

**58:11B-20.3 & 58:11B-20.4 et al**  
**LEGISLATIVE HISTORY CHECKLIST**

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**LAWS OF:** 2023                    **CHAPTER:** 63

**NJSA:** 58:11B-20.3 & 58:11B-20.4 et al Establishes Community Hazard Assistance Mitigation Program in, and authorizes issuance of bonds by, NJ Infrastructure Bank to fund certain hazard mitigation and resilience projects; makes various changes to NJ Infrastructure Bank's enabling act; appropriations.

**BILL NO:** A4866                    (Substituted for S3337 (2R))

**SPONSOR(S)** Freiman, Roy and others

**DATE INTRODUCED:** 11/14/2022

**COMMITTEE:**                    **ASSEMBLY:** Environment & Solid Waste  
Special Committee on Infrastructure & Natural Resources  
Transportation & Independent Authorities  
Appropriations

**SENATE:** Budget & Appropriations

**AMENDED DURING PASSAGE:** Yes

**DATE OF PASSAGE: ASSEMBLY:** 02/27/2023

**SENATE:** 05/22/2023

**DATE OF APPROVAL:** 5/25/2023

**FOLLOWING ARE ATTACHED IF AVAILABLE:**

**FINAL TEXT OF BILL** (A4866 AcaAcaAca (3R) enacted) Yes

**A4866**

**INTRODUCED BILL:** (Includes sponsor(s) statement) Yes

**COMMITTEE STATEMENT: ASSEMBLY:** Yes    Environment & Solid Waste  
Special Cmtee on Infrastructure & Natural  
Resources  
Transportation & Independent Authorities  
Appropriations

**SENATE:** Yes    Budget & Appropriations

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at [www.njleg.state.nj.us](http://www.njleg.state.nj.us))

**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL ESTIMATE:** Yes    03/02/2023

**S3337 (2R)**

<b>INTRODUCED BILL:</b> (Includes sponsor(s) statement)	Yes	
<b>COMMITTEE STATEMENT:</b>		
<b>ASSEMBLY:</b>	No	
<b>SENATE:</b>	Yes	Environment & Energy Budget & Appropriations

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at [www.njleg.state.nj.us](http://www.njleg.state.nj.us))

<b>FLOOR AMENDMENT STATEMENT:</b>	No	
<b>LEGISLATIVE FISCAL ESTIMATE:</b>	Yes	03/03/2023 05/24/2023

**VETO MESSAGE:** No

**GOVERNOR'S PRESS RELEASE ON SIGNING:** Yes

**FOLLOWING WERE PRINTED:**

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<b>REPORTS:</b>	No
<b>HEARINGS:</b>	No
<b>NEWSPAPER ARTICLES:</b>	No

CL/JA

§§1,2  
C.58:11B-20.3  
and 58:11B-20.4  
§§3,4  
C.58:11B-10.6  
and 58:11B-10.7  
§5  
C.58:11B-5a  
§6  
C.58:11B-20.5  
§7  
C.58:11B-22.5  
§8  
C.58:11B-10.8  
§22  
Approp.

P.L. 2023, CHAPTER 63, *approved May 25, 2023*  
Assembly, No. 4866 (*Third Reprint*)

1 AN ACT concerning the financing of certain resilience and hazard  
2 mitigation projects, the establishment of a “<sup>1</sup>**[Resilient New**  
3 **Jersey]** Community Hazard Assistance Mitigation Program<sup>1</sup>  
4 Revolving Loan Fund,” and the authority of the New Jersey  
5 Infrastructure Bank, supplementing Title 58 of the Revised  
6 Statutes, <sup>1</sup>**[and]**<sup>1</sup> amending P.L.1985, c.334 and P.L.2009,  
7 c.59 <sup>1</sup>, and making an appropriation<sup>1</sup> .  
8

9 **BE IT ENACTED** by the Senate and General Assembly of the State  
10 of New Jersey:  
11

12 1. (New section) Sections 1 through 9 of P.L. , c. (C. )  
13 (pending before the Legislature as this bill) shall be known and may  
14 be cited as the “<sup>1</sup>**[Resilient NJ]** Community Hazard Assistance  
15 Mitigation Program<sup>1</sup> Revolving Loan Fund Act.”  
16

17 2. (New section) As used in sections 1 through 9 of P.L. ,  
18 c. (C. ) (pending before the Legislature as this bill):

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

21 “Bonds” mean the bonds issued, or authorized to be issued, by  
22 the bank pursuant to sections 1 through 9 of P.L. , c. (C. )  
23 (pending before the Legislature as this bill) and in compliance with  
24 the bank’s authority pursuant to, and subject to the same conditions  
25 as provided in, P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,  
26 c.224 (C.58:11B-10.1 et al.), as applicable.

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Assembly AEN committee amendments adopted December 8, 2022.

<sup>2</sup>Assembly ATR committee amendments adopted February 16, 2023.

<sup>3</sup>Assembly AAP committee amendments adopted February 23, 2023.

1 “Commissioner” means the Commissioner of Environmental  
2 Protection.

3 <sup>1</sup>“Community Hazard Assistance Mitigation Program” means the  
4 program established by the bank pursuant to sections 1 through 9 of  
5 P.L. , c. (C. ) (pending before the Legislature as this bill).<sup>1</sup>

6 “Fund” means the <sup>1</sup>**【Resilient New Jersey】** Community Hazard  
7 Assistance Mitigation Program<sup>1</sup> Revolving Loan Fund established  
8 pursuant to section 3 of P.L. , c. (C. ) (pending before the  
9 Legislature as this bill).

10 “Hazard mitigation and <sup>1</sup>**【resiliency】** resilience<sup>1</sup> project” means  
11 a hazard mitigation and <sup>1</sup>**【resiliency】** resilience<sup>1</sup> project identified  
12 on a State or local hazard mitigation plan, undertaken by the State, a  
13 local government unit, or a nonprofit organization in accordance  
14 with the provisions of the STORM Act.

15 “Loan origination fee” means the fee charged by the bank in  
16 connection with services provided to a sponsor of a hazard  
17 mitigation and resilience project pursuant to the sponsor’s  
18 participation in the <sup>1</sup>**【Resilient New Jersey Financing】** Community  
19 Hazard Assistance Mitigation<sup>1</sup> Program. A project sponsor may  
20 finance any portion of the loan origination fee through the bank by  
21 a hazard mitigation and resilience project assistance loan to pay a  
22 portion of the costs incurred by the bank in the implementation of  
23 the <sup>1</sup>**【Resilient New Jersey Financing】** Community Hazard  
24 Assistance Mitigation<sup>1</sup> Program.

25 “Local government unit” means any county or municipality, or  
26 any agency, instrumentality, authority, or corporation of any county  
27 or municipality <sup>1</sup>, or any other entity eligible to receive federal  
28 funds pursuant to the STORM act<sup>1</sup> .

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

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

34 <sup>1</sup>**【“Resilient New Jersey Financing Program” means the program**  
35 **established by the bank pursuant to sections 1 through 9 of P.L. ,**  
36 **c. (C. ) (pending before the Legislature as this bill).<sup>1</sup>】<sup>1</sup>**

37 “State Office of Emergency Management” means the Office of  
38 Emergency Management in the Division of State Police in the  
39 Department of Law and Public Safety.

40 “STORM Act” means the “Safeguarding Tomorrow through  
41 Ongoing Risk <sup>2</sup>**【Management】** Mitigation<sup>2</sup> Act,” Pub. L. 116-284,  
42 <sup>1</sup>**【or any amendatory or supplementary acts thereto】** as amended or  
43 superseded<sup>1</sup> , and any rules, regulations, or guidance adopted  
44 pursuant thereto by the Federal Emergency Management Agency.

1       3. (New section) a. (1) There is established in the New Jersey  
2 Infrastructure Bank a special, nonlapsing fund to be known as the  
3 “**1** **Resilient New Jersey** Community Hazard Assistance Mitigation  
4 Program<sup>1</sup> Revolving Loan Fund.” Monies in the fund shall be held  
5 separately and be available in perpetuity solely for the purpose of  
6 funding hazard mitigation and resilience projects undertaken by the  
7 State, local government units, and nonprofit organizations in  
8 accordance with the provisions of the STORM Act and sections 1  
9 through 9 of P.L. , c. (C. ) (pending before the Legislature  
10 as this bill).

11       (2) There shall be established within the fund three subaccounts:

12       (a) a federally-funded hazard mitigation and resilience project  
13 subaccount approved to receive federal funds, repayments of loans,  
14 and interest earned on amounts in the subaccount;

15       (b) a State-funded hazard mitigation and resilience project  
16 subaccount approved to receive State matching funds, and funds in  
17 excess of those required to be deposited in the federally-funded  
18 hazard mitigation and resilience project subaccount; and

19       (c) a **1** **Resilient New Jersey Financing** Community Hazard  
20 Assistance Mitigation<sup>1</sup> Program Loan Origination Fee subaccount  
21 established pursuant to section 4 of P.L. , c. (C. ) (pending  
22 before the Legislature as this bill).

23       b. The fund shall be credited with:

24       (1) any federal funds apportioned and allocated to the State  
25 pursuant to the STORM Act;

26       (2) proceeds from bonds, notes, or any other credit instrument  
27 issued by the bank pursuant to sections 1 through 9 of P.L. ,  
28 c. (C. ) (pending before the Legislature as this bill);

29       (3) any other moneys appropriated by the Legislature or  
30 otherwise made available to the fund for the purposes of sections 1  
31 through 9 of P.L. , c. (C. ) (pending before the Legislature  
32 as this bill);

33       (4) moneys obtained from the payment of interest assessed on,  
34 and the repayment of principal of, any loans made pursuant to  
35 sections 1 through 9 of P.L. , c. (C. ) (pending before the  
36 Legislature as this bill);

37       (5) any interest earnings or other investment income earned or  
38 received on the moneys in the fund; and

39       (6) loan origination fees paid and received pursuant to section 4  
40 of P.L. , c. (C. ) (pending before the Legislature as this bill).

41       c. All money appropriated or otherwise made available to the  
42 fund shall be dedicated for the purposes of the fund. Pending use,  
43 moneys in the fund may be invested and reinvested in the same  
44 manner as other moneys of the bank in the manner provided by law.  
45 All earnings received from the investment or deposit of such  
46 moneys shall be paid into and become a part of the fund and be  
47 available for use pursuant to sections 1 through 9 of P.L. ,  
48 c. (C. ) (pending before the Legislature as this bill).

1 d. Notwithstanding any provision of P.L.1985, c.334  
2 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
3 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
4 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3 <sup>2</sup>, and  
5 C.58:11B-22.4<sup>2</sup>), to the contrary, all moneys in the fund shall be  
6 held separate from other funds of the bank, and shall not be  
7 combined or comingled with any funds that finance wastewater  
8 treatment system projects, water supply projects, other  
9 environmental infrastructure projects, or transportation projects.  
10 The amounts of federal capitalization grants appropriated pursuant  
11 to the STORM act and associated State matching funds, the  
12 repayments of loans, and the interest earned on amounts in the fund  
13 shall be accounted for separately from other amounts in the fund.

14 e. The State Office of Emergency Management, in conjunction  
15 with the bank, shall apply to the Federal Emergency Management  
16 Agency when funding is made available to states under the  
17 provisions of the STORM Act and the State Office of Emergency  
18 Management and the bank shall have the authority to enter into any  
19 agreement necessary to capitalize the fund.

20 f. The bank shall establish terms for providing assistance from  
21 the fund, including below market interest rates, deferred payment  
22 schedules, and other provisions that will enable these funds to be  
23 used effectively and in accordance with the provisions of the  
24 STORM Act, any agreement entered into with the Federal  
25 Emergency Management Agency, and sections 1 through 9 of  
26 P.L. , c. (C. ) (pending before the Legislature as this bill).

27 g. The bank shall include an itemized account of expenditures  
28 from the fund in the financial plan required pursuant to section 7 of  
29 P.L. , c. (C. ) (pending before the Legislature as this bill).

30

31 4. (New section) a. There is established in the <sup>1</sup>**[Resilient New**  
32 **Jersey]** Community Hazard Assistance Mitigation Program<sup>1</sup>  
33 Revolving Loan Fund a special subaccount to be known as the  
34 <sup>1</sup>**[Resilient New Jersey Financing]** Community Hazard Assistance  
35 Mitigation<sup>1</sup> Program Loan Origination Fee subaccount.

36 The <sup>1</sup>**[Resilient New Jersey Financing]** Community Hazard  
37 Assistance Mitigation<sup>1</sup> Program Loan Origination Fee subaccount  
38 shall be credited with:

39 (1) moneys deposited into the subaccount as loan origination fees  
40 received by the bank and paid by loan applicants for hazard  
41 mitigation and <sup>1</sup>**[resiliency]** resilience<sup>1</sup> projects <sup>1</sup>**[Resilient New**  
42 **Jersey Financing Program]**<sup>1</sup> ; and

43 (2) any interest paid on the amounts of the loan origination fees.

44 b. Moneys in the <sup>1</sup>**[Resilient New Jersey Financing]**  
45 Community Hazard Assistance Mitigation<sup>1</sup> Program Loan  
46 Origination Fee subaccount shall be drawn and used by the bank to  
47 reimburse the bank for administrative and operating expenses

1 incurred in administering the <sup>1</sup>["Resilient New Jersey Financing"]  
2 Community Hazard Assistance Mitigation<sup>1</sup> Program. The monies  
3 in the <sup>1</sup>["Resilient New Jersey Financing"] Community Hazard  
4 Assistance Mitigation<sup>1</sup> Program Loan Origination Fee subaccount  
5 shall also be available for application by the bank for loans to local  
6 government units and nonprofit organizations for the cost of hazard  
7 mitigation and <sup>1</sup>["resiliency"] resilience<sup>1</sup> projects. Amounts in  
8 excess of the funds drawn by the bank from the subaccount  
9 established pursuant to this section during any given fiscal year  
10 shall be carried forward into the following fiscal year and held on  
11 deposit in the fund.

12

13 5. (New section) a. In addition to its powers and duties set  
14 forth in P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
15 (C.58:11B-10.1 et al.), and sections 22 and 34 through 38 of  
16 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-  
17 20.2, C.58:11B-22.3, and C.58:11B-22.4), the New Jersey  
18 Infrastructure Bank shall establish a "<sup>1</sup>["Resilient New Jersey  
19 Financing"] Community Hazard Assistance Mitigation<sup>1</sup> Program" to  
20 fund hazard mitigation and <sup>1</sup>["resiliency"] resilience<sup>1</sup> projects  
21 undertaken by the State, local government units, and nonprofit  
22 organizations in accordance with the provisions of the STORM Act  
23 and sections 1 through 9 of P.L. , c. (C. ) (pending before  
24 the Legislature as this bill).

25 b. Except as otherwise provided in sections 1 through 9 of  
26 P.L. , c. (C. ) (pending before the Legislature as this bill),  
27 the <sup>1</sup>["Resilient New Jersey Financing"] Community Hazard  
28 Assistance Mitigation<sup>1</sup> Program shall comply with all provisions of  
29 P.L.1985, c.334 (C.58:11B-1 et seq.), unless such provision is  
30 specifically related to environmental infrastructure or transportation  
31 projects as defined in section 3 of P.L.1985, c.334 (C.58:11B-3).

32 In establishing this program and issuing bonds pursuant to  
33 sections 1 through 9 of P.L. , c. (C. ) (pending before the  
34 Legislature as this bill), the bank shall have the same powers and  
35 duties set forth in the "New Jersey Infrastructure Trust Act,"  
36 P.L.1985, c.334 (C.58:11B-1 et seq.). The bank shall borrow  
37 money and issue bonds, notes, and other obligations, and secure the  
38 same, and provide for the rights of the holders thereof in the same  
39 manner as provided pursuant to P.L.1985, c.334 (C.58:11B-1 et  
40 seq.).

41 c. The bank shall make and contract to make loans and provide  
42 other assistance to State entities, local government units, and  
43 nonprofit organizations to finance the cost of hazard mitigation and  
44 <sup>1</sup>["resiliency"] resilience<sup>1</sup> projects in accordance with the provisions  
45 of the STORM Act and sections 1 through 9 of P.L. , c. (C. )  
46 (pending before the Legislature as this bill) and acquire and contract  
47 to acquire notes, bonds or other obligations issued or to be issued

1 by any local government units to evidence the loans, all in  
 2 accordance with the provisions of P.L.1985, c.334 (C.58:11B-1 et  
 3 seq.). The loans shall be made subject to those terms and  
 4 conditions as the bank shall determine to be consistent with the  
 5 purposes of the STORM Act and sections 1 through 9 of P.L. ,  
 6 c. (C. ) (pending before the Legislature as this bill). Each  
 7 loan by the bank and the terms and conditions thereof shall be  
 8 subject to approval by the State Treasurer, and the bank shall make  
 9 available to the State Treasurer all information, statistical data, and  
 10 reports of independent consultants or experts as the State Treasurer  
 11 shall deem necessary in order to evaluate the loan.

12

13 6. (New section) a. The State Office of Emergency  
 14 Management, in <sup>1</sup> **["conjunction"]** consultation<sup>1</sup> with the <sup>1</sup> **["bank"]**  
 15 commissioner<sup>1</sup> , shall for each fiscal year develop a priority system  
 16 for the ranking of hazard mitigation and <sup>1</sup> **["resiliency"]** resilience<sup>1</sup>  
 17 projects to be financed through the <sup>1</sup> **["Resilient New Jersey**  
 18 **Financing"]** Community Hazard Assistance Mitigation<sup>1</sup> Program and  
 19 the <sup>1</sup> **["Resilient New Jersey"]** Community Hazard Assistance  
 20 Mitigation Program<sup>1</sup> Revolving Loan Fund.

21 b. (1) The State Office of Emergency Management, in  
 22 <sup>1</sup> **["conjunction"]** consultation<sup>1</sup> with the <sup>1</sup> **["bank"]** commissioner<sup>1</sup> ,  
 23 shall set forth a <sup>1</sup> **["Resilient New Jersey Financing"]** Community  
 24 Hazard Assistance Mitigation<sup>1</sup> Program Project Priority List,  
 25 <sup>1</sup> **["hereinafter referred to as the "hazard mitigation and resiliency**  
 26 **project priority list,""]**<sup>1</sup> for funding by the bank for each fiscal year  
 27 and shall include <sup>1</sup>: (a)<sup>1</sup> the aggregate amount of funds of the bank  
 28 to be authorized for these purposes <sup>1</sup> **["**. The hazard mitigation and  
 29 **resiliency project priority list shall include"]** ; (b)<sup>1</sup> a description of  
 30 each <sup>1</sup> hazard mitigation and resilience<sup>1</sup> project <sup>1</sup>; <sup>1</sup> and <sup>1</sup> (c)<sup>1</sup> an  
 31 explanation of the manner in which projects are ranked.

32 The <sup>1</sup> **["hazard mitigation and resiliency"]**<sup>1</sup> project priority list for  
 33 the ensuing fiscal year shall be submitted to the Legislature  
 34 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) on or before  
 35 January 15 of each year. The Senate Secretary and the Clerk of the  
 36 General Assembly shall cause the date of submission to be entered  
 37 upon the Senate Journal and the Minutes of the General Assembly,  
 38 respectively.

39 (2) Any hazard mitigation and <sup>1</sup> **["resiliency"]** resilience<sup>1</sup> project,  
 40 or sponsor thereof, not identified in the <sup>1</sup> **["hazard mitigation and**  
 41 **resiliency"]**<sup>1</sup> project priority list <sup>1</sup> pursuant to paragraph (1) of this  
 42 subsection<sup>1</sup> shall not be eligible for a loan from the <sup>1</sup> **["Resilient New**  
 43 **Jersey"]** Community Hazard Assistance Mitigation Program<sup>1</sup>  
 44 Revolving Loan Fund. The bank may revise or supplement the  
 45 <sup>1</sup> **["hazard mitigation and resiliency"]**<sup>1</sup> project priority list no more

1 than four times during the fiscal year and shall submit the revised  
2 list to the Legislature when the revisions are made.

3 No funds may be disbursed pursuant to this subsection for hazard  
4 mitigation and <sup>1</sup>['resiliency'] resilience<sup>1</sup> project activities prior to  
5 certification in writing, from the bank to the State Treasurer, that  
6 the project activities satisfy the provisions of the STORM Act,  
7 sections 1 through 9 of P.L. , c. (C. ) (pending before the  
8 Legislature as this bill), and P.L.1985, c.334 (C.58:11B-1 et seq.).

9 Any short-term or temporary loans made by the bank may only  
10 be made in advance of an anticipated long-term hazard mitigation  
11 and <sup>1</sup>['resiliency'] resilience<sup>1</sup> project loan. Any such short-term or  
12 temporary loan made shall mature no later than the last day of the  
13 fifth succeeding fiscal year following the closing date on which the  
14 short-term or temporary loan was made by the bank. Any short-  
15 term or temporary loan made by the bank pursuant to this  
16 subsection may mature in a shorter period of time as may be  
17 necessary to align with construction completion. With respect to  
18 any short-term or temporary loan for planning, design, and  
19 construction expenses, the bank may authorize one short-term  
20 supplemental loan for residual expenses thereof upon receipt by the  
21 bank from the State Office of Emergency Management of a  
22 certification that states that the time required to complete  
23 construction of the project exceeds the maximum maturity date of  
24 the short-term or temporary loan. Any such short-term  
25 supplemental loan shall not exceed in duration the last day of the  
26 third succeeding fiscal year following the loan closing of the short-  
27 term supplemental loan.

28 c. The State Office of Emergency Management in  
29 <sup>1</sup>['conjunction'] consultation<sup>1</sup> with the <sup>1</sup>['bank'] commissioner<sup>1</sup> ,  
30 shall set forth a <sup>1</sup>['Resilient New Jersey Financing'] Community  
31 Hazard Mitigation Assistance<sup>1</sup> Program Project Eligibility List for  
32 long-term funding by the bank and shall include the aggregate  
33 amount of funds to be authorized for these purposes.

34 On or before May 15 of each year, the bank shall submit the  
35 <sup>1</sup>['Resilient New Jersey Financing'] Community Hazard Mitigation  
36 Assistance<sup>1</sup> Program Project Eligibility List, to the Legislature  
37 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) to be  
38 introduced in each House in the form of legislative appropriations  
39 bills, which shall be referred to the Senate Environment and Energy  
40 Committee and the Assembly Environment and Solid Waste  
41 Committee, or their successors, for their respective consideration.  
42 The Senate Secretary and the Clerk of the General Assembly shall  
43 cause the date of submission to be entered upon the Senate Journal  
44 and the Minutes of the General Assembly, respectively.

45 The Senate Environment and Energy Committee and the  
46 Assembly Environment and Solid Waste Committee shall, either  
47 individually or jointly, consider the legislation containing the

1 **1** **["Resilient New Jersey"]** Community Hazard Mitigation Assistance<sup>1</sup>  
2 Program Project Eligibility List, and shall report the legislation,  
3 together with any modifications, out of committee for consideration  
4 by each House of the Legislature. On or before July 1 of each year,  
5 the Legislature shall approve an appropriations act containing the  
6 **1** **["Resilient New Jersey"]** Community Hazard Mitigation Assistance<sup>1</sup>  
7 Program Project Eligibility List, which act shall include the  
8 authorization of an aggregate amount of funds of the bank to be  
9 expended for long-term loans and guarantees for the hazard  
10 mitigation and **1** **["resiliency"]** resilience<sup>1</sup> projects, including the  
11 individual amounts therefor, on the list.

12 On or before October 15 of each year the bank may submit an  
13 additional **1** **["Resilient New Jersey Financing"]** Community Hazard  
14 Mitigation Assistance<sup>1</sup> Program Project Eligibility List, to be  
15 introduced in each House in the form of legislative appropriations  
16 bills, which shall be referred to the Senate Environment and Energy  
17 Committee and the Assembly Environment and Solid Waste  
18 Committee, or their successors, for their respective consideration.  
19 The Secretary of the Senate and the Clerk of the General Assembly  
20 shall cause the date of submission to be entered upon the Senate  
21 Journal and the Minutes of the General Assembly, respectively.

22 d. **1** The State Office of Emergency Management shall consult  
23 with the commissioner when developing the priority system  
24 pursuant to subsection a. of this section, the project priority list  
25 pursuant to subsection b. of this section, and the project eligibility  
26 list pursuant to subsection c. of this section, however, responsibility  
27 for determining assistance priorities and carrying out oversight  
28 activities shall be the responsibility of the State Office of  
29 Emergency Management.

30 e.<sup>1</sup> The bank shall not expend any money for a loan or  
31 guarantee during a fiscal year for any hazard mitigation or  
32 **1** **["resiliency"]** resilience<sup>1</sup> project unless the expenditure is  
33 authorized pursuant to an appropriations act of the current or three  
34 immediate preceding fiscal years as provided in the provisions of  
35 this section, or as otherwise set forth in an appropriations act.

36 **1** **["e."] f.**<sup>1</sup> The bank shall submit to the Secretary of the Senate  
37 and the Clerk of the General Assembly on or before January 15 of  
38 each year a report which shall identify the hazard mitigation  
39 **1** **["resiliency"]** and resilience<sup>1</sup> projects financed during the prior  
40 fiscal year, including a project description, the amount of the loan  
41 provided for each project, and the duration of each loan.

42  
43 7. (New section) a. On or before May 15 of each year, the  
44 bank shall submit to the Legislature pursuant to section 2 of  
45 P.L.1991, c.164 (C.52:14-19.1), a financial plan designed to  
46 implement the financing of hazard mitigation and **1** **["resiliency"]**  
47 resilience<sup>1</sup> projects on the **1** **["Resilient New Jersey Financing"]**

1 Community Hazard Mitigation Assistance<sup>1</sup> Program Project  
 2 Eligibility List approved pursuant to section 6 of P.L. ,  
 3 c. (C. ) (pending before the Legislature as this bill) or as  
 4 otherwise approved by the Legislature. The financial plan shall list  
 5 the bonds, notes, or other obligations of the bank which the bank  
 6 intends to issue, including the amounts thereof and the terms and  
 7 conditions thereof, a list of loans to be made, including the terms  
 8 and conditions thereof and the anticipated rate of interest per annum  
 9 and repayment schedule therefor, and a list of loan guarantees or  
 10 contracts to guarantee the payment of all or a portion of the  
 11 principal and interest on the bonds, notes, or other obligations.

12 The financial plan shall also set forth a complete operating and  
 13 financial statement covering the proposed operations of the  
 14 **1[Resilient New Jersey Financing]** Community Hazard Mitigation  
 15 Assistance<sup>1</sup> Program during the forthcoming fiscal year, including  
 16 amounts of income from all sources, and the uniform schedule of  
 17 fees and charges established by the bank, and the amounts to be  
 18 derived therefrom. The financial plan shall also summarize the  
 19 status of each hazard mitigation and **1[resiliency]** resilience<sup>1</sup>  
 20 project for which loans or guarantees have been made by the bank,  
 21 and shall describe major impediments to the accomplishment of the  
 22 planned hazard mitigation and **1[resiliency]** resilience<sup>1</sup> projects.

23 b. On or before June 30 of each year, the Legislature may  
 24 reject the financial plan through the adoption by both houses of a  
 25 concurrent resolution. If the Legislature takes no action on or  
 26 before June 30, the financial plan shall be deemed approved.

27 c. The financial plan required by this section shall not be  
 28 eligible for inclusion in a consolidated financial plan as established  
 29 in section 27 of P.L.1997, c.224 (C.58:11B-22.2).

30  
 31 8. (New section) a. Monies in the **1[Resilient New Jersey]**  
 32 Community Hazard Mitigation Assistance Program<sup>1</sup> Revolving  
 33 Loan Fund (1) shall be used in accordance with the provisions of  
 34 the STORM Act and sections 1 through 9 of P.L. , c. (C. )  
 35 (pending before the Legislature as this bill) for the purpose of  
 36 providing loans or other financial assistance for hazard mitigation  
 37 and **1[resiliency]** resilience<sup>1</sup> projects undertaken by State entities,  
 38 local government units, and nonprofit organizations, and (2) shall  
 39 be supplemental to, and not intended to take the place of, funding  
 40 that otherwise would be appropriated to State agencies, local  
 41 government units, or nonprofit organizations for hazard mitigation  
 42 **1[or resiliency]** and resilience<sup>1</sup> projects.

43 b. The bank may provide loans or other financial assistance from  
 44 the fund to local government units and nonprofit organizations to  
 45 (1) supplement, as allowable under federal law, rule, or regulation,  
 46 funding received from other federal resilience grant programs,  
 47 including the Building Resilient Infrastructures and Communities

1 (BRIC) program, the Flood Mitigation Assistance (FMA) program,  
2 the Hazard Mitigation Grant Program (HMGP), and the United  
3 States Department of Housing and Urban Development's  
4 Community Development Block Grant Mitigation program, and (2)  
5 participate in the United States Army Corps of Engineers' Flood  
6 Risk Management Program.

7 c. (1) The bank may provide loans or other financial assistance  
8 from the fund to local government units for the purpose of  
9 establishing a program to provide loan funds to private property  
10 owners to use for hazard mitigation and resilience projects for a  
11 building. Hazard mitigation projects for private property owners  
12 shall include, but not be limited to, wind retrofit, flood mitigation  
13 elevation, floodproofing, fire retrofit mitigation, hurricane retrofit  
14 mitigation projects, and any other eligible projects pursuant to the  
15 STORM act.

16 (2) Repayment of a loan provided by a local government unit to a  
17 private property owner may be collected in the same manner as  
18 property taxes and shall be collateralized by a lien on the real  
19 property that is the site of the hazard mitigation and resilience  
20 project. A property owner may sell property after receiving a loan  
21 pursuant to this subsection, provided that the property owner repays  
22 the loan.

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

27 (a) provide full loan forgiveness for eligible households with  
28 income between 80 percent and 50 percent of the median income  
29 for the municipality in which the property to which the loan applies  
30 is located;

31 (b) provide 50 percent loan forgiveness for eligible households  
32 with income between 80 percent to 100 percent of the median  
33 income for the municipality in which the property to which the loan  
34 applies is located; and

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

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

40 (ii) the availability of funding; and

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

44 d. The bank may provide grants or other financial assistance to  
45 nonprofit organizations for <sup>1</sup>["natural"]<sup>1</sup> hazard <sup>1</sup>["or resiliency"]  
46 mitigation and resilience<sup>1</sup> projects.

1 e. The bank shall, taking into consideration and in accordance  
2 with the requirements of the STORM Act, establish, in consultation  
3 with the State Office of Emergency Management, application  
4 procedures and eligibility criteria for State entities, local  
5 government units, and nonprofit organizations to receive loans or  
6 other financial assistance from the fund. The eligibility criteria  
7 shall require that an applicant demonstrate:

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

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

12 f. Long-term loans provided from the fund shall be for a fixed  
13 loan period, and shall comply with all applicable requirements of  
14 the STORM Act and any rules, regulations, or guidelines adopted  
15 by the Federal Emergency Management Agency governing funding  
16 provided pursuant to the STORM Act. The bank shall establish  
17 terms for providing assistance from the fund, including short-term  
18 loans for planning, design, and construction, below market interest  
19 rates, deferred payment schedules, and other provisions that will  
20 enable these funds to be used effectively.

21  
22 9. (New section) The bank and the Department of Law and  
23 Public Safety <sup>1</sup>~~shall~~ may<sup>1</sup> adopt, pursuant to the “Administrative  
24 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.), any rules and  
25 regulations deemed appropriate and necessary for the  
26 implementation of sections 1 through 9 of P.L. , c. (C. )  
27 (pending before the Legislature as this bill). These rules and  
28 regulations <sup>1</sup>~~shall~~ may<sup>1</sup> include, but not be limited to: procedures  
29 for the submission of applications; standards for the evaluation of  
30 applications; provisions implementing priority systems for projects;  
31 reporting requirements of the recipient of any loan concerning the  
32 progress and the expenditure of funds; and limitations, restrictions,  
33 or requirements concerning the use of monies in the fund as may be  
34 necessary pursuant to the provisions of the STORM Act and any  
35 rules or regulations adopted pursuant thereto.

