

SENATE, No. 4766

STATE OF NEW JERSEY
222nd LEGISLATURE

INTRODUCED OCTOBER 5, 2026

Sponsored by:
Senator VIN GOPAL
District 11 (Monmouth)

SYNOPSIS

Establishes GREEN Loan Program in BPU to finance certain renewable energy and energy efficiency projects; appropriates \$5 million.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the financing of renewable energy and energy
2 efficiency projects, supplementing Title 48 of the Revised
3 Statutes, and making an appropriation.
4

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

8 1. As used in this act:

9 “Board” means the Board of Public Utilities.

10 “Borrower” means a nonprofit organization that applies and
11 qualifies for a loan under the Green and Renewable Energy
12 Efficiency for Nonprofits Loan Program established pursuant to
13 section 2 of this act.

14 “GREEN Loan Fund,” or “fund” means the Green and
15 Renewable Energy Efficiency for Nonprofits Loan Fund established
16 pursuant to section 3 of this act.

17 “GREEN Loan Program,” or “program,” means the Green and
18 Renewable Energy Efficiency for Nonprofits Loan Program
19 established pursuant to section 2 of this act.

20 “Nonprofit organization” means a private nonprofit organization
21 that is exempt from federal taxation pursuant to section 501 (c)(3)
22 of the federal Internal Revenue Code, 26 U.S.C. s.501 (c)(3).

23 “Qualifying energy system” means a system that: (1) generates
24 electricity or usable thermal energy that is used to meet on-site
25 demand; and (2) assists the State in meeting its greenhouse gas
26 emissions reductions goals under P.L.2007, c.112 (C.26:2C-37 et
27 seq.).
28

29 2. a. There is established in the Board of Public Utilities the
30 “Green and Renewable Energy Efficiency for Nonprofits Loan
31 Program” or “GREEN Loan Program.” The purpose of the program
32 shall be to provide financial assistance in the form of zero-interest
33 loans to nonprofit organizations for:

34 (1) the planning, purchase, and installation of qualifying energy
35 systems in the State; and

36 (2) actions that improve energy efficiency, such as repairing or
37 replacing windows, doors, and heating, ventilation, and air-
38 conditioning systems.

39 b. The board shall:

40 (1) manage, supervise, and administer the program;

41 (2) develop and enforce provisions to ensure that loans provided
42 to nonprofit organizations carry out the purpose of the program;

43 (3) attach to any loan specific terms that are considered
44 necessary to ensure that the purpose of the program is fulfilled; and

45 (4) develop and implement an advertising campaign for the
46 program.

47 c. In order to receive a loan under the program, a borrower shall
48 apply to the board. The application shall be signed by the chief

1 operating officer or other authorized officer of the nonprofit
2 organization. The application shall contain the following
3 information:

4 (1) the projected cost of the qualifying energy system, energy
5 efficiency action, or technical assistance being financed through the
6 loan;

7 (2) the location of the property where the qualifying energy
8 system will be installed or an energy efficiency action will occur
9 and whether the property is owned or leased by the applicant; and

10 (3) any additional information relating to the borrower or the
11 proposed qualifying energy system or energy efficiency action
12 being financed through the loan that may be required by the board
13 to administer the GREEN Loan Program.

14 d. A loan issued pursuant to the GREEN Loan Program may be
15 used for:

16 (1) the purchase and installation of a qualifying energy system,
17 including any necessary ancillary machinery, equipment, or
18 furnishings;

19 (2) technical assistance for the planning and installation of a
20 qualifying energy system; and

21 (3) actions that improve energy efficiency, such as repairing or
22 replacing windows, doors, and heating, ventilation, and air-
23 conditioning systems and other similar improvements.

24 e. Each borrower for a loan under the GREEN Loan Program
25 shall contribute at least 10 percent of the cost of the qualifying
26 energy system or energy efficiency action. Loans made under the
27 program shall be zero-interest and shall be repayable by the
28 borrower in accordance with a schedule set by the board. The
29 schedule set by the board may be on a deferred payment basis. A
30 borrower shall provide assurances for the repayment of a loan,
31 which may include a promissory note or plan for repayment. Loans
32 may be made in conjunction with, or in addition to, financial
33 assistance provided through other State or federal programs.

