TEMPORARY & EXECUTED
LEGISLATIVE HISTORY CHECKLIST
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LAWS OF: 2025 **CHAPTER:** 124

NJSA: TEMPORARY & EXECUTED Authorizes NJ Infrastructure Bank to expend certain sums to make loans for transportation infrastructure projects for FY2026; makes appropriation.

BILL NO: S4377 (Substituted for A5623)

SPONSOR(S) Diegnan, Patrick J. and others

DATE INTRODUCED: 5/12/2025

COMMITTEE: **ASSEMBLY:** Appropriations

SENATE: Transportation

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: **ASSEMBLY:** 06/30/2025

SENATE: 06/02/2025

DATE OF APPROVAL: 8/15/2025

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (S4377 enacted)

ADVANCE LAW Yes

PAMPHLET LAW Yes

S4377

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

REPRINT(S): No

TECHNICAL REVIEW OF BILL: No

COMMITTEE STATEMENT: **ASSEMBLY**: Yes Appropriations

SENATE: Yes Transportation

(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)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

A5623

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

REPRINT(S): No

TECHNICAL REVIEW OF BILL: No

COMMITTEE STATEMENT:	**ASSEMBLY**:	Yes	Transportation Appropriations
	SENATE:	No	

(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)

FLOOR AMENDMENT STATEMENT:	No
LEGISLATIVE FISCAL ESTIMATE:	No
VETO MESSAGE:	No
GOVERNOR'S PRESS RELEASE ON SIGNING:	Yes
LEGISLATOR STATEMENT:	No

FOLLOWING WERE PRINTED:

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REPORTS:	No
HEARINGS:	No
NEWSPAPER ARTICLES:	No

CL/MMcB

P.L. 2025, CHAPTER 124, ***approved August 15, 2025***
Senate, No. 4377

AN ACT authorizing the expenditure of funds by the New Jersey Infrastructure Bank for the purpose of making loans to eligible project sponsors to finance the cost to construct transportation infrastructure projects, and making an appropriation.

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

1. As used in this act:

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

"Capitalized interest" means an amount equal to the interest paid on bank transportation bonds that is funded with bank transportation bond proceeds and the earnings thereon.

"Debt service reserve fund expenses" means the debt service reserve fund costs associated with reserve capacity expenses.

"Issuance expenses" means any costs related to the issuance of bank transportation bonds and includes, but is not limited to, the costs of financial document printing, bond insurance premiums or other credit enhancement, underwriters' discount, verification of financial calculations, the services of bond rating agencies and trustees, and the employment of accountants, attorneys, financial advisors, loan servicing agents, registrars, and paying agents.

"Loan origination fee" means the fee charged by the bank to pay a portion of the costs incurred by the bank and the Department of Transportation in the implementation of the New Jersey Transportation Infrastructure Financing Program.

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

"Reserve capacity expenses" means those project costs for reserve capacity that are eligible for loans from the bank in accordance with the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan.

2. a. The New Jersey Infrastructure Bank is authorized to expend the aggregate sum of $53,450,000 or such amounts as can be supported through balances in the State Transportation Infrastructure Bank Fund, established pursuant to section 34 of P.L.2016, c.56 (C.58:11B-10.4), and via direct appropriation through the State transportation capital program for the purpose of

making loans to, or on behalf of, local government units to finance all or a portion of the cost of construction of transportation infrastructure projects listed in section 4 of this act.

b. The bank is authorized to make a maximum of $1,000,000 in principal-forgiveness financing loans to project sponsors for planning and design costs. Up to $100,000 of a loan authorized by this subsection, per borrower, shall be forgiven for a project where a principal amount of at least $250,000 is financed by the Transportation Infrastructure Financing Program through completion of the project's construction.

c. The bank is authorized to increase the aggregate sums specified in subsection a. of this section for the bank's costs to acquire lending capital, including:

(1) the amounts of capitalized interest, interest accrued pursuant to a short-term or temporary loan made to a project sponsor pursuant to the Interim Transportation Financing Program, and the bond issuance expenses, as provided in subsection b. of section 7 of this act;

(2) the amounts of reserve capacity expenses and debt service reserve fund requirements, as provided in subsection c. of section 7 of this act;

(3) the amounts of the loan origination fee, as provided in subsection d. of section 7 of this act; and

(4) the amounts of the debt service reserve or guarantees provided to local government units from the Economic Development and Infrastructure Improvement Revolving Fund, as provided in subsection e. of section 7 of this act.

3. The New Jersey Infrastructure Bank is authorized to make loans to, or on behalf of, the project sponsors for the transportation projects listed in subsection a. of section 4 of this act up to the individual amounts indicated and in the priority stated, except that any such amount may be reduced by the bank pursuant to subsection a. of section 7 of this act, or if a project fails to meet the requirements of section 6 of this act. The bank is authorized to increase any such amount pursuant to subsection b. through subsection d. of section 7 of this act or section 8 of this act.

4. a. The following transportation infrastructure projects shall be known and may be cited as the "State Fiscal Year 2026 Transportation Financing Program Project Eligibility List":

Applicant, Project No.	Project Description	Estimated Total Allowable State Loan Amount	Estimated Total Allowable Loan Amount
Bayonne City, TB0901-001	E. 25th Street Pedestrian Bridge Replacement	$2,000,000	$4,000,000
Essex County, TB0700-004	Priority Repairs to County Bridges - Harrison, East Newark and Newark	$2,675,000	$5,350,000
Hoboken City, TB0905-001	Sinatra Drive Redesign Project	$3,275,000	$6,550,000
Flemington Borough, TB1009-001	Corcoran South Main Dewey Road Improvements	$875,000	$1,750,000
Princeton, TB1110-001	Improvement of Witherspoon Street Phases 2 and 3	$4,225,000	$8,450,000
Robbinsville Township, TB1112-002	Country Meadows, Brookshire Estate and Meadowbrook Road	$1,525,000	$3,050,000
Bayonne City, TB0901-003	Improvements to Broadway and Avenue E	$875,000	$1,750,000
Hoboken City, STB0905-003	WIU Phase 2 - Complete Streets Improvements	$1,875,000	$3,750,000
Little Ferry Borough, TB0230-001	2023 Road Improvements Project	$750,000	$1,500,000
Little Ferry Borough, TB0230-002	2024 Road Improvement Program	$925,000	$1,850,000
Robbinsville Township, TB1112-001	Improvements to Newtown Village	$1,200,000	$2,400,000
Willingboro Township, TB0338-001	2023 Segment Rating 4 Roadway Project	$1,850,000	$3,700,000
Raritan Township, TB1021-002	Road Resurfacing Project 2022	$1,350,000	$2,700,000
Mendham Township, TB1419-001	Mendham Township - 2023 Road Improvements	$1,275,000	$2,550,000
Mendham Township, TB1419-002	2024 Road Improvements	$1,150,000	$2,300,000
Marlboro Township, TB1328-003	2024 Road Improvement Program (060-4, 060-7)	$575,000	$1,150,000
Prospect Park, TB1610-001	Prospect Park 2023 Transportation Projects	$325,000	$650,000
Total Projects: 17		$26,725,000	$53,450,000

b. The bank is authorized to adjust the allowable loan amount and estimated total allowable loan amount for each project authorized in this section as appropriate, as long as the total amount of the loan issuance remains within available funds, and each loan is issued pursuant to the terms and conditions of the financing program from the year in which each construction contract for a project was certified if subject to an interim financing program loan or, in the absence of an interim financing program loan, the terms and conditions of the State Fiscal Year 2026 Transportation Infrastructure Financing Program.

c. The bank is authorized to increase the loan amount of projects authorized pursuant to this section in the future to compensate for a refunding of the issue, where adequate savings are achieved, for the loans issued pursuant to this act.

5. a. In accordance with and subject to the provisions of sections 5, 6, and 23 of P.L.1985, c.334 (C.58:11B-5, C.58:11B-6, and C.58:11B-23), and as set forth in the financial plan required pursuant to section 37 of P.L.2016, c.56 (C.58:11B-22.3), any proceeds from bonds issued by the bank to make loans for priority transportation infrastructure projects listed in section 4 of this act that are not expended for that purpose may be applied for the payment of all or any part of the principal of, or interest and premium on, the bank transportation bonds whether due at stated maturity, the interest payment dates, or earlier upon redemption. A portion of the proceeds from bonds issued by the bank to make loans for priority transportation infrastructure projects pursuant to this act may be applied for the payment of capitalized interest and for the payment of any issuance expenses; for the payment of reserve capacity expenses; for the payment of debt service reserve fund expenses; for the payment of the loan origination fees; and for the payment of increased costs, as defined and determined in accordance with the rules and regulations adopted by the bank, pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27), and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan.