36  
37 10. Section 3 of P.L.1985, c.334 (C.58:11B-3) is amended to  
38 read as follows:

39 3. As used in sections 1 through 27 of P.L.1985, c.334  
40 (C.58:11B-1 through C.58:11B-27), sections 23 through 27 of  
41 P.L.1997, c.224 (C.58:11B-10.1, C.58:11B-20.1, C.58:11B-21.1,  
42 C.58:11B-22.1, and C.58:11B-22.2), and sections 22 and 34 through  
43 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5,  
44 C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4):

45 “Aviation project” means a project to develop or improve county  
46 or municipal airport facilities, or airport facilities owned or  
47 operated by a regional transportation authority that is not a bi-state  
48 authority, and related infrastructure or capital equipment, including,

1 but not limited to, any design, planning, acquisition, construction,  
2 reconstruction, relocation, installation, removal, repair, or  
3 rehabilitation project that facilitates, increases the efficiency of, or  
4 improves the capacity for inter-modal trade for commercial and  
5 industrial facilities that are part of airport facilities. "Aviation  
6 project" includes, but is not limited to, any project to develop or  
7 improve terminal facilities designed for public use and for the  
8 transportation of persons or property, such as airports, runways,  
9 berms, basins, storage places, sheds, warehouses, and related  
10 infrastructure;

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

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

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

21 "Commissioner" means the Commissioner of the Department of  
22 Environmental Protection;

23 "Cost" means the cost of all labor, materials, machinery and  
24 equipment, lands, property, rights and easements, financing  
25 charges, interest on bonds, notes or other obligations, plans and  
26 specifications, surveys or estimates of costs and revenues,  
27 engineering and legal services, and all other expenses necessary or  
28 incident to all or part of an environmental infrastructure project;

29 "Department" means the Department of Environmental  
30 Protection;

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

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

44 "Local government unit" means (1) a State authority, county,  
45 municipality, municipal, county or regional sewerage or utility  
46 authority, municipal sewerage district, joint meeting, improvement  
47 authority, or any other political subdivision of the State authorized  
48 to construct, operate, and maintain wastewater treatment systems;

1 (2) a State authority, district water supply commission, county,  
2 municipality, municipal, county or regional utilities authority,  
3 municipal water district, joint meeting, or any other political  
4 subdivision of the State authorized pursuant to law to operate or  
5 maintain a public water supply system or to construct, rehabilitate,  
6 operate, or maintain water supply facilities or otherwise provide  
7 water for human consumption; (3) a county, municipality,  
8 municipal, county or regional transportation authority, or any other  
9 political subdivision of the State authorized to construct, operate, or  
10 maintain public highways or transportation projects; (4) a county,  
11 municipality, or other political subdivision or instrumentality of the  
12 State, or a municipal, county, or State authority that is not a bi-state  
13 authority, authorized to construct, operate, or maintain ports or  
14 marine projects; **[or]** (5) a county, municipality, municipal or  
15 regional transportation authority, or other political subdivision or  
16 instrumentality of the State authorized to construct, operate, or  
17 maintain airports or aviation projects; or (6) a local government unit  
18 as defined in section 2 of P.L. , c. (C. ) (pending before the  
19 Legislature as this bill) authorized to receive funds pursuant to the  
20 “Safeguarding Tomorrow Through Ongoing Risk Mitigation  
21 (STORM) Act,” Pub.L. 116-284 (42 U.S.C. s. 5135), as amended or  
22 supplemented, and P.L. , c. (C. ) (pending before the  
23 Legislature as this bill);

24 “Marine project” means a project to develop or improve public  
25 port or terminal facilities, and related infrastructure or capital  
26 equipment, including, but not limited to, any design, planning,  
27 acquisition, construction, reconstruction, relocation, installation,  
28 removal, repair, or rehabilitation project that facilitates, increases  
29 the efficiency of, or improves the capacity for inter-modal trade and  
30 cargo movement for commercial or industrial facilities that are part  
31 of port or terminal facilities. “Marine project” includes, but is not  
32 limited to, dredging, soil hardening, and paving of the port  
33 facilities, and ferry terminal facilities designed for public use and  
34 the transportation of persons or property such as water craft, docks,  
35 wharves, piers, slips, storage places, sheds, warehouses, and related  
36 infrastructure. “Marine project” shall not include any project that  
37 relates to or supports recreational or commercial boating activities;

38 “New Jersey Environmental Infrastructure Financing Program”  
39 means the financing program to fund environmental infrastructure  
40 projects;

41 “New Jersey Transportation Infrastructure Financing Program”  
42 means the financing program to fund transportation projects,  
43 aviation projects, and marine projects;

44 “Notes” means notes issued by the trust pursuant to P.L.1985,  
45 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),  
46 or sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
47 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
48 C.58:11B-22.4);

1 “Onsite wastewater treatment and disposal system” means an on-  
2 site system designed to treat and dispose of domestic sewage;

3 “Other assistance” means forms of financial assistance, in  
4 addition to loans, authorized by the New Jersey Infrastructure Bank  
5 from the State Transportation Infrastructure Bank Fund, the  
6 wastewater treatment system general loan fund, **[or]** the water  
7 supply facilities general loan fund, or the <sup>1</sup>Resilient New Jersey  
8 Community Hazard Assistance Mitigation Program<sup>1</sup> Revolving  
9 Loan Fund established pursuant to section 3 of P.L. , c. (C. )  
10 (pending before the Legislature as this bill), including, but not  
11 limited to, use of funds to: provide credit enhancements; serve as a  
12 capital reserve for bond or other debt instrument financing;  
13 subsidize interest rates; ensure the issuance of letters of credit and  
14 credit instruments; finance purchase and lease agreements with  
15 respect to transit projects; and provide bond or other debt financing  
16 instrument security;

17 “Planning, design, and construction loan” means a short-term or  
18 temporary loan for eligible costs incurred in project planning,  
19 engineering design, or construction issued before or during the  
20 planning stage of a project;

21 “Project” means the acquisition, construction, improvement,  
22 repair or reconstruction of all or part of any structure, facility, or  
23 equipment, or real or personal property necessary for or ancillary to  
24 any: (1) wastewater treatment system project, including any  
25 stormwater management or combined sewer overflow abatement  
26 projects; (2) water supply project, as authorized pursuant to  
27 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-  
28 10.1 et al.), including any water resources project, as authorized  
29 pursuant to P.L.2003, c.162; or (3) transportation project, aviation  
30 project, or marine project authorized pursuant to sections 22 and 34  
31 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
32 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4);

33 “Public highway” means public roads, streets, expressways,  
34 freeways, parkways, motorways and boulevards, including bridges,  
35 tunnels, overpasses, underpasses, interchanges, express bus  
36 roadways, bus pullouts and turnarounds, park-ride facilities, traffic  
37 circles, grade separations, traffic control devices, the elimination or  
38 improvement of crossings of railroads and highways, whether at-  
39 grade or not at-grade, bicycle and pedestrian pathways and  
40 pedestrian and bicycle bridges, and any property, rights of way,  
41 easements and interests therein needed for the construction,  
42 improvement, and maintenance of highways;

43 “Public water utility” means any investor-owned water company  
44 or small water company;

45 “Small water company” means any company, purveyor or entity,  
46 other than a governmental agency, that provides water for human  
47 consumption and which regularly serves less than 1,000 customer

1 connections, including nonprofit, noncommunity water systems  
2 owned or operated by a nonprofit group or organization;

3 “Stormwater management system” means any equipment, plants,  
4 structures, machinery, apparatus, management practices, or land, or  
5 any combination thereof, acquired, used, constructed, implemented  
6 or operated to prevent nonpoint source pollution, abate improper  
7 cross-connections and interconnections between stormwater and  
8 sewer systems, minimize stormwater runoff, reduce soil erosion, or  
9 induce groundwater recharge, or any combination thereof;

10 “Transportation project” means a capital project for public  
11 highways, approach roadways and other necessary land-side  
12 improvements, ramps, signal systems, roadbeds, transit lanes or  
13 rights of way, pedestrian walkways and bridges connecting to  
14 passenger stations and servicing facilities, bridges, and grade  
15 crossings;

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

18 “Wastewater” means residential, commercial, industrial, or  
19 agricultural liquid waste, sewage, septage, stormwater runoff, or  
20 any combination thereof, or other liquid residue discharged or  
21 collected into a sewer system or stormwater management system, or  
22 any combination thereof;

23 “Wastewater treatment system” means any equipment, plants,  
24 structures, machinery, apparatus, or land, or any combination  
25 thereof, acquired, used, constructed or operated by, or on behalf of,  
26 a local government unit for the storage, collection, reduction,  
27 recycling, reclamation, disposal, separation, or other treatment of  
28 wastewater or sewage sludge, or for the collection or treatment, or  
29 both, of stormwater runoff and wastewater, or for the final disposal  
30 of residues resulting from the treatment of wastewater, including,  
31 but not limited to, pumping and ventilating stations, treatment  
32 plants and works, connections, outfall sewers, interceptors, trunk  
33 lines, stormwater management systems, and other personal property  
34 and appurtenances necessary for their use or operation; “wastewater  
35 treatment system” shall include a stormwater management system  
36 or a combined sewer system;

37 “Wastewater treatment system project” means any work relating  
38 to the acquisition, construction, improvement, repair or  
39 reconstruction of all or part of any structure, facility or equipment,  
40 or real or personal property necessary for or ancillary to any  
41 wastewater treatment system that meets the requirements set forth  
42 in sections 20, 21, and 22 of P.L.1985, c.334 (C.58:11B-20,  
43 C.58:11B-21, and C.58:11B-22); or any work relating to any of the  
44 stormwater management or combined sewer overflow abatement  
45 projects identified in the stormwater management and combined  
46 sewer overflow abatement project priority list adopted by the  
47 commissioner pursuant to section 28 of P.L.1989, c.181; or any  
48 work relating to the purposes set forth in section 6 of P.L.2003,

1 c.162; or any work relating to any other project eligible for  
2 financing under the “Federal Water Pollution Control Act  
3 Amendments of 1972” (33 U.S.C. s.1251 et seq.), or any  
4 amendatory or supplementary acts thereto;

5 “Water resources project” means any work related to transferring  
6 water between public water systems during a state of water  
7 emergency, to avert a drought emergency in all or any part of the  
8 State, to plan, design or construct interconnections of existing water  
9 supplies, or to extend water supplies to areas with contaminated  
10 ground water supplies;

11 “Water supply facilities” means and refers to the real property  
12 and the plants, structures, interconnections between existing water  
13 supply facilities, machinery and equipment and other property, real,  
14 personal and mixed, acquired, constructed or operated, or to be  
15 acquired, constructed or operated, in whole or in part, by or on  
16 behalf of a public water utility, or by or on behalf of the State or a  
17 local government unit, for the purpose of augmenting the natural  
18 water resources of the State and making available an increased  
19 supply of water for all uses, or of conserving existing water  
20 resources, and any and all appurtenances necessary, useful or  
21 convenient for the collecting, impounding, storing, improving,  
22 treating, filtering, conserving or transmitting of water, and for the  
23 preservation and protection of these resources and facilities,  
24 whether in public or private ownership, and providing for the  
25 conservation and development of future water supply resources, and  
26 facilitating incidental recreational uses thereof;

27 “Water supply project” means any work relating to the  
28 acquisition, construction, improvement, repair or reconstruction of  
29 all or part of any structure, facility or equipment, or real or personal  
30 property necessary for or ancillary to water supply facilities that  
31 meets the requirements set forth in sections 24, 25, and 26 of  
32 P.L.1997, c.224 (C.58:11B-20.1, C.58:11B-21.1, and C.58:11B-  
33 22.1); or any work relating to the purposes set forth in section 4 of  
34 P.L.1981, c.261; or any work relating to the purposes set forth in  
35 section 6 of P.L.2003, c.162; or any work relating to any other  
36 project eligible for funding pursuant to the federal “Safe Drinking  
37 Water Act Amendments of 1996,” Pub.L.104-182, and any  
38 amendatory and supplementary acts thereto.

39 (cf: P.L.2021, c.74, s.1)

40  
41 11. Section 5 of P.L.1985, c.334 (C.58:11B-5) is amended to  
42 read as follows:

43 5. Except as otherwise limited by the provisions of P.L.1985,  
44 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),  
45 or 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), the trust may:

- 1 a. Make and alter bylaws for its organization and internal  
2 management and, subject to agreements with holders of its bonds,  
3 notes or other obligations, make rules and regulations with respect  
4 to its operations, properties and facilities;
- 5 b. Adopt an official seal and alter it;
- 6 c. Sue and be sued;
- 7 d. Make and enter into all contracts, leases and agreements  
8 necessary or incidental to the performance of its duties and the  
9 exercise of its powers under the provisions of P.L.1985, c.334  
10 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
11 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
12 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
13 C.58:11B-22.4), and subject to any agreement with the holders of  
14 the trust's bonds, notes or other obligations, consent to any  
15 modification, amendment or revision of any contract, lease or  
16 agreement to which the trust is a party;
- 17 e. Enter into agreements or other transactions with and accept,  
18 subject to the provisions of section 23 of P.L.1985, c.334  
19 (C.58:11B-23), grants, appropriations and the cooperation of the  
20 State, or any State agency, in furtherance of the purposes of  
21 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-  
22 10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56  
23 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-  
24 22.3, and C.58:11B-22.4), and do anything necessary in order to  
25 avail itself of that aid and cooperation;
- 26 f. Receive and accept aid or contributions from any source of  
27 money, property, labor or other things of value, to be held, used and  
28 applied to carry out the purposes of P.L.1985, c.334 (C.58:11B-1 et  
29 seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34  
30 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
31 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4), subject  
32 to the conditions upon which that aid and those contributions may  
33 be made, including, but not limited to, gifts or grants from any  
34 department or agency of the State, or any State agency, for any  
35 purpose consistent with the provisions of P.L.1985, c.334  
36 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
37 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
38 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
39 C.58:11B-22.4), subject to the provisions of section 23 of P.L.1985,  
40 c.334 (C.58:11B-23);
- 41 g. Acquire, own, hold, construct, improve, rehabilitate,  
42 renovate, operate, maintain, sell, assign, exchange, lease, mortgage  
43 or otherwise dispose of real and personal property, or any interest  
44 therein, in the exercise of its powers and the performance of its  
45 duties under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.),  
46 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34  
47 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
48 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4);

- 1 h. Appoint and employ an executive director and any other  
2 officers or employees as it may require for the performance of its  
3 duties, without regard to the provisions of Title 11A of the New  
4 Jersey Statutes;
- 5 i. Borrow money and issue bonds, notes and other obligations,  
6 and secure the same, and provide for the rights of the holders  
7 thereof as provided in the provisions of P.L.1985, c.334 (C.58:11B-  
8 1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and  
9 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
10 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4);
- 11 j. Subject to any agreement with holders of its bonds, notes or  
12 other obligations, invest moneys of the trust not required for  
13 immediate use, including proceeds from the sale of any bonds, notes  
14 or other obligations, in any obligations, securities and other  
15 investments in accordance with the rules and regulations of the  
16 State Investment Council or as may otherwise be approved by the  
17 Director of the Division of Investment in the Department of the  
18 Treasury upon a finding that such investments are consistent with  
19 the corporate purposes of the trust;
- 20 k. Procure insurance to secure the payment of its bonds, notes  
21 or other obligations or the payment of any guarantees or loans made  
22 by it in accordance with the provisions of P.L.1985, c.334  
23 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
24 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
25 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
26 C.58:11B-22.4), or against any loss in connection with its property  
27 and other assets and operations, in any amounts and from any  
28 insurers as it deems desirable;
- 29 l. Engage the services of attorneys, accountants, engineers, and  
30 financial experts and any other advisors, consultants, experts and  
31 agents as may be necessary in its judgment and fix their  
32 compensation;
- 33 m. (1) Make and contract to make loans and provide other  
34 assistance to local government units, or to a local government unit  
35 on behalf of another local government unit, to finance the cost of  
36 wastewater treatment system projects or water supply projects and  
37 acquire and contract to acquire notes, bonds or other obligations  
38 issued or to be issued by any local government units to evidence the  
39 loans, all in accordance with the provisions of P.L.1985, c.334  
40 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.);
- 41 (2) Make and contract to make loans and provide other  
42 assistance to public water utilities, or to any other person or local  
43 government unit on behalf of a public water utility, to finance the  
44 cost of water supply projects in accordance with the provisions of  
45 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-  
46 10.1 et al.);

1 (3) Make and contract to make loans and provide other  
2 assistance to private persons other than local government units, or  
3 to any other person or local government unit on behalf of a private  
4 person, to finance the cost of onsite wastewater treatment and  
5 disposal systems or stormwater management systems in accordance  
6 with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or  
7 P.L.1997, c.224 (C.58:11B-10.1 et al.);

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

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

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

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

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

1 agreements or instruments in any amounts and upon any terms as  
2 the trust may determine, and pay any fees and expenses required in  
3 connection therewith;

4 q. Provide to local government units any financial and credit  
5 advice <sup>1</sup>, and any form of technical assistance,<sup>1</sup> as these local  
6 government units may request;

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

10 s. Take any action necessary or convenient to the exercise of  
11 the foregoing powers or reasonably implied therefrom.

12 (cf: P.L.2021, c.74, s.2)

13

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

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

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

40 c. Bonds, notes or other obligations of the trust shall be  
41 authorized by a resolution or resolutions of the trust and may be  
42 issued in one or more series and shall bear any date or dates, mature  
43 at any time or times, bear interest at any rate or rates of interest per  
44 annum, be in any denomination or denominations, be in any form,  
45 either coupon, registered or book entry, carry any conversion or  
46 registration privileges, have any rank or priority, be executed in any  
47 manner, be payable in any coin or currency of the United States  
48 which at the time of payment is legal tender for the payment of

1 public and private debts, at any place or places within or without  
2 the State, and be subject to any terms of redemption by the trust or  
3 the holders thereof, with or without premium, as the resolution or  
4 resolutions may provide. A resolution of the trust authorizing the  
5 issuance of bonds, notes or other obligations may provide that the  
6 bonds, notes or other obligations be secured by a trust indenture  
7 between the trust and a trustee, vesting in the trustee any property,  
8 rights, powers and duties in trust consistent with the provisions of  
9 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-  
10 10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56  
11 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-  
12 22.3, and C.58:11B-22.4) as the trust may determine.

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

35 Notwithstanding the provisions of the “Local Bond Law,”  
36 N.J.S.40A:2-1 et seq., or this subsection, to the contrary, each bond,  
37 note, or other obligation **[funded]** of the trust, and each bond, note,  
38 or other obligation of a local government unit, public water utility,  
39 or other person, issued to the trust to evidence the loan issued to the  
40 trust, or, if applicable, issued to the State, acting by and through the  
41 Department of Environmental Protection, to evidence a loan issued  
42 thereby, pursuant to subsection a. of section 9 of P.L.1985, c.334  
43 (C.58:11B-9), and issued in connection with funding provided  
44 pursuant to the “Water Infrastructure Finance and Innovation Act of  
45 2014” (WIFIA), 33 U.S.C. s.3901 et seq., as amended and  
46 supplemented, [or] the “Transportation Infrastructure Finance and  
47 Innovation Act of 1998” (TIFIA), 23 U.S.C. s.601 et seq., as  
48 amended and supplemented, or the “Safeguarding Tomorrow

1 Through Ongoing Risk Mitigation (STORM) Act,” Pub.L. 116-284  
2 (42 U.S.C. s. 5135), as amended or supplemented, shall mature and  
3 be paid not later than the maximum time period allowed by those  
4 federal acts.

5 All bonds of the trust shall be sold at public or private sale at the  
6 price or prices and in the manner as the trust shall determine, either  
7 on a negotiated or on a competitive basis. If competitively sold,  
8 bonds shall be sold after notice of sale, a summary of which shall be  
9 **【published at least once in at least three newspapers published in**  
10 **the State of New Jersey and at least once in a publication carrying**  
11 **municipal bond notices and devoted primarily to financial news**  
12 **published in New Jersey or the city of New York,】** <sup>3</sup>**【made public**  
13 **on three nationally recognized financial websites, accessible from**  
14 **the trust website, and available on the State of New Jersey Internet**  
15 **website, <https://buynjbonds.gov>, or its successor or a similar State**  
16 **of New Jersey Internet website designed to provide information to**  
17 **the State concerning the sale of bonds, with】** published at least once  
18 in at least three newspapers published in the State of New Jersey  
19 and at least once in a publication carrying municipal bond notices  
20 and devoted primarily to financial news published in New Jersey or  
21 the city of New York,<sup>3</sup> the first summary notice to be at least five  
22 days prior to the day of bidding. The notice of sale may contain a  
23 provision to the effect that any or all bids made in pursuance thereof  
24 may be rejected. In the event of such rejection or of failure to  
25 receive any acceptable bid, the trust, at any time within 60 days  
26 from the date of such advertised sale, may sell such bonds at private  
27 sale upon terms not less favorable to the State than the terms  
28 offered by any rejected bid. The trust may sell all or part of the  
29 bonds of any series as issued to any State fund or to the federal  
30 government or any agency thereof, at private sale, without  
31 advertisement.

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

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

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

24 g. The aggregate principal amount of bonds, notes or other  
25 obligations, including subordinated indebtedness of the trust, shall  
26 not exceed (1) \$5,000,000,000 with respect to bonds, notes, or other  
27 obligations issued to finance the Disaster Relief Emergency  
28 Financing Program established pursuant to section 1 of P.L.2013,  
29 c.93 (C.58:11B-9.5), and (2) ~~【\$3,800,000,000】~~ \$5,000,000,000  
30 with respect to bonds, notes, or other obligations issued for all other  
31 purposes of the trust. In computing the foregoing limitations there  
32 shall be excluded all the bonds, notes or other obligations, including  
33 subordinated indebtedness of the trust, which shall be issued for  
34 refunding purposes, whenever the refunding shall be determined to  
35 result in a savings.

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

46 (2) The Joint Budget Oversight Committee or its successor shall  
47 have the authority to approve or disapprove the sales of refunding  
48 bonds as included in each report submitted in accordance with

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

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

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

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

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

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

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

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

13 j. (Deleted by amendment, P.L.1996, c.88).  
14 (cf: P.L.2021, c.74, s.3)

15  
16 13. Section 7 of P.L.1985, c.334 (C.58:11B-7) is amended to  
17 read as follows:

18 7. In any resolution of the trust authorizing or relating to the  
19 issuance of any of its bonds, notes or other obligations, the trust, in  
20 order to secure the payment of the bonds, notes or other obligations  
21 and in addition to its other powers, may by provisions therein which  
22 shall constitute covenants by the trust and contracts with the holders  
23 of the bonds, notes or other obligations:

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

26 b. Covenant against pledging all or part of its revenues or  
27 receipts;

28 c. Covenant with respect to limitations on any right to sell,  
29 mortgage, lease or otherwise dispose of any notes, bonds or other  
30 obligations of local government units or other persons, or any part  
31 thereof, or any property of any kind;

32 d. Covenant as to any bonds, notes or other obligations to be  
33 issued by the trust, and the limitations thereon, and the terms and  
34 conditions thereof, and as to the custody, application, investment  
35 and disposition of the proceeds thereof;

36 e. Covenant as to the issuance of additional bonds, notes or  
37 other obligations of the trust or as to limitations on the issuance of  
38 additional bonds, notes or other obligations and on the incurring of  
39 other debts by it;

40 f. Covenant as to the payment of the principal of or interest on  
41 bonds, notes or other obligations of the trust, as to the sources and  
42 methods of payment, as to the rank or priority of the bonds, notes or  
43 other obligations with respect to any lien or security or as to the  
44 acceleration of the maturity of the bonds, notes or other obligations;

45 g. Provide for the replacement of lost, stolen, destroyed or  
46 mutilated bonds, notes or other obligations of the trust;

47 h. Covenant against extending the time for the payment of  
48 bonds, notes or other obligations of the trust or interest thereon;

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

1 20.2, C.58:11B-22.3, and C.58:11B-22.4) of like or different  
2 character, and make covenants to do or refrain from doing any acts  
3 and things as may be necessary, or convenient and desirable, in  
4 order to better secure the bonds, notes or other obligations of the  
5 trust, or which, in the absolute discretion of the trust, would make  
6 the bonds, notes or other obligations more marketable,  
7 notwithstanding that the covenants, acts or things may not be  
8 enumerated herein.

9 (cf: P.L.2016, c.56, s.16)

10

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

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

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

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

34 (4) The trust may make and contract to make loans and provide  
35 other assistance to a local government unit or consortia thereof to  
36 finance the cost of transportation projects, aviation projects, and  
37 marine projects pursuant to sections 22 and 34 through 38 of  
38 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-  
39 20.2, C.58:11B-22.3, and C.58:11B-22.4), and provided that the  
40 federally-funded transportation subaccount is operated in  
41 accordance with the provisions of the federal infrastructure bank  
42 program.

43 The loans may be made subject to those terms and conditions as  
44 the trust shall determine to be consistent with the purposes thereof.  
45 Each loan by the trust and the terms and conditions thereof shall be  
46 subject to approval by the State Treasurer, and the trust shall make  
47 available to the State Treasurer all information, statistical data and  
48 reports of independent consultants or experts as the State Treasurer

1 shall deem necessary in order to evaluate the loan. Each loan to a  
2 local government unit, public water utility or any other person shall  
3 be evidenced by notes, bonds or other obligations thereof issued to  
4 the trust. In the case of each local government unit, notes and  
5 bonds to be issued to the trust and, if applicable, the State, acting by  
6 and through the Department of Environmental Protection, by the  
7 local government unit (1) shall be authorized and issued as provided  
8 by law for the issuance of notes and bonds by the local government  
9 unit, (2) notwithstanding any provisions of the “Local Authorities  
10 Fiscal Control Law,” P.L.1983, c.313 (C.40A:5A-1 et seq.) to the  
11 contrary, shall be approved by the Director of the Division of Local  
12 Government Services in the Department of Community Affairs, and  
13 (3) notwithstanding the provisions of N.J.S.40A:2-27, N.J.S.40A:2-  
14 28 and N.J.S.40A:2-29 or any other provisions of law to the  
15 contrary, may be sold at private sale to the trust or the State, as the  
16 case may be, at any price, whether or not less than par value, and  
17 shall be subject to redemption prior to maturity at any times and at  
18 any prices as the trust or the State, as the case may be, and local  
19 government units may agree. Each loan to a local government unit,  
20 public water utility or any other person and the notes, bonds or  
21 other obligations thereby issued shall bear interest at a rate or rates  
22 per annum as the trust or the State, as the case may be, and the local  
23 government unit, public water utility or any other person, as the  
24 case may be, may agree.

25 b. The trust is authorized to guarantee or contract to guarantee  
26 the payment of all or any portion of the principal and interest on  
27 bonds, notes or other obligations issued by a local government unit,  
28 public water utility, or other person, to finance , as applicable, the  
29 cost of any wastewater treatment system project, water supply  
30 project, transportation project, aviation project, or marine project,  
31 or redevelopment project that includes, as a portion thereof, any  
32 wastewater treatment system project, water supply project, **[or]**  
33 transportation project, aviation project, marine project, or hazard  
34 mitigation and <sup>1</sup>[resiliency] resilience<sup>1</sup> project as defined in section  
35 2 of P.L. , c. (C. ) (pending before the Legislature as this  
36 bill) , which the local government unit, public water utility, or other  
37 person may lawfully undertake or acquire and for which the local  
38 government unit is authorized by law to borrow money, and the  
39 guarantee shall constitute an obligation of the trust, and shall be in  
40 furtherance of the corporate purposes of the trust, for the purposes  
41 of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
42 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of  
43 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-  
44 20.2, C.58:11B-22.3, and C.58:11B-22.4). Each guarantee by the  
45 trust and the terms and conditions thereof shall be subject to  
46 approval by the State Treasurer, and the trust shall make available  
47 to the State Treasurer all information, statistical data and reports of

1 independent consultants or experts as the State Treasurer shall deem  
2 necessary in order to evaluate the guarantee.

3 c. The trust shall not make or contract to make any loans or  
4 guarantees to local government units, public water utilities or any  
5 other person, or otherwise incur any additional indebtedness, on or  
6 after June 30, **[2033]** 2053.

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

31 The trust shall create and establish a special fund to be known as  
32 the "Interim Environmental Financing Program Fund" for the short-  
33 term or temporary loan financing or refinancing program to be  
34 known as the "Interim Environmental Financing Program." The  
35 monies in the fund shall be used for short-term or temporary loans  
36 for clean water and drinking water projects pursuant to the New  
37 Jersey Environmental Infrastructure Financing Program.

38 Except as provided in section 1 of P.L.2013, c.93 (C.58:11B-  
39 9.5), any short-term or temporary loans made by the trust pursuant  
40 to this subsection may only be made in advance of the anticipated  
41 loans the trust may make and contract to make under the provisions  
42 of subsection a. of this section from any source of funds anticipated  
43 to be received by the trust. Any such short-term or temporary loan  
44 made pursuant to the Interim Environmental Financing Program  
45 shall mature no later than the last day of the third succeeding fiscal  
46 year following the closing date on which the short-term or  
47 temporary loan was made by the trust to the project sponsor; except  
48 a planning, design, and construction loan shall mature no later than

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

41 The Interim Environmental Financing Program Project Priority  
42 List, including any revision thereof or supplement thereto, shall be  
43 submitted to the Legislature pursuant to section 2 of P.L.1991,  
44 c.164 (C.52:14-19.1) at least once in each fiscal year as provided in  
45 section 20 of P.L.1985, c.334 (C.58:11B-20) and section 24 of  
46 P.L.1997, c.224 (C.58:11B-20.1). The Secretary and the Clerk shall  
47 cause the date of submission to be entered upon the Senate Journal  
48 and the Minutes of the General Assembly, respectively. The trust

1 may revise or supplement the Interim Environmental Financing  
2 Program Project Priority List no more than four times during the  
3 fiscal year and shall submit the revised list to the Legislature when  
4 the revisions are made. Any environmental infrastructure project or  
5 the project sponsor thereof not identified in the Interim  
6 Environmental Financing Program Project Priority List shall not be  
7 eligible for a short-term or temporary loan from the Interim  
8 Environmental Financing Program Fund. The trust may issue short-  
9 term or temporary loans pursuant to this subsection only if a project  
10 is listed on an Interim Environmental Financing Program Project  
11 Priority List that has been submitted to the Legislature. No funds  
12 may be disbursed pursuant to this section for environmental  
13 infrastructure project activities prior to a determination and  
14 certification, in writing, from the Department of Environmental  
15 Protection, that the project activities satisfy the provisions of  
16 P.L.1985, c.334 (C.58:11B-1 et seq.).

17 e. Notwithstanding any provisions of the “Local Bond Law”  
18 (N.J.S.40A:2-1 et seq.), the “sewerage authorities law,” P.L.1946,  
19 c.138 (C.40:14A-1 et seq.), or the “municipal and county utilities  
20 authorities law,” P.L.1957, c.183 (C.40:14B-1 et seq.) to the  
21 contrary, short-term or temporary loans made by the trust pursuant  
22 to section 9 of P.L.1985, c.334 (C.58:11B-9) or section 1 of  
23 P.L.2013, c.93 (C.58:11B-9.5), and the obligations issued by project  
24 sponsors to evidence such loans, may, at the discretion of the trust  
25 and upon application by the project sponsor, bear interest at a  
26 variable rate determined pursuant to a methodology as may be  
27 established by the trust from time to time.

28 Further, notwithstanding any provisions of the “Local Bond  
29 Law” (N.J.S.40A:2-1 et seq.), the “sewerage authorities law,”  
30 P.L.1946, c.138 (C.40:14A-1 et seq.), or the “municipal and county  
31 utilities authorities law,” P.L.1957, c.183 (C.40:14B-1 et seq.) to  
32 the contrary, any short-term or temporary loans made by the trust  
33 pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9) or section 1  
34 of P.L.2013, c.93 (C.58:11B-9.5), and any notes or other  
35 obligations issued by project sponsors to evidence such short-term  
36 or temporary loans, as such loans, notes, or other obligations may  
37 be refinanced or extended, as provided in subsections d. and g. of  
38 this section and section 1 of P.L.2013, c.93 (C.58:11B-9.5), except  
39 for loans for environmental planning and engineering design costs  
40 associated with long-term control plans for combined sewer  
41 overflow projects as provided in subsection d. of this section, shall  
42 mature no later than the maturity date as established pursuant to  
43 subsections d. and g. of this section and section 1 of P.L.2013, c.93  
44 (C.58:11B-9.5), without payment by project sponsors of any portion  
45 of the principal thereof prior to maturity.

46 f. Any balances remaining in the Emergency Loan Fund  
47 established pursuant to section 4 of P.L.2007, c.138 (C.58:11B-9.1),  
48 the Planning and Design Fund established pursuant to section 1 of

1 P.L.2009, c.59 (C.58:11B-9.2), the Onsite Wastewater Disposal  
2 Loan Fund established pursuant to section 5 of P.L.2009, c.103  
3 (C.58:11B-9.3), the Supplemental Loan Fund established pursuant  
4 to section 2 of P.L.2011, c.94 (C.58:11B-9.4), and the Equipment  
5 Loan Fund established pursuant to section 1 of P.L.2014, c.28  
6 (C.58:11B-9.6) after the date of enactment of P.L.2016, c.30 shall  
7 be transferred to the Interim Environmental Financing Program  
8 Fund, and any loan repayments to the trust of principal and interest  
9 or premium on loans made from those funds shall be credited to the  
10 Interim Environmental Financing Program Fund.

11 g. The trust shall create and establish a special fund to be  
12 known as the “Interim Transportation Financing Program Fund” for  
13 the short-term or temporary loan financing or refinancing program  
14 to be known as the “Interim Transportation Financing Program.”

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

39 Any short-term or temporary loans made by the trust pursuant to  
40 this subsection may only be made in advance of the anticipated  
41 loans the trust may make and contract to make under the provisions  
42 of subsection a. of this section from any source of funds anticipated  
43 to be received by the trust. Any such short-term or temporary loan  
44 made pursuant to the Interim Transportation Financing Program  
45 shall mature no later than the last day of the third succeeding fiscal  
46 year following the closing date on which the short-term or  
47 temporary loan was made by the trust to the project sponsor; except  
48 a planning, design, and construction loan shall mature no later than

1 the last day of the fifth succeeding fiscal year following the closing  
2 date of the planning, design, and construction loan or the last day of  
3 the third succeeding fiscal year following the date of construction  
4 certification following the closing date of the planning, design, and  
5 construction loan, and except a short-term or temporary loan made  
6 pursuant to this subsection which has been submitted as part of an  
7 application for funding pursuant to the “Transportation  
8 Infrastructure Finance and Innovation Act of 1998” (TIFIA), 23  
9 U.S.C. s.601 et seq., as amended and supplemented, shall mature  
10 not later than the funding draw period allowed by this federal act.  
11 Any short-term or temporary loan or planning, design and  
12 construction loan made by the trust pursuant to this subsection may  
13 mature in a shorter period of time as may be necessary to align with  
14 construction completion, whichever is sooner, provided that, in  
15 either case, project planning or engineering design activities shall  
16 not exceed two years from the closing date of the planning, design,  
17 and construction loan. With respect to any short-term or temporary  
18 loan or planning, design, and construction loan made by the trust  
19 pursuant to this subsection, the trust may authorize one short-term  
20 supplemental loan for residual expenses thereof upon receipt by the  
21 trust from the Department of Transportation of a certification that  
22 states that the time required by the project sponsor to complete  
23 construction of the project exceeds the maximum maturity date of  
24 the short-term or temporary loan or planning, design, and  
25 construction loan. Any such short-term supplemental loan shall not  
26 exceed in duration the last day of the third succeeding fiscal year  
27 following the loan closing of the short-term supplemental loan. The  
28 trust may make short-term or temporary loans pursuant to the  
29 Interim Transportation Financing Program to any one or more of the  
30 project sponsors, for the respective projects thereof, only if a  
31 project is identified in the Department of Transportation Interim  
32 Transportation Financing Program Project Priority List to be known  
33 as the “Interim Transportation Financing Program Project Priority  
34 List” in the form provided to the Legislature by the Commissioner  
35 of Transportation.

36 The Interim Transportation Financing Program Project Priority  
37 List, including any revision thereof or supplement thereto, shall be  
38 submitted to the Secretary of the Senate and the Clerk of the  
39 General Assembly on or before July 1 of each year. The Interim  
40 Transportation Financing Program Project Priority List shall be  
41 submitted to the Legislature pursuant to section 2 of P.L.1991,  
42 c.164 (C.52:14-19.1) at least once in each fiscal year. The  
43 Secretary and the Clerk shall cause the date of submission to be  
44 entered upon the Senate Journal and the Minutes of the General  
45 Assembly, respectively. Any transportation infrastructure project or  
46 the project sponsor thereof not identified in the Interim  
47 Transportation Financing Program Project Priority List shall not be  
48 eligible for a short-term or temporary loan from the Interim

1 Transportation Financing Program Fund. The trust may revise or  
2 supplement the Interim Transportation Financing Program Project  
3 Priority List no more than four times during the fiscal year, and  
4 shall submit the revised list to the Legislature when the revisions  
5 are made.

6 No funds may be disbursed pursuant to this subsection for  
7 transportation project, aviation project, or marine project activities  
8 prior to certification in writing, from the trust, that the project  
9 activities satisfy the provisions of P.L.1985, c.334 (C.58:11B-1 et  
10 seq.), 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).  
13 Construction activities for a transportation project shall also require  
14 written notification of award concurrence from the Department of  
15 Transportation prior to fund disbursement.  
16 (cf: P.L.2021, c.160, s.60)

17

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

20 11. a. The trust shall establish reserve and guarantee funds into  
21 which shall be deposited the proceeds from any State bond issue  
22 authorized for deposit in the trust or other funds appropriated by  
23 law to the trust for deposit in the reserve or guarantee funds. The  
24 reserve fund shall be used by the trust to secure debt issued by the  
25 trust. The guarantee fund shall be used by the trust to secure debt  
26 issued by a local government unit, public water utility, or other  
27 person.

28 b. The trust may establish any reserves, funds or accounts as it  
29 may determine necessary or desirable to further the accomplishment  
30 of the purposes of the trust or to comply with the provisions of any  
31 agreement made by or authorized in any resolution of the trust.  
32 (cf: P.L.1985, c.336, s.2)

33

34 16. Section 12 of P.L.1985, c.334 (C.58:11B-12) is amended to  
35 read as follows:

36 12. a. To assure the continued operation and solvency of the  
37 trust, the trust may require that if a local government unit fails or is  
38 unable to pay to the trust in full when due any obligations of the  
39 local government unit to the trust, an amount sufficient to satisfy  
40 the deficiency shall be paid by the State Treasurer to the trust from  
41 State aid payable to the local government unit. As used in this  
42 section, obligations of the local government unit include the  
43 principal of or interest on bonds, notes or other obligations of a  
44 local government unit issued to or guaranteed by the trust, including  
45 the subrogation of the trust to the right of the holders of those  
46 obligations, any fees or charges payable to the trust, and any  
47 amounts payable by a local government unit under any service  
48 contract or other contractual arrangement the payments under which

1 are pledged to secure any bonds or notes issued to the trust by  
2 another local government unit. State aid includes business personal  
3 property tax replacement revenues, State urban aid and State  
4 revenue sharing, as these terms are defined in section 2 of P.L.1976,  
5 c.38 (C.40A:3-3), or other similar forms of State aid payable to the  
6 local government unit and to the extent permitted by federal law,  
7 federal moneys appropriated or apportioned to the local government  
8 unit by the State, and for loans made in support of transportation  
9 projects, State aid shall also include county and municipal  
10 transportation aid issued pursuant to section 25 of P.L.1984, c.73  
11 (C.27:1B-25).

