

[First Reprint]

SENATE, No. 3415

STATE OF NEW JERSEY
221st LEGISLATURE

INTRODUCED JUNE 10, 2024

Sponsored by:

Senator ANDREW ZWICKER

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Senator PAUL A. SARLO

District 36 (Bergen and Passaic)

Co-Sponsored by:

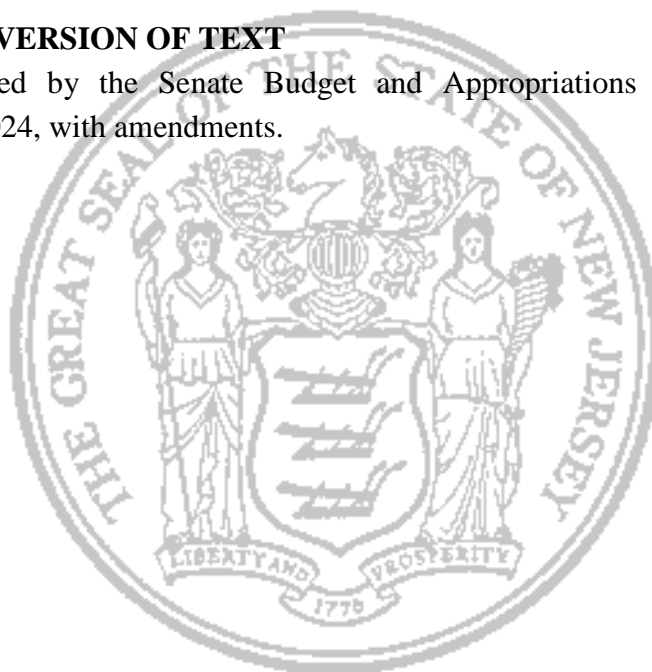
Senators A.M.Bucco and Space

SYNOPSIS

Establishes "Energy Infrastructure Public-Private Partnerships Program"; amends law concerning NJ Infrastructure Bank; and authorizes certain energy contracts under "Public School Contracts Law" and "Local Public Contracts Law" up to 25 years.

CURRENT VERSION OF TEXT

As reported by the Senate Budget and Appropriations Committee on October 7, 2024, with amendments.



(Sponsorship Updated As Of: 6/28/2024)

1 AN ACT concerning energy infrastructure public-private
2 partnerships, supplementing Titles 52 and 58 of the Revised
3 Statutes, and amending P.L.1985, c.334, N.J.S.18A:18A-42, and
4 P.L.1971, c.198.

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

8
9 1. (New section) Sections 1 through 20 of
10 P.L. , c. (C.) (pending before the Legislature as this bill)
11 shall be known and may be cited as the "Energy Infrastructure
12 Public-Private Partnerships Act."

13
14 2. (New section) a. The Legislature finds and declares that:

15 (1) It is the public policy of this State to assure that the State's
16 energy infrastructure is developed and maintained in a manner that
17 assures, to the greatest extent possible, the availability of reliable
18 and resilient state-of-the-art energy resources to the State and, in
19 particular, to the critical facilities that provide necessary lifeline
20 services to the State's citizens and businesses;

21 (2) The recent occurrence of severe weather events, and the
22 current condition of the State's aging energy systems underscore the
23 vulnerability of the State's energy infrastructure and the substantial
24 and immediate need for the State to improve the energy resources
25 available to State, county, and municipal facilities that provide
26 critical lifeline services, including hospitals, police and fire
27 departments, water and wastewater treatment facilities, shelters,
28 colleges, universities, schools, and prisons;

29 (3) The urgent need to decarbonize the energy sector will
30 require a significant expansion of intermittent renewable energy
31 sources. In order to facilitate the expansion of solar photovoltaic
32 and wind resources, the State's infrastructure must include
33 dispatchable resources at the location of use in order to mitigate the
34 significant economic and potential physical damage that could
35 result from poor power quality issues. Grid-edge, on-demand
36 energy generation that is efficient and clean is necessary to support
37 the continued development of renewable resources;

38 (4) The reliability, resiliency, and efficiency of the State's energy
39 infrastructure will be improved if the State encourages the
40 development of the energy-related projects contemplated by P.L. ,
41 c. (C.) (pending before the Legislature as this bill), which
42 will reduce the vulnerability of critical facilities to threats posed by
43 weather and other exogenous factors, minimize equipment failures
44 caused by deterioration, disrepair, and obsolescence, enhance the
45 production and delivery of energy, including clean energy

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:

¹Senate SBA committee amendments adopted October 7, 2024.

1 resources, improve the energy efficiency of facilities, reduce peak
2 demand, energy costs, and greenhouse gas emissions, and promote
3 economic development and foster job creation;

4 (5) The implementation of energy-related projects through
5 public-private partnerships will enable the State to leverage the
6 capital and expertise of the private sector, which will permit needed
7 energy-related projects to be developed, in many instances on a
8 self-funded basis, without taxpayer or ratepayer support; and

9 (6) The use of energy infrastructure public-private partnerships
10 will contribute to the attainment of the goals of the State's Energy
11 Master Plan, which include aggressive initiatives to expand the
12 implementation of renewable energy and building and
13 transportation decarbonization initiatives, improve energy reliability
14 and resiliency, and introduce state-of-the-art technologies that can
15 make buildings more energy efficient and reduce energy usage,
16 peak demand, energy costs, and greenhouse gas emissions.

17 b. The Legislature therefore determines that:

18 (1) It shall be the public policy of this State to foster energy
19 public-private partnerships to develop state-of-the-art energy-
20 related projects that obviate or minimize the need for capital
21 investments in such projects by governmental entities, taxpayers,
22 and utility ratepayers;

23 (2) In order to foster the energy-related projects contemplated by
24 P.L. , c. (C.) (pending before the Legislature as this bill),
25 it is necessary and appropriate for the Legislature to authorize the
26 use of public-private partnerships that leverage private sector
27 financial resources and expertise and provide a platform for
28 governmental and private entities to share the responsibilities and
29 benefits of these projects;

30 (3) Current economic conditions, combined with the critical and
31 immediate need to improve the State's energy infrastructure and
32 achieve the State's near and long-term energy goals, compel the
33 State to pursue the energy-related public-private partnerships
34 contemplated by P.L. , c. (C.) (pending before the
35 Legislature as this bill), which will enhance the reliability,
36 resilience, and efficiency of the State's energy infrastructure. by
37 introducing state-of-the-art energy technologies; and

38 (4) The energy-related public-private partnerships contemplated
39 by P.L. , c. (C.) (pending before the Legislature as this
40 bill) will encourage private capital investment and leverage the
41 technical, financial, and managerial expertise of the private sector
42 to assist eligible public entities that otherwise lack the necessary
43 capital, resources, or expertise to design, develop, own, manage,
44 operate, and maintain needed energy infrastructure projects.

45

46 3. (New section) As used in sections 1 through 20 of
47 P.L. , c. (C.) (pending before the Legislature as this bill):

1 "Class I renewable energy" and "Class II renewable energy" mean
2 the same as those terms are defined in section 3 of P.L.1999, c.23
3 (C.48:3-51).

4 "Distributed electric generation resource" means distributed
5 sources of electric power generation and energy storage facilities
6 including, but not limited to, Class I and Class II renewable energy
7 facilities, solar photovoltaics, wind, solar thermal, hydroelectric and
8 biofuels, dispatchable generation, combined heat and power, fuel cell,
9 and battery storage technologies.

10 "District energy system" means an on-site generation facility, as
11 defined in section 3 of P.L.1999, c.23 (C.48:3-51), that provides
12 thermal or electric energy services, or both, to end-use customers for
13 use for heating or cooling regardless of whether the customer is
14 located on property that is separated from the property on which the
15 on-site generation facility is located by more than one easement,
16 public thoroughfare, transportation right-of-way, or utility-owned
17 right-of-way.

18 "Energy P3 Program" or "program" means the Energy
19 Infrastructure Public-Private Partnerships Program established
20 pursuant to section 7 of P.L. , c. (C.) (pending before the
21 Legislature as this bill).

22 "Energy-related project" or "project" means a project developed, in
23 whole or in part, for a new or existing facility, owned or leased, or to
24 be owned or to be subject to a long-term lease, by a P3 eligible entity,
25 involving the application of energy efficiency, energy conservation,
26 energy generation, energy optimization, renewable and non-carbon-
27 emitting energy technologies, energy storage, decarbonization, or
28 demand side management measures including, but not limited to: (1)
29 energy efficient appliances, lighting, heating, ventilation, and air
30 conditioning systems, motors, building controls, and other energy
31 conservation measures; (2) Class I and Class II renewable energy
32 sources; (3) building and transportation-related decarbonization
33 measures including electric vehicle infrastructure; (4) smart metering
34 and smart grid technologies; (5) distributed electric generation
35 resources; (6) district energy systems; (7) renewable natural gas and
36 hydrogen production facilities; (8) geothermal energy systems; and (9)
37 biogas, biomass, and waste-to-energy technologies. "Energy-related
38 project" shall not include a self-funded energy efficiency project that is
39 an energy savings improvement program undertaken pursuant to the
40 provisions of P.L.2009, c.4 (C.18A:18A-4.6 et al.) or P.L.2012, c.55
41 (C.52:34-25.1 et al.).

42 "Private entity" means a person, combination of persons, business
43 entity, combination of business entities, or combination of persons and
44 business entities whose business is to provide technical, financial, or
45 managerial expertise ¹, or partnership, joint venture, cooperative, or
46 other shared opportunities¹ or resources to a P3 eligible entity for the
47 design, development, ¹redevelopment,¹ management, operation, or
48 maintenance of an energy-related project.

1 "Public-private partnership agreement" or "agreement" means an
2 agreement entered into by a P3 eligible entity and a private entity
3 pursuant to section 4 of P.L. , c. (C.) (pending before the
4 Legislature as this bill) for the purposes of undertaking an energy-
5 related project whereby the private entity assumes financial
6 developmental, operational, managerial, or administrative
7 responsibility and maintains a financial interest in the energy-related
8 project.

9 "Public-private partnership eligible entity" or "P3 eligible entity"
10 means the State, its subdivisions, and any department, agency,
11 commission, authority, board, or instrumentality thereof, a county, a
12 municipality, a board of education, a State college or university, a
13 county college, a private not-for-profit higher education institution, a
14 regional or municipal utility authority, a quasi-State agency, a State-
15 created corporation, and a private not-for-profit hospital licensed by
16 the Department of Health pursuant to the "Health Care Facilities
17 Planning Act," P.L.1971, c.136 (C.26:2H-1 et seq.). "P3 eligible
18 entity" shall not include a municipal electric utility established
19 pursuant to R.S.40:62-12.

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

22

23 4. (New section) a. A P3 eligible entity may enter into a public-
24 private partnership agreement with a private entity pursuant to the
25 provisions of P.L. , c. (C.) (pending before the
26 Legislature as this bill), which shall be subject to the approval of
27 the trust in accordance with the rules and regulations adopted
28 pursuant to subsection e. of section 7 of P.L. , c. (C.)
29 (pending before the Legislature as this bill). An energy-related
30 project may involve the design, construction, reconstruction,
31 alteration, or improvement of one or more buildings, structures, or
32 facilities owned or subject to a long-term lease, or to be owned or to
33 be subject to a long-term lease, by the P3 eligible entity, provided
34 that the private entity is responsible for the performance of each
35 energy-related project and the P3 eligible entity retains an
36 ownership or leasehold interest in the land or property upon which
37 the energy-related project is developed. No particular method or
38 structure of project financing shall be required of a private entity
39 unless the method or structure of project financing or, if applicable,
40 provision for ownership and title transfer to the P3 eligible entity at
41 the end of the term of the agreement, is clearly described by the P3
42 eligible entity in any formal authorized solicitation process for an
43 energy-related project.

44 b. P3 eligible entities and private entities that develop energy-
45 related projects pursuant to a public-private partnership agreement
46 executed and approved in accordance with the provisions of
47 P.L. , c. (C.) (pending before the Legislature as this bill)
48 shall be eligible to receive financing available through the Energy

1 Infrastructure Financing Program established by the trust pursuant
2 to section 28 of P.L. , c. (C.) (pending before the
3 Legislature as this bill), to the extent such funds are available, in
4 addition to financing or funding available from other sources.

5 c. A P3 eligible entity may solicit a proposal for an energy-
6 related project, or consider an unsolicited proposal for an energy-
7 related project, only from a private entity that has been duly
8 qualified by the Energy P3 Program pursuant to sections 7 and 8 of
9 P.L. , c. (C.) (pending before the Legislature as this bill)
10 and any other applicable law.

11
12 5. (New section) a. An energy-related project may be proposed
13 either by a P3 eligible entity or by a private entity. Notwithstanding
14 the provisions of any law, rule, regulation, decision, or order to the
15 contrary, a public-private partnership agreement may provide that,
16 as part of the agreement, an energy-related project may be proposed
17 and selected individually or as a part of any other project for the
18 design, construction, reconstruction, alteration, improvement,
19 development, or redevelopment of one or more buildings,
20 structures, or facilities owned or subject to a long-term lease, or to
21 be owned or to be subject to a long-term lease, by a P3 eligible
22 entity, and may also include buildings, structures, or facilities
23 owned, or to be owned, by one or more private entities, without
24 regard to the contiguity of the properties on which energy-related
25 projects are developed. An energy-related project shall be designed
26 to: enable a P3 eligible entity to more reliably, efficiently, and
27 cost-effectively generate, distribute, conserve, store, consume, and
28 acquire energy; improve the reliability and resiliency of its energy
29 infrastructure; reduce greenhouse gas emissions, energy usage, and
30 peak demand; diversify its sources of energy supply; create jobs;
31 and foster economic development. A proposed energy-related
32 project shall produce quantifiable or otherwise demonstrable
33 benefits during the life of the project which shall be evaluated by
34 the trust, as part of the approval of the public-private partnership
35 agreement, in accordance with the rules and regulations adopted
36 pursuant to subsection e. of section 7 of P.L. , c. (C.)
37 (pending before the Legislature as this bill).

38 b. If an unsolicited energy-related project is proposed by a
39 qualified private entity to a P3 eligible entity, the P3 eligible entity
40 shall determine whether to accept, reject, or modify the proposal. If
41 the P3 eligible entity elects to implement all or a portion of the
42 proposed energy-related project, the P3 eligible entity shall initiate
43 and adhere to the competitive solicitation procedure established
44 pursuant to sections 8 and 9 of P.L. , c. (C.) (pending
45 before the Legislature as this bill). If the unsolicited proposal is
46 rejected by the P3 eligible entity, the P3 eligible entity shall return
47 all copies of, and all materials relating to the unsolicited proposal to
48 the private entity. The unsolicited proposal, and all records of

1 communications and negotiations related to the proposal, shall be
2 confidential and exempt from public disclosure in accordance with
3 the provisions of section 17 of P.L. , c. (C.) (pending
4 before the Legislature as this bill).

5
6 6. (New section) a. Notwithstanding the provisions of any law,
7 rule, regulation, decision, or order to the contrary, a P3 eligible
8 entity that undertakes an energy-related project with a private
9 entity, its affiliates, and approved subcontractors pursuant to a
10 public-private partnership agreement shall not be subject to the
11 requirement of advertisement for public bid otherwise applicable to
12 the P3 eligible entity, provided that the private entity is selected by
13 the P3 eligible entity pursuant to a solicitation process conducted in
14 accordance with sections 8 and 9 of P.L. , c. (C.)
15 (pending before the Legislature as this bill).

16 b. Except as otherwise set forth in subsection a. of this section,
17 all solicitations for proposals conducted pursuant to sections 8 and 9
18 of P.L. , c. (C.) (pending before the Legislature as this
19 bill) shall be subject to the procurement laws and procedures
20 otherwise applicable to the P3 eligible entity.

21
22 7. (New section) a. (1) The trust shall establish an Energy
23 Infrastructure Public-Private Partnerships Program or "Energy P3
24 Program." The Energy P3 Program shall provide for the
25 formulation and execution of a comprehensive Statewide program
26 to facilitate public-private partnerships for the development of
27 energy-related projects, and for the development, promotion,
28 coordination, oversight, and approval of public-private partnership
29 agreements pursuant to P.L. , c. (C.) (pending before the
30 Legislature as this bill).

31 (2) The costs associated with the establishment and operation of
32 the Energy P3 Program may be funded by moneys from the "Global
33 Warming Solutions Fund" created pursuant to section 6 of
34 P.L.2007, c.340 (C.26:2C-50), the societal benefits charge imposed
35 pursuant to section 12 of P.L.1999, c.23 (C.48:3-60), any other
36 funding source the Legislature appropriates to the Energy P3
37 Program, and fees collected from private entities pursuant to
38 subsection c. of this section.

39 (3) The trust shall implement the rules and regulations, policies,
40 and procedures established pursuant to P.L. , c. (C.)
41 (pending before the Legislature as this bill) in a manner that
42 encourages private entity participation in the Energy P3 Program
43 and provides necessary project oversight and assistance to P3
44 eligible entities.

45 b. The trust may retain one or more qualified private consultants
46 with relevant expertise to provide the technical assistance and
47 resources deemed necessary and appropriate to assist the Energy P3
48 Program.

1 c. The trust shall annually develop an operating budget for the
2 Energy P3 Program to enable the trust to adequately and properly
3 perform its duties and responsibilities, and, if necessary, to
4 compensate private consultants retained pursuant to subsection b. of
5 this section to assist the trust to implement the Energy P3 Program
6 as established in this section. The trust or any private consultant
7 retained by the trust may charge a private entity a reasonable fee for
8 the services provided by the trust or the private consultant, as
9 applicable, under the Energy P3 Program, in connection with any
10 implemented energy-related project under the program.

11 d. The trust shall comply with the provisions of the "Local
12 Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.), in the
13 negotiation and award of professional service contracts with private
14 consultants. A professional service contract entered into pursuant
15 to this section shall include provisions for fees, contract scope and
16 duration, and other terms as are deemed necessary and appropriate
17 by the trust to retain the services of one or more private consultants,
18 deemed by the trust to be qualified by training and experience, to
19 provide technical assistance required by the Energy P3 Program
20 pursuant to P.L. , c. (C.) (pending before the Legislature
21 as this bill).

