

SENATE, No. 3472

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED JUNE 17, 2024

Sponsored by:

Senator ANDREW ZWICKER

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Senator GORDON M. JOHNSON

District 37 (Bergen)

SYNOPSIS

Makes various changes to powers and duties of NJ Infrastructure Bank.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/26/2024)

1 AN ACT concerning the authority of the New Jersey Infrastructure
2 Bank and amending P.L.1985, c.334, P.L.2013, c.93, and
3 P.L.2023, c.63.

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

7
8 1. Section 5 of P.L.2023, c.63 (C.58:11B-5a) is amended to
9 read as follows:

10 5. a. In addition to its powers and duties set forth in P.L.1985,
11 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),
12 and sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-
13 10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
14 C.58:11B-22.4), the New Jersey Infrastructure Bank shall establish
15 a "Community Hazard Assistance Mitigation Program" to fund
16 hazard mitigation and resilience projects undertaken by the State,
17 local government units, and nonprofit organizations in accordance
18 with the provisions of the STORM Act and sections 1 through 8 of
19 P.L.2023, c.63 (C.58:11B-20.3 et al.).

20 b. Except as otherwise provided in sections 1 through 8 of
21 P.L.2023, c.63 (C.58:11B-20.3 et al.), the Community Hazard
22 Assistance Mitigation Program shall comply with all provisions of
23 P.L.1985, c.334 (C.58:11B-1 et seq.), unless such provision is
24 specifically related to environmental infrastructure or transportation
25 projects as defined in section 3 of P.L.1985, c.334 (C.58:11B-3).

26 In establishing this program and issuing bonds pursuant to
27 sections 1 through 8 of P.L.2023, c.63 (C.58:11B-20.3 et al.), the
28 bank shall have the same powers and duties set forth in the "New
29 Jersey Infrastructure Trust Act," P.L.1985, c.334 (C.58:11B-1 et
30 seq.). The bank shall borrow money and issue bonds, notes, and
31 other obligations, and secure the same, and provide for the rights of
32 the holders thereof in the same manner as provided pursuant to
33 P.L.1985, c.334 (C.58:11B-1 et seq.). Each loan to a local
34 government unit or any other person shall be evidenced by notes,
35 bonds, or other obligations thereof issued to the trust. In the case of
36 a local government unit, a note or bond to be issued to the trust by
37 the local government unit (1) shall be authorized and issued as
38 provided by law for the issuance of notes and bonds by the local
39 government unit, (2) notwithstanding any provisions of the "Local
40 Authorities Fiscal Control Law," P.L.1983, c.313 (C.40A:5A-1 et
41 seq.) to the contrary, shall be approved by the Director of the
42 Division of Local Government Services in the Department of
43 Community Affairs, and (3) notwithstanding the provisions of
44 N.J.S.40A:2-27, N.J.S.40A:2-28 and N.J.S.40A:2-29 or any other
45 provisions of law to the contrary, may be sold at private sale to the

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

Matter underlined thus is new matter.

1 trust or the State, as the case may be, at any price, whether or not
2 less than par value, and shall be subject to redemption prior to
3 maturity at any time and at any price as the trust and the local
4 government unit may agree.

5 c. The bank shall make and contract to make loans and provide
6 other assistance to State entities, local government units, and
7 nonprofit organizations to finance the cost of hazard mitigation and
8 resilience projects in accordance with the provisions of the STORM
9 Act and sections 1 through 8 of P.L.2023, c.63 (C.58:11B-20.3 et
10 al.) and acquire and contract to acquire notes, bonds or other
11 obligations issued or to be issued by any local government units to
12 evidence the loans, all in accordance with the provisions of
13 P.L.1985, c.334 (C.58:11B-1 et seq.). The loans shall be made
14 subject to those terms and conditions as the bank shall determine to
15 be consistent with the purposes of the STORM Act and sections 1
16 through 8 of P.L.2023, c.63 (C.58:11B-20.3 et al.). **【Each】** Except
17 for short-term or temporary loans, each loan by the bank and the
18 terms and conditions thereof shall be subject to approval by the
19 State Treasurer, and the bank shall make available to the State
20 Treasurer all information, statistical data, and reports of
21 independent consultants or experts as the State Treasurer shall deem
22 necessary in order to evaluate the loan.

