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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
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LEGISLATIVE FISCAL ESTIMATE:	No
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VETO MESSAGE:	No
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GOVERNOR'S PRESS RELEASE ON SIGNING:	Yes
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LEGISLATOR STATEMENT:	No
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FOLLOWING WERE PRINTED:

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REPORTS:	No
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HEARINGS:	No
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NEWSPAPER ARTICLES:	No
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CL/MMcB

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

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

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

8
9 1. As used in this act:

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

12 “Capitalized interest” means an amount equal to the interest paid
13 on bank transportation bonds that is funded with bank transportation
14 bond proceeds and the earnings thereon.

15 “Debt service reserve fund expenses” means the debt service
16 reserve fund costs associated with reserve capacity expenses.

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

24 “Loan origination fee” means the fee charged by the bank to pay
25 a portion of the costs incurred by the bank and the Department of
26 Transportation in the implementation of the New Jersey
27 Transportation Infrastructure Financing Program.

28 “Project sponsor” means a local government unit receiving a
29 loan from the bank pursuant to this act.

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

37
38 2. a. The New Jersey Infrastructure Bank is authorized to
39 expend the aggregate sum of \$53,450,000 or such amounts as can
40 be supported through balances in the State Transportation
41 Infrastructure Bank Fund, established pursuant to section 34 of
42 P.L.2016, c.56 (C.58:11B-10.4), and via direct appropriation
43 through the State transportation capital program for the purpose of

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

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

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

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

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

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

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

28

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

38

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

42

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

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- 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.

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

25
26 6. Any loan made by the New Jersey Infrastructure Bank
27 pursuant to this act shall be subject to the following requirements:

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

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

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

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

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

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

38
39 7. a. The New Jersey Infrastructure Bank is authorized to
40 reduce the individual amount of loan funds made available to, or on
41 behalf of, project sponsors pursuant to section 4 of this act based
42 upon final building costs, as defined and determined in accordance
43 with rules and regulations adopted by the bank pursuant to section
44 27 of P.L.1985, c.334 (C.58:11B-27), and the requirements of
45 subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any
46 policy statements relating to the Transportation Infrastructure
47 Financing Program to be set forth in the State Fiscal Year 2026
48 Transportation Infrastructure Financing Program Financial Plan.

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

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

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

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

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

32

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

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

- 7 a. the proceeds from the sale of the bank's bonds, notes, or
8 other obligations;
9 b. the revenues derived from investments by the bank;
10 c. any loan repayments paid to the bank, including interest
11 from local government units;
12 d. the proceeds of any fees and charges levied by the bank;
13 e. any funds received from the federal government that are
14 permitted by the federal government to be used for the operating
15 expenses of the bank; and
16 f. any funds otherwise permitted to be used for the operating
17 expenses of the bank.
18

19 10. a. There is appropriated to the New Jersey Infrastructure
20 Bank from the General Fund, for deposit in the transportation
21 subaccount of the special fund created and established by the bank
22 for the short-term or temporary loan financing or refinancing under
23 the Disaster Relief Emergency Financing Program, authorized
24 pursuant to subsection a. of section 1 of P.L.2013, c.93 (C.58:11B-
25 9.5), such sums as are needed consisting of:

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

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

42 b. The Transportation Disaster Relief Emergency Financing
43 Program Project Priority List shall be submitted to the Legislature,
44 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), at least
45 once in each fiscal year. Any transportation infrastructure project
46 or the project sponsor thereof not identified in the Transportation
47 Disaster Relief Emergency Financing Program Project Priority List

1 shall not be eligible for a short-term or temporary loan from the
2 Transportation Disaster Relief Emergency Financing Program Fund.

3
4 11. Notwithstanding the provisions of the “Administrative
5 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.), to the
6 contrary, the bank shall not be required to adopt rules and
7 regulations governing the issuance of loans under the “Disaster
8 Relief Emergency Financing Program.”

9
10 12. This act shall take effect immediately and shall expire on
11 July 1, 2026.

12
13
14 STATEMENT

15
16 This bill authorizes the New Jersey Infrastructure Bank (NJIB) to
17 expend up to \$53,450,000 in Fiscal Year 2026 (FY2026) to provide
18 low-interest loans to certain local government units that undertake
19 one of 17 eligible transportation infrastructure projects set forth in
20 the bill.

