

[Third Reprint]

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)

Senator JOSEPH A. LAGANA

District 38 (Bergen and Passaic)

Senator GORDON M. JOHNSON

District 37 (Bergen)

Co-Sponsored by:

Assemblymen Verrelli, Karabinchak, Guardian, Spearman,
Assemblywomen McKnight, Piperno and Eulner

SYNOPSIS

Establishes Community Hazard Assistance Mitigation Program in, and authorizes issuance of bonds by, NJ Infrastructure Bank to fund certain hazard mitigation and resilience projects; makes various changes to NJ Infrastructure Bank's enabling act; appropriates \$500,000.

CURRENT VERSION OF TEXT

As reported by the Assembly Appropriations Committee on February 23, 2023, with amendments.

(Sponsorship Updated As Of: 5/22/2023)

1 AN ACT concerning the financing of certain resilience and hazard
2 mitigation projects, the establishment of a “¹**[Resilient New**
3 **Jersey]** Community Hazard Assistance Mitigation Program¹
4 Revolving Loan Fund,” and the authority of the New Jersey
5 Infrastructure Bank, supplementing Title 58 of the Revised
6 Statutes, ¹**[and]**¹ amending P.L.1985, c.334 and P.L.2009,
7 c.59 ¹, and making an appropriation¹ .
8

9 **BE IT ENACTED** by the Senate and General Assembly of the State
10 of New Jersey:
11

12 1. (New section) Sections 1 through 9 of P.L. , c. (C.)
13 (pending before the Legislature as this bill) shall be known and may
14 be cited as the “¹**[Resilient NJ]** Community Hazard Assistance
15 Mitigation Program¹ Revolving Loan Fund Act.”
16

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

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

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

27 “Commissioner” means the Commissioner of Environmental
28 Protection.

29 ¹“Community Hazard Assistance Mitigation Program” means the
30 program established by the bank pursuant to sections 1 through 9 of
31 P.L. , c. (C.) (pending before the Legislature as this bill).¹

32 “Fund” means the ¹**[Resilient New Jersey]** Community Hazard
33 Assistance Mitigation Program¹ Revolving Loan Fund established
34 pursuant to section 3 of P.L. , c. (C.) (pending before the
35 Legislature as this bill).

36 “Hazard mitigation and ¹**[resiliency]** resilience¹ project” means
37 a hazard mitigation and ¹**[resiliency]** resilience¹ project identified
38 on a State or local hazard mitigation plan, undertaken by the State, a
39 local government unit, or a nonprofit organization in accordance
40 with the provisions of the STORM Act.

41 “Loan origination fee” means the fee charged by the bank in
42 connection with services provided to a sponsor of a hazard
43 mitigation and resilience project pursuant to the sponsor’s

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AEN committee amendments adopted December 8, 2022.

²Assembly ATR committee amendments adopted February 16, 2023.

³Assembly AAP committee amendments adopted February 23, 2023.

1 participation in the ¹**【Resilient New Jersey Financing】** Community
2 Hazard Assistance Mitigation¹ Program. A project sponsor may
3 finance any portion of the loan origination fee through the bank by
4 a hazard mitigation and resilience project assistance loan to pay a
5 portion of the costs incurred by the bank in the implementation of
6 the ¹**【Resilient New Jersey Financing】** Community Hazard
7 Assistance Mitigation¹ Program.

8 “Local government unit” means any county or municipality, or
9 any agency, instrumentality, authority, or corporation of any county
10 or municipality ¹, or any other entity eligible to receive federal
11 funds pursuant to the STORM act¹ .

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

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

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

20 “State Office of Emergency Management” means the Office of
21 Emergency Management in the Division of State Police in the
22 Department of Law and Public Safety.

23 “STORM Act” means the “Safeguarding Tomorrow through
24 Ongoing Risk ²**【Management】** Mitigation² Act,” Pub. L. 116-284,
25 ¹**【or any amendatory or supplementary acts thereto】** as amended or
26 superseded¹ , and any rules, regulations, or guidance adopted
27 pursuant thereto by the Federal Emergency Management Agency.
28

29 3. (New section) a. (1) There is established in the New Jersey
30 Infrastructure Bank a special, nonlapsing fund to be known as the
31 ¹**【Resilient New Jersey】** Community Hazard Assistance Mitigation
32 Program¹ Revolving Loan Fund.” Monies in the fund shall be held
33 separately and be available in perpetuity solely for the purpose of
34 funding hazard mitigation and resilience projects undertaken by the
35 State, local government units, and nonprofit organizations in
36 accordance with the provisions of the STORM Act and sections 1
37 through 9 of P.L. , c. (C.) (pending before the Legislature
38 as this bill).

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

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

43 (b) a State-funded hazard mitigation and resilience project
44 subaccount approved to receive State matching funds, and funds in
45 excess of those required to be deposited in the federally-funded
46 hazard mitigation and resilience project subaccount; and