22 e. Within 18 months after the effective date of P.L. ,
23 c. (C.) (pending before the Legislature as this bill), the trust
24 shall adopt rules and regulations pursuant to the "Administrative
25 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), as are
26 necessary to implement the provisions of P.L. , c. (C.)
27 (pending before the Legislature as this bill).

28 f. The trust shall, within 90 days after the effective date of
29 P.L. , c. (C.) (pending before the Legislature as this bill),
30 undertake a study of the staffing and other resources deemed
31 necessary to implement the Energy P3 Program and to perform the
32 duties and responsibilities established by P.L. , c. (C.)
33 (pending before the Legislature as this bill). The trust shall prepare
34 a report of its study, and provide a copy to the Governor and,
35 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the
36 Legislature, recommending any further action or resources needed
37 to facilitate program implementation.

38

39 8. (New section) a. A private entity seeking to enter into a
40 public-private partnership agreement for an energy-related project
41 with a P3 eligible entity shall first be qualified under the Energy P3
42 Program. The trust shall establish appropriate qualification criteria
43 for any private entity seeking to participate in the Energy P3
44 Program pursuant to the rules and regulations adopted pursuant to
45 section 7 of P.L. , c. (C.) (pending before the Legislature
46 as this bill), and shall provide details of the qualification criteria in
47 the report submitted to the Legislature pursuant to section 33 of
48 P.L. , c. (C.) (pending before the Legislature as this bill).

1 b. Under the Energy P3 Program, the trust shall evaluate the
2 qualifications of each private entity that seeks to develop an energy-
3 related project pursuant to a public-private partnership agreement in
4 accordance with the qualification criteria established pursuant to
5 this section. The trust shall develop a tiered ranking system for
6 both energy-related projects and the private entities that seek to
7 qualify to develop such projects. The tiered ranking system shall be
8 designed to authorize a private entity to pursue only the types of
9 energy-related projects for which the private entity has been
10 qualified.

11 c. The trust shall maintain, and make available to P3 eligible
12 entities, a current list of qualified private entities, arranged by the
13 tiers of energy-related projects for which the private entities have
14 been qualified. Each P3 eligible entity that seeks to develop an
15 energy-related project pursuant to P.L. , c. (C.) (pending
16 before the Legislature as this bill) shall be directed to the complete
17 list of qualified private entities for the type of tiered energy related
18 project under consideration for development.

19

20 9. (New section) a. For each proposed energy-related project, a
21 P3 eligible entity shall solicit proposals from private entities that
22 are set forth on the list of qualified private entities maintained by
23 the trust under the Energy P3 Program pursuant to section 8 of
24 P.L. , c. (C.) (pending before the Legislature as this bill),
25 and that have been qualified for the type of energy-related project
26 or projects considered by the P3 eligible entity. The trust shall
27 establish the process by which a P3 eligible entity solicits and
28 procures proposals from qualified private entities for energy-related
29 projects and the criteria that shall apply to the procurement.

30 b. A P3 eligible entity shall specify the manner in which the
31 price shall be bid by a qualified private entity as part of a proposal
32 for an energy-related project. If a fixed price option is selected by
33 the P3 eligible entity, the qualified private entity shall fully and
34 accurately disclose, in a single line item entry, the total installed
35 cost of the proposed energy-related project, including all
36 equipment, labor, permits, and management services. Any proposal
37 by a qualified private entity which includes a fixed price bid that
38 does not comply with this section shall be rejected by the P3
39 eligible entity as nonconforming.

40 c. Notwithstanding the provision of any law, rule, regulation,
41 decision, or order to the contrary, the P3 eligible entity shall award
42 the energy-related project to the private entity whose proposal is
43 determined by the P3 eligible entity to be the most advantageous to
44 the P3 eligible entity, with price and other factors considered. The
45 criteria to be utilized by the P3 eligible entity as the basis for its
46 award determination shall be established by the trust by rules and
47 regulations adopted pursuant to section 7 of P.L. , c. (C.)
48 (pending before the Legislature as this bill).

1 d. A P3 eligible entity shall negotiate a public-private
2 partnership agreement for the energy-related project with the
3 selected private entity in accordance with the process and standards
4 established by the trust pursuant to rules and regulations adopted
5 pursuant to section 7 of P.L. , c. (C.) (pending before the
6 Legislature as this bill).

7
8 10. (New section) Prior to, or in connection with, the negotiation
9 and execution of a public-private partnership agreement, a P3
10 eligible entity may negotiate and execute a preliminary agreement
11 with a qualified private entity selected for the energy-related
12 project. The preliminary agreement may, among other things,
13 authorize a qualified private entity to commence certain preliminary
14 project development activities for which the private entity may be
15 compensated. The trust shall establish standards under the program
16 for preliminary agreements entered into pursuant to this section.

17
18 11. (New section) a. A P3 eligible entity and a qualified private
19 entity shall cooperate with the trust to leverage, to the greatest
20 extent possible, available private sector financial resources and
21 expertise and to enhance the ability of an energy-related project to
22 obtain and maximize federal, State, local, and other funding
23 sources, including the "Global Warming Solutions Fund"
24 established pursuant to section 6 of P.L.2007, c.340 (C.26:2C-50),
25 grants or incentives, tax advantages, or financial and other benefits
26 to finance, secure, guarantee, service, or reduce project debt, or to
27 minimize, repay, or accelerate the repayment of project costs, or
28 provide other advantages.

29 Notwithstanding the provisions of any law, rule, regulation,
30 decision, or order to the contrary, funds contained in the "Global
31 Warming Solutions Fund," established pursuant to section 6 of
32 P.L.2007, c.340 (C.26:2C-50), and financing available through the
33 trust, to the extent such funds are available, shall be available to
34 private entities that develop energy-related projects pursuant to an
35 agreement approved under the program. The funds shall be
36 supplemental to funding available to an energy-related project from
37 all other sources including, but not limited to, the New Jersey Clean
38 Energy Program administered by the Board of Public Utilities, and
39 any successor or similar program, and programs sponsored by the
40 electric and natural gas distribution utilities.

41 b. In order to facilitate the financing, development, and
42 delivery of, or to reduce the costs associated with, an energy-related
43 project, a P3 eligible entity may:

44 (1) become the owner or lessee of the energy-related project, or
45 the owner or long-term lessee of the land on which the energy-
46 related project is located, or both;

47 (2) issue indebtedness in accordance with the P3 eligible entity's
48 enabling legislation provided that, at a minimum, the private entity

1 guarantees the performance of the energy-related project to the P3
2 eligible entity;

3 (3) dedicate any property interest, including land, improvements,
4 fixtures, and tangible personal property that the P3 eligible entity
5 has for public use; and

6 (4) exercise all powers conferred on the P3 eligible entity by law
7 including, but not limited to, the power to tax, lease or grant rights
8 of way, easements, and access, exercise the power of eminent
9 domain, grant development rights, issue and accelerate permits and
10 other authorizations, and grant licenses, franchises, contractual, and
11 real property rights.

12 c. A public-private partnership agreement may also provide for
13 the sale, long-term lease, or lease-purchase of, or grant of
14 concessions for, the existing and new assets and facilities of a P3
15 eligible entity to a private entity, and revenue sharing opportunities
16 between the P3 eligible entity and private entity pursuant to an
17 agreement approved under the program. If the public-private
18 partnership agreement provides for ownership of the energy-related
19 project, or a portion thereof, by the private entity during the term of
20 the agreement, the agreement may provide for the transfer of the
21 project by the private entity to the P3 eligible entity at no charge
22 upon the expiration of the term of the agreement or any extension
23 thereof.

24

25 12. (New section) The development of an energy-related project
26 pursuant to P.L. , c. (C.) (pending before the Legislature
27 as this bill) shall be deemed to constitute the performance of an
28 essential public function. A component of an energy-related project
29 predominantly used by, or developed in furtherance of the purposes
30 of a P3 eligible entity pursuant to P.L. , c. (C.) (pending
31 before the Legislature as this bill) that is owned by or leased to a P3
32 eligible entity, foreign or domestic nonprofit business entity, or
33 business entity wholly owned by a nonprofit business entity, shall
34 be exempt from property taxation and special assessments of the
35 State, a municipality, and any other political subdivision of the
36 State, and, notwithstanding the provisions of section 15 of
37 P.L.1974, c.80 (C.34:1B-15) or section 2 of P.L.1977, c.272
38 (C.54:4-2.2b) or any other law to the contrary, shall not be required
39 to make payments in lieu of taxes. The land upon which an energy-
40 related project is located shall be exempt from property taxation for
41 the duration of the useful life of the project. The energy-related
42 project and the land upon which the energy-related project is
43 located shall not be subject to the provisions of section 1 of
44 P.L.1984, c.176 (C.54:4-1.10) regarding the tax liability of private
45 parties conducting for-profit activities on tax exempt land, or
46 section 1 of P.L.1949, c.177 (C.54:4-2.3) regarding the taxation of
47 leasehold interests in exempt property that are held by nonexempt
48 parties.

1 This section shall apply only when the energy-related project is
2 owned by or leased to a P3 eligible entity, foreign or domestic
3 nonprofit business entity, or business entity wholly owned by a
4 nonprofit business entity, and the energy-related project furthers the
5 purposes of the P3 eligible entity.
6

7 13. (New section) If public funding has not been provided for
8 the financing of an energy-related project developed pursuant to
9 P.L. , c. (C.) (pending before the Legislature as this bill),
10 the chief financial officer of the P3 eligible entity that enters into an
11 agreement for a public-private partnership for an energy-related
12 project may require the private entity responsible for the
13 development of the energy-related project to post a bond
14 guaranteeing prompt payment of funds due to the contractor, its
15 subcontractors, and all persons furnishing labor or materials to the
16 contractor or its subcontractors in the conduct of the work on the
17 energy-related project.
18

19 14. (New section) a. All workers employed in the performance
20 of any construction undertaken in connection with an energy-related
21 project for which a public-private partnership agreement has been
22 approved pursuant to section 4 of P.L. , c. (C.) (pending
23 before the Legislature as this bill), including all workers for
24 subcontractors employed in the performance of any construction
25 undertaken in connection with an energy-related project, shall be
26 paid not less than the prevailing wage rate for the workers' craft or
27 trade as determined by the Commissioner of Labor and Workforce
28 Development pursuant to P.L.1963, c.150 (C.34:11-56.25 et seq.)
29 and P.L.2005, c.379 (C.34:11-56.58 et seq.).

30 b. All energy-related projects developed pursuant to a public-
31 private partnership agreement approved pursuant to section 4 of
32 P.L. , c. (C.) (pending before the Legislature as this bill)
33 may contain a project labor agreement. A project labor agreement
34 shall be subject to the provisions of P.L.2002, c.44 (C.52:38-1 et
35 seq.) and shall be structured in a manner that to the greatest extent
36 possible enhances employment opportunities for individuals
37 residing in the county in which the energy-related project will be
38 located.

39 c. A qualified private entity selected by a P3 eligible entity to
40 develop an energy-related project pursuant to
41 P.L. , c. (C.) (pending before the Legislature as this bill),
42 and all affiliates and subcontractors of the private entity, shall
43 comply with the provisions of "The Public Works Contractor
44 Registration Act," P.L.1999, c.238 (C.34:11-56.48 et seq.).
45

46 15. (New section) Each general contractor, construction
47 manager, design-build team member, and significant subcontractor
48 that performs work in connection with an energy-related project

1 pursuant to P.L. , c. (C.) (pending before the Legislature
2 as this bill) shall be classified by the trust, in consultation with the
3 Division of Property Management and Construction in the
4 Department of the Treasury, to perform work on an energy-related
5 project in accordance with the provisions of P.L. , c. (C.)
6 (pending before the Legislature as this bill).

7
8 16. (New section) a. All energy-related projects proposed by a
9 P3 eligible entity, following consideration of project proposals and
10 selection of a qualified private entity in accordance with sections 8
11 and 9 of P.L. , c. (C.) (pending before the Legislature as
12 this bill), shall be submitted to the Energy P3 Program for project
13 review and approval. Only a proposal deemed to be complete by
14 the Energy P3 Program shall be considered. In order for a proposal
15 to be deemed complete, the proposal shall include all items required
16 pursuant to the Energy P3 Program and shall include a long-range
17 operation and maintenance plan. The proposal and long-range
18 operation and maintenance plan shall be reviewed by the trust and
19 those in compliance with the program requirements shall be
20 approved by the trust under the Energy P3 Program in accordance
21 with rules and regulations adopted pursuant to section 7 of
22 P.L. , c. (C.) (pending before the Legislature as this bill).

23 b. An energy-related project shall not proceed unless the project
24 has been approved by the trust under the Energy P3 Program. The
25 trust may deny or revoke an approval if it determines that an
26 energy-related project presented for approval materially deviates
27 from the proposal submitted by the private entity and preliminarily
28 approved by the P3 eligible entity, or has not received all required
29 approvals.

30 c. All energy-related projects shall be completed within five
31 years after the date of approval by the trust under the Energy P3
32 Program. The completion date may be extended by the trust upon
33 demonstration of good cause or the occurrence of an event of force
34 majeure.

35 d. The development of an approved energy-related project shall
36 remain subject to oversight and review by the trust under the
37 Energy P3 Program pursuant to rules and regulations adopted
38 pursuant to section 7 of P.L. , c. (C.) (pending before the
39 Legislature as this bill).

40
41 17. (New section) a. Notwithstanding the provisions of any law,
42 rule, regulation, decision, or order to the contrary, a private entity
43 that submits (1) a proposal in response to a solicitation for an
44 energy-related project or (2) an unsolicited proposal that is accepted
45 by a P3 eligible entity and made the basis for a solicitation for an
46 energy-related project, may identify those portions of the proposal
47 that the private entity deems to be confidential, competitively
48 sensitive bid-related information, including, but not limited to,

1 pricing and financing terms, and proprietary or trade secret
2 information. The private entity shall provide justification as to why
3 the materials identified as confidential should not, upon request, be
4 produced to others by the P3 eligible entity. Information
5 determined by the P3 eligible entity to be confidential,
6 competitively sensitive bid-related information shall not be subject
7 to disclosure, except as necessary to the trust for the purposes of
8 evaluation and review of a public-private partnership agreement
9 pursuant to P.L. , c. (C.) (pending before the Legislature
10 as this bill), or considered a public or government record under
11 P.L.1963, c.73 (C.47:1A-1 et seq.) or P.L.2001, c.404 (C.47:1A-5 et
12 al.), or otherwise, prior to the selection of the winning proposal.

13 Disclosure of confidential pricing information shall occur, upon
14 request, after the selection of the winning proposal, but prior to the
15 execution of the final public-private partnership agreement.
16 Information determined to be proprietary or trade secret information
17 shall not be subject to disclosure at any time by the P3 eligible
18 entity pursuant to P.L.1963, c.73 (C.47:1A-1 et seq.), P.L.2001,
19 c.404 (C.47:1A-5 et al.), or otherwise.

20 b. Notwithstanding the provisions of any law, rule, regulation,
21 decision, or order to the contrary, a private entity that submits an
22 unsolicited proposal for an energy-related project that is rejected by
23 a P3 eligible entity and not made the basis of a solicitation for an
24 energy-related project pursuant to P.L. , c. (C.) (pending
25 before the Legislature as this bill), may request the P3 eligible
26 entity to return the entire unsolicited proposal to the private entity,
27 and the P3 eligible entity shall promptly comply with the request.

28 An unsolicited proposal for a P3 eligible entity energy-related
29 project that is rejected by a P3 eligible entity and not made the basis
30 of a solicitation for an energy-related project shall not be subject to
31 disclosure or considered a public or government record under
32 P.L.1963, c.73 (C.47:1A-1 et seq.), P.L.2001, c.404 (C.47:1A-5 et
33 al.), or otherwise, and no disclosure of the unsolicited proposal, or
34 any portion thereof, or records of any communications relating to
35 the unsolicited proposal, shall be made to the public pursuant to
36 P.L.1963, c.73 (C.47:1A-1 et seq.), P.L.2001, c.404 (C.47:1A-5 et
37 al.), or otherwise.

38
39 18. (New section) Notwithstanding the provisions of section 2 of
40 P.L.1999, c.440 (C.40A:11-4.2), section 46 of P.L.1999, c.440
41 (C.18A:18A-4.2), P.L.1954, c.48 (C.52:34-6 et seq.), and any other
42 law, regulation, decision, or order to the contrary, a public-private
43 partnership agreement between a P3 eligible entity and a private
44 entity to design, develop, finance, build, own, operate, or maintain,
45 or a combination thereof, an energy-related project in accordance
46 with the provisions of P.L. , c. (C.) (pending before the
47 Legislature as this bill), may have a term not to exceed 20 years. A
48 public-private partnership agreement between a P3 eligible entity

1 and a private entity to design, develop, finance, build, own, operate,
2 or maintain an energy-related project that includes a combined heat
3 and power facility, cogeneration facility, or on-site generation
4 facility, as those terms are defined in section 3 of P.L.1999, c.23
5 (C.48:3-51), a district energy system, a fuel cell, or other distributed
6 electric generation resource may have a term not to exceed 25
7 years, which term shall commence after construction of the facility
8 has been completed and commercial operation has commenced.

9 A public-private partnership agreement between a P3 eligible
10 entity and a private entity may authorize execution of a long-term
11 service agreement that may include routine and preventive
12 maintenance and overhaul and rebuild coverage, for coverage
13 periods of not less than 10 years, up to the period coinciding with
14 the useful life of the equipment included within the scope of the
15 service agreement.

16

17 19. (New section) The provisions of P.L.2009, c.136 (C.52:18-
18 42 et seq.) shall not apply to an energy-related project developed
19 pursuant to P.L. , c. (C.) (pending before the Legislature
20 as this bill).

