ASSEMBLY, No. 5707

STATE OF NEW JERSEY

222nd LEGISLATURE

INTRODUCED OCTOBER 22, 2026

Sponsored by:
Assemblyman JAMES J. KENNEDY
District 22 (Somerset and Union)

SYNOPSIS

"Clean Water and Safe Communities Bond Act," authorizes bonds for $5 billion; appropriates $5,000.

CURRENT VERSION OF TEXT

As introduced.

AN ACT authorizing the creation of a debt of the State of New Jersey by the issuance of bonds of the State in the aggregate principal amount of $5 billion for the purpose of providing financing for clean water and resilient infrastructure projects; providing the ways and means to pay and discharge the principal of and interest on the bonds; providing for the submission of this act to the people at a general election; and making an appropriation therefor.

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

1. This act shall be known and may be cited as the "Clean Water and Safe Communities Bond Act."

2. The Legislature finds and declares that:

a. Over the past decade, communities across New Jersey have faced the impacts of increasingly extreme weather events with 14 federal disaster declarations for severe weather at the State-level and with each county in the State experiencing at least five federal disaster declarations for severe weather since 2011;

b. Considering the scale of the need for investment in resilient infrastructure and the limitations of current federal funding, it is critical that New Jersey explore new sources of funding for mitigation and resilience projects;

c. Investment in resilient infrastructure can result in cumulative benefits to residents and businesses by averting the threat of damages and introducing co-benefits, including job opportunities and healthier ecosystems in communities;

d. The co-benefits associated with investing in resilient infrastructure may also help to advance workforce development in the State by providing access to training programs, apprenticeships, and targeted hiring practices; and

e. Infrastructure projects like flood risk and restoration projects, water infrastructure projects, and resilience projects are necessary to improve the State's prevention of, mitigation of, and response to severe weather disasters impacting the State.

3. As used in this act:

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

"Bonds" mean the bonds authorized to be issued, or issued, under this act.

"Commission" means the New Jersey Commission on Capital Budgeting and Planning.

"Commissioner" means the Commissioner of Environmental Protection.

"Cost" means the expenses incurred in connection with: a resilient infrastructure project; the execution of any agreements and franchises deemed by the State Office of Emergency Management to be necessary or useful and convenient in connection with any resilient infrastructure project authorized by this act; the procurement or provision of engineering, inspection, planning, legal, financial, or other professional services, estimates, studies, reports, or advice, including the services of a bond registrar or an authenticating agent; feasibility studies; the issuance of bonds, or any interest or discount thereon; the administrative, organizational, operating, or other expenses incident to the financing and completing of any project authorized by this act; the establishment of a reserve fund or funds for working capital, operating, maintenance, or replacement expenses and for the payment or security of principal or interest on bonds, as the Director of the Division of Budget and Accounting in the Department of the Treasury may determine; and reimbursement to any fund of the State of moneys which may have been transferred or advanced therefrom to any fund created by this act, or of any moneys which may have been expended therefrom for, or in connection with, any project authorized by this act.

"Flood prevention and protection project" means any project determined by the State Office of Emergency Management, in consultation with the commissioner, to protect State residents, property, or infrastructure from flood incidents, or to reduce or prevent the impacts of a flood incident within the State, including projects undertaken by or in partnership with municipalities, nonprofit organizations, or other entities, and including, but not limited to, wetland, marsh, and floodplain restoration, dam removal, green infrastructure installation, stormwater management improvements, structure elevation, floodproofing of buildings, and drainage system upgrades.

"Government securities" means any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America, including obligations of any federal agency, to the extent those obligations are unconditionally guaranteed by the United States of America, and any certificates or any other evidences of an ownership interest in those obligations of, or unconditionally guaranteed by, the United States of America or in specified portions which may consist of the principal of, or the interest on, those obligations.

"Green buildings project" means any project determined by the State Office of Emergency Management, in consultation with the commissioner, to improve the efficiency and sustainability of construction and development in the State, including, but not limited to, building decarbonization, energy efficiency, and indoor air quality improvements.