- 1 (c) a ¹**【Resilient New Jersey Financing】** Community Hazard
2 Assistance Mitigation¹ Program Loan Origination Fee subaccount
3 established pursuant to section 4 of P.L. , c. (C.) (pending
4 before the Legislature as this bill).
- 5 b. The fund shall be credited with:
- 6 (1) any federal funds apportioned and allocated to the State
7 pursuant to the STORM Act;
- 8 (2) proceeds from bonds, notes, or any other credit instrument
9 issued by the bank pursuant to sections 1 through 9 of P.L. ,
10 c. (C.) (pending before the Legislature as this bill);
- 11 (3) any other moneys appropriated by the Legislature or
12 otherwise made available to the fund for the purposes of sections 1
13 through 9 of P.L. , c. (C.) (pending before the Legislature
14 as this bill);
- 15 (4) moneys obtained from the payment of interest assessed on,
16 and the repayment of principal of, any loans made pursuant to
17 sections 1 through 9 of P.L. , c. (C.) (pending before the
18 Legislature as this bill);
- 19 (5) any interest earnings or other investment income earned or
20 received on the moneys in the fund; and
- 21 (6) loan origination fees paid and received pursuant to section 4
22 of P.L. , c. (C.) (pending before the Legislature as this bill).
- 23 c. All money appropriated or otherwise made available to the
24 fund shall be dedicated for the purposes of the fund. Pending use,
25 moneys in the fund may be invested and reinvested in the same
26 manner as other moneys of the bank in the manner provided by law.
27 All earnings received from the investment or deposit of such
28 moneys shall be paid into and become a part of the fund and be
29 available for use pursuant to sections 1 through 9 of P.L. ,
30 c. (C.) (pending before the Legislature as this bill).
- 31 d. Notwithstanding any provision of P.L.1985, c.334
32 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or
33 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
34 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3 ², and
35 C.58:11B-22.4²), to the contrary, all moneys in the fund shall be
36 held separate from other funds of the bank, and shall not be
37 combined or comingled with any funds that finance wastewater
38 treatment system projects, water supply projects, other
39 environmental infrastructure projects, or transportation projects.
40 The amounts of federal capitalization grants appropriated pursuant
41 to the STORM act and associated State matching funds, the
42 repayments of loans, and the interest earned on amounts in the fund
43 shall be accounted for separately from other amounts in the fund.
- 44 e. The State Office of Emergency Management, in conjunction
45 with the bank, shall apply to the Federal Emergency Management
46 Agency when funding is made available to states under the
47 provisions of the STORM Act and the State Office of Emergency

1 Management and the bank shall have the authority to enter into any
2 agreement necessary to capitalize the fund.

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

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

13

14 4. (New section) a. There is established in the ¹**Resilient New**
15 **Jersey** Community Hazard Assistance Mitigation Program¹
16 Revolving Loan Fund a special subaccount to be known as the
17 ¹**Resilient New Jersey Financing** Community Hazard Assistance
18 Mitigation¹ Program Loan Origination Fee subaccount.

19 The ¹**Resilient New Jersey Financing** Community Hazard
20 Assistance Mitigation¹ Program Loan Origination Fee subaccount
21 shall be credited with:

22 (1) moneys deposited into the subaccount as loan origination fees
23 received by the bank and paid by loan applicants for hazard
24 mitigation and ¹**resiliency** resilience¹ projects ¹**Resilient New**
25 **Jersey Financing Program**¹ ; and

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

27 b. Moneys in the ¹**Resilient New Jersey Financing**
28 Community Hazard Assistance Mitigation¹ Program Loan
29 Origination Fee subaccount shall be drawn and used by the bank to
30 reimburse the bank for administrative and operating expenses
31 incurred in administering the ¹**Resilient New Jersey Financing**
32 Community Hazard Assistance Mitigation¹ Program. The monies
33 in the ¹**Resilient New Jersey Financing** Community Hazard
34 Assistance Mitigation¹ Program Loan Origination Fee subaccount
35 shall also be available for application by the bank for loans to local
36 government units and nonprofit organizations for the cost of hazard
37 mitigation and ¹**resiliency** resilience¹ projects. Amounts in
38 excess of the funds drawn by the bank from the subaccount
39 established pursuant to this section during any given fiscal year
40 shall be carried forward into the following fiscal year and held on
41 deposit in the fund.

42

43 5. (New section) a. In addition to its powers and duties set
44 forth in P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224
45 (C.58:11B-10.1 et al.), and sections 22 and 34 through 38 of
46 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-
47 20.2, C.58:11B-22.3, and C.58:11B-22.4), the New Jersey

1 Infrastructure Bank shall establish a “¹【Resilient New Jersey
2 Financing】 Community Hazard Assistance Mitigation¹ Program” to
3 fund hazard mitigation and ¹【resiliency】 resilience¹ projects
4 undertaken by the State, local government units, and nonprofit
5 organizations in accordance with the provisions of the STORM Act
6 and sections 1 through 9 of P.L. , c. (C.) (pending before
7 the Legislature as this bill).

8 b. Except as otherwise provided in sections 1 through 9 of
9 P.L. , c. (C.) (pending before the Legislature as this bill),
10 the ¹【Resilient New Jersey Financing】 Community Hazard
11 Assistance Mitigation¹ Program shall comply with all provisions of
12 P.L.1985, c.334 (C.58:11B-1 et seq.), unless such provision is
13 specifically related to environmental infrastructure or transportation
14 projects as defined in section 3 of P.L.1985, c.334 (C.58:11B-3).

15 In establishing this program and issuing bonds pursuant to
16 sections 1 through 9 of P.L. , c. (C.) (pending before the
17 Legislature as this bill), the bank shall have the same powers and
18 duties set forth in the “New Jersey Infrastructure Trust Act,”
19 P.L.1985, c.334 (C.58:11B-1 et seq.). The bank shall borrow
20 money and issue bonds, notes, and other obligations, and secure the
21 same, and provide for the rights of the holders thereof in the same
22 manner as provided pursuant to P.L.1985, c.334 (C.58:11B-1 et
23 seq.).

24 c. The bank shall make and contract to make loans and provide
25 other assistance to State entities, local government units, and
26 nonprofit organizations to finance the cost of hazard mitigation and
27 ¹【resiliency】 resilience¹ projects in accordance with the provisions
28 of the STORM Act and sections 1 through 9 of P.L. , c. (C.)
29 (pending before the Legislature as this bill) and acquire and contract
30 to acquire notes, bonds or other obligations issued or to be issued
31 by any local government units to evidence the loans, all in
32 accordance with the provisions of P.L.1985, c.334 (C.58:11B-1 et
33 seq.). The loans shall be made subject to those terms and
34 conditions as the bank shall determine to be consistent with the
35 purposes of the STORM Act and sections 1 through 9 of P.L. ,
36 c. (C.) (pending before the Legislature as this bill). Each
37 loan by the bank and the terms and conditions thereof shall be
38 subject to approval by the State Treasurer, and the bank shall make
39 available to the State Treasurer all information, statistical data, and
40 reports of independent consultants or experts as the State Treasurer
41 shall deem necessary in order to evaluate the loan.

