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LAW/RWH

P.L.2014, CHAPTER 28, *approved August 1, 2014*
Assembly, No. 3266

1 AN ACT concerning environmental infrastructure projects,
2 amending and supplementing P.L.1985, c.334, and amending
3 P.L.1997, c.224.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. (New section) a. The trust shall create and establish a
9 special fund (hereinafter referred to as the "Equipment Loan Fund")
10 for the short-term or temporary equipment loan program of the trust
11 (hereinafter referred to as the "Equipment Loan Program").

12 The Equipment Loan Fund shall be credited with:

13 (1) moneys deposited in the fund as administrative fees received
14 by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334
15 (C.58:11B-5);

16 (2) moneys received by the trust as repayment of the principal
17 of and the interest or premium on loans made from the fund;

18 (3) any interest earnings received on the moneys in the fund;

19 (4) such other moneys as the Legislature may appropriate to the
20 trust for deposit into the fund at any time to finance or refinance
21 short-term or temporary loans pursuant to the Equipment Loan
22 Program;

23 (5) the proceeds of any bonds, notes or other obligations that
24 may be issued by the trust from time to time in any principal
25 amounts as in the judgment of the trust shall be necessary or
26 appropriate to provide sufficient funds for deposit into the fund to
27 finance or refinance short-term or temporary loans pursuant to the
28 Equipment Loan Program; and

29 (6) any other source of available funds that may be deemed by
30 the trust to be necessary or appropriate to provide sufficient funds
31 for deposit into the fund to finance or refinance short-term or
32 temporary loans pursuant to the Equipment Loan Program,
33 including, without limitation, any funds drawn by the trust from a
34 revolving line of credit or other similar financial vehicle, that may
35 be procured by the trust pursuant to the provisions of section 5 of
36 P.L.1985, c.334 (C.58:11B-5), for deposit into the fund to finance
37 or refinance short-term or temporary loans pursuant to the
38 Equipment Loan Program.

39 b. Notwithstanding any provision of P.L.1985, c.334
40 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
41 the contrary, the trust may make short-term or temporary equipment

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

Matter underlined thus is new matter.

1 loans to: (1) local government units to finance wastewater
2 treatment system equipment projects not included on the project
3 priority list for the ensuing fiscal year or eligible for approval
4 pursuant to section 20 of P.L.1985, c.332 (C.58:11B-20); or (2)
5 public water utilities or private persons to finance water supply
6 equipment projects not included on the project priority list for the
7 ensuing fiscal year or eligible for approval pursuant to section 24 of
8 P.L.1997, c.224 (C.58:11B-20.1).

9 The loans may be made without regard to any other provisions of
10 P.L.1985, c.334 or P.L.1997, c.224, including, without limitation,
11 the provisions of section 20 of P.L.1985, c.334 (C.58:11B-20),
12 section 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim
13 Financing Program Eligibility List pursuant to subsection d. of
14 section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative or
15 legislative approvals.

16

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

19 21. On or before May 15 of each year, the trust shall submit to
20 the Legislature a financial plan designed to implement the financing
21 of the wastewater treatment system projects either on the project
22 priority list approved pursuant to section 20 of P.L.1985, c.334
23 (C.58:11B-20) or as otherwise approved by the Legislature. The
24 financial plan shall contain an enumeration of the bonds, notes or
25 other obligations of the trust which the trust intends to issue,
26 including the amounts thereof and the terms and conditions thereof,
27 a list of loans to be made to local government units or private
28 persons, including the terms and conditions thereof and the
29 anticipated rate of interest per annum and repayment schedule
30 therefor, and a list of loan guarantees or contracts to guarantee the
31 payment of all or a portion of the principal and interest on bonds,
32 notes or other obligations issued by a local government unit to
33 finance the cost of a wastewater treatment system project, and the
34 terms and conditions thereof.

35 The financial plan shall also set forth a complete operating and
36 financial statement covering its proposed operations during the
37 forthcoming fiscal year, including amounts of income from all
38 sources, and the uniform schedule of fees and charges established
39 by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334
40 (C.58:11B-5), and the amounts to be derived therefrom, and shall
41 summarize the status of each wastewater treatment system project
42 for which loans or guarantees have been made by the trust, and shall
43 describe major impediments to the accomplishment of the planned
44 wastewater treatment system projects.

45 The financial plan shall identify the wastewater treatment system
46 projects financed during the prior fiscal year through the Disaster
47 Relief Emergency Financing Program established pursuant to
48 section 1 of P.L.2013, c.93 (C.58:11B-9.5), including a project

1 description, the amount of the Disaster Relief Emergency Financing
2 Program loan for each project, and the duration of such Disaster
3 Relief Emergency Financing Program loan.

4 The financial plan shall also identify the wastewater treatment
5 system projects financed during the prior fiscal year by the Interim
6 Financing Program established pursuant to subsection d. of section
7 9 of P.L.1985, c.224 (C.58:11B-9) and the Equipment Loan
8 Program established pursuant to section 1 of P.L. , c. (C.)
9 (pending before the Legislature as this bill), including a project
10 description, the amount of the loan provided for each project, and
11 the duration of each loan.