12 (1) If the trust requires, and there has been a failure or inability  
13 by a local government unit to pay its obligations to the trust  
14 remaining uncured for a period of 30 days, the chairman of the trust  
15 shall certify to the State Treasurer, with written notice to the fiscal  
16 officer of the local government unit and to the Legislature, the  
17 amount remaining unpaid, and the State Treasurer shall pay that  
18 amount to the trust, or if the right to receive those payments has  
19 been pledged or assigned to a trustee for benefit of the holders of  
20 bonds, notes or other obligations of the trust, to that trustee, out of  
21 the State aid payable to the local government unit, until the amount  
22 so certified is paid.

23 (2) The amount paid over to the trust shall be deducted from the  
24 corresponding appropriation or apportionment of State aid payable  
25 to the local government unit and shall not obligate the State to  
26 make, nor entitle the local government unit to receive, any  
27 additional appropriation or apportionment. The obligation of the  
28 State Treasurer to make payments to the trust or trustee and the  
29 right of the trust or trustee to receive those payments shall be  
30 subject and subordinate to the rights of holders of qualified bonds  
31 issued or to be issued pursuant to P.L.1976, c.38 (C.40A:3-1 et  
32 seq.).

33 (3) In those instances where the local government units are  
34 municipal or county sewerage, utility or improvement authorities  
35 created pursuant to P.L.1946, c.138 (C.40:14A-1 et seq.) or  
36 P.L.1957, c.183 (C.40:14B-1 et seq.), the trust may require the  
37 municipalities or counties which receive service or other benefits  
38 from the districts or authorities to enter into service contracts or  
39 other contractual arrangements under which they would be required  
40 to make payments which would satisfy any deficiencies in the  
41 revenues of the districts or authorities to repay the loans made by  
42 the trust, which contracts would be pledged to secure the payment  
43 of the loans of the trust.

44 b. Whenever a local government unit, public water utility, or  
45 other person covenants or pledges to or secures the payment of its  
46 obligations to the trust by, in whole or in part, certain revenues of  
47 the local government unit, public water utility, or other person  
48 derived by the local government unit from the imposition of rates,

1 fees and charges, and ~~the local government unit, and~~ if payments  
2 by another local government unit, public water utility, or other  
3 person under a service contract or other contractual arrangement are  
4 pledged to the payment of the obligations, the other local  
5 government unit, public water utility, or other person, fails or is  
6 unable to pay in full when due any of the obligations and the State  
7 aid revenues, if applicable, for any reason have not been made  
8 available for the payment of the obligations or have not been made  
9 available in sufficient amounts to pay the obligations in full, the  
10 trust is authorized during the period of such failure to cause the  
11 local government unit, public water utility, or other person, in  
12 accordance with the covenants or pledges established in any loan or  
13 other agreement relating thereto, to establish and collect rates, fees  
14 and charges in the amounts required to pay the obligations in  
15 accordance with the covenants or pledges established in the loan or  
16 other agreement relating thereto.

17 c. In the event that a local government unit or public water  
18 utility, consortia thereof or private entity receiving a loan from the  
19 trust fails or is unable to pay to the trust in full when due any  
20 obligations of the local government unit or public water utility,  
21 consortia thereof, or private entity to the trust, the trust shall have  
22 the authority to exercise any and all recourses available to it under  
23 the law in an effort to recover any amounts owed to the trust.

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

25

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

28 14. The State does pledge to and covenant and agree with the  
29 holders of any bonds, notes or other obligations of the trust issued  
30 pursuant to authorization of P.L.1985, c.334 (C.58:11B-1 et seq.),  
31 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34  
32 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
33 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) that the  
34 State shall not limit or alter the rights or powers vested in the trust  
35 to perform and fulfill the terms of any agreement made with the  
36 holders of the bonds, notes or other obligations or to fix, establish,  
37 charge and collect any rents, fees, rates, payments or other charges  
38 as may be convenient or necessary to produce sufficient revenues to  
39 meet all expenses of the trust and to fulfill the terms of any  
40 agreement made with the holders of bonds, notes or other  
41 obligations, including the obligations to pay the principal of and  
42 interest and premium on those bonds, notes or other obligations,  
43 with interest on any unpaid installments of interest, and all costs  
44 and expenses in connection with any action or proceedings by or on  
45 behalf of the holders, and shall not limit or alter the rights and  
46 powers of any local government unit, public water utility, or other  
47 person to pay and perform its obligations owed to the trust in  
48 connection with loans received from the trust, until the bonds, notes

1 and other obligations of the trust, together with interest thereon, are  
2 fully met and discharged or provided for.

3 (cf: P.L.2016, c.56, s.25)

4

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

7 18. a. If the trust defaults in the payment of principal of, or  
8 interest on, any issue of its bonds, notes or other obligations after  
9 these are due, whether at maturity or upon call for redemption, and  
10 the default continues for a period of 30 days or if the trust defaults  
11 in any agreement made with the holders of any issue of bonds, notes  
12 or other obligations, the holders of 25 percent in aggregate principal  
13 amount of the bonds, notes or other obligations of the issue then  
14 outstanding, by instrument or instruments filed in the office of the  
15 clerk of any county in which the trust operates and has an office and  
16 proved or acknowledged in the same manner as required for a deed  
17 to be recorded, may direct a trustee to represent the holders of the  
18 bonds, notes or other obligations of the issuers for the purposes  
19 herein provided.

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

24 (1) By suit, action or proceeding enforce all rights of the holders  
25 of bonds, notes or other obligations of the issue, to require the trust  
26 to carry out any other agreements with the holders of the bonds,  
27 notes or other obligations of the issue and to perform its duties  
28 under 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);

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

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

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

40 (5) Sell or otherwise dispose of bonds and notes of local  
41 government units, public water utilities, or other persons pledged  
42 pursuant to resolution or trust indenture for benefit of holders of  
43 bonds, notes, or other obligations of the issue on any terms as  
44 resolution or trust indenture may provide;

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

1 (7) Declare all bonds, notes or other obligations of the issue due  
2 and payable, and if all defaults are made good, then with the  
3 consent of the holders of 50 percent of the principal amount of the  
4 bonds, notes or other obligations of the issue then outstanding, to  
5 annul the declaration and its consequences.

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

11 d. The Superior Court shall have jurisdiction over any suit,  
12 action or proceeding by the trustees on behalf of the holders of  
13 bonds, notes or other obligations of the trust. The venue of any suit,  
14 action or proceeding shall be in the county in which the principal  
15 office of the trust is located.

16 e. Before declaring the principal of bonds, notes or other  
17 obligations of the trust due and payable as a result of a trust default  
18 on any of its bonds, notes or other obligations, the trustee shall first  
19 give 30 days' notice in writing to the trust and to the Governor,  
20 State Treasurer, President of the Senate and Speaker of the General  
21 Assembly.

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

23  
24 19. Section 6 of P.L.2009, c.59 (C.58:11B-19.1) is amended to  
25 read as follows:

26 6. Notwithstanding any provision of P.L.1985, c.334  
27 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to  
28 the contrary, the trust may receive or access emergency or relief  
29 federal funds that are appropriated to the State subsequent to a  
30 federal or State declaration of emergency to make loans or grants in  
31 the implementation of the New Jersey Environmental Infrastructure  
32 Financing Program **[or]**, the New Jersey Transportation  
33 Infrastructure Financing Program, or the <sup>1</sup>Resilient New Jersey  
34 Financing Community Hazard Assistance Mitigation<sup>1</sup> Program  
35 established pursuant to sections 1 through 9 of P.L. , c. (C. )  
36 (pending before the Legislature as this bill), to local government  
37 units, public water utilities or private persons for any wastewater  
38 treatment system projects included on the clean water project  
39 priority list for the ensuing fiscal year and eligible for approval  
40 pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20), water  
41 supply projects included on the drinking water project priority list  
42 for the ensuing fiscal year and eligible for approval pursuant to  
43 section 24 of P.L.1997, c.224 (C.58:11B-20.1), **[or]** transportation  
44 projects included on the transportation project priority list for the  
45 ensuing fiscal year and eligible for approval pursuant to section 36  
46 of P.L.2016, c.56 (C.58:11B-20.2), or hazard mitigation and  
47 <sup>1</sup>resiliency resilience<sup>1</sup> projects included on the <sup>1</sup>Resilient New

1 Jersey Financing] Community Hazard Assistance Mitigation<sup>1</sup>  
2 Program Project Eligibility List for the ensuing fiscal year and  
3 eligible for approval pursuant to sections 1 through 9 of P.L. \_\_\_\_\_,  
4 c. (C. \_\_\_\_\_) (pending before the Legislature as this bill), as  
5 applicable, or to make non-project related loans and provide other  
6 assistance, including CAP payments and other financial assistance  
7 on behalf of or as a conduit for local government units, in  
8 accordance with the ranking criteria determined by the federal or  
9 State government.

10 For the purposes of this section, “CAP Payment” means a  
11 payment made by a project sponsor pursuant to a State or federal  
12 relief program for utility customers or a consumer assistance  
13 program.

14 (cf: P.L.2021, c.74, s.9)

15

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

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

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

41 c. The trust shall not apply for federal funds, including funds  
42 which are authorized pursuant to the “Federal Water Pollution  
43 Control Act Amendments of 1972,” Pub.L. 92-500 (33 U.S.C.  
44 s.1251 et seq.), and any amendatory or supplementary acts thereto,  
45 except the trust is expressly authorized to apply, in consultation  
46 with the Department of Environmental Protection, for funds under  
47 the “Water Infrastructure Finance and Innovation Act,” (WIFIA) 33  
48 U.S.C. s.3901 et seq. as amended or superseded, and, in

1 consultation with the State Office of Emergency Management in the  
2 Department of Law and Public Safety for funds under the  
3 “Safeguarding Tomorrow Through Ongoing Risk Mitigation  
4 (STORM) Act,” Pub.L. 116-284 (42 U.S.C. s. 5135) as amended or  
5 superseded, and with notice to the Department of Transportation,  
6 for funds under the Transportation Infrastructure Finance and  
7 Innovation Act (TIFIA) 23 U.S.C. 601 through 23 U.S.C. 609 as  
8 amended or superseded, and provisions of the Moving Ahead for  
9 Progress in the 21st Century Act (MAP-21) Pub. L. 112-141, the  
10 Fixing America's Surface Transportation Act (FAST Act) Pub. L.  
11 114-94, the Transportation Equity Act for the 21st Century (TEA-  
12 21) Pub. L. 105-178, the Safe, Accountable, Flexible and Efficient  
13 Transportation Equity Act: a Legacy for User (“SAFETEA-LU”)  
14 Pub. L. 109-59, and the Rail Safety Improvement Act of 2008 Pub.  
15 L. 110-432, or any subsequent law concerning federal surface  
16 transportation programs as applicable.

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

22 Repayments of principal and interest on all federal funds for  
23 which the New Jersey Infrastructure Bank is expressly permitted to  
24 apply shall be the responsibility of the borrowers of New Jersey  
25 Infrastructure Bank loans issued utilizing those federal funds, and in  
26 no way shall it be the responsibility of the State of New Jersey or  
27 the Department of Transportation.

28 (cf: P.L.2019, c.516, s.6)

29

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

32 26. a. The trust shall adopt rules and regulations requiring a  
33 local government unit which receives a loan or guarantee through  
34 the New Jersey Environmental Infrastructure Financing Program for  
35 a project to establish an affirmative action program for the hiring of  
36 minority workers in the performance of any construction contract  
37 for that project and to establish a program to provide opportunities  
38 for socially and economically disadvantaged contractors and  
39 vendors to supply materials and services for the contract, consistent  
40 with the provisions of the "Law Against Discrimination," P.L.1945,  
41 c.169 (C.10:5-1 et seq.). Not less than 10 percent of the amount of  
42 any contract for construction, materials or services for a project  
43 shall be awarded to small business concerns owned and controlled  
44 by socially and economically disadvantaged individuals as defined  
45 in the "Small Business Act," Pub.L.85-536 (15 U.S.C. s.631 et  
46 seq.), and any regulations promulgated pursuant thereto provided,  
47 however, that the projects funded, in whole or in part, with federal  
48 funds, the percentage of such contracts awarded to small business

1 concerns owned and controlled by socially and economically  
2 disadvantaged individuals shall equal the goal for participation set  
3 forth in section 644(g)(1)(A)(iv) of the "Small Business Act,"  
4 Pub.L.85-536 (15 U.S.C. s.644). For transportation financing  
5 program projects funded in whole with State funds, contracts for  
6 construction materials or services shall comply with the small  
7 business set aside regulations promulgated pursuant to section 15 of  
8 P.L.1983, c.482 (C.52:32-31).

9 b. The trust shall adopt rules and regulations requiring any  
10 entity, which receives a loan, grant, or guarantee for a project to pay  
11 not less than the prevailing wage rate to workers employed in the  
12 performance of any construction contract for that project, in  
13 accordance with the rate determined by the Commissioner of Labor  
14 and Workforce Development pursuant to P.L.1963, c.150 (C.34:11-  
15 56.25 et seq.).

16 (cf: P.L.2019, c.194, s.6)

17

18 <sup>1</sup>22. There is appropriated \$500,000 from the General Fund to  
19 the New Jersey Infrastructure Bank, to establish the Community  
20 Hazard Assistance Mitigation Program pursuant to sections 1  
21 through 9 of P.L. , c. (C. ) (pending before the Legislature  
22 as this bill).<sup>1</sup>

23

24 <sup>1</sup>**[22.] 23.**<sup>1</sup> This act shall take effect immediately.

25

26

27

28

29 Establishes Community Hazard Assistance Mitigation Program  
30 in, and authorizes issuance of bonds by, NJ Infrastructure Bank to  
31 fund certain hazard mitigation and resilience projects; makes  
32 various changes to NJ Infrastructure Bank's enabling act;  
33 appropriates \$500,000.

# ASSEMBLY, No. 4866

## STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED NOVEMBER 14, 2022

**Sponsored by:**

**Assemblyman ROY FREIMAN**

**District 16 (Hunterdon, Mercer, Middlesex and Somerset)**

**Assemblyman RAJ MUKHERJI**

**District 33 (Hudson)**

**Assemblywoman SADAF F. JAFFER**

**District 16 (Hunterdon, Mercer, Middlesex and Somerset)**

**Co-Sponsored by:**

**Assemblymen Verrelli, Karabinchak and Guardian**

**SYNOPSIS**

Establishes Resilient NJ Revolving Loan Fund in, and authorizes issuance of bonds by, NJ Infrastructure Bank to fund certain hazard mitigation and resiliency projects; makes various changes to NJ Infrastructure Bank's enabling act.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 12/8/2022)**

1 AN ACT concerning the financing of certain resilience and hazard  
2 mitigation projects, the establishment of a “Resilient New Jersey  
3 Revolving Loan Fund,” and the authority of the New Jersey  
4 Infrastructure Bank, supplementing Title 58 of the Revised  
5 Statutes, and amending P.L.1985, c.334 and P.L.2009, c.59.

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

9  
10 1. (New section) Sections 1 through 9 of P.L. , c. (C. )  
11 (pending before the Legislature as this bill) shall be known and may  
12 be cited as the “Resilient NJ Revolving Loan Fund Act.”

13  
14 2. (New section) As used in sections 1 through 9 of P.L. , c.  
15 (C. ) (pending before the Legislature as this bill):

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

18 “Bonds” mean the bonds issued, or authorized to be issued, by  
19 the bank pursuant to sections 1 through 9 of P.L. , c. (C. )  
20 (pending before the Legislature as this bill) and in compliance with  
21 the bank’s authority pursuant to, and subject to the same conditions  
22 as provided in, P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,  
23 c.224 (C.58:11B-10.1 et al.), as applicable.

24 “Commissioner” means the Commissioner of Environmental  
25 Protection.

26 “Fund” means the Resilient New Jersey Revolving Loan Fund  
27 established pursuant to section 3 of P.L. , c. (C. ) (pending  
28 before the Legislature as this bill).

29 “Hazard mitigation and resiliency project” means a hazard  
30 mitigation and resiliency project identified on a State or local  
31 hazard mitigation plan, undertaken by the State, a local government  
32 unit, or a nonprofit organization in accordance with the provisions  
33 of the STORM Act.

34 “Loan origination fee” means the fee charged by the bank in  
35 connection with services provided to a sponsor of a hazard  
36 mitigation and resilience project pursuant to the sponsor’s  
37 participation in the Resilient New Jersey Financing Program. A  
38 project sponsor may finance any portion of the loan origination fee  
39 through the bank by a hazard mitigation and resilience project  
40 assistance loan to pay a portion of the costs incurred by the bank in  
41 the implementation of the Resilient New Jersey Financing Program.

42 “Local government unit” means any county or municipality, or  
43 any agency, instrumentality, authority, or corporation of any county  
44 or municipality.

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

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

6 “Resilient New Jersey Financing Program” means the program  
7 established by the bank pursuant to sections 1 through 9 of P.L. ,  
8 c. (C. ) (pending before the Legislature as this bill).

9 “State Office of Emergency Management” means the Office of  
10 Emergency Management in the Division of State Police in the  
11 Department of Law and Public Safety.

12 “STORM Act” means the “Safeguarding Tomorrow through  
13 Ongoing Risk Management Act,” Pub. L. 116-284, or any  
14 amendatory or supplementary acts thereto, and any rules,  
15 regulations, or guidance adopted pursuant thereto by the Federal  
16 Emergency Management Agency.

17

18 3. (New section) a. (1) There is established in the New Jersey  
19 Infrastructure Bank a special, nonlapsing fund to be known as the  
20 “Resilient New Jersey Revolving Loan Fund.” Monies in the fund  
21 shall be held separately and be available in perpetuity solely for the  
22 purpose of funding hazard mitigation and resilience projects  
23 undertaken by the State, local government units, and nonprofit  
24 organizations in accordance with the provisions of the STORM Act  
25 and sections 1 through 9 of P.L. , c. (C. ) (pending before  
26 the Legislature as this bill).

27 (2) There shall be established within the fund three subaccounts:

28 (a) a federally-funded hazard mitigation and resilience project  
29 subaccount approved to receive federal funds, repayments of loans,  
30 and interest earned on amounts in the subaccount;

31 (b) a State-funded hazard mitigation and resilience project  
32 subaccount approved to receive State matching funds, and funds in  
33 excess of those required to be deposited in the federally-funded  
34 hazard mitigation and resilience project subaccount; and

35 (c) a Resilient New Jersey Financing Program Loan Origination  
36 Fee subaccount established pursuant to section 4 of P.L. , c.  
37 (C. ) (pending before the Legislature as this bill).

38 b. The fund shall be credited with:

39 (1) any federal funds apportioned and allocated to the State  
40 pursuant to the STORM Act;

41 (2) proceeds from bonds, notes, or any other credit instrument  
42 issued by the bank pursuant to sections 1 through 9 of P.L. , c.  
43 (C. ) (pending before the Legislature as this bill);

44 (3) any other moneys appropriated by the Legislature or  
45 otherwise made available to the fund for the purposes of sections 1  
46 through 9 of P.L. , c. (C. ) (pending before the Legislature  
47 as this bill);

1 (4) moneys obtained from the payment of interest assessed on,  
2 and the repayment of principal of, any loans made pursuant to  
3 sections 1 through 9 of P.L. , c. (C. ) (pending before the  
4 Legislature as this bill);

5 (5) any interest earnings or other investment income earned or  
6 received on the moneys in the fund; and

7 (6) loan origination fees paid and received pursuant to section 4  
8 of P.L. , c. (C. ) (pending before the Legislature as this bill).

9 c. All money appropriated or otherwise made available to the  
10 fund shall be dedicated for the purposes of the fund. Pending use,  
11 moneys in the fund may be invested and reinvested in the same  
12 manner as other moneys of the bank in the manner provided by law.  
13 All earnings received from the investment or deposit of such  
14 moneys shall be paid into and become a part of the fund and be  
15 available for use pursuant to sections 1 through 9 of P.L. , c.  
16 (C. ) (pending before the Legislature as this bill).

17 d. Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-  
18 1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and  
19 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
20 10.5, C.58:11B-20.2, C.58:11B-22.3), to the contrary, all moneys in  
21 the fund shall be held separate from other funds of the bank, and  
22 shall not be combined or comingled with any funds that finance  
23 wastewater treatment system projects, water supply projects, other  
24 environmental infrastructure projects, or transportation projects.  
25 The amounts of federal capitalization grants appropriated pursuant  
26 to the STORM act and associated State matching funds, the  
27 repayments of loans, and the interest earned on amounts in the fund  
28 shall be accounted for separately from other amounts in the fund.

29 e. The State Office of Emergency Management, in conjunction  
30 with the bank, shall apply to the Federal Emergency Management  
31 Agency when funding is made available to states under the  
32 provisions of the STORM Act and the State Office of Emergency  
33 Management and the bank shall have the authority to enter into any  
34 agreement necessary to capitalize the fund.

35 f. The bank shall establish terms for providing assistance from  
36 the fund, including below market interest rates, deferred payment  
37 schedules, and other provisions that will enable these funds to be  
38 used effectively and in accordance with the provisions of the  
39 STORM Act, any agreement entered into with the Federal  
40 Emergency Management Agency, and sections 1 through 9 of  
41 P.L. , c. (C. ) (pending before the Legislature as this bill).

42 g. The bank shall include an itemized account of expenditures  
43 from the fund in the financial plan required pursuant to section 7 of  
44 P.L. , c. (C. ) (pending before the Legislature as this bill).

45

46 4. (New section) a. There is established in the Resilient New  
47 Jersey Revolving Loan Fund a special subaccount to be known as

1 the Resilient New Jersey Financing Program Loan Origination Fee  
2 subaccount.

3 The Resilient New Jersey Financing Program Loan Origination  
4 Fee subaccount shall be credited with:

5 (1) moneys deposited into the subaccount as loan origination fees  
6 received by the bank and paid by loan applicants for hazard  
7 mitigation and resiliency projects Resilient New Jersey Financing  
8 Program; and

9 (2) any interest paid on the amounts of the loan origination fees.

10 b. Moneys in the Resilient New Jersey Financing Program Loan  
11 Origination Fee subaccount shall be drawn and used by the bank to  
12 reimburse the bank for administrative and operating expenses  
13 incurred in administering the Resilient New Jersey Financing  
14 Program. The monies in the Resilient New Jersey Financing  
15 Program Loan Origination Fee subaccount shall also be available  
16 for application by the bank for loans to local government units and  
17 nonprofit organizations for the cost of hazard mitigation and  
18 resiliency projects. Amounts in excess of the funds drawn by the  
19 bank from the subaccount established pursuant to this section  
20 during any given fiscal year shall be carried forward into the  
21 following fiscal year and held on deposit in the fund.

22  
23 5. (New section) a. In addition to its powers and duties set forth  
24 in P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
25 (C.58:11B-10.1 et al.), and sections 22 and 34 through 38 of  
26 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-  
27 20.2, C.58:11B-22.3, and C.58:11B-22.4), the New Jersey  
28 Infrastructure Bank shall establish a “Resilient New Jersey  
29 Financing Program” to fund hazard mitigation and resiliency  
30 projects undertaken by the State, local government units, and  
31 nonprofit organizations in accordance with the provisions of the  
32 STORM Act and sections 1 through 9 of P.L. , c. (C. )  
33 (pending before the Legislature as this bill).

34 b. Except as otherwise provided in sections 1 through 9 of  
35 P.L. , c. (C. ) (pending before the Legislature as this bill),  
36 the Resilient New Jersey Financing Program shall comply with all  
37 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), unless such  
38 provision is specifically related to environmental infrastructure or  
39 transportation projects as defined in section 3 of P.L.1985, c.334  
40 (C.58:11B-3).

41 In establishing this program and issuing bonds pursuant to  
42 sections 1 through 9 of P.L. , c. (C. ) (pending before the  
43 Legislature as this bill), the bank shall have the same powers and  
44 duties set forth in the “New Jersey Infrastructure Trust Act,”  
45 P.L.1985, c.334 (C.58:11B-1 et seq.). The bank shall borrow  
46 money and issue bonds, notes, and other obligations, and secure the  
47 same, and provide for the rights of the holders thereof in the same

1 manner as provided pursuant to P.L.1985, c.334 (C.58:11B-1 et  
2 seq.).

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

21  
22 6. (New section) a. The State Office of Emergency  
23 Management, in conjunction with the bank, shall for each fiscal  
24 year develop a priority system for the ranking of hazard mitigation  
25 and resiliency projects to be financed through the Resilient New  
26 Jersey Financing Program and the Resilient New Jersey Revolving  
27 Loan Fund.

28 b. (1) The State Office of Emergency Management, in  
29 conjunction with the bank, shall set forth a Resilient New Jersey  
30 Financing Program Project Priority List, hereinafter referred to as  
31 the “hazard mitigation and resiliency project priority list,” for  
32 funding by the bank for each fiscal year and shall include the  
33 aggregate amount of funds of the bank to be authorized for these  
34 purposes. The hazard mitigation and resiliency project priority list  
35 shall include a description of each project and an explanation of the  
36 manner in which projects are ranked.

37 The hazard mitigation and resiliency project priority list for the  
38 ensuing fiscal year shall be submitted to the Legislature pursuant to  
39 section 2 of P.L.1991, c.164 (C.52:14-19.1) on or before January 15  
40 of each year. The Senate Secretary and the Clerk of the General  
41 Assembly shall cause the date of submission to be entered upon the  
42 Senate Journal and the Minutes of the General Assembly,  
43 respectively.

44 (2) Any hazard mitigation and resiliency project, or sponsor  
45 thereof, not identified in the hazard mitigation and resiliency  
46 project priority list shall not be eligible for a loan from the Resilient  
47 New Jersey Revolving Loan Fund. The bank may revise or  
48 supplement the hazard mitigation and resiliency project priority list

1 no more than four times during the fiscal year and shall submit the  
2 revised list to the Legislature when the revisions are made.

3 No funds may be disbursed pursuant to this subsection for hazard  
4 mitigation and resiliency project activities prior to certification in  
5 writing, from the bank to the State Treasurer, that the project  
6 activities satisfy the provisions of the STORM Act, sections 1  
7 through 9 of P.L. , c. (C. ) (pending before the Legislature  
8 as this bill), and P.L.1985, c.334 (C.58:11B-1 et seq.).

9 Any short-term or temporary loans made by the bank may only  
10 be made in advance of an anticipated long-term hazard mitigation  
11 and resiliency project loan. Any such short-term or temporary loan  
12 made shall mature no later than the last day of the fifth succeeding  
13 fiscal year following the closing date on which the short-term or  
14 temporary loan was made by the bank. Any short-term or  
15 temporary loan made by the bank pursuant to this subsection may  
16 mature in a shorter period of time as may be necessary to align with  
17 construction completion. With respect to any short-term or  
18 temporary loan for planning, design, and construction expenses, the  
19 bank may authorize one short-term supplemental loan for residual  
20 expenses thereof upon receipt by the bank from the State Office of  
21 Emergency Management of a certification that states that the time  
22 required to complete construction of the project exceeds the  
23 maximum maturity date of the short-term or temporary loan. Any  
24 such short-term supplemental loan shall not exceed in duration the  
25 last day of the third succeeding fiscal year following the loan  
26 closing of the short-term supplemental loan.

27 c. The State Office of Emergency Management, in conjunction  
28 with the bank, shall set forth a Resilient New Jersey Financing  
29 Program Project Eligibility List for long-term funding by the bank  
30 and shall include the aggregate amount of funds to be authorized for  
31 these purposes.

32 On or before May 15 of each year, the bank shall submit the  
33 Resilient New Jersey Financing Program Project Eligibility List, to  
34 the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-  
35 19.1) to be introduced in each House in the form of legislative  
36 appropriations bills, which shall be referred to the Senate  
37 Environment and Energy Committee and the Assembly  
38 Environment and Solid Waste Committee, or their successors, for  
39 their respective consideration. The Senate Secretary and the Clerk  
40 of the General Assembly shall cause the date of submission to be  
41 entered upon the Senate Journal and the Minutes of the General  
42 Assembly, respectively.

43 The Senate Environment and Energy Committee and the  
44 Assembly Environment and Solid Waste Committee shall, either  
45 individually or jointly, consider the legislation containing the  
46 Resilient New Jersey Program Project Eligibility List, and shall  
47 report the legislation, together with any modifications, out of  
48 committee for consideration by each House of the Legislature. On

1 or before July 1 of each year, the Legislature shall approve an  
2 appropriations act containing the Resilient New Jersey Program  
3 Project Eligibility List, which act shall include the authorization of  
4 an aggregate amount of funds of the bank to be expended for long-  
5 term loans and guarantees for the hazard mitigation and resiliency  
6 projects, including the individual amounts therefor, on the list.

7 On or before October 15 of each year the bank may submit an  
8 additional Resilient New Jersey Financing Program Project  
9 Eligibility List, to be introduced in each House in the form of  
10 legislative appropriations bills, which shall be referred to the Senate  
11 Environment and Energy Committee and the Assembly  
12 Environment and Solid Waste Committee, or their successors, for  
13 their respective consideration. The Secretary of the Senate and the  
14 Clerk of the General Assembly shall cause the date of submission to  
15 be entered upon the Senate Journal and the Minutes of the General  
16 Assembly, respectively.

17 d. The bank shall not expend any money for a loan or guarantee  
18 during a fiscal year for any hazard mitigation or resiliency project  
19 unless the expenditure is authorized pursuant to an appropriations  
20 act of the current or three immediate preceding fiscal years as  
21 provided in the provisions of this section, or as otherwise set forth  
22 in an appropriations act.

23 e. The bank shall submit to the Secretary of the Senate and the  
24 Clerk of the General Assembly on or before January 15 of each year  
25 a report which shall identify the hazard mitigation resiliency  
26 projects financed during the prior fiscal year, including a project  
27 description, the amount of the loan provided for each project, and  
28 the duration of each loan.

29  
30 7. (New section) a. On or before May 15 of each year, the bank  
31 shall submit to the Legislature pursuant to section 2 of P.L.1991,  
32 c.164 (C.52:14-19.1), a financial plan designed to implement the  
33 financing of hazard mitigation and resiliency projects on the  
34 Resilient New Jersey Financing Program Project Eligibility List  
35 approved pursuant to section 6 of P.L. , c. (C. ) (pending  
36 before the Legislature as this bill) or as otherwise approved by the  
37 Legislature. The financial plan shall list the bonds, notes, or other  
38 obligations of the bank which the bank intends to issue, including  
39 the amounts thereof and the terms and conditions thereof, a list of  
40 loans to be made, including the terms and conditions thereof and the  
41 anticipated rate of interest per annum and repayment schedule  
42 therefor, and a list of loan guarantees or contracts to guarantee the  
43 payment of all or a portion of the principal and interest on the  
44 bonds, notes, or other obligations.

45 The financial plan shall also set forth a complete operating and  
46 financial statement covering the proposed operations of the  
47 Resilient New Jersey Financing Program during the forthcoming  
48 fiscal year, including amounts of income from all sources, and the

1 uniform schedule of fees and charges established by the bank, and  
2 the amounts to be derived therefrom. The financial plan shall also  
3 summarize the status of each hazard mitigation and resiliency  
4 project for which loans or guarantees have been made by the bank,  
5 and shall describe major impediments to the accomplishment of the  
6 planned hazard mitigation and resiliency projects.

7 b. On or before June 30 of each year, the Legislature may  
8 reject the financial plan through the adoption by both houses of a  
9 concurrent resolution. If the Legislature takes no action on or  
10 before June 30, the financial plan shall be deemed approved.

11 c. The financial plan required by this section shall not be  
12 eligible for inclusion in a consolidated financial plan as established  
13 in section 27 of P.L.1997, c.224 (C.58:11B-22.2).

14

15 8. (New section) a. Monies in the Resilient New Jersey  
16 Revolving Loan Fund (1) shall be used in accordance with the  
17 provisions of the STORM Act and sections 1 through 9 of P.L. , c.  
18 (C. ) (pending before the Legislature as this bill) for the  
19 purpose of providing loans or other financial assistance for hazard  
20 mitigation and resiliency projects undertaken by State entities, local  
21 government units, and nonprofit organizations, and (2) shall be  
22 supplemental to, and not intended to take the place of, funding that  
23 otherwise would be appropriated to State agencies, local  
24 government units, or nonprofit organizations for hazard mitigation  
25 or resiliency projects.

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

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

46 (2) Repayment of a loan provided by a local government unit to a  
47 private property owner may be collected in the same manner as  
48 property taxes and shall be collateralized by a lien on the real

1 property that is the site of the hazard mitigation and resilience  
2 project. A property owner may sell property after receiving a loan  
3 pursuant to this subsection, provided that the property owner repays  
4 the loan.

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

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

13 (b) provide 50 percent loan forgiveness for eligible households  
14 with income between 80 percent to 100 percent of the median  
15 income for the municipality in which the property to which the loan  
16 applies is located; and

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

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

22 (ii) the availability of funding; and

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

26 d. The bank may provide grants or other financial assistance to  
27 nonprofit organizations for natural hazard or resiliency projects.

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

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

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

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

1       9. (New section) The bank and the Department of Law and  
2 Public Safety shall adopt, pursuant to the “Administrative  
3 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.), any rules and  
4 regulations deemed appropriate and necessary for the  
5 implementation of sections 1 through 9 of P.L. , c. (C. )  
6 (pending before the Legislature as this bill). These rules and  
7 regulations shall include, but not be limited to: procedures for the  
8 submission of applications; standards for the evaluation of  
9 applications; provisions implementing priority systems for projects;  
10 reporting requirements of the recipient of any loan concerning the  
11 progress and the expenditure of funds; and limitations, restrictions,  
12 or requirements concerning the use of monies in the fund as may be  
13 necessary pursuant to the provisions of the STORM Act and any  
14 rules or regulations adopted pursuant thereto.