42
43 6. (New section) a. The State Office of Emergency
44 Management, in ¹【conjunction】 consultation¹ with the ¹【bank】
45 commissioner¹ , shall for each fiscal year develop a priority system
46 for the ranking of hazard mitigation and ¹【resiliency】 resilience¹
47 projects to be financed through the ¹【Resilient New Jersey

1 Financing] Community Hazard Assistance Mitigation¹ Program and
2 the ¹[Resilient New Jersey] Community Hazard Assistance
3 Mitigation Program¹ Revolving Loan Fund.

4 b. (1) The State Office of Emergency Management, in
5 ¹[conjunction] consultation¹ with the ¹[bank] commissioner¹ ,
6 shall set forth a ¹[Resilient New Jersey Financing] Community
7 Hazard Assistance Mitigation¹ Program Project Priority List,
8 ¹[hereinafter referred to as the “hazard mitigation and resiliency
9 <sup>project priority list,”]¹ for funding by the bank for each fiscal year
10 and shall include ¹: (a)¹ the aggregate amount of funds of the bank
11 to be authorized for these purposes ¹[. The hazard mitigation and</sup>
12 ^{resiliency project priority list shall include] ; (b)¹ a description of}
13 ^{each hazard mitigation and resilience¹ project ¹;}¹ and ¹(c)¹ an
14 ^{explanation of the manner in which projects are ranked.}

15 The ¹[hazard mitigation and resiliency]¹ project priority list for
16 the ensuing fiscal year shall be submitted to the Legislature
17 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) on or before
18 January 15 of each year. The Senate Secretary and the Clerk of the
19 General Assembly shall cause the date of submission to be entered
20 upon the Senate Journal and the Minutes of the General Assembly,
21 respectively.

22 (2) Any hazard mitigation and ¹[resiliency] resilience¹ project,
23 or sponsor thereof, not identified in the ¹[hazard mitigation and
24 <sup>resiliency]¹ project priority list ¹pursuant to paragraph (1) of this
25 ^{subsection¹ shall not be eligible for a loan from the ¹[Resilient New}
26 ^{Jersey] Community Hazard Assistance Mitigation Program¹}
27 ^{Revolving Loan Fund. The bank may revise or supplement the}
28 ^{¹[hazard mitigation and resiliency]¹ project priority list no more}
29 ^{than four times during the fiscal year and shall submit the revised}
30 ^{list to the Legislature when the revisions are made.}</sup>

31 No funds may be disbursed pursuant to this subsection for hazard
32 mitigation and ¹[resiliency] resilience¹ project activities prior to
33 certification in writing, from the bank to the State Treasurer, that
34 the project activities satisfy the provisions of the STORM Act,
35 sections 1 through 9 of P.L. , c. (C.) (pending before the
36 Legislature as this bill), and P.L.1985, c.334 (C.58:11B-1 et seq.).

37 Any short-term or temporary loans made by the bank may only
38 be made in advance of an anticipated long-term hazard mitigation
39 and ¹[resiliency] resilience¹ project loan. Any such short-term or
40 temporary loan made shall mature no later than the last day of the
41 fifth succeeding fiscal year following the closing date on which the
42 short-term or temporary loan was made by the bank. Any short-
43 term or temporary loan made by the bank pursuant to this
44 subsection may mature in a shorter period of time as may be
45 necessary to align with construction completion. With respect to
46 any short-term or temporary loan for planning, design, and

1 construction expenses, the bank may authorize one short-term
2 supplemental loan for residual expenses thereof upon receipt by the
3 bank from the State Office of Emergency Management of a
4 certification that states that the time required to complete
5 construction of the project exceeds the maximum maturity date of
6 the short-term or temporary loan. Any such short-term
7 supplemental loan shall not exceed in duration the last day of the
8 third succeeding fiscal year following the loan closing of the short-
9 term supplemental loan.

10 c. The State Office of Emergency Management in
11 ¹~~conjunction~~ consultation¹ with the ¹~~bank~~ commissioner¹ ,
12 shall set forth a ¹~~Resilient New Jersey Financing~~ Community
13 Hazard Mitigation Assistance¹ Program Project Eligibility List for
14 long-term funding by the bank and shall include the aggregate
15 amount of funds to be authorized for these purposes.

16 On or before May 15 of each year, the bank shall submit the
17 ¹~~Resilient New Jersey Financing~~ Community Hazard Mitigation
18 Assistance¹ Program Project Eligibility List, to the Legislature
19 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) to be
20 introduced in each House in the form of legislative appropriations
21 bills, which shall be referred to the Senate Environment and Energy
22 Committee and the Assembly Environment and Solid Waste
23 Committee, or their successors, for their respective consideration.
24 The Senate Secretary and the Clerk of the General Assembly shall
25 cause the date of submission to be entered upon the Senate Journal
26 and the Minutes of the General Assembly, respectively.