12 (cf: P.L.2013, c.93, s.4)

13

14 3. Section 25 of P.L.1997, c.224 (C.58:11B-21.1) is amended
15 to read as follows:

16 25. On or before May 15 of each year, the trust shall submit to
17 the Legislature a financial plan designed to implement the financing
18 of the water supply projects either on the project priority list
19 approved pursuant to section 24 of P.L.1997, c.224 (C.58:11B-20.1)
20 or as otherwise approved by the Legislature. The financial plan
21 shall contain an enumeration of the bonds, notes or other
22 obligations of the trust which the trust intends to issue, including
23 the amounts thereof and the terms and conditions thereof, a list of
24 loans to be made to local government units, public water utilities, or
25 to any other person or local government unit on behalf of a public
26 water utility, including the terms and conditions thereof and the
27 anticipated rate of interest per annum and repayment schedule
28 therefor, and a list of loan guarantees or contracts to guarantee the
29 payment of all or a portion of the principal and interest on bonds,
30 notes or other obligations issued by a local government unit to
31 finance the cost of a water supply project, and the terms and
32 conditions thereof.

33 The financial plan shall also set forth a complete operating and
34 financial statement covering its proposed operations during the
35 forthcoming fiscal year, including amounts of income from all
36 sources, and the uniform schedule of fees and charges established
37 by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334
38 (C.58:11B-5), and the amounts to be derived therefrom, and shall
39 summarize the status of each water supply project for which loans
40 or guarantees have been made by the trust, and shall describe major
41 impediments to the accomplishment of the planned water supply
42 projects.

43 The financial plan shall identify the water supply projects
44 financed during the prior fiscal year through the Disaster Relief
45 Emergency Financing Program established pursuant to section 1 of
46 P.L.2013, c.93 (C.58:11B-9.5), including a project description, the
47 amount of the Disaster Relief Emergency Financing Program loan

1 for each project, and the duration of such Disaster Relief
2 Emergency Financing Program loan.

3 The financial plan shall also identify the water supply projects
4 financed during the prior fiscal year by the Interim Financing
5 Program established pursuant to subsection d. of section 9 of
6 P.L.1985, c.224 (C.58:11B-9) and the Equipment Loan Program
7 established pursuant to section 1 of P.L. , c. (C.) (pending
8 before the Legislature as this bill), including a project description,
9 the amount of the loan provided for each project, and the duration
10 of each loan.

11 (cf: P.L.2013, c.93, s.5)

12

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

15 22. a. The trust shall submit the financial plan required pursuant
16 to section 21 of P.L.1985, c.334 (C.58:11B-21) to the **【President】**
17 **Secretary** of the Senate and the **【Speaker】 Clerk** of the General
18 Assembly on **【a】 the same day 【when both houses are meeting】 on**
19 **or before May 15 of each year** . The **【President】 Secretary** and the
20 **【Speaker】 Clerk** shall cause the date of submission to be entered
21 upon the Senate Journal and the Minutes of the General Assembly,
22 respectively.

23 b. Unless the financial plan as described in the submission is
24 approved by adoption of a concurrent resolution of both houses
25 within the time period prescribed in this subsection, the financial
26 plan shall be deemed disapproved and the trust shall not undertake
27 any of the proposed activities contained therein. The President and
28 the Speaker shall cause a concurrent resolution of approval of the
29 trust's financial plan to be placed before the members of the
30 respective houses for a recorded vote within the time period. The
31 time period shall commence on the day of submission and expire on
32 **【the forty-fifth day after submission or for a house not meeting on**
33 **the forty-fifth day, on the next meeting day of that house】 June 30**
34 **of the year of submission.**

35 (cf: P.L.1997, c.224, s.19)

36

37 5. Section 26 of P.L.1997, c.224 (C.58:11B-22.1) is amended
38 to read as follows:

39 26. a. The trust shall submit the financial plan required pursuant
40 to section 25 of P.L.1997, c.224 (C.58:11B-21.1) to the **【President】**
41 **Secretary** of the Senate and the **【Speaker】 Clerk** of the General
42 Assembly on **【a】 the same day 【when both houses are meeting】 on**
43 **or before May 15 of each year.** The **【President】 Secretary** and the
44 **【Speaker】 Clerk** shall cause the date of submission to be entered
45 upon the Senate Journal and the Minutes of the General Assembly,
46 respectively.

1 b. Unless the financial plan as described in the submission is
2 approved by adoption of a concurrent resolution of both houses
3 within the time period prescribed in this subsection, the financial
4 plan shall be deemed disapproved and the trust shall not undertake
5 any of the proposed activities contained therein. The President and
6 the Speaker shall cause a concurrent resolution of approval of the
7 trust's financial plan to be placed before the members of the
8 respective houses for a recorded vote within the time period. The
9 time period shall commence on the day of submission and expire on
10 **【the forty-fifth day after submission or for a house not meeting on**
11 **the forty-fifth day, on the next meeting day of that house】** June 30
12 of the year of submission.