15

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

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

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

38       “Bonds” means bonds issued by the trust pursuant to P.L.1985,  
39 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et  
40 al.);

41       “Combined sewer overflow” means the discharge of untreated or  
42 partially treated stormwater runoff and wastewater from a combined  
43 sewer system into a body of water;

44       “Combined sewer system” means a sewer system designed to  
45 carry sanitary wastewater at all times, which is also designed to  
46 collect and transport stormwater runoff from streets and other  
47 sources, thereby serving a combined purpose;

1 “Commissioner” means the Commissioner of the Department of  
2 Environmental Protection;

3 “Cost” means the cost of all labor, materials, machinery and  
4 equipment, lands, property, rights and easements, financing  
5 charges, interest on bonds, notes or other obligations, plans and  
6 specifications, surveys or estimates of costs and revenues,  
7 engineering and legal services, and all other expenses necessary or  
8 incident to all or part of an environmental infrastructure project;

9 “Department” means the Department of Environmental  
10 Protection;

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

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

24 “Local government unit” means (1) a State authority, county,  
25 municipality, municipal, county or regional sewerage or utility  
26 authority, municipal sewerage district, joint meeting, improvement  
27 authority, or any other political subdivision of the State authorized  
28 to construct, operate, and maintain wastewater treatment systems;  
29 (2) a State authority, district water supply commission, county,  
30 municipality, municipal, county or regional utilities authority,  
31 municipal water district, joint meeting, or any other political  
32 subdivision of the State authorized pursuant to law to operate or  
33 maintain a public water supply system or to construct, rehabilitate,  
34 operate, or maintain water supply facilities or otherwise provide  
35 water for human consumption; (3) a county, municipality,  
36 municipal, county or regional transportation authority, or any other  
37 political subdivision of the State authorized to construct, operate, or  
38 maintain public highways or transportation projects; (4) a county,  
39 municipality, or other political subdivision or instrumentality of the  
40 State, or a municipal, county, or State authority that is not a bi-state  
41 authority, authorized to construct, operate, or maintain ports or  
42 marine projects; **[or]** (5) a county, municipality, municipal or  
43 regional transportation authority, or other political subdivision or  
44 instrumentality of the State authorized to construct, operate, or  
45 maintain airports or aviation projects; or (6) a local government unit  
46 as defined in section 2 of P.L. , c. (C. ) (pending before the  
47 Legislature as this bill) authorized to receive funds pursuant to the  
48 “Safeguarding Tomorrow Through Ongoing Risk Mitigation

1 (STORM) Act,” Pub.L. 116-284 (42 U.S.C. s. 5135), as amended or  
2 supplemented, and P.L. , c. (C. ) (pending before the  
3 Legislature as this bill);

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

18 “New Jersey Environmental Infrastructure Financing Program”  
19 means the financing program to fund environmental infrastructure  
20 projects;

21 “New Jersey Transportation Infrastructure Financing Program”  
22 means the financing program to fund transportation projects,  
23 aviation projects, and marine projects;

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

29 “Onsite wastewater treatment and disposal system” means an on-  
30 site system designed to treat and dispose of domestic sewage;

31 “Other assistance” means forms of financial assistance, in  
32 addition to loans, authorized by the New Jersey Infrastructure Bank  
33 from the State Transportation Infrastructure Bank Fund, the  
34 wastewater treatment system general loan fund, **[or]** the water  
35 supply facilities general loan fund, or the Resilient New Jersey  
36 Revolving Loan Fund established pursuant to section 3 of P.L. , c.  
37 (C. ) (pending before the Legislature as this bill), including, but  
38 not limited to, use of funds to: provide credit enhancements; serve  
39 as a capital reserve for bond or other debt instrument financing;  
40 subsidize interest rates; ensure the issuance of letters of credit and  
41 credit instruments; finance purchase and lease agreements with  
42 respect to transit projects; and provide bond or other debt financing  
43 instrument security;

44 “Planning, design, and construction loan” means a short-term or  
45 temporary loan for eligible costs incurred in project planning,  
46 engineering design, or construction issued before or during the  
47 planning stage of a project;

1       “Project” means the acquisition, construction, improvement,  
2 repair or reconstruction of all or part of any structure, facility, or  
3 equipment, or real or personal property necessary for or ancillary to  
4 any: (1) wastewater treatment system project, including any  
5 stormwater management or combined sewer overflow abatement  
6 projects; (2) water supply project, as authorized pursuant to  
7 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-  
8 10.1 et al.), including any water resources project, as authorized  
9 pursuant to P.L.2003, c.162; or (3) transportation project, aviation  
10 project, or marine project authorized pursuant to 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);

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

23       “Public water utility” means any investor-owned water company  
24 or small water company;

25       “Small water company” means any company, purveyor or entity,  
26 other than a governmental agency, that provides water for human  
27 consumption and which regularly serves less than 1,000 customer  
28 connections, including nonprofit, noncommunity water systems  
29 owned or operated by a nonprofit group or organization;

30       “Stormwater management system” means any equipment, plants,  
31 structures, machinery, apparatus, management practices, or land, or  
32 any combination thereof, acquired, used, constructed, implemented  
33 or operated to prevent nonpoint source pollution, abate improper  
34 cross-connections and interconnections between stormwater and  
35 sewer systems, minimize stormwater runoff, reduce soil erosion, or  
36 induce groundwater recharge, or any combination thereof;

37       “Transportation project” means a capital project for public  
38 highways, approach roadways and other necessary land-side  
39 improvements, ramps, signal systems, roadbeds, transit lanes or  
40 rights of way, pedestrian walkways and bridges connecting to  
41 passenger stations and servicing facilities, bridges, and grade  
42 crossings;

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

45       “Wastewater” means residential, commercial, industrial, or  
46 agricultural liquid waste, sewage, septage, stormwater runoff, or  
47 any combination thereof, or other liquid residue discharged or

1 collected into a sewer system or stormwater management system, or  
2 any combination thereof;

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

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

33 “Water resources project” means any work related to transferring  
34 water between public water systems during a state of water  
35 emergency, to avert a drought emergency in all or any part of the  
36 State, to plan, design or construct interconnections of existing water  
37 supplies, or to extend water supplies to areas with contaminated  
38 ground water supplies;

39 “Water supply facilities” means and refers to the real property  
40 and the plants, structures, interconnections between existing water  
41 supply facilities, machinery and equipment and other property, real,  
42 personal and mixed, acquired, constructed or operated, or to be  
43 acquired, constructed or operated, in whole or in part, by or on  
44 behalf of a public water utility, or by or on behalf of the State or a  
45 local government unit, for the purpose of augmenting the natural  
46 water resources of the State and making available an increased  
47 supply of water for all uses, or of conserving existing water  
48 resources, and any and all appurtenances necessary, useful or

1 convenient for the collecting, impounding, storing, improving,  
2 treating, filtering, conserving or transmitting of water, and for the  
3 preservation and protection of these resources and facilities,  
4 whether in public or private ownership, and providing for the  
5 conservation and development of future water supply resources, and  
6 facilitating incidental recreational uses thereof;

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

19 (cf: P.L.2021, c.74, s.1)

20

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

23 5. Except as otherwise limited by the provisions of P.L.1985,  
24 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),  
25 or sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
26 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
27 C.58:11B-22.4), the trust may:

28 a. Make and alter bylaws for its organization and internal  
29 management and, subject to agreements with holders of its bonds,  
30 notes or other obligations, make rules and regulations with respect  
31 to its operations, properties and facilities;

32 b. Adopt an official seal and alter it;

33 c. Sue and be sued;

34 d. Make and enter into all contracts, leases and agreements  
35 necessary or incidental to the performance of its duties and the  
36 exercise of its powers under the provisions of P.L.1985, c.334  
37 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
38 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
39 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
40 C.58:11B-22.4), and subject to any agreement with the holders of  
41 the trust's bonds, notes or other obligations, consent to any  
42 modification, amendment or revision of any contract, lease or  
43 agreement to which the trust is a party;

44 e. Enter into agreements or other transactions with and accept,  
45 subject to the provisions of section 23 of P.L.1985, c.334  
46 (C.58:11B-23), grants, appropriations and the cooperation of the  
47 State, or any State agency, in furtherance of the purposes of  
48 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-

1 10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56  
2 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-  
3 22.3, and C.58:11B-22.4), and do anything necessary in order to  
4 avail itself of that aid and cooperation;

5 f. Receive and accept aid or contributions from any source of  
6 money, property, labor or other things of value, to be held, used and  
7 applied to carry out the purposes of P.L.1985, c.334 (C.58:11B-1 et  
8 seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34  
9 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
10 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4), subject  
11 to the conditions upon which that aid and those contributions may  
12 be made, including, but not limited to, gifts or grants from any  
13 department or agency of the State, or any State agency, for any  
14 purpose consistent with the provisions of P.L.1985, c.334  
15 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
16 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
17 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
18 C.58:11B-22.4), subject to the provisions of section 23 of P.L.1985,  
19 c.334 (C.58:11B-23);

20 g. Acquire, own, hold, construct, improve, rehabilitate,  
21 renovate, operate, maintain, sell, assign, exchange, lease, mortgage  
22 or otherwise dispose of real and personal property, or any interest  
23 therein, in the exercise of its powers and the performance of its  
24 duties under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.),  
25 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34  
26 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
27 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4);

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

32 i. Borrow money and issue bonds, notes and other obligations,  
33 and secure the same, and provide for the rights of the holders  
34 thereof as provided in the provisions of P.L.1985, c.334 (C.58:11B-  
35 1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and  
36 34 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);

38 j. Subject to any agreement with holders of its bonds, notes or  
39 other obligations, invest moneys of the trust not required for  
40 immediate use, including proceeds from the sale of any bonds, notes  
41 or other obligations, in any obligations, securities and other  
42 investments in accordance with the rules and regulations of the  
43 State Investment Council or as may otherwise be approved by the  
44 Director of the Division of Investment in the Department of the  
45 Treasury upon a finding that such investments are consistent with  
46 the corporate purposes of the trust;

47 k. Procure insurance to secure the payment of its bonds, notes  
48 or other obligations or the payment of any guarantees or loans made

1 by it in accordance with the provisions of P.L.1985, c.334  
2 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
3 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
4 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
5 C.58:11B-22.4), or against any loss in connection with its property  
6 and other assets and operations, in any amounts and from any  
7 insurers as it deems desirable;

8 l. Engage the services of attorneys, accountants, engineers, and  
9 financial experts and any other advisors, consultants, experts and  
10 agents as may be necessary in its judgment and fix their  
11 compensation;

12 m. (1) Make and contract to make loans and provide other  
13 assistance to local government units, or to a local government unit  
14 on behalf of another local government unit, to finance the cost of  
15 wastewater treatment system projects or water supply projects and  
16 acquire and contract to acquire notes, bonds or other obligations  
17 issued or to be issued by any local government units to evidence the  
18 loans, all in accordance with the provisions of P.L.1985, c.334  
19 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.);

20 (2) Make and contract to make loans and provide other  
21 assistance to public water utilities, or to any other person or local  
22 government unit on behalf of a public water utility, to finance the  
23 cost of water supply projects in accordance with the provisions of  
24 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-  
25 10.1 et al.);

26 (3) Make and contract to make loans and provide other  
27 assistance to private persons other than local government units, or  
28 to any other person or local government unit on behalf of a private  
29 person, to finance the cost of onsite wastewater treatment and  
30 disposal systems or stormwater management systems in accordance  
31 with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or  
32 P.L.1997, c.224 (C.58:11B-10.1 et al.);

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

41 n. Subject to any agreement with holders of its bonds, notes or  
42 other obligations, purchase bonds, notes and other obligations of the  
43 trust and (1) hold the same for resale for any duration, including  
44 until maturity thereof, including in connection with any cross-  
45 investment initiative of the trust, or (2) provide for the cancellation  
46 thereof, all in accordance with the provisions of P.L.1985, c.334  
47 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
48 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3

1 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
2 C.58:11B-22.4);

3 o. (1) Charge to and collect from local government units, private  
4 persons **[or]** , public water utilities or, nonprofit organizations any  
5 fees and charges in connection with the trust's loans, guarantees or  
6 other services, including, but not limited to, fees and charges  
7 sufficient to reimburse the trust for all reasonable costs necessarily  
8 incurred by it in connection with its financings and the  
9 establishment and maintenance of reserve or other funds, as the  
10 trust may determine to be reasonable. The fees and charges shall be  
11 in accordance with a uniform schedule published by the trust for the  
12 purpose of providing actual cost reimbursement for the services  
13 rendered;

14 (2) Any fees and charges collected by the trust pursuant to this  
15 subsection may be deposited and maintained in a special fund  
16 separate from any other funds held by the trust pursuant to section  
17 10 of P.L.1985, c.334 (C.58:11B-10) or section 23 of P.L.1997,  
18 c.224 (C.58:11B-10.1), and shall be available for any corporate  
19 purposes of the trust;

20 p. Subject to any agreement with holders of its bonds, notes or  
21 other obligations, obtain as security or to provide liquidity for  
22 payment of all or any part of the principal of and interest and  
23 premium on the bonds, notes and other obligations of the trust or  
24 for the purchase upon tender or otherwise of the bonds, notes or  
25 other obligations, lines of credit, letters of credit and other security  
26 agreements or instruments in any amounts and upon any terms as  
27 the trust may determine, and pay any fees and expenses required in  
28 connection therewith;

29 q. Provide to local government units any financial and credit  
30 advice as these local government units may request;

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

34 s. Take any action necessary or convenient to the exercise of  
35 the foregoing powers or reasonably implied therefrom.

36 (cf: P.L.2021, c.74, s.2)

37

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

40 6. a. Except as may be otherwise expressly provided in the  
41 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
42 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of  
43 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-  
44 20.2, C.58:11B-22.3, and C.58:11B-22.4), the trust may from time  
45 to time issue its bonds, notes, or other obligations in any principal  
46 amounts as in the judgment of the trust shall be necessary to  
47 provide sufficient funds for any of its corporate purposes, including  
48 the payment, funding, or refunding of the principal of, or interest or

1 redemption premiums on, any bonds, notes, or other obligations  
2 issued by it, whether the bonds, notes, or other obligations or the  
3 interest or redemption premiums thereon to be funded or refunded  
4 have or have not become due, the establishment or increase of  
5 reserves or other funds to secure or to pay the bonds, notes, or other  
6 obligations or interest thereon and all other costs or expenses of the  
7 trust incident to and necessary to carry out its corporate purposes  
8 and powers.

9 b. Whether or not the bonds, notes or other obligations of the  
10 trust are of a form and character as to be negotiable instruments  
11 under the terms of Title 12A of the New Jersey Statutes, the bonds,  
12 notes and other obligations are made negotiable instruments within  
13 the meaning of and for the purposes of Title 12A of the New Jersey  
14 Statutes, subject only to the provisions of the bonds, notes and other  
15 obligations for registration.

16 c. Bonds, notes or other obligations of the trust shall be  
17 authorized by a resolution or resolutions of the trust and may be  
18 issued in one or more series and shall bear any date or dates, mature  
19 at any time or times, bear interest at any rate or rates of interest per  
20 annum, be in any denomination or denominations, be in any form,  
21 either coupon, registered or book entry, carry any conversion or  
22 registration privileges, have any rank or priority, be executed in any  
23 manner, be payable in any coin or currency of the United States  
24 which at the time of payment is legal tender for the payment of  
25 public and private debts, at any place or places within or without  
26 the State, and be subject to any terms of redemption by the trust or  
27 the holders thereof, with or without premium, as the resolution or  
28 resolutions may provide. A resolution of the trust authorizing the  
29 issuance of bonds, notes or other obligations may provide that the  
30 bonds, notes or other obligations be secured by a trust indenture  
31 between the trust and a trustee, vesting in the trustee any property,  
32 rights, powers and duties in trust consistent with the provisions of  
33 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-  
34 10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56  
35 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-  
36 22.3, and C.58:11B-22.4) as the trust may determine.

37 d. Bonds, notes or other obligations of the trust may be sold at  
38 any price or prices and in any manner as the trust may determine.  
39 Notwithstanding any provisions of the "Local Bond Law,"  
40 N.J.S.40A:2-1 et seq., to the contrary, each bond, note or other  
41 obligation of the trust, and each bond, note, or other obligation of a  
42 local government unit, public water utility, or other person, issued  
43 to the trust to evidence the loan issued to the trust, or, if applicable,  
44 issued to the State, acting by and through the Department of  
45 Environmental Protection, to evidence a loan issued thereby,  
46 pursuant to subsection a. of section 9 of P.L.1985, c.334 (C.58:11B-  
47 9), shall mature and be paid not later than 30 years for  
48 environmental infrastructure projects, 45 years for combined sewer

1 overflow projects, **[and]** 31 years for transportation projects,  
2 aviation projects, and marine projects, and 30 years for hazard  
3 mitigation and assistance projects pursuant to sections 1 through 9  
4 of P.L. , c. (C. ) (pending before the Legislature as this bill),  
5 from the effective date thereof, or the certified useful life of the  
6 project or projects to be financed by the bonds, notes, or other  
7 obligations, whichever is less, or a shorter period of time as may be  
8 applicable to any companion loan made concurrently with the loan  
9 made by the trust and issued pursuant to federal law or regulation.

10 Notwithstanding the provisions of the “Local Bond Law,”  
11 N.J.S.40A:2-1 et seq., or this subsection, to the contrary, each bond,  
12 note, or other obligation **[funded]** of the trust, and each bond, note,  
13 or other obligation of a local government unit, public water utility,  
14 or other person, issued to the trust to evidence the loan issued to the  
15 trust, or, if applicable, issued to the State, acting by and through the  
16 Department of Environmental Protection, to evidence a loan issued  
17 thereby, pursuant to subsection a. of section 9 of P.L.1985, c.334  
18 (C.58:11B-9), and issued in connection with funding provided  
19 pursuant to the “Water Infrastructure Finance and Innovation Act of  
20 2014” (WIFIA), 33 U.S.C. s.3901 et seq., as amended and  
21 supplemented, **[or]** the “Transportation Infrastructure Finance and  
22 Innovation Act of 1998” (TIFIA), 23 U.S.C. s.601 et seq., as  
23 amended and supplemented, or the “Safeguarding Tomorrow  
24 Through Ongoing Risk Mitigation (STORM) Act,” Pub.L. 116-284  
25 (42 U.S.C. s. 5135), as amended or supplemented, shall mature and  
26 be paid not later than the maximum time period allowed by those  
27 federal acts.

28 All bonds of the trust shall be sold at public or private sale at the  
29 price or prices and in the manner as the trust shall determine, either  
30 on a negotiated or on a competitive basis. If competitively sold,  
31 bonds shall be sold after notice of sale, a summary of which shall be  
32 **[published at least once in at least three newspapers published in**  
33 **the State of New Jersey and at least once in a publication carrying**  
34 **municipal bond notices and devoted primarily to financial news**  
35 **published in New Jersey or the city of New York,]** made public on  
36 three nationally recognized financial websites, accessible from the  
37 trust website, and available on the State of New Jersey Internet  
38 website, <https://buynjbonds.gov>, or its successor or a similar State  
39 of New Jersey Internet website designed to provide information to  
40 the State concerning the sale of bonds, with the first summary  
41 notice to be at least five days prior to the day of bidding. The notice  
42 of sale may contain a provision to the effect that any or all bids  
43 made in pursuance thereof may be rejected. In the event of such  
44 rejection or of failure to receive any acceptable bid, the trust, at any  
45 time within 60 days from the date of such advertised sale, may sell  
46 such bonds at private sale upon terms not less favorable to the State  
47 than the terms offered by any rejected bid. The trust may sell all or

1 part of the bonds of any series as issued to any State fund or to the  
2 federal government or any agency thereof, at private sale, without  
3 advertisement.

4 e. Bonds, notes or other obligations of the trust may be issued  
5 under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.),  
6 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34  
7 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
8 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) without  
9 obtaining the consent of any department, division, board, bureau or  
10 agency of the State, and without any other proceedings or the  
11 happening of any other conditions or things, other than those  
12 consents, proceedings, conditions or things which are specifically  
13 required by P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
14 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of  
15 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-  
16 20.2, C.58:11B-22.3, and C.58:11B-22.4).

17 f. Bonds, notes or other obligations of the trust issued under  
18 the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997,  
19 c.224 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of  
20 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-  
21 20.2, C.58:11B-22.3, and C.58:11B-22.4) shall not be a debt or  
22 liability of the State or of any political subdivision thereof other  
23 than the trust and shall not create or constitute any indebtedness,  
24 liability or obligation of the State or any political subdivision, but  
25 all these bonds, notes and other obligations, unless funded or  
26 refunded by bonds, notes or other obligations, shall be payable  
27 solely from revenues or funds pledged or available for their  
28 payment as authorized in P.L.1985, c.334 (C.58:11B-1 et seq.),  
29 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34  
30 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
31 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4). Each  
32 bond, note and obligation shall contain on its face a statement to the  
33 effect that the trust is obligated to pay the principal thereof or the  
34 interest thereon only from its revenues, receipts or funds pledged or  
35 available for their payment as authorized in P.L.1985, c.334  
36 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
37 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
38 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
39 C.58:11B-22.4), and that neither the State, nor any political  
40 subdivision thereof, is obligated to pay the principal or interest and  
41 that neither the faith and credit nor the taxing power of the State, or  
42 any political subdivision thereof, is pledged to the payment of the  
43 principal of or the interest on the bonds, notes or other obligations.

44 g. The aggregate principal amount of bonds, notes or other  
45 obligations, including subordinated indebtedness of the trust, shall  
46 not exceed (1) \$5,000,000,000 with respect to bonds, notes, or other  
47 obligations issued to finance the Disaster Relief Emergency  
48 Financing Program established pursuant to section 1 of P.L.2013,

1 c.93 (C.58:11B-9.5), and (2) **【\$3,800,000,000】** \$5,000,000,000  
2 with respect to bonds, notes, or other obligations issued for all other  
3 purposes of the trust. In computing the foregoing limitations there  
4 shall be excluded all the bonds, notes or other obligations, including  
5 subordinated indebtedness of the trust, which shall be issued for  
6 refunding purposes, whenever the refunding shall be determined to  
7 result in a savings.

8 (1) Upon the decision by the trust to issue refunding bonds,  
9 except for current refunding, and prior to the sale of those bonds,  
10 the trust shall transmit to the Joint Budget Oversight Committee, or  
11 its successor, a report that a decision has been made, reciting the  
12 basis on which the decision was made, including an estimate of the  
13 debt service savings to be achieved and the calculations upon which  
14 the trust relied when making the decision to issue refunding bonds.  
15 The report shall also disclose the intent of the trust to issue and sell  
16 the refunding bonds at public or private sale and the reasons  
17 therefor.

18 (2) The Joint Budget Oversight Committee or its successor shall  
19 have the authority to approve or disapprove the sales of refunding  
20 bonds as included in each report submitted in accordance with  
21 paragraph (1) of this subsection. The committee shall notify the  
22 trust in writing of the approval or disapproval within 30 days of  
23 receipt of the report. Should the committee not act within 30 days  
24 of receipt of the report, the trust may proceed with the sale of the  
25 refunding bonds, provided that the sale of refunding bonds shall  
26 realize not less than three percent net present value debt service  
27 savings.

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

32 (4) Within 30 days after the sale of the refunding bonds, the  
33 trust shall notify the committee of the result of that sale, including  
34 the prices and terms, conditions and regulations concerning the  
35 refunding bonds, the actual amount of debt service savings to be  
36 realized as a result of the sale of refunding bonds, and the intended  
37 use of the proceeds from the sale of those bonds.

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

42 h. Each issue of bonds, notes, or other obligations of the trust  
43 may, if it is determined by the trust, be general obligations thereof  
44 payable out of any revenues, receipts or funds of the trust, or  
45 special obligations thereof payable out of particular revenues,  
46 receipts or funds, subject only to any agreements with the holders of  
47 bonds, notes or other obligations, and may be secured by one or  
48 more of the following:

1 (1) Pledge of revenues and other receipts to be derived from the  
2 payment of the interest on and principal of notes, bonds or other  
3 obligations issued to the trust by one or more local government  
4 units, public water utilities, or other persons, and any other payment  
5 made to the trust pursuant to agreements with any local government  
6 units, public water utilities, or other persons, or a pledge or  
7 assignment of any notes, bonds, or other obligations of any local  
8 government unit public water utilities, or other persons and the  
9 rights and interest of the trust therein;

10 (2) Pledge of rentals, receipts and other revenues to be derived  
11 from leases or other contractual arrangements with any person or  
12 entity, public or private, including one or more local government  
13 units, public water utilities, or other persons, or a pledge or  
14 assignment of those leases or other contractual arrangements and  
15 the rights and interest of the trust therein;

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

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

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

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

31 j. (Deleted by amendment, P.L.1996, c.88).  
32 (cf: P.L.2021, c.74, s.3)

33  
34 13. Section 7 of P.L.1985, c.334 (C.58:11B-7) is amended to  
35 read as follows:

36 7. In any resolution of the trust authorizing or relating to the  
37 issuance of any of its bonds, notes or other obligations, the trust, in  
38 order to secure the payment of the bonds, notes or other obligations  
39 and in addition to its other powers, may by provisions therein which  
40 shall constitute covenants by the trust and contracts with the holders  
41 of the bonds, notes or other obligations:

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

44 b. Covenant against pledging all or part of its revenues or  
45 receipts;

46 c. Covenant with respect to limitations on any right to sell,  
47 mortgage, lease or otherwise dispose of any notes, bonds or other

- 1 obligations of local government units or other persons, or any part  
2 thereof, or any property of any kind;
- 3 d. Covenant as to any bonds, notes or other obligations to be  
4 issued by the trust, and the limitations thereon, and the terms and  
5 conditions thereof, and as to the custody, application, investment  
6 and disposition of the proceeds thereof;
- 7 e. Covenant as to the issuance of additional bonds, notes or  
8 other obligations of the trust or as to limitations on the issuance of  
9 additional bonds, notes or other obligations and on the incurring of  
10 other debts by it;
- 11 f. Covenant as to the payment of the principal of or interest on  
12 bonds, notes or other obligations of the trust, as to the sources and  
13 methods of payment, as to the rank or priority of the bonds, notes or  
14 other obligations with respect to any lien or security or as to the  
15 acceleration of the maturity of the bonds, notes or other obligations;
- 16 g. Provide for the replacement of lost, stolen, destroyed or  
17 mutilated bonds, notes or other obligations of the trust;
- 18 h. Covenant against extending the time for the payment of  
19 bonds, notes or other obligations of the trust or interest thereon;
- 20 i. Covenant as to the redemption of bonds, notes and other  
21 obligations by the trust or the holders thereof and privileges of  
22 exchange thereof for other bonds, notes or other obligations of the  
23 trust;
- 24 j. Covenant to create or authorize the creation of special funds  
25 or accounts to be held in trust or otherwise for the benefit of holders  
26 of bonds, notes and other obligations of the trust, or reserves for  
27 other purposes and as to the use, investment, and disposition of  
28 moneys held in those funds, accounts or reserves;
- 29 k. Provide for the rights and liabilities, powers and duties  
30 arising upon the breach of any covenant, condition or obligation and  
31 prescribe the events of default and terms and conditions upon which  
32 any or all of the bonds, notes or other obligations of the trust shall  
33 become or may be declared due and payable before maturity and the  
34 terms and conditions upon which the declaration and its  
35 consequences may be waived;
- 36 l. Vest in a trustee or trustees within or without the State any  
37 property, rights, powers and duties in trust as the trust may  
38 determine, which may include any or all of the rights, powers and  
39 duties of any trustee appointed by the holders of any bonds, notes or  
40 other obligations of the trust pursuant to section 18 of P.L.1985,  
41 c.334 (C.58:11B-18), including rights with respect to the sale or  
42 other disposition of notes, bonds or other obligations of local  
43 government units , public water utilities, or other persons, pledged  
44 pursuant to a resolution or trust indenture for the benefit of the  
45 holders of bonds, notes or other obligations of the trust and the right  
46 by suit or action to foreclose any mortgage pledged pursuant to the  
47 resolution or trust indenture for the benefit of the holders of the  
48 bonds, notes or other obligations, and to limit or abrogate the right

1 of the holders of any bonds, notes or other obligations of the trust to  
2 appoint a trustee under the provisions of P.L.1985, c.334  
3 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
4 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
5 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
6 C.58:11B-22.4), and to limit the rights, duties and powers of the  
7 trustee;

8 m. Pay the costs or expenses incident to the enforcement of the  
9 bonds, notes or other obligations of the trust or of the provisions of  
10 the resolution authorizing the issuance of those bonds, notes or  
11 other obligations or of any covenant or agreement of the trust with  
12 the holders of the bonds, notes or other obligations;

13 n. Limit the rights of the holders of any bonds, notes or other  
14 obligations of the trust to enforce any pledge or covenant securing  
15 the bonds, notes or other obligations; and

16 o. Make covenants other than or in addition to the covenants  
17 authorized by P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
18 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of  
19 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-  
20 20.2, C.58:11B-22.3, and C.58:11B-22.4) of like or different  
21 character, and make covenants to do or refrain from doing any acts  
22 and things as may be necessary, or convenient and desirable, in  
23 order to better secure the bonds, notes or other obligations of the  
24 trust, or which, in the absolute discretion of the trust, would make  
25 the bonds, notes or other obligations more marketable,  
26 notwithstanding that the covenants, acts or things may not be  
27 enumerated herein.

28 (cf: P.L.2016, c.56, s.16)

29

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

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

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

47 (3) The trust may make and contract to make loans to private  
48 persons other than local government units, or to any other person or

1 local government unit on behalf of a private person, in accordance  
2 with and subject to the provisions of P.L.1985, c.334 (C.58:11B-1  
3 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to finance the cost  
4 of stormwater management systems.

5 (4) The trust may make and contract to make loans and provide  
6 other assistance to a local government unit or consortia thereof to  
7 finance the cost of transportation projects, aviation projects, and  
8 marine projects pursuant to sections 22 and 34 through 38 of  
9 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-  
10 20.2, C.58:11B-22.3, and C.58:11B-22.4), and provided that the  
11 federally-funded transportation subaccount is operated in  
12 accordance with the provisions of the federal infrastructure bank  
13 program.

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

44 b. The trust is authorized to guarantee or contract to guarantee  
45 the payment of all or any portion of the principal and interest on  
46 bonds, notes or other obligations issued by a local government unit,  
47 public water utility, or other person, to finance , as applicable, the  
48 cost of any wastewater treatment system project, water supply

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

21 c. The trust shall not make or contract to make any loans or  
22 guarantees to local government units, public water utilities or any  
23 other person, or otherwise incur any additional indebtedness, on or  
24 after June 30, **[2033]** 2053.

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

1       The trust shall create and establish a special fund to be known as  
2 the “Interim Environmental Financing Program Fund” for the short-  
3 term or temporary loan financing or refinancing program to be  
4 known as the “Interim Environmental Financing Program.” The  
5 monies in the fund shall be used for short-term or temporary loans  
6 for clean water and drinking water projects pursuant to the New  
7 Jersey Environmental Infrastructure Financing Program.

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

1 planning, design, and construction loan. Any such short-term  
2 supplemental loan shall not exceed in duration the last day of the  
3 third succeeding fiscal year following the loan closing of the  
4 supplemental loan. The trust may make short-term or temporary  
5 loans pursuant to the Interim Environmental Financing Program to  
6 any one or more of the project sponsors, for the respective projects  
7 thereof, identified in the interim financing project priority list to be  
8 known as the "Interim Environmental Financing Program Project  
9 Priority List" in the form provided to the Legislature by the  
10 Commissioner of Environmental Protection.

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

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

46 Further, notwithstanding any provisions of the "Local Bond  
47 Law" (N.J.S.40A:2-1 et seq.), the "sewerage authorities law,"  
48 P.L.1946, c.138 (C.40:14A-1 et seq.), or the "municipal and county

1 utilities authorities law,” P.L.1957, c.183 (C.40:14B-1 et seq.) to  
2 the contrary, any short-term or temporary loans made by the trust  
3 pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9) or section 1  
4 of P.L.2013, c.93 (C.58:11B-9.5), and any notes or other  
5 obligations issued by project sponsors to evidence such short-term  
6 or temporary loans, as such loans, notes, or other obligations may  
7 be refinanced or extended, as provided in subsections d. and g. of  
8 this section and section 1 of P.L.2013, c.93 (C.58:11B-9.5), except  
9 for loans for environmental planning and engineering design costs  
10 associated with long-term control plans for combined sewer  
11 overflow projects as provided in subsection d. of this section, shall  
12 mature no later than the maturity date as established pursuant to  
13 subsections d. and g. of this section and section 1 of P.L.2013, c.93  
14 (C.58:11B-9.5), without payment by project sponsors of any portion  
15 of the principal thereof prior to maturity.

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

29 g. The trust shall create and establish a special fund to be  
30 known as the “Interim Transportation Financing Program Fund” for  
31 the short-term or temporary loan financing or refinancing program  
32 to be known as the “Interim Transportation Financing Program.”

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

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

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

1 project is identified in the Department of Transportation Interim  
2 Transportation Financing Program Project Priority List to be known  
3 as the “Interim Transportation Financing Program Project Priority  
4 List” in the form provided to the Legislature by the Commissioner  
5 of Transportation.

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

24 No funds may be disbursed pursuant to this subsection for  
25 transportation project, aviation project, or marine project activities  
26 prior to certification in writing, from the trust, that the project  
27 activities satisfy the provisions of P.L.1985, c.334 (C.58:11B-1 et  
28 seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34  
29 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
30 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4).  
31 Construction activities for a transportation project shall also require  
32 written notification of award concurrence from the Department of  
33 Transportation prior to fund disbursement.

34 (cf: P.L.2021, c.160, s.60)

35

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

38 11. a. The trust shall establish reserve and guarantee funds into  
39 which shall be deposited the proceeds from any State bond issue  
40 authorized for deposit in the trust or other funds appropriated by  
41 law to the trust for deposit in the reserve or guarantee funds. The  
42 reserve fund shall be used by the trust to secure debt issued by the  
43 trust. The guarantee fund shall be used by the trust to secure debt  
44 issued by a local government unit, public water utility, or other  
45 person.

46 b. The trust may establish any reserves, funds or accounts as it  
47 may determine necessary or desirable to further the accomplishment

1 of the purposes of the trust or to comply with the provisions of any  
2 agreement made by or authorized in any resolution of the trust.

3 (cf: P.L.1985, c.336, s.2)

4

5 16. Section 12 of P.L.1985, c.334 (C.58:11B-12) is amended to  
6 read as follows:

7 12. a. To assure the continued operation and solvency of the  
8 trust, the trust may require that if a local government unit fails or is  
9 unable to pay to the trust in full when due any obligations of the  
10 local government unit to the trust, an amount sufficient to satisfy  
11 the deficiency shall be paid by the State Treasurer to the trust from  
12 State aid payable to the local government unit. As used in this  
13 section, obligations of the local government unit include the  
14 principal of or interest on bonds, notes or other obligations of a  
15 local government unit issued to or guaranteed by the trust, including  
16 the subrogation of the trust to the right of the holders of those  
17 obligations, any fees or charges payable to the trust, and any  
18 amounts payable by a local government unit under any service  
19 contract or other contractual arrangement the payments under which  
20 are pledged to secure any bonds or notes issued to the trust by  
21 another local government unit. State aid includes business personal  
22 property tax replacement revenues, State urban aid and State  
23 revenue sharing, as these terms are defined in section 2 of P.L.1976,  
24 c.38 (C.40A:3-3), or other similar forms of State aid payable to the  
25 local government unit and to the extent permitted by federal law,  
26 federal moneys appropriated or apportioned to the local government  
27 unit by the State, and for loans made in support of transportation  
28 projects, State aid shall also include county and municipal  
29 transportation aid issued pursuant to section 25 of P.L.1984, c.73  
30 (C.27:1B-25).

31 (1) If the trust requires, and there has been a failure or inability  
32 by a local government unit to pay its obligations to the trust  
33 remaining uncured for a period of 30 days, the chairman of the trust  
34 shall certify to the State Treasurer, with written notice to the fiscal  
35 officer of the local government unit and to the Legislature, the  
36 amount remaining unpaid, and the State Treasurer shall pay that  
37 amount to the trust, or if the right to receive those payments has  
38 been pledged or assigned to a trustee for benefit of the holders of  
39 bonds, notes or other obligations of the trust, to that trustee, out of  
40 the State aid payable to the local government unit, until the amount  
41 so certified is paid.

42 (2) The amount paid over to the trust shall be deducted from the  
43 corresponding appropriation or apportionment of State aid payable  
44 to the local government unit and shall not obligate the State to  
45 make, nor entitle the local government unit to receive, any  
46 additional appropriation or apportionment. The obligation of the  
47 State Treasurer to make payments to the trust or trustee and the  
48 right of the trust or trustee to receive those payments shall be

1 subject and subordinate to the rights of holders of qualified bonds  
2 issued or to be issued pursuant to P.L.1976, c.38 (C.40A:3-1 et  
3 seq.).