27 The Senate Environment and Energy Committee and the
28 Assembly Environment and Solid Waste Committee shall, either
29 individually or jointly, consider the legislation containing the
30 ¹~~Resilient New Jersey~~ Community Hazard Mitigation Assistance¹
31 Program Project Eligibility List, and shall report the legislation,
32 together with any modifications, out of committee for consideration
33 by each House of the Legislature. On or before July 1 of each year,
34 the Legislature shall approve an appropriations act containing the
35 ¹~~Resilient New Jersey~~ Community Hazard Mitigation Assistance¹
36 Program Project Eligibility List, which act shall include the
37 authorization of an aggregate amount of funds of the bank to be
38 expended for long-term loans and guarantees for the hazard
39 mitigation and ¹~~resiliency~~ resilience¹ projects, including the
40 individual amounts therefor, on the list.

41 On or before October 15 of each year the bank may submit an
42 additional ¹~~Resilient New Jersey Financing~~ Community Hazard
43 Mitigation Assistance¹ Program Project Eligibility List, to be
44 introduced in each House in the form of legislative appropriations
45 bills, which shall be referred to the Senate Environment and Energy
46 Committee and the Assembly Environment and Solid Waste
47 Committee, or their successors, for their respective consideration.

1 The Secretary of the Senate and the Clerk of the General Assembly
2 shall cause the date of submission to be entered upon the Senate
3 Journal and the Minutes of the General Assembly, respectively.

4 d. ¹The State Office of Emergency Management shall consult
5 with the commissioner when developing the priority system
6 pursuant to subsection a. of this section, the project priority list
7 pursuant to subsection b. of this section, and the project eligibility
8 list pursuant to subsection c. of this section, however, responsibility
9 for determining assistance priorities and carrying out oversight
10 activities shall be the responsibility of the State Office of
11 Emergency Management.

12 e.¹ The bank shall not expend any money for a loan or
13 guarantee during a fiscal year for any hazard mitigation or
14 **¹[resiliency]** resilience¹ project unless the expenditure is
15 authorized pursuant to an appropriations act of the current or three
16 immediate preceding fiscal years as provided in the provisions of
17 this section, or as otherwise set forth in an appropriations act.

18 **¹[e.] f.¹** The bank shall submit to the Secretary of the Senate
19 and the Clerk of the General Assembly on or before January 15 of
20 each year a report which shall identify the hazard mitigation
21 **¹[resiliency]** and resilience¹ projects financed during the prior
22 fiscal year, including a project description, the amount of the loan
23 provided for each project, and the duration of each loan.
24

25 7. (New section) a. On or before May 15 of each year, the
26 bank shall submit to the Legislature pursuant to section 2 of
27 P.L.1991, c.164 (C.52:14-19.1), a financial plan designed to
28 implement the financing of hazard mitigation and **¹[resiliency]**
29 resilience¹ projects on the **¹[Resilient New Jersey Financing]**
30 Community Hazard Mitigation Assistance¹ Program Project
31 Eligibility List approved pursuant to section 6 of P.L. ,
32 c. (C.) (pending before the Legislature as this bill) or as
33 otherwise approved by the Legislature. The financial plan shall list
34 the bonds, notes, or other obligations of the bank which the bank
35 intends to issue, including the amounts thereof and the terms and
36 conditions thereof, a list of loans to be made, including the terms
37 and conditions thereof and the anticipated rate of interest per annum
38 and repayment schedule therefor, and a list of loan guarantees or
39 contracts to guarantee the payment of all or a portion of the
40 principal and interest on the bonds, notes, or other obligations.

41 The financial plan shall also set forth a complete operating and
42 financial statement covering the proposed operations of the
43 **¹[Resilient New Jersey Financing]** Community Hazard Mitigation
44 Assistance¹ Program during the forthcoming fiscal year, including
45 amounts of income from all sources, and the uniform schedule of
46 fees and charges established by the bank, and the amounts to be
47 derived therefrom. The financial plan shall also summarize the

1 status of each hazard mitigation and ¹resiliency resilience¹
2 project for which loans or guarantees have been made by the bank,
3 and shall describe major impediments to the accomplishment of the
4 planned hazard mitigation and ¹resiliency resilience¹ projects.

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

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

12
13 8. (New section) a. Monies in the ¹Resilient New Jersey¹
14 Community Hazard Mitigation Assistance Program¹ Revolving
15 Loan Fund (1) shall be used in accordance with the provisions of
16 the STORM Act and sections 1 through 9 of P.L. , c. (C.)
17 (pending before the Legislature as this bill) for the purpose of
18 providing loans or other financial assistance for hazard mitigation
19 and ¹resiliency resilience¹ projects undertaken by State entities,
20 local government units, and nonprofit organizations, and (2) shall
21 be supplemental to, and not intended to take the place of, funding
22 that otherwise would be appropriated to State agencies, local
23 government units, or nonprofit organizations for hazard mitigation
24 ¹or resiliency and resilience¹ projects.

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

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

45 (2) Repayment of a loan provided by a local government unit to a
46 private property owner may be collected in the same manner as
47 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 ¹**["natural"]** hazard ¹**["or resiliency"]**
28 mitigation and resilience¹ projects.

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

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

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

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

1 9. (New section) The bank and the Department of Law and
2 Public Safety ¹~~shall~~ may¹ 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 ¹~~shall~~ may¹ include, but not be limited to: procedures
8 for the 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 ¹**[Resilient New Jersey]**
36 **Community Hazard Assistance Mitigation Program¹ Revolving**
37 **Loan Fund** established pursuant to section 3 of P.L. , c. (C.)
38 (pending before the Legislature as this bill), including, but not
39 limited to, use of funds to: provide credit enhancements; serve as a
40 capital reserve for bond or other debt instrument financing;
41 subsidize interest rates; ensure the issuance of letters of credit and
42 credit instruments; finance purchase and lease agreements with
43 respect to transit projects; and provide bond or other debt financing
44 instrument security;