21

22 20. (New section) Nothing in P.L. , c. (C.) (pending
23 before the Legislature as this bill) shall be construed to limit the
24 powers of the Office of the State Comptroller pursuant to P.L.2007,
25 c.52 (C.52:15C-1 et al.) or the authority of the Board of Public
26 Utilities.

27

28 21. Section 2 of P.L.1985, c.334 (C.58:11B-2) is amended to
29 read as follows:

30 2. a. The Legislature finds that the steady deterioration of older
31 sewage and sewer systems and wastewater treatment plants
32 endangers the availability and quality of uncontaminated water
33 resources of the State, thereby posing a grave danger to the health,
34 safety and welfare of the residents of the concerned communities
35 and the State; that the construction, rehabilitation, operation, and
36 maintenance of modern and efficient sewer systems and wastewater
37 treatment plants are essential to protecting and improving the State's
38 water quality; that in addition to protecting and improving water
39 quality, adequate wastewater treatment systems are essential to
40 economic growth and development; that many of the wastewater
41 treatment systems in New Jersey must be replaced or upgraded if an
42 inexorable decline in water quality is to be avoided during the
43 coming decades; that the United States Congress in recognition of
44 the crucial role wastewater treatment systems and plants play in
45 maintaining and improving water quality, and with an
46 understanding that the cost of financing and constructing these
47 systems must be borne by local governments and authorities with
48 limited sources of revenues, established in the "Federal Water

1 Pollution Control Act Amendments of 1972," Pub.L.92-500 (33
2 U.S.C. s.1251 et al.) a program to provide local governments with
3 grants for constructing these systems; that during the last several
4 years the amount of federal grant money available to states and
5 local governments for assistance in constructing and improving
6 wastewater treatment systems has sharply diminished; that the
7 current level of federal grant funding is inadequate to meet the cost
8 of upgrading the State's wastewater treatment capacity to comply
9 with State water quality standards; that the collective needs of the
10 State and local governments for capital financing of wastewater
11 treatment systems far exceed the sums of money presently available
12 through revenue initiatives and State and federal aid programs; and
13 that it is fitting and proper for the State to encourage local
14 governments to undertake wastewater treatment projects through
15 the establishment of a State mechanism to provide loans at the
16 lowest reasonable interest rates and to guarantee or insure local
17 capital improvement bonds.

18 b. The Legislature finds that stormwater runoff and combined
19 sewer overflows are among the major sources of ocean pollution,
20 contributing to beach closings; that combined sewer systems
21 discharge untreated wastewater and stormwater into rivers, streams
22 and coastal waters during wet weather, resulting in water pollution;
23 that some combined sewer systems have deteriorated to the point
24 that overflows occur regularly, even during dry weather; that many
25 sewer systems are on inadequate repair and replacement programs,
26 which may cause disturbances at sewage treatment plants; that
27 many municipalities are under building moratoriums due to the
28 inadequacy of their sewage and stormwater collection systems,
29 which severely affect municipal budgets; and that large unmet
30 capital expenses exist for combined sewer system separation and
31 abatement projects.

32 The Legislature further finds that funding at the federal level for
33 wastewater treatment, stormwater management and combined sewer
34 system rehabilitation projects is insufficient; that State funds
35 available for these projects are inadequate to meet current needs;
36 that local revenues are insufficient to meet these expenses; and that
37 additional funding at the State level is necessary to meet this
38 financial obligation.

39 c. The Legislature finds that construction, rehabilitation,
40 operation and maintenance of modern and efficient water supply
41 facilities are essential to protecting and improving the State's water
42 quality; that the citizens of this State, in recognition of the crucial
43 role the construction of new and the upgrading of existing water
44 supply facilities play in maintaining and augmenting the natural
45 water resources of the State, and with an understanding that the cost
46 of financing and constructing these systems is beyond the limited
47 financial resource capabilities of local governments and authorities
48 and must be subsidized by the State and repaid through a system of

1 water supply user charges, approved the enactment of the "Water
2 Supply Bond Act of 1981" (P.L.1981, c.261); that the water supply
3 needs of the State are so great that the funds allocated for this
4 purpose from the "Water Supply Fund" established by that 1981
5 bond act should be augmented and maximized, to the extent
6 practicable, through the use of alternative methods of State
7 financing to offset the costs of water supply projects and for the
8 construction of new or the rehabilitation of antiquated or inadequate
9 existing water supply facilities; that the United States Congress in
10 recognition of the essential role that safe drinking water plays in
11 protecting the public health, and with an understanding that
12 financing, constructing and maintaining water systems that meet the
13 requirements of the "Safe Drinking Water Act," 42 U.S.C. s.300f et
14 seq. exceed the financial and technical capacity of the operators of
15 some water systems, has established in the "Safe Drinking Water
16 Act Amendments of 1996," P.L.104-182, a program to provide
17 public water systems with financial assistance to meet national
18 primary drinking water regulations or to otherwise further the
19 health protection objectives of the federal law and that the State
20 must, in order to make use of the federal funds, provide State funds
21 for the program; and therefore, State funding for the program is
22 necessary to meet this financial obligation.

23 d. The Legislature finds that the transportation infrastructure of
24 the State is among the most heavily used in the nation and has
25 deteriorated in recent years, with parts of the highway system
26 reaching the end of their useful lives.

27 e. The Legislature finds that capital projects for roadways and
28 bridges are essential to protecting and improving the State's
29 transportation system; that construction of new and the upgrading of
30 existing roadways and bridges play a critical role in the
31 transportation needs of the State, and with an understanding that the
32 cost of financing and constructing these systems is beyond the
33 limited financial resource capabilities of local governments and
34 authorities and must be subsidized by the State and Federal
35 government; that the United States Congress has established "State
36 Infrastructure Bank" programs to provide funding for transportation
37 systems (23 U.S.C. s.610) and that the State must, in order to make
38 use of the federal funds, provide State funds for the program; and
39 therefore, State funding for the program is necessary to meet this
40 financial obligation.

41 f. The Legislature finds that energy-related projects are essential
42 to improve the reliability, resiliency, and efficiency of the energy
43 infrastructure owned or utilized by local government units, water
44 systems, and various other entities located within the State, and to
45 reduce energy usage, peak demand, energy costs, and greenhouse
46 gas emissions.

47 g. The Legislature therefore determines that it is in the public
48 interest to establish a State authority authorized to issue bonds,

1 notes and other obligations and to establish any reserve funds
2 necessary therefor, and to make loans to and guarantee debt
3 incurred by local government units for environmental and
4 transportation infrastructure projects , and to make loans and
5 provide other assistance to certain public-private partnership
6 eligible entities to finance the cost of energy-related projects .
7 (cf: P.L.2016, c.56, s.11)

8
9 22. Section 3 of P.L.1985, c.334 (C.58:11B-3) is amended to
10 read as follows:

11 3. As used in sections 1 through 27 of P.L.1985, c.334
12 (C.58:11B-1 through C.58:11B-27), sections 23 through 27 of
13 P.L.1997, c.224 (C.58:11B-10.1, C.58:11B-20.1, C.58:11B-21.1,
14 C.58:11B-22.1, and C.58:11B-22.2), and sections 22 and 34 through
15 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5,
16 C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4):

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

31 "Bonds" means bonds issued by the trust pursuant to P.L.1985,
32 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et
33 al.);

34 "Combined sewer overflow" means the discharge of untreated or
35 partially treated stormwater runoff and wastewater from a combined
36 sewer system into a body of water;

37 "Combined sewer system" means a sewer system designed to
38 carry sanitary wastewater at all times, which is also designed to
39 collect and transport stormwater runoff from streets and other
40 sources, thereby serving a combined purpose;

41 "Commissioner" means the Commissioner of the Department of
42 Environmental Protection;

43 "Cost" means the cost of all labor, materials, machinery and
44 equipment, lands, property, rights and easements, financing
45 charges, interest on bonds, notes or other obligations, plans and
46 specifications, surveys or estimates of costs and revenues,
47 engineering and legal services, and all other expenses necessary or
48 incident to all or part of an environmental infrastructure project;

1 "Department" means the Department of Environmental
2 Protection;

3 "Energy P3 Program" means the same as the term is defined in
4 section 3 of P.L. , c. (C.) (pending before the Legislature
5 as this bill);

6 "Energy-related project" means the same as the term is defined in
7 section 3 of P.L. , c. (C.) (pending before the Legislature
8 as this bill);

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

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

22 "Local government unit" means (1) a State authority, county,
23 municipality, municipal, county or regional sewerage or utility
24 authority, municipal sewerage district, joint meeting, improvement
25 authority, or any other political subdivision of the State authorized
26 to construct, operate, and maintain wastewater treatment systems;
27 (2) a State authority, district water supply commission, county,
28 municipality, municipal, county or regional utilities authority,
29 municipal water district, joint meeting, or any other political
30 subdivision of the State authorized pursuant to law to operate or
31 maintain a public water supply system or to construct, rehabilitate,
32 operate, or maintain water supply facilities or otherwise provide
33 water for human consumption; (3) a county, municipality,
34 municipal, county or regional transportation authority, or any other
35 political subdivision of the State authorized to construct, operate, or
36 maintain public highways or transportation projects; (4) a county,
37 municipality, or other political subdivision or instrumentality of the
38 State, or a municipal, county, or State authority that is not a bi-state
39 authority, authorized to construct, operate, or maintain ports or
40 marine projects; (5) a county, municipality, municipal or regional
41 transportation authority, or other political subdivision or
42 instrumentality of the State authorized to construct, operate, or
43 maintain airports or aviation projects; or (6) a local government unit
44 as defined in section 2 of P.L.2023, c.63 (C.58:11B-20.4)
45 authorized to receive funds pursuant to the "Safeguarding
46 Tomorrow Through Ongoing Risk Mitigation (STORM) Act,"
47 Pub.L. 116-284 (42 U.S.C. s. 5135), as amended or supplemented,
48 and P.L.2023, c.63 (C.58:11B-20.3 et al.);

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

15 "New Jersey Environmental Infrastructure Financing Program"
16 means the financing program to fund environmental infrastructure
17 projects;

18 "New Jersey Transportation Infrastructure Financing Program"
19 means the financing program to fund transportation projects,
20 aviation projects, and marine projects;

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

26 "Onsite wastewater treatment and disposal system" means an on-
27 site system designed to treat and dispose of domestic sewage;

28 "Other assistance" means forms of financial assistance, in
29 addition to loans, authorized by the New Jersey Infrastructure Bank
30 from the State Transportation Infrastructure Bank Fund, the
31 wastewater treatment system general loan fund, the water supply
32 facilities general loan fund, or the Community Hazard Assistance
33 Mitigation Program Revolving Loan Fund established pursuant to
34 section 3 of P.L.2023, c.63 (C.58:11B-10.6), including, but not
35 limited to, use of funds to: provide credit enhancements; serve as a
36 capital reserve for bond or other debt instrument financing;
37 subsidize interest rates; ensure the issuance of letters of credit and
38 credit instruments; finance purchase and lease agreements with
39 respect to transit projects; and provide bond or other debt financing
40 instrument security;

41 "Planning, design, and construction loan" means a short-term or
42 temporary loan for eligible costs incurred in project planning,
43 engineering design, or construction issued before or during the
44 planning stage of a project;

45 "Private entity" means the same as the term is defined in section
46 3 of P.L. , c. (C.) (pending before the Legislature as this
47 bill);

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,
10 aviation project, or marine project authorized pursuant to sections
11 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through
12 C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-
13 22.4); or (4) an energy-related project authorized pursuant to
14 P.L. , c. (C.) (pending before the Legislature as this bill);

15 "Public-private partnership eligible entity" or "P3 eligible entity"
16 means the same as the term is defined in section 3 of
17 P.L. , c. (C.) (pending before the Legislature as this bill);

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

28 "Public water utility" means any investor-owned water company
29 or small water company;

30 "Small water company" means any company, purveyor or entity,
31 other than a governmental agency, that provides water for human
32 consumption and which regularly serves less than 1,000 customer
33 connections, including nonprofit, noncommunity water systems
34 owned or operated by a nonprofit group or organization;

35 "Stormwater management system" means any equipment, plants,
36 structures, machinery, apparatus, management practices, or land, or
37 any combination thereof, acquired, used, constructed, implemented
38 or operated to prevent nonpoint source pollution, abate improper
39 cross-connections and interconnections between stormwater and
40 sewer systems, minimize stormwater runoff, reduce soil erosion, or
41 induce groundwater recharge, or any combination thereof;

42 "Transportation project" means a capital project for public
43 highways, approach roadways and other necessary land-side
44 improvements, ramps, signal systems, roadbeds, transit lanes or
45 rights of way, pedestrian walkways and bridges connecting to
46 passenger stations and servicing facilities, bridges, and grade
47 crossings;

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

3 "Wastewater" means residential, commercial, industrial, or
4 agricultural liquid waste, sewage, septage, stormwater runoff, or
5 any combination thereof, or other liquid residue discharged or
6 collected into a sewer system or stormwater management system, or
7 any combination thereof;

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

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

38 "Water resources project" means any work related to transferring
39 water between public water systems during a state of water
40 emergency, to avert a drought emergency in all or any part of the
41 State, to plan, design or construct interconnections of existing water
42 supplies, or to extend water supplies to areas with contaminated
43 ground water supplies;

44 "Water supply facilities" means and refers to the real property
45 and the plants, structures, interconnections between existing water
46 supply facilities, machinery and equipment and other property, real,
47 personal and mixed, acquired, constructed or operated, or to be
48 acquired, constructed or operated, in whole or in part, by or on

1 behalf of a public water utility, or by or on behalf of the State or a
2 local government unit, for the purpose of augmenting the natural
3 water resources of the State and making available an increased
4 supply of water for all uses, or of conserving existing water
5 resources, and any and all appurtenances necessary, useful or
6 convenient for the collecting, impounding, storing, improving,
7 treating, filtering, conserving or transmitting of water, and for the
8 preservation and protection of these resources and facilities,
9 whether in public or private ownership, and providing for the
10 conservation and development of future water supply resources, and
11 facilitating incidental recreational uses thereof;

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

24 (cf: P.L.2023, c.63, s.10)

25

26 23. Section 4 of P.L.1985, c.334 (C.58:11B-4) is amended to
27 read as follows:

28 4. a. There is established in, but not of, the Department of the
29 Treasury a body corporate and politic, with corporate succession, to
30 be known as the "New Jersey Infrastructure Bank." The trust is
31 constituted as an instrumentality of the State exercising public and
32 essential governmental functions, no part of whose revenues shall
33 accrue to the benefit of any individual, and the exercise by the trust
34 of the powers conferred by the provisions of P.L.1985, c.334
35 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), **[or]**
36 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
37 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
38 C.58:11B-22.4), or the provisions of P.L. , c. (C.)
39 (pending before the Legislature as this bill) shall be deemed and
40 held to be an essential governmental function of the State.

41 b. The trust shall consist of **[a 10]** an 11 member board of
42 directors composed of : the State Treasurer, the Commissioner of
43 the Department of Community Affairs, the Commissioner of the
44 Department of Transportation, **[and]** the Commissioner of the
45 Department of Environmental Protection, and the President of the
46 Board of Public Utilities, who shall be members ex officio; two
47 people appointed by the Governor upon the recommendation of the
48 President of the Senate, and two people appointed by the Governor

1 upon the recommendation of the Speaker of the General Assembly,
2 who shall serve during the two-year legislative term in which they
3 are appointed; and two residents of the State appointed by the
4 Governor with the advice and consent of the Senate, who shall serve
5 for terms of four years, except that the first two appointed shall
6 serve terms of two and three years respectively. Each appointed
7 director shall serve until that director's successor has been
8 appointed and qualified. A director is eligible for reappointment.
9 Any vacancy shall be filled in the same manner as the original
10 appointment, but for the unexpired term only.

11 With respect to those public members first appointed by the
12 Governor, the appointment of each of the two members upon the
13 advice and consent of the Senate shall become effective 30 days
14 after their nomination by the Governor if the Senate has not given
15 advice and consent on those nominations within that time period;
16 the President of the Senate and the Speaker of the General
17 Assembly each shall recommend to the Governor a public member
18 for appointment within 20 days following the effective date of
19 P.L.1985, c.334 (C.58:11B-1 et seq.) and a public member for
20 appointment within 20 days following the effective date of
21 P.L.2016, c.56 and a recommendation made in this manner shall
22 become effective if the Governor makes the appointment in
23 accordance with the recommendation, in writing, within 10 days of
24 the Governor's receipt thereof. In each instance where the Governor
25 fails to make the appointment, the President of the Senate and the
26 Speaker of the General Assembly shall make new recommendations
27 subject to appointment by the Governor as determined in this
28 section.

29 c. Each appointed director may be removed from office by the
30 Governor for cause, upon the Governor's consideration of the
31 findings and recommendations of an administrative law judge after
32 a public hearing before the judge, and may be suspended by the
33 Governor pending the completion of the hearing. Each director,
34 before entering upon the director's duties, shall take and subscribe
35 an oath to perform the duties of the director's office faithfully,
36 impartially and justly to the best of the director's ability. A record
37 of oaths shall be filed in the office of the Secretary of State.

38 d. The Governor shall designate one of the appointed members
39 to be the chairperson and chief executive officer of the trust and the
40 directors shall biannually elect a vice-chairperson from among the
41 appointed directors. The chairperson shall serve as such for a term
42 of two years and until a successor has been designated. A
43 chairperson shall be eligible for one additional two-year term as
44 chairperson. The directors shall elect a secretary and treasurer, who
45 need not be directors, and the same person may be elected to serve
46 as both secretary and treasurer.

47 The powers of the trust are vested in the directors in office from
48 time to time and six directors shall constitute a quorum at any

1 meeting. Action may be taken and motions and resolutions adopted
2 by the trust by the affirmative majority vote of those directors
3 present, but in no event shall any action be taken or motions or
4 resolutions adopted without the affirmative vote of at least six
5 directors. No vacancy on the board of directors of the trust shall
6 impair the right of a quorum of the directors to exercise the powers
7 and perform the duties of the trust.