23 (cf: P.L.2023, c.63, s.5)

24

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

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

44 b. Whether or not the bonds, notes or other obligations of the
45 trust are of a form and character as to be negotiable instruments
46 under the terms of Title 12A of the New Jersey Statutes, the bonds,
47 notes and other obligations are made negotiable instruments within
48 the meaning of and for the purposes of Title 12A of the New Jersey

1 Statutes, subject only to the provisions of the bonds, notes and other
2 obligations for registration.

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

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

45 Notwithstanding the provisions of the "Local Bond Law,"
46 N.J.S.40A:2-1 et seq., or this subsection, to the contrary, each bond,
47 note, or other obligation of the trust, and each bond, note, or other
48 obligation of a local government unit, public water utility, or other

1 person, issued to the trust to evidence the loan issued to the trust,
2 or, if applicable, issued to the State, acting by and through the
3 Department of Environmental Protection, to evidence a loan issued
4 thereby, pursuant to subsection a. of section 9 of P.L.1985, c.334
5 (C.58:11B-9), and issued in connection with funding provided
6 pursuant to the "Water Infrastructure Finance and Innovation Act of
7 2014" (WIFIA), 33 U.S.C. s.3901 et seq., as amended and
8 supplemented, the "Transportation Infrastructure Finance and
9 Innovation Act of 1998" (TIFIA), 23 U.S.C. s.601 et seq., as
10 amended and supplemented, or the "Safeguarding Tomorrow
11 Through Ongoing Risk Mitigation (STORM) Act," Pub.L. 116-284
12 (42 U.S.C. s. 5135), as amended or supplemented, shall mature and
13 be paid not later than the maximum time period allowed by those
14 federal acts.

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

33 e. Bonds, notes or other obligations of the trust may be issued
34 under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.),
35 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34
36 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
37 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) without
38 obtaining the consent of any department, division, board, bureau or
39 agency of the State, and without any other proceedings or the
40 happening of any other conditions or things, other than those
41 consents, proceedings, conditions or things which are specifically
42 required by P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224
43 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of
44 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-
45 20.2, C.58:11B-22.3, and C.58:11B-22.4).

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

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

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

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

47 (2) The Joint Budget Oversight Committee or its successor shall
48 have the authority to approve or disapprove the sales of refunding

1 bonds as included in each report submitted in accordance with
2 paragraph (1) of this subsection. The committee shall notify the
3 trust in writing of the approval or disapproval within 30 days of
4 receipt of the report. Should the committee not act within 30 days
5 of receipt of the report, the trust may proceed with the sale of the
6 refunding bonds, provided that the sale of refunding bonds shall
7 realize not less than three percent net present value debt service
8 savings.

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

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

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

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

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

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

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

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

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

10 i. The trust shall not issue any bonds, notes or other
11 obligations, or otherwise incur any additional indebtedness, on or
12 after June 30, **2033** 2053.

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

15
16 3. Section 9 of P.L.1985, c.334 (C.58:11B-9) is amended to
17 read as follows:

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

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

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

40 (4) The trust may make and contract to make loans and provide
41 other assistance to a local government unit or consortia thereof to
42 finance the cost of transportation projects, aviation projects, and
43 marine projects pursuant to sections 22 and 34 through 38 of
44 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-
45 20.2, C.58:11B-22.3, and C.58:11B-22.4), and provided that the
46 federally-funded transportation subaccount is operated in
47 accordance with the provisions of the federal infrastructure bank
48 program.