6. Any loan made by the New Jersey Infrastructure Bank pursuant to this act shall be subject to the following requirements:

a. the chairperson, vice-chairperson, or secretary of the bank shall certify that the project complies with the applicable provisions of P.L.1984, c.73, P.L.1985, c.334, P.L.2016, c.56, and any amendatory and supplementary acts thereto, and any rules and regulations adopted pursuant thereto, as applicable, and satisfies the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan. In making this certification, the chairperson, vice-chairperson, or secretary may conclusively rely on the project review conducted by the Department of Transportation without any independent review thereof by the bank;

b. the loan shall be conditioned upon the inclusion of the project on a project eligibility list approved pursuant to section 36 of P.L.2016, c.56 (C.58:11B-20.2);

c. the loan shall be repaid within a period not to exceed 31 years of the making of the loan or, for loans funded pursuant to the "Transportation Infrastructure Finance and Innovation Act" (TIFIA), 23 U.S.C. s.601 et seq., as amended and superseded, not later than the maximum time period allowed by the TIFIA;

d. the loan shall not exceed the allowable project cost of the transportation infrastructure project, exclusive of capitalized interest, administrative expenses associated with federal funding programs, if applicable, and issuance expenses, as provided in subsection b. of section 7 of this act, reserve capacity expenses and the debt service reserve fund expenses, as provided in subsection c. of section 7 of this act, the amounts of the loan origination fee as provided in subsection d. of section 7 of this act, refunding increases as provided in section 8 of this act, and increased costs as defined and determined in accordance with the rules and regulations adopted by the bank, pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27), and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan;

e. the loan shall bear interest, exclusive of any cost of issuance charges, late charges, or administrative fees payable to the bank, pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5), by the project sponsors receiving bank transportation loans, at or below the interest rate paid by the bank on the bonds issued to make or refund the loans authorized by this act, adjusted for underwriting discount and original issue discount or premium, in accordance with the terms and conditions set forth in the financial plan required pursuant to section 37 of P.L.2016, c.56 (C.58:11B-22.3); and

f. the loan shall be subject to all other terms and conditions, as the bank shall determine to be consistent with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), and any rules and regulations adopted pursuant thereto, the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program and the financial plan required by section 37 of P.L.2016, c.56 (C.58:11B-22.3). The eligibility lists and authorization for the making of loans pursuant to this act shall expire on July 1, 2026, and any project sponsor who has not executed and delivered a loan agreement with the bank for a loan authorized in this act shall no longer be entitled to that loan.

7. a. The New Jersey Infrastructure Bank is authorized to reduce the individual amount of loan funds made available to, or on behalf of, project sponsors pursuant to section 4 of this act based upon final building costs, as defined and determined in accordance with rules and regulations adopted by the bank pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27), and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan.

The bank is authorized to use any such reduction in the loan amount made available to a project sponsor to cover that project sponsor's increased costs due to differing site conditions or other allowable expenses, as defined and determined in accordance with the rules and regulations adopted by the bank, pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27), and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan.

b. The bank is authorized to increase each loan amount authorized in section 4 of this act by the amount of capitalized interest, interest accrued pursuant to a short-term or temporary loan made to a project sponsor pursuant to the Interim Transportation Financing Program, issuance expenses, and administrative expenses associated with federal funding programs allocable to each loan made by the bank pursuant to this act.

c. The bank is authorized to increase each loan amount authorized in section 4 of this act by the amount of reserve capacity expenses and the debt service reserve fund expenses associated with the costs identified in subsection c. of section 2 of this act.

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

e. The bank is authorized to utilize the funds appropriated to the bank for deposit into the Economic Development and Infrastructure Improvement Revolving Fund for the provision of debt service reserves and guarantees to local government units that finance a transportation project or redevelopment project, which debt service reserves and guarantees shall be used to satisfy any applicable creditworthiness requirements of the local government unit.

8. The New Jersey Infrastructure Bank is authorized to utilize the proceeds from the refunding of bank transportation bonds to increase the individual amount of loan funds made available to project sponsors by the bank, pursuant to this act, as long as the amount of the increase is limited to the amount of savings achieved by the refunding of bank transportation bonds issued to make loans authorized by this act. The expenditure of funds authorized pursuant to this act is subject to the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), as amended and supplemented by P.L.2016, c.56, and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan, as appropriate.

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

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

b. the revenues derived from investments by the bank;

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

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

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

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

10. a. There is appropriated to the New Jersey Infrastructure Bank from the General Fund, for deposit in the transportation subaccount of the special fund created and established by the bank for the short-term or temporary loan financing or refinancing under the Disaster Relief Emergency Financing Program, authorized pursuant to subsection a. of section 1 of P.L.2013, c.93 (C.58:11B-9.5), such sums as are needed consisting of:

(1) sums from the Interim Transportation Financing Program Fund, as needed by the bank to make short-term or temporary loans pursuant to the Disaster Relief Emergency Financing Program to any one or more of the project sponsors, for the respective projects thereof; and

(2) such other amounts to be deposited in the Disaster Relief Emergency Financing Program Fund, established pursuant to subsection a. of section 1 of P.L.2013, c.93 (C.58:11B-9.5), as long as the amount so appropriated to the bank for deposit in the Disaster Relief Emergency Financing Program Fund shall be utilized by the bank to make short-term or temporary loans pursuant to the Disaster Relief Emergency Financing Program to any one or more of the project sponsors, for the respective projects thereof. Any transportation projects funded by the Disaster Relief Emergency Financing Program shall be subject to the approval of the Commissioner of Transportation.

b. The Transportation Disaster Relief Emergency Financing Program Project Priority List shall be submitted to the Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), at least once in each fiscal year. Any transportation infrastructure project or the project sponsor thereof not identified in the Transportation Disaster Relief Emergency Financing Program Project Priority List shall not be eligible for a short-term or temporary loan from the Transportation Disaster Relief Emergency Financing Program Fund.

11. Notwithstanding the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to the contrary, the bank shall not be required to adopt rules and regulations governing the issuance of loans under the "Disaster Relief Emergency Financing Program."

12. This act shall take effect immediately and shall expire on July 1, 2026.

STATEMENT

This bill authorizes the New Jersey Infrastructure Bank (NJIB) to expend up to $53,450,000 in Fiscal Year 2026 (FY2026) to provide low-interest loans to certain local government units that undertake one of 17 eligible transportation infrastructure projects set forth in the bill.

The bill also authorizes the NJIB to make a maximum of $1 million in principal-forgiveness financing loans to project sponsors for planning and design costs. Under the bill, up to $100,000 of a loan, per borrower, is to be forgiven for a project where a principal amount of at least $250,000 is financed by the Transportation Infrastructure Financing Program through completion of the project's construction.

Additionally, the bill permits the NJIB to use any loan repayments received to date, and the amounts for capitalized interest, interest accrued pursuant to a short-term or temporary loan made to a project sponsor pursuant to the Interim Transportation Financing Program, bond issuance expenses, and related amounts, to fund the FY2026 New Jersey Transportation Infrastructure Financing Program (NJTIB). The bill also authorizes the NJIB to utilize certain funds generated by the operation of the bank, including, but not limited to, proceeds from the sale of bonds, the revenues derived from investments, and loan repayments, to defray the NJIB's FY2026 operating expenses. Finally, the bill appropriates certain funds from the General Fund to the NJIB.

Since its creation in 2018, the NJIB, in partnership with the Department of Transportation, has provided low-cost NJTIB loans for the construction of critical transportation infrastructure projects with the mission of reducing the cost of financing for New Jersey counties and municipalities and making possible responsible and sustainable economic development.

Authorizes NJ Infrastructure Bank to expend certain sums to make loans for transportation infrastructure projects for FY2026; makes appropriation.

CHAPTER 124
CORRECTED COPY

AN ACT authorizing the expenditure of funds by the New Jersey Infrastructure Bank for the purpose of making loans to eligible project sponsors to finance the cost to construct transportation infrastructure projects, and making an appropriation.

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

1. As used in this act:

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

"Capitalized interest" means an amount equal to the interest paid on bank transportation bonds that is funded with bank transportation bond proceeds and the earnings thereon.