8 e. Each director and the treasurer of the trust shall execute a
9 bond to be conditioned upon the faithful performance of the duties
10 of the director or treasurer in a form and amount as may be
11 prescribed by the State Treasurer. Bonds shall be filed in the office
12 of the Secretary of State. At all times thereafter, the directors and
13 treasurer shall maintain these bonds in full effect. All costs of the
14 bonds shall be borne by the trust.

15 f. The directors of the trust shall serve without compensation,
16 but the trust shall reimburse the directors for actual and necessary
17 expenses incurred in the performance of their duties.
18 Notwithstanding the provisions of any other law to the contrary, no
19 officer or employee of the State shall be deemed to have forfeited or
20 shall forfeit the officer's or employee's office or employment or any
21 benefits or emoluments thereof by reason of the officer's or
22 employee's acceptance of the office of ex officio director of the
23 trust or the ex officio director's services thereon.

24 g. Each ex officio director may designate an officer of the ex
25 officio director's department to represent the ex officio director at
26 meetings of the trust. Each designee may lawfully vote and
27 otherwise act on behalf of the director for whom the person
28 constitutes the designee. The designation shall be delivered in
29 writing to the trust and shall continue in effect until revoked or
30 amended in writing and delivered to the trust.

31 h. The trust may be dissolved by law; provided the trust has no
32 debts or obligations outstanding or that provision has been made for
33 the payment or retirement of these debts or obligations. The trust
34 shall continue in existence until dissolved by act of the Legislature.
35 Upon any dissolution of the trust, all property, funds and assets of
36 the trust shall be vested in the State.

37 i. A true copy of the minutes of every meeting of the trust shall
38 be forthwith delivered by and under the certification of the secretary
39 thereof to the Governor and at the same time to the Senate and
40 General Assembly. The time and act of this delivery shall be duly
41 recorded on a delivery receipt. No action taken or motion or
42 resolution adopted at a meeting by the trust shall have effect until
43 10 days, exclusive of Saturdays, Sundays and public holidays, after
44 a copy of the minutes has been delivered to the Governor, unless
45 during the 10-day period the Governor shall approve all or part of
46 the actions taken or motions or resolutions adopted, in which case
47 the action or motion or resolution shall become effective upon the
48 approval.

1 If, in the 10-day period, the Governor returns the copy of the
2 minutes with a veto of any action taken by the trust or any member
3 thereof at that meeting, the action shall be of no effect. The Senate
4 or General Assembly shall have the right to provide written
5 comments concerning the minutes to the Governor within the 10-
6 day period, which comments shall be returned to the trust by the
7 Governor with the Governor's approval or veto of the minutes.

8 The powers conferred in this subsection upon the Governor shall
9 be exercised with due regard for the rights of the holders of bonds,
10 notes and other obligations of the trust at any time outstanding, and
11 nothing in, or done pursuant to, this subsection shall in any way
12 limit, restrict or alter the obligation or powers of the trust or any
13 representative or officer of the trust to carry out and perform each
14 covenant, agreement, or contract made or entered into by or on
15 behalf of the trust with respect to its bonds, notes, or other
16 obligations or for the benefit, protection or security of the holders
17 thereof.

18 j. No resolution or other action of the trust providing for the
19 issuance of bonds, refunding bonds, notes or other obligations shall
20 be adopted or otherwise made effective by the trust without the
21 prior approval in writing of the Governor and the State Treasurer.
22 The trust shall provide the Senate and General Assembly with
23 written notice of any request for approval of the Governor and State
24 Treasurer at the time the request is made, and shall also provide the
25 Senate and General Assembly written notice of the response of the
26 Governor and State Treasurer at the time that the response is
27 received by the trust.

28 (cf: P.L.2016, c.56, s.13)

29

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

32 5. Except as otherwise limited by the provisions of P.L.1985,
33 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),
34 **[or]** sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-
35 10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
36 C.58:11B-22.4), or the provisions of P.L. , c. (C.)
37 (pending before the Legislature as this bill), the trust may:

38 a. Make and alter bylaws for its organization and internal
39 management and, subject to agreements with holders of its bonds,
40 notes or other obligations, make rules and regulations with respect
41 to its operations, properties and facilities;

42 b. Adopt an official seal and alter it;

43 c. Sue and be sued;

44 d. Make and enter into all contracts, leases and agreements
45 necessary or incidental to the performance of its duties and the
46 exercise of its powers under 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), or the provisions of P.L. , c. (C.)
3 (pending before the Legislature as this bill), and subject to any
4 agreement with the holders of the trust's bonds, notes or other
5 obligations, consent to any modification, amendment or revision of
6 any contract, lease or agreement to which the trust is a party;

7 e. Enter into agreements or other transactions with and accept,
8 subject to the provisions of section 23 of P.L.1985, c.334
9 (C.58:11B-23), grants, appropriations and the cooperation of the
10 State, or any State agency, in furtherance of the purposes of
11 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-
12 10.1 et al.), **[or]** sections 22 and 34 through 38 of P.L.2016, c.56
13 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-
14 22.3, and C.58:11B-22.4), or the provisions of
15 P.L. , c. (C.) (pending before the Legislature as this bill),
16 and do anything necessary in order to avail itself of that aid and
17 cooperation;

18 f. Receive and accept aid or contributions from any source of
19 money, property, labor or other things of value, to be held, used and
20 applied to carry out the purposes of P.L.1985, c.334 (C.58:11B-1 et
21 seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), **[or]** sections 22 and
22 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
23 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4), or
24 P.L. , c. (C.) (pending before the Legislature as this bill),
25 subject to the conditions upon which that aid and those
26 contributions may be made, including, but not limited to, gifts or
27 grants from any department or agency of the State, or any State
28 agency, for any purpose consistent with the provisions of P.L.1985,
29 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),
30 **[or]** sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-
31 10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
32 C.58:11B-22.4), or P.L. , c. (C.) (pending before the
33 Legislature as this bill), subject to the provisions of section 23 of
34 P.L.1985, c.334 (C.58:11B-23);

35 g. Acquire, own, hold, construct, improve, rehabilitate,
36 renovate, operate, maintain, sell, assign, exchange, lease, mortgage
37 or otherwise dispose of real and personal property, or any interest
38 therein, in the exercise of its powers and the performance of its
39 duties under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.),
40 P.L.1997, c.224 (C.58:11B-10.1 et al.), **[or]** sections 22 and 34
41 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
42 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) , or the
43 provisions of P.L. , c. (C.) (pending before the
44 Legislature as this bill) ;

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

- 1 i. Borrow money and issue bonds, notes and other obligations,
2 and secure the same, and provide for the rights of the holders
3 thereof as provided in the provisions of P.L.1985, c.334 (C.58:11B-
4 1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), **[or]** sections 22
5 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through
6 C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4)
7 , or the provisions of P.L. , c. (C.) (pending before the
8 Legislature as this bill) ;
- 9 j. Subject to any agreement with holders of its bonds, notes or
10 other obligations, invest moneys of the trust not required for
11 immediate use, including proceeds from the sale of any bonds, notes
12 or other obligations, in any obligations, securities and other
13 investments in accordance with the rules and regulations of the
14 State Investment Council or as may otherwise be approved by the
15 Director of the Division of Investment in the Department of the
16 Treasury upon a finding that such investments are consistent with
17 the corporate purposes of the trust;
- 18 k. Procure insurance to secure the payment of its bonds, notes
19 or other obligations or the payment of any guarantees or loans made
20 by it in accordance with the provisions of P.L.1985, c.334
21 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), **[or]**
22 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
23 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
24 C.58:11B-22.4), or the provisions of P.L. , c. (C.)
25 (pending before the Legislature as this bill), or against any loss in
26 connection with its property and other assets and operations, in any
27 amounts and from any insurers as it deems desirable;
- 28 l. Engage the services of attorneys, accountants, engineers, and
29 financial experts and any other advisors, consultants, experts and
30 agents as may be necessary in its judgment and fix their
31 compensation;
- 32 m. (1) Make and contract to make loans and provide other
33 assistance to local government units, or to a local government unit
34 on behalf of another local government unit, to finance the cost of
35 wastewater treatment system projects or water supply projects and
36 acquire and contract to acquire notes, bonds or other obligations
37 issued or to be issued by any local government units to evidence the
38 loans, all in accordance with the provisions of P.L.1985, c.334
39 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.);
- 40 (2) Make and contract to make loans and provide other assistance
41 to public water utilities, or to any other person or local government
42 unit on behalf of a public water utility, to finance the cost of water
43 supply projects in accordance with the provisions of P.L.1985,
44 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et
45 al.);
- 46 (3) Make and contract to make loans and provide other assistance
47 to private persons other than local government units, or to any other
48 person or local government unit on behalf of a private person, to

1 finance the cost of onsite wastewater treatment and disposal
2 systems or stormwater management systems in accordance with the
3 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,
4 c.224 (C.58:11B-10.1 et al.);

5 (4) Make and contract to make loans and provide other assistance
6 to one or more local government units or consortia thereof to
7 finance the cost of transportation projects, aviation projects, and
8 marine projects in accordance with applicable provisions of the
9 federal infrastructure bank program and pursuant to sections 22 and
10 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
11 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4);

12 (5) Make and contract to make loans and provide other assistance
13 to one or more P3 eligible entities, private entities, or a consortia
14 thereof to finance the cost of energy-related projects in accordance
15 the provisions of P.L. , c. (C.) (pending before the
16 Legislature as this bill);

17 n. Subject to any agreement with holders of its bonds, notes or
18 other obligations, purchase bonds, notes and other obligations of the
19 trust and (1) hold the same for resale for any duration, including
20 until maturity thereof, including in connection with any cross-
21 investment initiative of the trust, or (2) provide for the cancellation
22 thereof, all in accordance with the provisions of P.L.1985, c.334
23 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), **[or]**
24 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
25 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
26 C.58:11B-22.4) , or the provisions of P.L. , c. (C.)
27 (pending before the Legislature as this bill) ;

28 o. (1) Charge to and collect from local government units, private
29 persons, public water utilities, **[or]** nonprofit organizations , or P3
30 eligible entities, as applicable, any fees and charges in connection
31 with the trust's loans, guarantees or other services, including, but
32 not limited to, fees and charges sufficient to reimburse the trust for
33 all reasonable costs necessarily incurred by it in connection with its
34 financings and the establishment and maintenance of reserve or
35 other funds, as the trust may determine to be reasonable. The fees
36 and charges shall be in accordance with a uniform schedule
37 published by the trust for the purpose of providing actual cost
38 reimbursement for the services rendered;

39 (2) Any fees and charges collected by the trust pursuant to this
40 subsection may be deposited and maintained in a special fund
41 separate from any other funds held by the trust pursuant to section
42 10 of P.L.1985, c.334 (C.58:11B-10) or section 23 of P.L.1997,
43 c.224 (C.58:11B-10.1), and shall be available for any corporate
44 purposes of the trust;

45 p. Subject to any agreement with holders of its bonds, notes or
46 other obligations, obtain as security or to provide liquidity for
47 payment of all or any part of the principal of and interest and
48 premium on the bonds, notes and other obligations of the trust or

1 for the purchase upon tender or otherwise of the bonds, notes or
2 other obligations, lines of credit, letters of credit and other security
3 agreements or instruments in any amounts and upon any terms as
4 the trust may determine, and pay any fees and expenses required in
5 connection therewith;

6 q. Provide to local government units and P3 eligible entities
7 any financial and credit advice, and any form of technical
8 assistance, as these local government units and P3 eligible entities
9 may request;

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

13 s. Take any action necessary or convenient to the exercise of
14 the foregoing powers or reasonably implied therefrom.
15 (cf: P.L.2023, c.63, s.11)

16

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

19 6. a. Except as may be otherwise expressly provided in the
20 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224
21 (C.58:11B-10.1 et al.), **[or]** sections 22 and 34 through 38 of
22 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-
23 20.2, C.58:11B-22.3, and C.58:11B-22.4), or the provisions of
24 P.L. , c. (C.) (pending before the Legislature as this bill),
25 the trust may from time to time issue its bonds, notes, or other
26 obligations in any principal amounts as in the judgment of the trust
27 shall be necessary to provide sufficient funds for any of its
28 corporate purposes, including the payment, funding, or refunding of
29 the principal of, or interest or redemption premiums on, any bonds,
30 notes, or other obligations issued by it, whether the bonds, notes, or
31 other obligations or the interest or redemption premiums thereon to
32 be funded or refunded have or have not become due, the
33 establishment or increase of reserves or other funds to secure or to
34 pay the bonds, notes, or other obligations or interest thereon and all
35 other costs or expenses of the trust incident to and necessary to
36 carry out its corporate purposes and powers.

37 b. Whether or not the bonds, notes or other obligations of the
38 trust are of a form and character as to be negotiable instruments
39 under the terms of Title 12A of the New Jersey Statutes, the bonds,
40 notes and other obligations are made negotiable instruments within
41 the meaning of and for the purposes of Title 12A of the New Jersey
42 Statutes, subject only to the provisions of the bonds, notes and other
43 obligations for registration.

44 c. Bonds, notes or other obligations of the trust shall be
45 authorized by a resolution or resolutions of the trust and may be
46 issued in one or more series and shall bear any date or dates, mature
47 at any time or times, bear interest at any rate or rates of interest per
48 annum, be in any denomination or denominations, be in any form,

1 either coupon, registered or book entry, carry any conversion or
2 registration privileges, have any rank or priority, be executed in any
3 manner, be payable in any coin or currency of the United States
4 which at the time of payment is legal tender for the payment of
5 public and private debts, at any place or places within or without
6 the State, and be subject to any terms of redemption by the trust or
7 the holders thereof, with or without premium, as the resolution or
8 resolutions may provide. A resolution of the trust authorizing the
9 issuance of bonds, notes or other obligations may provide that the
10 bonds, notes or other obligations be secured by a trust indenture
11 between the trust and a trustee, vesting in the trustee any property,
12 rights, powers and duties in trust consistent with the provisions of
13 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-
14 10.1 et al.), **[or]** sections 22 and 34 through 38 of P.L.2016, c.56
15 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-
16 22.3, and C.58:11B-22.4) , or the provisions of
17 P.L. , c. (C.) (pending before the Legislature as this bill),
18 as the trust may determine.

19 d. Bonds, notes or other obligations of the trust may be sold at
20 any price or prices and in any manner as the trust may determine.
21 Notwithstanding any provisions of the "Local Bond Law,"
22 N.J.S.40A:2-1 et seq., to the contrary, each bond, note, or other
23 obligation of the trust, and each bond, note, or other obligation of a
24 local government unit, public water utility, or other person, issued
25 to the trust to evidence the loan issued to the trust, or, if applicable,
26 issued to the State, acting by and through the Department of
27 Environmental Protection, to evidence a loan issued thereby,
28 pursuant to subsection a. of section 9 of P.L.1985, c.334 (C.58:11B-
29 9), shall mature and be paid not later than 30 years for
30 environmental infrastructure projects, 45 years for combined sewer
31 overflow projects, 31 years for transportation projects, aviation
32 projects, and marine projects, **[and]** 30 years for hazard mitigation
33 and resilience projects pursuant to sections 1 through 8 of P.L.2023,
34 c.63 (C.58:11B-20.3 et al.), and 25 years for energy-related
35 projects, from the effective date thereof, or the certified useful life
36 of the project or projects to be financed by the bonds, notes, or
37 other obligations, whichever is less, or a shorter period of time as
38 may be applicable to any companion loan made concurrently with
39 the loan made by the trust and issued pursuant to federal law or
40 regulation.

41 Notwithstanding the provisions of the "Local Bond Law,"
42 N.J.S.40A:2-1 et seq., or this subsection, to the contrary, each bond,
43 note, or other obligation of the trust, and each bond, note, or other
44 obligation of a local government unit, public water utility, or other
45 person, issued to the trust to evidence the loan issued to the trust,
46 or, if applicable, issued to the State, acting by and through the
47 Department of Environmental Protection, to evidence a loan issued
48 thereby, pursuant to subsection a. of section 9 of P.L.1985, c.334

1 (C.58:11B-9), and issued in connection with funding provided
2 pursuant to the "Water Infrastructure Finance and Innovation Act of
3 2014" (WIFIA), 33 U.S.C. s.3901 et seq., as amended and
4 supplemented, the "Transportation Infrastructure Finance and
5 Innovation Act of 1998" (TIFIA), 23 U.S.C. s.601 et seq., as
6 amended and supplemented, or the "Safeguarding Tomorrow
7 Through Ongoing Risk Mitigation (STORM) Act," Pub.L. 116-284
8 (42 U.S.C. s. 5135), as amended or supplemented, shall mature and
9 be paid not later than the maximum time period allowed by those
10 federal acts.

11 All bonds of the trust shall be sold at public or private sale at the
12 price or prices and in the manner as the trust shall determine, either
13 on a negotiated or on a competitive basis. If competitively sold,
14 bonds shall be sold after notice of sale, a summary of which shall be
15 published at least once in at least three newspapers published in the
16 State of New Jersey and at least once in a publication carrying
17 municipal bond notices and devoted primarily to financial news
18 published in New Jersey or the city of New York, the first summary
19 notice to be at least five days prior to the day of bidding. The
20 notice of sale may contain a provision to the effect that any or all
21 bids made in pursuance thereof may be rejected. In the event of
22 such rejection or of failure to receive any acceptable bid, the trust,
23 at any time within 60 days from the date of such advertised sale,
24 may sell such bonds at private sale upon terms not less favorable to
25 the State than the terms offered by any rejected bid. The trust may
26 sell all or part of the bonds of any series as issued to any State fund
27 or to the federal government or any agency thereof, at private sale,
28 without advertisement.

29 e. Bonds, notes or other obligations of the trust may be issued
30 under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.),
31 P.L.1997, c.224 (C.58:11B-10.1 et al.), **[or]** sections 22 and 34
32 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
33 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) , or the
34 provisions of P.L. , c. (C.) (pending before the
35 Legislature as this bill) without obtaining the consent of any
36 department, division, board, bureau or agency of the State, and
37 without any other proceedings or the happening of any other
38 conditions or things, other than those consents, proceedings,
39 conditions or things which are specifically required by P.L.1985,
40 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),
41 **[or]** sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-
42 10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
43 C.58:11B-22.4) , or P.L. , c. (C.) (pending before the
44 Legislature as this bill) .