"Green communities project" means any project that the State Office of Emergency Management, in consultation with the commissioner, determines to improve the sustainability of, and reduce the adverse effects of severe weather on, communities in the State, including, but not limited to, improving heat resiliency in communities.

"Grid modernization project" means any project determined by the State Office of Emergency Management, in consultation with the commissioner, to improve the State's electric grid, including, but not limited to, increasing distributed resource capacity, improving system resilience and reliability, and improving the hosting capability of the electric distribution system.

"Local government unit" means a county, a municipality, or any board, commission, committee, authority, or agency thereof that is subject to the provisions of the " Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.), including a housing authority or redevelopment agency created or continued under the "Local Redevelopment and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et seq.).

"Municipal resilience project" means any project undertaken by a municipality, or in partnership with other public or private entities, that is designed to enhance the ability of communities, infrastructure, or natural systems to anticipate, withstand, respond to, or recover from flood incidents or other severe weather-related hazards, and that is consistent with, or supported by, an adopted or approved resilience, adaptation, or hazard mitigation plan, including, but not limited to, nature-based solutions, infrastructure improvements, emergency preparedness measures, and land use or floodplain management activities.

"Nature-based solution" means a strategy or approach that uses natural processes, ecosystems, or engineered systems that mimic natural processes to address environmental challenges, such as water quality, flood risk, erosion, and habitat loss, while providing co-benefits for nature and habitats. "Nature-based solution" includes, but is not limited to, the creation of living shorelines, marsh restoration and enhancement, habitat creation, carbon sequestration, and bank stabilization.

"Post-flood recovery project" means any project determined by the State Office of Emergency Management, in consultation with the commissioner, to restore, rehabilitate, or enhance State-owned property, or other lands, communities, or natural resources impacted by a flood incident, including, but not limited to, projects undertaken by, or in partnership with, municipalities, nonprofit organizations, or other entities, and including, but not limited to, natural resources, coastal restoration, and marsh restoration.

"Resilience project" means any project that enhances the State's ability to adapt to future severe weather impacts, including, but not limited to: (1) grid modernization projects; (2) green building

projects; (3) green communities projects; (4) municipal resilience projects; and (5) wildfire mitigation projects.

"Resilient infrastructure project" means any resilience project, flood prevention and protection project, post-flood recovery project, restoration project, or water infrastructure project.

"Restoration project" means any project determined by the State Office of Emergency Management, in consultation with the commissioner, to restore State property, lands, or natural resources after a flood incident, including, but not limited to, coastal rehabilitation and shoreline restoration.

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

"Water infrastructure project" means any project related to the improvement of drinking water, wastewater, and stormwater infrastructure in the State, which may include the use of nature-based solutions or green infrastructure.

4. The Department of Law and Public Safety, in consultation with the commissioner, shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968 c.410 (C.52:14B-1 et seq.), rules and regulations necessary to implement the provisions of this act. The Attorney General shall review and consider the findings and recommendations of the commission in the administration of the provisions of this act.

5. a. Bonds of the State of New Jersey are authorized to be issued in the aggregate principal amount of $5 billion for the purpose of financing the cost of resilient infrastructure projects, as set forth in subsection b. of this section.

b. Of the aggregate principal amount of bonds authorized pursuant to subsection a. of this section:

(1) $1.7 billion shall be used to finance the costs of flood prevention and protection projects and post-flood recovery projects undertaken by the State Office of Emergency Management, in consultation with the commissioner, and to provide grants to local government units and nonprofit organizations to finance the costs of flood prevention and protection projects and post-flood recovery projects;

(a) Procedures for the review of, approval of, and eligibility criteria for, a grant for a flood prevention and protection projects and post-flood recovery projects shall be established by the State Office of Emergency Management and the commissioner, working in collaboration with one another.

(b) Of the monies authorized pursuant to this paragraph, not less than $300 million shall be available for post-flood recovery projects with not less than 20 percent going towards nature-based solutions, not less than $300 million shall be available for restoration projects

with not less than 20 percent going towards nature-based solutions, and not less than $400 million shall be available for voluntary property buyouts in flood-prone areas of the State. The remainder of the monies authorized pursuant to this paragraph shall be available for municipal resilience projects that are supported by an adopted, approved, or otherwise finalized resilience, adaptation, or hazard mitigation plan.

