CHAPTER 35

AN ACT authorizing the expenditure of funds by the New Jersey Infrastructure Bank for the purpose of making loans to eligible project sponsors to finance the cost of certain hazard mitigation and resilience projects.

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

1. As used in this act:

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

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

"Loan origination fee" means the fee charged by the bank to pay a portion of the costs incurred by the bank in the implementation of the Community Hazard Assistance Mitigation Program.

"Project sponsor" means a local government unit receiving a loan from the bank pursuant to this act.

2. a. The New Jersey Infrastructure Bank is authorized to expend the aggregate sum of $13,093,000, or such amounts as can be supported through balances in the "Community Hazard Assistance Mitigation Program Revolving Loan Fund" established pursuant to section 3 of P.L.2023, c.63 (C.58:11B-10.6), including any appropriations from the Legislature, for the purpose of making loans to, or on behalf of, local government units to finance all or a portion of the cost of construction of the projects listed in section 4 of this act.

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

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

(2) the interest earned on amounts deposited pending their distribution to project sponsors, as provided in subsection b. of section 6 of this act; and

(3) the amounts of the loan origination fee, as provided in subsection c. of section 6 of this act, and any other CHAMP fees.

3. The New Jersey Infrastructure Bank is authorized to make loans to, or on behalf of, the project sponsors for the hazard mitigation and resilience projects listed in subsection a. of section 4 of this act up to the individual amounts indicated and in the priority stated, except that any such amount may be reduced by the bank pursuant to subsection a. of section 6 of this act, or if a project fails to meet the requirements of section 5 of this act. The bank is authorized to increase any such amount pursuant to subsections b. and c. of section 6 of this act.

4. a. The following CHAMP projects shall be known and may be cited as the "State Fiscal Year 2027 Community Hazard Assistance Mitigation Program Project Eligibility List":

Applicant, Project No.	Project Description	Estimated Total Project Amount	Estimated Total Loan Amount
Jersey City, RB0906-001	McGovern Park Resilience	$5,053,524	$1,360,000
Brigantine City, RB0103-001	Golf Course Drive Living Shoreline	$2,555,000	$2,555,000
Highlands Borough, RB1319-001	Highlands and Monmouth Hills Flood Mitigation and Green Infrastructure	$16,205,280	$4,413,000
Manasquan Borough, RB1329-001	Save the Shore	$4,765,000	$4,765,000
Total Projects: 4		**$28,578,804**	**$13,093,000**

b. The bank is authorized to adjust the allowable loan amount for each project authorized in this section as appropriate, provided that the total amount of loan issuance remains within available funds, and each loan is issued pursuant to the terms and conditions of the State Fiscal Year 2027 Community Hazard Assistance Mitigation Program.

5. Any loan made by the New Jersey Infrastructure Bank pursuant to this act shall be subject to the requirements of this section.

a. The chairperson, vice-chairperson, or secretary of the bank shall certify that the project complies with the applicable provisions of P.L.2023, c.63, P.L.1985, c.334, and any amendatory and supplementary acts thereto, and any rules and regulations adopted pursuant thereto, as applicable, and any policy statements relating to CHAMP set forth in the State Fiscal Year 2027 CHAMP Financial Plan. In making this certification, the chairperson, vice-chairperson, or secretary may conclusively rely on the project review conducted by the State Office of Emergency Management without any independent review thereof by the bank.

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

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

d. The loan shall not exceed the allowable project cost of the project, exclusive of issuance expenses, administrative expenses associated with federal funding programs, if applicable, interest accrued as provided in subsection b. of section 6 of this act, the amounts of the loan origination fee as provided in subsection c. of section 6 of this act, and increased costs as determined in accordance with the requirements of section 8 of P.L.2023, c.63 (C.58:11B-10.8) and any policy statements relating to CHAMP set forth in the State Fiscal Year 2027 CHAMP Financial Plan.

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

f. The loan shall be subject to all other terms and conditions as the bank shall determine to be consistent with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) and any rules and regulations adopted pursuant thereto, the requirements of section 8 of P.L.2023, c.63 (C.58:11B-10.8), and any policy statements relating to CHAMP and the financial plan required by section 7 of P.L.2023, c.63 (C.58:11B-22.5). The eligibility lists and authorization for the making of loans pursuant to this act shall expire on July 1, 2027, and any project sponsor which has not executed and delivered a loan agreement with the bank for a loan authorized in this act shall no longer be entitled to that loan.

6. a. The New Jersey Infrastructure Bank is authorized to reduce the individual amount of loan funds made available to, or on behalf of, project sponsors pursuant to section 4 of this act based upon final building costs, as determined in accordance with the requirements of section 8 of P.L.2023, c.63 (C.58:11B-10.8) and any policy statements relating to CHAMP set forth in the State Fiscal Year 2027 CHAMP Financial Plan. The bank is authorized to use any such reduction in the loan amount made available to a project sponsor to cover that project sponsor's increased costs due to differing site conditions or other allowable expenses, as determined in accordance with the requirements of section 8 of P.L.2023, c.63 (C.58:11B-10.8) and any policy statements relating to CHAMP to be set forth in the State Fiscal Year 2027 CHAMP Financial Plan.

b. The bank is authorized to increase each loan amount authorized in section 4 of this act by the interest accrued pursuant to a loan made to a project sponsor pursuant to the Community Hazard Assistance Mitigation Program, issuance expenses, and administrative expenses associated with federal funding programs allocable to each loan made by the bank pursuant to this act.

c. The bank is authorized to increase each loan amount authorized in section 4 of this act by a loan origination fee.

7. Notwithstanding any provision of law or regulation to the contrary, including, but not limited to, the provisions of subsection b. of section 23 of P.L.1985, c.334 (C.58:11B-23), the bank is authorized to utilize the following funds generated by the operation of the bank to defray the annual operating expenses of the bank:

a. the proceeds from the sale of the bank's bonds, notes or other obligations;

b. the revenues derived from investments by the bank;

c. any loan repayments paid to the bank, including interest from local government units;

d. the proceeds of any fees and charges levied by the bank;

e. any funds received from the federal government that are permitted by the federal government to be used for the operating expenses of the bank; and

f. any funds otherwise permitted to be used for the operating expenses of the bank.

8. This act shall take effect immediately and shall expire on July 1, 2027.

Approved July 8, 2026.