

ASSEMBLY, No. 5124

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED DECEMBER 9, 2024

Sponsored by:

Assemblywoman LISA SWAIN

District 38 (Bergen)

Assemblywoman ELLEN J. PARK

District 37 (Bergen)

Assemblyman ROY FREIMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Co-Sponsored by:

Assemblywomen Sumter and Speight

SYNOPSIS

Amends list of hazard mitigation and resilience projects approved for funding by NJ Infrastructure Bank under FY 2025 Community Hazard Assistance Mitigation Program.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/19/2024)

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2

1 AN ACT concerning the financing of certain hazard mitigation and
2 resilience projects in Fiscal Year 2025 and amending P.L.2024,
3 c.45.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. Section 1 of P.L.2024, c.45 is amended to read as follows:

9 1. As used in **[this act]** P.L.2024, c.45, as amended by
10 P.L. , c. (pending before the Legislature as this bill):

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

13 “CHAMP” means the Community Hazard Assistance Mitigation
14 Program established pursuant to section 5 of P.L.2023, c.63
15 (C.58:11B-5a).

16 “Loan origination fee” means the fee charged by the bank to pay
17 a portion of the costs incurred by the bank in the implementation of
18 the Community Hazard Assistance Mitigation Program.

19 “Project sponsor” means a local government unit receiving a
20 loan from the bank pursuant to **[this act]** P.L.2024, c.45, as
21 amended by P.L. , c. (pending before the Legislature as this
22 bill).

23
24 2. Section 2 of P.L.2024, c.45 is amended to read as follows:

25 2. a. The New Jersey Infrastructure Bank is authorized to expend
26 the aggregate sum of **[\$7,198,045]** \$13,813,000, or such amounts
27 as can be supported through balances in the "Community Hazard
28 Assistance Mitigation Program Revolving Loan Fund" established
29 pursuant to section 3 of P.L.2023, c.63 (C.58:11B-10.6), including
30 any appropriations from the Legislature, for the purpose of making
31 loans to, or on behalf of, local government units to finance all or a
32 portion of the cost of construction of the projects listed in section 4
33 of **[this act]** P.L.2024, c.45, as amended by P.L. , c. (pending
34 before the Legislature as this bill).

35 b. The bank is authorized to increase the aggregate sum
36 specified in subsection a. of this section by acquiring additional
37 lending capital. The bank is authorized to utilize the following
38 sources of funds to acquire such lending capital or for any purpose
39 of the Community Hazard Assistance Mitigation Program:

40 (1) the amounts of interest earned pursuant to a loan made to a
41 project sponsor participating in CHAMP;

42 (2) the interest earned on amounts deposited pending their
43 distribution to project sponsors, as provided in subsection b. of
44 section 6 of **[this act]** P.L.2024, c.45, as amended by P.L. ,
45 c. (pending before the Legislature as this bill); and

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

Matter underlined thus is new matter.

1 (3) the amounts of the loan origination fee, as provided in
2 subsection c. of section 6 of **【this act】 P.L.2024, c.45, as amended**
3 **by P.L. , c. (pending before the Legislature as this bill)**, and any
4 other CHAMP fees.

5

6 3. Section 3 of P.L.2024, c.45 is amended to read as follows:

7 3. The New Jersey Infrastructure Bank is authorized to make
8 loans to, or on behalf of, the project sponsors for the hazard
9 mitigation and resilience projects listed in subsection a. of section 4
10 of **【this act】 P.L.2024, c.45, as amended by P.L. , c. (pending**
11 **before the Legislature as this bill)**, up to the individual amounts
12 indicated and in the priority stated, except that any such amount
13 may be reduced by the bank pursuant to subsection a. of section 6
14 of **【this act】 P.L.2024, c.45, as amended by P.L. , c. (pending**
15 **before the Legislature as this bill)**, or if a project fails to meet the
16 requirements of section 5 of **【this act】 P.L.2024, c.45, as amended**
17 **by P.L. , c. (pending before the Legislature as this bill)**. The
18 bank is authorized to increase any such amount pursuant to
19 subsections b. and c. of section 6 of **【this act】 P.L.2024, c.45, as**
20 **amended by P.L. , c. (pending before the Legislature as this**
21 **bill)**.