(2) $1 billion shall be used to finance the costs of water infrastructure projects undertaken by the Department of Environmental Protection and to provide grants to local government units and nonprofit organizations to finance the costs of water infrastructure projects; and

(a) Procedures for the review of, approval of, and eligibility criteria for, a grant for a water infrastructure project shall be established by the commissioner. The procedures shall be substantively similar to the procedures utilized under the New Jersey Environmental Infrastructure Trust Financing Program.

(b) Of the monies authorized pursuant to this paragraph, not less than $300 million shall be available for drinking water infrastructure projects, not less than $400 million shall be available for stormwater infrastructure projects with not less than 20 percent going towards nature-based solutions, and not less than $300 million shall be available for wastewater infrastructure projects. The remainder of the monies authorized pursuant to this paragraph shall be available for water infrastructure projects.

(3) $2.3 billion shall be used to finance the costs of resilience projects undertaken by the State Office of Emergency Management, in consultation with the commissioner, and to provide grants to local government units and nonprofit organizations to finance the costs of resilience projects.

(a) Procedures for the review of, approval of, and eligibility criteria for, a grant for a resilience project shall be established by the State Office of Emergency Management, in consultation with the commissioner.

(b) Of the monies authorized pursuant to this paragraph, not less than $500 million shall be available for grid modernization projects, not less than $600 million shall be available for green buildings projects, and not less than $450 million shall be available for green communities projects. The remainder of the monies authorized pursuant to this paragraph shall be available for resilience projects.

(c) The State Office of Emergency Management may collaborate with the Board of Public Utilities or delegate grant selection processes to the Board of Public Utilities concerning energy-related resilience projects.

c. The State Office of Emergency Management, in consultation with the commissioner and the bank, shall for each fiscal year develop a priority system for the ranking of resilient infrastructure projects to be financed pursuant to this act and a Resilient

Infrastructure Project Eligibility List, which lists the projects to be recommended for funding in the upcoming fiscal year. Any resilient infrastructure project, or sponsor thereof, not identified in the project priority list pursuant to this subsection, shall not be eligible for a grant from the Resilient Infrastructure Fund. The State Office of Emergency Management, in consultation with the commissioner, may revise or supplement the project priority list no more than once during the fiscal year and shall submit the revised list to the Legislature when the revisions are made.

d. On or before May 15 of each year, the bank shall submit the Resilient Infrastructure Project Eligibility List to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) to be introduced in each House in the form of legislative appropriations bills, which shall be referred to the Senate Environment and Energy Committee and the Assembly Environment and Solid Waste Committee, or their successors, for their respective consideration. The Senate Environment and Energy Committee and the Assembly Environment and Solid Waste Committee shall, either individually or jointly, consider the legislation containing the Resilient Infrastructure Project Eligibility List, and shall report the legislation, together with any modifications, out of committee for consideration by each House of the Legislature. On or before July 1 of each year, the Legislature shall approve an appropriations act containing the Resilient Infrastructure Project Eligibility List, which act shall include the authorization of an aggregate amount of funds of the bank to be expended for grants for the resilient infrastructure projects, including the individual amounts therefor, on the list.

e. The requirements of subsections c. and d. of this section shall expire when all funds collected through the issuance of Resilient Infrastructure Bonds pursuant to this act have been expended.

f. Each project constructed pursuant to the provisions of this act shall be constructed utilizing a project labor agreement and shall pay prevailing wages, in accordance with the "New Jersey Prevailing Wage Act," P.L.1963, c.150 (C.34:11-56.25 et seq.), for any construction services in State.

g. Up to 10 percent of a grant awarded pursuant to this section may be used for planning and design activities.