13 (cf: P.L.1997, c.224, s.26)

14

15 6. This act shall take effect immediately.

16

17

18

STATEMENT

19

20 This bill would establish the Equipment Loan Program within the
21 New Jersey Environmental Infrastructure Trust to enable the trust to
22 make short-term or temporary loans to local government units,
23 public water utilities or private persons for the purchase of
24 wastewater treatment system equipment and water supply
25 equipment. The bill would also require the projects funded under
26 the Equipment Loan Program, as well as the Interim Financing
27 Program, to be identified in the trust's financial plan submitted each
28 year to the Legislature.

29 The bill would also change the submission and approval
30 requirements for the trust's financial plan. Current law requires that
31 the plan be submitted when both Houses of the Legislature are
32 meeting on or before May 15 and that the plan be approved by the
33 Legislature by concurrent resolution 45 days after submission. The
34 bill would authorize the trust to submit the plan instead to the
35 Secretary of the Senate and the Clerk of the General Assembly on
36 the same day on or before May 15. The Legislature would be
37 required to approve the plan by concurrent resolution on or before
38 June 30 of the year of submission.

39

40

41

42

43 Establishes Equipment Loan Program in NJ Environmental
44 Infrastructure Trust; changes submission and approval requirements
45 for financial plan.

ASSEMBLY, No. 3266

STATE OF NEW JERSEY 216th LEGISLATURE

INTRODUCED MAY 22, 2014

Sponsored by:

Assemblyman JOHN F. MCKEON

District 27 (Essex and Morris)

Assemblywoman SHAVONDA E. SUMTER

District 35 (Bergen and Passaic)

Assemblyman JOSEPH V. EGAN

District 17 (Middlesex and Somerset)

Assemblyman BENJIE E. WIMBERLY

District 35 (Bergen and Passaic)

Assemblywoman CELESTE M. RILEY

District 3 (Cumberland, Gloucester and Salem)

Co-Sponsored by:

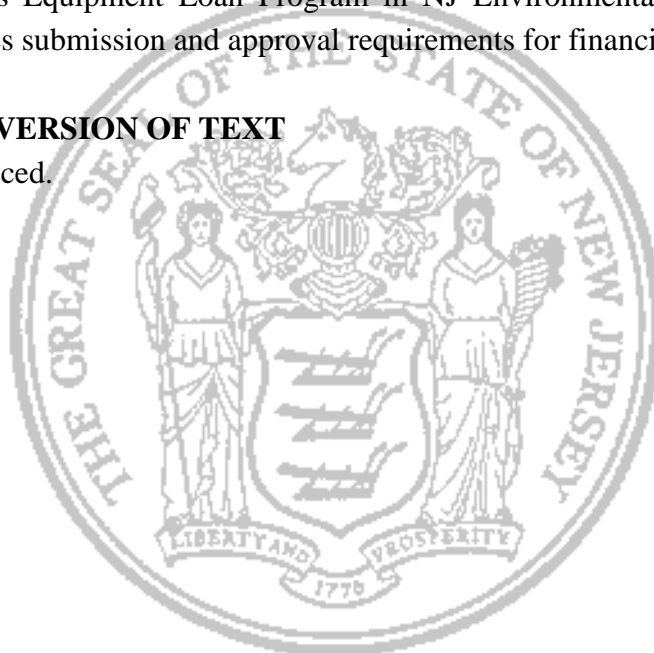
Assemblymen Coughlin, Chivukula, Senators Whelan, Oroho and Kyrillos

SYNOPSIS

Establishes Equipment Loan Program in NJ Environmental Infrastructure Trust; changes submission and approval requirements for financial plan.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/24/2014)

A3266 MCKEON, SUMTER

2

1 AN ACT concerning environmental infrastructure projects,
2 amending and supplementing P.L.1985, c.334, and amending
3 P.L.1997, c.224.

4

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

7

8 1. (New section) a. The trust shall create and establish a
9 special fund (hereinafter referred to as the "Equipment Loan Fund")
10 for the short-term or temporary equipment loan program of the trust
11 (hereinafter referred to as the "Equipment Loan Program").

12 The Equipment Loan Fund shall be credited with:

13 (1) moneys deposited in the fund as administrative fees received
14 by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334
15 (C.58:11B-5);

16 (2) moneys received by the trust as repayment of the principal
17 of and the interest or premium on loans made from the fund;

18 (3) any interest earnings received on the moneys in the fund;

19 (4) such other moneys as the Legislature may appropriate to the
20 trust for deposit into the fund at any time to finance or refinance
21 short-term or temporary loans pursuant to the Equipment Loan
22 Program;

23 (5) the proceeds of any bonds, notes or other obligations that
24 may be issued by the trust from time to time in any principal
25 amounts as in the judgment of the trust shall be necessary or
26 appropriate to provide sufficient funds for deposit into the fund to
27 finance or refinance short-term or temporary loans pursuant to the
28 Equipment Loan Program; and

29 (6) any other source of available funds that may be deemed by
30 the trust to be necessary or appropriate to provide sufficient funds
31 for deposit into the fund to finance or refinance short-term or
32 temporary loans pursuant to the Equipment Loan Program,
33 including, without limitation, any funds drawn by the trust from a
34 revolving line of credit or other similar financial vehicle, that may
35 be procured by the trust pursuant to the provisions of section 5 of
36 P.L.1985, c.334 (C.58:11B-5), for deposit into the fund to finance
37 or refinance short-term or temporary loans pursuant to the
38 Equipment Loan Program.