4 (3) In those instances where the local government units are  
5 municipal or county sewerage, utility or improvement authorities  
6 created pursuant to P.L.1946, c.138 (C.40:14A-1 et seq.) or  
7 P.L.1957, c.183 (C.40:14B-1 et seq.), the trust may require the  
8 municipalities or counties which receive service or other benefits  
9 from the districts or authorities to enter into service contracts or  
10 other contractual arrangements under which they would be required  
11 to make payments which would satisfy any deficiencies in the  
12 revenues of the districts or authorities to repay the loans made by  
13 the trust, which contracts would be pledged to secure the payment  
14 of the loans of the trust.

15 b. Whenever a local government unit, public water utility, or  
16 other person covenants or pledges to or secures the payment of its  
17 obligations to the trust by, in whole or in part, certain revenues of  
18 the local government unit, public water utility, or other person  
19 derived by the local government unit from the imposition of rates,  
20 fees and charges, and **【**the local government unit, and**】** if payments  
21 by another local government unit, public water utility, or other  
22 person under a service contract or other contractual arrangement are  
23 pledged to the payment of the obligations, the other local  
24 government unit, public water utility, or other person, fails or is  
25 unable to pay in full when due any of the obligations and the State  
26 aid revenues, if applicable, for any reason have not been made  
27 available for the payment of the obligations or have not been made  
28 available in sufficient amounts to pay the obligations in full, the  
29 trust is authorized during the period of such failure to cause the  
30 local government unit, public water utility, or other person, in  
31 accordance with the covenants or pledges established in any loan or  
32 other agreement relating thereto, to establish and collect rates, fees  
33 and charges in the amounts required to pay the obligations in  
34 accordance with the covenants or pledges established in the loan or  
35 other agreement relating thereto.

36 c. In the event that a local government unit or public water  
37 utility, consortia thereof or private entity receiving a loan from the  
38 trust fails or is unable to pay to the trust in full when due any  
39 obligations of the local government unit or public water utility,  
40 consortia thereof, or private entity to the trust, the trust shall have  
41 the authority to exercise any and all recourses available to it under  
42 the law in an effort to recover any amounts owed to the trust.

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

44

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

47 14. The State does pledge to and covenant and agree with the  
48 holders of any bonds, notes or other obligations of the trust issued

1 pursuant to authorization of P.L.1985, c.334 (C.58:11B-1 et seq.),  
2 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34  
3 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
4 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) that the  
5 State shall not limit or alter the rights or powers vested in the trust  
6 to perform and fulfill the terms of any agreement made with the  
7 holders of the bonds, notes or other obligations or to fix, establish,  
8 charge and collect any rents, fees, rates, payments or other charges  
9 as may be convenient or necessary to produce sufficient revenues to  
10 meet all expenses of the trust and to fulfill the terms of any  
11 agreement made with the holders of bonds, notes or other  
12 obligations, including the obligations to pay the principal of and  
13 interest and premium on those bonds, notes or other obligations,  
14 with interest on any unpaid installments of interest, and all costs  
15 and expenses in connection with any action or proceedings by or on  
16 behalf of the holders, and shall not limit or alter the rights and  
17 powers of any local government unit, public water utility, or other  
18 person to pay and perform its obligations owed to the trust in  
19 connection with loans received from the trust, until the bonds, notes  
20 and other obligations of the trust, together with interest thereon, are  
21 fully met and discharged or provided for.

22 (cf: P.L.2016, c.56, s.25)

23

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

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

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

43 (1) By suit, action or proceeding enforce all rights of the holders  
44 of bonds, notes or other obligations of the issue, to require the trust  
45 to carry out any other agreements with the holders of the bonds,  
46 notes or other obligations of the issue and to perform its duties  
47 under P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
48 (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);

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

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

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

11 (5) Sell or otherwise dispose of bonds and notes of local  
12 government units, public water utilities, or other persons pledged  
13 pursuant to resolution or trust indenture for benefit of holders of  
14 bonds, notes, or other obligations of the issue on any terms as  
15 resolution or trust indenture may provide;

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

19 (7) Declare all bonds, notes or other obligations of the issue due  
20 and payable, and if all defaults are made good, then with the  
21 consent of the holders of 50 percent of the principal amount of the  
22 bonds, notes or other obligations of the issue then outstanding, to  
23 annul the declaration and its consequences.

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

29 d. The Superior Court shall have jurisdiction over any suit,  
30 action or proceeding by the trustees on behalf of the holders of  
31 bonds, notes or other obligations of the trust. The venue of any suit,  
32 action or proceeding shall be in the county in which the principal  
33 office of the trust is located.

34 e. Before declaring the principal of bonds, notes or other  
35 obligations of the trust due and payable as a result of a trust default  
36 on any of its bonds, notes or other obligations, the trustee shall first  
37 give 30 days' notice in writing to the trust and to the Governor,  
38 State Treasurer, President of the Senate and Speaker of the General  
39 Assembly.

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

41

42 19. Section 6 of P.L.2009, c.59 (C.58:11B-19.1) is amended to  
43 read as follows:

44 6. Notwithstanding any provision of P.L.1985, c.334  
45 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to  
46 the contrary, the trust may receive or access emergency or relief  
47 federal funds that are appropriated to the State subsequent to a  
48 federal or State declaration of emergency to make loans or grants in

1 the implementation of the New Jersey Environmental Infrastructure  
2 Financing Program **[or]**, the New Jersey Transportation  
3 Infrastructure Financing Program, or the Resilient New Jersey  
4 Financing Program established pursuant to sections 1 through 9 of  
5 P.L. , c. (C. ) (pending before the Legislature as this bill), to  
6 local government units, public water utilities or private persons for  
7 any wastewater treatment system projects included on the clean  
8 water project priority list for the ensuing fiscal year and eligible for  
9 approval pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20),  
10 water supply projects included on the drinking water project  
11 priority list for the ensuing fiscal year and eligible for approval  
12 pursuant to section 24 of P.L.1997, c.224 (C.58:11B-20.1), **[or]**  
13 transportation projects included on the transportation project  
14 priority list for the ensuing fiscal year and eligible for approval  
15 pursuant to section 36 of P.L.2016, c.56 (C.58:11B-20.2), or hazard  
16 mitigation and resiliency projects included on the Resilient New  
17 Jersey Financing Program Project Eligibility List for the ensuing  
18 fiscal year and eligible for approval pursuant to sections 1 through 9  
19 of P.L. , c. (C. ) (pending before the Legislature as this bill),  
20 as applicable, or to make non-project related loans and provide  
21 other assistance, including CAP payments and other financial  
22 assistance on behalf of or as a conduit for local government units, in  
23 accordance with the ranking criteria determined by the federal or  
24 State government.

25 For the purposes of this section, “CAP Payment” means a  
26 payment made by a project sponsor pursuant to a State or federal  
27 relief program for utility customers or a consumer assistance  
28 program.

29 (cf: P.L.2021, c.74, s.9)

30

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

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

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

1 funds shall only be used to make loans or guarantees approved by  
2 the Legislature in accordance with the provisions of sections 20, 21,  
3 and 22 of P.L.1985, c.334 (C.58:11B-20, C.58:11B-21 and  
4 C.58:11B-22), sections 24, 25, and 26 of P.L.1997, c.224  
5 (C.58:11B-20.1, C.58:11B-21.1 and C.58:11B-22.1), or sections 35  
6 through 37 of P.L.2016, c.56 (C.58:11B-10.5, C.58:11B-20.2, and  
7 C.58:11B-22.3).

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

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

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

43 (cf: P.L.2019, c.516, s.6)

44

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

47 26. a. The trust shall adopt rules and regulations requiring a  
48 local government unit which receives a loan or guarantee through

1 the New Jersey Environmental Infrastructure Financing Program for  
2 a project to establish an affirmative action program for the hiring of  
3 minority workers in the performance of any construction contract  
4 for that project and to establish a program to provide opportunities  
5 for socially and economically disadvantaged contractors and  
6 vendors to supply materials and services for the contract, consistent  
7 with the provisions of the "Law Against Discrimination," P.L.1945,  
8 c.169 (C.10:5-1 et seq.). Not less than 10 percent of the amount of  
9 any contract for construction, materials or services for a project  
10 shall be awarded to small business concerns owned and controlled  
11 by socially and economically disadvantaged individuals as defined  
12 in the "Small Business Act," Pub.L.85-536 (15 U.S.C. s.631 et  
13 seq.), and any regulations promulgated pursuant thereto provided,  
14 however, that the projects funded, in whole or in part, with federal  
15 funds, the percentage of such contracts awarded to small business  
16 concerns owned and controlled by socially and economically  
17 disadvantaged individuals shall equal the goal for participation set  
18 forth in section 644(g)(1)(A)(iv) of the "Small Business Act,"  
19 Pub.L.85-536 (15 U.S.C. s.644). For transportation financing  
20 program projects funded in whole with State funds, contracts for  
21 construction materials or services shall comply with the small  
22 business set aside regulations promulgated pursuant to section 15 of  
23 P.L.1983, c.482 (C.52:32-31).

24 b. The trust shall adopt rules and regulations requiring any  
25 entity, which receives a loan, grant, or guarantee for a project to pay  
26 not less than the prevailing wage rate to workers employed in the  
27 performance of any construction contract for that project, in  
28 accordance with the rate determined by the Commissioner of Labor  
29 and Workforce Development pursuant to P.L.1963, c.150 (C.34:11-  
30 56.25 et seq.).

31 (cf: P.L.2019, c.194, s.6)

32

33 22. This act shall take effect immediately.

34

35

36

#### STATEMENT

37

38 This bill would establish a Resilient New Jersey Revolving Loan  
39 Fund (fund) in the New Jersey Infrastructure Bank (NJIB) and  
40 amend the "New Jersey Infrastructure Trust Act," P.L.1985, c.334  
41 (C.58:11B-1 et seq.), to make various changes to the NJIB's  
42 enabling law.

43 The bill directs the State Office of Emergency Management  
44 (OEM), in conjunction with the NJIB, to apply to the Federal  
45 Emergency Management Agency (FEMA) under the provisions of  
46 the "Safeguarding Tomorrow through Ongoing Risk Management  
47 Act" or "STORM Act," Pub.L.116-284, when funding is available,  
48 to enter into an agreement to capitalize the fund established by the

1 bill. In addition, the bill authorizes the NJIB to issue bonds for the  
2 financing of hazard mitigation and resiliency projects.

3 The “New Jersey Infrastructure Trust Act,” P.L.1985, c.334  
4 (C.58:11B-1 et seq.), authorizes the NJIB to issue bonds to provide  
5 funding for environmental infrastructure and transportation  
6 infrastructure projects. This bill expands the authority of the NJIB  
7 to include the financing of hazard mitigation and resiliency projects  
8 undertaken by State entities, local governments, and nonprofit  
9 organizations, in accordance with the provisions of the STORM Act  
10 and this bill.

11 The bill directs the OEM to develop a priority system for hazard  
12 mitigation and resiliency projects and establish the ranking criteria  
13 and funding policies for the hazard mitigation and resiliency  
14 projects to be financed through the Resilient New Jersey Financing  
15 Program established by the bill. The bill requires this “hazard  
16 mitigation and resiliency project priority list” for the ensuring fiscal  
17 year to be submitted to the Legislature on or before January 15th of  
18 each year. In addition, the bill requires the OEM, in conjunction  
19 with the NJIB, to submit a “Resilient New Jersey Financing  
20 Program Project Eligibility List” identifying projects to receive  
21 funding from the NJIB pursuant to the bill. The bill directs the  
22 NJIB to submit this list to the Legislature by May 15th of each year  
23 to be considered by the Legislature in the form of appropriation  
24 bills. The bill provides that the NJIB, on or before October 15 of  
25 each year, may submit an additional project eligibility list, to be  
26 considered by the Legislature in the form of appropriation bills.  
27 The bill provides that the NJIB shall not expend any moneys for a  
28 hazard mitigation or resiliency project unless that expenditure is  
29 authorized pursuant to an appropriation act of the current or three  
30 immediately preceding fiscal years.

31 In addition, the bill directs the NJIB, on or before May 15<sup>th</sup> of  
32 each year, to submit to the Legislature a financial plan designed to  
33 implement the financing of hazard mitigation and resiliency  
34 projects on the Resilient New Jersey Financing Program Project  
35 Eligibility List. The bill provides that, on or before June 30 of each  
36 year, the Legislature may reject the financial plan through the  
37 adoption by both houses of a concurrent resolution, and if the  
38 Legislature takes no action on or before June 30, the financial plan  
39 would be deemed approved.

40 The “STORM Act” authorizes FEMA to enter into agreements  
41 with certain state agencies to provide capitalization grants for  
42 hazard-mitigation revolving loan funds. The funds are to be used to  
43 provide low interest loans to fund mitigation projects, including  
44 mitigation projects on buildings that reduce damage risk, reduce  
45 insurance rates, and bring buildings into FEMA minimum National  
46 Flood Insurance Program (NFIP) requirements. The STORM Act  
47 requires the revolving funds to be administered by the agency  
48 responsible for emergency management in the state; however, it

1 provides that the FEMA Administrator may allow the financial  
2 administration of the fund to be combined with the financial  
3 administration of another revolving fund under certain conditions,  
4 including that (1) the capitalization grant, entity share, repayments  
5 of loans, and interest earned on amounts in the fund are accounted  
6 for separately from other amounts, and (2) the authority to establish  
7 assistance priorities and carry out oversight activities remains in the  
8 control of the entity agency responsible for emergency management  
9 in the State.

10 Thus, under this bill, the Resilient New Jersey Revolving Loan  
11 Fund would be established in the NJIB, with the State Office of  
12 Emergency Management applying to FEMA in conjunction with the  
13 NJIB. In addition, the State Office of Emergency Management, in  
14 conjunction with the NJIB, is charged with developing the priority  
15 system and establishing the ranking criteria and funding policies for  
16 the hazard mitigation and resiliency projects to be financed through  
17 the Resilient New Jersey Financing Program created by this bill.

18 The federal Resilience Revolving Loan program for disaster  
19 mitigation was established by the STORM Act, and FEMA received  
20 a \$500 million appropriation from the federal Infrastructure  
21 Improvement and Jobs Act, Pub.L.117-58. FEMA is currently  
22 developing the program's administrative rules, with program  
23 deployment expected in 2023. In order for states to be apply to  
24 apply to access the loan funds, they need to create a resilience  
25 revolving loan fund and apply to FEMA. This bill provides the  
26 framework for New Jersey to be able to access this funding and help  
27 fund natural hazard mitigation projects.

28 Mitigating hazard risk is critical to preserving property values  
29 and property tax revenues. Mitigating flood risk by structural  
30 elevation and structural dry flood proofing are proven methods of  
31 hazard risk reduction. Flood mitigation projects preserve property  
32 values and create good jobs in all of the professional trades and  
33 design professions. The financing of mitigation projects has always  
34 been the major limiting element of hazard mitigation. Federal,  
35 state, and local funding of grants for mitigation have been proven to  
36 work but have always fallen far short of need and demand for the  
37 funds. According to the Natural Institute of Building Sciences,  
38 every dollar spent on natural disaster mitigation saves at least \$6. It  
39 is therefore in the best interest of the State to support resilience and  
40 mitigation projects to reduce the cost of natural disasters and  
41 protect lives and property.

42 With regard to the bill's provisions that amend the "New Jersey  
43 Infrastructure Trust Act," P.L.1985, c.334 (C.58:11B-1 et seq.), to  
44 make various changes to the NJIB's enabling law, the bill:

45 (1) incorporates language concerning the new program to be  
46 established under the bill for hazard mitigation and resiliency  
47 projects;

- 1       (2) adds language to allow for the resale of bonds to allow the
- 2 NJIB to buy and sells its bonds for cross-investment purposes;
- 3       (3) clarifies language concerning maturity of long-term loans
- 4       (4) revises how the NJIB is to provide public notice concerning
- 5 the sale of bonds to remove the requirement for newspaper
- 6 publication and replace it with electronic notice;
- 7       (5) increases from \$8.8 billion to \$10 billion the aggregate
- 8 principal of bonds, notes, or other obligations of the NJIB;
- 9       (6) extends from 2033 to 2053 the date by which the NJIB may
- 10 no longer make loans or incur indebtedness;
- 11       (7) clarifies that the NJIB is authorized to provide loans and
- 12 other financial assistance to public water systems and other persons,
- 13 rather than to local government units only; and
- 14       (8) makes other technical and clarifying changes.

ASSEMBLY SPECIAL COMMITTEE ON INFRASTRUCTURE  
AND NATURAL RESOURCES

STATEMENT TO

[First Reprint]

**ASSEMBLY, No. 4866**

**STATE OF NEW JERSEY**

DATED: DECEMBER 8, 2022

The Assembly Special Committee on Infrastructure and Natural Resources reports favorably Assembly Bill No. 4866 (1R).

This bill would establish a Community Hazard Assistance Mitigation Program (“CHAMP”) and a CHAMP Revolving Loan Fund (fund) in the New Jersey Infrastructure Bank (NJIB). The bill would also amend the “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), to make various changes to the NJIB’s enabling law.

The bill directs the State Office of Emergency Management (OEM), in conjunction with the NJIB, to apply to the Federal Emergency Management Agency (FEMA) under the provisions of the “Safeguarding Tomorrow through Ongoing Risk Management Act” or “STORM Act,” Pub.L.116-284, when funding is available, to enter into an agreement to capitalize the fund established by the bill. In addition, the bill authorizes the NJIB to issue bonds for the financing of hazard mitigation and resilience projects.

The “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), authorizes the NJIB to issue bonds to provide funding for environmental infrastructure and transportation infrastructure projects. This bill expands the authority of the NJIB to include the financing of hazard mitigation and resilience projects undertaken by State entities, local governments, and nonprofit organizations, in accordance with the provisions of the STORM Act and this bill.

The bill directs the OEM, in consultation with the Commissioner of Environmental Protection, to develop a priority system for hazard mitigation and resilience projects and establish the ranking criteria and funding policies for the hazard mitigation and resilience projects to be financed through the program established by the bill. The bill requires this project priority list for the ensuing fiscal year to be submitted to the Legislature on or before January 15th of each year. In addition, the bill requires the OEM, in consultation with the Commissioner of Environmental Protection, to submit a “CHAMP Project Eligibility List” identifying projects to receive funding from the NJIB pursuant to the bill. The bill directs the NJIB to submit this list to the Legislature

by May 15th of each year to be considered by the Legislature in the form of appropriation bills. The bill provides that the NJIB, on or before October 15 of each year, may submit an additional project eligibility list, to be considered by the Legislature in the form of appropriation bills. The bill provides that the NJIB shall not expend any moneys for a hazard mitigation or resilience project unless that expenditure is authorized pursuant to an appropriation act of the current or three immediately preceding fiscal years.

In addition, the bill directs the NJIB, on or before May 15th of each year, to submit to the Legislature a financial plan designed to implement the financing of hazard mitigation and resilience projects on the CHAMP Project Eligibility List. The bill provides that, on or before June 30 of each year, the Legislature may reject the financial plan through the adoption by both houses of a concurrent resolution, and if the Legislature takes no action on or before June 30, the financial plan would be deemed approved.

The “STORM Act” authorizes FEMA to enter into agreements with certain state agencies to provide capitalization grants for hazard-mitigation revolving loan funds. The funds are to be used to provide low interest loans to fund mitigation projects, including mitigation projects on buildings that reduce damage risk, reduce insurance rates, and bring buildings into FEMA minimum National Flood Insurance Program (NFIP) requirements. The STORM Act requires the revolving funds to be administered by the agency responsible for emergency management in the state; however, it provides that the FEMA Administrator may allow the financial administration of the fund to be combined with the financial administration of another revolving fund under certain conditions, including that (1) the capitalization grant, entity share, repayments of loans, and interest earned on amounts in the fund are accounted for separately from other amounts, and (2) the authority to establish assistance priorities and carry out oversight activities remains in the control of the entity agency responsible for emergency management in the State.

Thus, under this bill, the CHAMP revolving loan fund would be established in the NJIB, with the State Office of Emergency Management applying to FEMA in conjunction with the NJIB. In addition, the State Office of Emergency Management, in consultation with the Commissioner of Environmental Protection, is charged with developing the priority system and establishing the ranking criteria and funding policies for the hazard mitigation and resilience projects to be financed through the program created by this bill.

The bill would appropriate \$500,000 from the General Fund to the NJIB, to be used for operational costs incurred by the NJIB in establishing the program required by the bill.

With regard to the bill’s provisions that amend the “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), to make various changes to the NJIB’s enabling law, the bill:

(1) incorporates language concerning the new program to be established under the bill for hazard mitigation and resilience projects;

(2) adds language to allow for the resale of bonds to allow the NJIB to buy and sell its bonds for cross-investment purposes;

(3) clarifies language concerning maturity of long-term loans

(4) revises how the NJIB provides public notice concerning the sale of bonds to remove the requirement for newspaper publication and replace it with electronic notice;

(5) increases from \$8.8 billion to \$10 billion the aggregate principal of bonds, notes, or other obligations of the NJIB;

(6) extends from 2033 to 2053 the date by which the NJIB may no longer make loans or incur indebtedness;

(7) clarifies that the NJIB is authorized to provide loans and other financial assistance to public water systems and other persons, rather than to local government units only; and

(8) makes other technical and clarifying changes.

ASSEMBLY ENVIRONMENT AND SOLID WASTE  
COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 4866**

with committee amendments

**STATE OF NEW JERSEY**

DATED: DECEMBER 8, 2022

The Assembly Environment and Solid Waste Committee reports favorably and with committee amendments Assembly Bill No. 4866.

This bill, as amended by the committee, would establish a Community Hazard Assistance Mitigation Program (“CHAMP”) and a CHAMP Revolving Loan Fund (fund) in the New Jersey Infrastructure Bank (NJIB). The bill would also amend the “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), to make various changes to the NJIB’s enabling law.

The bill directs the State Office of Emergency Management (OEM), in conjunction with the NJIB, to apply to the Federal Emergency Management Agency (FEMA) under the provisions of the “Safeguarding Tomorrow through Ongoing Risk Management Act” or “STORM Act,” Pub.L.116-284, when funding is available, to enter into an agreement to capitalize the fund established by the bill. In addition, the bill authorizes the NJIB to issue bonds for the financing of hazard mitigation and resilience projects.

The “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), authorizes the NJIB to issue bonds to provide funding for environmental infrastructure and transportation infrastructure projects. This bill expands the authority of the NJIB to include the financing of hazard mitigation and resilience projects undertaken by State entities, local governments, and nonprofit organizations, in accordance with the provisions of the STORM Act and this bill.

The bill directs the OEM, in consultation with the Commissioner of Environmental Protection, to develop a priority system for hazard mitigation and resilience projects and establish the ranking criteria and funding policies for the hazard mitigation and resilience projects to be financed through the program established by the bill. The bill requires this project priority list for the ensuing fiscal year to be submitted to the Legislature on or before January 15th of each year. In addition, the bill requires the OEM, in consultation with the Commissioner of Environmental Protection, to submit a “CHAMP Project Eligibility List” identifying projects to receive funding from the NJIB pursuant to

the bill. The bill directs the NJIB to submit this list to the Legislature by May 15th of each year to be considered by the Legislature in the form of appropriation bills. The bill provides that the NJIB, on or before October 15 of each year, may submit an additional project eligibility list, to be considered by the Legislature in the form of appropriation bills. The bill provides that the NJIB shall not expend any moneys for a hazard mitigation or resilience project unless that expenditure is authorized pursuant to an appropriation act of the current or three immediately preceding fiscal years.

In addition, the bill directs the NJIB, on or before May 15th of each year, to submit to the Legislature a financial plan designed to implement the financing of hazard mitigation and resilience projects on the CHAMP Project Eligibility List. The bill provides that, on or before June 30 of each year, the Legislature may reject the financial plan through the adoption by both houses of a concurrent resolution, and if the Legislature takes no action on or before June 30, the financial plan would be deemed approved.

The “STORM Act” authorizes FEMA to enter into agreements with certain state agencies to provide capitalization grants for hazard-mitigation revolving loan funds. The funds are to be used to provide low interest loans to fund mitigation projects, including mitigation projects on buildings that reduce damage risk, reduce insurance rates, and bring buildings into FEMA minimum National Flood Insurance Program (NFIP) requirements. The STORM Act requires the revolving funds to be administered by the agency responsible for emergency management in the state; however, it provides that the FEMA Administrator may allow the financial administration of the fund to be combined with the financial administration of another revolving fund under certain conditions, including that (1) the capitalization grant, entity share, repayments of loans, and interest earned on amounts in the fund are accounted for separately from other amounts, and (2) the authority to establish assistance priorities and carry out oversight activities remains in the control of the entity agency responsible for emergency management in the State.

Thus, under this bill, the CHAMP revolving loan fund would be established in the NJIB, with the State Office of Emergency Management applying to FEMA in conjunction with the NJIB. In addition, the State Office of Emergency Management, in consultation with the Commissioner of Environmental Protection, is charged with developing the priority system and establishing the ranking criteria and funding policies for the hazard mitigation and resilience projects to be financed through the program created by this bill.

With regard to the bill’s provisions that amend the “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), to make various changes to the NJIB’s enabling law, the bill:

(1) incorporates language concerning the new program to be established under the bill for hazard mitigation and resilience projects;

(2) adds language to allow for the resale of bonds to allow the NJIB to buy and sell its bonds for cross-investment purposes;

(3) clarifies language concerning maturity of long-term loans

(4) revises how the NJIB provides public notice concerning the sale of bonds to remove the requirement for newspaper publication and replace it with electronic notice;

(5) increases from \$8.8 billion to \$10 billion the aggregate principal of bonds, notes, or other obligations of the NJIB;

(6) extends from 2033 to 2053 the date by which the NJIB may no longer make loans or incur indebtedness;

(7) clarifies that the NJIB is authorized to provide loans and other financial assistance to public water systems and other persons, rather than to local government units only; and

(8) makes other technical and clarifying changes.

#### COMMITTEE AMENDMENTS

The committee amendments to the bill:

1) change the name of the short title of the bill from the “Resilient NJ Revolving Loan Fund Act” to the “Community Hazard Assistance Mitigation Program (CHAMP) Act,” and make corresponding changes throughout the bill to the name of the program and the name of the fund to be established by the bill;

2) change the term “hazard mitigation and resiliency project” to be “hazard mitigation and resilience project” and use this term throughout the bill;

3) in section 6, provide that the OEM would establish the priority system, project priority list, and project eligibility list in consultation with the Commissioner of Environmental Protection, instead of in conjunction with the NJIB, and specify that while the OEM is to consult with the Commissioner of Environmental Protection, the responsibility for determining assistance priorities and carrying out oversight activities is the responsibility of the OEM;

4) in section 9 of the bill, authorize, rather than require, the NJIB and Department of Law and Public Safety to adopt rules and regulations;

5) provide, in section 11 of the bill, that the NJIB may provide local government units with any form of technical assistance, in addition to any financial and credit advice, that may be requested;

6) appropriate \$500,000 from the General Fund to the NJIB, to be used for operational costs incurred by the NJIB in establishing the program required by the bill; and

7) make other technical and clarifying changes to the bill.

ASSEMBLY TRANSPORTATION AND INDEPENDENT  
AUTHORITIES COMMITTEE

STATEMENT TO

[First Reprint]

**ASSEMBLY, No. 4866**

with committee amendments

**STATE OF NEW JERSEY**

DATED: FEBRUARY 16, 2023

The Assembly Transportation and Independent Authorities Committee reports favorably and with committee amendments Assembly Bill No. 4866 (1R).

As amended and reported, this bill would establish a Community Hazard Assistance Mitigation Program (CHAMP) and a CHAMP Revolving Loan Fund (fund) in the New Jersey Infrastructure Bank (NJIB). The bill would also amend the “New Jersey Infrastructure Trust Act” to make various changes to the NJIB’s enabling law.

The bill directs the State Office of Emergency Management (OEM), in conjunction with the NJIB, to apply to the Federal Emergency Management Agency (FEMA), under the provisions of the “Safeguarding Tomorrow Through Ongoing Risk Mitigation Act” or “STORM Act,” when funding is available to enter into an agreement to capitalize the fund established by the bill. In addition, the bill authorizes the NJIB to issue bonds for the financing of hazard mitigation and resilience projects.

Under current law, the “New Jersey Infrastructure Trust Act,” authorizes the NJIB to issue bonds to provide funding for environmental infrastructure and transportation infrastructure projects. This bill expands the authority of the NJIB to include the financing of hazard mitigation and resilience projects undertaken by State entities, local governments, and nonprofit organizations, in accordance with the provisions of the STORM Act and this bill.

The bill directs the OEM, in consultation with the Commissioner of Environmental Protection (commissioner), to develop a priority system for hazard mitigation and resilience projects and establish the ranking criteria and funding policies for the hazard mitigation and resilience projects to be financed through the program established by the bill. The bill requires this project priority list for the ensuing fiscal year to be submitted to the Legislature on or before January 15th of each year. In addition, the bill requires the OEM, in consultation with the commissioner, to submit a “CHAMP Project Eligibility List” identifying projects to receive funding from the NJIB pursuant to the

bill. The bill directs the NJIB to submit this list to the Legislature by May 15th of each year to be considered by the Legislature in the form of appropriation bills. The bill provides that the NJIB, on or before October 15 of each year, may submit an additional project eligibility list, to be considered by the Legislature in the form of appropriation bills. The bill provides that the NJIB shall not expend any moneys for a hazard mitigation or resilience project unless that expenditure is authorized pursuant to an appropriation act of the current or three immediately preceding fiscal years.

In addition, the bill directs the NJIB, on or before May 15th of each year, to submit to the Legislature a financial plan designed to implement the financing of hazard mitigation and resilience projects on the CHAMP Project Eligibility List. The bill provides that, on or before June 30 of each year, the Legislature may reject the financial plan through the adoption by both houses of a concurrent resolution, and if the Legislature takes no action on or before June 30, the financial plan would be deemed approved.

Currently, the “STORM Act” authorizes FEMA to enter into agreements with certain state agencies to provide capitalization grants for hazard-mitigation revolving loan funds. The funds are to be used to provide low interest loans to fund mitigation projects, including mitigation projects on buildings that reduce damage risk, reduce insurance rates, and bring buildings into FEMA minimum National Flood Insurance Program (NFIP) requirements. The STORM Act requires the revolving funds to be administered by the agency responsible for emergency management in the state; however, it provides that the FEMA Administrator may allow the financial administration of the fund to be combined with the financial administration of another revolving fund under certain conditions, including that (1) the capitalization grant, entity share, repayments of loans, and interest earned on amounts in the fund are accounted for separately from other amounts, and (2) the authority to establish assistance priorities and carry out oversight activities remains in the control of the entity agency responsible for emergency management in the State.

Thus, under this bill, the CHAMP revolving loan fund would be established in the NJIB, with the OEM applying to FEMA in conjunction with the NJIB. In addition, the OEM, in consultation with the commissioner, is charged with developing the priority system and establishing the ranking criteria and funding policies for the hazard mitigation and resilience projects to be financed through the program created by this bill.

The bill would appropriate \$500,000 from the General Fund to the NJIB, to be used for operational costs incurred by the NJIB in establishing the program required by the bill.

With regard to the bill's provisions that amend the "New Jersey Infrastructure Trust Act," to make various changes to the NJIB's enabling law, the bill:

- (1) incorporates language concerning the new program to be established under the bill for hazard mitigation and resilience projects;
- (2) adds language to allow for the resale of bonds to allow the NJIB to buy and sell its bonds for cross-investment purposes;
- (3) clarifies language concerning maturity of long-term loans;
- (4) revises how the NJIB provides public notice concerning the sale of bonds to remove the requirement for newspaper publication and replace it with electronic notice;
- (5) increases from \$8.8 billion to \$10 billion the aggregate principal of bonds, notes, or other obligations of the NJIB;
- (6) extends from 2033 to 2053 the date by which the NJIB may no longer make loans or incur indebtedness;
- (7) clarifies that the NJIB is authorized to provide loans and other financial assistance to public water systems and other persons, rather than to local government units only; and
- (8) makes other technical and clarifying changes.

COMMITTEE AMENDMENTS:

The committee amended the bill to make a grammatical correction regarding the title of a federal act and to add a citation.

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

### [Second Reprint] **ASSEMBLY, No. 4866**

with committee amendments

# STATE OF NEW JERSEY

DATED: FEBRUARY 23, 2023

The Assembly Appropriations Committee reports favorably and with committee amendments Assembly Bill No. 4866 (2R).

As amended by the committee, this bill would establish a Community Hazard Assistance Mitigation Program (“CHAMP”) and a CHAMP Revolving Loan Fund (fund) in the New Jersey Infrastructure Bank (NJIB). The bill would also amend the “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), to make various changes to the NJIB’s enabling law.

The bill directs the State Office of Emergency Management (OEM), in conjunction with the NJIB, to apply to the Federal Emergency Management Agency (FEMA) under the provisions of the “Safeguarding Tomorrow through Ongoing Risk Management Act” or “STORM Act,” Pub.L.116-284, when funding is available, to enter into an agreement to capitalize the fund established by the bill. In addition, the bill authorizes the NJIB to issue bonds for the financing of hazard mitigation and resilience projects.

The “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), authorizes the NJIB to issue bonds to provide funding for environmental infrastructure and transportation infrastructure projects. This bill expands the authority of the NJIB to include the financing of hazard mitigation and resilience projects undertaken by State entities, local governments, and nonprofit organizations, in accordance with the provisions of the STORM Act and this bill.

The bill directs the OEM, in consultation with the Commissioner of Environmental Protection, to develop a priority system for hazard mitigation and resilience projects and establish the ranking criteria and funding policies for the hazard mitigation and resilience projects to be financed through the program established by the bill. The bill requires this project priority list for the ensuing fiscal year to be submitted to the Legislature on or before January 15th of each year. In addition, the bill requires the OEM, in consultation with the Commissioner of Environmental Protection, to submit a “CHAMP Project Eligibility List” identifying projects to receive funding from the NJIB pursuant to

the bill. The bill directs the NJIB to submit this list to the Legislature by May 15th of each year to be considered by the Legislature in the form of appropriation bills. The bill provides that the NJIB, on or before October 15 of each year, may submit an additional project eligibility list, to be considered by the Legislature in the form of appropriation bills. The bill provides that the NJIB shall not expend any moneys for a hazard mitigation or resilience project unless that expenditure is authorized pursuant to an appropriation act of the current or three immediately preceding fiscal years.

In addition, the bill directs the NJIB, on or before May 15th of each year, to submit to the Legislature a financial plan designed to implement the financing of hazard mitigation and resilience projects on the CHAMP Project Eligibility List. The bill provides that, on or before June 30 of each year, the Legislature may reject the financial plan through the adoption by both houses of a concurrent resolution, and if the Legislature takes no action on or before June 30, the financial plan would be deemed approved.

The “STORM Act” authorizes FEMA to enter into agreements with certain state agencies to provide capitalization grants for hazard-mitigation revolving loan funds. The funds are to be used to provide low interest loans to fund mitigation projects, including mitigation projects on buildings that reduce damage risk, reduce insurance rates, and bring buildings into FEMA minimum National Flood Insurance Program (NFIP) requirements. The STORM Act requires the revolving funds to be administered by the agency responsible for emergency management in the state; however, it provides that the FEMA Administrator may allow the financial administration of the fund to be combined with the financial administration of another revolving fund under certain conditions, including that (1) the capitalization grant, entity share, repayments of loans, and interest earned on amounts in the fund are accounted for separately from other amounts, and (2) the authority to establish assistance priorities and carry out oversight activities remains in the control of the entity agency responsible for emergency management in the State.

Thus, under this bill, the CHAMP revolving loan fund would be established in the NJIB, with the State Office of Emergency Management applying to FEMA in conjunction with the NJIB. In addition, the State Office of Emergency Management, in consultation with the Commissioner of Environmental Protection, is charged with developing the priority system and establishing the ranking criteria and funding policies for the hazard mitigation and resilience projects to be financed through the program created by this bill.

