subsequent law concerning federal surface
31 transportation programs as applicable.

32 The trust, with the concurrence of the Commissioner of
33 Environmental Protection, may receive, accept or utilize moneys
34 received from local government units as repayments of principal
35 and interest on loans made from the State Revolving Fund Accounts
36 established pursuant to section 1 of P.L.1988, c.133.

37 Repayments of principal and interest on all federal funds for
38 which the New Jersey Infrastructure Bank is expressly permitted to
39 apply shall be the responsibility of the borrowers of New Jersey
40 Infrastructure Bank loans issued utilizing those federal funds, and in
41 no way shall it be the responsibility of the State of New Jersey or
42 the Department of Transportation.

43 (cf: P.L.2019, c.516, s.6)

44
45 21. Section 26 of P.L.1985, c.334 (C.58:11B-26) is amended to
46 read as follows:

47 26. a. The trust shall adopt rules and regulations requiring a
48 local government unit which receives a loan or guarantee through

1 the New Jersey Environmental Infrastructure Financing Program for
2 a project to establish an affirmative action program for the hiring of
3 minority workers in the performance of any construction contract
4 for that project and to establish a program to provide opportunities
5 for socially and economically disadvantaged contractors and
6 vendors to supply materials and services for the contract, consistent
7 with the provisions of the "Law Against Discrimination," P.L.1945,
8 c.169 (C.10:5-1 et seq.). Not less than 10 percent of the amount of
9 any contract for construction, materials or services for a project
10 shall be awarded to small business concerns owned and controlled
11 by socially and economically disadvantaged individuals as defined
12 in the "Small Business Act," Pub.L.85-536 (15 U.S.C. s.631 et
13 seq.), and any regulations promulgated pursuant thereto provided,
14 however, that the projects funded, in whole or in part, with federal
15 funds, the percentage of such contracts awarded to small business
16 concerns owned and controlled by socially and economically
17 disadvantaged individuals shall equal the goal for participation set
18 forth in section 644(g)(1)(A)(iv) of the "Small Business Act,"
19 Pub.L.85-536 (15 U.S.C. s.644). For transportation financing
20 program projects funded in whole with State funds, contracts for
21 construction materials or services shall comply with the small
22 business set aside regulations promulgated pursuant to section 15 of
23 P.L.1983, c.482 (C.52:32-31).

24 b. The trust shall adopt rules and regulations requiring any
25 entity, which receives a loan, grant, or guarantee for a project to pay
26 not less than the prevailing wage rate to workers employed in the
27 performance of any construction contract for that project, in
28 accordance with the rate determined by the Commissioner of Labor
29 and Workforce Development pursuant to P.L.1963, c.150 (C.34:11-
30 56.25 et seq.).

31 (cf: P.L.2019, c.194, s.6)

32
33 22. This act shall take effect immediately.

34 35 36 STATEMENT

37
38 This bill would establish a Resilient New Jersey Revolving Loan
39 Fund (fund) in the New Jersey Infrastructure Bank (NJIB) and
40 amend the "New Jersey Infrastructure Trust Act," P.L.1985, c.334
41 (C.58:11B-1 et seq.), to make various changes to the NJIB's
42 enabling law.

43 The bill directs the State Office of Emergency Management
44 (OEM), in conjunction with the NJIB, to apply to the Federal
45 Emergency Management Agency (FEMA) under the provisions of
46 the "Safeguarding Tomorrow through Ongoing Risk Management
47 Act" or "STORM Act," Pub.L.116-284, when funding is available,
48 to enter into an agreement to capitalize the fund established by the

1 bill. In addition, the bill authorizes the NJIB to issue bonds for the
2 financing of hazard mitigation and resiliency projects.

3 The “New Jersey Infrastructure Trust Act,” P.L.1985, c.334
4 (C.58:11B-1 et seq.), authorizes the NJIB to issue bonds to provide
5 funding for environmental infrastructure and transportation
6 infrastructure projects. This bill expands the authority of the NJIB
7 to include the financing of hazard mitigation and resiliency projects
8 undertaken by State entities, local governments, and nonprofit
9 organizations, in accordance with the provisions of the STORM Act
10 and this bill.

11 The bill directs the OEM to develop a priority system for hazard
12 mitigation and resiliency projects and establish the ranking criteria
13 and funding policies for the hazard mitigation and resiliency
14 projects to be financed through the Resilient New Jersey Financing
15 Program established by the bill. The bill requires this “hazard
16 mitigation and resiliency project priority list” for the ensuring fiscal
17 year to be submitted to the Legislature on or before January 15th of
18 each year. In addition, the bill requires the OEM, in conjunction
19 with the NJIB, to submit a “Resilient New Jersey Financing
20 Program Project Eligibility List” identifying projects to receive
21 funding from the NJIB pursuant to the bill. The bill directs the
22 NJIB to submit this list to the Legislature by May 15th of each year
23 to be considered by the Legislature in the form of appropriation
24 bills. The bill provides that the NJIB, on or before October 15 of
25 each year, may submit an additional project eligibility list, to be
26 considered by the Legislature in the form of appropriation bills.
27 The bill provides that the NJIB shall not expend any moneys for a
28 hazard mitigation or resiliency project unless that expenditure is
29 authorized pursuant to an appropriation act of the current or three
30 immediately preceding fiscal years.

