

58:11B-6 et al
LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2015 **CHAPTER:** 106

NJSA: 58:11B-6 et al (Makes certain changes to Environmental Infrastructure Trust Financing Program.)

BILL NO: A4527 (Substituted for S2964)

SPONSOR(S) Pintor Marin, Eliana, and others

DATE INTRODUCED: June 11, 2015

COMMITTEE: **ASSEMBLY:** Environment and Solid Waste Appropriations

SENATE: ---

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: **ASSEMBLY:** 6/25/2015

SENATE: 6/29/2015

DATE OF APPROVAL: August 25, 2015

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Introduced bill enacted) Yes

A4527

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

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

SENATE: No

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

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

S2964

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

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: Yes

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

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

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P.L.2015, CHAPTER 106, *approved August 25, 2015*
Assembly, No. 4527

1 AN ACT concerning environmental infrastructure projects and
2 amending various parts of the statutory law.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

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

9 6. a. Except as may be otherwise expressly provided in the
10 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,
11 c.224 (C.58:11B-10.1 et al.), the trust may from time to time issue
12 its bonds, notes or other obligations in any principal amounts as in
13 the judgment of the trust shall be necessary to provide sufficient
14 funds for any of its corporate purposes, including the payment,
15 funding or refunding of the principal of, or interest or redemption
16 premiums on, any bonds, notes or other obligations issued by it,
17 whether the bonds, notes or other obligations or the interest or
18 redemption premiums thereon to be funded or refunded have or
19 have not become due, the establishment or increase of reserves or
20 other funds to secure or to pay the bonds, notes or other obligations
21 or interest thereon and all other costs or expenses of the trust
22 incident to and necessary to carry out its corporate purposes and
23 powers.

24 b. Whether or not the bonds, notes or other obligations of the
25 trust are of a form and character as to be negotiable instruments
26 under the terms of Title 12A of the New Jersey Statutes, the bonds,
27 notes and other obligations are made negotiable instruments within
28 the meaning of and for the purposes of Title 12A of the New Jersey
29 Statutes, subject only to the provisions of the bonds, notes and other
30 obligations for registration.

31 c. Bonds, notes or other obligations of the trust shall be
32 authorized by a resolution or resolutions of the trust and may be
33 issued in one or more series and shall bear any date or dates, mature
34 at any time or times, bear interest at any rate or rates of interest per
35 annum, be in any denomination or denominations, be in any form,
36 either coupon, registered or book entry, carry any conversion or
37 registration privileges, have any rank or priority, be executed in any
38 manner, be payable in any coin or currency of the United States
39 which at the time of payment is legal tender for the payment of
40 public and private debts, at any place or places within or without
41 the State, and be subject to any terms of redemption by the trust or
42 the holders thereof, with or without premium, as the resolution or

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 resolutions may provide. A resolution of the trust authorizing the
2 issuance of bonds, notes or other obligations may provide that the
3 bonds, notes or other obligations be secured by a trust indenture
4 between the trust and a trustee, vesting in the trustee any property,
5 rights, powers and duties in trust consistent with the provisions of
6 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-
7 10.1 et al.) as the trust may determine.

8 d. Bonds, notes or other obligations of the trust may be sold at
9 any price or prices and in any manner as the trust may determine.
10 Each bond, note or other obligation shall mature and be paid not
11 later than ~~【20】 30~~ years from the effective date thereof, or the
12 certified useful life of the project or projects to be financed by the
13 bonds, whichever is less, or a shorter period of time as may be
14 applicable to any companion loan issued pursuant to federal law or
15 regulation.

16 All bonds of the trust shall be sold at such price or prices and in
17 such manner as the trust shall determine, after notice of sale, a
18 summary of which shall be published at least once in at least three
19 newspapers published in the State of New Jersey and at least once
20 in a publication carrying municipal bond notices and devoted
21 primarily to financial news published in New Jersey or the city of
22 New York, the first summary notice to be at least five days prior to
23 the day of bidding. The notice of sale may contain a provision to the
24 effect that any or all bids made in pursuance thereof may be
25 rejected. In the event of such rejection or of failure to receive any
26 acceptable bid, the trust, at any time within 60 days from the date of
27 such advertised sale, may sell such bonds at private sale upon terms
28 not less favorable to the State than the terms offered by any rejected
29 bid. The trust may sell all or part of the bonds of any series as
30 issued to any State fund or to the federal government or any agency
31 thereof, at private sale, without advertisement.

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

41 f. Bonds, notes or other obligations of the trust issued under
42 the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,
43 c.224 (C.58:11B-10.1 et al.) shall not be a debt or liability of the
44 State or of any political subdivision thereof other than the trust and
45 shall not create or constitute any indebtedness, liability or
46 obligation of the State or any political subdivision, but all these
47 bonds, notes and other obligations, unless funded or refunded by
48 bonds, notes or other obligations, shall be payable solely from

1 revenues or funds pledged or available for their payment as
2 authorized in P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,
3 c.224 (C.58:11B-10.1 et al.). Each bond, note and obligation shall
4 contain on its face a statement to the effect that the trust is obligated
5 to pay the principal thereof or the interest thereon only from its
6 revenues, receipts or funds pledged or available for their payment
7 as authorized in P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,
8 c.224 (C.58:11B-10.1 et al.), and that neither the State, nor any
9 political subdivision thereof, is obligated to pay the principal or
10 interest and that neither the faith and credit nor the taxing power of
11 the State, or any political subdivision thereof, is pledged to the
12 payment of the principal of or the interest on the bonds, notes or
13 other obligations.

14 g. The aggregate principal amount of bonds, notes or other
15 obligations, including subordinated indebtedness of the trust, shall
16 not exceed (1) \$5,000,000,000 with respect to bonds, notes or other
17 obligations issued to finance the Disaster Relief Emergency
18 Financing Program established pursuant to section 1 of P.L.2013,
19 c.93 (C.58:11B-9.5), and (2) \$2,800,000,000 with respect to bonds,
20 notes or other obligations issued for all other purposes of the trust.
21 In computing the foregoing limitations there shall be excluded all
22 the bonds, notes or other obligations, including subordinated
23 indebtedness of the trust, which shall be issued for refunding
24 purposes, whenever the refunding shall be determined to result in a
25 savings.

26 (1) Upon the decision by the trust to issue refunding bonds,
27 except for current refunding, and prior to the sale of those bonds,
28 the trust shall transmit to the Joint Budget Oversight Committee, or
29 its successor, a report that a decision has been made, reciting the
30 basis on which the decision was made, including an estimate of the
31 debt service savings to be achieved and the calculations upon which
32 the trust relied when making the decision to issue refunding bonds.
33 The report shall also disclose the intent of the trust to issue and sell
34 the refunding bonds at public or private sale and the reasons
35 therefor.

36 (2) The Joint Budget Oversight Committee or its successor shall
37 have the authority to approve or disapprove the sales of refunding
38 bonds as included in each report submitted in accordance with
39 paragraph (1) of this subsection. The committee shall notify the
40 trust in writing of the approval or disapproval within 30 days of
41 receipt of the report. Should the committee not act within 30 days
42 of receipt of the report, the trust may proceed with the sale of the
43 refunding bonds, provided that the sale of refunding bonds shall
44 realize not less than 3.00% net present value debt service savings.

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

1 (4) Within 30 days after the sale of the refunding bonds, the
2 trust shall notify the committee of the result of that sale, including
3 the prices and terms, conditions and regulations concerning the
4 refunding bonds, the actual amount of debt service savings to be
5 realized as a result of the sale of refunding bonds, and the intended
6 use of the proceeds from the sale of those bonds.

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

11 h. Each issue of bonds, notes or other obligations of the trust
12 may, if it is determined by the trust, be general obligations thereof
13 payable out of any revenues, receipts or funds of the trust, or
14 special obligations thereof payable out of particular revenues,
15 receipts or funds, subject only to any agreements with the holders of
16 bonds, notes or other obligations, and may be secured by one or
17 more of the following:

18 (1) Pledge of revenues and other receipts to be derived from the
19 payment of the interest on and principal of notes, bonds or other
20 obligations issued to the trust by one or more local government
21 units, and any other payment made to the trust pursuant to
22 agreements with any local government units, or a pledge or
23 assignment of any notes, bonds or other obligations of any local
24 government unit and the rights and interest of the trust therein;

25 (2) Pledge of rentals, receipts and other revenues to be derived
26 from leases or other contractual arrangements with any person or
27 entity, public or private, including one or more local government
28 units, or a pledge or assignment of those leases or other contractual
29 arrangements and the rights and interest of the trust therein;

30 (3) Pledge of all moneys, funds, accounts, securities and other
31 funds, including the proceeds of the bonds, notes or other
32 obligations;

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

36 (5) A mortgage on all or any part of the property, real or
37 personal, of the trust then owned or thereafter to be acquired, or a
38 pledge or assignment of mortgages made to the trust by any person
39 or entity, public or private, including one or more local government
40 units and the rights and interest of the trust therein.

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

44 j. (Deleted by amendment, P.L.1996, c.88).

45 (cf: P.L.2013, c.93, s.2)

46

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

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

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

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

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

47 b. The trust is authorized to guarantee or contract to guarantee
48 the payment of all or any portion of the principal and interest on

1 bonds, notes or other obligations issued by a local government unit
2 to finance the cost of any wastewater treatment system project or
3 water supply project, which the local government unit may lawfully
4 undertake or acquire and for which the local government unit is
5 authorized by law to borrow money, and the guarantee shall
6 constitute an obligation of the trust for the purposes of P.L.1985,
7 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et
8 al.). Each guarantee by the trust and the terms and conditions
9 thereof shall be subject to approval by the State Treasurer, and the
10 trust shall make available to the State Treasurer all information,
11 statistical data and reports of independent consultants or experts as
12 the State Treasurer shall deem necessary in order to evaluate the
13 guarantee.

14 c. The trust shall not make or contract to make any loans or
15 guarantees to local government units, public water utilities or any
16 other person, or otherwise incur any additional indebtedness, on or
17 after June 30, 2033.

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

38 The trust shall create and establish a special fund (hereinafter
39 referred to as the "Interim Financing Program Fund") for the short-
40 term or temporary loan financing or refinancing program
41 (hereinafter referred to as the "Interim Financing Program").

42 Any short-term or temporary loans made by the trust pursuant to
43 this subsection may only be made in advance of the anticipated
44 loans the trust may make and contract to make under the provisions
45 of subsection a. of this section from any source of funds anticipated
46 to be received by the trust. Any such short-term or temporary loan
47 made pursuant to the Interim Financing Program shall mature no
48 later than the last day of the third succeeding fiscal year following

1 the closing date on which the short-term or temporary loan was
2 made by the trust to the project sponsor. The trust may make short-
3 term or temporary loans pursuant to the Interim Financing Program
4 to any one or more of the project sponsors, for the respective
5 projects thereof, identified in the interim financing project priority
6 list (hereinafter referred to as the "Interim Financing Program
7 Eligibility List") in the form provided to the Legislature by the
8 Commissioner of Environmental Protection.