With regard to the bill’s provisions that amend the “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), to make various changes to the NJIB’s enabling law, the bill:

(1) incorporates language concerning the new program to be established under the bill for hazard mitigation and resilience projects;

(2) adds language to allow for the resale of bonds to allow the NJIB to buy and sell its bonds for cross-investment purposes;

(3) clarifies language concerning maturity of long-term loans;

(4) increases from \$8.8 billion to \$10 billion the aggregate principal of bonds, notes, or other obligations of the NJIB;

(5) extends from 2033 to 2053 the date by which the NJIB may no longer make loans or incur indebtedness;

(6) clarifies that the NJIB is authorized to provide loans and other financial assistance to public water systems and other persons, rather than to local government units only; and

(7) makes other technical and clarifying changes.

COMMITTEE AMENDMENTS:

The committee amendments remove the language in section 12 of the bill that revised how the NJIB provides public notice concerning the sale of bonds and restores the requirement in current law concerning newspaper publication.

FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that the bill may result in a State expenditure increase of up to \$500,000 in the first year the bill is in effect. If the full \$500,000 is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$500,000 is exhausted. Cost increases for ongoing administration of the Community Hazard Assistance Mitigation Program are indeterminate.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

[Third Reprint]

**ASSEMBLY, No. 4866**

# **STATE OF NEW JERSEY**

DATED: MARCH 6, 2023

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 4866 (3R).

This bill would establish a Community Hazard Assistance Mitigation Program (“CHAMP”) and a CHAMP Revolving Loan Fund (fund) in the New Jersey Infrastructure Bank (NJIB). The bill would also amend the “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), to make various changes to the NJIB’s enabling law.

The bill directs the State Office of Emergency Management (OEM), in conjunction with the NJIB, to apply to the Federal Emergency Management Agency (FEMA) under the provisions of the “Safeguarding Tomorrow through Ongoing Risk Management Act” or “STORM Act,” Pub.L.116-284, when funding is available, to enter into an agreement to capitalize the fund established by the bill. In addition, the bill authorizes the NJIB to issue bonds for the financing of hazard mitigation and resilience projects.

The “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), authorizes the NJIB to issue bonds to provide funding for environmental infrastructure and transportation infrastructure projects. This bill expands the authority of the NJIB to include the financing of hazard mitigation and resilience projects undertaken by State entities, local governments, and nonprofit organizations, in accordance with the provisions of the STORM Act and this bill.

The bill directs the OEM, in consultation with the Commissioner of Environmental Protection, to develop a priority system for hazard mitigation and resilience projects and establish the ranking criteria and funding policies for the hazard mitigation and resilience projects to be financed through the program established by the bill. The bill requires this project priority list for the ensuing fiscal year to be submitted to the Legislature on or before January 15th of each year. In addition, the bill requires the OEM, in consultation with the Commissioner of Environmental Protection, to submit a “CHAMP Project Eligibility List” identifying projects to receive funding from the NJIB pursuant to the bill. The bill directs the NJIB to submit this list to the Legislature by May 15th of each year to be considered by the Legislature in the

form of appropriation bills. The bill provides that the NJIB, on or before October 15 of each year, may submit an additional project eligibility list, to be considered by the Legislature in the form of appropriation bills. The bill provides that the NJIB shall not expend any moneys for a hazard mitigation or resilience project unless that expenditure is authorized pursuant to an appropriation act of the current or three immediately preceding fiscal years.

In addition, the bill directs the NJIB, on or before May 15th of each year, to submit to the Legislature a financial plan designed to implement the financing of hazard mitigation and resilience projects on the CHAMP Project Eligibility List. The bill provides that, on or before June 30 of each year, the Legislature may reject the financial plan through the adoption by both houses of a concurrent resolution, and if the Legislature takes no action on or before June 30, the financial plan would be deemed approved.

The “STORM Act” authorizes FEMA to enter into agreements with certain state agencies to provide capitalization grants for hazard-mitigation revolving loan funds. The funds are to be used to provide low interest loans to fund mitigation projects, including mitigation projects on buildings that reduce damage risk, reduce insurance rates, and bring buildings into FEMA minimum National Flood Insurance Program (NFIP) requirements. The STORM Act requires the revolving funds to be administered by the agency responsible for emergency management in the state; however, it provides that the FEMA Administrator may allow the financial administration of the fund to be combined with the financial administration of another revolving fund under certain conditions, including that (1) the capitalization grant, entity share, repayments of loans, and interest earned on amounts in the fund are accounted for separately from other amounts, and (2) the authority to establish assistance priorities and carry out oversight activities remains in the control of the entity agency responsible for emergency management in the State.

Thus, under this bill, the CHAMP revolving loan fund would be established in the NJIB, with the State Office of Emergency Management applying to FEMA in conjunction with the NJIB. In addition, the State Office of Emergency Management, in consultation with the Commissioner of Environmental Protection, is charged with developing the priority system and establishing the ranking criteria and funding policies for the hazard mitigation and resilience projects to be financed through the program created by this bill.

With regard to the bill’s provisions that amend the “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), to make various changes to the NJIB’s enabling law, the bill:

(1) incorporates language concerning the new program to be established under the bill for hazard mitigation and resilience projects;

(2) adds language to allow for the resale of bonds to allow the NJIB to buy and sell its bonds for cross-investment purposes;

(3) clarifies language concerning maturity of long-term loans;

(4) increases from \$8.8 billion to \$10 billion the aggregate principal of bonds, notes, or other obligations of the NJIB;

(5) extends from 2033 to 2053 the date by which the NJIB may no longer make loans or incur indebtedness;

(6) clarifies that the NJIB is authorized to provide loans and other financial assistance to public water systems and other persons, rather than to local government units only; and

(7) makes other technical and clarifying changes.

As reported by the committee, this bill is identical to Senate Bill No. 3337 (2R), as amended and reported by the committee on this date.

FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that the bill may result in a State expenditure increase of up to \$500,000 in the first year the bill is in effect. If the full \$500,000 is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$500,000 is exhausted. Cost increases for ongoing administration of the Community Hazard Assistance Mitigation Program established by the bill are indeterminate.

The OLS notes that the New Jersey Infrastructure Bank would experience increased revenues generated through administrative fees used to reimburse the Infrastructure Bank for administrative and operating expenses incurred in administering the Community Hazard Assistance Mitigation Program.

# LEGISLATIVE FISCAL ESTIMATE

[Third Reprint]

## ASSEMBLY, No. 4866

### STATE OF NEW JERSEY 220th LEGISLATURE

DATED: MARCH 2, 2023

#### SUMMARY

- Synopsis:** Establishes Community Hazard Assistance Mitigation Program in, and authorizes issuance of bonds by, NJ Infrastructure Bank to fund certain hazard mitigation and resilience projects; makes various changes to NJ Infrastructure Bank's enabling act; appropriates \$500,000.
- Type of Impact:** Annual State expenditure and revenue increases.
- Agencies Affected:** Office of Emergency Management in the Department of Law and Public Safety, New Jersey Infrastructure Bank, and Department of Environmental Protection.

#### Office of Legislative Services Estimate

<b>Fiscal Impact</b>	<b><u>Annual</u></b>
<b>State Expenditure Increase</b>	Indeterminate
<b>State Revenue Increase</b>	Indeterminate

- The Office of Legislative Services (OLS) concludes that the bill may result in a State expenditure increase of up to \$500,000 in the first year the bill is in effect. If the full \$500,000 is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$500,000 is exhausted. Cost increases for ongoing administration of the Community Hazard Assistance Mitigation Program established by the bill are indeterminate.
- The OLS notes that the New Jersey Infrastructure Bank would experience increased revenues generated through administrative fees used to reimburse the Infrastructure Bank for administrative and operating expenses incurred in administering the Community Hazard Assistance Mitigation Program.

#### BILL DESCRIPTION

This bill would establish a Community Hazard Assistance Mitigation Program and a Community Hazard Assistance Mitigation Program Revolving Loan Fund in the New Jersey

Infrastructure Bank. The bill would also amend the New Jersey Infrastructure Trust Act to make various changes to the Infrastructure Bank's enabling law.

The bill directs the State Office of Emergency Management, in conjunction with the New Jersey Infrastructure Bank, to apply to the Federal Emergency Management Agency under the provisions of the federal Safeguarding Tomorrow through Ongoing Risk Management Act when funding is available, to enter into an agreement to capitalize the fund established by the bill. In addition, the bill authorizes the Infrastructure Bank to issue bonds for the financing of hazard mitigation and resilience projects.

The New Jersey Infrastructure Trust Act authorizes the Infrastructure Bank to issue bonds to provide funding for environmental infrastructure and transportation infrastructure projects. This bill expands the authority of the Infrastructure Bank to include the financing of hazard mitigation and resilience projects undertaken by State entities, local governments, and nonprofit organizations.

The bill includes numerous provisions concerning the priority system and ranking criteria for the hazard mitigation and resilience projects to be financed through the Community Hazard Assistance Mitigation Program established by this bill.

Finally, the bill appropriates \$500,000 from the General Fund to establish the Community Hazard Assistance Mitigation Program.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS concludes that the bill may result in a State expenditure increase of up to \$500,000 in the first year the bill is in effect. If the full \$500,000 is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$500,000 is exhausted. Cost increases for ongoing administration of the Community Hazard Assistance Mitigation Program are indeterminate.

The OLS determines that the State Office of Emergency Management, the Department of Environmental Protection, and the New Jersey Infrastructure Bank would experience additional administrative costs primarily related to the bill's provisions concerning the priority system and ranking criteria for the hazard mitigation and resilience projects.

The OLS notes that the New Jersey Infrastructure Bank would experience increased revenues generated through administrative fees used to reimburse the Infrastructure Bank for administrative and operating expenses incurred in administering the Community Hazard Assistance Mitigation Program.

*Section: Environment, Agriculture, Energy, and Natural Resources*

*Analyst: Neha Patel  
Senior Fiscal Analyst*

*Approved: Thomas Koenig  
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

**SENATE, No. 3337**

**STATE OF NEW JERSEY**  
**220th LEGISLATURE**

INTRODUCED DECEMBER 1, 2022

**Sponsored by:**

**Senator JOSEPH A. LAGANA**

**District 38 (Bergen and Passaic)**

**Senator GORDON M. JOHNSON**

**District 37 (Bergen)**

**SYNOPSIS**

Establishes Resilient NJ Revolving Loan Fund in, and authorizes issuance of bonds by, NJ Infrastructure Bank to fund certain hazard mitigation and resiliency projects; makes various changes to NJ Infrastructure Bank's enabling act.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 12/19/2022)**

1 AN ACT concerning the financing of certain resilience and hazard  
2 mitigation projects, the establishment of a “Resilient New Jersey  
3 Revolving Loan Fund,” and the authority of the New Jersey  
4 Infrastructure Bank, supplementing Title 58 of the Revised  
5 Statutes, and amending P.L.1985, c.334 and P.L.2009, c.59.

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

9  
10 1. (New section) Sections 1 through 9 of P.L. , c. (C. )  
11 (pending before the Legislature as this bill) shall be known and may  
12 be cited as the “Resilient NJ Revolving Loan Fund Act.”

13  
14 2. (New section) As used in sections 1 through 9 of  
15 P.L. , c. (C. ) (pending before the Legislature as this bill):

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

18 “Bonds” mean the bonds issued, or authorized to be issued, by  
19 the bank pursuant to sections 1 through 9 of P.L. , c. (C. )  
20 (pending before the Legislature as this bill) and in compliance with  
21 the bank’s authority pursuant to, and subject to the same conditions  
22 as provided in, P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,  
23 c.224 (C.58:11B-10.1 et al.), as applicable.

24 “Commissioner” means the Commissioner of Environmental  
25 Protection.

26 “Fund” means the Resilient New Jersey Revolving Loan Fund  
27 established pursuant to section 3 of P.L. , c. (C. ) (pending  
28 before the Legislature as this bill).

29 “Hazard mitigation and resiliency project” means a hazard  
30 mitigation and resiliency project identified on a State or local  
31 hazard mitigation plan, undertaken by the State, a local government  
32 unit, or a nonprofit organization in accordance with the provisions  
33 of the STORM Act.

34 “Loan origination fee” means the fee charged by the bank in  
35 connection with services provided to a sponsor of a hazard  
36 mitigation and resilience project pursuant to the sponsor’s  
37 participation in the Resilient New Jersey Financing Program. A  
38 project sponsor may finance any portion of the loan origination fee  
39 through the bank by a hazard mitigation and resilience project  
40 assistance loan to pay a portion of the costs incurred by the bank in  
41 the implementation of the Resilient New Jersey Financing Program.

42 “Local government unit” means any county or municipality, or  
43 any agency, instrumentality, authority, or corporation of any county  
44 or municipality.

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

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

6 “Resilient New Jersey Financing Program” means the program  
7 established by the bank pursuant to sections 1 through 9 of P.L. ,  
8 c. (C. ) (pending before the Legislature as this bill).

9 “State Office of Emergency Management” means the Office of  
10 Emergency Management in the Division of State Police in the  
11 Department of Law and Public Safety.

12 “STORM Act” means the “Safeguarding Tomorrow through  
13 Ongoing Risk Management Act,” Pub. L. 116-284, or any  
14 amendatory or supplementary acts thereto, and any rules,  
15 regulations, or guidance adopted pursuant thereto by the Federal  
16 Emergency Management Agency.

17

18 3. (New section) a. (1) There is established in the New Jersey  
19 Infrastructure Bank a special, nonlapsing fund to be known as the  
20 “Resilient New Jersey Revolving Loan Fund.” Monies in the fund  
21 shall be held separately and be available in perpetuity solely for the  
22 purpose of funding hazard mitigation and resilience projects  
23 undertaken by the State, local government units, and nonprofit  
24 organizations in accordance with the provisions of the STORM Act  
25 and sections 1 through 9 of P.L. , c. (C. ) (pending before  
26 the Legislature as this bill).

27 (2) There shall be established within the fund three subaccounts:

28 (a) a federally-funded hazard mitigation and resilience project  
29 subaccount approved to receive federal funds, repayments of loans,  
30 and interest earned on amounts in the subaccount;

31 (b) a State-funded hazard mitigation and resilience project  
32 subaccount approved to receive State matching funds, and funds in  
33 excess of those required to be deposited in the federally-funded  
34 hazard mitigation and resilience project subaccount; and

35 (c) a Resilient New Jersey Financing Program Loan Origination  
36 Fee subaccount established pursuant to section 4 of  
37 P.L. , c. (C. ) (pending before the Legislature as this bill).

38 b. The fund shall be credited with:

39 (1) any federal funds apportioned and allocated to the State  
40 pursuant to the STORM Act;

41 (2) proceeds from bonds, notes, or any other credit instrument  
42 issued by the bank pursuant to sections 1 through 9 of  
43 P.L. , c. (C. ) (pending before the Legislature as this bill);

44 (3) any other moneys appropriated by the Legislature or  
45 otherwise made available to the fund for the purposes of sections 1  
46 through 9 of P.L. , c. (C. ) (pending before the Legislature  
47 as this bill);

1 (4) moneys obtained from the payment of interest assessed on,  
2 and the repayment of principal of, any loans made pursuant to  
3 sections 1 through 9 of P.L. , c. (C. ) (pending before the  
4 Legislature as this bill);

5 (5) any interest earnings or other investment income earned or  
6 received on the moneys in the fund; and

7 (6) loan origination fees paid and received pursuant to section 4  
8 of P.L. , c. (C. ) (pending before the Legislature as this bill).

9 c. All money appropriated or otherwise made available to the  
10 fund shall be dedicated for the purposes of the fund. Pending use,  
11 moneys in the fund may be invested and reinvested in the same  
12 manner as other moneys of the bank in the manner provided by law.  
13 All earnings received from the investment or deposit of such  
14 moneys shall be paid into and become a part of the fund and be  
15 available for use pursuant to sections 1 through 9 of  
16 P.L. , c. (C. ) (pending before the Legislature as this bill).

17 d. Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-  
18 1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and  
19 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
20 10.5, C.58:11B-20.2, C.58:11B-22.3), to the contrary, all moneys in  
21 the fund shall be held separate from other funds of the bank, and  
22 shall not be combined or comingled with any funds that finance  
23 wastewater treatment system projects, water supply projects, other  
24 environmental infrastructure projects, or transportation projects.  
25 The amounts of federal capitalization grants appropriated pursuant  
26 to the STORM act and associated State matching funds, the  
27 repayments of loans, and the interest earned on amounts in the fund  
28 shall be accounted for separately from other amounts in the fund.

29 e. The State Office of Emergency Management, in conjunction  
30 with the bank, shall apply to the Federal Emergency Management  
31 Agency when funding is made available to states under the  
32 provisions of the STORM Act and the State Office of Emergency  
33 Management and the bank shall have the authority to enter into any  
34 agreement necessary to capitalize the fund.

35 f. The bank shall establish terms for providing assistance from  
36 the fund, including below market interest rates, deferred payment  
37 schedules, and other provisions that will enable these funds to be  
38 used effectively and in accordance with the provisions of the  
39 STORM Act, any agreement entered into with the Federal  
40 Emergency Management Agency, and sections 1 through 9 of  
41 P.L. , c. (C. ) (pending before the Legislature as this bill).

42 g. The bank shall include an itemized account of expenditures  
43 from the fund in the financial plan required pursuant to section 7 of  
44 P.L. , c. (C. ) (pending before the Legislature as this bill).

45

46 4. (New section) a. There is established in the Resilient New  
47 Jersey Revolving Loan Fund a special subaccount to be known as

1 the Resilient New Jersey Financing Program Loan Origination Fee  
2 subaccount.

3 The Resilient New Jersey Financing Program Loan Origination  
4 Fee subaccount shall be credited with:

5 (1) moneys deposited into the subaccount as loan origination  
6 fees received by the bank and paid by loan applicants for hazard  
7 mitigation and resiliency projects Resilient New Jersey Financing  
8 Program; and

9 (2) any interest paid on the amounts of the loan origination fees.

10 b. Moneys in the Resilient New Jersey Financing Program Loan  
11 Origination Fee subaccount shall be drawn and used by the bank to  
12 reimburse the bank for administrative and operating expenses  
13 incurred in administering the Resilient New Jersey Financing  
14 Program. The monies in the Resilient New Jersey Financing  
15 Program Loan Origination Fee subaccount shall also be available  
16 for application by the bank for loans to local government units and  
17 nonprofit organizations for the cost of hazard mitigation and  
18 resiliency projects. Amounts in excess of the funds drawn by the  
19 bank from the subaccount established pursuant to this section  
20 during any given fiscal year shall be carried forward into the  
21 following fiscal year and held on deposit in the fund.

22  
23 5. (New section) a. In addition to its powers and duties set  
24 forth in P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
25 (C.58:11B-10.1 et al.), and sections 22 and 34 through 38 of  
26 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-  
27 20.2, C.58:11B-22.3, and C.58:11B-22.4), the New Jersey  
28 Infrastructure Bank shall establish a “Resilient New Jersey  
29 Financing Program” to fund hazard mitigation and resiliency  
30 projects undertaken by the State, local government units, and  
31 nonprofit organizations in accordance with the provisions of the  
32 STORM Act and sections 1 through 9 of P.L. , c. (C. )  
33 (pending before the Legislature as this bill).

34 b. Except as otherwise provided in sections 1 through 9 of  
35 P.L. , c. (C. ) (pending before the Legislature as this bill),  
36 the Resilient New Jersey Financing Program shall comply with all  
37 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), unless such  
38 provision is specifically related to environmental infrastructure or  
39 transportation projects as defined in section 3 of P.L.1985, c.334  
40 (C.58:11B-3).

41 In establishing this program and issuing bonds pursuant to  
42 sections 1 through 9 of P.L. , c. (C. ) (pending before the  
43 Legislature as this bill), the bank shall have the same powers and  
44 duties set forth in the “New Jersey Infrastructure Trust Act,”  
45 P.L.1985, c.334 (C.58:11B-1 et seq.). The bank shall borrow  
46 money and issue bonds, notes, and other obligations, and secure the  
47 same, and provide for the rights of the holders thereof in the same

1 manner as provided pursuant to P.L.1985, c.334 (C.58:11B-1 et  
2 seq.).

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

21  
22 6. (New section) a. The State Office of Emergency  
23 Management, in conjunction with the bank, shall for each fiscal  
24 year develop a priority system for the ranking of hazard mitigation  
25 and resiliency projects to be financed through the Resilient New  
26 Jersey Financing Program and the Resilient New Jersey Revolving  
27 Loan Fund.

28 b. (1) The State Office of Emergency Management, in  
29 conjunction with the bank, shall set forth a Resilient New Jersey  
30 Financing Program Project Priority List, hereinafter referred to as  
31 the “hazard mitigation and resiliency project priority list,” for  
32 funding by the bank for each fiscal year and shall include the  
33 aggregate amount of funds of the bank to be authorized for these  
34 purposes. The hazard mitigation and resiliency project priority list  
35 shall include a description of each project and an explanation of the  
36 manner in which projects are ranked.

37 The hazard mitigation and resiliency project priority list for the  
38 ensuing fiscal year shall be submitted to the Legislature pursuant to  
39 section 2 of P.L.1991, c.164 (C.52:14-19.1) on or before January 15  
40 of each year. The Senate Secretary and the Clerk of the General  
41 Assembly shall cause the date of submission to be entered upon the  
42 Senate Journal and the Minutes of the General Assembly,  
43 respectively.

44 (2) Any hazard mitigation and resiliency project, or sponsor  
45 thereof, not identified in the hazard mitigation and resiliency  
46 project priority list shall not be eligible for a loan from the Resilient  
47 New Jersey Revolving Loan Fund. The bank may revise or  
48 supplement the hazard mitigation and resiliency project priority list

1 no more than four times during the fiscal year and shall submit the  
2 revised list to the Legislature when the revisions are made.

3 No funds may be disbursed pursuant to this subsection for hazard  
4 mitigation and resiliency project activities prior to certification in  
5 writing, from the bank to the State Treasurer, that the project  
6 activities satisfy the provisions of the STORM Act, sections 1  
7 through 9 of P.L. , c. (C. ) (pending before the Legislature  
8 as this bill), and P.L.1985, c.334 (C.58:11B-1 et seq.).

9 Any short-term or temporary loans made by the bank may only  
10 be made in advance of an anticipated long-term hazard mitigation  
11 and resiliency project loan. Any such short-term or temporary loan  
12 made shall mature no later than the last day of the fifth succeeding  
13 fiscal year following the closing date on which the short-term or  
14 temporary loan was made by the bank. Any short-term or  
15 temporary loan made by the bank pursuant to this subsection may  
16 mature in a shorter period of time as may be necessary to align with  
17 construction completion. With respect to any short-term or  
18 temporary loan for planning, design, and construction expenses, the  
19 bank may authorize one short-term supplemental loan for residual  
20 expenses thereof upon receipt by the bank from the State Office of  
21 Emergency Management of a certification that states that the time  
22 required to complete construction of the project exceeds the  
23 maximum maturity date of the short-term or temporary loan. Any  
24 such short-term supplemental loan shall not exceed in duration the  
25 last day of the third succeeding fiscal year following the loan  
26 closing of the short-term supplemental loan.

27 c. The State Office of Emergency Management, in conjunction  
28 with the bank, shall set forth a Resilient New Jersey Financing  
29 Program Project Eligibility List for long-term funding by the bank  
30 and shall include the aggregate amount of funds to be authorized for  
31 these purposes.

32 On or before May 15 of each year, the bank shall submit the  
33 Resilient New Jersey Financing Program Project Eligibility List, to  
34 the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-  
35 19.1) to be introduced in each House in the form of legislative  
36 appropriations bills, which shall be referred to the Senate  
37 Environment and Energy Committee and the Assembly  
38 Environment and Solid Waste Committee, or their successors, for  
39 their respective consideration. The Senate Secretary and the Clerk  
40 of the General Assembly shall cause the date of submission to be  
41 entered upon the Senate Journal and the Minutes of the General  
42 Assembly, respectively.

43 The Senate Environment and Energy Committee and the  
44 Assembly Environment and Solid Waste Committee shall, either  
45 individually or jointly, consider the legislation containing the  
46 Resilient New Jersey Program Project Eligibility List, and shall  
47 report the legislation, together with any modifications, out of  
48 committee for consideration by each House of the Legislature. On

1 or before July 1 of each year, the Legislature shall approve an  
2 appropriations act containing the Resilient New Jersey Program  
3 Project Eligibility List, which act shall include the authorization of  
4 an aggregate amount of funds of the bank to be expended for long-  
5 term loans and guarantees for the hazard mitigation and resiliency  
6 projects, including the individual amounts therefor, on the list.

7 On or before October 15 of each year the bank may submit an  
8 additional Resilient New Jersey Financing Program Project  
9 Eligibility List, to be introduced in each House in the form of  
10 legislative appropriations bills, which shall be referred to the Senate  
11 Environment and Energy Committee and the Assembly  
12 Environment and Solid Waste Committee, or their successors, for  
13 their respective consideration. The Secretary of the Senate and the  
14 Clerk of the General Assembly shall cause the date of submission to  
15 be entered upon the Senate Journal and the Minutes of the General  
16 Assembly, respectively.

17 d. The bank shall not expend any money for a loan or guarantee  
18 during a fiscal year for any hazard mitigation or resiliency project  
19 unless the expenditure is authorized pursuant to an appropriations  
20 act of the current or three immediate preceding fiscal years as  
21 provided in the provisions of this section, or as otherwise set forth  
22 in an appropriations act.

23 e. The bank shall submit to the Secretary of the Senate and the  
24 Clerk of the General Assembly on or before January 15 of each year  
25 a report which shall identify the hazard mitigation resiliency  
26 projects financed during the prior fiscal year, including a project  
27 description, the amount of the loan provided for each project, and  
28 the duration of each loan.

29  
30 7. (New section) a. On or before May 15 of each year, the bank  
31 shall submit to the Legislature pursuant to section 2 of P.L.1991,  
32 c.164 (C.52:14-19.1), a financial plan designed to implement the  
33 financing of hazard mitigation and resiliency projects on the  
34 Resilient New Jersey Financing Program Project Eligibility List  
35 approved pursuant to section 6 of P.L. , c. (C. ) (pending  
36 before the Legislature as this bill) or as otherwise approved by the  
37 Legislature. The financial plan shall list the bonds, notes, or other  
38 obligations of the bank which the bank intends to issue, including  
39 the amounts thereof and the terms and conditions thereof, a list of  
40 loans to be made, including the terms and conditions thereof and the  
41 anticipated rate of interest per annum and repayment schedule  
42 therefor, and a list of loan guarantees or contracts to guarantee the  
43 payment of all or a portion of the principal and interest on the  
44 bonds, notes, or other obligations.

45 The financial plan shall also set forth a complete operating and  
46 financial statement covering the proposed operations of the  
47 Resilient New Jersey Financing Program during the forthcoming  
48 fiscal year, including amounts of income from all sources, and the

1 uniform schedule of fees and charges established by the bank, and  
2 the amounts to be derived therefrom. The financial plan shall also  
3 summarize the status of each hazard mitigation and resiliency  
4 project for which loans or guarantees have been made by the bank,  
5 and shall describe major impediments to the accomplishment of the  
6 planned hazard mitigation and resiliency projects.

7 b. On or before June 30 of each year, the Legislature may  
8 reject the financial plan through the adoption by both houses of a  
9 concurrent resolution. If the Legislature takes no action on or  
10 before June 30, the financial plan shall be deemed approved.

11 c. The financial plan required by this section shall not be  
12 eligible for inclusion in a consolidated financial plan as established  
13 in section 27 of P.L.1997, c.224 (C.58:11B-22.2).

14

15 8. (New section) a. Monies in the Resilient New Jersey  
16 Revolving Loan Fund (1) shall be used in accordance with the  
17 provisions of the STORM Act and sections 1 through 9 of  
18 P.L. , c. (C. ) (pending before the Legislature as this bill) for  
19 the purpose of providing loans or other financial assistance for  
20 hazard mitigation and resiliency projects undertaken by State  
21 entities, local government units, and nonprofit organizations, and  
22 (2) shall be supplemental to, and not intended to take the place of,  
23 funding that otherwise would be appropriated to State agencies,  
24 local government units, or nonprofit organizations for hazard  
25 mitigation or resiliency projects.

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

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

46 (2) Repayment of a loan provided by a local government unit to  
47 a private property owner may be collected in the same manner as  
48 property taxes and shall be collateralized by a lien on the real

1 property that is the site of the hazard mitigation and resilience  
2 project. A property owner may sell property after receiving a loan  
3 pursuant to this subsection, provided that the property owner repays  
4 the loan.

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

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

13 (b) provide 50 percent loan forgiveness for eligible households  
14 with income between 80 percent to 100 percent of the median  
15 income for the municipality in which the property to which the loan  
16 applies is located; and

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

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

22 (ii) the availability of funding; and

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

26 d. The bank may provide grants or other financial assistance to  
27 nonprofit organizations for natural hazard or resiliency projects.

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

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

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

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

1       9. (New section) The bank and the Department of Law and  
2 Public Safety shall adopt, pursuant to the “Administrative  
3 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.), any rules and  
4 regulations deemed appropriate and necessary for the  
5 implementation of sections 1 through 9 of P.L. , c. (C. )  
6 (pending before the Legislature as this bill). These rules and  
7 regulations shall include, but not be limited to: procedures for the  
8 submission of applications; standards for the evaluation of  
9 applications; provisions implementing priority systems for projects;  
10 reporting requirements of the recipient of any loan concerning the  
11 progress and the expenditure of funds; and limitations, restrictions,  
12 or requirements concerning the use of monies in the fund as may be  
13 necessary pursuant to the provisions of the STORM Act and any  
14 rules or regulations adopted pursuant thereto.

15

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

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

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

38       “Bonds” means bonds issued by the trust pursuant to P.L.1985,  
39 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et  
40 al.);

41       “Combined sewer overflow” means the discharge of untreated or  
42 partially treated stormwater runoff and wastewater from a combined  
43 sewer system into a body of water;

44       “Combined sewer system” means a sewer system designed to  
45 carry sanitary wastewater at all times, which is also designed to  
46 collect and transport stormwater runoff from streets and other  
47 sources, thereby serving a combined purpose;

1 “Commissioner” means the Commissioner of the Department of  
2 Environmental Protection;

3 “Cost” means the cost of all labor, materials, machinery and  
4 equipment, lands, property, rights and easements, financing  
5 charges, interest on bonds, notes or other obligations, plans and  
6 specifications, surveys or estimates of costs and revenues,  
7 engineering and legal services, and all other expenses necessary or  
8 incident to all or part of an environmental infrastructure project;

9 “Department” means the Department of Environmental  
10 Protection;

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

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

24 “Local government unit” means (1) a State authority, county,  
25 municipality, municipal, county or regional sewerage or utility  
26 authority, municipal sewerage district, joint meeting, improvement  
27 authority, or any other political subdivision of the State authorized  
28 to construct, operate, and maintain wastewater treatment systems;  
29 (2) a State authority, district water supply commission, county,  
30 municipality, municipal, county or regional utilities authority,  
31 municipal water district, joint meeting, or any other political  
32 subdivision of the State authorized pursuant to law to operate or  
33 maintain a public water supply system or to construct, rehabilitate,  
34 operate, or maintain water supply facilities or otherwise provide  
35 water for human consumption; (3) a county, municipality,  
36 municipal, county or regional transportation authority, or any other  
37 political subdivision of the State authorized to construct, operate, or  
38 maintain public highways or transportation projects; (4) a county,  
39 municipality, or other political subdivision or instrumentality of the  
40 State, or a municipal, county, or State authority that is not a bi-state  
41 authority, authorized to construct, operate, or maintain ports or  
42 marine projects; **[or]** (5) a county, municipality, municipal or  
43 regional transportation authority, or other political subdivision or  
44 instrumentality of the State authorized to construct, operate, or  
45 maintain airports or aviation projects; or (6) a local government unit  
46 as defined in section 2 of P.L. , c. (C. ) (pending before the  
47 Legislature as this bill) authorized to receive funds pursuant to the  
48 “Safeguarding Tomorrow Through Ongoing Risk Mitigation

1 (STORM) Act,” Pub.L. 116-284 (42 U.S.C. s. 5135), as amended or  
2 supplemented, and P.L. , c. (C. ) (pending before the  
3 Legislature as this bill);

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

18 “New Jersey Environmental Infrastructure Financing Program”  
19 means the financing program to fund environmental infrastructure  
20 projects;

21 “New Jersey Transportation Infrastructure Financing Program”  
22 means the financing program to fund transportation projects,  
23 aviation projects, and marine projects;

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

29 “Onsite wastewater treatment and disposal system” means an on-  
30 site system designed to treat and dispose of domestic sewage;

31 “Other assistance” means forms of financial assistance, in  
32 addition to loans, authorized by the New Jersey Infrastructure Bank  
33 from the State Transportation Infrastructure Bank Fund, the  
34 wastewater treatment system general loan fund, **[or]** the water  
35 supply facilities general loan fund, or the Resilient New Jersey  
36 Revolving Loan Fund established pursuant to section 3 of  
37 P.L. , c. (C. ) (pending before the Legislature as this bill),  
38 including, but not limited to, use of funds to: provide credit  
39 enhancements; serve as a capital reserve for bond or other debt  
40 instrument financing; subsidize interest rates; ensure the issuance of  
41 letters of credit and credit instruments; finance purchase and lease  
42 agreements with respect to transit projects; and provide bond or  
43 other debt financing instrument security;

44 “Planning, design, and construction loan” means a short-term or  
45 temporary loan for eligible costs incurred in project planning,  
46 engineering design, or construction issued before or during the  
47 planning stage of a project;

1       “Project” means the acquisition, construction, improvement,  
2 repair or reconstruction of all or part of any structure, facility, or  
3 equipment, or real or personal property necessary for or ancillary to  
4 any: (1) wastewater treatment system project, including any  
5 stormwater management or combined sewer overflow abatement  
6 projects; (2) water supply project, as authorized pursuant to  
7 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-  
8 10.1 et al.), including any water resources project, as authorized  
9 pursuant to P.L.2003, c.162; or (3) transportation project, aviation  
10 project, or marine project authorized pursuant to 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);

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

23       “Public water utility” means any investor-owned water company  
24 or small water company;

25       “Small water company” means any company, purveyor or entity,  
26 other than a governmental agency, that provides water for human  
27 consumption and which regularly serves less than 1,000 customer  
28 connections, including nonprofit, noncommunity water systems  
29 owned or operated by a nonprofit group or organization;

30       “Stormwater management system” means any equipment, plants,  
31 structures, machinery, apparatus, management practices, or land, or  
32 any combination thereof, acquired, used, constructed, implemented  
33 or operated to prevent nonpoint source pollution, abate improper  
34 cross-connections and interconnections between stormwater and  
35 sewer systems, minimize stormwater runoff, reduce soil erosion, or  
36 induce groundwater recharge, or any combination thereof;

37       “Transportation project” means a capital project for public  
38 highways, approach roadways and other necessary land-side  
39 improvements, ramps, signal systems, roadbeds, transit lanes or  
40 rights of way, pedestrian walkways and bridges connecting to  
41 passenger stations and servicing facilities, bridges, and grade  
42 crossings;

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

45       “Wastewater” means residential, commercial, industrial, or  
46 agricultural liquid waste, sewage, septage, stormwater runoff, or  
47 any combination thereof, or other liquid residue discharged or

1 collected into a sewer system or stormwater management system, or  
2 any combination thereof;

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

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

33 “Water resources project” means any work related to transferring  
34 water between public water systems during a state of water  
35 emergency, to avert a drought emergency in all or any part of the  
36 State, to plan, design or construct interconnections of existing water  
37 supplies, or to extend water supplies to areas with contaminated  
38 ground water supplies;