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

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

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

1 _____
2
3 Authorizes NJ Infrastructure Bank to expend certain sums to
4 make loans for transportation infrastructure projects for FY2026;
5 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
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Robbinsville Township, TB1112-002	Country Meadows, Brookshire Estate and Meadowbrook Road	\$1,525,000	\$3,050,000
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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
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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)

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

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

8
9 1. As used in this act:

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

12 “Capitalized interest” means an amount equal to the interest paid
13 on bank transportation bonds that is funded with bank transportation
14 bond proceeds and the earnings thereon.

15 “Debt service reserve fund expenses” means the debt service
16 reserve fund costs associated with reserve capacity expenses.

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

24 “Loan origination fee” means the fee charged by the bank to pay
25 a portion of the costs incurred by the bank and the Department of
26 Transportation in the implementation of the New Jersey
27 Transportation Infrastructure Financing Program.

28 “Project sponsor” means a local government unit receiving a
29 loan from the bank pursuant to this act.

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

37

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

47 b. The bank is authorized to make a maximum of \$1,000,000 in
48 principal-forgiveness financing loans to project sponsors for
49 planning and design costs. Up to \$100,000 of a loan authorized by

1 this subsection, per borrower, shall be forgiven for a project where
2 a principal amount of at least \$250,000 is financed by the
3 Transportation Infrastructure Financing Program through
4 completion of the project's construction.

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

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

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

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

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

22

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

32

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

S4377 DIEGNAN

4

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

- 1
- 2 b. The bank is authorized to adjust the allowable loan amount
- 3 and estimated total allowable loan amount for each project
- 4 authorized in this section as appropriate, as long as the total amount
- 5 of the loan issuance remains within available funds, and each loan
- 6 is issued pursuant to the terms and conditions of the financing
- 7 program from the year in which each construction contract for a
- 8 project was certified if subject to an interim financing program loan
- 9 or, in the absence of an interim financing program loan, the terms
- 10 and conditions of the State Fiscal Year 2026 Transportation
- 11 Infrastructure Financing Program.
- 12 c. The bank is authorized to increase the loan amount of
- 13 projects authorized pursuant to this section in the future to
- 14 compensate for a refunding of the issue, where adequate savings are
- 15 achieved, for the loans issued pursuant to this act.

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

25
26 6. Any loan made by the New Jersey Infrastructure Bank
27 pursuant to this act shall be subject to the following requirements:

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

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

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

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

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

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

38
39 7. a. The New Jersey Infrastructure Bank is authorized to
40 reduce the individual amount of loan funds made available to, or on
41 behalf of, project sponsors pursuant to section 4 of this act based
42 upon final building costs, as defined and determined in accordance
43 with rules and regulations adopted by the bank pursuant to section
44 27 of P.L.1985, c.334 (C.58:11B-27), and the requirements of
45 subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any
46 policy statements relating to the Transportation Infrastructure
47 Financing Program to be set forth in the State Fiscal Year 2026
48 Transportation Infrastructure Financing Program Financial Plan.
49 The bank is authorized to use any such reduction in the loan amount

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

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

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

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

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

31
32 8. The New Jersey Infrastructure Bank is authorized to utilize
33 the proceeds from the refunding of bank transportation bonds to
34 increase the individual amount of loan funds made available to
35 project sponsors by the bank, pursuant to this act, as long as the
36 amount of the increase is limited to the amount of savings achieved
37 by the refunding of bank transportation bonds issued to make loans
38 authorized by this act. The expenditure of funds authorized
39 pursuant to this act is subject to the provisions of P.L.1985, c.334
40 (C.58:11B-1 et seq.), as amended and supplemented by P.L.2016,
41 c.56, and the requirements of subsection g. of section 9 of P.L.1985,
42 c.334 (C.58:11B-9), and any policy statements relating to the
43 Transportation Infrastructure Financing Program to be set forth in
44 the State Fiscal Year 2026 Transportation Infrastructure Financing
45 Program Financial Plan, as appropriate.

46
47 9. Notwithstanding any provision of law or regulation to the
48 contrary, including, but not limited to, the provisions of subsection
49 b. of section 23 of P.L.1985, c.334 (C.58:11B-23), the New Jersey

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

- 4 a. the proceeds from the sale of the bank's bonds, notes, or
5 other obligations;
- 6 b. the revenues derived from investments by the bank;
- 7 c. any loan repayments paid to the bank, including interest
8 from local government units;
- 9 d. the proceeds of any fees and charges levied by the bank;
- 10 e. any funds received from the federal government that are
11 permitted by the federal government to be used for the operating
12 expenses of the bank; and
- 13 f. any funds otherwise permitted to be used for the operating
14 expenses of the bank.