9 **【Incremental revisions or supplements to the Interim Financing**
10 **Program Eligibility List may be submitted to the Legislature at any**
11 **time between January 15th and May 15th of each year.】**

12 The Interim Financing Program Eligibility List, including any
13 revision thereof or supplement thereto, shall be submitted to the
14 **【Legislature】 Secretary of the Senate and the Clerk of the General**
15 **Assembly** on or before June 30 of each year **【on a day when both**
16 **Houses are meeting】**. The Interim Financing Program Eligibility
17 List shall be submitted to the Legislature pursuant to section 2 of
18 P.L.1991, c.164 (C.52:14-19.1) at least once in each fiscal year.
19 The **【President of the Senate and the Speaker of the General**
20 **Assembly】 Secretary and the Clerk** shall cause the date of
21 submission to be entered upon the Senate Journal and the Minutes
22 of the General Assembly, respectively. Any environmental
23 infrastructure project or the project sponsor thereof not identified in
24 the Interim Financing Program Eligibility List shall not be eligible
25 for a short-term or temporary loan from the Interim Financing
26 Program Fund.

27 e. Notwithstanding any provisions of the "Local Bond Law"
28 (N.J.S.40A:2-1 et seq.), the "sewerage authorities law," P.L.1946,
29 c.138 (C.40:14A-1 et seq.), or the "municipal and county utilities
30 authority law," P.L.1957, c.183 (C.40:14B-1 et seq.) to the
31 contrary, short-term or temporary loans made by the trust pursuant
32 to section 9 of P.L.1985, c.334 (C.58:11B-9), section 4 of P.L.2007,
33 c.138 (C.58:11B-9.1), section 1 of P.L.2009, c.59 (C.58:11B-9.2),
34 section 5 of P.L.2009, c.103 (C.58:11B-9.3), section 2 of P.L.2011,
35 c.94 (C.58:11B-9.4), section 1 of P.L.2013, c.93 (C.58:11B-9.5), or
36 section 1 of P.L.2014, c.28 (C.58:11B-9.6), and the obligations
37 issued by project sponsors to evidence such loans, may, at the
38 discretion of the trust and upon application by the project sponsor,
39 bear interest at a variable rate determined pursuant to a
40 methodology as may be established by the trust from time to time.

41 Further, notwithstanding any provisions of the "Local Bond
42 Law" (N.J.S.40A:2-1 et seq.), the "sewerage authorities law,"
43 P.L.1946, c.138 (C.40:14A-1 et seq.), or the "municipal and county
44 utilities authority law," P.L.1957, c.183 (C.40:14B-1 et seq.) to the
45 contrary, any short-term or temporary loans made by the trust
46 pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9), section 4 of
47 P.L.2007, c.138 (C.58:11B-9.1), section 1 of P.L.2009, c.59

1 (C.58:11B-9.2), section 5 of P.L.2009, c.103 (C.58:11B-9.3),
2 section 2 of P.L.2011, c.94 (C.58:11B-9.4), section 1 of P.L.2013,
3 c.93 (C.58:11B-9.5), or section 1 of P.L.2014, c.28 (C.58:11B-9.6),
4 and any notes or other obligations issued by project sponsors to
5 evidence such short-term or temporary loans, except as provided in
6 section 1 of P.L.2009, c.59 (C.58:11B-9.2), shall mature no later
7 than the last day of the third succeeding fiscal year following the
8 date of issuance of such notes or other obligations, without payment
9 by project sponsors of any portion of the principal thereof prior to
10 maturity.

11 (cf: P.L.2013, c.93, s.3)

12

13 3. Section 4 of P.L.2007, c.138 (C.58:11B-9.1) is amended to
14 read as follows:

15 4. a. The trust shall create and establish a special emergency
16 fund (hereinafter referred to as the "Emergency Loan Fund") for the
17 emergency short-term or temporary loan financing or refinancing
18 program (hereinafter referred to as the "Emergency Financing
19 Program").

20 The Emergency Loan Fund shall be credited with:

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

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

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

27 **[and]**

28 (4) such other moneys as the Legislature may appropriate to the
29 trust for deposit into the fund at any time to finance or refinance
30 emergency short-term or temporary loans pursuant to the
31 Emergency Financing Program; and

32 (5) any other source of available funds deemed by the trust to be
33 necessary or appropriate to provide sufficient funds for deposit into
34 the Emergency Loan Fund to finance or refinance emergency short-
35 term or temporary loans pursuant to the Emergency Financing
36 Program, including, without limitation, any funds drawn by the trust
37 from a revolving line of credit or other similar financial vehicle that
38 may be procured by the trust, either through a competitive or
39 negotiated process, pursuant to section 5 of P.L.1985, c.334
40 (C.58:11B-5), for deposit into the Emergency Loan Fund to finance
41 or refinance emergency short-term or temporary loans pursuant to
42 the Emergency Financing Program.

43 b. Notwithstanding any provision of P.L.1985, c.334
44 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
45 the contrary, the trust may make emergency short-term or
46 temporary loans to (1) local government units to finance or
47 refinance wastewater treatment system projects not included on the
48 project priority list for the ensuing fiscal year or eligible for

1 approval pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20);
2 or (2) public water utilities or private persons to finance or
3 refinance water supply projects not included on the project priority
4 list for the ensuing fiscal year or eligible for approval pursuant to
5 section 24 of P.L.1997, c.224 (C.58:11B-20.1), as applicable,
6 whenever the Commissioner of Environmental Protection has
7 determined and certified, in writing, that any such project
8 constitutes an emergency project because of an imminent threat to
9 the environment or the public health, safety or welfare caused by
10 structural or mechanical failure, sabotage or act of God, without
11 regard to any other provisions of P.L.1985, c.334 or P.L.1997,
12 c.224, including, without limitation, the provisions of section 20 of
13 P.L.1985, c.334 (C.58:11B-20), section 24 of P.L.1997, c.224
14 (C.58:11B-20.1), the Interim Financing Program Eligibility List
15 pursuant to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-
16 9), or any administrative or legislative approvals.
17 (cf: P.L.2007, c.138, s.4)

18

19 4. Section 1 of P.L.2009, c.59 (C.58:11B-9.2) is amended to
20 read as follows:

21 1. a. The trust shall create and establish a special fund
22 (hereinafter referred to as the "Planning and Design Fund") for the
23 short-term or temporary financing or refinancing of environmental
24 planning and engineering design costs (hereinafter referred to as the
25 "Planning and Design Financing Program").

26 The Planning and Design Fund shall be credited with:

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

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

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

33 (4) moneys deposited in the Interim Financing Program Fund
34 established pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9)
35 subject to the provisions of subsection c. of this section; **[and]**

36 (5) such other moneys as the Legislature may appropriate to the
37 trust for deposit into the fund at any time to finance or refinance
38 short-term or temporary loans pursuant to the Planning and Design
39 Financing Program; and

40 (6) any other source of available funds deemed by the trust to be
41 necessary or appropriate to provide sufficient funds for deposit into
42 the Planning and Design Fund to finance or refinance short-term or
43 temporary loans pursuant to the Planning and Design Financing
44 Program, including, without limitation, any funds drawn by the trust
45 from a revolving line of credit or other similar financial vehicle that
46 may be procured by the trust, either through a competitive or
47 negotiated process, pursuant to section 5 of P.L.1985, c.334
48 (C.58:11B-5), for deposit into the Planning and Design Fund to

1 finance or refinance short-term or temporary loans pursuant to the
2 Planning and Design Financing Program.

3 b. Notwithstanding any provision of P.L.1985, c.334
4 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
5 the contrary, the trust may make short-term or temporary loans for
6 environmental planning and engineering design costs to (1) local
7 government units to finance or refinance wastewater treatment
8 system projects not included on the project priority list for the
9 ensuing fiscal year or eligible for approval pursuant to section 20 of
10 P.L.1985, c.334 (C.58:11B-20); or (2) public water utilities or
11 private persons to finance or refinance water supply projects not
12 included on the project priority list for the ensuing fiscal year or
13 eligible for approval pursuant to section 24 of P.L.1997, c.224
14 (C.58:11B-20.1), as applicable, without regard to any other
15 provisions of P.L.1985, c.334 or P.L.1997, c.224, including,
16 without limitation, the provisions of section 20 of P.L.1985, c.334
17 (C.58:11B-20), section 24 of P.L.1997, c.224 (C.58:11B-20.1), the
18 Interim Financing Program Eligibility List pursuant to subsection d.
19 of section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative
20 or legislative approvals. Except for Combined Sewer Overflow
21 Abatement Projects, any such short-term or temporary loan made
22 pursuant to the Planning and Design Financing Program shall
23 mature no later than the last day of the third succeeding fiscal year
24 following the closing date on which the Planning and Design loan
25 was made by the trust to the project sponsor. Planning and Design
26 loans made to Combined Sewer Overflow Abatement Projects shall
27 mature no later than the last day of the tenth succeeding fiscal year
28 following the closing date on which the Planning and Design loan
29 was made by the trust to the project sponsor.

30 c. Notwithstanding any provision of P.L.1985, c.334
31 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
32 the contrary, the trust may utilize moneys deposited in the Interim
33 Financing Program Fund established pursuant to subsection d. of
34 section 9 of P.L.1985, c.334 (C.58:11B-9) to make short-term or
35 temporary loans for environmental planning and engineering design
36 costs to (1) local government units to finance or refinance
37 wastewater treatment system projects included on the project
38 priority list pursuant to section 20 of P.L.1985, c.334 (C.58:11B-
39 20); or (2) public water utilities or private persons to finance or
40 refinance water supply projects included on the project priority list
41 pursuant to section 24 of P.L.1997, c.224 (C.58:11B-20.1), as
42 applicable, in advance of the anticipated loans the trust may make
43 and contract to make under the provisions of subsection a. of
44 section 9 of P.L.1985, c.334 (C.58:11B-9) to be financed or
45 refinanced through the issuance of bonds, notes or other obligations
46 of the trust authorized under section 6 of P.L.1985, c.334
47 (C.58:11B-6), without regard to any other provisions of P.L.1985,
48 c.334 or P.L.1997, c.224, including, without limitation, the

1 provisions of section 20 of P.L.1985, c.334 (C.58:11B-20), section
2 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim Financing
3 Program Eligibility List pursuant to subsection d. of section 9 of
4 P.L.1985, c.334 (C.58:11B-9), or any administrative or legislative
5 approvals.

6 (cf: P.L.2009, c.59, s.1)

7

8 5. Section 2 of P.L. 2011, c.94 (C.58:11B-9.4) is amended to
9 read as follows:

10 2. a. The trust shall create and establish a special fund
11 (hereinafter referred to as the "Supplemental Loan Fund") for the
12 short-term or temporary supplemental loan financing or refinancing
13 program (hereinafter referred to as the "Supplemental Financing
14 Program").