45 f. Bonds, notes or other obligations of the trust issued under
46 the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997,
47 c.224 (C.58:11B-10.1 et al.), **[or]** sections 22 and 34 through 38 of
48 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-

1 20.2, C.58:11B-22.3, and C.58:11B-22.4) , or the provisions of
2 P.L. , c. (C.) (pending before the Legislature as this bill)
3 shall not be a debt or liability of the State or of any political
4 subdivision thereof other than the trust and shall not create or
5 constitute any indebtedness, liability or obligation of the State or
6 any political subdivision, but all these bonds, notes and other
7 obligations, unless funded or refunded by bonds, notes or other
8 obligations, shall be payable solely from revenues or funds pledged
9 or available for their payment as authorized in P.L.1985, c.334
10 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), **[or]**
11 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
12 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
13 C.58:11B-22.4) , or P.L. , c. (C.) (pending before the
14 Legislature as this bill) . Each bond, note and obligation shall
15 contain on its face a statement to the effect that the trust is obligated
16 to pay the principal thereof or the interest thereon only from its
17 revenues, receipts or funds pledged or available for their payment
18 as authorized in P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997,
19 c.224 (C.58:11B-10.1 et al.), **[or]** sections 22 and 34 through 38 of
20 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-
21 20.2, C.58:11B-22.3, and C.58:11B-22.4), or P.L. , c. (C.)
22 (pending before the Legislature as this bill), and that neither the
23 State, nor any political subdivision thereof, is obligated to pay the
24 principal or interest and that neither the faith and credit nor the
25 taxing power of the State, or any political subdivision thereof, is
26 pledged to the payment of the principal of or the interest on the
27 bonds, notes or other obligations.

28 g. The aggregate principal amount of bonds, notes or other
29 obligations, including subordinated indebtedness of the trust, shall
30 not exceed (1) \$5,000,000,000 with respect to bonds, notes, or other
31 obligations issued to finance the Disaster Relief Emergency
32 Financing Program established pursuant to section 1 of P.L.2013,
33 c.93 (C.58:11B-9.5), and (2) \$5,000,000,000 with respect to bonds,
34 notes, or other obligations issued for all other purposes of the trust.
35 In computing the foregoing limitations there shall be excluded all
36 the bonds, notes or other obligations, including subordinated
37 indebtedness of the trust, which shall be issued for refunding
38 purposes, whenever the refunding shall be determined to result in a
39 savings.

40 (1) Upon the decision by the trust to issue refunding bonds,
41 except for current refunding, and prior to the sale of those bonds,
42 the trust shall transmit to the Joint Budget Oversight Committee, or
43 its successor, a report that a decision has been made, reciting the
44 basis on which the decision was made, including an estimate of the
45 debt service savings to be achieved and the calculations upon which
46 the trust relied when making the decision to issue refunding bonds.
47 The report shall also disclose the intent of the trust to issue and sell

1 the refunding bonds at public or private sale and the reasons
2 therefor.

3 (2) The Joint Budget Oversight Committee or its successor shall
4 have the authority to approve or disapprove the sales of refunding
5 bonds as included in each report submitted in accordance with
6 paragraph (1) of this subsection. The committee shall notify the
7 trust in writing of the approval or disapproval within 30 days of
8 receipt of the report. Should the committee not act within 30 days
9 of receipt of the report, the trust may proceed with the sale of the
10 refunding bonds, provided that the sale of refunding bonds shall
11 realize not less than three percent net present value debt service
12 savings.

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

17 (4) Within 30 days after the sale of the refunding bonds, the trust
18 shall notify the committee of the result of that sale, including the
19 prices and terms, conditions and regulations concerning the
20 refunding bonds, the actual amount of debt service savings to be
21 realized as a result of the sale of refunding bonds, and the intended
22 use of the proceeds from the sale of those bonds.

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

27 h. Each issue of bonds, notes, or other obligations of the trust
28 may, if it is determined by the trust, be general obligations thereof
29 payable out of any revenues, receipts or funds of the trust, or
30 special obligations thereof payable out of particular revenues,
31 receipts or funds, subject only to any agreements with the holders of
32 bonds, notes or other obligations, and may be secured by one or
33 more of the following:

34 (1) Pledge of revenues and other receipts to be derived from the
35 payment of the interest on and principal of notes, bonds or other
36 obligations issued to the trust by one or more local government
37 units, public water utilities, P3 eligible entities, or other persons,
38 and any other payment made to the trust pursuant to agreements
39 with any local government units, public water utilities, P3 eligible
40 entities, or other persons, or a pledge or assignment of any notes,
41 bonds, or other obligations of any local government unit, public
42 water utilities, P3 eligible entities, or other persons and the rights
43 and interest of the trust therein;

44 (2) Pledge of rentals, receipts and other revenues to be derived
45 from leases or other contractual arrangements with any person or
46 entity, public or private, including one or more local government
47 units, public water utilities, P3 eligible entities, or other persons, or

1 a pledge or assignment of those leases or other contractual
2 arrangements and the rights and interest of the trust therein;

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

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

9 (5) A mortgage on all or any part of the property, real or
10 personal, of the trust then owned or thereafter to be acquired, or a
11 pledge or assignment of mortgages made to the trust by any person
12 or entity, public or private, including one or more local government
13 units, public water utilities, P3 eligible entities, or other persons,
14 and the rights and interest of the trust therein.

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

18 j. (Deleted by amendment, P.L.1996, c.88).
19 (cf: P.L.2023, c.63, s.12)

20

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

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

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

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

33 c. Covenant with respect to limitations on any right to sell,
34 mortgage, lease or otherwise dispose of any notes, bonds or other
35 obligations of local government units, P3 eligible entities, or other
36 persons, or any part thereof, or any property of any kind;

37 d. Covenant as to any bonds, notes or other obligations to be
38 issued by the trust, and the limitations thereon, and the terms and
39 conditions thereof, and as to the custody, application, investment
40 and disposition of the proceeds thereof;

41 e. Covenant as to the issuance of additional bonds, notes or
42 other obligations of the trust or as to limitations on the issuance of
43 additional bonds, notes or other obligations and on the incurring of
44 other debts by it;

45 f. Covenant as to the payment of the principal of or interest on
46 bonds, notes or other obligations of the trust, as to the sources and
47 methods of payment, as to the rank or priority of the bonds, notes or

- 1 other obligations with respect to any lien or security or as to the
2 acceleration of the maturity of the bonds, notes or other obligations;
- 3 g. Provide for the replacement of lost, stolen, destroyed or
4 mutilated bonds, notes or other obligations of the trust;
- 5 h. Covenant against extending the time for the payment of
6 bonds, notes or other obligations of the trust or interest thereon;
- 7 i. Covenant as to the redemption of bonds, notes and other
8 obligations by the trust or the holders thereof and privileges of
9 exchange thereof for other bonds, notes or other obligations of the
10 trust;
- 11 j. Covenant to create or authorize the creation of special funds
12 or accounts to be held in trust or otherwise for the benefit of holders
13 of bonds, notes and other obligations of the trust, or reserves for
14 other purposes and as to the use, investment, and disposition of
15 moneys held in those funds, accounts or reserves;
- 16 k. Provide for the rights and liabilities, powers and duties
17 arising upon the breach of any covenant, condition or obligation and
18 prescribe the events of default and terms and conditions upon which
19 any or all of the bonds, notes or other obligations of the trust shall
20 become or may be declared due and payable before maturity and the
21 terms and conditions upon which the declaration and its
22 consequences may be waived;
- 23 l. Vest in a trustee or trustees within or without the State any
24 property, rights, powers and duties in trust as the trust may
25 determine, which may include any or all of the rights, powers and
26 duties of any trustee appointed by the holders of any bonds, notes or
27 other obligations of the trust pursuant to section 18 of P.L.1985,
28 c.334 (C.58:11B-18), including rights with respect to the sale or
29 other disposition of notes, bonds or other obligations of local
30 government units, public water utilities, P3 eligible entities, or other
31 persons, pledged pursuant to a resolution or trust indenture for the
32 benefit of the holders of bonds, notes or other obligations of the
33 trust and the right by suit or action to foreclose any mortgage
34 pledged pursuant to the resolution or trust indenture for the benefit
35 of the holders of the bonds, notes or other obligations, and to limit
36 or abrogate the right of the holders of any bonds, notes or other
37 obligations of the trust to appoint a trustee under the provisions of
38 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-
39 10.1 et al.), **[or]** sections 22 and 34 through 38 of P.L.2016, c.56
40 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-
41 22.3, and C.58:11B-22.4), or the provisions of P.L. ,
42 c. (C.) (pending before the Legislature as this bill), and to
43 limit the rights, duties and powers of the trustee;
- 44 m. Pay the costs or expenses incident to the enforcement of the
45 bonds, notes or other obligations of the trust or of the provisions of
46 the resolution authorizing the issuance of those bonds, notes or
47 other obligations or of any covenant or agreement of the trust with
48 the holders of the bonds, notes or other obligations;

1 n. Limit the rights of the holders of any bonds, notes or other
2 obligations of the trust to enforce any pledge or covenant securing
3 the bonds, notes or other obligations; and
4 o. Make covenants other than or in addition to the covenants
5 authorized by P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224
6 (C.58:11B-10.1 et al.), **[or]** sections 22 and 34 through 38 of
7 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-
8 20.2, C.58:11B-22.3, and C.58:11B-22.4) , or P.L. ,
9 c. (C.) (pending before the Legislature as this bill) of like or
10 different character, and make covenants to do or refrain from doing
11 any acts and things as may be necessary, or convenient and
12 desirable, in order to better secure the bonds, notes or other
13 obligations of the trust, or which, in the absolute discretion of the
14 trust, would make the bonds, notes or other obligations more
15 marketable, notwithstanding that the covenants, acts or things may
16 not be enumerated herein.
17 (cf: P.L.2023, c.63, s.13)

18

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

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

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

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

42 (4) The trust may make and contract to make loans and provide
43 other assistance to a local government unit or consortia thereof to
44 finance the cost of transportation projects, aviation projects, and
45 marine projects pursuant to 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), and provided that the
48 federally-funded transportation subaccount is operated in

1 accordance with the provisions of the federal infrastructure bank
2 program.

3 (5) The trust may make and contract to make loans and provide
4 other assistance to a P3 eligible entity or private entity, or a
5 consortia thereof, to finance the cost of energy-related projects
6 pursuant to the provisions of P.L. , c. (C.) (pending
7 before the Legislature as this bill).

8 The loans may be made subject to those terms and conditions as
9 the trust shall determine to be consistent with the purposes thereof.
10 Each loan by the trust and the terms and conditions thereof shall be
11 subject to approval by the State Treasurer, and the trust shall make
12 available to the State Treasurer all information, statistical data and
13 reports of independent consultants or experts as the State Treasurer
14 shall deem necessary in order to evaluate the loan. Each loan to a
15 local government unit, public water utility , P3 eligible entity, or
16 any other person shall be evidenced by notes, bonds or other
17 obligations thereof issued to the trust. In the case of each local
18 government unit, notes and bonds to be issued to the trust and, if
19 applicable, the State, acting by and through the Department of
20 Environmental Protection, by the local government unit (1) shall be
21 authorized and issued as provided by law for the issuance of notes
22 and bonds by the local government unit, (2) notwithstanding any
23 provisions of the "Local Authorities Fiscal Control Law," P.L.1983,
24 c.313 (C.40A:5A-1 et seq.) to the contrary, shall be approved by the
25 Director of the Division of Local Government Services in the
26 Department of Community Affairs, and (3) notwithstanding the
27 provisions of N.J.S.40A:2-27, N.J.S.40A:2-28 and N.J.S.40A:2-29
28 or any other provisions of law to the contrary, may be sold at
29 private sale to the trust or the State, as the case may be, at any price,
30 whether or not less than par value, and shall be subject to
31 redemption prior to maturity at any times and at any prices as the
32 trust or the State, as the case may be, and local government units
33 may agree. Each loan to a local government unit, public water
34 utility , P3 eligible entity, or any other person and the notes, bonds
35 or other obligations thereby issued shall bear interest at a rate or
36 rates per annum as the trust or the State, as the case may be, and the
37 local government unit, public water utility , P3 eligible entity, or
38 any other person, as the case may be, may agree.

39 b. The trust is authorized to guarantee or contract to guarantee
40 the payment of all or any portion of the principal and interest on
41 bonds, notes or other obligations issued by a local government unit,
42 public water utility, P3 eligible entity, or other person, to finance,
43 as applicable, the cost of any wastewater treatment system project,
44 water supply project, transportation project, aviation project, **[or]**
45 marine project, or energy-related project, or redevelopment project
46 that includes, as a portion thereof, any wastewater treatment system
47 project, water supply project, transportation project, aviation
48 project, marine project, or energy-related project, or any hazard

1 mitigation and resilience project as defined in section 2 of
2 P.L.2023, c.63 (C.58:11B-20.4), which the local government unit,
3 public water utility, P3 eligible entity, or other person may lawfully
4 undertake or acquire and for which the local government unit is
5 authorized by law to borrow money, and the guarantee shall
6 constitute an obligation of the trust, and shall be in furtherance of
7 the corporate purposes of the trust, for the purposes of P.L.1985,
8 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),
9 **[or]** sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-
10 10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
11 C.58:11B-22.4) , or P.L. , c. (C.) (pending before the
12 Legislature as this bill) . Each guarantee by the trust and the terms
13 and conditions thereof shall be subject to approval by the State
14 Treasurer, and the trust shall make available to the State Treasurer
15 all information, statistical data and reports of independent
16 consultants or experts as the State Treasurer shall deem necessary in
17 order to evaluate the guarantee.

18 c. The trust shall not make or contract to make any loans or
19 guarantees to local government units, public water utilities , P3
20 eligible entities, or any other person, or otherwise incur any
21 additional indebtedness, on or after June 30, 2053.

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

46 The trust shall create and establish a special fund to be known as
47 the "Interim Environmental Financing Program Fund" for the short-
48 term or temporary loan financing or refinancing program to be

1 known as the "Interim Environmental Financing Program." The
2 monies in the fund shall be used for short-term or temporary loans
3 for clean water and drinking water projects pursuant to the New
4 Jersey Environmental Infrastructure Financing Program.

5 Except as provided in section 1 of P.L.2013, c.93 (C.58:11B-
6 9.5), any short-term or temporary loans made by the trust pursuant
7 to this subsection may only be made in advance of the anticipated
8 loans the trust may make and contract to make under the provisions
9 of subsection a. of this section from any source of funds anticipated
10 to be received by the trust. Any such short-term or temporary loan
11 made pursuant to the Interim Environmental Financing Program
12 shall mature no later than the last day of the third succeeding fiscal
13 year following the closing date on which the short-term or
14 temporary loan was made by the trust to the project sponsor; except
15 a planning, design, and construction loan shall mature no later than
16 the last day of the fifth succeeding fiscal year following the closing
17 date of the planning, design, and construction loan or the last day of
18 the third succeeding fiscal year following the date of construction
19 certification following the closing date of the planning, design, and
20 construction loan, whichever is sooner, provided that, in either case,
21 project planning or engineering design activities shall not exceed
22 two years from the closing date of the planning, design, and
23 construction loan; and except a short-term or temporary loan made
24 pursuant to this subsection for environmental planning and
25 engineering design costs associated with long-term control plans for
26 combined sewer overflow projects shall mature no later than the last
27 day of the 10th succeeding fiscal year following the closing date on
28 which the short-term or temporary loan was made by the trust to the
29 project sponsor; and except a short-term or temporary loan made
30 pursuant to this subsection which has been submitted as part of an
31 application for funding pursuant to the "Water Infrastructure
32 Finance and Innovation Act of 2014" (WIFIA), 33 U.S.C. s.3901 et
33 seq., as amended and supplemented, shall mature not later than the
34 funding draw period allowed by this federal act. Any short-term or
35 temporary loan or planning, design and construction loan made by
36 the trust pursuant to this subsection may mature in a shorter period
37 of time as may be necessary to align with construction completion.
38 With respect to any short-term or temporary loan or planning,
39 design, and construction loan made by the trust pursuant to this
40 subsection, the trust may authorize one short-term supplemental
41 loan for residual project expenses thereof upon receipt by the trust
42 from the Department of Environmental Protection of a certification
43 that states that the time required by the project sponsor to complete
44 construction of the project exceeds the maximum maturity date of
45 the project sponsor's outstanding short-term or temporary loan or
46 planning, design, and construction loan. Any such short-term
47 supplemental loan shall not exceed in duration the last day of the
48 third succeeding fiscal year following the loan closing of the

1 supplemental loan. The trust may make short-term or temporary
2 loans pursuant to the Interim Environmental Financing Program to
3 any one or more of the project sponsors, for the respective projects
4 thereof, identified in the interim financing project priority list to be
5 known as the "Interim Environmental Financing Program Project
6 Priority List" in the form provided to the Legislature by the
7 Commissioner of Environmental Protection.

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

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

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

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

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

26 g. The trust shall create and establish a special fund to be
27 known as the "Interim Transportation Financing Program Fund" for
28 the short-term or temporary loan financing or refinancing program
29 to be known as the "Interim Transportation Financing Program."

30 Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-1
31 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to the contrary,
32 the trust may receive funds from any source including, without
33 limitation, any funds drawn by the trust from a revolving line of
34 credit or other similar financial vehicle that may be procured by the
35 trust, either through a competitive or negotiated process, pursuant to
36 section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit into the
37 Interim Transportation Financing Program Fund or the trust may
38 issue its bonds, notes or other obligations in any principal amounts,
39 in either case, as in the judgment of the trust shall be necessary to
40 provide sufficient funds to finance or refinance short-term or
41 temporary loans to local government units or private persons for
42 any transportation project, aviation project, or marine project
43 included on the Department of Transportation Interim
44 Transportation Financing Program Project Priority List for the
45 ensuing fiscal year and eligible for approval pursuant to sections 22
46 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through
47 C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-
48 22.4), without regard to any other provisions of P.L.1985, c.334

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

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

1 List" in the form provided to the Legislature by the Commissioner
2 of Transportation.

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

21 No funds may be disbursed pursuant to this subsection for
22 transportation project, aviation project, or marine project activities
23 prior to certification in writing, from the trust, that the project
24 activities satisfy the provisions of P.L.1985, c.334 (C.58:11B-1 et
25 seq.), 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 Construction activities for a transportation project shall also require
29 written notification of award concurrence from the Department of
30 Transportation prior to fund disbursement.