22

23 4. Section 4 of P.L.2024, c.45 is amended to read as follows:

24 4. a. The following CHAMP projects shall be known and may
25 be cited as the “State Fiscal Year 2025 Community Hazard
26 Assistance Mitigation Program Project Eligibility List”:

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Applicant, Project No.	Project Description	Estimated Total Project Amount	Estimated Total Loan Amount
Jersey City, RB0906-001	McGovern Park Resilience	\$5,053,524	\$1,360,000
Hoboken City, RB0905-001	Southwest Park Expansion	\$13,188,272	\$1,800,000
Stafford Township, RB1531-001	Elevations	\$2,532,436	\$570,000
Bergen County Utilities Authority, RB0200-UA-001	Flood Mitigation of Joint Meeting Pump Station	\$5,993,832	\$1,610,000
<u>Brick Township Municipal Utilities Authority RB1507-UA-001</u>	<u>Brick Reservoir Resilient Infrastructure Improvements</u>	<u>\$3,768,155</u>	<u>\$1,040,000</u>
Rochelle Park Township, RB0254-001	Reconstruction of Sanitary Sewer Pump Station	\$2,595,146	\$2,140,000
<u>Rochelle Park Township, RB0254-002</u>	<u>Elevations</u>	<u>\$3,364,023</u>	<u>\$360,000</u>
<u>Highlands Borough RB1319-001</u>	<u>Highlands and Monmouth Hills Flood Mitigation and Green Infrastructure</u>	<u>\$16,205,280</u>	<u>\$4,413,000</u>
Marlboro Township, RB1330-001	Nolan Road Streambank Stabilization	\$1,757,775	\$520,000
Total Projects: [6] 2		[\$31,120,985] <u>\$54,458,443</u>	[\$8,000,000] <u>\$13,813,000</u>

- 1
- 2 b. The bank is authorized to adjust the allowable loan amount
- 3 for each project authorized in this section as appropriate, provided
- 4 that the total amount of loan issuance remains within available
- 5 funds, and each loan is issued pursuant to the terms and conditions
- 6 of the State Fiscal Year 2025 Community Hazard Assistance
- 7 Mitigation Program.
- 8
- 9 5. Section 5 of P.L.2024, c.45 is amended to read as follows:
- 10 5. Any loan made by the New Jersey Infrastructure Bank
- 11 pursuant to **[this act]** P.L.2024, c.45, as amended by P.L. ,
- 12 c. (pending before the Legislature as this bill), shall be subject to
- 13 the requirements of this section.
- 14 a. The chairperson, vice-chairperson, or secretary of the bank
- 15 shall certify that the project complies with the applicable provisions
- 16 of P.L.2023, c.63, P.L.1985, c.334, and any amendatory and
- 17 supplementary acts thereto, and any rules and regulations adopted
- 18 pursuant thereto, as applicable, and any policy statements relating
- 19 to CHAMP set forth in the State Fiscal Year 2025 CHAMP

1 Financial Plan. In making this certification, the chairperson, vice-
2 chairperson, or secretary may conclusively rely on the project
3 review conducted by the State Office of Emergency Management
4 without any independent review thereof by the bank.

5 b. The loan shall be conditioned upon inclusion of the project
6 on a project eligibility list approved pursuant to section 6 of
7 P.L.2023, c.63 (C.58:11B-20.5).

8 c. The loan shall be repaid within a period not to exceed 30
9 years of project completion or the making of the loan.

10 d. The loan shall not exceed the allowable project cost of the
11 project, exclusive of capitalized interest, administrative expenses
12 associated with federal funding programs, if applicable, interest
13 earned on project costs as provided in subsection b. of section 6 of
14 **【this act】** P.L.2024, c.45, as amended by P.L. , c. (pending
15 before the Legislature as this bill), the amounts of the loan
16 origination fee as provided in subsection c. of section 6 of **【this act】**
17 P.L.2024, c.45, as amended by P.L. , c. (pending before the
18 Legislature as this bill), and increased costs as determined in
19 accordance with the requirements of section 8 of P.L.2023, c.63
20 (C.58:11B-10.8) and any policy statements relating to CHAMP set
21 forth in the State Fiscal Year 2025 CHAMP Financial Plan.

22 e. The loan shall bear interest, exclusive of any cost of
23 issuance charges, late charges, or administrative fees payable to the
24 bank pursuant to subsection o. of section 5 of P.L.1985, c.334
25 (C.58:11B-5) and pursuant to the provisions of the “Safeguarding
26 Tomorrow through Ongoing Risk Mitigation Act”, Pub. L. 116-284,
27 by the project sponsors receiving Community Hazard Assistance
28 Mitigation Program loans in accordance with the terms and
29 conditions set forth in the financial plan required pursuant to
30 section 7 of P.L.2023, c.63 (C.58:11B-22.5).