15 The Supplemental Loan Fund shall be credited with:

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

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

21 (3) any interest earnings received on the moneys in the fund;
22 **[and]**

23 (4) such other moneys as the Legislature may appropriate to the
24 trust for deposit into the fund at any time to finance or refinance
25 short-term or temporary supplemental loans pursuant to the
26 Supplemental Financing Program; and

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

38 b. Notwithstanding any provision of P.L.1985, c.334
39 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
40 the contrary, the trust may make short-term or temporary loans for a
41 project for which a loan has been previously issued pursuant to
42 subsection a. of section 9 of P.L.1985, c.334 (C.58:11B-9) to pay
43 for eligible costs incurred in excess of the previous loan amount for
44 activities specifically approved in the previous project loan to: (1)
45 local government units to finance or refinance wastewater treatment
46 system projects not included on the project priority list for the
47 ensuing fiscal year or eligible for approval pursuant to section 20 of
48 P.L.1985, c.334 (C.58:11B-20); or (2) public water utilities or

1 private persons to finance or refinance water supply projects not
2 included on the project priority list for the ensuing fiscal year or
3 eligible for approval pursuant to section 24 of P.L.1997, c.224
4 (C.58:11B-20.1), as applicable, without regard to any other
5 provisions of P.L.1985, c.334 or P.L.1997, c.224, including,
6 without limitation, the provisions of section 20 of P.L.1985, c.334
7 (C.58:11B-20), section 24 of P.L.1997, c.224 (C.58:11B-20.1), the
8 Interim Financing Program Eligibility List pursuant to subsection d.
9 of section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative
10 or legislative approvals.

11 (cf: P.L.2011, c.94, s.2)

12

13 6. Section 1 of P.L.2013, c.93 (C.58:11B-9.5) is amended to
14 read as follows:

15 1. a. The trust shall create and establish a special fund
16 (hereinafter referred to as the "Disaster Relief Emergency Financing
17 Program Fund") for the disaster relief emergency short-term or
18 temporary loan program of the trust (hereinafter referred to as the
19 "Disaster Relief Emergency Financing Program").

20 The Disaster Relief Emergency Financing Program Fund shall be
21 credited with:

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

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

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

28 (4) such other moneys as the Legislature may appropriate to the
29 trust for deposit into the fund at any time to finance or refinance
30 emergency short-term or temporary loans pursuant to the Disaster
31 Relief Emergency Financing Program;

32 (5) the proceeds of any bonds, notes or other obligations that
33 may be issued by the trust from time to time in any principal
34 amounts as in the judgment of the trust shall be necessary or
35 appropriate to provide sufficient funds for deposit into the fund to
36 finance or refinance emergency short-term or temporary loans
37 pursuant to the Disaster Relief Emergency Financing Program; and

38 (6) any other source of available funds that may be deemed by
39 the trust to be necessary or appropriate to provide sufficient funds
40 for deposit into the fund to finance or refinance emergency short-
41 term or temporary loans pursuant to the Disaster Relief Emergency
42 Financing Program, including, without limitation, any funds drawn
43 by the trust from a revolving line of credit or other similar financial
44 vehicle, either through a competitive or negotiated process, that
45 may be procured by the trust pursuant to the provisions of section 5
46 of P.L.1985, c.334 (C.58:11B-5), for deposit into the fund to
47 finance or refinance emergency short-term or temporary loans
48 pursuant to the Disaster Relief Emergency Financing Program.

1 b. Notwithstanding any provision of P.L.1985, c.334
2 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
3 the contrary, the trust may make emergency short-term or
4 temporary Disaster Relief Emergency Financing Program loans to:
5 (1) local government units to finance or refinance the costs incurred
6 in the environmental planning and design associated with such
7 wastewater treatment system projects, and wastewater treatment
8 system projects, as applicable; or (2) local government units, public
9 water utilities, or private persons to finance or refinance the costs
10 incurred in the environmental planning and design of water supply
11 projects, and water supply projects, as applicable.

12 Emergency short-term or temporary loans may be made upon the
13 determination and certification in writing by the department that
14 any such project is necessary and appropriate to: repair damages to
15 a wastewater treatment system or water supply facility directly
16 arising from an act of terrorism, seismic activity, or weather
17 conditions that occurred within the prior three fiscal years that gave
18 rise to a declaration by the Governor of a state of emergency,
19 provided the wastewater treatment system or water supply facility is
20 located in a county included in the Governor's state of emergency
21 declaration; or mitigate the risk of future damage to a wastewater
22 treatment system or water supply facility from an act of terrorism,
23 seismic activity, or weather conditions comparable in scope and
24 severity to the act of terrorism, seismic activity, or weather
25 conditions that occurred within the prior three fiscal years that gave
26 rise to a declaration by the Governor of a state of emergency,
27 provided the wastewater treatment system or water supply facility is
28 located in a county included in the Governor's state of emergency
29 declaration, without regard to any other provisions of P.L.1985,
30 c.334 or P.L.1997, c.224, including, without limitation, the
31 provisions of section 20 of P.L.1985, c.334 (C.58:11B-20), section
32 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim Financing
33 Program Eligibility List pursuant to subsection d. of section 9 of
34 P.L.1985, c.334 (C.58:11B-9), or any administrative or legislative
35 approvals. Any such short-term or temporary loan pursuant to the
36 Disaster Relief Emergency Financing Program shall mature no later
37 than the last day of the third succeeding fiscal year following the
38 closing date on which the short-term or temporary loan was made
39 by the trust to the project sponsor.

40 c. The trust may make short-term or temporary loans pursuant
41 to the Disaster Relief Emergency Financing Program to one or more
42 of the project sponsors, for the respective projects thereof,
43 identified on the Disaster Relief Emergency Financing Program
44 project priority list (hereinafter referred to as the "Disaster Relief
45 Emergency Financing Program Eligibility List") in the form
46 provided to the Legislature by the Commissioner of Environmental
47 Protection. The Disaster Relief Emergency Financing Program
48 Eligibility List shall be submitted to the Legislature pursuant to

1 section 2 of P.L.1991, c.164 (C.52:14-19.1) at least once in each
2 fiscal year. An environmental infrastructure project or a project
3 sponsor thereof not identified on the Disaster Relief Emergency
4 Financing Program Eligibility List submitted to the Legislature
5 shall not be eligible for a short-term or temporary loan from the
6 Disaster Relief Emergency Financing Program Fund.
7 (cf: P.L.2013, c.93, s.1)

8
9 7. Section 1 of P.L.2014, c.28 (C.58:11B-9.6) is amended to
10 read as follows:

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

15 The Equipment Loan Fund shall be credited with:

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

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

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

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

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

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

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

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

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

13 (cf: P.L.2014, c.28, s.1)

14

15 8. Section 1 of P.L.2005, c.202 (C.58:11B-10.2) is amended to
16 read as follows:

17 1. a. There is established in the New Jersey Environmental
18 Infrastructure Trust a special fund to be known as the Loan
19 Origination Fee Fund.

20 The Loan Origination Fee Fund shall be credited with:

21 (1) moneys deposited into the fund as loan origination fees
22 received by the Department of Environmental Protection and paid
23 by project sponsors of wastewater treatment system projects or
24 water supply projects financed under the New Jersey Environmental
25 Infrastructure Financing Program; and

26 (2) any interest accumulated on the amounts of the loan
27 origination fees.

28 b. Moneys in the Loan Origination Fee Fund shall be used
29 **【exclusively】** by the Department of Environmental Protection
30 **【solely】** for administrative and operating expenses incurred by the
31 department in administering the New Jersey Environmental
32 Infrastructure Financing Program, except that the total amount
33 utilized by the department for administrative and operating
34 expenses in any fiscal year shall not exceed \$5,000,000. **【Moneys**
35 **in the fund shall be disbursed to the Department of the Treasury on**
36 **an annual basis to meet the department's State revenue anticipation**
37 **established within the annual appropriations act】** The amounts in
38 the Loan Origination Fee Fund shall also be available for
39 application by the department for State matching funds or loans to
40 local government units for the cost of wastewater treatment system
41 or water supply projects. Amounts in excess of revenue
42 anticipation shall be carried forward into the following year.

43 c. As used in this section, “loan origination fee” means the fee
44 charged by the Department of Environmental Protection and
45 financed under the trust loan to pay a portion of the costs incurred
46 by the department in the implementation of the New Jersey
47 Environmental Infrastructure Financing Program.

48 (cf: P.L.2005, c.202, s.1)

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

3 20. a. The Commissioner of Environmental Protection shall for
4 each fiscal year develop a priority system for wastewater treatment
5 systems and shall establish the ranking criteria and funding policies
6 for the projects therefor. The commissioner shall set forth a project
7 priority list for funding by the trust for each fiscal year and shall
8 include the aggregate amount of funds of the trust to be authorized
9 for these purposes. The project priority list may include any
10 stormwater management or combined sewer overflow abatement
11 project identified in the stormwater management and combined
12 sewer overflow abatement project priority list adopted by the
13 commissioner pursuant to section 28 of P.L.1989, c.181.

14 The project priority list, which shall include for each wastewater
15 treatment system the date each project is scheduled to be certified
16 as ready for funding, shall be in conformance with applicable
17 provisions of the "Federal Water Pollution Control Act
18 Amendments of 1972," Pub.L. 92-500 (33 U.S.C. s.1251 et al.), and
19 any amendatory or supplementary acts thereto, and State law. The
20 project priority list shall include a description of each project and
21 its purpose, impact, cost, and construction schedule, and an
22 explanation of the manner in which priorities were established. The
23 priority system and project priority list for the ensuing fiscal year
24 shall be submitted to the **【Legislature】** Secretary of the Senate and
25 the Clerk of the General Assembly on or before January 15 of each
26 year **【on a day when both Houses are meeting】**. The **【President of**
27 **the Senate and the Speaker of the General Assembly】** Secretary and
28 the Clerk shall cause the date of submission to be entered upon the
29 Senate Journal and the Minutes of the General Assembly,
30 respectively. Incremental revisions or supplements to the project
31 priority list may be submitted to the Legislature at any time
32 between January 15th and May 15th of each year. On or before May
33 15 of each year, the trust shall submit the project priority list,
34 including any revision thereof or supplement thereto, to be
35 introduced in each House in the form of legislative appropriations
36 bills, which shall be referred to the Senate Environment Committee
37 and the **【General】** Assembly Environment and Solid Waste
38 Committee, or their successors, for their respective consideration.