39 b. Notwithstanding any provision of P.L.1985, c.334
40 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
41 the contrary, the trust may make short-term or temporary equipment
42 loans to: (1) local government units to finance wastewater
43 treatment system equipment projects not included on the project
44 priority list for the ensuing fiscal year or eligible for approval
45 pursuant to section 20 of P.L.1985, c.332 (C.58:11B-20); or (2)

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

Matter underlined thus is new matter.

1 public water utilities or private persons to finance water supply
2 equipment projects not included on the project priority list for the
3 ensuing fiscal year or eligible for approval pursuant to section 24 of
4 P.L.1997, c.224 (C.58:11B-20.1).

5 The loans may be made without regard to any other provisions of
6 P.L.1985, c.334 or P.L.1997, c.224, including, without limitation,
7 the provisions of section 20 of P.L.1985, c.334 (C.58:11B-20),
8 section 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim
9 Financing Program Eligibility List pursuant to subsection d. of
10 section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative or
11 legislative approvals.

12

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

15 21. On or before May 15 of each year, the trust shall submit to
16 the Legislature a financial plan designed to implement the financing
17 of the wastewater treatment system projects either on the project
18 priority list approved pursuant to section 20 of P.L.1985, c.334
19 (C.58:11B-20) or as otherwise approved by the Legislature. The
20 financial plan shall contain an enumeration of the bonds, notes or
21 other obligations of the trust which the trust intends to issue,
22 including the amounts thereof and the terms and conditions thereof,
23 a list of loans to be made to local government units or private
24 persons, including the terms and conditions thereof and the
25 anticipated rate of interest per annum and repayment schedule
26 therefor, and a list of loan guarantees or contracts to guarantee the
27 payment of all or a portion of the principal and interest on bonds,
28 notes or other obligations issued by a local government unit to
29 finance the cost of a wastewater treatment system project, and the
30 terms and conditions thereof.

31 The financial plan shall also set forth a complete operating and
32 financial statement covering its proposed operations during the
33 forthcoming fiscal year, including amounts of income from all
34 sources, and the uniform schedule of fees and charges established
35 by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334
36 (C.58:11B-5), and the amounts to be derived therefrom, and shall
37 summarize the status of each wastewater treatment system project
38 for which loans or guarantees have been made by the trust, and shall
39 describe major impediments to the accomplishment of the planned
40 wastewater treatment system projects.

41 The financial plan shall identify the wastewater treatment system
42 projects financed during the prior fiscal year through the Disaster
43 Relief Emergency Financing Program established pursuant to
44 section 1 of P.L.2013, c.93 (C.58:11B-9.5), including a project
45 description, the amount of the Disaster Relief Emergency Financing
46 Program loan for each project, and the duration of such Disaster
47 Relief Emergency Financing Program loan.

1 The financial plan shall also identify the wastewater treatment
2 system projects financed during the prior fiscal year by the Interim
3 Financing Program established pursuant to subsection d. of section
4 9 of P.L.1985, c.224 (C.58:11B-9) and the Equipment Loan
5 Program established pursuant to section 1 of P.L. , c. (C.)
6 (pending before the Legislature as this bill), including a project
7 description, the amount of the loan provided for each project, and
8 the duration of each loan.

9 (cf: P.L.2013, c.93, s.4)

10

11 3. Section 25 of P.L.1997, c.224 (C.58:11B-21.1) is amended
12 to read as follows:

13 25. On or before May 15 of each year, the trust shall submit to
14 the Legislature a financial plan designed to implement the financing
15 of the water supply projects either on the project priority list
16 approved pursuant to section 24 of P.L.1997, c.224 (C.58:11B-20.1)
17 or as otherwise approved by the Legislature. The financial plan
18 shall contain an enumeration of the bonds, notes or other
19 obligations of the trust which the trust intends to issue, including
20 the amounts thereof and the terms and conditions thereof, a list of
21 loans to be made to local government units, public water utilities, or
22 to any other person or local government unit on behalf of a public
23 water utility, including the terms and conditions thereof and the
24 anticipated rate of interest per annum and repayment schedule
25 therefor, and a list of loan guarantees or contracts to guarantee the
26 payment of all or a portion of the principal and interest on bonds,
27 notes or other obligations issued by a local government unit to
28 finance the cost of a water supply project, and the terms and
29 conditions thereof.

30 The financial plan shall also set forth a complete operating and
31 financial statement covering its proposed operations during the
32 forthcoming fiscal year, including amounts of income from all
33 sources, and the uniform schedule of fees and charges established
34 by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334
35 (C.58:11B-5), and the amounts to be derived therefrom, and shall
36 summarize the status of each water supply project for which loans
37 or guarantees have been made by the trust, and shall describe major
38 impediments to the accomplishment of the planned water supply
39 projects.