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

32 b. The trust is authorized to guarantee or contract to guarantee
33 the payment of all or any portion of the principal and interest on
34 bonds, notes or other obligations issued by a local government unit,
35 public water utility, or other person, to finance, as applicable, the
36 cost of any wastewater treatment system project, water supply
37 project, transportation project, aviation project, or marine project,
38 or redevelopment project that includes, as a portion thereof, any
39 wastewater treatment system project, water supply project,
40 transportation project, aviation project, marine project, or hazard
41 mitigation and resilience project as defined in section 2 of
42 P.L.2023, c.63 (C.58:11B-20.4), which the local government unit,
43 public water utility, or other person may lawfully undertake or
44 acquire and for which the local government unit is authorized by
45 law to borrow money, and the guarantee shall constitute an
46 obligation of the trust, and shall be in furtherance of the corporate
47 purposes of the trust, for the purposes of P.L.1985, c.334
48 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or

1 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
2 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
3 C.58:11B-22.4). Each guarantee by the trust and the terms and
4 conditions thereof shall be subject to approval by the State
5 Treasurer, and the trust shall make available to the State Treasurer
6 all information, statistical data and reports of independent
7 consultants or experts as the State Treasurer shall deem necessary in
8 order to evaluate the guarantee.

9 c. The trust shall not make or contract to make any loans or
10 guarantees to local government units, public water utilities or any
11 other person, or otherwise incur any additional indebtedness, on or
12 after June 30, 2053.

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

37 The trust shall create and establish a special fund to be known as
38 the "Interim Environmental Financing Program Fund" for the short-
39 term or temporary loan financing or refinancing program to be
40 known as the "Interim Environmental Financing Program." The
41 monies in the fund shall be used for short-term or temporary loans
42 for clean water and drinking water projects pursuant to the New
43 Jersey Environmental Infrastructure Financing Program.

44 Except as provided in section 1 of P.L.2013, c.93 (C.58:11B-
45 9.5), any short-term or temporary loans made by the trust pursuant
46 to this subsection may only be made in advance of the anticipated
47 loans the trust may make and contract to make under the provisions
48 of subsection a. of this section from any source of funds anticipated

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

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

25 e. Notwithstanding any provisions of the "Local Bond Law"
26 (N.J.S.40A:2-1 et seq.), the "sewerage authorities law," P.L.1946,
27 c.138 (C.40:14A-1 et seq.), or the "municipal and county utilities
28 authorities law," P.L.1957, c.183 (C.40:14B-1 et seq.) to the
29 contrary, short-term or temporary loans made by the trust pursuant
30 to section 9 of P.L.1985, c.334 (C.58:11B-9) **【or】** , section 1 of
31 P.L.2013, c.93 (C.58:11B-9.5), or section 6 of P.L.2023, c.63
32 (C.58:11B-20.5), and the obligations issued by project sponsors to
33 evidence such loans, may, at the discretion of the trust and upon
34 application by the project sponsor, bear interest at a variable rate
35 determined pursuant to a methodology as may be established by the
36 trust from time to time.

37 Further, notwithstanding any provisions of the "Local Bond
38 Law" (N.J.S.40A:2-1 et seq.), the "sewerage authorities law,"
39 P.L.1946, c.138 (C.40:14A-1 et seq.), or the "municipal and county
40 utilities authorities law," P.L.1957, c.183 (C.40:14B-1 et seq.) to
41 the contrary, any short-term or temporary loans made by the trust
42 pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9) **【or】** , section
43 1 of P.L.2013, c.93 (C.58:11B-9.5), or section 6 of P.L.2023, c.63
44 (C.58:11B-20.5), and any notes or other obligations issued by
45 project sponsors to evidence such short-term or temporary loans, as
46 such loans, notes, or other obligations may be refinanced or
47 extended, as provided in subsections d. and g. of this section and
48 section 1 of P.L.2013, c.93 (C.58:11B-9.5), except for loans for

1 environmental planning and engineering design costs associated
2 with long-term control plans for combined sewer overflow projects
3 as provided in subsection d. of this section, shall mature no later
4 than the maturity date as established pursuant to subsections d. and
5 g. of this section and section 1 of P.L.2013, c.93 (C.58:11B-9.5),
6 without payment by project sponsors of any portion of the principal
7 thereof prior to maturity.