31 h. (1) The trust shall create and establish a special fund to be
32 known as the "Interim Energy Financing Program Fund" for the
33 short-term or temporary loan financing or refinancing program to be
34 known as the "Interim Energy Financing Program."

35 (2) Notwithstanding any provision of P.L.1985, c.334
36 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
37 the contrary, the trust may receive funds from any source including,
38 without limitation, any funds drawn by the trust from a revolving
39 line of credit or other similar financial vehicle that may be procured
40 by the trust, either through a competitive or negotiated process,
41 pursuant to section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit
42 into the "Interim Energy Financing Program Fund" or the trust may
43 issue its bonds, notes, or other obligations in any principal amounts,
44 in either case, as in the judgment of the trust shall be necessary to
45 provide sufficient funds to finance or refinance short-term or
46 temporary loans to P3 eligible entities for any energy-related
47 project included on the Interim Energy Financing Program Project
48 Priority List for the ensuing fiscal year and eligible for approval

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

8 (3) Any short-term or temporary loans made by the trust pursuant
9 to this subsection may only be made in advance of the anticipated
10 loans the trust may make and contract to make under the provisions
11 of subsection a. of this section from any source of funds anticipated
12 to be received by the trust. Any such short-term or temporary loan
13 made pursuant to the Interim Energy Financing Program shall
14 mature no later than the last day of the third succeeding fiscal year
15 following the closing date on which the short-term or temporary
16 loan was made by the trust to the project sponsor; except a
17 planning, design, and construction loan shall mature no later than
18 the last day of the fifth succeeding fiscal year following the closing
19 date of the planning, design, and construction loan or the last day of
20 the third succeeding fiscal year following the date of construction
21 certification following the closing date of the planning, design, and
22 construction loan, whichever is sooner, provided that, in either case,
23 project planning or engineering design activities shall not exceed
24 two years from the closing date of the planning, design, and
25 construction loan. The trust may make short-term or temporary
26 loans pursuant to the Interim Energy Financing Program to any one
27 or more of the project sponsors, for the respective projects thereof,
28 only if a project is identified on the list to be known as the "Interim
29 Energy Financing Program Project Priority List" in the form
30 provided to the Legislature by the trust.

31 (4) The Interim Energy Financing Program Project Priority List,
32 including any revision thereof or supplement thereto, shall be
33 submitted to the Secretary of the Senate and the Clerk of the
34 General Assembly on or before July 1 of each year. The Interim
35 Energy Financing Program Project Priority List shall be submitted
36 to the Legislature pursuant to section 2 of P.L.1991, c.164
37 (C.52:14-19.1) at least once in each fiscal year. The Secretary and
38 the Clerk shall cause the date of submission to be entered upon the
39 Senate Journal and the Minutes of the General Assembly,
40 respectively. An energy-related project or the project sponsor
41 thereof not identified in the Interim Energy Financing Program
42 Project Priority List shall not be eligible for a short-term or
43 temporary loan from the Interim Energy Financing Program Fund.
44 The trust may revise or supplement the Interim Energy Financing
45 Program Project Priority List no more than four times during the
46 fiscal year, and shall submit the revised list to the Legislature when
47 the revisions are made.

1 (5) No funds may be disbursed pursuant to this subsection for
2 project activities prior to written notification of award certification
3 in writing from the trust that the project activities satisfy the
4 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224
5 (C.58:11B-10.1 et al.), and P.L. , c. (C.) (pending before
6 the Legislature as this bill).
7 (cf: P.L.2023, c.63, s.14)

8
9 28. (New section) There is established in the New Jersey
10 Infrastructure Bank the Energy Infrastructure Financing Program.
11 The purpose of the program shall be to provide loans and other
12 forms of financial assistance, as the trust deems appropriate, to P3
13 eligible entities and private entities that are parties to public-private
14 partnership agreements to develop and finance energy-related
15 projects approved by the Energy P3 Program pursuant to
16 P.L. , c. (C.) (pending before the Legislature as this bill).

17
18 29. (New Section) a. There is established in the New Jersey
19 Infrastructure Bank a special fund to be known as the Energy Loan
20 Origination Fee Fund. The Energy Loan Origination Fee Fund shall
21 be credited with:

22 (1) monies deposited into the fund as loan origination fees
23 received by the trust and paid by loan applicants for energy-related
24 projects financed under the Energy Infrastructure Financing
25 Program; and

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

28 b. Monies in the Energy Loan Origination Fee Fund shall be
29 drawn and used by the trust to reimburse the trust for administrative
30 and operating expenses incurred in administering the Energy
31 Infrastructure Financing Program, except that the total amount
32 expended by the trust for administrative and operating expenses in
33 any fiscal year shall not exceed \$8,000,000. The monies in the
34 Energy Loan Origination Fee Fund shall also be available for
35 application by the trust for loans to P3 eligible entities for the cost
36 of energy-related projects. Amounts in excess of the funds drawn
37 by the trust from the Energy Loan Origination Fee Fund during any
38 given fiscal year shall be carried forward into the following fiscal
39 year and held on deposit in the fund.

40 c. As used in this section, "Energy Loan Origination Fee" means
41 the fee charged by the trust in connection with engineering and
42 other services provided by the trust to a project sponsor in
43 connection with the project sponsor's participation in the Energy
44 Infrastructure Financing Program. A project sponsor may finance
45 any portion of the energy loan origination fee through an energy
46 loan to pay a portion of the costs incurred by the trust in the
47 implementation of the Energy Infrastructure Financing Program.

1 d. Monies in the Energy Loan Origination Fee Fund may be
2 used to provide loans for fund-approved origination costs associated
3 with the identification and preliminary development and design of
4 potential energy-related projects. Such loans shall be repaid in full
5 by the developers of energy-related projects that are approved by
6 the Energy P3 Program and developed by the developers, and shall
7 be considered and treated as project costs. For energy-related
8 projects that are not approved or developed, upon application to the
9 Energy P3 Program demonstrating good cause for relief in
10 accordance with criteria established by the Energy P3 Program,
11 origination costs may be shared by the Energy P3 Program and P3
12 eligible entity through forgiveness of one-half of the approved
13 invoices submitted by the developer performing the preliminary
14 work for the proposed energy-related project. The origination costs
15 permitted per project shall not exceed \$100,000 in the aggregate
16 and \$50,000 in loan forgiveness. A developer that receives
17 compensation under this section for assisting the identification,
18 preliminary design, or preliminary development of an energy-
19 related project, or the preparation of the project proposal to the
20 Energy P3 Program for such project, shall be disqualified from
21 bidding for the energy-related project and from any involvement in
22 project development, other than as a representative of the P3
23 eligible entity.

24

25 30. (New section) a. The trust shall create and establish a
26 special fund to be known as the State Energy Infrastructure Bank
27 Fund. The monies in the State Energy Infrastructure Bank Fund
28 shall only be used to provide loans and other financial assistance to
29 energy-related projects funded by the Energy Infrastructure
30 Financing Program, and for other corporate purposes of the trust's
31 administration and management of the Energy Infrastructure
32 Financing Program, subject to agreements with the holders of
33 bonds, notes or other obligations of the trust. The State Energy
34 Infrastructure Bank Fund shall be credited with:

35 (1) State and federal funds appropriated to the State Energy
36 Infrastructure Bank Fund;

37 (2) monies received as repayment of the principal of, and the
38 interest or premium on loans made from the State Energy
39 Infrastructure Bank Fund;

40 (3) any interest earnings received on the monies in the State
41 Energy Infrastructure Bank Fund; and

42 (4) any other monies the Legislature may appropriate to the trust
43 for deposit into the State Energy Infrastructure Bank Fund to
44 finance or refinance loans for energy-related projects issued from
45 the State Energy Infrastructure Bank Fund.

46 b. Notwithstanding any provisions of P.L. , c. (C.)
47 (pending before the Legislature as this bill) to the contrary, all
48 monies placed into the State Energy Infrastructure Bank Fund shall

1 be held separate from other funds of the trust, and no funds used to
2 finance energy-related projects shall be combined or comingled
3 with any funds that finance (1) wastewater treatment system
4 projects, (2) water supply projects, (3) other environmental
5 infrastructure projects, or (4) transportation, transit, marine or
6 aviation projects, which are not energy-related projects.

7 c. The trust may establish or direct the establishment of federal
8 and State accounts or subaccounts as may be necessary to meet any
9 applicable federal law requirements or desirable for the efficient
10 administration of the trust.

11

12 31. (New section) a. The trust, through the Energy P3
13 Program, shall for each fiscal year, develop a priority system for
14 energy-related projects that seek financing from the Energy
15 Infrastructure Financing Program. The trust shall maintain an
16 Energy Infrastructure Financing Program Project Priority List,
17 hereinafter referred to as the Energy Project Priority List, which
18 shall identify the energy-related projects that the trust has selected
19 for funding in each fiscal year and the aggregate amount of funds
20 the trust has authorized for this purpose. The Energy Project
21 Priority List shall provide a description of each project and an
22 explanation of how the projects are ranked.

23 The Energy Project Priority List shall be submitted to the
24 Legislature for the fiscal year on or before January 15 of each year.
25 The Secretary and the Clerk shall cause the date of submission to be
26 entered upon the Senate Journal and the Minutes of the General
27 Assembly, respectively. Incremental revisions or supplements to
28 the Energy Project Priority List may be submitted to the Legislature
29 as provided in subsection g. of section 9 of P.L.1985, c.334
30 (C.58:11B-9). An energy-related project shall be eligible for
31 funding pursuant to this section if it is identified on an Energy
32 Project Priority List.

33 Energy-related projects that do not seek financing from the trust
34 shall not be subject to prioritization in accordance with this section
35 and shall be considered on their own merit in accordance with the
36 general review criteria established pursuant to section 16 of
37 P.L. , c. (C.) (pending before the Legislature as this bill).

38 b. The trust shall prepare an Energy Financing Program Project
39 Eligibility List for long-term funding by the trust and shall include
40 the aggregate amount of funds to be authorized for these purposes.
41 The Energy Financing Program Project Eligibility List shall consist
42 of Energy Financing Program Project Priority List projects certified
43 by the trust that have commenced construction and demonstrated to
44 the Energy P3 Program a high likelihood of construction
45 completion within three years of date of funding.

46 On or before May 15 of each year, the trust shall submit the
47 Energy Financing Program Project Eligibility List for the ensuing
48 fiscal year including any amendatory or supplementary provisions

1 thereto, which shall include the authorization of an aggregate
2 amount of funds of the trust to be expended for loans and
3 guarantees for the specific energy-related projects, including the
4 individual amounts therefor, to be introduced in each House in the
5 form of legislative appropriations bills, which shall be referred to
6 the Senate Environment and Energy Committee and the Assembly
7 Science, Innovation and Technology Committee, or their
8 successors, for their respective consideration.

9 The Senate Environment and Energy Committee and the
10 Assembly Science, Innovation and Technology Committee, or their
11 successors, shall, either individually or jointly, consider the
12 legislation containing the Energy Program Project Eligibility List,
13 and shall report the legislation, together with any modifications, out
14 of committee for consideration by each House of the Legislature.

15 On or before July 1 of each year, the Legislature shall approve an
16 appropriations act containing the Energy Program Project Eligibility
17 List, including any amendatory or supplementary provisions
18 thereto, which act shall include the authorization of an aggregate
19 amount of funds of the trust to be expended for long-term loans and
20 guarantees for the energy-related projects, including the individual
21 amounts for each project included on the list.

22 c. On or before October 15 of each year, the trust may submit an
23 amended Energy Financing Program Project Eligibility List to be
24 introduced in each House in the form of legislative appropriations
25 bills for approval by the Legislature on or before January 15 of the
26 following calendar year in the manner set forth in subsection a. and
27 subsection b. of this section.

28 d. The trust shall not expend any money for a long-term loan or
29 guarantee during a fiscal year for any energy-related project unless
30 the expenditure has been authorized pursuant to a State annual
31 appropriations act of the current or three immediately preceding
32 fiscal years as provided in the provisions of this section, or as
33 otherwise set forth in an appropriations act.

34 e. The trust shall submit to the Secretary of the Senate and the
35 Clerk of the General Assembly on or before January 15 of each year
36 a report which shall identify the energy-related projects financed
37 during the prior fiscal year, including a project description, the
38 amount of the loan provided for each project, and the duration of
39 each loan.

40
41 32. (New section) a. On or before May 15 of each year, the trust
42 shall submit to the Legislature a financial plan designed to
43 implement the financing of the energy-related projects on the
44 Energy Financing Program Project Priority List or the Energy
45 Financing Program Project Eligibility List. The financial plan shall
46 contain an enumeration of the bonds, notes or other obligations of
47 the trust which the trust intends to issue, including the amounts
48 thereof and the terms and conditions thereof, a list of loans to be

1 made to P3 eligible entities, including the terms and conditions
2 thereof and the anticipated rate of interest per annum and repayment
3 schedule therefor and a list of loan guarantees or contracts to
4 guarantee the payment of all or a portion of the principal and
5 interest on bonds, notes or other obligations issued by a P3 eligible
6 entity to finance the cost of an energy-related project, and the terms
7 and conditions thereof.

8 The financial plan shall also set forth a complete operating and
9 financial statement covering proposed operations through the fund
10 during the forthcoming fiscal year, including amounts of income
11 from all sources, and the uniform schedule of fees and charges
12 established by the trust pursuant to subsection o. of section 5 of
13 P.L.1985, c.334 (C.58:11B-5), and the amounts to be derived
14 therefrom, and shall summarize the status of each energy-related
15 project for which loans or guarantees have been made by the trust.

16 b. On or before June 30 of each year the Legislature may reject
17 the financial plan through the adoption by both houses of a
18 concurrent resolution. If the Legislature rejects the financial plan,
19 the project list shall be removed from the annual appropriations act
20 and the trust shall not undertake any of the proposed activities
21 contained therein. If the Legislature takes no action on or before
22 June 30, the financial plan shall be deemed approved.

23 c. The financial plan for the State Energy Infrastructure Bank
24 Fund shall not be eligible for inclusion in a consolidated financial
25 plan as established in section 27 of P.L.1997, c.224 (C.58:11B-
26 22.2).

27
28 33. (New section) The trust shall, within three years after the
29 effective date of P.L. , c. (C.) (pending before the
30 Legislature as this bill), and annually thereafter, prepare a report to
31 the Governor and, pursuant to section 2 of P.L.1991, c.164
32 (C.52:14-19.1), to the Legislature regarding the number, nature,
33 structure, and scope of public-private partnership agreements for
34 energy-related projects developed pursuant to
35 P.L. , c. (C.) (pending before the Legislature as this bill),
36 including: (1) a description of the improvements made to the
37 energy infrastructure of participating P3 eligible entities; (2)
38 environmental benefits; (3) job creation and other economic and
39 societal benefits; (4) costs incurred; and (5) where applicable,
40 reductions in energy usage and peak demand, and enhancements to
41 the resiliency and reliability of the State's energy infrastructure.
42 The report shall also address any implementation issues, including
43 staffing and resource requirements, and may provide
44 recommendations regarding how the processes and methods
45 adopted to foster the development of public-private partnership
46 agreements for energy-related projects under P.L. , c. (C.)
47 (pending before the Legislature as this bill) may be improved,
48 expanded, or made more efficient.

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

3 13. Neither the directors of the trust nor any person executing
4 bonds, notes or other obligations of the trust issued pursuant to
5 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-
6 10.1 et al.), **【or】** sections 22 and 34 through 38 of P.L.2016, c.56
7 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-
8 22.3, and C.58:11B-22.4) , or P.L. , c. (C.) (pending
9 before the Legislature as this bill) shall be liable personally on the
10 bonds, notes or other obligations by reason of the issuance thereof.
11 (cf: P.L.2016, c.56, s.24)

12

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

15 14. The State does pledge to and covenant and agree with the
16 holders of any bonds, notes or other obligations of the trust issued
17 pursuant to authorization of P.L.1985, c.334 (C.58:11B-1 et seq.),
18 P.L.1997, c.224 (C.58:11B-10.1 et al.), **【or】** sections 22 and 34
19 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
20 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) , or
21 P.L. , c. (C.) (pending before the Legislature as this bill)
22 that the State shall not limit or alter the rights or powers vested in
23 the trust to perform and fulfill the terms of any agreement made
24 with the holders of the bonds, notes or other obligations or to fix,
25 establish, charge and collect any rents, fees, rates, payments or
26 other charges as may be convenient or necessary to produce
27 sufficient revenues to meet all expenses of the trust and to fulfill the
28 terms of any agreement made with the holders of bonds, notes or
29 other obligations, including the obligations to pay the principal of
30 and interest and premium on those bonds, notes or other
31 obligations, with interest on any unpaid installments of interest, and
32 all costs and expenses in connection with any action or proceedings
33 by or on behalf of the holders, and shall not limit or alter the rights
34 and powers of any local government unit, public water utility, P3
35 eligible entity, or other person to pay and perform its obligations
36 owed to the trust in connection with loans received from the trust,
37 until the bonds, notes and other obligations of the trust, together
38 with interest thereon, are fully met and discharged or provided for.
39 (cf: P.L.2023, c.63, s.17)

40

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

43 15. The State and all public officers, governmental units and
44 agencies thereof, all banks, trust companies, savings banks and
45 institutions, building and loan associations, savings and loan
46 associations, investment companies, and other persons carrying on a
47 banking business, all insurance companies, insurance associations
48 and other persons carrying on an insurance business, and all

1 executors, administrators, guardians, trustees and other fiduciaries
2 may legally invest any sinking funds, moneys or other funds
3 belonging to them or within their control in any bonds, notes or
4 other obligations issued pursuant to P.L.1985, c.334 (C.58:11B-1 et
5 seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), **[or]** sections 22 and
6 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
7 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4), or
8 P.L. , c. (C.) (pending before the Legislature as this bill),
9 and those bonds, notes or other obligations shall be authorized
10 security for any and all public deposits.