39 b. The Senate Environment Committee and the **【General】**
40 Assembly Environment and Solid Waste Committee shall, either
41 individually or jointly, consider the legislation containing the
42 project priority list, and shall report the legislation, together with
43 any modifications, out of committee for consideration by each
44 House of the Legislature. On or before July 1 of each year, the
45 Legislature shall approve an appropriations act containing the
46 project priority list, including any amendatory or supplementary
47 provisions thereto, which act shall include the authorization of an

1 aggregate amount of funds of the trust to be expended for loans and
2 guarantees for the specific projects, including the individual
3 amounts therefor, on the list.

4 c. The trust shall not expend any money for a loan or guarantee
5 during a fiscal year for any wastewater treatment system project
6 unless the expenditure is authorized pursuant to an appropriations
7 act as provided in the provisions of this section, or as otherwise set
8 forth in an appropriations act.

9 (cf: P.L.2009, c.59, s.3)

10

11 10. Section 24 of P.L.1997, c.224 (C.58:11B-20.1) is amended
12 to read as follows:

13 24. a. The Commissioner of Environmental Protection shall for
14 each fiscal year develop a priority system for water supply projects
15 and shall establish the ranking criteria and funding policies therefor.
16 The commissioner shall set forth a project priority list for funding
17 by the trust for each fiscal year and shall include the aggregate
18 amount of funds of the trust to be authorized for these purposes.
19 The commissioner may include a water supply project on the
20 project priority list if it meets the eligibility requirements for
21 funding pursuant to the federal "Safe Drinking Water Act
22 Amendments of 1996," Pub.L.104-182. The project priority list
23 shall include a description of each project and an explanation of the
24 manner in which priorities were established. The priority system
25 and project priority list for the ensuing fiscal year shall be
26 submitted to the **【Legislature】** Secretary of the Senate and the Clerk
27 of the General Assembly on or before January 15 of each year **【on a**
28 **day when both Houses are meeting】**. The **【President of the Senate**
29 **and the Speaker of the General Assembly】** Secretary and the Clerk
30 shall cause the date of submission to be entered upon the Senate
31 Journal and the Minutes of the General Assembly, respectively.
32 Incremental revisions or supplements to the project priority list may
33 be submitted to the Legislature at any time between January 15th
34 and May 15th of each year. On or before May 15 of each year, the
35 trust shall submit the project priority list, including any revision
36 thereof or supplement thereto, to be introduced in each House in the
37 form of legislative appropriations bills, which shall be referred to
38 the Senate Environment Committee and the **【General】** Assembly
39 Environment and Solid Waste Committee, or their successors, for
40 their respective consideration.

41 b. The Senate Environment Committee and the **【General】**
42 Assembly Environment and Solid Waste Committee shall, either
43 individually or jointly, consider the legislation containing the
44 project priority list, and shall report the legislation, together with
45 any modifications, out of committee for consideration by each
46 House of the Legislature. On or before July 1 of each year, the
47 Legislature shall approve an appropriations act containing the

1 project priority list, including any amendatory or supplementary
2 provisions thereto, which act shall include the authorization of an
3 aggregate amount of funds of the trust to be expended for loans and
4 guarantees for the specific water supply projects, including the
5 individual amounts therefor, on the list.

6 c. The trust shall not expend any money for a loan or guarantee
7 during a fiscal year for any water supply project unless the
8 expenditure is authorized pursuant to an appropriations act as
9 provided in the provisions of this section, or as otherwise set forth
10 in an appropriations act.

11 (cf: P.L.2009, c.59, s.4)

12

13 11. This act shall take effect immediately.

14

15

16

STATEMENT

17

18 This bill would make certain changes to the Environmental
19 Infrastructure Trust Financing Program ("NJEIFP").

20 Specifically, the bill would extend the possible term of bonds,
21 notes, or other obligations of the New Jersey Environmental
22 Infrastructure Trust ("Trust") issued by the Trust from 20 years
23 from the effective date to 30 years from the effective date or a
24 shorter period of time as may be applicable pursuant to federal law
25 or regulation.

26 This bill would also make several changes to the short term loan
27 financing programs. First, it would permit funds for the short-term
28 financing programs to be drawn by the trust from a revolving line of
29 credit or other similar financial vehicle pursuant to a competitive or
30 negotiated process. The bill would enable the Trust to draw from
31 the revolving line of credit or other similar financial vehicle, for
32 deposit into the Interim Financing Program Fund, Emergency Loan
33 Fund, Planning and Design Fund, Supplemental Loan Fund,
34 Disaster Relief Emergency Financing Program Fund, or Equipment
35 Loan Fund as, in the judgment of the trust, is necessary to provide
36 sufficient funds to finance or refinance short-term or temporary
37 loans pursuant to the Interim Financing Program, Emergency
38 Financing Program, Planning and Design Financing Program,
39 Supplemental Financing Program, Disaster Relief Emergency
40 Financing Program, and the Equipment Loan Program. The bill
41 would allow short-term or temporary loans to bear interest at a
42 variable rate. The bill would also allow short term or temporary
43 loans made pursuant to the Planning and Design Financing Program
44 for Combined Sewer Overflow Abatement Projects to mature no
45 later than the last day of the tenth succeeding fiscal year following
46 the closing date on which the Planning and Design loan was made.

47 The bill also expands the potential use of the amounts in the
48 Loan Origination Fee Fund. Current law requires application of

1 these funds solely for use by the Department of Environmental
2 Protection for administrative and operating expenses incurred by
3 the department in administering the NJEIFP. The bill would
4 provide that the amounts in the Loan Origination Fee Fund could
5 also be applied by the department for State matching funds or loans
6 to local government units for the cost of wastewater treatment
7 system or water supply projects.

8 The bill would also change the submission requirements for the
9 Trust's Interim Financing Program Eligibility List. Current law
10 requires that the plan be submitted when both Houses of the
11 Legislature are meeting on or before June 30. The bill would
12 authorize the Trust to submit the plan instead to the Secretary of the
13 Senate and the Clerk of the General Assembly at least once a year
14 on or before June 30.

15 Similarly, the bill would also change the submission
16 requirements for the Trust's priority system and project priority list.
17 Current law requires that the priority system and project priority list
18 for the ensuing fiscal year be submitted when both Houses of the
19 Legislature are meeting on or before January 15 of each year. The
20 bill would authorize the Trust to submit the priority system and
21 project priority list instead to the Secretary of the Senate and the
22 Clerk of the General Assembly on or before January 15.

23

24

25

26

27 _____
28 Makes certain changes to Environmental Infrastructure Trust
Financing Program.

ASSEMBLY, No. 4527

STATE OF NEW JERSEY 216th LEGISLATURE

INTRODUCED JUNE 11, 2015

Sponsored by:

Assemblywoman ELIANA PINTOR MARIN

District 29 (Essex)

Assemblyman ANGEL FUENTES

District 5 (Camden and Gloucester)

Assemblyman PATRICK J. DIEGNAN, JR.

District 18 (Middlesex)

Assemblywoman CLEOPATRA G. TUCKER

District 28 (Essex)

Assemblywoman NANCY J. PINKIN

District 18 (Middlesex)

Senator BOB SMITH

District 17 (Middlesex and Somerset)

Senator CHRISTOPHER "KIP" BATEMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Co-Sponsored by:

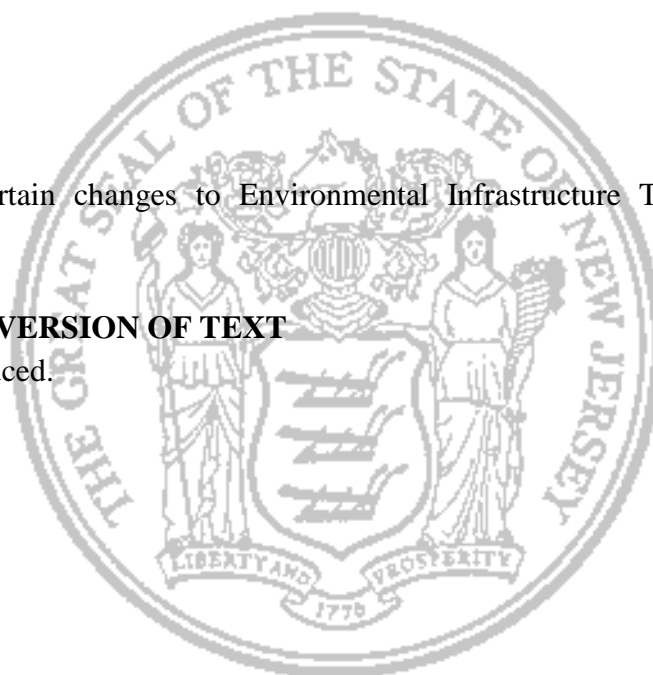
Assemblywoman Muoio

SYNOPSIS

Makes certain changes to Environmental Infrastructure Trust Financing Program.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/30/2015)

1 AN ACT concerning environmental infrastructure projects and
2 amending various parts of the statutory law.

3

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

6

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

9 6. a. Except as may be otherwise expressly provided in the
10 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,
11 c.224 (C.58:11B-10.1 et al.), the trust may from time to time issue
12 its bonds, notes or other obligations in any principal amounts as in
13 the judgment of the trust shall be necessary to provide sufficient
14 funds for any of its corporate purposes, including the payment,
15 funding or refunding of the principal of, or interest or redemption
16 premiums on, any bonds, notes or other obligations issued by it,
17 whether the bonds, notes or other obligations or the interest or
18 redemption premiums thereon to be funded or refunded have or
19 have not become due, the establishment or increase of reserves or
20 other funds to secure or to pay the bonds, notes or other obligations
21 or interest thereon and all other costs or expenses of the trust
22 incident to and necessary to carry out its corporate purposes and
23 powers.

24 b. Whether or not the bonds, notes or other obligations of the
25 trust are of a form and character as to be negotiable instruments
26 under the terms of Title 12A of the New Jersey Statutes, the bonds,
27 notes and other obligations are made negotiable instruments within
28 the meaning of and for the purposes of Title 12A of the New Jersey
29 Statutes, subject only to the provisions of the bonds, notes and other
30 obligations for registration.

31 c. Bonds, notes or other obligations of the trust shall be
32 authorized by a resolution or resolutions of the trust and may be
33 issued in one or more series and shall bear any date or dates, mature
34 at any time or times, bear interest at any rate or rates of interest per
35 annum, be in any denomination or denominations, be in any form,
36 either coupon, registered or book entry, carry any conversion or
37 registration privileges, have any rank or priority, be executed in any
38 manner, be payable in any coin or currency of the United States
39 which at the time of payment is legal tender for the payment of
40 public and private debts, at any place or places within or without
41 the State, and be subject to any terms of redemption by the trust or
42 the holders thereof, with or without premium, as the resolution or
43 resolutions may provide. A resolution of the trust authorizing the
44 issuance of bonds, notes or other obligations may provide that the
45 bonds, notes or other obligations be secured by a trust indenture

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 between the trust and a trustee, vesting in the trustee any property,
2 rights, powers and duties in trust consistent with the provisions of
3 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-
4 10.1 et al.) as the trust may determine.