"Debt service reserve fund expenses" means the debt service reserve fund costs associated with reserve capacity expenses.

"Issuance expenses" means any costs related to the issuance of bank transportation bonds and includes, but is not limited to, the costs of financial document printing, bond insurance premiums or other credit enhancement, underwriters' discount, verification of financial calculations, the services of bond rating agencies and trustees, and the employment of accountants, attorneys, financial advisors, loan servicing agents, registrars, and paying agents.

"Loan origination fee" means the fee charged by the bank to pay a portion of the costs incurred by the bank and the Department of Transportation in the implementation of the New Jersey Transportation Infrastructure Financing Program.

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

"Reserve capacity expenses" means those project costs for reserve capacity that are eligible for loans from the bank in accordance with the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan.

2. a. The New Jersey Infrastructure Bank is authorized to expend the aggregate sum of $53,450,000 or such amounts as can be supported through balances in the State Transportation Infrastructure Bank Fund, established pursuant to section 34 of P.L.2016, c.56 (C.58:11B-10.4), and via direct appropriation through the State transportation capital program for the purpose of making loans to, or on behalf of, local government units to finance all or a portion of the cost of construction of transportation infrastructure projects listed in section 4 of this act.

b. The bank is authorized to make a maximum of $1,000,000 in principal-forgiveness financing loans to project sponsors for planning and design costs. Up to $100,000 of a loan authorized by this subsection, per borrower, shall be forgiven for a project where a principal amount of at least $250,000 is financed by the Transportation Infrastructure Financing Program through completion of the project's construction.

c. The bank is authorized to increase the aggregate sums specified in subsection a. of this section for the bank's costs to acquire lending capital, including:

(1) the amounts of capitalized interest, interest accrued pursuant to a short-term or temporary loan made to a project sponsor pursuant to the Interim Transportation Financing Program, and the bond issuance expenses, as provided in subsection b. of section 7 of this act;

(2) the amounts of reserve capacity expenses and debt service reserve fund requirements, as provided in subsection c. of section 7 of this act;

(3) the amounts of the loan origination fee, as provided in subsection d. of section 7 of this act; and

(4) the amounts of the debt service reserve or guarantees provided to local government units from the Economic Development and Infrastructure Improvement Revolving Fund, as provided in subsection e. of section 7 of this act.

3. The New Jersey Infrastructure Bank is authorized to make loans to, or on behalf of, the project sponsors for the transportation projects listed in subsection a. of section 4 of this act up to the individual amounts indicated and in the priority stated, except that any such amount may be reduced by the bank pursuant to subsection a. of section 7 of this act, or if a project fails to meet the requirements of section 6 of this act. The bank is authorized to increase any such amount pursuant to subsection b. through subsection d. of section 7 of this act or section 8 of this act.

4. a. The following transportation infrastructure projects shall be known and may be cited as the "State Fiscal Year 2026 Transportation Financing Program Project Eligibility List":

Applicant, Project No.	**Project Description**	**Estimated Total Allowable State Loan Amount**	**Estimated Total Allowable Loan Amount**
Bayonne City, TB0901-001	E. 25th Street Pedestrian Bridge Replacement	$2,000,000	$4,000,000
Essex County, TB0700-004	Priority Repairs to County Bridges - Harrison, East Newark and Newark	$2,675,000	$5,350,000
Hoboken City, TB0905-001	Sinatra Drive Redesign Project	$3,275,000	$6,550,000
Flemington Borough, TB1009-001	Corcoran South Main Dewey Road Improvements	$875,000	$1,750,000
Princeton, TB1110-001	Improvement of Witherspoon Street Phases 2 and 3	$4,225,000	$8,450,000
Robbinsville Township, TB1112-002	Country Meadows, Brookshire Estate and Meadowbrook Road	$1,525,000	$3,050,000
Bayonne City, TB0901-003	Improvements to Broadway and Avenue E	$875,000	$1,750,000
Hoboken City, STB0905-003	WIU Phase 2 - Complete Streets Improvements	$1,875,000	$3,750,000
Little Ferry Borough, TB0230-001	2023 Road Improvements Project	$750,000	$1,500,000
Little Ferry Borough, TB0230-002	2024 Road Improvement Program	$925,000	$1,850,000
Robbinsville Township, TB1112-001	Improvements to Newtown Village	$1,200,000	$2,400,000
Willingboro Township, TB0338-001	2023 Segment Rating 4 Roadway Project	$1,850,000	$3,700,000
Raritan Township, TB1021-002	Road Resurfacing Project 2022	$1,350,000	$2,700,000
Mendham Township, TB1419-001	Mendham Township - 2023 Road Improvements	$1,275,000	$2,550,000
Mendham Township, TB1419-002	2024 Road Improvements	$1,150,000	$2,300,000
Marlboro Township, TB1328-003	2024 Road Improvement Program (060-4, 060-7)	$575,000	$1,150,000
Prospect Park, TB1610-001	Prospect Park 2023 Transportation Projects	$325,000	$650,000
Total Projects: 17		**$26,725,000**	**$53,450,000**

b. The bank is authorized to adjust the allowable loan amount and estimated total allowable loan amount for each project authorized in this section as appropriate, as long as the total amount of the loan issuance remains within available funds, and each loan is issued pursuant to the terms and conditions of the financing program from the year in which each construction contract for a project was certified if subject to an interim financing program loan or, in the absence of an interim financing program loan, the terms and conditions of the State Fiscal Year 2026 Transportation Infrastructure Financing Program.

c. The bank is authorized to increase the loan amount of projects authorized pursuant to this section in the future to compensate for a refunding of the issue, where adequate savings are achieved, for the loans issued pursuant to this act.

5. In accordance with and subject to the provisions of sections 5, 6, and 23 of P.L.1985, c.334 (C.58:11B-5, C.58:11B-6, and C.58:11B-23), and as set forth in the financial plan required pursuant to section 37 of P.L.2016, c.56 (C.58:11B-22.3), any proceeds from bonds issued by the bank to make loans for priority transportation infrastructure projects listed in section 4 of this act that are not expended for that purpose may be applied for the payment of all or any part of the principal of, or interest and premium on, the bank transportation bonds whether due at stated maturity, the interest payment dates, or earlier upon redemption. A portion of the proceeds from bonds issued by the bank to make loans for priority transportation infrastructure projects pursuant to this act may be applied for the payment of capitalized interest and for the payment of any issuance expenses; for the payment of reserve capacity expenses; for the payment of debt service reserve fund expenses; for the payment of the loan origination fees; and for the payment of increased costs, as defined and determined in accordance with the rules and regulations adopted by the bank, pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27), and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan.

6. Any loan made by the New Jersey Infrastructure Bank pursuant to this act shall be subject to the following requirements:

a. the chairperson, vice-chairperson, or secretary of the bank shall certify that the project complies with the applicable provisions of P.L.1984, c.73, P.L.1985, c.334, P.L.2016, c.56, and any amendatory and supplementary acts thereto, and any rules and regulations adopted pursuant thereto, as applicable, and satisfies the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan. In making this certification, the chairperson, vice-chairperson, or secretary may conclusively rely on the project review conducted by the Department of Transportation without any independent review thereof by the bank;

b. the loan shall be conditioned upon the inclusion of the project on a project eligibility list approved pursuant to section 36 of P.L.2016, c.56 (C.58:11B-20.2);

c. the loan shall be repaid within a period not to exceed 31 years of the making of the loan or, for loans funded pursuant to the "Transportation Infrastructure Finance and Innovation Act" (TIFIA), 23 U.S.C. s.601 et seq., as amended and superseded, not later than the maximum time period allowed by the TIFIA;

d. the loan shall not exceed the allowable project cost of the transportation infrastructure project, exclusive of capitalized interest, administrative expenses associated with federal funding programs, if applicable, and issuance expenses, as provided in subsection b. of section 7 of this act, reserve capacity expenses and the debt service reserve fund expenses, as provided in subsection c. of section 7 of this act, the amounts of the loan origination fee as provided in subsection d. of section 7 of this act, refunding increases as provided in section 8 of this act, and increased costs as defined and determined in accordance with the rules and regulations adopted by the bank, pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27), and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan;

e. the loan shall bear interest, exclusive of any cost of issuance charges, late charges, or administrative fees payable to the bank, pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5), by the project sponsors receiving bank transportation loans, at or below the interest rate paid by the bank on the bonds issued to make or refund the loans authorized by this act, adjusted for underwriting discount and original issue discount or premium, in accordance with the terms and conditions set forth in the financial plan required pursuant to section 37 of P.L.2016, c.56 (C.58:11B-22.3); and

f. the loan shall be subject to all other terms and conditions, as the bank shall determine to be consistent with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), and any rules and regulations adopted pursuant thereto, the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program and the financial plan required by section 37 of P.L.2016, c.56 (C.58:11B-22.3). The eligibility lists and authorization for the making of loans pursuant to this act shall expire on July 1, 2026, and any project sponsor who has not executed and delivered a loan agreement with the bank for a loan authorized in this act shall no longer be entitled to that loan.

