

CHAPTER 68

AN ACT concerning the “New Jersey Debt Defeasance and Prevention Fund,” and making an appropriation.

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

1. There shall be credited \$400,000,000 from the General Fund to the “New Jersey Debt Defeasance and Prevention Fund,” established pursuant to section 1 of P.L.2021, c.125 (C.52:9H-2.2).

2. There is appropriated from the “New Jersey Debt Defeasance and Prevention Fund” \$90,000,000 to the Department of Corrections for the design and construction of a new facility to replace the Edna Mahan Correctional Facility for Women, subject to the approval of the Director of the Division of Budget and Accounting.

3. There is appropriated from the “New Jersey Debt Defeasance and Prevention Fund” \$120,000,000 to the Department of Law and Public Safety for the design and construction of a State Police Training Center, subject to the approval of the Director of the Division of Budget and Accounting.

4. There is appropriated from the “New Jersey Debt Defeasance and Prevention Fund” \$24,000,000 to the South Jersey Port Corporation for the purpose of funding capital projects, including maintenance, repair, and technology projects, subject to the approval of the Director of the Division of Budget and Accounting.

5. a. There is appropriated from the “New Jersey Debt Defeasance and Prevention Fund” \$137,000,000 to the Department of Transportation, which shall be allocated, expended, and administered by the Department of Transportation, subject to the approval of the Director of the Division of Budget and Accounting. The amount herein appropriated to the Department of Transportation shall be used to pay all or any portion of the State match required as a condition of receiving federal funds made available to an eligible entity for a transportation project, as determined by the Commissioner of the Department of Transportation.

b. As used in this section:

“Eligible entity” means any office, department, board, commission, bureau, division, agency, or instrumentality of the State, including a bi-state agency and the National Passenger Railroad Corporation, eligible to receive federal funds.

“Federal funds” means federal formula or competitive funds available for award to applicants under the Infrastructure Investment and Jobs Act, Pub.L.117-58, or the Inflation Reduction Act of 2022, Pub.L.117-169.

“State match” means the amount of State funds a successful grantee is required to contribute to a transportation project as a condition of receiving federal funds.

“Transportation project” means a capital project for public highways, approach roadways and other necessary land-side improvements, ramps, signal systems, roadbeds, transit lanes or rights of way, pedestrian walkways and bridges connecting to passenger stations and servicing facilities, bridges, and grade crossings undertaken by an eligible entity awarded federal funds and located in New Jersey.

6. a. Notwithstanding the provisions of section 3 of P.L.2021, c.125, there is appropriated from the “New Jersey Debt Defeasance and Prevention Fund” such amounts remaining therein

after the appropriations required pursuant to sections 2 through 5 of this act, as determined by the State Treasurer, including any amounts previously deposited therein, for the purpose of retiring and defeasing debts of the State of New Jersey, and the costs thereof, in such manner and at such times as the State Treasurer shall direct. If money is used for debt retirement or defeasance, the State Treasurer shall submit to the Joint Budget Oversight Committee a report describing the manner in which debt retirement and defeasance has been accomplished, including a description of the amounts to be saved and an attestation that describes the manner in which the retired debt benefits the State.

b. Notwithstanding the provisions of section 4 of P.L.2021, c.125, there is appropriated from the “New Jersey Debt Defeasance and Prevention Fund” such amounts remaining therein after the appropriations required pursuant to sections 2 through 5 of this act, as determined by the State Treasurer, including any amounts previously deposited therein, for the purpose of funding capital construction projects for which State debt is already authorized by law, or for which funding would have been derived from future State bond issuances, thereby constituting debt avoidance, subject to the approval of the Director of the Division of Budget and Accounting. The State Treasurer shall submit a list of proposed capital projects to the Joint Budget Oversight Committee for approval. The Joint Budget Oversight Committee shall meet not less frequently than quarterly, with the first quarter of the fiscal year beginning on July 1 and ending on September 30, to consider lists of proposed capital projects submitted by the State Treasurer. The Joint Budget Oversight Committee shall meet during the third month of the first quarter of the fiscal year. In the event that the Joint Budget Oversight Committee fails to meet during a given quarter, any recommendation submitted to the Joint Budget Oversight Committee more than 45 days prior to the last day of the quarter shall be deemed approved.

7. This act shall take effect immediately.

Approved June 30, 2023.