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

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

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

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

46 The Interim Transportation Financing Program Project Priority
47 List, including any revision thereof or supplement thereto, shall be

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

17 No funds may be disbursed pursuant to this subsection for
18 transportation project, aviation project, or marine project activities
19 prior to certification in writing, from the trust, that the project
20 activities satisfy the provisions 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 34
22 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).
24 Construction activities for a transportation project shall also require
25 written notification of award concurrence from the Department of
26 Transportation prior to fund disbursement.

27 (cf: P.L.2023, c.63, s.14)

28

29 4. Section 1 of P.L.2013, c.93 (C.58:11B-9.5) is amended to
30 read as follows:

31 1. a. The trust shall create and establish a special fund to be
32 known as the "Disaster Relief Emergency Financing Program Fund"
33 for the disaster relief emergency short-term or temporary loan
34 program of the trust to be known as the "Disaster Relief Emergency
35 Financing Program." There shall be established within the fund two
36 subaccounts: an environmental subaccount that shall be approved to
37 receive environmental funds and finance environmental
38 infrastructure projects; and a transportation subaccount that shall be
39 approved to receive transportation funds and finance transportation
40 projects, aviation projects, and marine projects.

41 (1) The environmental subaccount of the Disaster Relief
42 Emergency Financing Program Fund shall be credited with:

43 (a) moneys deposited in the environmental subaccount as
44 administrative fees received by the trust pursuant to subsection o. of
45 section 5 of P.L.1985, c.334 (C.58:11B-5) that are attributable to
46 the Environmental Infrastructure Financing Program;

- 1 (b) moneys received by the trust as repayment of the principal
2 of and the interest or premium on loans made from the
3 environmental subaccount;
- 4 (c) any interest earnings received on the moneys in the
5 environmental subaccount;
- 6 (d) such other moneys as the Legislature may appropriate to the
7 trust for deposit into the environmental subaccount at any time to
8 finance or refinance emergency short-term or temporary
9 environmental infrastructure project loans pursuant to the Disaster
10 Relief Emergency Financing Program;
- 11 (e) the proceeds of any bonds, notes or other obligations that
12 may be issued by the trust from time to time in any principal
13 amounts as in the judgment of the trust shall be necessary or
14 appropriate to provide sufficient funds for deposit into the
15 environmental subaccount to finance or refinance emergency short-
16 term or temporary environmental infrastructure project loans
17 pursuant to the Disaster Relief Emergency Financing Program; and
- 18 (f) any other source of available funds that may be deemed by
19 the trust to be necessary or appropriate to provide sufficient funds
20 for deposit into the environmental subaccount to finance or
21 refinance emergency short-term or temporary environmental
22 infrastructure project loans pursuant to the Disaster Relief
23 Emergency Financing Program, including, without limitation, any
24 funds drawn by the trust from (i) a revolving line of credit or other
25 similar financial vehicle, or (ii) a commercial paper financing
26 program, either through a competitive or negotiated process, that
27 may be procured by the trust pursuant to the provisions of section 5
28 of P.L.1985, c.334 (C.58:11B-5), for deposit into the environmental
29 subaccount to finance or refinance emergency short-term or
30 temporary environmental infrastructure project loans pursuant to the
31 Disaster Relief Emergency Financing Program.
- 32 (2) The transportation subaccount of the Disaster Relief
33 Emergency Financing Program Fund shall be credited with:
- 34 (a) moneys deposited in the transportation subaccount as
35 administrative fees received by the trust pursuant to subsection o. of
36 section 5 of P.L.1985, c.334 (C.58:11B-5) that are attributable to
37 the Transportation Financing Program;
- 38 (b) moneys received by the trust as repayment of the principal
39 of and the interest or premium on loans made from the
40 transportation subaccount;
- 41 (c) any interest earnings received on the moneys in the
42 transportation subaccount;
- 43 (d) such other moneys as the Legislature may appropriate to the
44 trust for deposit into the transportation subaccount at any time to
45 finance or refinance emergency short-term or temporary
46 transportation loans pursuant to the Disaster Relief Emergency
47 Financing Program;