7. a. The New Jersey Infrastructure Bank is authorized to reduce the individual amount of loan funds made available to, or on behalf of, project sponsors pursuant to section 4 of this act based upon final building costs, as defined and determined in accordance with rules and regulations adopted by the bank pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27), and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan. The bank is authorized to use any such reduction in the loan amount made available to a project sponsor to cover that project sponsor's increased costs due to differing site conditions or other allowable expenses, as defined and determined in accordance with the rules and regulations adopted by the bank, pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27), and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan.

b. The bank is authorized to increase each loan amount authorized in section 4 of this act by the amount of capitalized interest, interest accrued pursuant to a short-term or temporary loan made to a project sponsor pursuant to the Interim Transportation Financing Program, issuance expenses, and administrative expenses associated with federal funding programs allocable to each loan made by the bank pursuant to this act.

c. The bank is authorized to increase each loan amount authorized in section 4 of this act by the amount of reserve capacity expenses and the debt service reserve fund expenses associated with the costs identified in subsection c. of section 2 of this act.

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

e. The bank is authorized to utilize the funds appropriated to the bank for deposit into the Economic Development and Infrastructure Improvement Revolving Fund for the provision of debt service reserves and guarantees to local government units that finance a transportation project or redevelopment project, which debt service reserves and guarantees shall be used to satisfy any applicable creditworthiness requirements of the local government unit.

8. The New Jersey Infrastructure Bank is authorized to utilize the proceeds from the refunding of bank transportation bonds to increase the individual amount of loan funds made available to project sponsors by the bank, pursuant to this act, as long as the amount of the increase is limited to the amount of savings achieved by the refunding of bank transportation bonds issued to make loans authorized by this act. The expenditure of funds authorized pursuant to this act is subject to the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), as amended and supplemented by P.L.2016, c.56, and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan, as appropriate.

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

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

b. the revenues derived from investments by the bank;

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

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

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

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

10. a. There is appropriated to the New Jersey Infrastructure Bank from the General Fund, for deposit in the transportation subaccount of the special fund created and established by the bank for the short-term or temporary loan financing or refinancing under the Disaster Relief Emergency Financing Program, authorized pursuant to subsection a. of section 1 of P.L.2013, c.93 (C.58:11B-9.5), such sums as are needed consisting of:

(1) sums from the Interim Transportation Financing Program Fund, as needed by the bank to make short-term or temporary loans pursuant to the Disaster Relief Emergency Financing Program to any one or more of the project sponsors, for the respective projects thereof; and

(2) such other amounts to be deposited in the Disaster Relief Emergency Financing Program Fund, established pursuant to subsection a. of section 1 of P.L.2013, c.93 (C.58:11B-9.5), as long as the amount so appropriated to the bank for deposit in the Disaster Relief Emergency Financing Program Fund shall be utilized by the bank to make short-term or temporary loans pursuant to the Disaster Relief Emergency Financing Program to any one or more of the project sponsors, for the respective projects thereof. Any transportation projects funded by the Disaster Relief Emergency Financing Program shall be subject to the approval of the Commissioner of Transportation.

b. The Transportation Disaster Relief Emergency Financing Program Project Priority List shall be submitted to the Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), at least once in each fiscal year. Any transportation infrastructure project or the project sponsor thereof not identified in the Transportation Disaster Relief Emergency Financing Program Project Priority List shall not be eligible for a short-term or temporary loan from the Transportation Disaster Relief Emergency Financing Program Fund.

11. Notwithstanding the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to the contrary, the bank shall not be required to adopt rules and regulations governing the issuance of loans under the "Disaster Relief Emergency Financing Program."

12. This act shall take effect immediately and shall expire on July 1, 2026.

Approved August 15, 2025.

SENATE, No. 4377

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MAY 12, 2025

Sponsored by:
Senator PATRICK J. DIEGNAN, JR.
District 18 (Middlesex)
Assemblyman CLINTON CALABRESE
District 36 (Bergen and Passaic)

Co-Sponsored by:
Assemblywomen Morales, Ramirez, Assemblyman Freiman, Assemblywomen Drulis and Murphy

SYNOPSIS

Authorizes NJ Infrastructure Bank to expend certain sums to make loans for transportation infrastructure projects for FY2026; makes appropriation.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 6/30/2025)

AN ACT authorizing the expenditure of funds by the New Jersey Infrastructure Bank for the purpose of making loans to eligible project sponsors to finance the cost to construct transportation infrastructure projects, and making an appropriation.

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

1. As used in this act:

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

"Capitalized interest" means an amount equal to the interest paid on bank transportation bonds that is funded with bank transportation bond proceeds and the earnings thereon.

"Debt service reserve fund expenses" means the debt service reserve fund costs associated with reserve capacity expenses.

"Issuance expenses" means any costs related to the issuance of bank transportation bonds and includes, but is not limited to, the costs of financial document printing, bond insurance premiums or other credit enhancement, underwriters' discount, verification of financial calculations, the services of bond rating agencies and trustees, and the employment of accountants, attorneys, financial advisors, loan servicing agents, registrars, and paying agents.

"Loan origination fee" means the fee charged by the bank to pay a portion of the costs incurred by the bank and the Department of Transportation in the implementation of the New Jersey Transportation Infrastructure Financing Program.

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

"Reserve capacity expenses" means those project costs for reserve capacity that are eligible for loans from the bank in accordance with the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan.

2. a. The New Jersey Infrastructure Bank is authorized to expend the aggregate sum of $53,450,000 or such amounts as can be supported through balances in the State Transportation Infrastructure Bank Fund, established pursuant to section 34 of P.L.2016, c.56 (C.58:11B-10.4), and via direct appropriation through the State transportation capital program for the purpose of making loans to, or on behalf of, local government units to finance all or a portion of the cost of construction of transportation infrastructure projects listed in section 4 of this act.

b. The bank is authorized to make a maximum of $1,000,000 in principal-forgiveness financing loans to project sponsors for planning and design costs. Up to $100,000 of a loan authorized by this subsection, per borrower, shall be forgiven for a project where a principal amount of at least $250,000 is financed by the Transportation Infrastructure Financing Program through completion of the project's construction.

c. The bank is authorized to increase the aggregate sums specified in subsection a. of this section for the bank's costs to acquire lending capital, including:

(1) the amounts of capitalized interest, interest accrued pursuant to a short-term or temporary loan made to a project sponsor pursuant to the Interim Transportation Financing Program, and the bond issuance expenses, as provided in subsection b. of section 7 of this act;

(2) the amounts of reserve capacity expenses and debt service reserve fund requirements, as provided in subsection c. of section 7 of this act;

(3) the amounts of the loan origination fee, as provided in subsection d. of section 7 of this act; and

(4) the amounts of the debt service reserve or guarantees provided to local government units from the Economic Development and Infrastructure Improvement Revolving Fund, as provided in subsection e. of section 7 of this act.

3. The New Jersey Infrastructure Bank is authorized to make loans to, or on behalf of, the project sponsors for the transportation projects listed in subsection a. of section 4 of this act up to the individual amounts indicated and in the priority stated, except that any such amount may be reduced by the bank pursuant to subsection a. of section 7 of this act, or if a project fails to meet the requirements of section 6 of this act. The bank is authorized to increase any such amount pursuant to subsection b. through subsection d. of section 7 of this act or section 8 of this act.