31 f. The loan shall be subject to all other terms and conditions as
32 the bank shall determine to be consistent with the provisions of
33 P.L.1985, c.334 (C.58:11B-1 et seq.) and any rules and regulations
34 adopted pursuant thereto, the requirements of section 8 of P.L.2023,
35 c.63 (C.58:11B-10.8), and any policy statements relating to
36 CHAMP and the financial plan required by section 7 of P.L.2023,
37 c.63 (C.58:11B-22.5). The eligibility lists and authorization for the
38 making of loans pursuant to **【this act】** P.L.2024, c.45, as amended
39 by P.L. , c. (pending before the Legislature as this bill), shall
40 expire on July 1, 2025, and any project sponsor which has not
41 executed and delivered a loan agreement with the bank for a loan
42 authorized in **【this act】** P.L.2024, c.45, as amended by P.L. ,
43 c. (pending before the Legislature as this bill), shall no longer be
44 entitled to that loan.

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46 6. Section 6 of P.L.2024, c.45 is amended to read as follows:

47 6. a. The New Jersey Infrastructure Bank is authorized to reduce
48 the individual amount of loan funds made available to, or on behalf

1 of, project sponsors pursuant to section 4 of **【this act】** P.L.2024,
2 c.45, as amended by P.L. , c. (pending before the Legislature as
3 this bill), based upon final building costs, as determined in
4 accordance with the requirements of section 8 of P.L.2023, c.63
5 (C.58:11B-10.8) and any policy statements relating to CHAMP set
6 forth in the State Fiscal Year 2025 CHAMP Financial Plan. The
7 bank is authorized to use any such reduction in the loan amount
8 made available to a project sponsor to cover that project sponsor's
9 increased costs due to differing site conditions or other allowable
10 expenses, as determined in accordance with the requirements of
11 section 8 of P.L.2023, c.63 (C.58:11B-10.8) and any policy
12 statements relating to CHAMP to be set forth in the State Fiscal
13 Year 2025 CHAMP Financial Plan.

14 b. The bank is authorized to increase each loan amount
15 authorized in section 4 of **【this act】** P.L.2024, c.45, as amended by
16 P.L. , c. (pending before the Legislature as this bill), by the
17 amount of capitalized interest and interest accrued pursuant to a
18 loan made to a project sponsor pursuant to the Community Hazard
19 Assistance Mitigation Program, issuance expenses, and
20 administrative expenses associated with federal funding programs
21 allocable to each loan made by the bank pursuant to **【this act】**
22 P.L.2024, c.45, as amended by P.L. , c. (pending before the
23 Legislature as this bill).

24 c. The bank is authorized to increase each loan amount
25 authorized in section 4 of **【this act】** P.L.2024, c.45, as amended by
26 P.L. , c. (pending before the Legislature as this bill), by a loan
27 origination fee.

28
29 7. This act shall take effect immediately.

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STATEMENT

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34 This bill would add three new projects to the list of projects
35 authorized for funding by the New Jersey Infrastructure Bank
36 (NJIB) under the fiscal year 2025 Community Hazard Assistance
37 Mitigation Program (CHAMP): one in Brick Township, one in
38 Rochelle Park Township, and one in Highlands Borough.

39 The CHAMP program was established by the "Community
40 Hazard Assistance Mitigation Program Revolving Loan Fund Act,"
41 P.L.2023, c.63 (C.58:11B-20.3 et al.), in order to implement the
42 federal "Safeguarding Tomorrow through Ongoing Risk Mitigation
43 Act" (STORM act), Pub. L. 116-284, in New Jersey. In July 2024,
44 P.L.2024, c.45 was enacted into law, which authorized the NJIB to
45 expend up to \$7,198,045 to provide low-interest loans to six project
46 sponsors for a portion of the total costs of six eligible Community
47 Hazard Assistance Mitigation projects for fiscal year 2025. As
48 amended by this bill, P.L.2024, c.45 would authorize the NJIB to

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- 1 expend up to \$13,813,000 to provide loans to project sponsors for a
- 2 total of nine eligible hazard mitigation and resilience projects for
- 3 fiscal year 2025.