1 (e) the proceeds of any bonds, notes or other obligations that
2 may be issued by the trust from time to time in any principal
3 amounts as in the judgment of the trust shall be necessary or
4 appropriate to provide sufficient funds for deposit into the
5 transportation subaccount to finance or refinance emergency short-
6 term or temporary transportation loans pursuant to the Disaster
7 Relief Emergency Financing Program; and

8 (f) any other source of available funds that may be deemed by
9 the trust to be necessary or appropriate to provide sufficient funds
10 for deposit into the transportation subaccount to finance or
11 refinance emergency short-term or temporary transportation loans
12 pursuant to the Disaster Relief Emergency Financing Program,
13 including, without limitation, any funds drawn by the trust from (i)
14 a revolving line of credit or other similar financial vehicle, or (ii) a
15 commercial paper financing program, either through a competitive
16 or negotiated process, that may be procured by the trust pursuant to
17 the provisions of section 5 of P.L.1985, c.334 (C.58:11B-5).

18 b. Notwithstanding any provision of P.L.1985, c.334
19 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),
20 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
21 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
22 C.58:11B-22.4) to the contrary, the trust may make emergency
23 short-term or temporary Disaster Relief Emergency Financing
24 Program loans to: (1) local government units to finance or refinance
25 the costs incurred in the environmental planning and design
26 associated with the wastewater treatment system projects, and to
27 finance wastewater treatment system projects, as applicable; (2)
28 local government units, public water utilities, or private persons to
29 finance or refinance the costs incurred in the environmental
30 planning and design of water supply projects, and to finance water
31 supply projects, as applicable; or (3) local government units to
32 finance or refinance the costs incurred in the planning and design
33 associated with transportation projects, aviation projects, and
34 marine projects, and to finance transportation projects, aviation
35 projects, and marine projects, as applicable.

36 Funds may only be disbursed for emergency short-term or
37 temporary loans upon the determination and certification in writing
38 by the Department of Environmental Protection for environmental
39 infrastructure projects, and by the Department of Transportation for
40 transportation projects, aviation projects, and marine projects, that
41 any such project costs are necessary and appropriate to: repair
42 damages to a wastewater treatment system, water supply facility,
43 transportation system, airport facility, or marine port or terminal
44 facility directly arising from an act of terrorism, seismic activity,
45 weather conditions, or other emergency event that occurred within
46 the three fiscal years after a declaration by the Governor of a state
47 of emergency, provided the wastewater treatment system, water
48 supply facility, transportation system, airport facility, or marine port