39 “Water supply facilities” means and refers to the real property  
40 and the plants, structures, interconnections between existing water  
41 supply facilities, machinery and equipment and other property, real,  
42 personal and mixed, acquired, constructed or operated, or to be  
43 acquired, constructed or operated, in whole or in part, by or on  
44 behalf of a public water utility, or by or on behalf of the State or a  
45 local government unit, for the purpose of augmenting the natural  
46 water resources of the State and making available an increased  
47 supply of water for all uses, or of conserving existing water  
48 resources, and any and all appurtenances necessary, useful or

1 convenient for the collecting, impounding, storing, improving,  
2 treating, filtering, conserving or transmitting of water, and for the  
3 preservation and protection of these resources and facilities,  
4 whether in public or private ownership, and providing for the  
5 conservation and development of future water supply resources, and  
6 facilitating incidental recreational uses thereof;

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

19 (cf: P.L.2021, c.74, s.1)

20

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

23 5. Except as otherwise limited by the provisions of P.L.1985,  
24 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),  
25 or sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
26 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
27 C.58:11B-22.4), the trust may:

28 a. Make and alter bylaws for its organization and internal  
29 management and, subject to agreements with holders of its bonds,  
30 notes or other obligations, make rules and regulations with respect  
31 to its operations, properties and facilities;

32 b. Adopt an official seal and alter it;

33 c. Sue and be sued;

34 d. Make and enter into all contracts, leases and agreements  
35 necessary or incidental to the performance of its duties and the  
36 exercise of its powers under the provisions of P.L.1985, c.334  
37 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
38 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
39 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
40 C.58:11B-22.4), and subject to any agreement with the holders of  
41 the trust's bonds, notes or other obligations, consent to any  
42 modification, amendment or revision of any contract, lease or  
43 agreement to which the trust is a party;

44 e. Enter into agreements or other transactions with and accept,  
45 subject to the provisions of section 23 of P.L.1985, c.334  
46 (C.58:11B-23), grants, appropriations and the cooperation of the  
47 State, or any State agency, in furtherance of the purposes of  
48 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-

1 10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56  
2 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-  
3 22.3, and C.58:11B-22.4), and do anything necessary in order to  
4 avail itself of that aid and cooperation;

5 f. Receive and accept aid or contributions from any source of  
6 money, property, labor or other things of value, to be held, used and  
7 applied to carry out the purposes of P.L.1985, c.334 (C.58:11B-1 et  
8 seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34  
9 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
10 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4), subject  
11 to the conditions upon which that aid and those contributions may  
12 be made, including, but not limited to, gifts or grants from any  
13 department or agency of the State, or any State agency, for any  
14 purpose consistent with the provisions of P.L.1985, c.334  
15 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
16 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
17 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
18 C.58:11B-22.4), subject to the provisions of section 23 of P.L.1985,  
19 c.334 (C.58:11B-23);

20 g. Acquire, own, hold, construct, improve, rehabilitate,  
21 renovate, operate, maintain, sell, assign, exchange, lease, mortgage  
22 or otherwise dispose of real and personal property, or any interest  
23 therein, in the exercise of its powers and the performance of its  
24 duties under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.),  
25 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34  
26 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
27 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4);

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

32 i. Borrow money and issue bonds, notes and other obligations,  
33 and secure the same, and provide for the rights of the holders  
34 thereof as provided in the provisions of P.L.1985, c.334 (C.58:11B-  
35 1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and  
36 34 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);

38 j. Subject to any agreement with holders of its bonds, notes or  
39 other obligations, invest moneys of the trust not required for  
40 immediate use, including proceeds from the sale of any bonds, notes  
41 or other obligations, in any obligations, securities and other  
42 investments in accordance with the rules and regulations of the  
43 State Investment Council or as may otherwise be approved by the  
44 Director of the Division of Investment in the Department of the  
45 Treasury upon a finding that such investments are consistent with  
46 the corporate purposes of the trust;

47 k. Procure insurance to secure the payment of its bonds, notes  
48 or other obligations or the payment of any guarantees or loans made

1 by it in accordance with the provisions of P.L.1985, c.334  
2 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
3 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
4 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
5 C.58:11B-22.4), or against any loss in connection with its property  
6 and other assets and operations, in any amounts and from any  
7 insurers as it deems desirable;

8 l. Engage the services of attorneys, accountants, engineers, and  
9 financial experts and any other advisors, consultants, experts and  
10 agents as may be necessary in its judgment and fix their  
11 compensation;

12 m. (1) Make and contract to make loans and provide other  
13 assistance to local government units, or to a local government unit  
14 on behalf of another local government unit, to finance the cost of  
15 wastewater treatment system projects or water supply projects and  
16 acquire and contract to acquire notes, bonds or other obligations  
17 issued or to be issued by any local government units to evidence the  
18 loans, all in accordance with the provisions of P.L.1985, c.334  
19 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.);

20 (2) Make and contract to make loans and provide other  
21 assistance to public water utilities, or to any other person or local  
22 government unit on behalf of a public water utility, to finance the  
23 cost of water supply projects in accordance with the provisions of  
24 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-  
25 10.1 et al.);

26 (3) Make and contract to make loans and provide other  
27 assistance to private persons other than local government units, or  
28 to any other person or local government unit on behalf of a private  
29 person, to finance the cost of onsite wastewater treatment and  
30 disposal systems or stormwater management systems in accordance  
31 with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or  
32 P.L.1997, c.224 (C.58:11B-10.1 et al.);

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

41 n. Subject to any agreement with holders of its bonds, notes or  
42 other obligations, purchase bonds, notes and other obligations of the  
43 trust and (1) hold the same for resale for any duration, including  
44 until maturity thereof, including in connection with any cross-  
45 investment initiative of the trust, or (2) provide for the cancellation  
46 thereof, all in accordance with the provisions of P.L.1985, c.334  
47 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
48 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3

1 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
2 C.58:11B-22.4);

3 o. (1) Charge to and collect from local government units,  
4 private persons **【or】** , public water utilities or, nonprofit  
5 organizations any fees and charges in connection with the trust's  
6 loans, guarantees or other services, including, but not limited to,  
7 fees and charges sufficient to reimburse the trust for all reasonable  
8 costs necessarily incurred by it in connection with its financings and  
9 the establishment and maintenance of reserve or other funds, as the  
10 trust may determine to be reasonable. The fees and charges shall be  
11 in accordance with a uniform schedule published by the trust for the  
12 purpose of providing actual cost reimbursement for the services  
13 rendered;

14 (2) Any fees and charges collected by the trust pursuant to this  
15 subsection may be deposited and maintained in a special fund  
16 separate from any other funds held by the trust pursuant to section  
17 10 of P.L.1985, c.334 (C.58:11B-10) or section 23 of P.L.1997,  
18 c.224 (C.58:11B-10.1), and shall be available for any corporate  
19 purposes of the trust;

20 p. Subject to any agreement with holders of its bonds, notes or  
21 other obligations, obtain as security or to provide liquidity for  
22 payment of all or any part of the principal of and interest and  
23 premium on the bonds, notes and other obligations of the trust or  
24 for the purchase upon tender or otherwise of the bonds, notes or  
25 other obligations, lines of credit, letters of credit and other security  
26 agreements or instruments in any amounts and upon any terms as  
27 the trust may determine, and pay any fees and expenses required in  
28 connection therewith;

29 q. Provide to local government units any financial and credit  
30 advice as these local government units may request;

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

34 s. Take any action necessary or convenient to the exercise of  
35 the foregoing powers or reasonably implied therefrom.

36 (cf: P.L.2021, c.74, s.2)

37

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

40 6. a. Except as may be otherwise expressly provided in the  
41 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
42 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of  
43 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-  
44 20.2, C.58:11B-22.3, and C.58:11B-22.4), the trust may from time  
45 to time issue its bonds, notes, or other obligations in any principal  
46 amounts as in the judgment of the trust shall be necessary to  
47 provide sufficient funds for any of its corporate purposes, including  
48 the payment, funding, or refunding of the principal of, or interest or

1 redemption premiums on, any bonds, notes, or other obligations  
2 issued by it, whether the bonds, notes, or other obligations or the  
3 interest or redemption premiums thereon to be funded or refunded  
4 have or have not become due, the establishment or increase of  
5 reserves or other funds to secure or to pay the bonds, notes, or other  
6 obligations or interest thereon and all other costs or expenses of the  
7 trust incident to and necessary to carry out its corporate purposes  
8 and powers.

9 b. Whether or not the bonds, notes or other obligations of the  
10 trust are of a form and character as to be negotiable instruments  
11 under the terms of Title 12A of the New Jersey Statutes, the bonds,  
12 notes and other obligations are made negotiable instruments within  
13 the meaning of and for the purposes of Title 12A of the New Jersey  
14 Statutes, subject only to the provisions of the bonds, notes and other  
15 obligations for registration.

16 c. Bonds, notes or other obligations of the trust shall be  
17 authorized by a resolution or resolutions of the trust and may be  
18 issued in one or more series and shall bear any date or dates, mature  
19 at any time or times, bear interest at any rate or rates of interest per  
20 annum, be in any denomination or denominations, be in any form,  
21 either coupon, registered or book entry, carry any conversion or  
22 registration privileges, have any rank or priority, be executed in any  
23 manner, be payable in any coin or currency of the United States  
24 which at the time of payment is legal tender for the payment of  
25 public and private debts, at any place or places within or without  
26 the State, and be subject to any terms of redemption by the trust or  
27 the holders thereof, with or without premium, as the resolution or  
28 resolutions may provide. A resolution of the trust authorizing the  
29 issuance of bonds, notes or other obligations may provide that the  
30 bonds, notes or other obligations be secured by a trust indenture  
31 between the trust and a trustee, vesting in the trustee any property,  
32 rights, powers and duties in trust consistent with the provisions of  
33 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-  
34 10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56  
35 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-  
36 22.3, and C.58:11B-22.4) as the trust may determine.

37 d. Bonds, notes or other obligations of the trust may be sold at  
38 any price or prices and in any manner as the trust may determine.  
39 Notwithstanding any provisions of the "Local Bond Law,"  
40 N.J.S.40A:2-1 et seq., to the contrary, each bond, note or other  
41 obligation of the trust, and each bond, note, or other obligation of a  
42 local government unit, public water utility, or other person, issued  
43 to the trust to evidence the loan issued to the trust, or, if applicable,  
44 issued to the State, acting by and through the Department of  
45 Environmental Protection, to evidence a loan issued thereby,  
46 pursuant to subsection a. of section 9 of P.L.1985, c.334 (C.58:11B-  
47 9), shall mature and be paid not later than 30 years for  
48 environmental infrastructure projects, 45 years for combined sewer

1 overflow projects, **[and]** 31 years for transportation projects,  
2 aviation projects, and marine projects, and 30 years for hazard  
3 mitigation and assistance projects pursuant to sections 1 through 9  
4 of P.L. , c. (C. ) (pending before the Legislature as this bill),  
5 from the effective date thereof, or the certified useful life of the  
6 project or projects to be financed by the bonds, notes, or other  
7 obligations, whichever is less, or a shorter period of time as may be  
8 applicable to any companion loan made concurrently with the loan  
9 made by the trust and issued pursuant to federal law or regulation.

10 Notwithstanding the provisions of the “Local Bond Law,”  
11 N.J.S.40A:2-1 et seq., or this subsection, to the contrary, each bond,  
12 note, or other obligation **[funded]** of the trust, and each bond, note,  
13 or other obligation of a local government unit, public water utility,  
14 or other person, issued to the trust to evidence the loan issued to the  
15 trust, or, if applicable, issued to the State, acting by and through the  
16 Department of Environmental Protection, to evidence a loan issued  
17 thereby, pursuant to subsection a. of section 9 of P.L.1985, c.334  
18 (C.58:11B-9), and issued in connection with funding provided  
19 pursuant to the “Water Infrastructure Finance and Innovation Act of  
20 2014” (WIFIA), 33 U.S.C. s.3901 et seq., as amended and  
21 supplemented, **[or]** the “Transportation Infrastructure Finance and  
22 Innovation Act of 1998” (TIFIA), 23 U.S.C. s.601 et seq., as  
23 amended and supplemented, or the “Safeguarding Tomorrow  
24 Through Ongoing Risk Mitigation (STORM) Act,” Pub.L. 116-284  
25 (42 U.S.C. s. 5135), as amended or supplemented, shall mature and  
26 be paid not later than the maximum time period allowed by those  
27 federal acts.

28 All bonds of the trust shall be sold at public or private sale at the  
29 price or prices and in the manner as the trust shall determine, either  
30 on a negotiated or on a competitive basis. If competitively sold,  
31 bonds shall be sold after notice of sale, a summary of which shall be  
32 **[published at least once in at least three newspapers published in**  
33 **the State of New Jersey and at least once in a publication carrying**  
34 **municipal bond notices and devoted primarily to financial news**  
35 **published in New Jersey or the city of New York,]** made public on  
36 three nationally recognized financial websites, accessible from the  
37 trust website, and available on the State of New Jersey Internet  
38 website, <https://buynjbonds.gov>, or its successor or a similar State  
39 of New Jersey Internet website designed to provide information to  
40 the State concerning the sale of bonds, with the first summary  
41 notice to be at least five days prior to the day of bidding. The notice  
42 of sale may contain a provision to the effect that any or all bids  
43 made in pursuance thereof may be rejected. In the event of such  
44 rejection or of failure to receive any acceptable bid, the trust, at any  
45 time within 60 days from the date of such advertised sale, may sell  
46 such bonds at private sale upon terms not less favorable to the State  
47 than the terms offered by any rejected bid. The trust may sell all or

1 part of the bonds of any series as issued to any State fund or to the  
2 federal government or any agency thereof, at private sale, without  
3 advertisement.

4 e. Bonds, notes or other obligations of the trust may be issued  
5 under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.),  
6 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34  
7 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
8 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) without  
9 obtaining the consent of any department, division, board, bureau or  
10 agency of the State, and without any other proceedings or the  
11 happening of any other conditions or things, other than those  
12 consents, proceedings, conditions or things which are specifically  
13 required by P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
14 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of  
15 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-  
16 20.2, C.58:11B-22.3, and C.58:11B-22.4).

17 f. Bonds, notes or other obligations of the trust issued under  
18 the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997,  
19 c.224 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of  
20 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-  
21 20.2, C.58:11B-22.3, and C.58:11B-22.4) shall not be a debt or  
22 liability of the State or of any political subdivision thereof other  
23 than the trust and shall not create or constitute any indebtedness,  
24 liability or obligation of the State or any political subdivision, but  
25 all these bonds, notes and other obligations, unless funded or  
26 refunded by bonds, notes or other obligations, shall be payable  
27 solely from revenues or funds pledged or available for their  
28 payment as authorized in P.L.1985, c.334 (C.58:11B-1 et seq.),  
29 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34  
30 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
31 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4). Each  
32 bond, note and obligation shall contain on its face a statement to the  
33 effect that the trust is obligated to pay the principal thereof or the  
34 interest thereon only from its revenues, receipts or funds pledged or  
35 available for their payment as authorized in P.L.1985, c.334  
36 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
37 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
38 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
39 C.58:11B-22.4), and that neither the State, nor any political  
40 subdivision thereof, is obligated to pay the principal or interest and  
41 that neither the faith and credit nor the taxing power of the State, or  
42 any political subdivision thereof, is pledged to the payment of the  
43 principal of or the interest on the bonds, notes or other obligations.

44 g. The aggregate principal amount of bonds, notes or other  
45 obligations, including subordinated indebtedness of the trust, shall  
46 not exceed (1) \$5,000,000,000 with respect to bonds, notes, or other  
47 obligations issued to finance the Disaster Relief Emergency  
48 Financing Program established pursuant to section 1 of P.L.2013,

1 c.93 (C.58:11B-9.5), and (2) **【\$3,800,000,000】** \$5,000,000,000  
2 with respect to bonds, notes, or other obligations issued for all other  
3 purposes of the trust. In computing the foregoing limitations there  
4 shall be excluded all the bonds, notes or other obligations, including  
5 subordinated indebtedness of the trust, which shall be issued for  
6 refunding purposes, whenever the refunding shall be determined to  
7 result in a savings.

8 (1) Upon the decision by the trust to issue refunding bonds,  
9 except for current refunding, and prior to the sale of those bonds,  
10 the trust shall transmit to the Joint Budget Oversight Committee, or  
11 its successor, a report that a decision has been made, reciting the  
12 basis on which the decision was made, including an estimate of the  
13 debt service savings to be achieved and the calculations upon which  
14 the trust relied when making the decision to issue refunding bonds.  
15 The report shall also disclose the intent of the trust to issue and sell  
16 the refunding bonds at public or private sale and the reasons  
17 therefor.

18 (2) The Joint Budget Oversight Committee or its successor shall  
19 have the authority to approve or disapprove the sales of refunding  
20 bonds as included in each report submitted in accordance with  
21 paragraph (1) of this subsection. The committee shall notify the  
22 trust in writing of the approval or disapproval within 30 days of  
23 receipt of the report. Should the committee not act within 30 days  
24 of receipt of the report, the trust may proceed with the sale of the  
25 refunding bonds, provided that the sale of refunding bonds shall  
26 realize not less than three percent net present value debt service  
27 savings.

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

32 (4) Within 30 days after the sale of the refunding bonds, the  
33 trust shall notify the committee of the result of that sale, including  
34 the prices and terms, conditions and regulations concerning the  
35 refunding bonds, the actual amount of debt service savings to be  
36 realized as a result of the sale of refunding bonds, and the intended  
37 use of the proceeds from the sale of those bonds.

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

42 h. Each issue of bonds, notes, or other obligations of the trust  
43 may, if it is determined by the trust, be general obligations thereof  
44 payable out of any revenues, receipts or funds of the trust, or  
45 special obligations thereof payable out of particular revenues,  
46 receipts or funds, subject only to any agreements with the holders of  
47 bonds, notes or other obligations, and may be secured by one or  
48 more of the following:

1 (1) Pledge of revenues and other receipts to be derived from the  
2 payment of the interest on and principal of notes, bonds or other  
3 obligations issued to the trust by one or more local government  
4 units, public water utilities, or other persons, and any other payment  
5 made to the trust pursuant to agreements with any local government  
6 units, public water utilities, or other persons, or a pledge or  
7 assignment of any notes, bonds, or other obligations of any local  
8 government unit public water utilities, or other persons and the  
9 rights and interest of the trust therein;

10 (2) Pledge of rentals, receipts and other revenues to be derived  
11 from leases or other contractual arrangements with any person or  
12 entity, public or private, including one or more local government  
13 units, public water utilities, or other persons, or a pledge or  
14 assignment of those leases or other contractual arrangements and  
15 the rights and interest of the trust therein;

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

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

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

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

31 j. (Deleted by amendment, P.L.1996, c.88).  
32 (cf: P.L.2021, c.74, s.3)

33  
34 13. Section 7 of P.L.1985, c.334 (C.58:11B-7) is amended to  
35 read as follows:

36 7. In any resolution of the trust authorizing or relating to the  
37 issuance of any of its bonds, notes or other obligations, the trust, in  
38 order to secure the payment of the bonds, notes or other obligations  
39 and in addition to its other powers, may by provisions therein which  
40 shall constitute covenants by the trust and contracts with the holders  
41 of the bonds, notes or other obligations:

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

44 b. Covenant against pledging all or part of its revenues or  
45 receipts;

46 c. Covenant with respect to limitations on any right to sell,  
47 mortgage, lease or otherwise dispose of any notes, bonds or other

- 1 obligations of local government units or other persons, or any part  
2 thereof, or any property of any kind;
- 3 d. Covenant as to any bonds, notes or other obligations to be  
4 issued by the trust, and the limitations thereon, and the terms and  
5 conditions thereof, and as to the custody, application, investment  
6 and disposition of the proceeds thereof;
- 7 e. Covenant as to the issuance of additional bonds, notes or  
8 other obligations of the trust or as to limitations on the issuance of  
9 additional bonds, notes or other obligations and on the incurring of  
10 other debts by it;
- 11 f. Covenant as to the payment of the principal of or interest on  
12 bonds, notes or other obligations of the trust, as to the sources and  
13 methods of payment, as to the rank or priority of the bonds, notes or  
14 other obligations with respect to any lien or security or as to the  
15 acceleration of the maturity of the bonds, notes or other obligations;
- 16 g. Provide for the replacement of lost, stolen, destroyed or  
17 mutilated bonds, notes or other obligations of the trust;
- 18 h. Covenant against extending the time for the payment of  
19 bonds, notes or other obligations of the trust or interest thereon;
- 20 i. Covenant as to the redemption of bonds, notes and other  
21 obligations by the trust or the holders thereof and privileges of  
22 exchange thereof for other bonds, notes or other obligations of the  
23 trust;
- 24 j. Covenant to create or authorize the creation of special funds  
25 or accounts to be held in trust or otherwise for the benefit of holders  
26 of bonds, notes and other obligations of the trust, or reserves for  
27 other purposes and as to the use, investment, and disposition of  
28 moneys held in those funds, accounts or reserves;
- 29 k. Provide for the rights and liabilities, powers and duties  
30 arising upon the breach of any covenant, condition or obligation and  
31 prescribe the events of default and terms and conditions upon which  
32 any or all of the bonds, notes or other obligations of the trust shall  
33 become or may be declared due and payable before maturity and the  
34 terms and conditions upon which the declaration and its  
35 consequences may be waived;
- 36 l. Vest in a trustee or trustees within or without the State any  
37 property, rights, powers and duties in trust as the trust may  
38 determine, which may include any or all of the rights, powers and  
39 duties of any trustee appointed by the holders of any bonds, notes or  
40 other obligations of the trust pursuant to section 18 of P.L.1985,  
41 c.334 (C.58:11B-18), including rights with respect to the sale or  
42 other disposition of notes, bonds or other obligations of local  
43 government units , public water utilities, or other persons, pledged  
44 pursuant to a resolution or trust indenture for the benefit of the  
45 holders of bonds, notes or other obligations of the trust and the right  
46 by suit or action to foreclose any mortgage pledged pursuant to the  
47 resolution or trust indenture for the benefit of the holders of the  
48 bonds, notes or other obligations, and to limit or abrogate the right

1 of the holders of any bonds, notes or other obligations of the trust to  
2 appoint a trustee under the provisions of P.L.1985, c.334  
3 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
4 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3  
5 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and  
6 C.58:11B-22.4), and to limit the rights, duties and powers of the  
7 trustee;

8 m. Pay the costs or expenses incident to the enforcement of the  
9 bonds, notes or other obligations of the trust or of the provisions of  
10 the resolution authorizing the issuance of those bonds, notes or  
11 other obligations or of any covenant or agreement of the trust with  
12 the holders of the bonds, notes or other obligations;

13 n. Limit the rights of the holders of any bonds, notes or other  
14 obligations of the trust to enforce any pledge or covenant securing  
15 the bonds, notes or other obligations; and

16 o. Make covenants other than or in addition to the covenants  
17 authorized by P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
18 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of  
19 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-  
20 20.2, C.58:11B-22.3, and C.58:11B-22.4) of like or different  
21 character, and make covenants to do or refrain from doing any acts  
22 and things as may be necessary, or convenient and desirable, in  
23 order to better secure the bonds, notes or other obligations of the  
24 trust, or which, in the absolute discretion of the trust, would make  
25 the bonds, notes or other obligations more marketable,  
26 notwithstanding that the covenants, acts or things may not be  
27 enumerated herein.

28 (cf: P.L.2016, c.56, s.16)

29

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

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

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

47 (3) The trust may make and contract to make loans to private  
48 persons other than local government units, or to any other person or

1 local government unit on behalf of a private person, in accordance  
2 with and subject to the provisions of P.L.1985, c.334 (C.58:11B-1  
3 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to finance the cost  
4 of stormwater management systems.

5 (4) The trust may make and contract to make loans and provide  
6 other assistance to a local government unit or consortia thereof to  
7 finance the cost of transportation projects, aviation projects, and  
8 marine projects pursuant to sections 22 and 34 through 38 of  
9 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-  
10 20.2, C.58:11B-22.3, and C.58:11B-22.4), and provided that the  
11 federally-funded transportation subaccount is operated in  
12 accordance with the provisions of the federal infrastructure bank  
13 program.

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

44 b. The trust is authorized to guarantee or contract to guarantee  
45 the payment of all or any portion of the principal and interest on  
46 bonds, notes or other obligations issued by a local government unit,  
47 public water utility, or other person, to finance , as applicable, the  
48 cost of any wastewater treatment system project, water supply

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

21 c. The trust shall not make or contract to make any loans or  
22 guarantees to local government units, public water utilities or any  
23 other person, or otherwise incur any additional indebtedness, on or  
24 after June 30, **[2033]** 2053.

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

1       The trust shall create and establish a special fund to be known as  
2 the “Interim Environmental Financing Program Fund” for the short-  
3 term or temporary loan financing or refinancing program to be  
4 known as the “Interim Environmental Financing Program.” The  
5 monies in the fund shall be used for short-term or temporary loans  
6 for clean water and drinking water projects pursuant to the New  
7 Jersey Environmental Infrastructure Financing Program.

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

1 planning, design, and construction loan. Any such short-term  
2 supplemental loan shall not exceed in duration the last day of the  
3 third succeeding fiscal year following the loan closing of the  
4 supplemental loan. The trust may make short-term or temporary  
5 loans pursuant to the Interim Environmental Financing Program to  
6 any one or more of the project sponsors, for the respective projects  
7 thereof, identified in the interim financing project priority list to be  
8 known as the "Interim Environmental Financing Program Project  
9 Priority List" in the form provided to the Legislature by the  
10 Commissioner of Environmental Protection.

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

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

46 Further, notwithstanding any provisions of the "Local Bond  
47 Law" (N.J.S.40A:2-1 et seq.), the "sewerage authorities law,"  
48 P.L.1946, c.138 (C.40:14A-1 et seq.), or the "municipal and county

1 utilities authorities law,” P.L.1957, c.183 (C.40:14B-1 et seq.) to  
2 the contrary, any short-term or temporary loans made by the trust  
3 pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9) or section 1  
4 of P.L.2013, c.93 (C.58:11B-9.5), and any notes or other  
5 obligations issued by project sponsors to evidence such short-term  
6 or temporary loans, as such loans, notes, or other obligations may  
7 be refinanced or extended, as provided in subsections d. and g. of  
8 this section and section 1 of P.L.2013, c.93 (C.58:11B-9.5), except  
9 for loans for environmental planning and engineering design costs  
10 associated with long-term control plans for combined sewer  
11 overflow projects as provided in subsection d. of this section, shall  
12 mature no later than the maturity date as established pursuant to  
13 subsections d. and g. of this section and section 1 of P.L.2013, c.93  
14 (C.58:11B-9.5), without payment by project sponsors of any portion  
15 of the principal thereof prior to maturity.

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

29 g. The trust shall create and establish a special fund to be  
30 known as the “Interim Transportation Financing Program Fund” for  
31 the short-term or temporary loan financing or refinancing program  
32 to be known as the “Interim Transportation Financing Program.”

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

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

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

1 project is identified in the Department of Transportation Interim  
2 Transportation Financing Program Project Priority List to be known  
3 as the “Interim Transportation Financing Program Project Priority  
4 List” in the form provided to the Legislature by the Commissioner  
5 of Transportation.

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

24 No funds may be disbursed pursuant to this subsection for  
25 transportation project, aviation project, or marine project activities  
26 prior to certification in writing, from the trust, that the project  
27 activities satisfy the provisions of P.L.1985, c.334 (C.58:11B-1 et  
28 seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34  
29 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
30 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4).  
31 Construction activities for a transportation project shall also require  
32 written notification of award concurrence from the Department of  
33 Transportation prior to fund disbursement.

34 (cf: P.L.2021, c.160, s.60)

35

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

38 11. a. The trust shall establish reserve and guarantee funds into  
39 which shall be deposited the proceeds from any State bond issue  
40 authorized for deposit in the trust or other funds appropriated by  
41 law to the trust for deposit in the reserve or guarantee funds. The  
42 reserve fund shall be used by the trust to secure debt issued by the  
43 trust. The guarantee fund shall be used by the trust to secure debt  
44 issued by a local government unit, public water utility, or other  
45 person.

46 b. The trust may establish any reserves, funds or accounts as it  
47 may determine necessary or desirable to further the accomplishment

1 of the purposes of the trust or to comply with the provisions of any  
2 agreement made by or authorized in any resolution of the trust.

3 (cf: P.L.1985, c.336, s.2)

4

5 16. Section 12 of P.L.1985, c.334 (C.58:11B-12) is amended to  
6 read as follows:

7 12. a. To assure the continued operation and solvency of the  
8 trust, the trust may require that if a local government unit fails or is  
9 unable to pay to the trust in full when due any obligations of the  
10 local government unit to the trust, an amount sufficient to satisfy  
11 the deficiency shall be paid by the State Treasurer to the trust from  
12 State aid payable to the local government unit. As used in this  
13 section, obligations of the local government unit include the  
14 principal of or interest on bonds, notes or other obligations of a  
15 local government unit issued to or guaranteed by the trust, including  
16 the subrogation of the trust to the right of the holders of those  
17 obligations, any fees or charges payable to the trust, and any  
18 amounts payable by a local government unit under any service  
19 contract or other contractual arrangement the payments under which  
20 are pledged to secure any bonds or notes issued to the trust by  
21 another local government unit. State aid includes business personal  
22 property tax replacement revenues, State urban aid and State  
23 revenue sharing, as these terms are defined in section 2 of P.L.1976,  
24 c.38 (C.40A:3-3), or other similar forms of State aid payable to the  
25 local government unit and to the extent permitted by federal law,  
26 federal moneys appropriated or apportioned to the local government  
27 unit by the State, and for loans made in support of transportation  
28 projects, State aid shall also include county and municipal  
29 transportation aid issued pursuant to section 25 of P.L.1984, c.73  
30 (C.27:1B-25).

31 (1) If the trust requires, and there has been a failure or inability  
32 by a local government unit to pay its obligations to the trust  
33 remaining uncured for a period of 30 days, the chairman of the trust  
34 shall certify to the State Treasurer, with written notice to the fiscal  
35 officer of the local government unit and to the Legislature, the  
36 amount remaining unpaid, and the State Treasurer shall pay that  
37 amount to the trust, or if the right to receive those payments has  
38 been pledged or assigned to a trustee for benefit of the holders of  
39 bonds, notes or other obligations of the trust, to that trustee, out of  
40 the State aid payable to the local government unit, until the amount  
41 so certified is paid.

42 (2) The amount paid over to the trust shall be deducted from the  
43 corresponding appropriation or apportionment of State aid payable  
44 to the local government unit and shall not obligate the State to  
45 make, nor entitle the local government unit to receive, any  
46 additional appropriation or apportionment. The obligation of the  
47 State Treasurer to make payments to the trust or trustee and the  
48 right of the trust or trustee to receive those payments shall be

1 subject and subordinate to the rights of holders of qualified bonds  
2 issued or to be issued pursuant to P.L.1976, c.38 (C.40A:3-1 et  
3 seq.).

4 (3) In those instances where the local government units are  
5 municipal or county sewerage, utility or improvement authorities  
6 created pursuant to P.L.1946, c.138 (C.40:14A-1 et seq.) or  
7 P.L.1957, c.183 (C.40:14B-1 et seq.), the trust may require the  
8 municipalities or counties which receive service or other benefits  
9 from the districts or authorities to enter into service contracts or  
10 other contractual arrangements under which they would be required  
11 to make payments which would satisfy any deficiencies in the  
12 revenues of the districts or authorities to repay the loans made by  
13 the trust, which contracts would be pledged to secure the payment  
14 of the loans of the trust.

15 b. Whenever a local government unit, public water utility, or  
16 other person covenants or pledges to or secures the payment of its  
17 obligations to the trust by, in whole or in part, certain revenues of  
18 the local government unit, public water utility, or other person  
19 derived by the local government unit from the imposition of rates,  
20 fees and charges, and **【**the local government unit, and**】** if payments  
21 by another local government unit, public water utility, or other  
22 person under a service contract or other contractual arrangement are  
23 pledged to the payment of the obligations, the other local  
24 government unit, public water utility, or other person, fails or is  
25 unable to pay in full when due any of the obligations and the State  
26 aid revenues, if applicable, for any reason have not been made  
27 available for the payment of the obligations or have not been made  
28 available in sufficient amounts to pay the obligations in full, the  
29 trust is authorized during the period of such failure to cause the  
30 local government unit, public water utility, or other person, in  
31 accordance with the covenants or pledges established in any loan or  
32 other agreement relating thereto, to establish and collect rates, fees  
33 and charges in the amounts required to pay the obligations in  
34 accordance with the covenants or pledges established in the loan or  
35 other agreement relating thereto.

36 c. In the event that a local government unit or public water  
37 utility, consortia thereof or private entity receiving a loan from the  
38 trust fails or is unable to pay to the trust in full when due any  
39 obligations of the local government unit or public water utility,  
40 consortia thereof, or private entity to the trust, the trust shall have  
41 the authority to exercise any and all recourses available to it under  
42 the law in an effort to recover any amounts owed to the trust.

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

44

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

47 14. The State does pledge to and covenant and agree with the  
48 holders of any bonds, notes or other obligations of the trust issued

1 pursuant to authorization of P.L.1985, c.334 (C.58:11B-1 et seq.),  
2 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34  
3 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-  
4 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) that the  
5 State shall not limit or alter the rights or powers vested in the trust  
6 to perform and fulfill the terms of any agreement made with the  
7 holders of the bonds, notes or other obligations or to fix, establish,  
8 charge and collect any rents, fees, rates, payments or other charges  
9 as may be convenient or necessary to produce sufficient revenues to  
10 meet all expenses of the trust and to fulfill the terms of any  
11 agreement made with the holders of bonds, notes or other  
12 obligations, including the obligations to pay the principal of and  
13 interest and premium on those bonds, notes or other obligations,  
14 with interest on any unpaid installments of interest, and all costs  
15 and expenses in connection with any action or proceedings by or on  
16 behalf of the holders, and shall not limit or alter the rights and  
17 powers of any local government unit, public water utility, or other  
18 person to pay and perform its obligations owed to the trust in  
19 connection with loans received from the trust, until the bonds, notes  
20 and other obligations of the trust, together with interest thereon, are  
21 fully met and discharged or provided for.

22 (cf: P.L.2016, c.56, s.25)

23

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

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

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

43 (1) By suit, action or proceeding enforce all rights of the holders  
44 of bonds, notes or other obligations of the issue, to require the trust  
45 to carry out any other agreements with the holders of the bonds,  
46 notes or other obligations of the issue and to perform its duties  
47 under P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224  
48 (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);

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

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

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

11 (5) Sell or otherwise dispose of bonds and notes of local  
12 government units, public water utilities, or other persons pledged  
13 pursuant to resolution or trust indenture for benefit of holders of  
14 bonds, notes, or other obligations of the issue on any terms as  
15 resolution or trust indenture may provide;

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

19 (7) Declare all bonds, notes or other obligations of the issue due  
20 and payable, and if all defaults are made good, then with the  
21 consent of the holders of 50 percent of the principal amount of the  
22 bonds, notes or other obligations of the issue then outstanding, to  
23 annul the declaration and its consequences.

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

29 d. The Superior Court shall have jurisdiction over any suit,  
30 action or proceeding by the trustees on behalf of the holders of  
31 bonds, notes or other obligations of the trust. The venue of any suit,  
32 action or proceeding shall be in the county in which the principal  
33 office of the trust is located.

34 e. Before declaring the principal of bonds, notes or other  
35 obligations of the trust due and payable as a result of a trust default  
36 on any of its bonds, notes or other obligations, the trustee shall first  
37 give 30 days' notice in writing to the trust and to the Governor,  
38 State Treasurer, President of the Senate and Speaker of the General  
39 Assembly.