31 In addition, the bill directs the NJIB, on or before May 15th of
32 each year, to submit to the Legislature a financial plan designed to
33 implement the financing of hazard mitigation and resiliency
34 projects on the Resilient New Jersey Financing Program Project
35 Eligibility List. The bill provides that, on or before June 30 of each
36 year, the Legislature may reject the financial plan through the
37 adoption by both houses of a concurrent resolution, and if the
38 Legislature takes no action on or before June 30, the financial plan
39 would be deemed approved.

40 The “STORM Act” authorizes FEMA to enter into agreements
41 with certain state agencies to provide capitalization grants for
42 hazard-mitigation revolving loan funds. The funds are to be used to
43 provide low interest loans to fund mitigation projects, including
44 mitigation projects on buildings that reduce damage risk, reduce
45 insurance rates, and bring buildings into FEMA minimum National
46 Flood Insurance Program (NFIP) requirements. The STORM Act
47 requires the revolving funds to be administered by the agency
48 responsible for emergency management in the state; however, it

1 provides that the FEMA Administrator may allow the financial
2 administration of the fund to be combined with the financial
3 administration of another revolving fund under certain conditions,
4 including that (1) the capitalization grant, entity share, repayments
5 of loans, and interest earned on amounts in the fund are accounted
6 for separately from other amounts, and (2) the authority to establish
7 assistance priorities and carry out oversight activities remains in the
8 control of the entity agency responsible for emergency management
9 in the State.

10 Thus, under this bill, the Resilient New Jersey Revolving Loan
11 Fund would be established in the NJIB, with the State Office of
12 Emergency Management applying to FEMA in conjunction with the
13 NJIB. In addition, the State Office of Emergency Management, in
14 conjunction with the NJIB, is charged with developing the priority
15 system and establishing the ranking criteria and funding policies for
16 the hazard mitigation and resiliency projects to be financed through
17 the Resilient New Jersey Financing Program created by this bill.

18 The federal Resilience Revolving Loan program for disaster
19 mitigation was established by the STORM Act, and FEMA received
20 a \$500 million appropriation from the federal Infrastructure
21 Improvement and Jobs Act, Pub.L.117-58. FEMA is currently
22 developing the program's administrative rules, with program
23 deployment expected in 2023. In order for states to be apply to
24 apply to access the loan funds, they need to create a resilience
25 revolving loan fund and apply to FEMA. This bill provides the
26 framework for New Jersey to be able to access this funding and help
27 fund natural hazard mitigation projects.

28 Mitigating hazard risk is critical to preserving property values
29 and property tax revenues. Mitigating flood risk by structural
30 elevation and structural dry flood proofing are proven methods of
31 hazard risk reduction. Flood mitigation projects preserve property
32 values and create good jobs in all of the professional trades and
33 design professions. The financing of mitigation projects has always
34 been the major limiting element of hazard mitigation. Federal,
35 state, and local funding of grants for mitigation have been proven to
36 work but have always fallen far short of need and demand for the
37 funds. According to the Natural Institute of Building Sciences,
38 every dollar spent on natural disaster mitigation saves at least \$6. It
39 is therefore in the best interest of the State to support resilience and
40 mitigation projects to reduce the cost of natural disasters and
41 protect lives and property.

42 With regard to the bill's provisions that amend the "New Jersey
43 Infrastructure Trust Act," P.L.1985, c.334 (C.58:11B-1 et seq.), to
44 make various changes to the NJIB's enabling law, the bill:

45 (1) incorporates language concerning the new program to be
46 established under the bill for hazard mitigation and resiliency
47 projects;

- 1 (2) adds language to allow for the resale of bonds to allow the
- 2 NJIB to buy and sells its bonds for cross-investment purposes;
- 3 (3) clarifies language concerning maturity of long-term loans
- 4 (4) revises how the NJIB is to provide public notice concerning
- 5 the sale of bonds to remove the requirement for newspaper
- 6 publication and replace it with electronic notice;
- 7 (5) increases from \$8.8 billion to \$10 billion the aggregate
- 8 principal of bonds, notes, or other obligations of the NJIB;
- 9 (6) extends from 2033 to 2053 the date by which the NJIB may
- 10 no longer make loans or incur indebtedness;
- 11 (7) clarifies that the NJIB is authorized to provide loans and
- 12 other financial assistance to public water systems and other persons,
- 13 rather than to local government units only; and
- 14 (8) makes other technical and clarifying changes.