40 The financial plan shall identify the water supply projects
41 financed during the prior fiscal year through the Disaster Relief
42 Emergency Financing Program established pursuant to section 1 of
43 P.L.2013, c.93 (C.58:11B-9.5), including a project description, the
44 amount of the Disaster Relief Emergency Financing Program loan
45 for each project, and the duration of such Disaster Relief
46 Emergency Financing Program loan.

47 The financial plan shall also identify the water supply projects
48 financed during the prior fiscal year by the Interim Financing

1 Program established pursuant to subsection d. of section 9 of
2 P.L.1985, c.224 (C.58:11B-9) and the Equipment Loan Program
3 established pursuant to section 1 of P.L. , c. (C.) (pending
4 before the Legislature as this bill), including a project description,
5 the amount of the loan provided for each project, and the duration
6 of each loan.
7 (cf: P.L.2013, c.93, s.5)

8
9 4. Section 22 of P.L.1985, c.334 (C.58:11B-22) is amended to
10 read as follows:

11 22. a. The trust shall submit the financial plan required pursuant
12 to section 21 of P.L.1985, c.334 (C.58:11B-21) to the **【President】**
13 **Secretary** of the Senate and the **【Speaker】 Clerk** of the General
14 Assembly on **【a】 the same day 【when both houses are meeting】 on**
15 **or before May 15 of each year** . The **【President】 Secretary** and the
16 **【Speaker】 Clerk** shall cause the date of submission to be entered
17 upon the Senate Journal and the Minutes of the General Assembly,
18 respectively.

19 b. Unless the financial plan as described in the submission is
20 approved by adoption of a concurrent resolution of both houses
21 within the time period prescribed in this subsection, the financial
22 plan shall be deemed disapproved and the trust shall not undertake
23 any of the proposed activities contained therein. The President and
24 the Speaker shall cause a concurrent resolution of approval of the
25 trust's financial plan to be placed before the members of the
26 respective houses for a recorded vote within the time period. The
27 time period shall commence on the day of submission and expire on
28 **【the forty-fifth day after submission or for a house not meeting on**
29 **the forty-fifth day, on the next meeting day of that house】 June 30**
30 **of the year of submission.**

31 (cf: P.L.1997, c.224, s.19)

32
33 5. Section 26 of P.L.1997, c.224 (C.58:11B-22.1) is amended
34 to read as follows:

35 26. a. The trust shall submit the financial plan required pursuant
36 to section 25 of P.L.1997, c.224 (C.58:11B-21.1) to the **【President】**
37 **Secretary** of the Senate and the **【Speaker】 Clerk** of the General
38 Assembly on **【a】 the same day 【when both houses are meeting】 on**
39 **or before May 15 of each year.** The **【President】 Secretary** and the
40 **【Speaker】 Clerk** shall cause the date of submission to be entered
41 upon the Senate Journal and the Minutes of the General Assembly,
42 respectively.

43 b. Unless the financial plan as described in the submission is
44 approved by adoption of a concurrent resolution of both houses
45 within the time period prescribed in this subsection, the financial
46 plan shall be deemed disapproved and the trust shall not undertake
47 any of the proposed activities contained therein. The President and

1 the Speaker shall cause a concurrent resolution of approval of the
2 trust's financial plan to be placed before the members of the
3 respective houses for a recorded vote within the time period. The
4 time period shall commence on the day of submission and expire on
5 **【the forty-fifth day after submission or for a house not meeting on**
6 **the forty-fifth day, on the next meeting day of that house】** June 30
7 of the year of submission.

8 (cf: P.L.1997, c.224, s.26)

9

10 6. This act shall take effect immediately.

11

12

13

STATEMENT

14

15 This bill would establish the Equipment Loan Program within the
16 New Jersey Environmental Infrastructure Trust to enable the trust to
17 make short-term or temporary loans to local government units,
18 public water utilities or private persons for the purchase of
19 wastewater treatment system equipment and water supply
20 equipment. The bill would also require the projects funded under
21 the Equipment Loan Program, as well as the Interim Financing
22 Program, to be identified in the trust's financial plan submitted each
23 year to the Legislature.

24 The bill would also change the submission and approval
25 requirements for the trust's financial plan. Current law requires that
26 the plan be submitted when both Houses of the Legislature are
27 meeting on or before May 15 and that the plan be approved by the
28 Legislature by concurrent resolution 45 days after submission. The
29 bill would authorize the trust to submit the plan instead to the
30 Secretary of the Senate and the Clerk of the General Assembly on
31 the same day on or before May 15. The Legislature would be
32 required to approve the plan by concurrent resolution on or before
33 June 30 of the year of submission.

ASSEMBLY BUDGET COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3266

STATE OF NEW JERSEY

DATED: JUNE 12, 2014

The Assembly Budget Committee reports favorably Assembly Bill No. 3266.