6. The bonds authorized under this act shall be serial bonds, term bonds, or a combination thereof, and shall be known as "Resilient Infrastructure Bonds." They shall be issued from time to time as the issuing officials herein named shall determine and may be issued in coupon form, fully-registered form or book-entry form. The bonds may be subject to redemption prior to maturity and shall mature and be paid not later than 35 years from the respective dates of their issuance.

7. The Governor, the State Treasurer and the Director of the Division of Budget and Accounting in the Department of the Treasury, or any two of these officials, herein referred to as "the issuing officials," are authorized to carry out the provisions of this act relating to the issuance of bonds, and shall determine all matters in connection therewith, subject to the provisions of this act. If an issuing official is absent from the State or incapable of acting for any reason, the powers and duties of that issuing official shall be exercised and performed by the person authorized by law to act in an official capacity in the place of that issuing official.

8. Bonds issued in accordance with the provisions of this act shall be a direct obligation of the State of New Jersey, and the faith and credit of the State are pledged for the payment of the interest and redemption premium thereon, if any, when due, and for the payment of the principal thereof at maturity or earlier redemption date. The principal of and interest on the bonds shall be exempt from taxation by the State or by any county, municipality or other taxing district of the State.

9. The bonds shall be signed in the name of the State by means of the manual or facsimile signature of the Governor under the Great Seal of the State, which seal may be by facsimile or by way of any other form of reproduction on the bonds, and attested by the manual or facsimile signature of the Secretary of State, or an Assistant Secretary of State, and shall be countersigned by the facsimile signature of the Director of the Division of Budget and Accounting in the Department of the Treasury and may be manually authenticated by an authenticating agent or bond registrar, as the issuing official shall determine. Interest coupons, if any, attached to the bonds shall be signed by the facsimile signature of the Director of the Division of Budget and Accounting in the Department of the Treasury. The bonds may be issued notwithstanding that an official signing them or whose manual or facsimile signature appears on the bonds or coupons has ceased to hold office at the time of issuance, or at the time of the delivery of the bonds to the purchaser thereof.

10. a. The bonds shall recite that they are issued for the purposes set forth in section 5 of this act, that they are issued pursuant to this act, that this act was submitted to the people of the State at the general election next occurring at least 70 days after enactment as specified in section 23 of this act, and that this act was approved by a majority of the legally qualified voters of the State voting thereon at the election. This recital shall be conclusive evidence of the authority of the State to issue the bonds and their validity. Any bonds containing this recital shall, in any suit, action or proceeding involving their validity, be conclusively deemed to be

fully authorized by this act and to have been issued, sold, executed and delivered in conformity herewith and with all other provisions of laws applicable hereto, and shall be incontestable for any cause.

b. The bonds shall be issued in those denominations and in the form or forms, whether coupon, fully-registered or book-entry, and with or without provisions for interchangeability thereof, as may be determined by the issuing officials.

11. When the bonds are issued from time to time, the bonds of each issue shall constitute a separate series to be designated by the issuing officials. Each series of bonds shall bear such rate or rates of interest as may be determined by the issuing officials, which interest shall be payable semiannually; except that the first and last interest periods may be longer or shorter, in order that intervening semiannual payments may be at convenient dates.

12. The bonds shall be issued and sold at the price or prices and under the terms, conditions and regulations as the issuing officials may prescribe, after notice of the sale, published at least once in at least three newspapers published in this State, and at least once in a publication carrying municipal bond notices and devoted primarily to financial news, published in this State or in the city of New York, the first notice to appear at least five days prior to the day of bidding. The notice of sale may contain a provision to the effect that any bid in pursuance thereof may be rejected. In the event of rejection or failure to receive any acceptable bid, the issuing officials, at any time within 60 days from the date of the advertised sale, may sell the bonds at a private sale at such price or prices under the terms and conditions as the issuing officials may prescribe. The issuing officials may sell all or part of the bonds of any series as issued to any State fund or to the federal government or any agency thereof, at a private sale, without advertisement.

13. Until permanent bonds are prepared, the issuing officials may issue temporary bonds in the form and with those privileges as to their registration and exchange for permanent bonds as may be determined by the issuing officials.