1 or terminal facility is located in a county included in the Governor's
2 state of emergency declaration; or mitigate the risk of future
3 damage to a wastewater treatment system, water supply facility,
4 transportation system, airport facility, or marine port or terminal
5 facility, from an act of terrorism, seismic activity, weather
6 conditions, or other emergency event comparable in scope and
7 severity to the act of terrorism, seismic activity, weather conditions,
8 or other emergency event that occurred within the three fiscal years
9 after a declaration by the Governor of a state of emergency,
10 provided the wastewater treatment system, water supply facility,
11 transportation system, airport facility, or marine port or terminal
12 facility is located in a county included in the Governor's state of
13 emergency declaration, without regard to any other provisions of
14 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-
15 10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56
16 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-
17 22.3, and C.58:11B-22.4), including, without limitation, the
18 provisions of section 20 of P.L.1985, c.334 (C.58:11B-20), section
19 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim Environmental
20 Financing Program Project Priority List pursuant to subsection d. of
21 section 9 of P.L.1985, c.334 (C.58:11B-9), or the Interim
22 Transportation Financing Program Project Priority List pursuant to
23 subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), or any
24 administrative or legislative approvals. A project shall be eligible
25 for emergency short-term or temporary loans pursuant to this
26 section if it is identified on a Disaster Relief Emergency Financing
27 Program Project Priority List no more than three years after the
28 conditions that gave rise to a declaration by the Governor of a state
29 of emergency. Any such short-term or temporary loan pursuant to
30 the Disaster Relief Emergency Financing Program shall mature no
31 later than the last day of the **[third]** fifth succeeding fiscal year
32 following the closing date on which the short-term or temporary
33 loan was made by the trust to the project sponsor **;** except a
34 planning, design, and construction loan shall mature no later than
35 the last day of the fifth succeeding fiscal year following the closing
36 date of the planning, design, and construction loan or the last day of
37 the third succeeding fiscal year following the date of construction
38 certification following the closing date of the planning, design, and
39 construction loan, whichever is sooner, provided that, in either case,
40 project planning or engineering design activities shall not exceed
41 two years from the closing date of the planning, design, and
42 construction loan **].** With respect to any short-term or temporary
43 loan **[or planning, design, and construction loan]** made by the trust
44 pursuant to this subsection, the trust may authorize one short-term
45 supplemental loan for residual project expenses thereof upon receipt
46 by the trust from the Department of Environmental Protection or the
47 Department of Transportation, as appropriate, of a certification that
48 states that the time required by the project sponsor to complete

1 construction of the project exceeds the maximum maturity date of
2 the short-term or temporary loan [or planning, design, and
3 construction loan] . Any such short-term supplemental loan shall
4 not exceed in duration the last day of the third succeeding fiscal
5 year following the loan closing of the short-term supplemental loan.

6 c. The trust may make short-term or temporary loans pursuant
7 to the Disaster Relief Emergency Financing Program to one or more
8 of the project sponsors, for the respective projects thereof, provided
9 that the project is identified on the Environmental Disaster Relief
10 Emergency Financing Program project priority list to be known as
11 the "Environmental Disaster Relief Emergency Financing Program
12 Project Priority List" no later than three years after the date of the
13 declaration by the Governor of a state of emergency in the form
14 provided to the Legislature by the Commissioner of Environmental
15 Protection, or the Transportation Disaster Relief Emergency
16 Financing Program project priority list to be known as the
17 "Transportation Disaster Relief Emergency Financing Program
18 Project Priority List" no later than three years after the date of the
19 declaration by the Governor of a state of emergency in the form
20 provided to the Legislature by the Commissioner of the Department
21 of Transportation. However, a project may be eligible for funding
22 pursuant to this section more than three years after the date of the
23 declaration by the Governor of a state of emergency if the project
24 was first included on an Environmental Disaster Relief Emergency
25 Financing Program Project Priority List or a Transportation Disaster
26 Relief Emergency Financing Program Project Priority List within
27 three years after the date of the declaration by the Governor of a
28 state of emergency and continues to be identified on the
29 Environmental Disaster Relief Emergency Financing Program
30 Project Priority List or the Transportation Disaster Relief
31 Emergency Financing Program Project Priority List in the fiscal
32 year in which the funding is issued. The Environmental Disaster
33 Relief Emergency Financing Program Project Priority List and the
34 Transportation Disaster Relief Emergency Financing Program
35 Project Priority List shall be submitted to the Legislature pursuant
36 to section 2 of P.L.1991, c.164 (C.52:14-19.1) at least once in each
37 fiscal year. A project or a project sponsor thereof not identified on
38 the Environmental Disaster Relief Emergency Financing Program
39 Project Priority List or Transportation Disaster Relief Emergency
40 Financing Program Project Priority List submitted to the Legislature
41 shall not be eligible for a short-term or temporary loan from the
42 Disaster Relief Emergency Financing Program Fund.