45 “Planning, design, and construction loan” means a short-term or
46 temporary loan for eligible costs incurred in project planning,
47 engineering design, or construction issued before or during the
48 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,
4 private persons **【or】**, public water utilities ^{1,1} or **【.】** nonprofit
5 organizations any fees and charges in connection with the trust's
6 loans, guarantees or other services, including, but not limited to,
7 fees and charges sufficient to reimburse the trust for all reasonable
8 costs necessarily incurred by it in connection with its financings and
9 the 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 ¹, and any form of technical assistance,¹ as these local
31 government units may request;

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

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

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

38

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

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

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

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

17 c. Bonds, notes or other obligations of the trust shall be
18 authorized by a resolution or resolutions of the trust and may be
19 issued in one or more series and shall bear any date or dates, mature
20 at any time or times, bear interest at any rate or rates of interest per
21 annum, be in any denomination or denominations, be in any form,
22 either coupon, registered or book entry, carry any conversion or
23 registration privileges, have any rank or priority, be executed in any
24 manner, be payable in any coin or currency of the United States
25 which at the time of payment is legal tender for the payment of
26 public and private debts, at any place or places within or without
27 the State, and be subject to any terms of redemption by the trust or
28 the holders thereof, with or without premium, as the resolution or
29 resolutions may provide. A resolution of the trust authorizing the
30 issuance of bonds, notes or other obligations may provide that the
31 bonds, notes or other obligations be secured by a trust indenture
32 between the trust and a trustee, vesting in the trustee any property,
33 rights, powers and duties in trust consistent with the provisions of
34 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-
35 10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56
36 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-
37 22.3, and C.58:11B-22.4) as the trust may determine.

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

1 environmental infrastructure projects, 45 years for combined sewer
2 overflow projects, **[and]** 31 years for transportation projects,
3 aviation projects, and marine projects, and 30 years for hazard
4 mitigation and ¹**[assistance]** resilience¹ projects pursuant to
5 sections 1 through 9 of P.L. , c. (C.) (pending before the
6 Legislature as this bill), from the effective date thereof, or the
7 certified useful life of the project or projects to be financed by the
8 bonds, notes, or other obligations, whichever is less, or a shorter
9 period of time as may be applicable to any companion loan made
10 concurrently with the loan made by the trust and issued pursuant to
11 federal law or regulation.

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

30 All bonds of the trust shall be sold at public or private sale at the
31 price or prices and in the manner as the trust shall determine, either
32 on a negotiated or on a competitive basis. If competitively sold,
33 bonds shall be sold after notice of sale, a summary of which shall be
34 **[published at least once in at least three newspapers published in**
35 **the State of New Jersey and at least once in a publication carrying**
36 **municipal bond notices and devoted primarily to financial news**
37 **published in New Jersey or the city of New York,]** ³**[made public**
38 **on three nationally recognized financial websites, accessible from**
39 **the trust website, and available on the State of New Jersey Internet**
40 **website, <https://buynjbonds.gov>, or its successor or a similar State**
41 **of New Jersey Internet website designed to provide information to**
42 **the State concerning the sale of bonds, with]** published at least once
43 in at least three newspapers published in the State of New Jersey
44 and at least once in a publication carrying municipal bond notices
45 and devoted primarily to financial news published in New Jersey or
46 the city of New York,³ the first summary notice to be at least five
47 days prior to the day of bidding. The notice of sale may contain a

1 provision to the effect that any or all bids made in pursuance thereof
2 may be rejected. In the event of such rejection or of failure to
3 receive any acceptable bid, the trust, at any time within 60 days
4 from the date of such advertised sale, may sell such bonds at private
5 sale upon terms not less favorable to the State than the terms
6 offered by any rejected bid. The trust may sell all or part of the
7 bonds of any series as issued to any State fund or to the federal
8 government or any agency thereof, at private sale, without
9 advertisement.

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

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

1 any political subdivision thereof, is pledged to the payment of the
2 principal of or the interest on the bonds, notes or other obligations.

3 g. The aggregate principal amount of bonds, notes or other
4 obligations, including subordinated indebtedness of the trust, shall
5 not exceed (1) \$5,000,000,000 with respect to bonds, notes, or other
6 obligations issued to finance the Disaster Relief Emergency
7 Financing Program established pursuant to section 1 of P.L.2013,
8 c.93 (C.58:11B-9.5), and (2) ~~【\$3,800,000,000】~~ \$5,000,000,000
9 with respect to bonds, notes, or other obligations issued for all other
10 purposes of the trust. In computing the foregoing limitations there
11 shall be excluded all the bonds, notes or other obligations, including
12 subordinated indebtedness of the trust, which shall be issued for
13 refunding purposes, whenever the refunding shall be determined to
14 result in a savings.

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

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

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

39 (4) Within 30 days after the sale of the refunding bonds, the
40 trust shall notify the committee of the result of that sale, including
41 the prices and terms, conditions and regulations concerning the
42 refunding bonds, the actual amount of debt service savings to be
43 realized as a result of the sale of refunding bonds, and the intended
44 use of the proceeds from the sale of those bonds.

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

1 h. Each issue of bonds, notes, or other obligations of the trust
2 may, if it is determined by the trust, be general obligations thereof
3 payable out of any revenues, receipts or funds of the trust, or
4 special obligations thereof payable out of particular revenues,
5 receipts or funds, subject only to any agreements with the holders of
6 bonds, notes or other obligations, and may be secured by one or
7 more of the following:

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

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

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

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

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

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

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

40

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

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

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

1 government units , public water utilities, or other persons, pledged
2 pursuant to a resolution or trust indenture for the benefit of the
3 holders of bonds, notes or other obligations of the trust and the right
4 by suit or action to foreclose any mortgage pledged pursuant to the
5 resolution or trust indenture for the benefit of the holders of the
6 bonds, notes or other obligations, and to limit or abrogate the right
7 of the holders of any bonds, notes or other obligations of the trust to
8 appoint a trustee under the provisions of P.L.1985, c.334
9 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or
10 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
11 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
12 C.58:11B-22.4), and to limit the rights, duties and powers of the
13 trustee;