14. The proceeds from the sale of bonds used to provide grants to local government units and nonprofit organization, and for use by the State, to finance the costs of resilient infrastructure projects as set forth in section 5 shall be paid to the State Treasurer, shall be held by the State Treasurer in a separate fund, and shall be deposited in such depositories as may be selected by the State Treasurer to the credit of the fund, which fund shall be known as the “Resilient Infrastructure Fund.”

15. a. The moneys in the "Resilient Infrastructure Fund" are specifically dedicated and shall be applied to the cost of grants to local government units and nonprofit organizations, and for use by the State, to finance the costs of resilient infrastructure projects as set forth in section 5 of this act. However, no moneys in the fund shall be expended for those purposes, except as otherwise authorized by this act, without the specific appropriation thereof by the Legislature, but bonds may be issued as herein provided, notwithstanding that the Legislature shall not have then adopted an act making a specific appropriation of any of the moneys. Any act appropriating moneys from the "Resilient Infrastructure Fund" shall identify the project to be funded by the moneys.

b. At any time prior to the issuance and sale of bonds under this act, the State Treasurer is authorized to transfer from any available moneys in any fund of the treasury of the State to the credit of the "Resilient Infrastructure Fund" those sums as the State Treasurer may deem necessary. The sums so transferred shall be returned to the same fund of the treasury of the State by the State Treasurer from the proceeds of the sale of the first issue of bonds.

c. Pending their application to the purposes provided in this act, the moneys in the "Resilient Infrastructure Fund" may be invested and reinvested as are other trust funds in the custody of the State Treasurer, in the manner provided by law. Net earnings received from the investment, reinvestment, or deposit of moneys in the "Resilient Infrastructure Fund" shall be deposited into the "Resilient Infrastructure Fund" and become part of that fund.

16. If any coupon bond, coupon or registered bond is lost, mutilated or destroyed, a new bond or coupon shall be executed and delivered of like tenor, in substitution for the lost, mutilated or destroyed bond or coupon, upon the owner furnishing to the issuing officials evidence satisfactory to them of the loss, mutilation or destruction of the bond or coupon, the ownership thereof, and security, indemnity and reimbursement for expenses connected therewith, as the issuing officials may require.

17. The accrued interest, if any, received upon the sale of the bonds shall be applied to the discharge of a like amount of interest upon the bonds when due. Any expense incurred by the issuing officials for advertising, engraving, printing, clerical, authenticating, registering, legal or other services necessary to carry out the duties imposed upon them by the provisions of this act shall be paid from the proceeds of the sale of the bonds by the State Treasurer, upon the warrant of the Director of the Division of Budget and Accounting in the Department of the Treasury, in the same manner as other obligations of the State are paid.

18. Bonds of each series issued hereunder shall mature, including any sinking fund redemptions, not later than the 35th year from the date of issue of that series, and in amounts as shall be determined by the issuing officials. The issuing officials may reserve to the State by appropriate provision in the bonds of any series the power to redeem any of the bonds prior to maturity at the price or prices and upon the terms and conditions as may be provided in the bonds.

19. Any bond or bonds issued hereunder which are subject to refinancing pursuant to the "Refunding Bond Act of 1985," P.L.1985, c.74 as amended by P.L.1992, c.182 (C.49:2B-1 et seq.), shall no longer be deemed to be outstanding, shall no longer constitute a direct obligation of the State of New Jersey, and the faith and credit of the State shall no longer be pledged to the payment of the principal of, redemption premium, if any, and interest on the bonds, and the bonds shall be secured solely by and payable solely from moneys and government securities deposited in trust with one or more trustees or escrow agents, which trustees and escrow agents shall be trust companies or national or state banks having powers of a trust company, located either within or without the State, as provided herein, whenever there shall be deposited in trust with the trustees or escrow agents, as provided herein, either moneys or government securities, including government securities issued or held in book-entry form on the books of the Department of Treasury of the United States, the principal of and interest on which when due will provide money which, together with the moneys, if any, deposited with the trustees or escrow agents at the same time, shall be sufficient to pay when due the principal of, redemption premium, if any, and interest due and to become due on the bonds on or prior to the redemption date or maturity date thereof, as the case may be; provided the government securities shall not be subject to redemption prior to their maturity other than at the option of the holder thereof. The State of New Jersey hereby covenants with the holders of any bonds for which government securities or moneys shall have been deposited in trust with the trustees or escrow agents as provided in this section that, except as otherwise provided in this section, neither the government securities nor moneys so deposited with the trustees or escrow agents shall be withdrawn or used by the State for any purpose other than, and shall be held in trust for, the payment of the principal of, redemption premium, if any, and interest to become due on the bonds; provided that any cash received from the principal or interest payments on the government securities deposited with the trustees or escrow agents, to the extent the cash will not be required at any time for that purpose, shall be paid over to the State, as received by the trustees or escrow agents, free and clear of any trust, lien, pledge or assignment securing the bonds; and to the extent the cash will be