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

41

42 19. Section 6 of P.L.2009, c.59 (C.58:11B-19.1) is amended to  
43 read as follows:

44 6. Notwithstanding any provision of P.L.1985, c.334  
45 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to  
46 the contrary, the trust may receive or access emergency or relief  
47 federal funds that are appropriated to the State subsequent to a  
48 federal or State declaration of emergency to make loans or grants in

1 the implementation of the New Jersey Environmental Infrastructure  
2 Financing Program **[or]** , the New Jersey Transportation  
3 Infrastructure Financing Program, or the Resilient New Jersey  
4 Financing Program established pursuant to sections 1 through 9 of  
5 P.L. , c. (C. ) (pending before the Legislature as this bill), to  
6 local government units, public water utilities or private persons for  
7 any wastewater treatment system projects included on the clean  
8 water project priority list for the ensuing fiscal year and eligible for  
9 approval pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20),  
10 water supply projects included on the drinking water project  
11 priority list for the ensuing fiscal year and eligible for approval  
12 pursuant to section 24 of P.L.1997, c.224 (C.58:11B-20.1), **[or]**  
13 transportation projects included on the transportation project  
14 priority list for the ensuing fiscal year and eligible for approval  
15 pursuant to section 36 of P.L.2016, c.56 (C.58:11B-20.2), or hazard  
16 mitigation and resiliency projects included on the Resilient New  
17 Jersey Financing Program Project Eligibility List for the ensuing  
18 fiscal year and eligible for approval pursuant to sections 1 through 9  
19 of P.L. , c. (C. ) (pending before the Legislature as this bill),  
20 as applicable, or to make non-project related loans and provide  
21 other assistance, including CAP payments and other financial  
22 assistance on behalf of or as a conduit for local government units, in  
23 accordance with the ranking criteria determined by the federal or  
24 State government.

25 For the purposes of this section, “CAP Payment” means a  
26 payment made by a project sponsor pursuant to a State or federal  
27 relief program for utility customers or a consumer assistance  
28 program.

29 (cf: P.L.2021, c.74, s.9)

30

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

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

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

1 funds shall only be used to make loans or guarantees approved by  
2 the Legislature in accordance with the provisions of sections 20, 21,  
3 and 22 of P.L.1985, c.334 (C.58:11B-20, C.58:11B-21 and  
4 C.58:11B-22), sections 24, 25, and 26 of P.L.1997, c.224  
5 (C.58:11B-20.1, C.58:11B-21.1 and C.58:11B-22.1), or sections 35  
6 through 37 of P.L.2016, c.56 (C.58:11B-10.5, C.58:11B-20.2, and  
7 C.58:11B-22.3).

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

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

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

43 (cf: P.L.2019, c.516, s.6)

44

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

47 26. a. The trust shall adopt rules and regulations requiring a  
48 local government unit which receives a loan or guarantee through

1 the New Jersey Environmental Infrastructure Financing Program for  
2 a project to establish an affirmative action program for the hiring of  
3 minority workers in the performance of any construction contract  
4 for that project and to establish a program to provide opportunities  
5 for socially and economically disadvantaged contractors and  
6 vendors to supply materials and services for the contract, consistent  
7 with the provisions of the "Law Against Discrimination," P.L.1945,  
8 c.169 (C.10:5-1 et seq.). Not less than 10 percent of the amount of  
9 any contract for construction, materials or services for a project  
10 shall be awarded to small business concerns owned and controlled  
11 by socially and economically disadvantaged individuals as defined  
12 in the "Small Business Act," Pub.L.85-536 (15 U.S.C. s.631 et  
13 seq.), and any regulations promulgated pursuant thereto provided,  
14 however, that the projects funded, in whole or in part, with federal  
15 funds, the percentage of such contracts awarded to small business  
16 concerns owned and controlled by socially and economically  
17 disadvantaged individuals shall equal the goal for participation set  
18 forth in section 644(g)(1)(A)(iv) of the "Small Business Act,"  
19 Pub.L.85-536 (15 U.S.C. s.644). For transportation financing  
20 program projects funded in whole with State funds, contracts for  
21 construction materials or services shall comply with the small  
22 business set aside regulations promulgated pursuant to section 15 of  
23 P.L.1983, c.482 (C.52:32-31).

24 b. The trust shall adopt rules and regulations requiring any  
25 entity, which receives a loan, grant, or guarantee for a project to pay  
26 not less than the prevailing wage rate to workers employed in the  
27 performance of any construction contract for that project, in  
28 accordance with the rate determined by the Commissioner of Labor  
29 and Workforce Development pursuant to P.L.1963, c.150 (C.34:11-  
30 56.25 et seq.).

31 (cf: P.L.2019, c.194, s.6)

32

33 22. This act shall take effect immediately.

34

35

36

#### STATEMENT

37

38 This bill would establish a Resilient New Jersey Revolving Loan  
39 Fund (fund) in the New Jersey Infrastructure Bank (NJIB) and  
40 amend the "New Jersey Infrastructure Trust Act," P.L.1985, c.334  
41 (C.58:11B-1 et seq.), to make various changes to the NJIB's  
42 enabling law.

43 The bill directs the State Office of Emergency Management  
44 (OEM), in conjunction with the NJIB, to apply to the Federal  
45 Emergency Management Agency (FEMA) under the provisions of  
46 the "Safeguarding Tomorrow through Ongoing Risk Management  
47 Act" or "STORM Act," Pub.L.116-284, when funding is available,  
48 to enter into an agreement to capitalize the fund established by the

1 bill. In addition, the bill authorizes the NJIB to issue bonds for the  
2 financing of hazard mitigation and resiliency projects.

3 The “New Jersey Infrastructure Trust Act,” P.L.1985, c.334  
4 (C.58:11B-1 et seq.), authorizes the NJIB to issue bonds to provide  
5 funding for environmental infrastructure and transportation  
6 infrastructure projects. This bill expands the authority of the NJIB  
7 to include the financing of hazard mitigation and resiliency projects  
8 undertaken by State entities, local governments, and nonprofit  
9 organizations, in accordance with the provisions of the STORM Act  
10 and this bill.

11 The bill directs the OEM to develop a priority system for hazard  
12 mitigation and resiliency projects and establish the ranking criteria  
13 and funding policies for the hazard mitigation and resiliency  
14 projects to be financed through the Resilient New Jersey Financing  
15 Program established by the bill. The bill requires this “hazard  
16 mitigation and resiliency project priority list” for the ensuring fiscal  
17 year to be submitted to the Legislature on or before January 15th of  
18 each year. In addition, the bill requires the OEM, in conjunction  
19 with the NJIB, to submit a “Resilient New Jersey Financing  
20 Program Project Eligibility List” identifying projects to receive  
21 funding from the NJIB pursuant to the bill. The bill directs the  
22 NJIB to submit this list to the Legislature by May 15th of each year  
23 to be considered by the Legislature in the form of appropriation  
24 bills. The bill provides that the NJIB, on or before October 15 of  
25 each year, may submit an additional project eligibility list, to be  
26 considered by the Legislature in the form of appropriation bills.  
27 The bill provides that the NJIB shall not expend any moneys for a  
28 hazard mitigation or resiliency project unless that expenditure is  
29 authorized pursuant to an appropriation act of the current or three  
30 immediately preceding fiscal years.

31 In addition, the bill directs the NJIB, on or before May 15<sup>th</sup> of  
32 each year, to submit to the Legislature a financial plan designed to  
33 implement the financing of hazard mitigation and resiliency  
34 projects on the Resilient New Jersey Financing Program Project  
35 Eligibility List. The bill provides that, on or before June 30 of each  
36 year, the Legislature may reject the financial plan through the  
37 adoption by both houses of a concurrent resolution, and if the  
38 Legislature takes no action on or before June 30, the financial plan  
39 would be deemed approved.

40 The “STORM Act” authorizes FEMA to enter into agreements  
41 with certain state agencies to provide capitalization grants for  
42 hazard-mitigation revolving loan funds. The funds are to be used to  
43 provide low interest loans to fund mitigation projects, including  
44 mitigation projects on buildings that reduce damage risk, reduce  
45 insurance rates, and bring buildings into FEMA minimum National  
46 Flood Insurance Program (NFIP) requirements. The STORM Act  
47 requires the revolving funds to be administered by the agency  
48 responsible for emergency management in the state; however, it

1 provides that the FEMA Administrator may allow the financial  
2 administration of the fund to be combined with the financial  
3 administration of another revolving fund under certain conditions,  
4 including that (1) the capitalization grant, entity share, repayments  
5 of loans, and interest earned on amounts in the fund are accounted  
6 for separately from other amounts, and (2) the authority to establish  
7 assistance priorities and carry out oversight activities remains in the  
8 control of the entity agency responsible for emergency management  
9 in the State.

10 Thus, under this bill, the Resilient New Jersey Revolving Loan  
11 Fund would be established in the NJIB, with the State Office of  
12 Emergency Management applying to FEMA in conjunction with the  
13 NJIB. In addition, the State Office of Emergency Management, in  
14 conjunction with the NJIB, is charged with developing the priority  
15 system and establishing the ranking criteria and funding policies for  
16 the hazard mitigation and resiliency projects to be financed through  
17 the Resilient New Jersey Financing Program created by this bill.

18 The federal Resilience Revolving Loan program for disaster  
19 mitigation was established by the STORM Act, and FEMA received  
20 a \$500 million appropriation from the federal Infrastructure  
21 Improvement and Jobs Act, Pub.L.117-58. FEMA is currently  
22 developing the program's administrative rules, with program  
23 deployment expected in 2023. In order for states to be apply to  
24 apply to access the loan funds, they need to create a resilience  
25 revolving loan fund and apply to FEMA. This bill provides the  
26 framework for New Jersey to be able to access this funding and help  
27 fund natural hazard mitigation projects.

28 Mitigating hazard risk is critical to preserving property values  
29 and property tax revenues. Mitigating flood risk by structural  
30 elevation and structural dry flood proofing are proven methods of  
31 hazard risk reduction. Flood mitigation projects preserve property  
32 values and create good jobs in all of the professional trades and  
33 design professions. The financing of mitigation projects has always  
34 been the major limiting element of hazard mitigation. Federal,  
35 state, and local funding of grants for mitigation have been proven to  
36 work but have always fallen far short of need and demand for the  
37 funds. According to the Natural Institute of Building Sciences,  
38 every dollar spent on natural disaster mitigation saves at least \$6. It  
39 is therefore in the best interest of the State to support resilience and  
40 mitigation projects to reduce the cost of natural disasters and  
41 protect lives and property.

42 With regard to the bill's provisions that amend the "New Jersey  
43 Infrastructure Trust Act," P.L.1985, c.334 (C.58:11B-1 et seq.), to  
44 make various changes to the NJIB's enabling law, the bill:

45 (1) incorporates language concerning the new program to be  
46 established under the bill for hazard mitigation and resiliency  
47 projects;

- 1       (2) adds language to allow for the resale of bonds to allow the
- 2 NJIB to buy and sells its bonds for cross-investment purposes;
- 3       (3) clarifies language concerning maturity of long-term loans
- 4       (4) revises how the NJIB is to provide public notice concerning
- 5 the sale of bonds to remove the requirement for newspaper
- 6 publication and replace it with electronic notice;
- 7       (5) increases from \$8.8 billion to \$10 billion the aggregate
- 8 principal of bonds, notes, or other obligations of the NJIB;
- 9       (6) extends from 2033 to 2053 the date by which the NJIB may
- 10 no longer make loans or incur indebtedness;
- 11       (7) clarifies that the NJIB is authorized to provide loans and
- 12 other financial assistance to public water systems and other persons,
- 13 rather than to local government units only; and
- 14       (8) makes other technical and clarifying changes.

# SENATE ENVIRONMENT AND ENERGY COMMITTEE

## STATEMENT TO

### **SENATE, No. 3337**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: JANUARY 30, 2023

The Senate Environment and Energy Committee favorably reports Senate Bill No. 3337, with committee amendments.

This bill, as amended by the committee, would establish a Community Hazard Assistance Mitigation Program (“CHAMP”) and a CHAMP Revolving Loan Fund (fund) in the New Jersey Infrastructure Bank (NJIB). The bill would also amend the “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), to make various changes to the NJIB’s enabling law.

The bill directs the State Office of Emergency Management (OEM), in conjunction with the NJIB, to apply to the Federal Emergency Management Agency (FEMA) under the provisions of the “Safeguarding Tomorrow through Ongoing Risk Management Act” or “STORM Act,” Pub.L.116-284, when funding is available, to enter into an agreement to capitalize the fund established by the bill. In addition, the bill authorizes the NJIB to issue bonds for the financing of hazard mitigation and resilience projects.

The “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), authorizes the NJIB to issue bonds to provide funding for environmental infrastructure and transportation infrastructure projects. This bill expands the authority of the NJIB to include the financing of hazard mitigation and resilience projects undertaken by State entities, local governments, and nonprofit organizations, in accordance with the provisions of the STORM Act and this bill.

The bill directs the OEM, in consultation with the Commissioner of Environmental Protection, to develop a priority system for hazard mitigation and resilience projects and establish the ranking criteria and funding policies for the hazard mitigation and resilience projects to be financed through the program established by the bill. The bill requires this project priority list for the ensuing fiscal year to be submitted to the Legislature on or before January 15th of each year. In addition, the bill requires the OEM, in consultation with the Commissioner of Environmental Protection, to submit a “CHAMP Project Eligibility List” identifying projects to receive funding from the NJIB pursuant to the bill. The bill directs the NJIB to submit this list to the Legislature by May 15th of each year to be considered by the Legislature in the

form of appropriation bills. The bill provides that the NJIB, on or before October 15 of each year, may submit an additional project eligibility list, to be considered by the Legislature in the form of appropriation bills. The bill provides that the NJIB shall not expend any moneys for a hazard mitigation or resilience project unless that expenditure is authorized pursuant to an appropriation act of the current or three immediately preceding fiscal years.

In addition, the bill directs the NJIB, on or before May 15th of each year, to submit to the Legislature a financial plan designed to implement the financing of hazard mitigation and resilience projects on the CHAMP Project Eligibility List. The bill provides that, on or before June 30 of each year, the Legislature may reject the financial plan through the adoption by both houses of a concurrent resolution, and if the Legislature takes no action on or before June 30, the financial plan would be deemed approved.

The “STORM Act” authorizes FEMA to enter into agreements with certain state agencies to provide capitalization grants for hazard-mitigation revolving loan funds. The funds are to be used to provide low interest loans to fund mitigation projects, including mitigation projects on buildings that reduce damage risk, reduce insurance rates, and bring buildings into FEMA minimum National Flood Insurance Program (NFIP) requirements. The STORM Act requires the revolving funds to be administered by the agency responsible for emergency management in the state; however, it provides that the FEMA Administrator may allow the financial administration of the fund to be combined with the financial administration of another revolving fund under certain conditions, including that (1) the capitalization grant, entity share, repayments of loans, and interest earned on amounts in the fund are accounted for separately from other amounts, and (2) the authority to establish assistance priorities and carry out oversight activities remains in the control of the entity agency responsible for emergency management in the State.

Thus, under this bill, the CHAMP revolving loan fund would be established in the NJIB, with the State Office of Emergency Management applying to FEMA in conjunction with the NJIB. In addition, the State Office of Emergency Management, in consultation with the Commissioner of Environmental Protection, is charged with developing the priority system and establishing the ranking criteria and funding policies for the hazard mitigation and resilience projects to be financed through the program created by this bill.

With regard to the bill’s provisions that amend the “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), to make various changes to the NJIB’s enabling law, the bill:

- (1) incorporates language concerning the new program to be established under the bill for hazard mitigation and resilience projects;
- (2) adds language to allow for the resale of bonds to allow the NJIB to buy and sell its bonds for cross-investment purposes;

(3) clarifies language concerning maturity of long-term loans;

(4) revises how the NJIB provides public notice concerning the sale of bonds to remove the requirement for newspaper publication and replace it with electronic notice;

(5) increases from \$8.8 billion to \$10 billion the aggregate principal of bonds, notes, or other obligations of the NJIB;

(6) extends from 2033 to 2053 the date by which the NJIB may no longer make loans or incur indebtedness;

(7) clarifies that the NJIB is authorized to provide loans and other financial assistance to public water systems and other persons, rather than to local government units only; and

(8) makes other technical and clarifying changes.

The committee amendments to the bill:

1) change the name of the short title of the bill from the “Resilient NJ Revolving Loan Fund Act” to the “Community Hazard Assistance Mitigation Program (CHAMP) Act,” and make corresponding changes throughout the bill to the name of the program and the name of the fund to be established by the bill;

2) change the term “hazard mitigation and resiliency project” to be “hazard mitigation and resilience project” and use this term throughout the bill;

3) in section 6, provide that the OEM would establish the priority system, project priority list, and project eligibility list in consultation with the Commissioner of Environmental Protection, instead of in conjunction with the NJIB, and specify that while the OEM is to consult with the Commissioner of Environmental Protection, the responsibility for determining assistance priorities and carrying out oversight activities is the responsibility of the OEM;

4) in section 9 of the bill, authorize, rather than require, the NJIB and Department of Law and Public Safety to adopt rules and regulations;

5) provide, in section 11 of the bill, that the NJIB may provide local government units with any form of technical assistance, in addition to any financial and credit advice, that may be requested;

6) appropriate \$500,000 from the General Fund to the NJIB, to be used for operational costs incurred by the NJIB in establishing the program required by the bill; and

7) make other technical and clarifying changes to the bill.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

[First Reprint]

## **SENATE, No. 3337**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: MARCH 6, 2023

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 3337 (1R).

As amended by the committee, this bill would establish a Community Hazard Assistance Mitigation Program (“CHAMP”) and a CHAMP Revolving Loan Fund (fund) in the New Jersey Infrastructure Bank (NJIB). The bill would also amend the “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), to make various changes to the NJIB’s enabling law.

The bill directs the State Office of Emergency Management (OEM), in conjunction with the NJIB, to apply to the Federal Emergency Management Agency (FEMA) under the provisions of the “Safeguarding Tomorrow through Ongoing Risk Mitigation Act” or “STORM Act,” Pub.L.116-284, when funding is available, to enter into an agreement to capitalize the fund established by the bill. In addition, the bill authorizes the NJIB to issue bonds for the financing of hazard mitigation and resilience projects.

The “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), authorizes the NJIB to issue bonds to provide funding for environmental infrastructure and transportation infrastructure projects. This bill expands the authority of the NJIB to include the financing of hazard mitigation and resilience projects undertaken by State entities, local governments, and nonprofit organizations, in accordance with the provisions of the STORM Act and this bill.

The bill directs the OEM, in consultation with the Commissioner of Environmental Protection, to develop a priority system for hazard mitigation and resilience projects and establish the ranking criteria and funding policies for the hazard mitigation and resilience projects to be financed through the program established by the bill. The bill requires this project priority list for the ensuing fiscal year to be submitted to the Legislature on or before January 15th of each year. In addition, the bill requires the OEM, in consultation with the Commissioner of Environmental Protection, to submit a “CHAMP Project Eligibility List” identifying projects to receive funding from the NJIB pursuant to

the bill. The bill directs the NJIB to submit this list to the Legislature by May 15th of each year to be considered by the Legislature in the form of appropriation bills. The bill provides that the NJIB, on or before October 15 of each year, may submit an additional project eligibility list, to be considered by the Legislature in the form of appropriation bills. The bill provides that the NJIB shall not expend any moneys for a hazard mitigation or resilience project unless that expenditure is authorized pursuant to an appropriation act of the current or three immediately preceding fiscal years.

In addition, the bill directs the NJIB, on or before May 15th of each year, to submit to the Legislature a financial plan designed to implement the financing of hazard mitigation and resilience projects on the CHAMP Project Eligibility List. The bill provides that, on or before June 30 of each year, the Legislature may reject the financial plan through the adoption by both houses of a concurrent resolution, and if the Legislature takes no action on or before June 30, the financial plan would be deemed approved.

The “STORM Act” authorizes FEMA to enter into agreements with certain state agencies to provide capitalization grants for hazard-mitigation revolving loan funds. The funds are to be used to provide low interest loans to fund mitigation projects, including mitigation projects on buildings that reduce damage risk, reduce insurance rates, and bring buildings into FEMA minimum National Flood Insurance Program (NFIP) requirements. The STORM Act requires the revolving funds to be administered by the agency responsible for emergency management in the state; however, it provides that the FEMA Administrator may allow the financial administration of the fund to be combined with the financial administration of another revolving fund under certain conditions, including that (1) the capitalization grant, entity share, repayments of loans, and interest earned on amounts in the fund are accounted for separately from other amounts, and (2) the authority to establish assistance priorities and carry out oversight activities remains in the control of the entity agency responsible for emergency management in the State.

Thus, under this bill, the CHAMP revolving loan fund would be established in the NJIB, with the State Office of Emergency Management applying to FEMA in conjunction with the NJIB. In addition, the State Office of Emergency Management, in consultation with the Commissioner of Environmental Protection, is charged with developing the priority system and establishing the ranking criteria and funding policies for the hazard mitigation and resilience projects to be financed through the program created by this bill.

With regard to the bill’s provisions that amend the “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), to make various changes to the NJIB’s enabling law, the bill:

(1) incorporates language concerning the new program to be established under the bill for hazard mitigation and resilience projects;

(2) adds language to allow for the resale of bonds to allow the NJIB to buy and sell its bonds for cross-investment purposes;

(3) clarifies language concerning maturity of long-term loans;

(4) increases from \$8.8 billion to \$10 billion the aggregate principal of bonds, notes, or other obligations of the NJIB;

(5) extends from 2033 to 2053 the date by which the NJIB may no longer make loans or incur indebtedness;

(6) clarifies that the NJIB is authorized to provide loans and other financial assistance to public water systems and other persons, rather than to local government units only; and

(7) makes other technical and clarifying changes.

As amended and reported by the committee, this bill is identical to Assembly Bill No. 4866 (3R), which was also reported by the committee on this date.

#### COMMITTEE AMENDMENTS:

The committee amendments remove the language in section 12 of the bill that revised how the NJIB provides public notice concerning the sale of bonds and restores the requirement in current law concerning newspaper publication. The committee amendments also make a correction to the title of a federal act and add a citation.

#### FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that the bill may result in a State expenditure increase of up to \$500,000 in the first year the bill is in effect. If the full \$500,000 is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$500,000 is exhausted. Cost increases for ongoing administration of the Community Hazard Assistance Mitigation Program established by the bill are indeterminate.

The OLS notes that the New Jersey Infrastructure Bank would experience increased revenues generated through administrative fees used to reimburse the Infrastructure Bank for administrative and operating expenses incurred in administering the Community Hazard Assistance Mitigation Program.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

[First Reprint]

## **SENATE, No. 3337**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: MARCH 6, 2023

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 3337 (1R).

As amended by the committee, this bill would establish a Community Hazard Assistance Mitigation Program (“CHAMP”) and a CHAMP Revolving Loan Fund (fund) in the New Jersey Infrastructure Bank (NJIB). The bill would also amend the “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), to make various changes to the NJIB’s enabling law.

The bill directs the State Office of Emergency Management (OEM), in conjunction with the NJIB, to apply to the Federal Emergency Management Agency (FEMA) under the provisions of the “Safeguarding Tomorrow through Ongoing Risk Mitigation Act” or “STORM Act,” Pub.L.116-284, when funding is available, to enter into an agreement to capitalize the fund established by the bill. In addition, the bill authorizes the NJIB to issue bonds for the financing of hazard mitigation and resilience projects.

The “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), authorizes the NJIB to issue bonds to provide funding for environmental infrastructure and transportation infrastructure projects. This bill expands the authority of the NJIB to include the financing of hazard mitigation and resilience projects undertaken by State entities, local governments, and nonprofit organizations, in accordance with the provisions of the STORM Act and this bill.

The bill directs the OEM, in consultation with the Commissioner of Environmental Protection, to develop a priority system for hazard mitigation and resilience projects and establish the ranking criteria and funding policies for the hazard mitigation and resilience projects to be financed through the program established by the bill. The bill requires this project priority list for the ensuing fiscal year to be submitted to the Legislature on or before January 15th of each year. In addition, the bill requires the OEM, in consultation with the Commissioner of Environmental Protection, to submit a “CHAMP Project Eligibility List” identifying projects to receive funding from the NJIB pursuant to

the bill. The bill directs the NJIB to submit this list to the Legislature by May 15th of each year to be considered by the Legislature in the form of appropriation bills. The bill provides that the NJIB, on or before October 15 of each year, may submit an additional project eligibility list, to be considered by the Legislature in the form of appropriation bills. The bill provides that the NJIB shall not expend any moneys for a hazard mitigation or resilience project unless that expenditure is authorized pursuant to an appropriation act of the current or three immediately preceding fiscal years.

In addition, the bill directs the NJIB, on or before May 15th of each year, to submit to the Legislature a financial plan designed to implement the financing of hazard mitigation and resilience projects on the CHAMP Project Eligibility List. The bill provides that, on or before June 30 of each year, the Legislature may reject the financial plan through the adoption by both houses of a concurrent resolution, and if the Legislature takes no action on or before June 30, the financial plan would be deemed approved.

The “STORM Act” authorizes FEMA to enter into agreements with certain state agencies to provide capitalization grants for hazard-mitigation revolving loan funds. The funds are to be used to provide low interest loans to fund mitigation projects, including mitigation projects on buildings that reduce damage risk, reduce insurance rates, and bring buildings into FEMA minimum National Flood Insurance Program (NFIP) requirements. The STORM Act requires the revolving funds to be administered by the agency responsible for emergency management in the state; however, it provides that the FEMA Administrator may allow the financial administration of the fund to be combined with the financial administration of another revolving fund under certain conditions, including that (1) the capitalization grant, entity share, repayments of loans, and interest earned on amounts in the fund are accounted for separately from other amounts, and (2) the authority to establish assistance priorities and carry out oversight activities remains in the control of the entity agency responsible for emergency management in the State.

Thus, under this bill, the CHAMP revolving loan fund would be established in the NJIB, with the State Office of Emergency Management applying to FEMA in conjunction with the NJIB. In addition, the State Office of Emergency Management, in consultation with the Commissioner of Environmental Protection, is charged with developing the priority system and establishing the ranking criteria and funding policies for the hazard mitigation and resilience projects to be financed through the program created by this bill.

With regard to the bill’s provisions that amend the “New Jersey Infrastructure Trust Act,” P.L.1985, c.334 (C.58:11B-1 et seq.), to make various changes to the NJIB’s enabling law, the bill:

(1) incorporates language concerning the new program to be established under the bill for hazard mitigation and resilience projects;

(2) adds language to allow for the resale of bonds to allow the NJIB to buy and sell its bonds for cross-investment purposes;

(3) clarifies language concerning maturity of long-term loans;

(4) increases from \$8.8 billion to \$10 billion the aggregate principal of bonds, notes, or other obligations of the NJIB;

(5) extends from 2033 to 2053 the date by which the NJIB may no longer make loans or incur indebtedness;

(6) clarifies that the NJIB is authorized to provide loans and other financial assistance to public water systems and other persons, rather than to local government units only; and

(7) makes other technical and clarifying changes.

As amended and reported by the committee, this bill is identical to Assembly Bill No. 4866 (3R), which was also reported by the committee on this date.

#### COMMITTEE AMENDMENTS:

The committee amendments remove the language in section 12 of the bill that revised how the NJIB provides public notice concerning the sale of bonds and restores the requirement in current law concerning newspaper publication. The committee amendments also make a correction to the title of a federal act and add a citation.

#### FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that the bill may result in a State expenditure increase of up to \$500,000 in the first year the bill is in effect. If the full \$500,000 is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$500,000 is exhausted. Cost increases for ongoing administration of the Community Hazard Assistance Mitigation Program established by the bill are indeterminate.

The OLS notes that the New Jersey Infrastructure Bank would experience increased revenues generated through administrative fees used to reimburse the Infrastructure Bank for administrative and operating expenses incurred in administering the Community Hazard Assistance Mitigation Program.

# LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

**SENATE, No. 3337**

## **STATE OF NEW JERSEY 220th LEGISLATURE**

DATED: MARCH 3, 2023

### **SUMMARY**

- Synopsis:** Establishes Community Hazard Assistance Mitigation Program in, and authorizes issuance of bonds by, NJ Infrastructure Bank to fund certain hazard mitigation and resilience projects; makes various changes to NJ Infrastructure Bank's enabling act; appropriates \$500,000.
- Type of Impact:** Annual State expenditure and revenue increases.
- Agencies Affected:** Office of Emergency Management in the Department of Law and Public Safety, New Jersey Infrastructure Bank, and Department of Environmental Protection.

### **Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>Annual</u></b>
<b>State Expenditure Increase</b>	Indeterminate
<b>State Revenue Increase</b>	Indeterminate

- The Office of Legislative Services (OLS) concludes that the bill may result in a State expenditure increase of up to \$500,000 in the first year the bill is in effect. If the full \$500,000 is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$500,000 is exhausted. Cost increases for ongoing administration of the Community Hazard Assistance Mitigation Program established by the bill are indeterminate.
- The OLS notes that the New Jersey Infrastructure Bank would experience increased revenues generated through administrative fees used to reimburse the Infrastructure Bank for administrative and operating expenses incurred in administering the Community Hazard Assistance Mitigation Program.

### **BILL DESCRIPTION**

This bill would establish a Community Hazard Assistance Mitigation Program and a Community Hazard Assistance Mitigation Program Revolving Loan Fund in the New Jersey

Infrastructure Bank. The bill would also amend the New Jersey Infrastructure Trust Act to make various changes to the Infrastructure Bank's enabling law.

The bill directs the State Office of Emergency Management, in conjunction with the New Jersey Infrastructure Bank, to apply to the Federal Emergency Management Agency under the provisions of the federal Safeguarding Tomorrow through Ongoing Risk Management Act when funding is available, to enter into an agreement to capitalize the fund established by the bill. In addition, the bill authorizes the Infrastructure Bank to issue bonds for the financing of hazard mitigation and resilience projects.

The New Jersey Infrastructure Trust Act authorizes the Infrastructure Bank to issue bonds to provide funding for environmental infrastructure and transportation infrastructure projects. This bill expands the authority of the Infrastructure Bank to include the financing of hazard mitigation and resilience projects undertaken by State entities, local governments, and nonprofit organizations.

The bill includes numerous provisions concerning the priority system and ranking criteria for the hazard mitigation and resilience projects to be financed through the Community Hazard Assistance Mitigation Program established by this bill.

Finally, the bill appropriates \$500,000 from the General Fund to establish the Community Hazard Assistance Mitigation Program.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS concludes that the bill may result in a State expenditure increase of up to \$500,000 in the first year the bill is in effect. If the full \$500,000 is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$500,000 is exhausted. Cost increases for ongoing administration of the Community Hazard Assistance Mitigation Program are indeterminate.

The OLS determines that the State Office of Emergency Management, the Department of Environmental Protection, and the New Jersey Infrastructure Bank would experience additional administrative costs primarily related to the bill's provisions concerning the priority system and ranking criteria for the hazard mitigation and resilience projects.

The OLS notes that the New Jersey Infrastructure Bank would experience increased revenues generated through administrative fees used to reimburse the Infrastructure Bank for administrative and operating expenses incurred in administering the Community Hazard Assistance Mitigation Program.

*Section: Environment, Agriculture, Energy, and Natural Resources*

*Analyst: Neha Patel  
Senior Fiscal Analyst*

*Approved: Thomas Koenig  
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

# LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

## SENATE, No. 3337

### STATE OF NEW JERSEY 220th LEGISLATURE

DATED: MAY 24, 2023

#### SUMMARY

- Synopsis:** Establishes Community Hazard Assistance Mitigation Program in, and authorizes issuance of bonds by, NJ Infrastructure Bank to fund certain hazard mitigation and resilience projects; makes various changes to NJ Infrastructure Bank's enabling act; appropriates \$500,000.
- Type of Impact:** Annual State expenditure and revenue increases.
- Agencies Affected:** Office of Emergency Management in the Department of Law and Public Safety, New Jersey Infrastructure Bank, and Department of Environmental Protection.

#### Office of Legislative Services Estimate

<b>Fiscal Impact</b>	<b><u>Year 1</u></b>	<b><u>Year 2 and Thereafter</u></b>
<b>State Expenditure Increase</b>	Up to \$500,000	Indeterminate
<b>State Revenue Increase</b>	Indeterminate	Indeterminate

- The Office of Legislative Services (OLS) concludes that the bill may result in a State expenditure increase of up to \$500,000 in the first year the bill is in effect. If the full \$500,000 is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$500,000 is exhausted. Cost increases for ongoing administration of the Community Hazard Assistance Mitigation Program established by the bill are indeterminate.
- The OLS notes that the New Jersey Infrastructure Bank would experience increased revenues generated through administrative fees used to reimburse the Infrastructure Bank for administrative and operating expenses incurred in administering the Community Hazard Assistance Mitigation Program.

## **BILL DESCRIPTION**

This bill would establish a Community Hazard Assistance Mitigation Program and a Community Hazard Assistance Mitigation Program Revolving Loan Fund in the New Jersey Infrastructure Bank. The bill would also amend the New Jersey Infrastructure Trust Act to make various changes to the Infrastructure Bank's enabling law.

The bill directs the State Office of Emergency Management, in conjunction with the New Jersey Infrastructure Bank, to apply to the Federal Emergency Management Agency under the provisions of the federal Safeguarding Tomorrow through Ongoing Risk Management Act when funding is available, to enter into an agreement to capitalize the fund established by the bill. In addition, the bill authorizes the Infrastructure Bank to issue bonds for the financing of hazard mitigation and resilience projects.

The New Jersey Infrastructure Trust Act authorizes the Infrastructure Bank to issue bonds to provide funding for environmental infrastructure and transportation infrastructure projects. This bill expands the authority of the Infrastructure Bank to include the financing of hazard mitigation and resilience projects undertaken by State entities, local governments, and nonprofit organizations.

The bill includes numerous provisions concerning the priority system and ranking criteria for the hazard mitigation and resilience projects to be financed through the Community Hazard Assistance Mitigation Program established by this bill.

Finally, the bill appropriates \$500,000 from the General Fund to establish the Community Hazard Assistance Mitigation Program.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS concludes that the bill may result in a State expenditure increase of up to \$500,000 in the first year the bill is in effect. If the full \$500,000 is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$500,000 is exhausted. Cost increases for ongoing administration of the Community Hazard Assistance Mitigation Program are indeterminate.

The OLS determines that the State Office of Emergency Management, the Department of Environmental Protection, and the New Jersey Infrastructure Bank would experience additional administrative costs primarily related to the bill's provisions concerning the priority system and ranking criteria for the hazard mitigation and resilience projects.

The OLS notes that the New Jersey Infrastructure Bank would experience increased revenues generated through administrative fees used to reimburse the Infrastructure Bank for administrative and operating expenses incurred in administering the Community Hazard Assistance Mitigation Program.

*Section: Environment, Agriculture, Energy, and Natural Resources*

*Analyst: Neha Patel  
Senior Fiscal Analyst*

*Approved: Thomas Koenig  
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

# Governor Murphy Takes Action on Legislation

05/25/2023

**TRENTON** – Today, Governor Murphy signed the following bills into law:

**A-4866/S-3337 (Freiman, Mukherji, Jaffer/Lagana, Johnson)** - Establishes Community Hazard Assistance Mitigation Program in, and authorizes issuance of bonds by, NJ Infrastructure Bank to fund certain hazard mitigation and resilience projects; makes various changes to NJ Infrastructure Bank's enabling act; appropriates \$500,000

**AJR-113/SJR-121 (Mosquera, McKnight, Haider/Ruiz, Pou)** - Establishes the last full week of May as "Period Poverty Awareness Week"