14 m. Pay the costs or expenses incident to the enforcement of the
15 bonds, notes or other obligations of the trust or of the provisions of
16 the resolution authorizing the issuance of those bonds, notes or
17 other obligations or of any covenant or agreement of the trust with
18 the holders of the bonds, notes or other obligations;

19 n. Limit the rights of the holders of any bonds, notes or other
20 obligations of the trust to enforce any pledge or covenant securing
21 the bonds, notes or other obligations; and

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

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

35

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

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

46 (2) The trust may make and contract to make loans to public
47 water utilities, or to any other person or local government unit on
48 behalf of a public water utility, in accordance with and subject to

1 the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,
2 c.224 (C.58:11B-10.1 et al.) to finance the cost of any water supply
3 project, which the public water utility may lawfully undertake or
4 acquire.

5 (3) The trust may make and contract to make loans to private
6 persons other than local government units, or to any other person or
7 local government unit on behalf of a private person, in accordance
8 with and subject to the provisions of P.L.1985, c.334 (C.58:11B-1
9 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to finance the cost
10 of stormwater management systems.

11 (4) The trust may make and contract to make loans and provide
12 other assistance to a local government unit or consortia thereof to
13 finance the cost of transportation projects, aviation projects, and
14 marine projects pursuant to 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), and provided that the
17 federally-funded transportation subaccount is operated in
18 accordance with the provisions of the federal infrastructure bank
19 program.

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

1 government unit, public water utility or any other person, as the
2 case may be, may agree.

3 b. The trust is authorized to guarantee or contract to guarantee
4 the payment of all or any portion of the principal and interest on
5 bonds, notes or other obligations issued by a local government unit,
6 public water utility, or other person, to finance , as applicable, the
7 cost of any wastewater treatment system project, water supply
8 project, transportation project, aviation project, or marine project,
9 or redevelopment project that includes, as a portion thereof, any
10 wastewater treatment system project, water supply project, **[or]**
11 transportation project, aviation project, marine project, or hazard
12 mitigation and ¹**[resiliency]** resilience¹ project as defined in section
13 2 of P.L. , c. (C.) (pending before the Legislature as this
14 bill) , which the local government unit, public water utility, or other
15 person may lawfully undertake or acquire and for which the local
16 government unit is authorized by law to borrow money, and the
17 guarantee shall constitute an obligation of the trust, and shall be in
18 furtherance of the corporate purposes of the trust, for the purposes
19 of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224
20 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of
21 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-
22 20.2, C.58:11B-22.3, and C.58:11B-22.4). Each guarantee by the
23 trust and the terms and conditions thereof shall be subject to
24 approval by the State Treasurer, and the trust shall make available
25 to the State Treasurer all information, statistical data and reports of
26 independent consultants or experts as the State Treasurer shall deem
27 necessary in order to evaluate the guarantee.

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

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

1 or water supply projects included on the Department of
2 Environmental Protection project priority list and eligible for
3 approval pursuant to section 24 of P.L.1997, c.224 (C.58:11B-20.1),
4 as applicable, without regard to any other provisions of P.L.1985,
5 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et
6 al.), including, without limitation, any administrative or legislative
7 approvals.

8 The trust shall create and establish a special fund to be known as
9 the “Interim Environmental Financing Program Fund” for the short-
10 term or temporary loan financing or refinancing program to be
11 known as the “Interim Environmental Financing Program.” The
12 monies in the fund shall be used for short-term or temporary loans
13 for clean water and drinking water projects pursuant to the New
14 Jersey Environmental Infrastructure Financing Program.

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

1 design, and construction loan made by the trust pursuant to this
2 subsection, the trust may authorize one short-term supplemental
3 loan for residual project expenses thereof upon receipt by the trust
4 from the Department of Environmental Protection of a certification
5 that states that the time required by the project sponsor to complete
6 construction of the project exceeds the maximum maturity date of
7 the project sponsor's outstanding short-term or temporary loan or
8 planning, design, and construction loan. Any such short-term
9 supplemental loan shall not exceed in duration the last day of the
10 third succeeding fiscal year following the loan closing of the
11 supplemental loan. The trust may make short-term or temporary
12 loans pursuant to the Interim Environmental Financing Program to
13 any one or more of the project sponsors, for the respective projects
14 thereof, identified in the interim financing project priority list to be
15 known as the "Interim Environmental Financing Program Project
16 Priority List" in the form provided to the Legislature by the
17 Commissioner of Environmental Protection.

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

42 e. Notwithstanding any provisions of the "Local Bond Law"
43 (N.J.S.40A:2-1 et seq.), the "sewerage authorities law," P.L.1946,
44 c.138 (C.40:14A-1 et seq.), or the "municipal and county utilities
45 authorities law," P.L.1957, c.183 (C.40:14B-1 et seq.) to the
46 contrary, short-term or temporary loans made by the trust pursuant
47 to section 9 of P.L.1985, c.334 (C.58:11B-9) or section 1 of
48 P.L.2013, c.93 (C.58:11B-9.5), and the obligations issued by project

1 sponsors to evidence such loans, may, at the discretion of the trust
2 and upon application by the project sponsor, bear interest at a
3 variable rate determined pursuant to a methodology as may be
4 established by the trust from time to time.