34 f. The board may approve an application for a loan specified in
35 paragraph (1) of subsection d. of this section only if the application
36 demonstrates that the proposed qualifying energy system is
37 estimated, based on projected energy costs, to generate energy cost
38 savings over the useful life of the system that equal or exceed the
39 total amortized cost of the loan.

40 g. In approving an application, the board shall consider and give
41 priority to an applicant that has an annual budget of \$1 million or
42 less.

43 h. No later than one year after the effective date of this act, the
44 board shall establish an application process for loans made under
45 the GREEN Loan Program and set guidelines and considerations for
46 application, selection, and repayment, which shall include:

47 (1) whether the building in which a project takes place is owned
48 or rented by the borrower;

- 1 (2) property size and kilowatt hours of energy used;
- 2 (3) geographic diversity;
- 3 (4) ethnic and racial diversity;
- 4 (5) economic diversity;
- 5 (6) nonprofit organization mission diversity;
- 6 (7) access to the borrower's portion of the cost of the qualifying
- 7 energy system; and
- 8 (8) process and frequency of loan repayment.

9

10 3. a. There is established in the Board of Public Utilities a
11 revolving fund to be known as the "Green and Renewable Energy
12 Efficiency for Nonprofits Loan Fund" or "GREEN Loan Fund."
13 Moneys in the fund shall be invested in permitted investments or
14 shall be held in interest-bearing accounts in those depositories as
15 the State Treasurer may select, and may be invested and reinvested
16 in permitted investments or as other trust funds in the custody of the
17 State Treasurer in the manner provided by law.

18 b. The fund shall be administered by the board and shall be
19 credited with:

- 20 (1) moneys appropriated pursuant to section 4 of this act;
- 21 (2) any other moneys appropriated by the Legislature for the
- 22 purposes of this act;
- 23 (3) moneys received from any public or private source to
- 24 support the GREEN Loan Program;
- 25 (4) repayments and prepayments on loans made from the fund;
- 26 and
- 27 (5) all interest or other income or earnings derived from the
- 28 investment or reinvestment of moneys in the fund.

29 c. Moneys in the fund shall be used solely for:

- 30 (1) the issuance of loans to nonprofit organizations pursuant to
- 31 the GREEN Loan Program; and
- 32 (2) the administrative costs incurred by the board in
- 33 implementing the program.

34

35 4. There is appropriated from the General Fund to the Board of
36 Public Utilities the sum of \$5,000,000 in order to implement the
37 provisions of this act.

38

39 5. The Board of Public Utilities shall, in accordance with the
40 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
41 seq.), adopt rules and regulations as necessary to implement this
42 act.

43

44 6. This act shall take effect immediately.

STATEMENT

This bill would establish the Green and Renewable Energy Efficiency for Nonprofits Loan Program, or GREEN Loan Program, in the Board of Public Utilities. The purpose of the program would be to provide zero-interest loans to nonprofit organizations to finance renewable energy and energy efficiency projects. The bill would appropriate \$5 million from the General Fund to the BPU in order to provide the initial funding for the program.

The bill would direct the BPU to establish application procedures and criteria for the zero-interest loan program, subject to certain provisions included in the bill. For example, the bill would direct the BPU to provide priority to nonprofit organizations that have an annual budget of less than \$1 million. The bill would also direct the BPU to develop and implement an advertising campaign to publicize the program.

The projects that would be financed under the program would be:

(1) the planning, purchase, and installation of qualifying energy systems in the State, where “qualifying energy system” is defined by the bill to mean a system that generates electricity or usable thermal energy that is used to meet on-site demand; and assists the State in meeting its greenhouse gas emissions reductions goals under the “Global Warming Response Act,” P.L.2007, c.112 (C.26:2C-37 et seq.); and

(2) actions that improve energy efficiency, such as repairing or replacing windows, doors, and heating, ventilation, and air-conditioning systems.

The bill would establish a revolving fund in the BPU, to be known as the Green and Renewable Energy Efficiency for Nonprofits Loan Fund, or GREEN Load Fund, to serve as the funding repository for the program. Loan repayments received from nonprofit organizations would be deposited back into the GREEN Loan Fund.