This bill establishes the Equipment Loan Program within the New Jersey Environmental Infrastructure Trust to enable the trust to make short-term or temporary loans to local government units, public water utilities or private persons for the purchase of wastewater treatment system equipment and water supply equipment. The bill requires the projects funded under the Equipment Loan Program, as well as the Interim Financing Program (a Trust program providing short-term or temporary loan financing for those interested participants that receive pre-award approval for an environmental infrastructure project, as authorized pursuant to P.L.2001, c.223), to be identified in the trust's financial plan submitted each year to the Legislature.

The bill also changes the submission and approval requirements for the trust's financial plan. Current law requires that the plan be submitted when both Houses of the Legislature are meeting on or before May 15 and that the plan be approved by the Legislature by concurrent resolution 45 days after submission. The bill authorizes the trust to submit the plan instead to the Secretary of the Senate and the Clerk of the General Assembly on the same day on or before May 15. The bill requires that the Legislature approve the plan by concurrent resolution on or before June 30 of the year of submission.

FISCAL IMPACT:

This bill was not certified as requiring a fiscal note.

SENATE, No. 2121

STATE OF NEW JERSEY 216th LEGISLATURE

INTRODUCED MAY 19, 2014

Sponsored by:

Senator JIM WHELAN

District 2 (Atlantic)

Senator STEVEN V. OROHO

District 24 (Morris, Sussex and Warren)

Co-Sponsored by:

Senator Kyrillos

SYNOPSIS

Establishes Equipment Loan Program in NJ Environmental Infrastructure Trust; changes submission and approval requirements for financial plan.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/10/2014)

S2121 WHELAN, OROHO

2

1 AN ACT concerning environmental infrastructure projects,
2 amending and supplementing P.L.1985, c.334, and amending
3 P.L.1997, c.224.

4

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

7

8 1. (New section) a. The trust shall create and establish a special
9 fund (hereinafter referred to as the "Equipment Loan Fund") for the
10 short-term or temporary equipment loan program of the trust
11 (hereinafter referred to as the "Equipment Loan Program").

12 The Equipment Loan Fund shall be credited with:

13 (1) moneys deposited in the fund as administrative fees received
14 by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334
15 (C.58:11B-5);

16 (2) moneys received by the trust as repayment of the principal
17 of and the interest or premium on loans made from the fund;

18 (3) any interest earnings received on the moneys in the fund;

19 (4) such other moneys as the Legislature may appropriate to the
20 trust for deposit into the fund at any time to finance or refinance
21 short-term or temporary loans pursuant to the Equipment Loan
22 Program;

23 (5) the proceeds of any bonds, notes or other obligations that
24 may be issued by the trust from time to time in any principal
25 amounts as in the judgment of the trust shall be necessary or
26 appropriate to provide sufficient funds for deposit into the fund to
27 finance or refinance short-term or temporary loans pursuant to the
28 Equipment Loan Program; and

29 (6) any other source of available funds that may be deemed by
30 the trust to be necessary or appropriate to provide sufficient funds
31 for deposit into the fund to finance or refinance short-term or
32 temporary loans pursuant to the Equipment Loan Program,
33 including, without limitation, any funds drawn by the trust from a
34 revolving line of credit or other similar financial vehicle, that may
35 be procured by the trust pursuant to the provisions of section 5 of
36 P.L.1985, c.334 (C.58:11B-5), for deposit into the fund to finance
37 or refinance short-term or temporary loans pursuant to the
38 Equipment Loan Program.

39 b. Notwithstanding any provision of P.L.1985, c.334
40 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
41 the contrary, the trust may make short-term or temporary equipment
42 loans to: (1) local government units to finance wastewater
43 treatment system equipment projects not included on the project
44 priority list for the ensuing fiscal year or eligible for approval
45 pursuant to section 20 of P.L.1985, c.332 (C.58:11B-20); or (2)

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

Matter underlined thus is new matter.

1 public water utilities or private persons to finance water supply
2 equipment projects not included on the project priority list for the
3 ensuing fiscal year or eligible for approval pursuant to section 24 of
4 P.L.1997, c.224 (C.58:11B-20.1).

5 The loans may be made without regard to any other provisions of
6 P.L.1985, c.334 or P.L.1997, c.224, including, without limitation,
7 the provisions of section 20 of P.L.1985, c.334 (C.58:11B-20),
8 section 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim
9 Financing Program Eligibility List pursuant to subsection d. of
10 section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative or
11 legislative approvals.

12

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

15 21. On or before May 15 of each year, the trust shall submit to
16 the Legislature a financial plan designed to implement the financing
17 of the wastewater treatment system projects either on the project
18 priority list approved pursuant to section 20 of P.L.1985, c.334
19 (C.58:11B-20) or as otherwise approved by the Legislature. The
20 financial plan shall contain an enumeration of the bonds, notes or
21 other obligations of the trust which the trust intends to issue,
22 including the amounts thereof and the terms and conditions thereof,
23 a list of loans to be made to local government units or private
24 persons, including the terms and conditions thereof and the
25 anticipated rate of interest per annum and repayment schedule
26 therefor, and a list of loan guarantees or contracts to guarantee the
27 payment of all or a portion of the principal and interest on bonds,
28 notes or other obligations issued by a local government unit to
29 finance the cost of a wastewater treatment system project, and the
30 terms and conditions thereof.