5 Further, notwithstanding any provisions of the “Local Bond
6 Law” (N.J.S.40A:2-1 et seq.), the “sewerage authorities law,”
7 P.L.1946, c.138 (C.40:14A-1 et seq.), or the “municipal and county
8 utilities authorities law,” P.L.1957, c.183 (C.40:14B-1 et seq.) to
9 the contrary, any short-term or temporary loans made by the trust
10 pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9) or section 1
11 of P.L.2013, c.93 (C.58:11B-9.5), and any notes or other
12 obligations issued by project sponsors to evidence such short-term
13 or temporary loans, as such loans, notes, or other obligations may
14 be refinanced or extended, as provided in subsections d. and g. of
15 this section and section 1 of P.L.2013, c.93 (C.58:11B-9.5), except
16 for loans for environmental planning and engineering design costs
17 associated with long-term control plans for combined sewer
18 overflow projects as provided in subsection d. of this section, shall
19 mature no later than the maturity date as established pursuant to
20 subsections d. and g. of this section and section 1 of P.L.2013, c.93
21 (C.58:11B-9.5), without payment by project sponsors of any portion
22 of the principal thereof prior to maturity.

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

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

40 Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-1
41 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to the contrary,
42 the trust may receive funds from any source including, without
43 limitation, any funds drawn by the trust from a revolving line of
44 credit or other similar financial vehicle that may be procured by the
45 trust, either through a competitive or negotiated process, pursuant to
46 section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit into the
47 Interim Transportation Financing Program Fund or the trust may
48 issue its bonds, notes or other obligations in any principal amounts,

1 in either case, as in the judgment of the trust shall be necessary to
2 provide sufficient funds to finance or refinance short-term or
3 temporary loans to local government units or private persons for
4 any transportation project, aviation project, or marine project
5 included on the Department of Transportation Interim
6 Transportation Financing Program Project Priority List for the
7 ensuing fiscal year and eligible for approval pursuant to sections 22
8 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through
9 C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-
10 22.4), without regard to any other provisions of P.L.1985, c.334
11 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or
12 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
13 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
14 C.58:11B-22.4), including, without limitation, any administrative or
15 legislative approvals.

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

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

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

31 No funds may be disbursed pursuant to this subsection for
32 transportation project, aviation project, or marine project activities
33 prior to certification in writing, from the trust, that the project
34 activities satisfy the provisions of P.L.1985, c.334 (C.58:11B-1 et
35 seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34
36 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 Construction activities for a transportation project shall also require
39 written notification of award concurrence from the Department of
40 Transportation prior to fund disbursement.
41 (cf: P.L.2021, c.160, s.60)

42

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

45 11. a. The trust shall establish reserve and guarantee funds into
46 which shall be deposited the proceeds from any State bond issue
47 authorized for deposit in the trust or other funds appropriated by
48 law to the trust for deposit in the reserve or guarantee funds. The

1 reserve fund shall be used by the trust to secure debt issued by the
2 trust. The guarantee fund shall be used by the trust to secure debt
3 issued by a local government unit, public water utility, or other
4 person.

5 b. The trust may establish any reserves, funds or accounts as it
6 may determine necessary or desirable to further the accomplishment
7 of the purposes of the trust or to comply with the provisions of any
8 agreement made by or authorized in any resolution of the trust.

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

10

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

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

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

1 (2) The amount paid over to the trust shall be deducted from the
2 corresponding appropriation or apportionment of State aid payable
3 to the local government unit and shall not obligate the State to
4 make, nor entitle the local government unit to receive, any
5 additional appropriation or apportionment. The obligation of the
6 State Treasurer to make payments to the trust or trustee and the
7 right of the trust or trustee to receive those payments shall be
8 subject and subordinate to the rights of holders of qualified bonds
9 issued or to be issued pursuant to P.L.1976, c.38 (C.40A:3-1 et
10 seq.).

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

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

43 c. In the event that a local government unit or public water
44 utility, consortia thereof or private entity receiving a loan from the
45 trust fails or is unable to pay to the trust in full when due any
46 obligations of the local government unit or public water utility,
47 consortia thereof, or private entity to the trust, the trust shall have

1 the authority to exercise any and all recourses available to it under
2 the law in an effort to recover any amounts owed to the trust.

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

4

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

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

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

31

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

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

47 b. Upon default, the trustee may, and upon written request of
48 the holders of 25 percent in principal amount of the bonds, notes or

1 other obligations of the trust of a particular issue then outstanding
2 shall, in the trustee's own name:

3 (1) By suit, action or proceeding enforce all rights of the holders
4 of bonds, notes or other obligations of the issue, to require the trust
5 to carry out any other agreements with the holders of the bonds,
6 notes or other obligations of the issue and to perform its duties
7 under P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224
8 (C.58:11B-10.1 et al.), or 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);

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

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

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

19 (5) Sell or otherwise dispose of bonds and notes of local
20 government units, public water utilities, or other persons pledged
21 pursuant to resolution or trust indenture for benefit of holders of
22 bonds, notes, or other obligations of the issue on any terms as
23 resolution or trust indenture may provide;

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

27 (7) Declare all bonds, notes or other obligations of the issue due
28 and payable, and if all defaults are made good, then with the
29 consent of the holders of 50 percent of the principal amount of the
30 bonds, notes or other obligations of the issue then outstanding, to
31 annul the declaration and its consequences.

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

37 d. The Superior Court shall have jurisdiction over any suit,
38 action or proceeding by the trustees on behalf of the holders of
39 bonds, notes or other obligations of the trust. The venue of any suit,
40 action or proceeding shall be in the county in which the principal
41 office of the trust is located.

42 e. Before declaring the principal of bonds, notes or other
43 obligations of the trust due and payable as a result of a trust default
44 on any of its bonds, notes or other obligations, the trustee shall first
45 give 30 days' notice in writing to the trust and to the Governor,
46 State Treasurer, President of the Senate and Speaker of the General
47 Assembly.