5 d. Bonds, notes or other obligations of the trust may be sold at
6 any price or prices and in any manner as the trust may determine.
7 Each bond, note or other obligation shall mature and be paid not
8 later than ~~【20】~~ 30 years from the effective date thereof, or the
9 certified useful life of the project or projects to be financed by the
10 bonds, whichever is less, or a shorter period of time as may be
11 applicable to any companion loan issued pursuant to federal law or
12 regulation.

13 All bonds of the trust shall be sold at such price or prices and in
14 such manner as the trust shall determine, after notice of sale, a
15 summary of which shall be published at least once in at least three
16 newspapers published in the State of New Jersey and at least once
17 in a publication carrying municipal bond notices and devoted
18 primarily to financial news published in New Jersey or the city of
19 New York, the first summary notice to be at least five days prior to
20 the day of bidding. The notice of sale may contain a provision to the
21 effect that any or all bids made in pursuance thereof may be
22 rejected. In the event of such rejection or of failure to receive any
23 acceptable bid, the trust, at any time within 60 days from the date of
24 such advertised sale, may sell such bonds at private sale upon terms
25 not less favorable to the State than the terms offered by any rejected
26 bid. The trust may sell all or part of the bonds of any series as
27 issued to any State fund or to the federal government or any agency
28 thereof, at private sale, without advertisement.

29 e. Bonds, notes or other obligations of the trust may be issued
30 under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or
31 P.L.1997, c.224 (C.58:11B-10.1 et al.) without obtaining the
32 consent of any department, division, board, bureau or agency of the
33 State, and without any other proceedings or the happening of any
34 other conditions or things, other than those consents, proceedings,
35 conditions or things which are specifically required by P.L.1985,
36 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et
37 al.).

38 f. Bonds, notes or other obligations of the trust issued under
39 the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,
40 c.224 (C.58:11B-10.1 et al.) shall not be a debt or liability of the
41 State or of any political subdivision thereof other than the trust and
42 shall not create or constitute any indebtedness, liability or
43 obligation of the State or any political subdivision, but all these
44 bonds, notes and other obligations, unless funded or refunded by
45 bonds, notes or other obligations, shall be payable solely from
46 revenues or funds pledged or available for their payment as
47 authorized in P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,
48 c.224 (C.58:11B-10.1 et al.). Each bond, note and obligation shall

1 contain on its face a statement to the effect that the trust is obligated
2 to pay the principal thereof or the interest thereon only from its
3 revenues, receipts or funds pledged or available for their payment
4 as authorized in P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,
5 c.224 (C.58:11B-10.1 et al.), and that neither the State, nor any
6 political subdivision thereof, is obligated to pay the principal or
7 interest and that neither the faith and credit nor the taxing power of
8 the State, or any political subdivision thereof, is pledged to the
9 payment of the principal of or the interest on the bonds, notes or
10 other obligations.

11 g. The aggregate principal amount of bonds, notes or other
12 obligations, including subordinated indebtedness of the trust, shall
13 not exceed (1) \$5,000,000,000 with respect to bonds, notes or other
14 obligations issued to finance the Disaster Relief Emergency
15 Financing Program established pursuant to section 1 of P.L.2013,
16 c.93 (C.58:11B-9.5), and (2) \$2,800,000,000 with respect to bonds,
17 notes or other obligations issued for all other purposes of the trust.
18 In computing the foregoing limitations there shall be excluded all
19 the bonds, notes or other obligations, including subordinated
20 indebtedness of the trust, which shall be issued for refunding
21 purposes, whenever the refunding shall be determined to result in a
22 savings.

23 (1) Upon the decision by the trust to issue refunding bonds,
24 except for current refunding, and prior to the sale of those bonds,
25 the trust shall transmit to the Joint Budget Oversight Committee, or
26 its successor, a report that a decision has been made, reciting the
27 basis on which the decision was made, including an estimate of the
28 debt service savings to be achieved and the calculations upon which
29 the trust relied when making the decision to issue refunding bonds.
30 The report shall also disclose the intent of the trust to issue and sell
31 the refunding bonds at public or private sale and the reasons
32 therefor.

33 (2) The Joint Budget Oversight Committee or its successor shall
34 have the authority to approve or disapprove the sales of refunding
35 bonds as included in each report submitted in accordance with
36 paragraph (1) of this subsection. The committee shall notify the
37 trust in writing of the approval or disapproval within 30 days of
38 receipt of the report. Should the committee not act within 30 days
39 of receipt of the report, the trust may proceed with the sale of the
40 refunding bonds, provided that the sale of refunding bonds shall
41 realize not less than 3.00% net present value debt service savings.

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

46 (4) Within 30 days after the sale of the refunding bonds, the
47 trust shall notify the committee of the result of that sale, including
48 the prices and terms, conditions and regulations concerning the

1 refunding bonds, the actual amount of debt service savings to be
2 realized as a result of the sale of refunding bonds, and the intended
3 use of the proceeds from the sale of those bonds.

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

8 h. Each issue of bonds, notes or other obligations of the trust
9 may, if it is determined by the trust, be general obligations thereof
10 payable out of any revenues, receipts or funds of the trust, or
11 special obligations thereof payable out of particular revenues,
12 receipts or funds, subject only to any agreements with the holders of
13 bonds, notes or other obligations, and may be secured by one or
14 more of the following:

15 (1) Pledge of revenues and other receipts to be derived from the
16 payment of the interest on and principal of notes, bonds or other
17 obligations issued to the trust by one or more local government
18 units, and any other payment made to the trust pursuant to
19 agreements with any local government units, or a pledge or
20 assignment of any notes, bonds or other obligations of any local
21 government unit and the rights and interest of the trust therein;

22 (2) Pledge of rentals, receipts and other revenues to be derived
23 from leases or other contractual arrangements with any person or
24 entity, public or private, including one or more local government
25 units, or a pledge or assignment of those leases or other contractual
26 arrangements and the rights and interest of the trust therein;

27 (3) Pledge of all moneys, funds, accounts, securities and other
28 funds, including the proceeds of the bonds, notes or other
29 obligations;

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

33 (5) A mortgage on all or any part of the property, real or
34 personal, of the trust then owned or thereafter to be acquired, or a
35 pledge or assignment of mortgages made to the trust by any person
36 or entity, public or private, including one or more local government
37 units and the rights and interest of the trust therein.

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

41 j. (Deleted by amendment, P.L.1996, c.88).

42 (cf: P.L.2013, c.93, s.2)

43

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

46 9. a. (1) The trust may make and contract to make loans to
47 local government units, or to a local government unit on behalf of
48 another local government unit, in accordance with and subject to the

1 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,
2 c.224 (C.58:11B-10.1 et al.) to finance the cost of any wastewater
3 treatment system project or water supply project, which the local
4 government unit may lawfully undertake or acquire and for which
5 the local government unit is authorized by law to borrow money.

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

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

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

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

1 undertake or acquire and for which the local government unit is
2 authorized by law to borrow money, and the guarantee shall
3 constitute an obligation of the trust for the purposes of P.L.1985,
4 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et
5 al.). Each guarantee by the trust and the terms and conditions
6 thereof shall be subject to approval by the State Treasurer, and the
7 trust shall make available to the State Treasurer all information,
8 statistical data and reports of independent consultants or experts as
9 the State Treasurer shall deem necessary in order to evaluate the
10 guarantee.

11 c. The trust shall not make or contract to make any loans or
12 guarantees to local government units, public water utilities or any
13 other person, or otherwise incur any additional indebtedness, on or
14 after June 30, 2033.

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

35 The trust shall create and establish a special fund (hereinafter
36 referred to as the "Interim Financing Program Fund") for the short-
37 term or temporary loan financing or refinancing program
38 (hereinafter referred to as the "Interim Financing Program").

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

1 to any one or more of the project sponsors, for the respective
2 projects thereof, identified in the interim financing project priority
3 list (hereinafter referred to as the "Interim Financing Program
4 Eligibility List") in the form provided to the Legislature by the
5 Commissioner of Environmental Protection.

6 **【Incremental revisions or supplements to the Interim Financing
7 Program Eligibility List may be submitted to the Legislature at any
8 time between January 15th and May 15th of each year.】**

9 The Interim Financing Program Eligibility List, including any
10 revision thereof or supplement thereto, shall be submitted to the
11 **【Legislature】** Secretary of the Senate and the Clerk of the General
12 Assembly on or before June 30 of each year **【on a day when both
13 Houses are meeting】**. The Interim Financing Program Eligibility
14 List shall be submitted to the Legislature pursuant to section 2 of
15 P.L.1991, c.164 (C.52:14-19.1) at least once in each fiscal year.
16 The **【President of the Senate and the Speaker of the General
17 Assembly】** Secretary and the Clerk shall cause the date of
18 submission to be entered upon the Senate Journal and the Minutes
19 of the General Assembly, respectively. Any environmental
20 infrastructure project or the project sponsor thereof not identified in
21 the Interim Financing Program Eligibility List shall not be eligible
22 for a short-term or temporary loan from the Interim Financing
23 Program Fund.

24 e. Notwithstanding any provisions of the "Local Bond Law"
25 (N.J.S.40A:2-1 et seq.), the "sewerage authorities law," P.L.1946,
26 c.138 (C.40:14A-1 et seq.), or the "municipal and county utilities
27 authority law," P.L.1957, c.183 (C.40:14B-1 et seq.) to the
28 contrary, short-term or temporary loans made by the trust pursuant
29 to section 9 of P.L.1985, c.334 (C.58:11B-9), section 4 of P.L.2007,
30 c.138 (C.58:11B-9.1), section 1 of P.L.2009, c.59 (C.58:11B-9.2),
31 section 5 of P.L.2009, c.103 (C.58:11B-9.3), section 2 of P.L.2011,
32 c.94 (C.58:11B-9.4), section 1 of P.L.2013, c.93 (C.58:11B-9.5), or
33 section 1 of P.L.2014, c.28 (C.58:11B-9.6), and the obligations
34 issued by project sponsors to evidence such loans, may, at the
35 discretion of the trust and upon application by the project sponsor,
36 bear interest at a variable rate determined pursuant to a
37 methodology as may be established by the trust from time to time.

38 Further, notwithstanding any provisions of the "Local Bond
39 Law" (N.J.S.40A:2-1 et seq.), the "sewerage authorities law,"
40 P.L.1946, c.138 (C.40:14A-1 et seq.), or the "municipal and county
41 utilities authority law," P.L.1957, c.183 (C.40:14B-1 et seq.) to the
42 contrary, any short-term or temporary loans made by the trust
43 pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9), section 4 of
44 P.L.2007, c.138 (C.58:11B-9.1), section 1 of P.L.2009, c.59
45 (C.58:11B-9.2), section 5 of P.L.2009, c.103 (C.58:11B-9.3),
46 section 2 of P.L.2011, c.94 (C.58:11B-9.4), section 1 of P.L.2013,
47 c.93 (C.58:11B-9.5), or section 1 of P.L.2014, c.28 (C.58:11B-9.6),

1 and any notes or other obligations issued by project sponsors to
2 evidence such short-term or temporary loans, except as provided in
3 section 1 of P.L.2009, c.59 (C.58:11B-9.2), shall mature no later
4 than the last day of the third succeeding fiscal year following the
5 date of issuance of such notes or other obligations, without payment
6 by project sponsors of any portion of the principal thereof prior to
7 maturity.