required for that purpose at a later date, shall, to the extent practicable and legally permissible, be reinvested in government securities maturing at times and in amounts sufficient to pay when due the principal of, redemption premium, if any, and interest to become due on the bonds on and prior to the redemption date or maturity date thereof, as the case may be, and interest earned from the reinvestments shall be paid over to the State, as received by the trustees or escrow agents, free and clear of any trust, lien or pledge securing the bonds. Notwithstanding anything to the contrary contained herein: a. the trustees or escrow agents shall, if so directed by the issuing officials, apply moneys on deposit with the trustees or escrow agents pursuant to the provisions of this section, and redeem or sell government securities so deposited with the trustees or escrow agents, and apply the proceeds thereof to (1) the purchase of the bonds which were refinanced by the deposit with the trustees or escrow agents of the moneys and government securities and immediately thereafter cancel all bonds so purchased, or (2) the purchase of different government securities; provided however, that the moneys and government securities on deposit with the trustees or escrow agents after the purchase and cancellation of the bonds or the purchase of different government securities shall be sufficient to pay when due the principal of, redemption premium, if any, and interest on all other bonds in respect of which the moneys and government securities were deposited with the trustees or escrow agents on or prior to the redemption date or maturity date thereof, as the case may be; and b. in the event that on any date, as a result of any purchases and cancellations of bonds or any purchases of different government securities, as provided in this sentence, the total amount of moneys and government securities remaining on deposit with the trustees or escrow agents is in excess of the total amount which would have been required to be deposited with the trustees or escrow agents on that date in respect of the remaining bonds for which the deposit was made in order to pay when due the principal of, redemption premium, if any, and interest on the remaining bonds, the trustees or escrow agents shall, if so directed by the issuing officials, pay the amount of the excess to the State, free and clear of any trust, lien, pledge or assignment securing the refunding bonds.

20. Refunding bonds issued pursuant to P.L.1985, c.74 as amended by P.L.1992, c.182 (C.49:2B-1 et seq.) may be consolidated with bonds issued pursuant to section 5 of this act or with bonds issued pursuant to any other act for purposes of sale.

21. To provide funds to meet the interest and principal payment requirements for the bonds and refunding bonds issued under this act and outstanding, there is appropriated in the order following:

a. Revenue derived from the collection of taxes under the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.), or so much thereof as may be required; and

b. If, at any time, funds necessary to meet the interest, redemption premium, if any, and principal payments on outstanding bonds issued under this act are insufficient or not available, there shall be assessed, levied and collected annually in each of the municipalities of the counties of this State, a tax on the real and personal property upon which municipal taxes are or shall be assessed, levied and collected, sufficient to meet the interest on all outstanding bonds issued hereunder and on the bonds proposed to be issued under this act in the calendar year in which the tax is to be raised and for the payment of bonds falling due in the year following the year for which the tax is levied. The tax shall be assessed, levied and collected in the same manner and at the same time as are other taxes upon real and personal property. The governing body of each municipality shall cause to be paid to the county treasurer of the county in which the municipality is located, on or before December 15 in each year, the amount of tax herein directed to be assessed and levied, and the county treasurer shall pay the amount of the tax to the State Treasurer on or before December 20 in each year.