11 (cf: P.L.2016, c.56, s.26)

12

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

15 17. All property of the trust is declared to be public property
16 devoted to an essential public and governmental function and
17 purpose and the revenues, income and other moneys received or to
18 be received by the trust shall be exempt from all taxes of the State
19 or any political subdivision thereof. All bonds, notes and other
20 obligations of the trust issued pursuant to P.L.1985, c.334
21 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), **[or]**
22 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
23 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
24 C.58:11B-22.4) , or P.L. , c. (C.) (pending before the
25 Legislature as this bill) are declared to be issued by a body
26 corporate and politic of the State and for an essential public and
27 governmental purpose and those bonds, notes and other obligations,
28 and interest thereon and the income therefrom and from the sale,
29 exchange or other transfer thereof shall at all times be exempt from
30 taxation, except for transfer inheritance and estate taxes.

31 (cf: P.L.2016, c.56, s.27)

32

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

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

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

5 (1) By suit, action or proceeding enforce all rights of the holders
6 of bonds, notes or other obligations of the issue, to require the trust
7 to carry out any other agreements with the holders of the bonds,
8 notes or other obligations of the issue and to perform its duties
9 under P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224
10 (C.58:11B-10.1 et al.), **[or]** sections 22 and 34 through 38 of
11 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-
12 20.2, C.58:11B-22.3, and C.58:11B-22.4) or P.L. ,
13 c. (C.) (pending before the Legislature as this bill) ;

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

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

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

22 (5) Sell or otherwise dispose of bonds and notes of local
23 government units, public water utilities, P3 eligible entities, or other
24 persons pledged pursuant to resolution or trust indenture for benefit
25 of holders of bonds, notes, or other obligations of the issue on any
26 terms as resolution or trust indenture may provide;

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

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

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

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

45 e. Before declaring the principal of bonds, notes or other
46 obligations of the trust due and payable as a result of a trust default
47 on any of its bonds, notes or other obligations, the trustee shall first
48 give 30 days' notice in writing to the trust and to the Governor,

1 State Treasurer, President of the Senate and Speaker of the General
2 Assembly.

3 (cf: P.L.2023, c.63, s.18)

4

5 39. Section 19 of P.L.1985, c.334 (C.58:11B-19) is amended to
6 read as follows:

7 19. Sums of money received pursuant to the authority of
8 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-
9 10.1 et al.), **[or]** sections 22 and 34 through 38 of P.L.2016, c.56
10 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-
11 22.3, and C.58:11B-22.4), or P.L. , c. (C.) (pending
12 before the Legislature as this bill), whether as proceeds from the
13 sale of particular bonds, notes or other obligations of the trust or as
14 particular revenues or receipts of the trust, are deemed to be trust
15 funds, to be held and applied solely as provided in the resolution or
16 trust indenture under which the bonds, notes or obligations are
17 authorized or secured. Any officer with whom or any bank or trust
18 company with which those sums of money are deposited as trustee
19 thereof shall hold and apply the same for the purposes thereof,
20 subject to any provision as the aforementioned acts and the
21 resolution or trust indenture authorizing or securing the bonds,
22 notes or other obligations of the trust may provide.

23 (cf: P.L.2016, c.56, s.29)

24

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

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

30 b. No funds shall be expended by the trust for its annual
31 operating expenses unless appropriated by law to the trust. Unless
32 required to be otherwise applied pursuant to law, funds generated
33 by the operation of the trust, including, but not limited to: proceeds
34 from the sale of the trust's bonds, notes or other obligations;
35 revenues derived from investments by the trust; loan repayments
36 from local government units, public water utilities, or other persons;
37 and fees and charges levied by the trust, may thereafter be applied
38 in accordance with the provisions of P.L.1985, c.334 (C.58:11B-1
39 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), **[or]** sections 22
40 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through
41 C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4)
42 , or P.L. , c. (C.) (pending before the Legislature as this
43 bill), for any corporate purpose of the trust without appropriation;
44 except that the funds shall only be used to make loans or guarantees
45 approved by the Legislature in accordance with the provisions of
46 sections 20, 21, and 22 of P.L.1985, c.334 (C.58:11B-20, C.58:11B-
47 21 and C.58:11B-22), sections 24, 25, and 26 of P.L.1997, c.224
48 (C.58:11B-20.1, C.58:11B-21.1 and C.58:11B-22.1), **[or]** sections

1 35 through 37 of P.L.2016, c.56 (C.58:11B-10.5, C.58:11B-20.2,
2 and C.58:11B-22.3) , or P.L. , c. (C.) (pending before the
3 Legislature as this bill) .

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

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

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

39 (cf: P.L.2023, c.63, s.20)

40

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

43 25. The trust shall establish the rules and regulations governing
44 the making and use of loans or guarantees, including, but not
45 limited to, procedures for the submission of loan guarantee
46 requests, standards for the evaluation of requests, provisions
47 implementing priority systems for projects, reporting requirements
48 of the recipient of any loan or guarantee concerning the progress

1 and the expenditure of funds, and limitations, restrictions or
2 requirements concerning the use of loan funds as the trust shall
3 prescribe; provided that the rules and regulations shall be in
4 compliance with the terms and provisions of P.L.1985, c.334
5 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), **[or]**
6 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
7 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
8 C.58:11B-22.4) , or P.L. , c. (C.) (pending before the
9 Legislature as this bill), relating to the making of or eligibility for
10 loans or guarantees for environmental infrastructure projects
11 generally or for any particular type or class of wastewater treatment
12 system or water supply projects.
13 (cf: P.L.2016, c.56, s.31)

14
15 42. Section 27 of P.L.1985, c.334 (C.58:11B-27) is amended to
16 read as follows:

17 27. The trust shall adopt such rules and regulations as it deems
18 necessary to effectuate the purposes of P.L.1985, c.334 (C.58:11B-1
19 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), including those
20 required pursuant to sections 25 and 26 of P.L.1985, c.334
21 (C.58:11B-25 and C.58:11B-26), **[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), and P.L. ,
24 c. (C.) (pending before the Legislature as this bill), in
25 accordance with the "Administrative Procedure Act," P.L.1968,
26 c.410 (C.52:14B-1 et seq.).
27 (cf: P.L.2016, c.56, s.33)

28
29 43. N.J.S.18A:18A-42 is amended to read as follows:

30 18A:18A-42. All contracts for the provision or performance of
31 goods or services shall be awarded for a period not to exceed 24
32 consecutive months, except that contracts for professional services
33 pursuant to paragraph (1) of subsection a. of N.J.S.18A:18A-5 shall
34 be awarded for a period not to exceed 12 consecutive months. Any
35 board of education may award a contract for longer periods of time
36 as follows:

37 a. Supplying of:

38 (1) Fuel for heating purposes, for any term not exceeding in the
39 aggregate, three years;

40 (2) Fuel or oil for use of automobiles, autobuses, motor vehicles
41 or equipment, for any term not exceeding in the aggregate, three
42 years;

43 (3) Thermal energy produced by a cogeneration facility, for use
44 for heating or air conditioning or both, for any term not exceeding
45 40 years, when the contract is approved by the Board of Public
46 Utilities. For the purposes of this paragraph, "cogeneration" means
47 the simultaneous production in one facility of electric power and
48 other forms of useful energy such as heating or process steam; or

- 1 b. Plowing and removal of snow and ice, for any term not
2 exceeding in the aggregate, three years; or
- 3 c. Collection and disposal of garbage and refuse, for any term
4 not exceeding in the aggregate, three years; or
- 5 d. Data processing service, for any term of not more than seven
6 years; or
- 7 e. Insurance, including the purchase of insurance coverages,
8 insurance consultant or administrative services, and including
9 participation in a joint self-insurance fund, risk management
10 program or related services provided by a school board insurance
11 group, or participation in an insurance fund established by a county
12 pursuant to N.J.S.40A:10-6, or a joint insurance fund established
13 pursuant to P.L.1983, c.372 (C.40A:10-36 et seq.), for any term of
14 not more than three years; or
- 15 f. Leasing or servicing of automobiles, motor vehicles,
16 electronic communications equipment, machinery and equipment of
17 every nature and kind and textbooks and non-consumable
18 instructional materials, for any term not exceeding in the aggregate,
19 five years; except that contracts for the leasing of school buses may
20 be awarded for any term not exceeding in the aggregate ten years.
21 Contracts awarded pursuant to this subsection shall be awarded only
22 subject to and in accordance with rules and regulations promulgated
23 by the State Board of Education; or
- 24 g. Supplying of any product or the rendering of any service by
25 a company providing voice, data, transmission or switching
26 services, for a term not exceeding five years; or
- 27 h. (Deleted by amendment, P.L.1999, c.440.)
- 28 i. Driver education instruction conducted by private, licensed
29 driver education schools, for any term not exceeding in the
30 aggregate, three years; or
- 31 j. (Deleted by amendment, P.L.2009, c.4.) **[.]**
- 32 k. Any single project for the construction, reconstruction or
33 rehabilitation of any public building, structure or facility, or any
34 public works project, including the retention of the services of any
35 architect or engineer in connection therewith, for the length of time
36 authorized and necessary for the completion of the actual
37 construction; or
- 38 l. Laundry service and the rental, supply and cleaning of
39 uniforms for any term of not more than three years; or
- 40 m. Food supplies and food services for any term of not more
41 than three years; or
- 42 n. Purchases made under a contract awarded by the Director of
43 the Division of Purchase and Property in the Department of the
44 Treasury for use by counties, municipalities or other contracting
45 units pursuant to section 3 of P.L.1969, c.104 (C.52:25-16.1), for a
46 term not to exceed the term of that contract; or
- 47 o. The provision or performance of goods or services for the
48 purpose of producing class I renewable energy, as that term is

1 defined in section 3 of P.L.1999, c.23 (C.48:3-51), at, or adjacent
2 to, buildings owned by any local board of education, the entire price
3 of which is to be established as a percentage of the resultant savings
4 in energy costs, for a term not to exceed 15 years; provided,
5 however, that these contracts shall be entered into only subject to
6 and in accordance with guidelines promulgated by the Board of
7 Public Utilities establishing a methodology for computing energy
8 cost savings and energy generation costs.

9 p. The sale of electricity or thermal energy, or both, produced
10 by a combined heat and power facility, cogeneration facility, or on-
11 site generation facility, as those terms are defined pursuant to
12 section 3 of P.L.1999, c.23 (C.48:3-51), a district energy system, or
13 a distributed electric generation resource as defined pursuant to
14 section 3 of P.L. , c. (C.) (pending before the Legislature
15 as this bill) constructed and operated pursuant to a public-private
16 partnership agreement entered into pursuant to P.L. ,
17 c. (C.) (pending before the Legislature as this bill) may be
18 for a period not to exceed 25 years, which period shall commence
19 after construction of the facility has been completed and
20 commercial operation of the facility has commenced.

21 Any contract for services other than professional services, the
22 statutory length of which contract is for three years or less, may
23 include provisions for no more than one two-year, or two one-year,
24 extensions, subject to the following limitations: a. the contract shall
25 be awarded by resolution of the board of education upon a finding
26 by the board of education that the services are being performed in
27 an effective and efficient manner; b. no such contract shall be
28 extended so that it runs for more than a total of five consecutive
29 years; c. any price change included as part of an extension shall be
30 based upon the price of the original contract as cumulatively
31 adjusted pursuant to any previous adjustment or extension and shall
32 not exceed the change in the index rate for the 12 months preceding
33 the most recent quarterly calculation available at the time the
34 contract is renewed; and d. the terms and conditions of the contract
35 remain substantially the same.

36 All multiyear leases and contracts entered into pursuant to this
37 section, including any two-year or one-year extensions, except
38 contracts for insurance coverages, insurance consultant or
39 administrative services, participation or membership in a joint self-
40 insurance fund, risk management programs or related services of a
41 school board insurance group, participation in an insurance fund
42 established by a county pursuant to N.J.S.40A:10-6 or contracts for
43 thermal energy authorized pursuant to subsection a. above, and
44 contracts for the provision or performance of goods or services to
45 promote energy conservation through the production of class I
46 renewable energy, authorized pursuant to subsection o. of this
47 section, shall contain a clause making them subject to the
48 availability and appropriation annually of sufficient funds as may

1 be required to meet the extended obligation, or contain an annual
2 cancellation clause. All contracts shall cease to have effect at the
3 end of the contracted period and shall not be extended by any
4 mechanism or provision, unless in conformance with the "Public
5 School Contracts Law," N.J.S.18A:18A-1 et seq., except that a
6 contract may be extended by mutual agreement of the parties to the
7 contract when a board of education has commenced rebidding prior
8 to the time the contract expires or when the awarding of a contract
9 is pending at the time the contract expires.

10 (cf: P.L.2009, c.4, s.3)

11
12 44. Section 15 of P.L.1971, c.198 (C.40A:11-15) is amended to
13 read as follows:

14 15. All contracts for the provision or performance of goods or
15 services shall be awarded for a period not to exceed 24 consecutive
16 months, except that contracts for professional services pursuant to
17 subparagraph (i) of paragraph (a) of subsection (1) of section 5 of
18 P.L.1971, c.198 (C.40A:11-5) shall be awarded for a period not to
19 exceed 12 consecutive months. Contracts may be awarded for
20 longer periods of time as follows:

21 (1) Supplying of:

22 (a) (Deleted by amendment, P.L.1996, c.113.)

23 (b) (Deleted by amendment, P.L.1996, c.113.)

24 (c) Thermal energy produced by a cogeneration facility, for use
25 for heating or air conditioning or both, for any term not exceeding
26 40 years, when the contract is approved by the Board of Public
27 Utilities

28 For the purposes of this paragraph, "cogeneration" means the
29 simultaneous production in one facility of electric power and other
30 forms of useful energy such as heating or process steam;

31 (2) (Deleted by amendment, P.L.1977, c.53.)

32 (3) The collection and disposal of municipal solid waste, the
33 collection and disposition of recyclable material, or the disposal of
34 sewage sludge, for any term not exceeding in the aggregate, five
35 years;

36 (4) The collection and recycling of methane gas from a sanitary
37 landfill facility, for any term not exceeding 25 years, when the
38 contract is in conformance with a district solid waste management
39 plan approved pursuant to P.L.1970, c.39 (C.13:1E-1 et seq.), and
40 with the approval of the Division of Local Government Services in
41 the Department of Community Affairs and the Department of
42 Environmental Protection. The contracting unit shall award the
43 contract to the highest responsible bidder, notwithstanding that the
44 contract price may be in excess of the amount of any necessarily
45 related administrative expenses; except that if the contract requires
46 the contracting unit to expend funds only, the contracting unit shall
47 award the contract to the lowest responsible bidder. The approval
48 by the Division of Local Government Services of public bidding

1 requirements shall not be required for those contracts exempted
2 therefrom pursuant to section 5 of P.L.1971, c.198 (C.40A:11-5);

3 (5) Data processing service, for any term of not more than seven
4 years;

5 (6) Insurance, including the purchase of insurance coverages,
6 insurance consulting or administrative services, claims
7 administration services, including participation in a joint self-
8 insurance fund, risk management program or related services
9 provided by a contracting unit insurance group, or participation in
10 an insurance fund established by a local unit pursuant to
11 N.J.S.40A:10-6, or a joint insurance fund established pursuant to
12 P.L.1983, c.372 (C.40A:10-36 et seq.), for any term of not more
13 than three years;

14 (7) Leasing or servicing of (a) automobiles, motor vehicles,
15 machinery, and equipment of every nature and kind, for a period not
16 to exceed five years, or (b) machinery and equipment used in the
17 generation of electricity by a municipal shared services energy
18 authority established pursuant to section 4 of P.L.2015, c.129
19 (C.40A:66-4), or a contracting unit engaged in the generation of
20 electricity, for a period not to exceed 20 years; provided, however, a
21 contract shall be awarded only subject to and in accordance with the
22 rules and regulations promulgated by the Director of the Division of
23 Local Government Services in the Department of Community
24 Affairs;

25 (8) The supplying of any product or the rendering of any service
26 by a company providing voice, data, transmission, or switching
27 services for a term not exceeding five years;

28 (9) Any single project for the construction, reconstruction, or
29 rehabilitation of any public building, structure, or facility, or any
30 public works project, including the retention of the services of any
31 architect or engineer in connection therewith, for the length of time
32 authorized and necessary for the completion of the actual
33 construction;

34 (10) The providing of food services for any term not exceeding
35 three years;

36 (11) On-site inspections and plan review services undertaken by
37 private agencies pursuant to the "State Uniform Construction Code
38 Act," P.L.1975, c.217 (C.52:27D-119 et seq.) for any term of not
39 more than three years;

40 (12) (Deleted by amendment, P.L.2009, c.4.)**【.】**

41 (13) (Deleted by amendment, P.L.1999, c.440.)

42 (14) (Deleted by amendment, P.L.1999, c.440.)

43 (15) Leasing of motor vehicles, machinery, and other equipment
44 primarily used to fight fires, for a term not to exceed ten years,
45 when the contract includes an option to purchase, subject to and in
46 accordance with rules and regulations promulgated by the Director
47 of the Division of Local Government Services in the Department of
48 Community Affairs;

1 (16) The provision of water supply services or the designing,
2 financing, construction, operation, or maintenance, or any
3 combination thereof, of a water supply facility, or any component
4 part or parts thereof, including a water filtration system, for a period
5 not to exceed 40 years, when the contract for these services is
6 approved by the Division of Local Government Services in the
7 Department of Community Affairs, the Board of Public Utilities,
8 and the Department of Environmental Protection pursuant to
9 P.L.1985, c.37 (C.58:26-1 et al.), except that no approvals shall be
10 required for those contracts otherwise exempted pursuant to
11 subsection (30), (31), (34), (35) or (43) of this section.