43 d. The trust shall submit a report on the Disaster Emergency
44 Financing Program to the Legislature pursuant to section 2 of
45 P.L.1991, c.164 (C.52:14-19.1) on or before January 15 of each
46 year. The Secretary of the Senate and the Clerk of the General
47 Assembly shall cause the date of submission to be entered upon the
48 Senate Journal and the Minutes of the General Assembly,

1 respectively. The report shall identify the environmental
2 infrastructure projects, transportation projects, aviation projects,
3 and marine projects financed during the prior fiscal year through the
4 program including a project description, the amount of the Disaster
5 Relief Emergency Financing Program loan provided for each
6 project, and the duration of each loan.
7 (cf: P.L.2021, c.74, s.5)

8
9 5. Section 8 of P.L.2023, c.63 (C.58:11B-10.8) is amended to
10 read as follows:

11 8. a. Monies in the Community Hazard Mitigation Assistance
12 Program Revolving Loan Fund (1) shall be used in accordance with
13 the provisions of the STORM Act and sections 1 through 8 of
14 P.L.2023, c.63 (C.58:11B-20.3 et al.) for the purpose of providing
15 loans or other financial assistance for hazard mitigation and
16 resilience projects undertaken by State entities, local government
17 units, and nonprofit organizations, and (2) shall be supplemental to,
18 and not intended to take the place of, funding that otherwise would
19 be appropriated to State agencies, local government units, or
20 nonprofit organizations for hazard mitigation and resilience
21 projects.

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

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

42 (2) Repayment of a loan provided by a local government unit to a
43 private property owner may be collected in the same manner as
44 property taxes and shall be collateralized by a lien on the real
45 property that is the site of the hazard mitigation and resilience
46 project. A property owner may sell property after receiving a loan
47 pursuant to this subsection, provided that the property owner repays
48 the loan.

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

5 (a) provide full loan forgiveness for eligible households with
6 income between 80 percent and 50 percent of the median income
7 for the municipality in which the property to which the loan applies
8 is located;

9 (b) provide 50 percent loan forgiveness for eligible households
10 with income between 80 percent to 100 percent of the median
11 income for the municipality in which the property to which the loan
12 applies is located; and

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

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

18 (ii) the availability of funding; and

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

22 d. The bank may provide grants or other financial assistance to
23 nonprofit organizations for hazard mitigation and resilience
24 projects.

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

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

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

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

45 (cf: P.L.2023, c.63, s.8)

46
47 6. Section 2 of P.L.2023, c.63 (C.58:11B-20.4) is amended to
48 read as follows:

1 2. As used in sections 1 through 8 of P.L.2023, c.63
2 (C.58:11B-20.3 et al.):

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

5 "Bonds" mean the bonds issued, or authorized to be issued, by
6 the bank pursuant to sections 1 through 8 of P.L.2023, c.63
7 (C.58:11B-20.3 et al.) and in compliance with the bank's authority
8 pursuant to, and subject to the same conditions as provided in,
9 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-
10 10.1 et al.), as applicable.

11 "Commissioner" means the Commissioner of Environmental
12 Protection.

13 "Community Hazard Assistance Mitigation Program" means the
14 program established by the bank pursuant to sections 1 through 8 of
15 P.L.2023, c.63 (C.58:11B-20.3 et al.).

16 "Fund" means the Community Hazard Assistance Mitigation
17 Program Revolving Loan Fund established pursuant to section 3 of
18 P.L.2023, c.63 (C.58:11B-10.6).