If on or before December 31 in any year, the issuing officials, by resolution, determine that there are moneys in the General Fund beyond the needs of the State, sufficient to pay the principal of bonds falling due and all interest and redemption premium, if any, payable in the ensuing calendar year, the issuing officials shall file the resolution in the office of the State Treasurer, whereupon the State Treasurer shall transfer the moneys to a separate fund to be designated by the State Treasurer, and shall pay the principal, redemption premium, if any, and interest out of that fund as the same shall become due and payable, and the other sources of payment of the principal, redemption premium, if any, and interest provided for in this section shall not then be available, and the receipts for the year from the tax specified in subsection a. of this section shall be considered and treated as part of the General Fund, available for general purposes.

22. Should the State Treasurer, by December 31 of any year, deem it necessary, because of the insufficiency of funds collected from the sources of revenues as provided in this act, to meet the interest and principal payments for the year after the ensuing year, then the State Treasurer shall certify to the Director of the Division of Budget and Accounting in the Department of the Treasury the amount necessary to be raised by taxation for those purposes, the same to be assessed, levied and collected for and in the ensuing calendar year. The director shall, on or before March 1 following, calculate the amount in dollars to be assessed, levied and collected

in each county as herein set forth. This calculation shall be based upon the corrected assessed valuation of each county for the year preceding the year in which the tax is to be assessed, but the tax shall be assessed, levied and collected upon the assessed valuation of the year in which the tax is assessed and levied. The director shall certify the amount to the county board of taxation and the treasurer of each county. The county board of taxation shall include the proper amount in the current tax levy of the several taxing districts of the county in proportion to the ratables as ascertained for the current year.

23. For the purpose of complying with the provisions of the State Constitution, this act shall be submitted to the people at the general election next occurring at least 70 days after enactment. To inform the people of the contents of this act, it shall be the duty of the Secretary of State, after this section takes effect, and at least 60 days prior to the election, to cause this act to be published at least once in one or more newspapers of each county, if any newspapers be published therein and to notify the clerk of each county of this State of the passage of this act; and the clerks respectively, in accordance with the instructions of the Secretary of State, shall have printed on each of the ballots the following:

If you approve of the act entitled below, make a cross (x), plus (+), or check (✓) mark in the square opposite the word "Yes."

If you disapprove of the act entitled below, make a cross (x), plus (+), or check (✓) mark in the square opposite the word "No."

If voting machines are used, a vote of "Yes" or "No" shall be equivalent to these markings respectively.

YES	CLEAN WATER AND SAFE COMMUNITIES BOND ACT Do you approve the "Clean Water and Safe Communities Bond Act"? This bond act authorizes the State to issue bonds in the amount of $5 billion. The money from the sale of the bonds would be used to finance, or provide grants to local governments and nonprofit organizations to finance, the costs of resilient infrastructure projects. These projects would include flood prevention and protection projects, post-flood recovery projects, water infrastructure projects, and resilience projects.
NO	INTERPRETIVE STATEMENT This act would allow the State to borrow a total principal amount of $5 billion. This money would be used by the State, local governments, and nonprofit organizations to finance the costs of resilient infrastructure projects. $1.7 billion would be used for flood prevention and protection projects and post-flood recovery projects. $1 billion would be used for water infrastructure projects. $2.3 billion would be used for resilience projects.

The fact and date of the approval or passage of this act, as the case may be, may be inserted in the appropriate place after the title in the ballot. No other requirements of law of any kind or character as to notice or procedure, except as herein provided, need be adhered to.

The votes so cast for and against the approval of this act, by ballot or voting machine, shall be counted and the result thereof returned by the election officer, and a canvass of the election had in the same manner as is provided for by law in the case of the election of a Governor, and the approval or disapproval of this act so determined shall be declared in the same manner as the result of an election for a Governor, and if there is a majority of all the votes cast for and against it at the election in favor of the approval of this act, then all the provisions of this act not made effective theretofore shall take effect forthwith.

24. There is appropriated the sum of $5,000 to the Department of State for expenses in connection with the publication of notice pursuant to section 23 of this act.