31 The financial plan shall also set forth a complete operating and
32 financial statement covering its proposed operations during the
33 forthcoming fiscal year, including amounts of income from all
34 sources, and the uniform schedule of fees and charges established
35 by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334
36 (C.58:11B-5), and the amounts to be derived therefrom, and shall
37 summarize the status of each wastewater treatment system project
38 for which loans or guarantees have been made by the trust, and shall
39 describe major impediments to the accomplishment of the planned
40 wastewater treatment system projects.

41 The financial plan shall identify the wastewater treatment system
42 projects financed during the prior fiscal year through the Disaster
43 Relief Emergency Financing Program established pursuant to
44 section 1 of P.L.2013, c.93 (C.58:11B-9.5), including a project
45 description, the amount of the Disaster Relief Emergency Financing
46 Program loan for each project, and the duration of such Disaster
47 Relief Emergency Financing Program loan.

1 The financial plan shall also identify the wastewater treatment
2 system projects financed during the prior fiscal year by the Interim
3 Financing Program established pursuant to subsection d. of section
4 9 of P.L.1985, c.224 (C.58:11B-9) and the Equipment Loan
5 Program established pursuant to section 1 of P.L. , c. (C.)
6 (pending before the Legislature as this bill), including a project
7 description, the amount of the loan provided for each project, and
8 the duration of each loan.

9 (cf: P.L.2013, c.93, s.4)

10

11 3. Section 25 of P.L.1997, c.224 (C.58:11B-21.1) is amended to
12 read as follows:

13 25. On or before May 15 of each year, the trust shall submit to
14 the Legislature a financial plan designed to implement the financing
15 of the water supply projects either on the project priority list
16 approved pursuant to section 24 of P.L.1997, c.224 (C.58:11B-20.1)
17 or as otherwise approved by the Legislature. The financial plan
18 shall contain an enumeration of the bonds, notes or other
19 obligations of the trust which the trust intends to issue, including
20 the amounts thereof and the terms and conditions thereof, a list of
21 loans to be made to local government units, public water utilities, or
22 to any other person or local government unit on behalf of a public
23 water utility, including the terms and conditions thereof and the
24 anticipated rate of interest per annum and repayment schedule
25 therefor, and a list of loan guarantees or contracts to guarantee the
26 payment of all or a portion of the principal and interest on bonds,
27 notes or other obligations issued by a local government unit to
28 finance the cost of a water supply project, and the terms and
29 conditions thereof.

30 The financial plan shall also set forth a complete operating and
31 financial statement covering its proposed operations during the
32 forthcoming fiscal year, including amounts of income from all
33 sources, and the uniform schedule of fees and charges established
34 by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334
35 (C.58:11B-5), and the amounts to be derived therefrom, and shall
36 summarize the status of each water supply project for which loans
37 or guarantees have been made by the trust, and shall describe major
38 impediments to the accomplishment of the planned water supply
39 projects.

40 The financial plan shall identify the water supply projects
41 financed during the prior fiscal year through the Disaster Relief
42 Emergency Financing Program established pursuant to section 1 of
43 P.L.2013, c.93 (C.58:11B-9.5), including a project description, the
44 amount of the Disaster Relief Emergency Financing Program loan
45 for each project, and the duration of such Disaster Relief
46 Emergency Financing Program loan.

47 The financial plan shall also identify the water supply projects
48 financed during the prior fiscal year by the Interim Financing

1 Program established pursuant to subsection d. of section 9 of
2 P.L.1985, c.224 (C.58:11B-9) and the Equipment Loan Program
3 established pursuant to section 1 of P.L. , c. (C.) (pending
4 before the Legislature as this bill), including a project description,
5 the amount of the loan provided for each project, and the duration
6 of each loan.
7 (cf: P.L.2013, c.93, s.5)

8
9 4. Section 22 of P.L.1985, c.334 (C.58:11B-22) is amended to
10 read as follows:

11 22. a. The trust shall submit the financial plan required pursuant
12 to section 21 of P.L.1985, c.334 (C.58:11B-21) to the **【President】**
13 **Secretary** of the Senate and the **【Speaker】 Clerk** of the General
14 Assembly on **【a】 the same day 【when both houses are meeting】 on**
15 **or before May 15 of each year** . The **【President】 Secretary** and the
16 **【Speaker】 Clerk** shall cause the date of submission to be entered
17 upon the Senate Journal and the Minutes of the General Assembly,
18 respectively.