4. a. The following transportation infrastructure projects shall be known and may be cited as the "State Fiscal Year 2026 Transportation Financing Program Project Eligibility List":

Applicant, Project No.	Project Description	Estimated Total Allowable State Loan Amount	Estimated Total Allowable Loan Amount
Bayonne City, TB0901-001	E. 25th Street Pedestrian Bridge Replacement	$2,000,000	$4,000,000
Essex County, TB0700-004	Priority Repairs to County Bridges - Harrison, East Newark and Newark	$2,675,000	$5,350,000
Hoboken City, TB0905-001	Sinatra Drive Redesign Project	$3,275,000	$6,550,000
Flemington Borough, TB1009-001	Corcoran South Main Dewey Road Improvements	$875,000	$1,750,000
Princeton, TB1110-001	Improvement of Witherspoon Street Phases 2 and 3	$4,225,000	$8,450,000
Robbinsville Township, TB1112-002	Country Meadows, Brookshire Estate and Meadowbrook Road	$1,525,000	$3,050,000
Bayonne City, TB0901-003	Improvements to Broadway and Avenue E	$875,000	$1,750,000
Hoboken City, STB0905-003	WIU Phase 2 - Complete Streets Improvements	$1,875,000	$3,750,000
Little Ferry Borough, TB0230-001	2023 Road Improvements Project	$750,000	$1,500,000
Little Ferry Borough, TB0230-002	2024 Road Improvement Program	$925,000	$1,850,000
Robbinsville Township, TB1112-001	Improvements to Newtown Village	$1,200,000	$2,400,000
Willingboro Township, TB0338-001	2023 Segment Rating 4 Roadway Project	$1,850,000	$3,700,000
Raritan Township, TB1021-002	Road Resurfacing Project 2022	$1,350,000	$2,700,000
Mendham Township, TB1419-001	Mendham Township - 2023 Road Improvements	$1,275,000	$2,550,000
Mendham Township, TB1419-002	2024 Road Improvements	$1,150,000	$2,300,000
Marlboro Township, TB1328-003	2024 Road Improvement Program (060-4, 060-7)	$575,000	$1,150,000
Prospect Park, TB1610-001	Prospect Park 2023 Transportation Projects	$325,000	$650,000
Total Projects: 17		$26,725,000	$53,450,000

b. The bank is authorized to adjust the allowable loan amount and estimated total allowable loan amount for each project authorized in this section as appropriate, as long as the total amount of the loan issuance remains within available funds, and each loan is issued pursuant to the terms and conditions of the financing program from the year in which each construction contract for a project was certified if subject to an interim financing program loan or, in the absence of an interim financing program loan, the terms and conditions of the State Fiscal Year 2026 Transportation Infrastructure Financing Program.

c. The bank is authorized to increase the loan amount of projects authorized pursuant to this section in the future to compensate for a refunding of the issue, where adequate savings are achieved, for the loans issued pursuant to this act.

5. a. In accordance with and subject to the provisions of sections 5, 6, and 23 of P.L.1985, c.334 (C.58:11B-5, C.58:11B-6, and C.58:11B-23), and as set forth in the financial plan required pursuant to section 37 of P.L.2016, c.56 (C.58:11B-22.3), any proceeds from bonds issued by the bank to make loans for priority transportation infrastructure projects listed in section 4 of this act that are not expended for that purpose may be applied for the payment of all or any part of the principal of, or interest and premium on, the bank transportation bonds whether due at stated maturity, the interest payment dates, or earlier upon redemption. A portion of the proceeds from bonds issued by the bank to make loans for priority transportation infrastructure projects pursuant to this act may be applied for the payment of capitalized interest and for the payment of any issuance expenses; for the payment of reserve capacity expenses; for the payment of debt service reserve fund expenses; for the payment of the loan origination fees; and for the payment of increased costs, as defined and determined in accordance with the rules and regulations adopted by the bank, pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27), and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan.

6. Any loan made by the New Jersey Infrastructure Bank pursuant to this act shall be subject to the following requirements:

a. the chairperson, vice-chairperson, or secretary of the bank shall certify that the project complies with the applicable provisions of P.L.1984, c.73, P.L.1985, c.334, P.L.2016, c.56, and any amendatory and supplementary acts thereto, and any rules and regulations adopted pursuant thereto, as applicable, and satisfies the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan. In making this certification, the chairperson, vice-chairperson, or secretary may conclusively rely on the project review conducted by the Department of Transportation without any independent review thereof by the bank;

b. the loan shall be conditioned upon the inclusion of the project on a project eligibility list approved pursuant to section 36 of P.L.2016, c.56 (C.58:11B-20.2);

c. the loan shall be repaid within a period not to exceed 31 years of the making of the loan or, for loans funded pursuant to the "Transportation Infrastructure Finance and Innovation Act" (TIFIA), 23 U.S.C. s.601 et seq., as amended and superseded, not later than the maximum time period allowed by the TIFIA;

d. the loan shall not exceed the allowable project cost of the transportation infrastructure project, exclusive of capitalized interest, administrative expenses associated with federal funding programs, if applicable, and issuance expenses, as provided in subsection b. of section 7 of this act, reserve capacity expenses and the debt service reserve fund expenses, as provided in subsection c. of section 7 of this act, the amounts of the loan origination fee as provided in subsection d. of section 7 of this act, refunding increases as provided in section 8 of this act, and increased costs as defined and determined in accordance with the rules and regulations adopted by the bank, pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27), and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan;

e. the loan shall bear interest, exclusive of any cost of issuance charges, late charges, or administrative fees payable to the bank, pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5), by the project sponsors receiving bank transportation loans, at or below the interest rate paid by the bank on the bonds issued to make or refund the loans authorized by this act, adjusted for underwriting discount and original issue discount or premium, in accordance with the terms and conditions set forth in the financial plan required pursuant to section 37 of P.L.2016, c.56 (C.58:11B-22.3); and

f. the loan shall be subject to all other terms and conditions, as the bank shall determine to be consistent with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), and any rules and regulations adopted pursuant thereto, the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program and the financial plan required by section 37 of P.L.2016, c.56 (C.58:11B-22.3). The eligibility lists and authorization for the making of loans pursuant to this act shall expire on July 1, 2026, and any project sponsor who has not executed and delivered a loan agreement with the bank for a loan authorized in this act shall no longer be entitled to that loan.

7. a. The New Jersey Infrastructure Bank is authorized to reduce the individual amount of loan funds made available to, or on behalf of, project sponsors pursuant to section 4 of this act based upon final building costs, as defined and determined in accordance with rules and regulations adopted by the bank pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27), and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan. The bank is authorized to use any such reduction in the loan amount

made available to a project sponsor to cover that project sponsor's increased costs due to differing site conditions or other allowable expenses, as defined and determined in accordance with the rules and regulations adopted by the bank, pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27), and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan.

b. The bank is authorized to increase each loan amount authorized in section 4 of this act by the amount of capitalized interest, interest accrued pursuant to a short-term or temporary loan made to a project sponsor pursuant to the Interim Transportation Financing Program, issuance expenses, and administrative expenses associated with federal funding programs allocable to each loan made by the bank pursuant to this act.

c. The bank is authorized to increase each loan amount authorized in section 4 of this act by the amount of reserve capacity expenses and the debt service reserve fund expenses associated with the costs identified in subsection c. of section 2 of this act.

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

e. The bank is authorized to utilize the funds appropriated to the bank for deposit into the Economic Development and Infrastructure Improvement Revolving Fund for the provision of debt service reserves and guarantees to local government units that finance a transportation project or redevelopment project, which debt service reserves and guarantees shall be used to satisfy any applicable creditworthiness requirements of the local government unit.

8. The New Jersey Infrastructure Bank is authorized to utilize the proceeds from the refunding of bank transportation bonds to increase the individual amount of loan funds made available to project sponsors by the bank, pursuant to this act, as long as the amount of the increase is limited to the amount of savings achieved by the refunding of bank transportation bonds issued to make loans authorized by this act. The expenditure of funds authorized pursuant to this act is subject to the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), as amended and supplemented by P.L.2016, c.56, and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan, as appropriate.