15
16 10. a. There is appropriated to the New Jersey Infrastructure
17 Bank from the General Fund, for deposit in the transportation
18 subaccount of the special fund created and established by the bank
19 for the short-term or temporary loan financing or refinancing under
20 the Disaster Relief Emergency Financing Program, authorized
21 pursuant to subsection a. of section 1 of P.L.2013, c.93 (C.58:11B-
22 9.5), such sums as are needed consisting of:

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

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

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

47
48 11. Notwithstanding the provisions of the "Administrative
49 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to the

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

4
5 12. This act shall take effect immediately and shall expire on
6 July 1, 2026.

7
8
9 STATEMENT

10
11 This bill authorizes the New Jersey Infrastructure Bank (NJIB) to
12 expend up to \$53,450,000 in Fiscal Year 2026 (FY2026) to provide
13 low-interest loans to certain local government units that undertake
14 one of 17 eligible transportation infrastructure projects set forth in
15 the bill.

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

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

35 Since its creation in 2018, the NJIB, in partnership with the
36 Department of Transportation, has provided low-cost NJTIB loans
37 for the construction of critical transportation infrastructure projects
38 with the mission of reducing the cost of financing for New Jersey
39 counties and municipalities and making possible responsible and
40 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)

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

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

8
9 1. As used in this act:

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

12 “Capitalized interest” means an amount equal to the interest paid
13 on bank transportation bonds that is funded with bank transportation
14 bond proceeds and the earnings thereon.

15 “Debt service reserve fund expenses” means the debt service
16 reserve fund costs associated with reserve capacity expenses.

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

24 “Loan origination fee” means the fee charged by the bank to pay
25 a portion of the costs incurred by the bank and the Department of
26 Transportation in the implementation of the New Jersey
27 Transportation Infrastructure Financing Program.

28 “Project sponsor” means a local government unit receiving a
29 loan from the bank pursuant to this act.

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

37
38 2. a. The New Jersey Infrastructure Bank is authorized to
39 expend the aggregate sum of \$53,450,000 or such amounts as can
40 be supported through balances in the State Transportation
41 Infrastructure Bank Fund, established pursuant to section 34 of
42 P.L.2016, c.56 (C.58:11B-10.4), and via direct appropriation
43 through the State transportation capital program for the purpose of
44 making loans to, or on behalf of, local government units to finance
45 all or a portion of the cost of construction of transportation
46 infrastructure projects listed in section 4 of this act.

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

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

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

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

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

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

25
26 3. The New Jersey Infrastructure Bank is authorized to make
27 loans to, or on behalf of, the project sponsors for the transportation
28 projects listed in subsection a. of section 4 of this act up to the
29 individual amounts indicated and in the priority stated, except that
30 any such amount may be reduced by the bank pursuant to
31 subsection a. of section 7 of this act, or if a project fails to meet the
32 requirements of section 6 of this act. The bank is authorized to
33 increase any such amount pursuant to subsection b. through
34 subsection d. of section 7 of this act or section 8 of this act.

35
36 4. a. The following transportation infrastructure projects shall
37 be known and may be cited as the "State Fiscal Year 2026
38 Transportation Financing Program Project Eligibility List":

A5623 CALABRESE

4

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

- 1
- 2 b. The bank is authorized to adjust the allowable loan amount
- 3 and estimated total allowable loan amount for each project
- 4 authorized in this section as appropriate, as long as the total amount
- 5 of the loan issuance remains within available funds, and each loan
- 6 is issued pursuant to the terms and conditions of the financing
- 7 program from the year in which each construction contract for a
- 8 project was certified if subject to an interim financing program loan
- 9 or, in the absence of an interim financing program loan, the terms
- 10 and conditions of the State Fiscal Year 2026 Transportation
- 11 Infrastructure Financing Program.
- 12 c. The bank is authorized to increase the loan amount of
- 13 projects authorized pursuant to this section in the future to
- 14 compensate for a refunding of the issue, where adequate savings are
- 15 achieved, for the loans issued pursuant to this act.