12 For the purposes of this subsection, "water supply services"
13 means any service provided by a water supply facility; "water
14 filtration system" means any equipment, plants, structures,
15 machinery, apparatus, or land, or any combination thereof,
16 acquired, used, constructed, rehabilitated, or operated for the
17 collection, impoundment, storage, improvement, filtration, or other
18 treatment of drinking water for the purposes of purifying and
19 enhancing water quality and insuring its potability prior to the
20 distribution of the drinking water to the general public for human
21 consumption, including plants and works, and other personal
22 property and appurtenances necessary for their use or operation; and
23 "water supply facility" means and refers to the real property and the
24 plants, structures, or interconnections between existing water
25 supply facilities, machinery and equipment and other property, real,
26 personal, and mixed, acquired, constructed, or operated, or to be
27 acquired, constructed, or operated, in whole or in part by or on
28 behalf of a political subdivision of the State or any agency thereof,
29 for the purpose of augmenting the natural water resources of the
30 State and making available an increased supply of water for all
31 uses, or of conserving existing water resources, and any and all
32 appurtenances necessary, useful, or convenient for the collecting,
33 impounding, storing, improving, treating, filtering, conserving, or
34 transmitting of water and for the preservation and protection of
35 these resources and facilities and providing for the conservation and
36 development of future water supply resources;

37 (17) The provision of resource recovery services by a qualified
38 vendor, the disposal of the solid waste delivered for disposal which
39 cannot be processed by a resource recovery facility or the residual
40 ash generated at a resource recovery facility, including hazardous
41 waste and recovered metals and other materials for reuse, or the
42 design, financing, construction, operation, or maintenance of a
43 resource recovery facility for a period not to exceed 40 years when
44 the contract is approved by the Division of Local Government
45 Services in the Department of Community Affairs, and the
46 Department of Environmental Protection pursuant to P.L.1985, c.38
47 (C.13:1E-136 et al.); and when the resource recovery facility is in

1 conformance with a district solid waste management plan approved
2 pursuant to P.L.1970, c.39 (C.13:1E-1 et seq.).

3 For the purposes of this subsection, "resource recovery facility"
4 means a solid waste facility constructed and operated for the
5 incineration of solid waste for energy production and the recovery
6 of metals and other materials for reuse, or a mechanized composting
7 facility, or any other facility constructed or operated for the
8 collection, separation, recycling, and recovery of metals, glass,
9 paper, and other materials for reuse or for energy production; and
10 "residual ash" means the bottom ash, fly ash, or any combination
11 thereof, resulting from the combustion of solid waste at a resource
12 recovery facility;

13 (18) The sale of electricity or thermal energy, or both, produced
14 by a resource recovery facility for a period not to exceed 40 years
15 when the contract is approved by the Board of Public Utilities, and
16 when the resource recovery facility is in conformance with a district
17 solid waste management plan approved pursuant to P.L.1970, c.39
18 (C.13:1E-1 et seq.).

19 For the purposes of this subsection, "resource recovery facility"
20 means a solid waste facility constructed and operated for the
21 incineration of solid waste for energy production and the recovery
22 of metals and other materials for reuse, or a mechanized composting
23 facility, or any other facility constructed or operated for the
24 collection, separation, recycling, and recovery of metals, glass,
25 paper, and other materials for reuse or for energy production;

26 (19) The provision of wastewater treatment services or the
27 designing, financing, construction, operation, or maintenance, or
28 any combination thereof, of a wastewater treatment system, or any
29 component part or parts thereof, for a period not to exceed 40 years,
30 when the contract for these services is approved by the Division of
31 Local Government Services in the Department of Community
32 Affairs and the Department of Environmental Protection pursuant to
33 P.L.1985, c.72 (C.58:27-1 et al.), except that no approvals shall be
34 required for those contracts otherwise exempted pursuant to
35 subsection (36) or (43) of this section.

36 For the purposes of this subsection, "wastewater treatment
37 services" means any services provided by a wastewater treatment
38 system; and "wastewater treatment system" means equipment,
39 plants, structures, machinery, apparatus, or land, or any
40 combination thereof, acquired, used, constructed, or operated for
41 the storage, collection, reduction, recycling, reclamation, disposal,
42 separation, or other treatment of wastewater or sewage sludge, or
43 for the final disposal of residues resulting from the treatment of
44 wastewater, including, but not limited to, pumping and ventilating
45 stations, facilities, plants and works, connections, outfall sewers,
46 interceptors, trunk lines, and other personal property and
47 appurtenances necessary for their operation;

1 (20) The supplying of goods or services for the purpose of
2 lighting public streets, for a term not to exceed five years;

3 (21) The provision of emergency medical services for a term not
4 to exceed five years;

5 (22) Towing and storage contracts, awarded pursuant to
6 paragraph u. of subsection (1) of section 5 of P.L.1971, c.198
7 (C.40A:11-5) for any term not exceeding three years;

8 (23) Fuel for the purpose of generating electricity for a term not
9 to exceed eight years;

10 (24) The purchase of electricity or administrative or dispatching
11 services related to the transmission of electricity, from a supplier of
12 electricity subject to the jurisdiction of a federal regulatory agency,
13 from a qualifying small power producing facility or qualifying
14 cogeneration facility, as defined by 16 U.S.C. s.796, or from any
15 supplier of electricity within any regional transmission organization
16 or independent system operator or from an organization or operator
17 or their successors, by a contracting unit engaged in the generation
18 of electricity for retail sale, as of May 24, 1991, for a term not to
19 exceed 40 years; or by a contracting unit engaged solely in the
20 distribution of electricity for retail sale for a term not to exceed ten
21 years, except that a contract with a contracting unit, engaged solely
22 in the distribution of electricity for retail sale, in excess of ten
23 years, shall require the written approval of the Director of the
24 Division of Local Government Services. If the director fails to
25 respond in writing to the contracting unit within 10 business days,
26 the contract shall be deemed approved;

27 (25) Basic life support services, for a period not to exceed five
28 years.

29 For the purposes of this subsection, "basic life support" means a
30 basic level of prehospital care, which includes but need not be
31 limited to patient stabilization, airway clearance, cardiopulmonary
32 resuscitation, hemorrhage control, initial wound care, and fracture
33 stabilization;

34 (26) (Deleted by amendment, P.L.1999, c.440.)

35 (27) The provision of transportation services to an elderly
36 person, an individual with a disability, or an indigent person for any
37 term of not more than three years.

38 For the purposes of this subsection, "elderly person" means a
39 person who is 60 years of age or older. "Individual with a
40 disability" means a person of any age who, by reason of illness,
41 injury, age, congenital malfunction, or other permanent or
42 temporary incapacity or disability, is unable, without special
43 facilities or special planning or design to utilize mass transportation
44 facilities and services as effectively as persons who are not so
45 affected. "Indigent person " means a person of any age whose
46 income does not exceed 100 percent of the poverty line, adjusted
47 for family size, established and adjusted under section 2 of the
48 "Community Services Block Grant Act," (42 U.S.C. s.9902);

1 (28) The supplying of liquid oxygen or other chemicals, for a
2 term not to exceed five years, when the contract includes the
3 installation of tanks or other storage facilities by the supplier, on or
4 near the premises of the contracting unit;

5 (29) The performance of patient care services by contracted
6 medical staff at county hospitals, correction facilities, and long term
7 care facilities, for any term of not more than three years;

8 (30) The acquisition of an equitable interest in a water supply
9 facility pursuant to section 2 of P.L.1993, c.381 (C.58:28-2), or a
10 contract entered into pursuant to the "County and Municipal Water
11 Supply Act," N.J.S.40A:31-1 et seq., if the contract is entered into
12 no later than January 7, 1995, for any term of not more than forty
13 years;

14 (31) The provision of water supply services or the financing,
15 construction, operation, or maintenance or any combination thereof,
16 of a water supply facility or any component part or parts thereof, by
17 a partnership or copartnership established pursuant to a contract
18 authorized under section 2 of P.L.1993, c.381 (C.58:28-2), for a
19 period not to exceed 40 years;

20 (32) Laundry service and the rental, supply, and cleaning of
21 uniforms for any term of not more than three years;

22 (33) The supplying of any product or the rendering of any
23 service, including consulting services, by a cemetery management
24 company for the maintenance and preservation of a municipal
25 cemetery operating pursuant to the "New Jersey Cemetery Act,
26 2003," P.L.2003, c.261 (C.45:27-1 et seq.), for a term not exceeding
27 15 years;

28 (34) A contract between a public entity and a private firm
29 pursuant to P.L.1995, c.101 (C.58:26-19 et al.) for the provision of
30 water supply services may be entered into for any term which, when
31 all optional extension periods are added, may not exceed 40 years;

32 (35) A contract for the purchase of a supply of water from a
33 public utility company subject to the jurisdiction of the Board of
34 Public Utilities in accordance with tariffs and schedules of charges
35 made, charged or exacted or contracts filed with the Board of Public
36 Utilities, for any term of not more than 40 years;

37 (36) A contract between a public entity and a private firm or
38 public authority pursuant to P.L.1995, c.216 (C.58:27-19 et al.) for
39 the provision of wastewater treatment services may be entered into
40 for any term of not more than 40 years, including all optional
41 extension periods;

42 (37) The operation and management of a facility under a license
43 issued or permit approved by the Department of Environmental
44 Protection, including a wastewater treatment system, a stormwater
45 management system, or a water supply or distribution facility, as
46 the case may be, for any term of not more than ten years.

47 For the purposes of this subsection, "wastewater treatment
48 system" refers to facilities operated or maintained for the storage,

- 1 collection, reduction, disposal, or other treatment of wastewater or
2 sewage sludge, remediation of groundwater contamination,
3 stormwater runoff, or the final disposal of residues resulting from
4 the treatment of wastewater; "stormwater management system"
5 means the same as that term is defined in section 3 of P.L.2019,
6 c.42 (C.40A:26B-3); and "water supply or distribution facility"
7 refers to facilities operated or maintained for augmenting the
8 natural water resources of the State, increasing the supply of water,
9 conserving existing water resources, or distributing water to users;
- 10 (38) Municipal solid waste collection from facilities owned by a
11 contracting unit, for any term of not more than three years;
- 12 (39) Fuel for heating purposes, for any term of not more than
13 three years;
- 14 (40) Fuel or oil for use in motor vehicles for any term of not
15 more than three years;
- 16 (41) Plowing and removal of snow and ice for any term of not
17 more than three years;
- 18 (42) Purchases made under a contract awarded by the Director of
19 the Division of Purchase and Property in the Department of the
20 Treasury for use by counties, municipalities, or other contracting
21 units pursuant to section 3 of P.L.1969, c.104 (C.52:25-16.1), for a
22 term not to exceed the term of that contract;
- 23 (43) A contract between the governing body of a city of the first
24 class and a duly incorporated nonprofit association for the provision
25 of water supply services as defined in subsection (16) of this
26 section, or wastewater treatment services as defined in subsection
27 (19) of this section, may be entered into for a period not to exceed
28 40 years;
- 29 (44) The purchase of electricity generated through Class I
30 renewable energy or from a power production facility that is fueled
31 by methane gas extracted from a landfill in the county of the
32 contacting unit for any term not exceeding 25 years;
- 33 (45) The provision or performance of goods or services for the
34 purpose of producing Class I renewable energy or Class II
35 renewable energy, as those terms are defined in section 3 of
36 P.L.1999, c.23 (C.48:3-51), at, or adjacent to, buildings owned by,
37 or operations conducted by, the contracting unit, the entire price of
38 which is to be established as a percentage of the resultant savings in
39 energy costs, for a term not to exceed 15 years; provided, however,
40 that a contract shall be entered into only subject to and in
41 accordance with guidelines promulgated by the Board of Public
42 Utilities establishing a methodology for computing energy cost
43 savings and energy generation costs;
- 44 (46) A power supply contract, as defined pursuant to section 3 of
45 P.L.2015, c.129 (C.40A:66-3), between a member municipality as
46 defined pursuant to section 3 of P.L.2015, c.129 (C.40A:66-3), and
47 the municipal shared services energy authority established pursuant
48 to the provisions of P.L.2015, c.129 (C.40A:66-1 et al.) to meet the

1 electric power needs of its members, for the lease, operation, or
2 management of electric generation within a member municipality's
3 corporate limits and franchise area or the purchase of electricity, or
4 the purchase of fuel for generating units for a term not to exceed 40
5 years;

6 (47) A contract entered into pursuant to paragraph (2) of
7 subsection a. of section 6 of P.L.2006, c.46 (C.30:9-23.20) between
8 a county hospital authority and a manager for the management,
9 operation, and maintenance of a hospital owned by the authority or
10 the county for a term not to exceed 20 years, provided, however,
11 that a contract entered into pursuant to paragraph (2) of subsection
12 a. of section 6 of P.L.2006, c.46 (C.30:9-23.20) may be renewed for
13 two additional periods, not to exceed five years each; **[and]**

14 (48) (a) A lease agreement that provides for the use, lease, lease-
15 back, acquisition, operation, or maintenance of ferry boats and
16 related facilities and services, for a period not to exceed 20 years,
17 except as provided by paragraph (b) of this subsection. For the
18 purposes of this subsection, "related facilities and services"
19 includes, but is not limited to, docks and terminals, parking
20 facilities, intermodal facilities, ingress and egress to the parking and
21 terminal facilities, and the provision of goods and services to the
22 public, provided that a contract for the provision or performance of
23 such goods or services is related to ferry services and requires:

24 (1) a total capital expenditure exceeding \$300,000, as certified
25 by the chief financial officer of the contracting unit, including but
26 not limited to capital expenditures made by the lessee; or

27 (2) a capital improvement that has a life expectancy upon
28 completion exceeding 20 years, as certified by the chief financial
29 officer of the contracting unit.

30 (b) A lease agreement for a capital improvement under
31 subparagraph (2) of paragraph (a) of this subsection may be
32 awarded for a period not to exceed 50 years.

33 (c) Each worker employed in a construction project under a
34 contract executed pursuant to this subsection shall be paid not less
35 than the prevailing wage rate for the worker's craft or trade as
36 determined by the Commissioner of Labor and Workforce
37 Development pursuant to P.L.1963, c.150 (C.34:11-56.25 et seq.) ;
38 and

39 (49) The sale of electricity or thermal energy, or both, produced
40 by a combined heat and power facility, cogeneration facility, or on-
41 site generation facility, as those terms are defined pursuant to
42 section 3 of P.L.1999, c.23 (C.48:3-51), a district energy system, or
43 a distributed electric generation resource as defined pursuant to
44 section 3 of P.L. , c. (C.) (pending before the Legislature
45 as this bill) constructed and operated pursuant to a public-private
46 partnership agreement entered into pursuant to P.L. ,
47 c. (C.) (pending before the Legislature as this bill) may be
48 for a period not to exceed 25 years, which period shall commence

1 after construction of the facility has been completed and
2 commercial operation of the facility has commenced .

3 Any contract for services other than professional services, the
4 statutory length of which contract is for three years or less, may
5 include provisions for no more than one two-year, or two one-year,
6 extensions, subject to the following limitations: a. The contract
7 shall be awarded by resolution of the governing body upon a
8 finding by the governing body that the services are being performed
9 in an effective and efficient manner; b. No contract shall be
10 extended so that it runs for more than a total of five consecutive
11 years; c. Any price change included as part of an extension shall be
12 based upon the price of the original contract as cumulatively
13 adjusted pursuant to any previous adjustment or extension and shall
14 not exceed the change in the index rate for the 12 months preceding
15 the most recent quarterly calculation available at the time the
16 contract is renewed; and d. The terms and conditions of the
17 contract remain substantially the same.

18 All multiyear leases and contracts entered into pursuant to this
19 section, including any two-year or one-year extensions, except
20 contracts involving the supplying of electricity for the purpose of
21 lighting public streets and contracts for thermal energy authorized
22 pursuant to subsection (1) above, construction contracts authorized
23 pursuant to subsection (9) above, contracts for the provision or
24 performance of goods or services or the supplying of equipment to
25 promote energy conservation through the production of Class I
26 renewable energy or Class II renewable energy authorized pursuant
27 to subsection (45) above, contracts for water supply services or for
28 a water supply facility, or any component part or parts thereof
29 authorized pursuant to subsection (16), (30), (31), (34), (35), (37),
30 or (43) above, contracts for resource recovery services or a resource
31 recovery facility authorized pursuant to subsection (17) above,
32 contracts for the sale of energy produced by a resource recovery
33 facility authorized pursuant to subsection (18) above, contracts for
34 wastewater treatment services or for a wastewater treatment system
35 or any component part or parts thereof authorized pursuant to
36 subsection (19), (36), (37), or (43) above, contracts for the
37 operation and maintenance of a stormwater management system
38 authorized pursuant to subsection (37) above, and contracts for the
39 purchase of electricity or administrative or dispatching services
40 related to the transmission of electricity authorized pursuant to
41 subsection (24) above, contracts for the purchase of electricity
42 generated from a power production facility that is fueled by
43 methane gas authorized pursuant to subsection (44) above, and
44 power supply contracts authorized pursuant to subsection (46)
45 respectively, shall contain a clause making them subject to the
46 availability and appropriation annually of sufficient funds as may
47 be required to meet the extended obligation, or contain an annual
48 cancellation clause.

1 The Division of Local Government Services in the Department
2 of Community Affairs shall adopt and promulgate rules and
3 regulations concerning the methods of accounting for all contracts
4 that do not coincide with the fiscal year.

5 All contracts shall cease to have effect at the end of the
6 contracted period and shall not be extended by any mechanism or
7 provision, unless in conformance with the "Local Public Contracts
8 Law," P.L.1971, c.198 (C.40A:11-1 et seq.), except that a contract
9 may be extended by mutual agreement of the parties to the contract
10 when a contracting unit has commenced rebidding prior to the time
11 the contract expires or when the awarding of a contract is pending
12 at the time the contract expires.

13 (cf: P.L.2019, c.79, s.1)

14

15 45. This act shall take effect immediately.