8 (cf: P.L.2013, c.93, s.3)

9

10 3. Section 4 of P.L.2007, c.138 (C.58:11B-9.1) is amended to
11 read as follows:

12 4. a. The trust shall create and establish a special emergency
13 fund (hereinafter referred to as the "Emergency Loan Fund") for the
14 emergency short-term or temporary loan financing or refinancing
15 program (hereinafter referred to as the "Emergency Financing
16 Program").

17 The Emergency Loan Fund shall be credited with:

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

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

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

24 **[and]**

25 (4) such other moneys as the Legislature may appropriate to the
26 trust for deposit into the fund at any time to finance or refinance
27 emergency short-term or temporary loans pursuant to the
28 Emergency Financing Program; and

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

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

1 list for the ensuing fiscal year or eligible for approval pursuant to
2 section 24 of P.L.1997, c.224 (C.58:11B-20.1), as applicable,
3 whenever the Commissioner of Environmental Protection has
4 determined and certified, in writing, that any such project
5 constitutes an emergency project because of an imminent threat to
6 the environment or the public health, safety or welfare caused by
7 structural or mechanical failure, sabotage or act of God, without
8 regard to any other provisions of P.L.1985, c.334 or P.L.1997,
9 c.224, including, without limitation, the provisions of section 20 of
10 P.L.1985, c.334 (C.58:11B-20), section 24 of P.L.1997, c.224
11 (C.58:11B-20.1), the Interim Financing Program Eligibility List
12 pursuant to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-
13 9), or any administrative or legislative approvals.

14 (cf: P.L.2007, c.138, s.4)

15

16 4. Section 1 of P.L.2009, c.59 (C.58:11B-9.2) is amended to
17 read as follows:

18 1. a. The trust shall create and establish a special fund
19 (hereinafter referred to as the "Planning and Design Fund") for the
20 short-term or temporary financing or refinancing of environmental
21 planning and engineering design costs (hereinafter referred to as the
22 "Planning and Design Financing Program").

23 The Planning and Design Fund shall be credited with:

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

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

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

30 (4) moneys deposited in the Interim Financing Program Fund
31 established pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9)
32 subject to the provisions of subsection c. of this section; **[and]**

33 (5) such other moneys as the Legislature may appropriate to the
34 trust for deposit into the fund at any time to finance or refinance
35 short-term or temporary loans pursuant to the Planning and Design
36 Financing Program; and

37 (6) any other source of available funds deemed by the trust to be
38 necessary or appropriate to provide sufficient funds for deposit into
39 the Planning and Design Fund to finance or refinance short-term or
40 temporary loans pursuant to the Planning and Design Financing
41 Program, including, without limitation, any funds drawn by the trust
42 from a revolving line of credit or other similar financial vehicle that
43 may be procured by the trust, either through a competitive or
44 negotiated process, pursuant to section 5 of P.L.1985, c.334
45 (C.58:11B-5), for deposit into the Planning and Design Fund to
46 finance or refinance short-term or temporary loans pursuant to the
47 Planning and Design Financing Program.

1 b. Notwithstanding any provision of P.L.1985, c.334
2 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
3 the contrary, the trust may make short-term or temporary loans for
4 environmental planning and engineering design costs to (1) local
5 government units to finance or refinance wastewater treatment
6 system projects not included on the project priority list for the
7 ensuing fiscal year or eligible for approval pursuant to section 20 of
8 P.L.1985, c.334 (C.58:11B-20); or (2) public water utilities or
9 private persons to finance or refinance water supply projects not
10 included on the project priority list for the ensuing fiscal year or
11 eligible for approval pursuant to section 24 of P.L.1997, c.224
12 (C.58:11B-20.1), as applicable, without regard to any other
13 provisions of P.L.1985, c.334 or P.L.1997, c.224, including,
14 without limitation, the provisions of section 20 of P.L.1985, c.334
15 (C.58:11B-20), section 24 of P.L.1997, c.224 (C.58:11B-20.1), the
16 Interim Financing Program Eligibility List pursuant to subsection d.
17 of section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative
18 or legislative approvals. Except for Combined Sewer Overflow
19 Abatement Projects, any such short-term or temporary loan made
20 pursuant to the Planning and Design Financing Program shall
21 mature no later than the last day of the third succeeding fiscal year
22 following the closing date on which the Planning and Design loan
23 was made by the trust to the project sponsor. Planning and Design
24 loans made to Combined Sewer Overflow Abatement Projects shall
25 mature no later than the last day of the tenth succeeding fiscal year
26 following the closing date on which the Planning and Design loan
27 was made by the trust to the project sponsor.

28 c. Notwithstanding any provision of P.L.1985, c.334
29 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
30 the contrary, the trust may utilize moneys deposited in the Interim
31 Financing Program Fund established pursuant to subsection d. of
32 section 9 of P.L.1985, c.334 (C.58:11B-9) to make short-term or
33 temporary loans for environmental planning and engineering design
34 costs to (1) local government units to finance or refinance
35 wastewater treatment system projects included on the project
36 priority list pursuant to section 20 of P.L.1985, c.334 (C.58:11B-
37 20); or (2) public water utilities or private persons to finance or
38 refinance water supply projects included on the project priority list
39 pursuant to section 24 of P.L.1997, c.224 (C.58:11B-20.1), as
40 applicable, in advance of the anticipated loans the trust may make
41 and contract to make under the provisions of subsection a. of
42 section 9 of P.L.1985, c.334 (C.58:11B-9) to be financed or
43 refinanced through the issuance of bonds, notes or other obligations
44 of the trust authorized under section 6 of P.L.1985, c.334
45 (C.58:11B-6), without regard to any other provisions of P.L.1985,
46 c.334 or P.L.1997, c.224, including, without limitation, the
47 provisions of section 20 of P.L.1985, c.334 (C.58:11B-20), section
48 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim Financing

1 Program Eligibility List pursuant to subsection d. of section 9 of
2 P.L.1985, c.334 (C.58:11B-9), or any administrative or legislative
3 approvals.

4 (cf: P.L.2009, c.59, s.1)

5

6 5. Section 2 of P.L. 2011, c.94 (C.58:11B-9.4) is amended to
7 read as follows:

8 2. a. The trust shall create and establish a special fund
9 (hereinafter referred to as the "Supplemental Loan Fund") for the
10 short-term or temporary supplemental loan financing or refinancing
11 program (hereinafter referred to as the "Supplemental Financing
12 Program").

13 The Supplemental Loan Fund shall be credited with:

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

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

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

20 **[and]**

21 (4) such other moneys as the Legislature may appropriate to the
22 trust for deposit into the fund at any time to finance or refinance
23 short-term or temporary supplemental loans pursuant to the
24 Supplemental Financing Program; and

25 (5) any other source of available funds deemed by the trust to be
26 necessary or appropriate to provide sufficient funds for deposit into
27 the Supplemental Loan Fund to finance or refinance short-term or
28 temporary loans pursuant to the Supplemental Financing Program,
29 including, without limitation, any funds drawn by the trust from a
30 revolving line of credit or other similar financial vehicle that may
31 be procured by the trust, either through a competitive or negotiated
32 process, pursuant to section 5 of P.L.1985, c.334 (C.58:11B-5), for
33 deposit into the Supplemental Loan Fund to finance or refinance
34 short-term or temporary loans pursuant to the Supplemental
35 Financing Program.

36 b. Notwithstanding any provision of P.L.1985, c.334
37 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
38 the contrary, the trust may make short-term or temporary loans for a
39 project for which a loan has been previously issued pursuant to
40 subsection a. of section 9 of P.L.1985, c.334 (C.58:11B-9) to pay
41 for eligible costs incurred in excess of the previous loan amount for
42 activities specifically approved in the previous project loan to: (1)
43 local government units to finance or refinance wastewater treatment
44 system projects not included on the project priority list for the
45 ensuing fiscal year or eligible for approval pursuant to section 20 of
46 P.L.1985, c.334 (C.58:11B-20); or (2) public water utilities or
47 private persons to finance or refinance water supply projects not
48 included on the project priority list for the ensuing fiscal year or

1 eligible for approval pursuant to section 24 of P.L.1997, c.224
2 (C.58:11B-20.1), as applicable, without regard to any other
3 provisions of P.L.1985, c.334 or P.L.1997, c.224, including,
4 without limitation, the provisions of section 20 of P.L.1985, c.334
5 (C.58:11B-20), section 24 of P.L.1997, c.224 (C.58:11B-20.1), the
6 Interim Financing Program Eligibility List pursuant to subsection d.
7 of section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative
8 or legislative approvals.
9 (cf: P.L.2011, c.94, s.2)

10

11 6. Section 1 of P.L.2013, c.93 (C.58:11B-9.5) is amended to
12 read as follows:

13 1. a. The trust shall create and establish a special fund
14 (hereinafter referred to as the "Disaster Relief Emergency Financing
15 Program Fund") for the disaster relief emergency short-term or
16 temporary loan program of the trust (hereinafter referred to as the
17 "Disaster Relief Emergency Financing Program").

18 The Disaster Relief Emergency Financing Program Fund shall be
19 credited with:

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

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

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

26 (4) such other moneys as the Legislature may appropriate to the
27 trust for deposit into the fund at any time to finance or refinance
28 emergency short-term or temporary loans pursuant to the Disaster
29 Relief Emergency Financing Program;

30 (5) the proceeds of any bonds, notes or other obligations that
31 may be issued by the trust from time to time in any principal
32 amounts as in the judgment of the trust shall be necessary or
33 appropriate to provide sufficient funds for deposit into the fund to
34 finance or refinance emergency short-term or temporary loans
35 pursuant to the Disaster Relief Emergency Financing Program; and

36 (6) any other source of available funds that may be deemed by
37 the trust to be necessary or appropriate to provide sufficient funds
38 for deposit into the fund to finance or refinance emergency short-
39 term or temporary loans pursuant to the Disaster Relief Emergency
40 Financing Program, including, without limitation, any funds drawn
41 by the trust from a revolving line of credit or other similar financial
42 vehicle, either through a competitive or negotiated process, that
43 may be procured by the trust pursuant to the provisions of section 5
44 of P.L.1985, c.334 (C.58:11B-5), for deposit into the fund to
45 finance or refinance emergency short-term or temporary loans
46 pursuant to the Disaster Relief Emergency Financing Program.