9. Notwithstanding any provision of law or regulation to the contrary, including, but not limited to, the provisions of subsection b. of section 23 of P.L.1985, c.334 (C.58:11B-23), the New Jersey

Infrastructure Bank is authorized to utilize the following funds generated by the operation of the bank to defray the annual operating expenses of the bank:

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

b. the revenues derived from investments by the bank;

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

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

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

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

10. a. There is appropriated to the New Jersey Infrastructure Bank from the General Fund, for deposit in the transportation subaccount of the special fund created and established by the bank for the short-term or temporary loan financing or refinancing under the Disaster Relief Emergency Financing Program, authorized pursuant to subsection a. of section 1 of P.L.2013, c.93 (C.58:11B-9.5), such sums as are needed consisting of:

(1) sums from the Interim Transportation Financing Program Fund, as needed by the bank to make short-term or temporary loans pursuant to the Disaster Relief Emergency Financing Program to any one or more of the project sponsors, for the respective projects thereof; and

(2) such other amounts to be deposited in the Disaster Relief Emergency Financing Program Fund, established pursuant to subsection a. of section 1 of P.L.2013, c.93 (C.58:11B-9.5), as long as the amount so appropriated to the bank for deposit in the Disaster Relief Emergency Financing Program Fund shall be utilized by the bank to make short-term or temporary loans pursuant to the Disaster Relief Emergency Financing Program to any one or more of the project sponsors, for the respective projects thereof. Any transportation projects funded by the Disaster Relief Emergency Financing Program shall be subject to the approval of the Commissioner of Transportation.

b. The Transportation Disaster Relief Emergency Financing Program Project Priority List shall be submitted to the Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), at least once in each fiscal year. Any transportation infrastructure project or the project sponsor thereof not identified in the Transportation Disaster Relief Emergency Financing Program Project Priority List shall not be eligible for a short-term or temporary loan from the Transportation Disaster Relief Emergency Financing Program Fund.

11. Notwithstanding the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to the

contrary, the bank shall not be required to adopt rules and regulations governing the issuance of loans under the "Disaster Relief Emergency Financing Program."

12. This act shall take effect immediately and shall expire on July 1, 2026.

STATEMENT

This bill authorizes the New Jersey Infrastructure Bank (NJIB) to expend up to $53,450,000 in Fiscal Year 2026 (FY2026) to provide low-interest loans to certain local government units that undertake one of 17 eligible transportation infrastructure projects set forth in the bill.

The bill also authorizes the NJIB to make a maximum of $1 million in principal-forgiveness financing loans to project sponsors for planning and design costs. Under the bill, up to $100,000 of a loan, per borrower, is to be forgiven for a project where a principal amount of at least $250,000 is financed by the Transportation Infrastructure Financing Program through completion of the project's construction.

Additionally, the bill permits the NJIB to use any loan repayments received to date, and the amounts for capitalized interest, interest accrued pursuant to a short-term or temporary loan made to a project sponsor pursuant to the Interim Transportation Financing Program, bond issuance expenses, and related amounts, to fund the FY2026 New Jersey Transportation Infrastructure Financing Program (NJTIB). The bill also authorizes the NJIB to utilize certain funds generated by the operation of the bank, including, but not limited to, proceeds from the sale of bonds, the revenues derived from investments, and loan repayments, to defray the NJIB's FY2026 operating expenses. Finally, the bill appropriates certain funds from the General Fund to the NJIB.

Since its creation in 2018, the NJIB, in partnership with the Department of Transportation, has provided low-cost NJTIB loans for the construction of critical transportation infrastructure projects with the mission of reducing the cost of financing for New Jersey counties and municipalities and making possible responsible and sustainable economic development.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 4377

STATE OF NEW JERSEY

DATED: JUNE 19, 2025

The Assembly Appropriations Committee reports favorably Senate Bill No. 4377.

As reported, this bill authorizes the New Jersey Infrastructure Bank (NJIB) to expend up to $53,450,000 in Fiscal Year 2026 (FY 2026) to provide low-interest loans to certain local government units that undertake one of 17 eligible transportation infrastructure projects set forth in the bill.

The bill also authorizes the NJIB to make a maximum of $1 million in principal-forgiveness financing loans to project sponsors for planning and design costs. Under the bill, up to $100,000 of a loan, per borrower, is to be forgiven for a project where a principal amount of at least $250,000 is financed by the New Jersey Transportation Infrastructure Financing Program through completion of the project's construction.

Additionally, the bill permits the NJIB to use any loan repayments received to date, and the amounts for capitalized interest, interest accrued pursuant to a short-term or temporary loan made to a project sponsor pursuant to the Interim Transportation Financing Program, bond issuance expenses, and related amounts to fund the FY 2026 New Jersey Transportation Infrastructure Financing Program. The bill also authorizes the NJIB to utilize certain funds generated by the operation of the bank, including, but not limited to, proceeds from the sale of bonds, the revenues derived from investments, and loan repayments to defray the NJIB's FY 2026 operating expenses. Finally, the bill appropriates certain funds from the General Fund to the NJIB.

As reported by the committee, Senate Bill No. 4377 is identical to Assembly Bill No. 5623, which was also reported by the committee on this date.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.

SENATE TRANSPORTATION COMMITTEE

STATEMENT TO

SENATE, No. 4377

STATE OF NEW JERSEY

DATED: MAY 12, 2025

The Senate Transportation Committee reports favorably Senate Bill No. 4377.

As reported, this bill authorizes the New Jersey Infrastructure Bank (NJIB) to expend up to $53,450,000 in Fiscal Year 2026 (FY2026) to provide low-interest loans to certain local government units that undertake one of 17 eligible transportation infrastructure projects set forth in the bill.

The bill also authorizes the NJIB to make a maximum of $1 million in principal-forgiveness financing loans to project sponsors for planning and design costs. Under the bill, up to $100,000 of a loan, per borrower, is to be forgiven for a project where a principal amount of at least $250,000 is financed by the Transportation Infrastructure Financing Program through completion of the project's construction.

Additionally, the bill permits the NJIB to use any loan repayments received to date, and the amounts for capitalized interest, interest accrued pursuant to a short-term or temporary loan made to a project sponsor pursuant to the Interim Transportation Financing Program, bond issuance expenses, and related amounts, to fund the FY2026 New Jersey Transportation Infrastructure Financing Program. The bill also authorizes the NJIB to utilize certain funds generated by the operation of the bank, including, but not limited to, proceeds from the sale of bonds, the revenues derived from investments, and loan repayments, to defray the NJIB's FY2026 operating expenses. Finally, the bill appropriates certain funds from the General Fund to the NJIB.

ASSEMBLY, No. 5623

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MAY 8, 2025

Sponsored by:
Assemblyman CLINTON CALABRESE
District 36 (Bergen and Passaic)

Co-Sponsored by:
Assemblywomen Morales, Ramirez, Assemblyman Freiman, Assemblywomen Drulis and Murphy

SYNOPSIS

Authorizes NJ Infrastructure Bank to expend certain sums to make loans for transportation infrastructure projects for FY2026; makes appropriation.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 6/30/2025)

AN ACT authorizing the expenditure of funds by the New Jersey Infrastructure Bank for the purpose of making loans to eligible project sponsors to finance the cost to construct transportation infrastructure projects, and making an appropriation.

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

1. As used in this act:

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

"Capitalized interest" means an amount equal to the interest paid on bank transportation bonds that is funded with bank transportation bond proceeds and the earnings thereon.

"Debt service reserve fund expenses" means the debt service reserve fund costs associated with reserve capacity expenses.

"Issuance expenses" means any costs related to the issuance of bank transportation bonds and includes, but is not limited to, the costs of financial document printing, bond insurance premiums or other credit enhancement, underwriters' discount, verification of financial calculations, the services of bond rating agencies and trustees, and the employment of accountants, attorneys, financial advisors, loan servicing agents, registrars, and paying agents.

"Loan origination fee" means the fee charged by the bank to pay a portion of the costs incurred by the bank and the Department of Transportation in the implementation of the New Jersey Transportation Infrastructure Financing Program.

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

"Reserve capacity expenses" means those project costs for reserve capacity that are eligible for loans from the bank in accordance with the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan.

2. a. The New Jersey Infrastructure Bank is authorized to expend the aggregate sum of $53,450,000 or such amounts as can be supported through balances in the State Transportation Infrastructure Bank Fund, established pursuant to section 34 of P.L.2016, c.56 (C.58:11B-10.4), and via direct appropriation through the State transportation capital program for the purpose of making loans to, or on behalf of, local government units to finance all or a portion of the cost of construction of transportation infrastructure projects listed in section 4 of this act.

b. The bank is authorized to make a maximum of $1,000,000 in principal-forgiveness financing loans to project sponsors for planning and design costs. Up to $100,000 of a loan authorized by this subsection, per borrower, shall be forgiven for a project where a principal amount of at least $250,000 is financed by the Transportation Infrastructure Financing Program through completion of the project's construction.

c. The bank is authorized to increase the aggregate sums specified in subsection a. of this section for the bank's costs to acquire lending capital, including:

(1) the amounts of capitalized interest, interest accrued pursuant to a short-term or temporary loan made to a project sponsor pursuant to the Interim Transportation Financing Program, and the bond issuance expenses, as provided in subsection b. of section 7 of this act;

(2) the amounts of reserve capacity expenses and debt service reserve fund requirements, as provided in subsection c. of section 7 of this act;

(3) the amounts of the loan origination fee, as provided in subsection d. of section 7 of this act; and

(4) the amounts of the debt service reserve or guarantees provided to local government units from the Economic Development and Infrastructure Improvement Revolving Fund, as provided in subsection e. of section 7 of this act.