25. The Attorney General shall submit to the State Treasurer and the commission with the Department of Law and Public Safety's annual budget request, and the commissioner shall submit to the

State Treasurer and the commission with the Department of Environmental Protection's annual budget request, a plan for the expenditure of funds from the "Resilient Infrastructure Fund" for the upcoming fiscal year. This plans shall include the following information: a performance evaluation of the expenditures made from the funds to date; a description of programs planned during the upcoming fiscal year; a copy of the regulations in force governing the operation of programs that are financed, in part or in whole, by funds from the "Resilient Infrastructure Fund"; and an estimate of expenditures for the upcoming fiscal year.

26. Immediately following the submission to the Legislature of the Governor's annual budget message, the Attorney General and the commissioner shall submit to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), and to the Joint Budget Oversight Committee, or its successor, copies of the plan called for under section 25 of this act, together with such changes therein as may have been required by the Governor's budget message.

27. All appropriations from the "Resilient Infrastructure Fund" shall be by specific allocation for each project, and any transfer of any funds so appropriated shall require the approval of the Joint Budget Oversight Committee, or its successor.

28. This section and sections 23 and 24 of this act shall take effect immediately and the remainder of this act shall take effect as and when provided in section 23 of this act.

STATEMENT

This bill, entitled the "Clean Water and Safe Communities Bond Act," authorizes the issuance of $5 billion in State general obligation bonds to be used for the purpose of financing the cost of resilient infrastructure projects in the State.

The $5 billion in bonds will be allocated in the following manner:

(1) $1.7 billion is required to be used to finance the costs of flood prevention and protection projects and post-flood recovery projects undertaken by the State Office of Emergency Management, in consultation with the Commissioner of Environmental Protection (commissioner) and to provide grants to local government units and nonprofit organizations to finance the costs of flood prevention and protection projects and post-flood recovery projects;

(2) $1 billion is required to be used to finance the costs of water infrastructure projects undertaken by the Department of Environmental Protection and to provide grants to local government

units and nonprofit organizations to finance the costs of water infrastructure projects; and

(3) $2.3 billion is required to be used to finance the costs of resilience projects undertaken by the State Office of Emergency Management, in consultation with the commissioner, and to provide grants to local government units and nonprofit organizations to finance the costs of resilience projects.

Procedures for the review, approval of, and eligibility criteria for, grants are to be established by the State Office of Emergency Management, in consultation with the commissioner.

Of the monies authorized to finance the costs of flood prevention and protection projects and post-flood recovery projects undertaken by the State Office of Emergency Management, in consultation with the commissioner, and to provide grants to local government units and nonprofit organizations to finance the costs of flood prevention and protection projects and post-flood recovery projects, not less than $300 million is to be made available for post-flood recovery projects with not less than 20 percent going towards nature-based solutions, not less than $300 million is to be made available for restoration projects with not less than 20 percent going towards nature-based solutions, and not less than $400 million is to be made available for voluntary property buyouts in flood-prone areas of the State. Of the monies authorized to finance the costs of water infrastructure projects undertaken by the Department of Environmental Protection and to provide grants to local government units and nonprofit organizations to finance the costs of water infrastructure projects, not less than $300 million is to be made available for drinking water infrastructure projects, not less than $400 million is to be made available for stormwater infrastructure projects, and not less than $300 million is to be made available for wastewater infrastructure projects. Of the monies authorized to finance the costs of resilience projects undertaken by the State Office of Emergency Management, in consultation with the commissioner, and to provide grants to local government units and nonprofit organizations to finance the resilience projects, not less than $500 million is to be made available for grid modernization projects, not less than $600 million is to be made available for green buildings projects, and not less than $450 million is to be made available for green communities projects. The State Office of Emergency Management may collaborate with the Board of Public Utilities (board) or delegate grant selection processes to the board concerning energy-related resilience projects.

The bill provides that the bond act is to be submitted to the people for approval at the general election to be held at least 70 days after enactment and appropriates $5,000 to the Department of State for expenses in connection with the publication of the public question.