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

1

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

4 6. Notwithstanding any provision of P.L.1985, c.334
5 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
6 the contrary, the trust may receive or access emergency or relief
7 federal funds that are appropriated to the State subsequent to a
8 federal or State declaration of emergency to make loans or grants in
9 the implementation of the New Jersey Environmental Infrastructure
10 Financing Program ~~or~~, the New Jersey Transportation
11 Infrastructure Financing Program, or the ¹Resilient New Jersey
12 Financing¹ Community Hazard Assistance Mitigation¹ Program
13 established pursuant to sections 1 through 9 of P.L. , c. (C.)
14 (pending before the Legislature as this bill), to local government
15 units, public water utilities or private persons for any wastewater
16 treatment system projects included on the clean water project
17 priority list for the ensuing fiscal year and eligible for approval
18 pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20), water
19 supply projects included on the drinking water project priority list
20 for the ensuing fiscal year and eligible for approval pursuant to
21 section 24 of P.L.1997, c.224 (C.58:11B-20.1), ~~or~~ transportation
22 projects included on the transportation project priority list for the
23 ensuing fiscal year and eligible for approval pursuant to section 36
24 of P.L.2016, c.56 (C.58:11B-20.2), or hazard mitigation and
25 ¹resiliency¹ resilience¹ projects included on the ¹Resilient New
26 Jersey Financing¹ Community Hazard Assistance Mitigation¹
27 Program Project Eligibility List for the ensuing fiscal year and
28 eligible for approval pursuant to sections 1 through 9 of P.L. ,
29 c. (C.) (pending before the Legislature as this bill), as
30 applicable, or to make non-project related loans and provide other
31 assistance, including CAP payments and other financial assistance
32 on behalf of or as a conduit for local government units, in
33 accordance with the ranking criteria determined by the federal or
34 State government.

35 For the purposes of this section, “CAP Payment” means a
36 payment made by a project sponsor pursuant to a State or federal
37 relief program for utility customers or a consumer assistance
38 program.

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

40

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

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

46 b. No funds shall be expended by the trust for its annual
47 operating expenses unless appropriated by law to the trust. Unless

1 required to be otherwise applied pursuant to law, funds generated
2 by the operation of the trust, including, but not limited to: proceeds
3 from the sale of the trust's bonds, notes or other obligations;
4 revenues derived from investments by the trust; loan repayments
5 from local government units, public water utilities, or other persons;
6 and fees and charges levied by the trust, may thereafter be applied
7 in accordance with the provisions of P.L.1985, c.334 (C.58:11B-1
8 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and
9 34 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) for any
11 corporate purpose of the trust without appropriation; except that the
12 funds shall only be used to make loans or guarantees approved by
13 the Legislature in accordance with the provisions of sections 20, 21,
14 and 22 of P.L.1985, c.334 (C.58:11B-20, C.58:11B-21 and
15 C.58:11B-22), sections 24, 25, and 26 of P.L.1997, c.224
16 (C.58:11B-20.1, C.58:11B-21.1 and C.58:11B-22.1), or sections 35
17 through 37 of P.L.2016, c.56 (C.58:11B-10.5, C.58:11B-20.2, and
18 C.58:11B-22.3).

19 c. The trust shall not apply for federal funds, including funds
20 which are authorized pursuant to the "Federal Water Pollution
21 Control Act Amendments of 1972," Pub.L. 92-500 (33 U.S.C.
22 s.1251 et seq.), and any amendatory or supplementary acts thereto,
23 except the trust is expressly authorized to apply, in consultation
24 with the Department of Environmental Protection, for funds under
25 the "Water Infrastructure Finance and Innovation Act," (WIFIA) 33
26 U.S.C. s.3901 et seq. as amended or superseded, and, in
27 consultation with the State Office of Emergency Management in the
28 Department of Law and Public Safety for funds under the
29 "Safeguarding Tomorrow Through Ongoing Risk Mitigation
30 (STORM) Act," Pub.L. 116-284 (42 U.S.C. s. 5135) as amended or
31 superseded, and with notice to the Department of Transportation,
32 for funds under the Transportation Infrastructure Finance and
33 Innovation Act (TIFIA) 23 U.S.C. 601 through 23 U.S.C. 609 as
34 amended or superseded, and provisions of the Moving Ahead for
35 Progress in the 21st Century Act (MAP-21) Pub. L. 112-141, the
36 Fixing America's Surface Transportation Act (FAST Act) Pub. L.
37 114-94, the Transportation Equity Act for the 21st Century (TEA-
38 21) Pub. L. 105-178, the Safe, Accountable, Flexible and Efficient
39 Transportation Equity Act: a Legacy for User ("SAFETEA-LU")
40 Pub. L. 109-59, and the Rail Safety Improvement Act of 2008 Pub.
41 L. 110-432, or any subsequent law concerning federal surface
42 transportation programs as applicable.

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

1 Repayments of principal and interest on all federal funds for
2 which the New Jersey Infrastructure Bank is expressly permitted to
3 apply shall be the responsibility of the borrowers of New Jersey
4 Infrastructure Bank loans issued utilizing those federal funds, and in
5 no way shall it be the responsibility of the State of New Jersey or
6 the Department of Transportation.

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

8

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

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

36 b. The trust shall adopt rules and regulations requiring any
37 entity, which receives a loan, grant, or guarantee for a project to pay
38 not less than the prevailing wage rate to workers employed in the
39 performance of any construction contract for that project, in
40 accordance with the rate determined by the Commissioner of Labor
41 and Workforce Development pursuant to P.L.1963, c.150 (C.34:11-
42 56.25 et seq.).

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

44

45 ¹22. There is appropriated \$500,000 from the General Fund to
46 the New Jersey Infrastructure Bank, to establish the Community

1 Hazard Assistance Mitigation Program pursuant to sections 1
2 through 9 of P.L. , c. (C.) (pending before the Legislature
3 as this bill).¹

4

5 ¹~~[22.]~~ 23.¹ This act shall take effect immediately.