3. The New Jersey Infrastructure Bank is authorized to make loans to, or on behalf of, the project sponsors for the transportation projects listed in subsection a. of section 4 of this act up to the individual amounts indicated and in the priority stated, except that any such amount may be reduced by the bank pursuant to subsection a. of section 7 of this act, or if a project fails to meet the requirements of section 6 of this act. The bank is authorized to increase any such amount pursuant to subsection b. through subsection d. of section 7 of this act or section 8 of this act.

4. a. The following transportation infrastructure projects shall be known and may be cited as the "State Fiscal Year 2026 Transportation Financing Program Project Eligibility List":

Applicant, Project No.	Project Description	Estimated Total Allowable State Loan Amount	Estimated Total Allowable Loan Amount
Bayonne City, TB0901-001	E. 25th Street Pedestrian Bridge Replacement	$2,000,000	$4,000,000
Essex County, TB0700-004	Priority Repairs to County Bridges - Harrison, East Newark and Newark	$2,675,000	$5,350,000
Hoboken City, TB0905-001	Sinatra Drive Redesign Project	$3,275,000	$6,550,000
Flemington Borough, TB1009-001	Corcoran South Main Dewey Road Improvements	$875,000	$1,750,000
Princeton, TB1110-001	Improvement of Witherspoon Street Phases 2 and 3	$4,225,000	$8,450,000
Robbinsville Township, TB1112-002	Country Meadows, Brookshire Estate and Meadowbrook Road	$1,525,000	$3,050,000
Bayonne City, TB0901-003	Improvements to Broadway and Avenue E	$875,000	$1,750,000
Hoboken City, STB0905-003	WIU Phase 2 - Complete Streets Improvements	$1,875,000	$3,750,000
Little Ferry Borough, TB0230-001	2023 Road Improvements Project	$750,000	$1,500,000
Little Ferry Borough, TB0230-002	2024 Road Improvement Program	$925,000	$1,850,000
Robbinsville Township, TB1112-001	Improvements to Newtown Village	$1,200,000	$2,400,000
Willingboro Township, TB0338-001	2023 Segment Rating 4 Roadway Project	$1,850,000	$3,700,000
Raritan Township, TB1021-002	Road Resurfacing Project 2022	$1,350,000	$2,700,000
Mendham Township, TB1419-001	Mendham Township - 2023 Road Improvements	$1,275,000	$2,550,000
Mendham Township, TB1419-002	2024 Road Improvements	$1,150,000	$2,300,000
Marlboro Township, TB1328-003	2024 Road Improvement Program (060-4, 060-7)	$575,000	$1,150,000
Prospect Park, TB1610-001	Prospect Park 2023 Transportation Projects	$325,000	$650,000
Total Projects: 17		$26,725,000	$53,450,000

b. The bank is authorized to adjust the allowable loan amount and estimated total allowable loan amount for each project authorized in this section as appropriate, as long as the total amount of the loan issuance remains within available funds, and each loan is issued pursuant to the terms and conditions of the financing program from the year in which each construction contract for a project was certified if subject to an interim financing program loan or, in the absence of an interim financing program loan, the terms and conditions of the State Fiscal Year 2026 Transportation Infrastructure Financing Program.

c. The bank is authorized to increase the loan amount of projects authorized pursuant to this section in the future to compensate for a refunding of the issue, where adequate savings are achieved, for the loans issued pursuant to this act.

5. In accordance with and subject to the provisions of sections 5, 6, and 23 of P.L.1985, c.334 (C.58:11B-5, C.58:11B-6, and C.58:11B-23), and as set forth in the financial plan required pursuant to section 37 of P.L.2016, c.56 (C.58:11B-22.3), any proceeds from bonds issued by the bank to make loans for priority transportation infrastructure projects listed in section 4 of this act that are not expended for that purpose may be applied for the payment of all or any part of the principal of, or interest and premium on, the bank transportation bonds whether due at stated maturity, the interest payment dates, or earlier upon redemption. A portion of the proceeds from bonds issued by the bank to make loans for priority transportation infrastructure projects pursuant to this act may be applied for the payment of capitalized interest and for the payment of any issuance expenses; for the payment of reserve capacity expenses; for the payment of debt service reserve fund expenses; for the payment of the loan origination fees; and for the payment of increased costs, as defined and determined in accordance with the rules and regulations adopted by the bank, pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27), and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan.

6. Any loan made by the New Jersey Infrastructure Bank pursuant to this act shall be subject to the following requirements:

a. the chairperson, vice-chairperson, or secretary of the bank shall certify that the project complies with the applicable provisions of P.L.1984, c.73, P.L.1985, c.334, P.L.2016, c.56, and any amendatory and supplementary acts thereto, and any rules and regulations adopted pursuant thereto, as applicable, and satisfies the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan. In making this certification, the chairperson, vice-chairperson, or secretary may conclusively rely on the project review conducted by the Department of Transportation without any independent review thereof by the bank;

b. the loan shall be conditioned upon the inclusion of the project on a project eligibility list approved pursuant to section 36 of P.L.2016, c.56 (C.58:11B-20.2);

c. the loan shall be repaid within a period not to exceed 31 years of the making of the loan or, for loans funded pursuant to the "Transportation Infrastructure Finance and Innovation Act" (TIFIA), 23 U.S.C. s.601 et seq., as amended and superseded, not later than the maximum time period allowed by the TIFIA;

d. the loan shall not exceed the allowable project cost of the transportation infrastructure project, exclusive of capitalized interest, administrative expenses associated with federal funding programs, if applicable, and issuance expenses, as provided in subsection b. of section 7 of this act, reserve capacity expenses and the debt service reserve fund expenses, as provided in subsection c. of section 7 of this act, the amounts of the loan origination fee as provided in subsection d. of section 7 of this act, refunding increases as provided in section 8 of this act, and increased costs as defined and determined in accordance with the rules and regulations adopted by the bank, pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27), and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan;

e. the loan shall bear interest, exclusive of any cost of issuance charges, late charges, or administrative fees payable to the bank, pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5), by the project sponsors receiving bank transportation loans, at or below the interest rate paid by the bank on the bonds issued to make or refund the loans authorized by this act, adjusted for underwriting discount and original issue discount or premium, in accordance with the terms and conditions set forth in the financial plan required pursuant to section 37 of P.L.2016, c.56 (C.58:11B-22.3); and

f. the loan shall be subject to all other terms and conditions, as the bank shall determine to be consistent with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), and any rules and regulations adopted pursuant thereto, the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program and the financial plan required by section 37 of P.L.2016, c.56 (C.58:11B-22.3). The eligibility lists and authorization for the making of loans pursuant to this act shall expire on July 1, 2026, and any project sponsor who has not executed and delivered a loan agreement with the bank for a loan authorized in this act shall no longer be entitled to that loan.

7. a. The New Jersey Infrastructure Bank is authorized to reduce the individual amount of loan funds made available to, or on behalf of, project sponsors pursuant to section 4 of this act based upon final building costs, as defined and determined in accordance with rules and regulations adopted by the bank pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27), and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan.

The bank is authorized to use any such reduction in the loan amount made available to a project sponsor to cover that project sponsor's increased costs due to differing site conditions or other allowable expenses, as defined and determined in accordance with the rules and regulations adopted by the bank, pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27), and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan.

b. The bank is authorized to increase each loan amount authorized in section 4 of this act by the amount of capitalized interest, interest accrued pursuant to a short-term or temporary loan made to a project sponsor pursuant to the Interim Transportation Financing Program, issuance expenses, and administrative expenses associated with federal funding programs allocable to each loan made by the bank pursuant to this act.

c. The bank is authorized to increase each loan amount authorized in section 4 of this act by the amount of reserve capacity expenses and the debt service reserve fund expenses associated with the costs identified in subsection c. of section 2 of this act.