19 b. Unless the financial plan as described in the submission is
20 approved by adoption of a concurrent resolution of both houses
21 within the time period prescribed in this subsection, the financial
22 plan shall be deemed disapproved and the trust shall not undertake
23 any of the proposed activities contained therein. The President and
24 the Speaker shall cause a concurrent resolution of approval of the
25 trust's financial plan to be placed before the members of the
26 respective houses for a recorded vote within the time period. The
27 time period shall commence on the day of submission and expire on
28 **【the forty-fifth day after submission or for a house not meeting on**
29 **the forty-fifth day, on the next meeting day of that house】 June 30**
30 **of the year of submission.**

31 (cf: P.L.1997, c.224, s.19)

32
33 5. Section 26 of P.L.1997, c.224 (C.58:11B-22.1) is amended to
34 read as follows:

35 26. a. The trust shall submit the financial plan required pursuant
36 to section 25 of P.L.1997, c.224 (C.58:11B-21.1) to the **【President】**
37 **Secretary** of the Senate and the **【Speaker】 Clerk** of the General
38 Assembly on **【a】 the same day 【when both houses are meeting】 on**
39 **or before May 15 of each year.** The **【President】 Secretary** and the
40 **【Speaker】 Clerk** shall cause the date of submission to be entered
41 upon the Senate Journal and the Minutes of the General Assembly,
42 respectively.

43 b. Unless the financial plan as described in the submission is
44 approved by adoption of a concurrent resolution of both houses
45 within the time period prescribed in this subsection, the financial
46 plan shall be deemed disapproved and the trust shall not undertake
47 any of the proposed activities contained therein. The President and

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1 the Speaker shall cause a concurrent resolution of approval of the
2 trust's financial plan to be placed before the members of the
3 respective houses for a recorded vote within the time period. The
4 time period shall commence on the day of submission and expire on
5 **【the forty-fifth day after submission or for a house not meeting on**
6 **the forty-fifth day, on the next meeting day of that house】** June 30
7 of the year of submission.

8 (cf: P.L.1997, c.224, s.26)

9

10 6. This act shall take effect immediately.

11

12

13

STATEMENT

14

15 This bill would establish the Equipment Loan Program within the
16 New Jersey Environmental Infrastructure Trust to enable the trust to
17 make short-term or temporary loans to local government units,
18 public water utilities or private persons for the purchase of
19 wastewater treatment system equipment and water supply
20 equipment. The bill would also require the projects funded under
21 the Equipment Loan Program, as well as the Interim Financing
22 Program, to be identified in the trust's financial plan submitted each
23 year to the Legislature.

24 The bill would also change the submission and approval
25 requirements for the trust's financial plan. Current law requires that
26 the plan be submitted when both Houses of the Legislature are
27 meeting on or before May 15 and that the plan be approved by the
28 Legislature by concurrent resolution 45 days after submission. The
29 bill would authorize the trust to submit the plan instead to the
30 Secretary of the Senate and the Clerk of the General Assembly on
31 the same day on or before May 15. The Legislature would be
32 required to approve the plan by concurrent resolution on or before
33 June 30 of the year of submission.

SENATE ENVIRONMENT AND ENERGY COMMITTEE

STATEMENT TO

SENATE, No. 2121

STATE OF NEW JERSEY

DATED: JUNE 5, 2014

The Senate Environment and Energy Committee reports favorably Senate Bill No. 2121.

This bill would establish the Equipment Loan Program within the New Jersey Environmental Infrastructure Trust to enable the trust to make short-term or temporary loans to local government units, public water utilities or private persons for the purchase of wastewater treatment system equipment and water supply equipment. The bill would also require the projects funded under the Equipment Loan Program, as well as the Interim Financing Program, to be identified in the trust's financial plan submitted each year to the Legislature.

The bill would also change the submission and approval requirements for the trust's financial plan. Current law requires that the plan be submitted when both Houses of the Legislature are meeting on or before May 15 and that the plan be approved by the Legislature by concurrent resolution 45 days after submission. The bill would authorize the trust to submit the plan instead to the Secretary of the Senate and the Clerk of the General Assembly on the same day on or before May 15. The Legislature would be required to approve the plan by concurrent resolution on or before June 30 of the year of submission.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 2121

STATE OF NEW JERSEY

DATED: JUNE 16, 2014

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2121.

The bill establishes the Equipment Loan Program within the New Jersey Environmental Infrastructure Trust to enable the trust to make short-term or temporary loans to local government units, public water utilities or private persons for the purchase of wastewater treatment system equipment and water supply equipment. The bill requires the projects funded under the Equipment Loan Program, as well as the Interim Financing Program (a Trust program providing short-term or temporary loan financing for those interested participants that receive pre-award approval for an environmental infrastructure project, as authorized pursuant to P.L.2001, c.223), to be identified in the trust's financial plan submitted each year to the Legislature.

The bill also changes the submission and approval requirements for the trust's financial plan. Current law requires that the plan be submitted when both Houses of the Legislature are meeting on or before May 15 and that the plan be approved by the Legislature by concurrent resolution 45 days after submission. The bill authorizes the trust to submit the plan instead to the Secretary of the Senate and the Clerk of the General Assembly on the same day on or before May 15. The bill requires that the Legislature approve the plan by concurrent resolution on or before June 30 of the year of submission.

FISCAL IMPACT:

This bill was not certified as requiring a fiscal note.