47 b. Notwithstanding any provision of P.L.1985, c.334
48 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to

1 the contrary, the trust may make emergency short-term or
2 temporary Disaster Relief Emergency Financing Program loans to:
3 (1) local government units to finance or refinance the costs incurred
4 in the environmental planning and design associated with such
5 wastewater treatment system projects, and wastewater treatment
6 system projects, as applicable; or (2) local government units, public
7 water utilities, or private persons to finance or refinance the costs
8 incurred in the environmental planning and design of water supply
9 projects, and water supply projects, as applicable.

10 Emergency short-term or temporary loans may be made upon the
11 determination and certification in writing by the department that
12 any such project is necessary and appropriate to: repair damages to
13 a wastewater treatment system or water supply facility directly
14 arising from an act of terrorism, seismic activity, or weather
15 conditions that occurred within the prior three fiscal years that gave
16 rise to a declaration by the Governor of a state of emergency,
17 provided the wastewater treatment system or water supply facility is
18 located in a county included in the Governor's state of emergency
19 declaration; or mitigate the risk of future damage to a wastewater
20 treatment system or water supply facility from an act of terrorism,
21 seismic activity, or weather conditions comparable in scope and
22 severity to the act of terrorism, seismic activity, or weather
23 conditions that occurred within the prior three fiscal years that gave
24 rise to a declaration by the Governor of a state of emergency,
25 provided the wastewater treatment system or water supply facility is
26 located in a county included in the Governor's state of emergency
27 declaration, without regard to any other provisions of P.L.1985,
28 c.334 or P.L.1997, c.224, including, without limitation, the
29 provisions of section 20 of P.L.1985, c.334 (C.58:11B-20), section
30 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim Financing
31 Program Eligibility List pursuant to subsection d. of section 9 of
32 P.L.1985, c.334 (C.58:11B-9), or any administrative or legislative
33 approvals. Any such short-term or temporary loan pursuant to the
34 Disaster Relief Emergency Financing Program shall mature no later
35 than the last day of the third succeeding fiscal year following the
36 closing date on which the short-term or temporary loan was made
37 by the trust to the project sponsor.

38 c. The trust may make short-term or temporary loans pursuant
39 to the Disaster Relief Emergency Financing Program to one or more
40 of the project sponsors, for the respective projects thereof,
41 identified on the Disaster Relief Emergency Financing Program
42 project priority list (hereinafter referred to as the "Disaster Relief
43 Emergency Financing Program Eligibility List") in the form
44 provided to the Legislature by the Commissioner of Environmental
45 Protection. The Disaster Relief Emergency Financing Program
46 Eligibility List shall be submitted to the Legislature pursuant to
47 section 2 of P.L.1991, c.164 (C.52:14-19.1) at least once in each
48 fiscal year. An environmental infrastructure project or a project

1 sponsor thereof not identified on the Disaster Relief Emergency
2 Financing Program Eligibility List submitted to the Legislature
3 shall not be eligible for a short-term or temporary loan from the
4 Disaster Relief Emergency Financing Program Fund.
5 (cf: P.L.2013, c.93, s.1)

6
7 7. Section 1 of P.L.2014, c.28 (C.58:11B-9.6) is amended to
8 read as follows:

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

13 The Equipment Loan Fund shall be credited with:

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

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

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

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

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

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

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

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

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

11 (cf: P.L.2014, c.28, s.1)

12

13 8. Section 1 of P.L.2005, c.202 (C.58:11B-10.2) is amended to
14 read as follows:

15 1. a. There is established in the New Jersey Environmental
16 Infrastructure Trust a special fund to be known as the Loan
17 Origination Fee Fund.

18 The Loan Origination Fee Fund shall be credited with:

19 (1) moneys deposited into the fund as loan origination fees
20 received by the Department of Environmental Protection and paid
21 by project sponsors of wastewater treatment system projects or
22 water supply projects financed under the New Jersey Environmental
23 Infrastructure Financing Program; and

24 (2) any interest accumulated on the amounts of the loan
25 origination fees.

26 b. Moneys in the Loan Origination Fee Fund shall be used
27 **【exclusively】** by the Department of Environmental Protection
28 **【solely】** for administrative and operating expenses incurred by the
29 department in administering the New Jersey Environmental
30 Infrastructure Financing Program, except that the total amount
31 utilized by the department for administrative and operating
32 expenses in any fiscal year shall not exceed \$5,000,000. **【Moneys**
33 **in the fund shall be disbursed to the Department of the Treasury on**
34 **an annual basis to meet the department's State revenue anticipation**
35 **established within the annual appropriations act】** The amounts in
36 the Loan Origination Fee Fund shall also be available for
37 application by the department for State matching funds or loans to
38 local government units for the cost of wastewater treatment system
39 or water supply projects. Amounts in excess of revenue
40 anticipation shall be carried forward into the following year.

41 c. As used in this section, “loan origination fee” means the fee
42 charged by the Department of Environmental Protection and
43 financed under the trust loan to pay a portion of the costs incurred
44 by the department in the implementation of the New Jersey
45 Environmental Infrastructure Financing Program.

46 (cf: P.L.2005, c.202, s.1)

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

3 20. a. The Commissioner of Environmental Protection shall for
4 each fiscal year develop a priority system for wastewater treatment
5 systems and shall establish the ranking criteria and funding policies
6 for the projects therefor. The commissioner shall set forth a project
7 priority list for funding by the trust for each fiscal year and shall
8 include the aggregate amount of funds of the trust to be authorized
9 for these purposes. The project priority list may include any
10 stormwater management or combined sewer overflow abatement
11 project identified in the stormwater management and combined
12 sewer overflow abatement project priority list adopted by the
13 commissioner pursuant to section 28 of P.L.1989, c.181.

14 The project priority list, which shall include for each wastewater
15 treatment system the date each project is scheduled to be certified
16 as ready for funding, shall be in conformance with applicable
17 provisions of the "Federal Water Pollution Control Act
18 Amendments of 1972," Pub.L. 92-500 (33 U.S.C. s.1251 et al.), and
19 any amendatory or supplementary acts thereto, and State law. The
20 project priority list shall include a description of each project and
21 its purpose, impact, cost, and construction schedule, and an
22 explanation of the manner in which priorities were established. The
23 priority system and project priority list for the ensuing fiscal year
24 shall be submitted to the **【Legislature】** Secretary of the Senate and
25 the Clerk of the General Assembly on or before January 15 of each
26 year **【on a day when both Houses are meeting】**. The **【President of**
27 **the Senate and the Speaker of the General Assembly】** Secretary and
28 the Clerk shall cause the date of submission to be entered upon the
29 Senate Journal and the Minutes of the General Assembly,
30 respectively. Incremental revisions or supplements to the project
31 priority list may be submitted to the Legislature at any time
32 between January 15th and May 15th of each year. On or before May
33 15 of each year, the trust shall submit the project priority list,
34 including any revision thereof or supplement thereto, to be
35 introduced in each House in the form of legislative appropriations
36 bills, which shall be referred to the Senate Environment Committee
37 and the **【General】** Assembly Environment and Solid Waste
38 Committee, or their successors, for their respective consideration.

39 b. The Senate Environment Committee and the **【General】**
40 Assembly Environment and Solid Waste Committee shall, either
41 individually or jointly, consider the legislation containing the
42 project priority list, and shall report the legislation, together with
43 any modifications, out of committee for consideration by each
44 House of the Legislature. On or before July 1 of each year, the
45 Legislature shall approve an appropriations act containing the
46 project priority list, including any amendatory or supplementary
47 provisions thereto, which act shall include the authorization of an
48 aggregate amount of funds of the trust to be expended for loans and

1 guarantees for the specific projects, including the individual
2 amounts therefor, on the list.

3 c. The trust shall not expend any money for a loan or guarantee
4 during a fiscal year for any wastewater treatment system project
5 unless the expenditure is authorized pursuant to an appropriations
6 act as provided in the provisions of this section, or as otherwise set
7 forth in an appropriations act.

8 (cf: P.L.2009, c.59, s.3)

9

10 10. Section 24 of P.L.1997, c.224 (C.58:11B-20.1) is amended
11 to read as follows:

12 24. a. The Commissioner of Environmental Protection shall for
13 each fiscal year develop a priority system for water supply projects
14 and shall establish the ranking criteria and funding policies therefor.
15 The commissioner shall set forth a project priority list for funding
16 by the trust for each fiscal year and shall include the aggregate
17 amount of funds of the trust to be authorized for these purposes.
18 The commissioner may include a water supply project on the
19 project priority list if it meets the eligibility requirements for
20 funding pursuant to the federal "Safe Drinking Water Act
21 Amendments of 1996," Pub.L.104-182. The project priority list
22 shall include a description of each project and an explanation of the
23 manner in which priorities were established. The priority system
24 and project priority list for the ensuing fiscal year shall be
25 submitted to the **【Legislature】** Secretary of the Senate and the Clerk
26 of the General Assembly on or before January 15 of each year **【**on a
27 day when both Houses are meeting**】**. The **【President of the Senate**
28 **and the Speaker of the General Assembly】** Secretary and the Clerk
29 shall cause the date of submission to be entered upon the Senate
30 Journal and the Minutes of the General Assembly, respectively.
31 Incremental revisions or supplements to the project priority list may
32 be submitted to the Legislature at any time between January 15th
33 and May 15th of each year. On or before May 15 of each year, the
34 trust shall submit the project priority list, including any revision
35 thereof or supplement thereto, to be introduced in each House in the
36 form of legislative appropriations bills, which shall be referred to
37 the Senate Environment Committee and the **【General】** Assembly
38 Environment and Solid Waste Committee, or their successors, for
39 their respective consideration.

40 b. The Senate Environment Committee and the **【General】**
41 Assembly Environment and Solid Waste Committee shall, either
42 individually or jointly, consider the legislation containing the
43 project priority list, and shall report the legislation, together with
44 any modifications, out of committee for consideration by each
45 House of the Legislature. On or before July 1 of each year, the
46 Legislature shall approve an appropriations act containing the
47 project priority list, including any amendatory or supplementary

1 provisions thereto, which act shall include the authorization of an
2 aggregate amount of funds of the trust to be expended for loans and
3 guarantees for the specific water supply projects, including the
4 individual amounts therefor, on the list.

5 c. The trust shall not expend any money for a loan or guarantee
6 during a fiscal year for any water supply project unless the
7 expenditure is authorized pursuant to an appropriations act as
8 provided in the provisions of this section, or as otherwise set forth
9 in an appropriations act.
10 (cf: P.L.2009, c.59, s.4)

11

12 11. This act shall take effect immediately.