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

e. The bank is authorized to utilize the funds appropriated to the bank for deposit into the Economic Development and Infrastructure Improvement Revolving Fund for the provision of debt service reserves and guarantees to local government units that finance a transportation project or redevelopment project, which debt service reserves and guarantees shall be used to satisfy any applicable creditworthiness requirements of the local government unit.

8. The New Jersey Infrastructure Bank is authorized to utilize the proceeds from the refunding of bank transportation bonds to increase the individual amount of loan funds made available to project sponsors by the bank, pursuant to this act, as long as the amount of the increase is limited to the amount of savings achieved by the refunding of bank transportation bonds issued to make loans authorized by this act. The expenditure of funds authorized pursuant to this act is subject to the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), as amended and supplemented by P.L.2016, c.56, and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any policy statements relating to the Transportation Infrastructure Financing Program to be set forth in the State Fiscal Year 2026 Transportation Infrastructure Financing Program Financial Plan, as appropriate.

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

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

b. the revenues derived from investments by the bank;

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

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

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

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

10. a. There is appropriated to the New Jersey Infrastructure Bank from the General Fund, for deposit in the transportation subaccount of the special fund created and established by the bank for the short-term or temporary loan financing or refinancing under the Disaster Relief Emergency Financing Program, authorized pursuant to subsection a. of section 1 of P.L.2013, c.93 (C.58:11B-9.5), such sums as are needed consisting of:

(1) sums from the Interim Transportation Financing Program Fund, as needed by the bank to make short-term or temporary loans pursuant to the Disaster Relief Emergency Financing Program to any one or more of the project sponsors, for the respective projects thereof; and

(2) such other amounts to be deposited in the Disaster Relief Emergency Financing Program Fund, established pursuant to subsection a. of section 1 of P.L.2013, c.93 (C.58:11B-9.5), as long as the amount so appropriated to the bank for deposit in the Disaster Relief Emergency Financing Program Fund shall be utilized by the bank to make short-term or temporary loans pursuant to the Disaster Relief Emergency Financing Program to any one or more of the project sponsors, for the respective projects thereof. Any transportation projects funded by the Disaster Relief Emergency Financing Program shall be subject to the approval of the Commissioner of Transportation.

b. The Transportation Disaster Relief Emergency Financing Program Project Priority List shall be submitted to the Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), at least once in each fiscal year. Any transportation infrastructure project or the project sponsor thereof not identified in the Transportation Disaster Relief Emergency Financing Program Project Priority List shall not be eligible for a short-term or temporary loan from the Transportation Disaster Relief Emergency Financing Program Fund.

11. Notwithstanding the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to the contrary, the bank shall not be required to adopt rules and regulations governing the issuance of loans under the "Disaster Relief Emergency Financing Program."

12. This act shall take effect immediately and shall expire on July 1, 2026.

STATEMENT

This bill authorizes the New Jersey Infrastructure Bank (NJIB) to expend up to $53,450,000 in Fiscal Year 2026 (FY2026) to provide low-interest loans to certain local government units that undertake one of 17 eligible transportation infrastructure projects set forth in the bill.

The bill also authorizes the NJIB to make a maximum of $1 million in principal-forgiveness financing loans to project sponsors for planning and design costs. Under the bill, up to $100,000 of a loan, per borrower, is to be forgiven for a project where a principal amount of at least $250,000 is financed by the Transportation Infrastructure Financing Program through completion of the project's construction.

Additionally, the bill permits the NJIB to use any loan repayments received to date, and the amounts for capitalized interest, interest accrued pursuant to a short-term or temporary loan made to a project sponsor pursuant to the Interim Transportation Financing Program, bond issuance expenses, and related amounts, to fund the FY2026 New Jersey Transportation Infrastructure Financing Program (NJTIB). The bill also authorizes the NJIB to utilize certain funds generated by the operation of the bank, including, but not limited to, proceeds from the sale of bonds, the revenues derived from investments, and loan repayments, to defray the NJIB's FY2026 operating expenses. Finally, the bill appropriates certain funds from the General Fund to the NJIB.

Since its creation in 2018, the NJIB, in partnership with the Department of Transportation, has provided low-cost NJTIB loans for the construction of critical transportation infrastructure projects with the mission of reducing the cost of financing for New Jersey counties and municipalities and making possible responsible and sustainable economic development.

ASSEMBLY TRANSPORTATION AND INDEPENDENT AUTHORITIES COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5623

STATE OF NEW JERSEY

DATED: MAY 8, 2025

The Assembly Transportation and Independent Authorities Committee reports favorably Assembly Bill No. 5623.

As reported, this bill authorizes the New Jersey Infrastructure Bank (NJIB) to expend up to $53,450,000 in Fiscal Year 2026 (FY 2026) to provide low-interest loans to certain local government units that undertake one of 17 eligible transportation infrastructure projects set forth in the bill.

The bill also authorizes the NJIB to make a maximum of $1 million in principal-forgiveness financing loans to project sponsors for planning and design costs. Under the bill, up to $100,000 of a loan, per borrower, is to be forgiven for a project where a principal amount of at least $250,000 is financed by the New Jersey Transportation Infrastructure Financing Program through completion of the project's construction.

Additionally, the bill permits the NJIB to use any loan repayments received to date, and the amounts for capitalized interest, interest accrued pursuant to a short-term or temporary loan made to a project sponsor pursuant to the Interim Transportation Financing Program, bond issuance expenses, and related amounts to fund the FY 2026 New Jersey Transportation Infrastructure Financing Program. The bill also authorizes the NJIB to utilize certain funds generated by the operation of the bank, including, but not limited to, proceeds from the sale of bonds, the revenues derived from investments, and loan repayments to defray the NJIB's FY 2026 operating expenses. Finally, the bill appropriates certain funds from the General Fund to the NJIB.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5623

STATE OF NEW JERSEY

DATED: JUNE 19, 2025

The Assembly Appropriations Committee reports favorably Assembly Bill No. 5623.

As reported, this bill authorizes the New Jersey Infrastructure Bank (NJIB) to expend up to $53,450,000 in Fiscal Year 2026 (FY 2026) to provide low-interest loans to certain local government units that undertake one of 17 eligible transportation infrastructure projects set forth in the bill.

The bill also authorizes the NJIB to make a maximum of $1 million in principal-forgiveness financing loans to project sponsors for planning and design costs. Under the bill, up to $100,000 of a loan, per borrower, is to be forgiven for a project where a principal amount of at least $250,000 is financed by the New Jersey Transportation Infrastructure Financing Program through completion of the project's construction.

Additionally, the bill permits the NJIB to use any loan repayments received to date, and the amounts for capitalized interest, interest accrued pursuant to a short-term or temporary loan made to a project sponsor pursuant to the Interim Transportation Financing Program, bond issuance expenses, and related amounts to fund the FY 2026 New Jersey Transportation Infrastructure Financing Program. The bill also authorizes the NJIB to utilize certain funds generated by the operation of the bank, including, but not limited to, proceeds from the sale of bonds, the revenues derived from investments, and loan repayments to defray the NJIB's FY 2026 operating expenses. Finally, the bill appropriates certain funds from the General Fund to the NJIB.

As reported by the committee, Assembly Bill No. 5623 is identical to Senate Bill No. 4377, which was also reported by the committee on this date.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.

Governor Murphy Takes Action on Legislation

Posted on - 08/15/2025

TRENTON – Today, Governor Murphy signed the following bills into law:

A-5378/S-4225 (Abdelaziz, Sumter, Carter/Wimberly, Turner) - Modifies provisions of Cultural Arts Incentives Program, New Jersey Aspire Program, and Grow New Jersey Program; eliminates Community-Anchored Development Program

A-5447/S-4282 (Calabrese, Stanley, Sampson/Burzichelli, McKeon) - Prohibits sweepstakes model of wagering; establishes new penalties for unlawful gambling operations and practices; directs Division of Consumer Affairs and Division of Gaming Enforcement to enforce penalties

S-4377/A-5623 (Diegnan/Calabrese) - Authorizes NJ Infrastructure Bank to expend certain sums to make loans for transportation infrastructure projects for FY2026; makes appropriation

S-4467/A-5621 (Wimberly, Turner/Simmons, Kennedy, Tucker) - Authorizes NJ Infrastructure Bank to expend certain sums to make loans for environmental infrastructure projects for FY2026

S-4511/A-5858 (McKnight, Turner/Sampson, Stanley, Ramirez) - Authorizes NJ Infrastructure Bank to expend certain sums to make loans for Community Hazard Assistance Mitigation Program projects for FY2026