1 5. In accordance with and subject to the provisions of sections
2 5, 6, and 23 of P.L.1985, c.334 (C.58:11B-5, C.58:11B-6, and
3 C.58:11B-23), and as set forth in the financial plan required
4 pursuant to section 37 of P.L.2016, c.56 (C.58:11B-22.3), any
5 proceeds from bonds issued by the bank to make loans for priority
6 transportation infrastructure projects listed in section 4 of this act
7 that are not expended for that purpose may be applied for the
8 payment of all or any part of the principal of, or interest and
9 premium on, the bank transportation bonds whether due at stated
10 maturity, the interest payment dates, or earlier upon redemption. A
11 portion of the proceeds from bonds issued by the bank to make
12 loans for priority transportation infrastructure projects pursuant to
13 this act may be applied for the payment of capitalized interest and
14 for the payment of any issuance expenses; for the payment of
15 reserve capacity expenses; for the payment of debt service reserve
16 fund expenses; for the payment of the loan origination fees; and for
17 the payment of increased costs, as defined and determined in
18 accordance with the rules and regulations adopted by the bank,
19 pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27), and the
20 requirements of subsection g. of section 9 of P.L.1985, c.334
21 (C.58:11B-9), and any policy statements relating to the
22 Transportation Infrastructure Financing Program to be set forth in
23 the State Fiscal Year 2026 Transportation Infrastructure Financing
24 Program Financial Plan.

25
26 6. Any loan made by the New Jersey Infrastructure Bank
27 pursuant to this act shall be subject to the following requirements:

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

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

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

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

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

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

38
39 7. a. The New Jersey Infrastructure Bank is authorized to
40 reduce the individual amount of loan funds made available to, or on
41 behalf of, project sponsors pursuant to section 4 of this act based
42 upon final building costs, as defined and determined in accordance
43 with rules and regulations adopted by the bank pursuant to section
44 27 of P.L.1985, c.334 (C.58:11B-27), and the requirements of
45 subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), and any
46 policy statements relating to the Transportation Infrastructure
47 Financing Program to be set forth in the State Fiscal Year 2026
48 Transportation Infrastructure Financing Program Financial Plan.

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

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

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

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

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

32

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

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

- 7 a. the proceeds from the sale of the bank's bonds, notes, or
8 other obligations;
9 b. the revenues derived from investments by the bank;
10 c. any loan repayments paid to the bank, including interest
11 from local government units;
12 d. the proceeds of any fees and charges levied by the bank;
13 e. any funds received from the federal government that are
14 permitted by the federal government to be used for the operating
15 expenses of the bank; and
16 f. any funds otherwise permitted to be used for the operating
17 expenses of the bank.
18

19 10. a. There is appropriated to the New Jersey Infrastructure
20 Bank from the General Fund, for deposit in the transportation
21 subaccount of the special fund created and established by the bank
22 for the short-term or temporary loan financing or refinancing under
23 the Disaster Relief Emergency Financing Program, authorized
24 pursuant to subsection a. of section 1 of P.L.2013, c.93 (C.58:11B-
25 9.5), such sums as are needed consisting of:

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

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

42 b. The Transportation Disaster Relief Emergency Financing
43 Program Project Priority List shall be submitted to the Legislature,
44 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), at least
45 once in each fiscal year. Any transportation infrastructure project
46 or the project sponsor thereof not identified in the Transportation
47 Disaster Relief Emergency Financing Program Project Priority List

1 shall not be eligible for a short-term or temporary loan from the
2 Transportation Disaster Relief Emergency Financing Program Fund.

3
4 11. Notwithstanding the provisions of the “Administrative
5 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.), to the
6 contrary, the bank shall not be required to adopt rules and
7 regulations governing the issuance of loans under the “Disaster
8 Relief Emergency Financing Program.”

9
10 12. This act shall take effect immediately and shall expire on
11 July 1, 2026.

12
13
14 STATEMENT

15
16 This bill authorizes the New Jersey Infrastructure Bank (NJIB) to
17 expend up to \$53,450,000 in Fiscal Year 2026 (FY2026) to provide
18 low-interest loans to certain local government units that undertake
19 one of 17 eligible transportation infrastructure projects set forth in
20 the bill.

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

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

40 Since its creation in 2018, the NJIB, in partnership with the
41 Department of Transportation, has provided low-cost NJTIB loans
42 for the construction of critical transportation infrastructure projects
43 with the mission of reducing the cost of financing for New Jersey
44 counties and municipalities and making possible responsible and
45 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