19 "Hazard mitigation and resilience project" means a hazard
20 mitigation and resilience project **【**identified on a State or local
21 hazard mitigation plan,**】** undertaken by the State, a local
22 government unit, or a nonprofit organization in accordance with the
23 provisions of the STORM Act and a State or local hazard mitigation
24 plan .

25 "Loan origination fee" means the fee charged by the bank in
26 connection with services provided to a sponsor of a hazard
27 mitigation and resilience project pursuant to the sponsor's
28 participation in the Community Hazard Assistance Mitigation
29 Program. A project sponsor may finance any portion of the loan
30 origination fee through the bank by a hazard mitigation and
31 resilience project assistance loan to pay a portion of the costs
32 incurred by the bank in the implementation of the Community
33 Hazard Assistance Mitigation Program.

34 "Local government unit" means any county or municipality, or
35 any agency, instrumentality, authority, or corporation of any county
36 or municipality, or any other entity eligible to receive federal funds
37 pursuant to the STORM Act.

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

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

43 "State Office of Emergency Management" means the Office of
44 Emergency Management in the Division of State Police in the
45 Department of Law and Public Safety.

46 "STORM Act" means the "Safeguarding Tomorrow through
47 Ongoing Risk Mitigation Act," Pub. L. 116-284, as amended or

1 superseded, and any rules, regulations, or guidance adopted
2 pursuant thereto by the Federal Emergency Management Agency.

3 (cf: P.L.2023, c.63, s.2)

4

5 7. This act shall take effect immediately.

6

7

8

STATEMENT

9

10 This bill would make various changes to several laws that
11 provide the statutory authority of the New Jersey Infrastructure
12 Bank (NJIB) to provide loans for environmental, transportation,
13 hazard mitigation, and disaster relief projects.

14 Specifically, the bill would:

15 (1) explicitly provide that notes and bonds issued to the NJIB
16 under the Community Hazard Assistance Mitigation Program
17 (CHAMP) are required to be authorized and issued as provided by
18 law for the issuance of notes and bonds by the applicable local
19 government unit, approved by the Director of the Division of Local
20 Government Services in the Department of Community Affairs,
21 may be sold at private sale to the NJIB or the State at any price, and
22 are subject to redemption prior to maturity at any time and at any
23 price as the NJIB and the local government unit may agree;

24 (2) exempt short-term and temporary loans from the requirement
25 that the loan be approved by the State Treasurer under the Water
26 Bank program and the CHAMP program;

27 (3) amend section 6 of P.L.1985, c.334 (C.58:11B-6) to clarify
28 that the statutory date after which the NJIB may not incur any
29 additional indebtedness is June 30, 2053, rather than June 30, 2033;

30 (4) authorize the NJIB to make loans to private persons other
31 than local government units, or to any other person or local
32 government unit on behalf of a private person, to finance the cost of
33 onsite wastewater treatment and disposal systems;

34 (5) restructure certain short-term loans under the Water Bank,
35 Transportation Bank, and Disaster Relief programs so that the
36 duration of the loans is five years, with no separate loan durations
37 for the design phase or the construction phase of the project;

38 (6) authorize short-term or temporary loans made under the
39 CHAMP program to bear interest at a variable rate;

40 (7) provide that short-term or temporary loans made to local
41 governments under the CHAMP program would have a maturity
42 date as provided in section 9 of P.L.1985, c.334 (C.58:11B-9),
43 notwithstanding any provisions of the "Local Bond Law"
44 (N.J.S.40A:2-1 et seq.), the "sewerage authorities law," P.L.1946,
45 c.138 (C.40:14A-1 et seq.), or the "municipal and county utilities
46 authorities law," P.L.1957, c.183 (C.40:14B-1 et seq.), to the
47 contrary;

- 1 (8) clarify that the NJIB may establish terms regarding
- 2 temporary loans under the CHAMP program; and
- 3 (9) clarify the definition of "hazard mitigation and resilience
- 4 project" in section 2 of P.L.2023, c.63 (C.58:11B-20.4).