13

14

15

STATEMENT

16

17 This bill would make certain changes to the Environmental
18 Infrastructure Trust Financing Program ("NJEIFP").

19 Specifically, the bill would extend the possible term of bonds,
20 notes, or other obligations of the New Jersey Environmental
21 Infrastructure Trust ("Trust") issued by the Trust from 20 years
22 from the effective date to 30 years from the effective date or a
23 shorter period of time as may be applicable pursuant to federal law
24 or regulation.

25 This bill would also make several changes to the short term loan
26 financing programs. First, it would permit funds for the short-term
27 financing programs to be drawn by the trust from a revolving line of
28 credit or other similar financial vehicle pursuant to a competitive or
29 negotiated process. The bill would enable the Trust to draw from
30 the revolving line of credit or other similar financial vehicle, for
31 deposit into the Interim Financing Program Fund, Emergency Loan
32 Fund, Planning and Design Fund, Supplemental Loan Fund,
33 Disaster Relief Emergency Financing Program Fund, or Equipment
34 Loan Fund as, in the judgment of the trust, is necessary to provide
35 sufficient funds to finance or refinance short-term or temporary
36 loans pursuant to the Interim Financing Program, Emergency
37 Financing Program, Planning and Design Financing Program,
38 Supplemental Financing Program, Disaster Relief Emergency
39 Financing Program, and the Equipment Loan Program. The bill
40 would allow short-term or temporary loans to bear interest at a
41 variable rate. The bill would also allow short term or temporary
42 loans made pursuant to the Planning and Design Financing Program
43 for Combined Sewer Overflow Abatement Projects to mature no
44 later than the last day of the tenth succeeding fiscal year following
45 the closing date on which the Planning and Design loan was made.

46 The bill also expands the potential use of the amounts in the
47 Loan Origination Fee Fund. Current law requires application of
48 these funds solely for use by the Department of Environmental

1 Protection for administrative and operating expenses incurred by
2 the department in administering the NJEIFP. The bill would
3 provide that the amounts in the Loan Origination Fee Fund could
4 also be applied by the department for State matching funds or loans
5 to local government units for the cost of wastewater treatment
6 system or water supply projects.

7 The bill would also change the submission requirements for the
8 Trust's Interim Financing Program Eligibility List. Current law
9 requires that the plan be submitted when both Houses of the
10 Legislature are meeting on or before June 30. The bill would
11 authorize the Trust to submit the plan instead to the Secretary of the
12 Senate and the Clerk of the General Assembly at least once a year
13 on or before June 30.

14 Similarly, the bill would also change the submission
15 requirements for the Trust's priority system and project priority list.
16 Current law requires that the priority system and project priority list
17 for the ensuing fiscal year be submitted when both Houses of the
18 Legislature are meeting on or before January 15 of each year. The
19 bill would authorize the Trust to submit the priority system and
20 project priority list instead to the Secretary of the Senate and the
21 Clerk of the General Assembly on or before January 15.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4527

STATE OF NEW JERSEY

DATED: JUNE 15, 2015

The Assembly Appropriations Committee reports favorably Assembly Bill No. 4527.

This bill makes certain changes to the Environmental Infrastructure Trust Financing Program ("NJEIFP").

The bill extends the possible term of bonds, notes, or other obligations of the New Jersey Environmental Infrastructure Trust ("Trust") issued by the Trust from 20 years from the effective date to 30 years from the effective date or a shorter period of time as may be applicable pursuant to federal law or regulation.

The bill makes several changes to the short-term loan financing programs. It permits funds for the short-term financing programs to be drawn by the Trust from a revolving line of credit or other similar financial vehicle pursuant to a competitive or negotiated process. The bill enables the Trust to draw from the revolving line of credit or other similar financial vehicle, for deposit into the Interim Financing Program Fund, Emergency Loan Fund, Planning and Design Fund, Supplemental Loan Fund, Disaster Relief Emergency Financing Program Fund, or Equipment Loan Fund as, in the judgment of the Trust, is necessary to provide sufficient funds to finance or refinance short-term or temporary loans pursuant to the Interim Financing Program, Emergency Financing Program, Planning and Design Financing Program, Supplemental Financing Program, Disaster Relief Emergency Financing Program, and the Equipment Loan Program. The bill allows short-term or temporary loans to bear interest at a variable rate. The bill also allows short-term or temporary loans made pursuant to the Planning and Design Financing Program for Combined Sewer Overflow Abatement Projects to mature no later than the last day of the tenth succeeding fiscal year following the closing date on which the Planning and Design loan was made.

The bill expands the potential use of the amounts in the Loan Origination Fee Fund. Current law requires application of these funds solely for use by the Department of Environmental Protection for administrative and operating expenses incurred by the department in administering the NJEIFP. The bill allows amounts in the Loan Origination Fee Fund to be applied by the department for State matching funds or loans to local government units for the cost of wastewater treatment system or water supply projects.

The bill changes the submission requirements for the Trust's Interim Financing Program Eligibility List. Current law requires that the plan be submitted when both Houses of the Legislature are meeting on or before June 30. The bill authorizes the Trust to submit the plan instead to the Secretary of the Senate and the Clerk of the General Assembly at least once a year, on or before June 30.

The bill changes the submission requirements for the Trust's priority system and project priority list. Current law requires that the priority system and project priority list for the ensuing fiscal year be submitted when both Houses of the Legislature are meeting on or before January 15 of each year. The bill authorizes the Trust to submit the priority system and project priority list instead to the Secretary of the Senate and the Clerk of the General Assembly on or before January 15.

The bill becomes effective upon enactment.

FISCAL IMPACT:

This bill was not certified as requiring a fiscal note.

SENATE, No. 2964

STATE OF NEW JERSEY
216th LEGISLATURE

INTRODUCED JUNE 8, 2015

Sponsored by:

Senator BOB SMITH

District 17 (Middlesex and Somerset)

Senator CHRISTOPHER "KIP" BATEMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

SYNOPSIS

Makes certain changes to Environmental Infrastructure Trust Financing Program.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning environmental infrastructure projects and
2 amending various parts of the statutory law.

3

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

6

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

9 6. a. Except as may be otherwise expressly provided in the
10 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or
11 P.L.1997, c.224 (C.58:11B-10.1 et al.), the trust may from time to
12 time issue its bonds, notes or other obligations in any principal
13 amounts as in the judgment of the trust shall be necessary to
14 provide sufficient funds for any of its corporate purposes, including
15 the payment, funding or refunding of the principal of, or interest or
16 redemption premiums on, any bonds, notes or other obligations
17 issued by it, whether the bonds, notes or other obligations or the
18 interest or redemption premiums thereon to be funded or refunded
19 have or have not become due, the establishment or increase of
20 reserves or other funds to secure or to pay the bonds, notes or other
21 obligations or interest thereon and all other costs or expenses of the
22 trust incident to and necessary to carry out its corporate purposes
23 and powers.

24 b. Whether or not the bonds, notes or other obligations of the
25 trust are of a form and character as to be negotiable instruments
26 under the terms of Title 12A of the New Jersey Statutes, the bonds,
27 notes and other obligations are made negotiable instruments within
28 the meaning of and for the purposes of Title 12A of the New Jersey
29 Statutes, subject only to the provisions of the bonds, notes and other
30 obligations for registration.

31 c. Bonds, notes or other obligations of the trust shall be
32 authorized by a resolution or resolutions of the trust and may be
33 issued in one or more series and shall bear any date or dates, mature
34 at any time or times, bear interest at any rate or rates of interest per
35 annum, be in any denomination or denominations, be in any form,
36 either coupon, registered or book entry, carry any conversion or
37 registration privileges, have any rank or priority, be executed in any
38 manner, be payable in any coin or currency of the United States
39 which at the time of payment is legal tender for the payment of
40 public and private debts, at any place or places within or without
41 the State, and be subject to any terms of redemption by the trust or
42 the holders thereof, with or without premium, as the resolution or
43 resolutions may provide. A resolution of the trust authorizing the
44 issuance of bonds, notes or other obligations may provide that the
45 bonds, notes or other obligations be secured by a trust indenture
46 between the trust and a trustee, vesting in the trustee any property,

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 rights, powers and duties in trust consistent with the provisions of
2 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-
3 10.1 et al.) as the trust may determine.

4 d. Bonds, notes or other obligations of the trust may be sold at
5 any price or prices and in any manner as the trust may determine.
6 Each bond, note or other obligation shall mature and be paid not
7 later than ~~20~~ 30 years from the effective date thereof, or the
8 certified useful life of the project or projects to be financed by the
9 bonds, whichever is less, or a shorter period of time as may be
10 applicable to any companion loan issued pursuant to federal law or
11 regulation.

12 All bonds of the trust shall be sold at such price or prices and in
13 such manner as the trust shall determine, after notice of sale, a
14 summary of which shall be published at least once in at least three
15 newspapers published in the State of New Jersey and at least once
16 in a publication carrying municipal bond notices and devoted
17 primarily to financial news published in New Jersey or the city of
18 New York, the first summary notice to be at least five days prior to
19 the day of bidding. The notice of sale may contain a provision to the
20 effect that any or all bids made in pursuance thereof may be
21 rejected. In the event of such rejection or of failure to receive any
22 acceptable bid, the trust, at any time within 60 days from the date of
23 such advertised sale, may sell such bonds at private sale upon terms
24 not less favorable to the State than the terms offered by any rejected
25 bid. The trust may sell all or part of the bonds of any series as
26 issued to any State fund or to the federal government or any agency
27 thereof, at private sale, without advertisement.

28 e. Bonds, notes or other obligations of the trust may be issued
29 under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or
30 P.L.1997, c.224 (C.58:11B-10.1 et al.) without obtaining the
31 consent of any department, division, board, bureau or agency of the
32 State, and without any other proceedings or the happening of any
33 other conditions or things, other than those consents, proceedings,
34 conditions or things which are specifically required by
35 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-
36 10.1 et al.).

37 f. Bonds, notes or other obligations of the trust issued under
38 the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or
39 P.L.1997, c.224 (C.58:11B-10.1 et al.) shall not be a debt or
40 liability of the State or of any political subdivision thereof other
41 than the trust and shall not create or constitute any indebtedness,
42 liability or obligation of the State or any political subdivision, but
43 all these bonds, notes and other obligations, unless funded or
44 refunded by bonds, notes or other obligations, shall be payable
45 solely from revenues or funds pledged or available for their
46 payment as authorized in P.L.1985, c.334 (C.58:11B-1 et seq.) or
47 P.L.1997, c.224 (C.58:11B-10.1 et al.). Each bond, note and
48 obligation shall contain on its face a statement to the effect that the

1 trust is obligated to pay the principal thereof or the interest thereon
2 only from its revenues, receipts or funds pledged or available for
3 their payment as authorized in P.L.1985, c.334 (C.58:11B-1 et seq.)
4 or P.L.1997, c.224 (C.58:11B-10.1 et al.), and that neither the State,
5 nor any political subdivision thereof, is obligated to pay the
6 principal or interest and that neither the faith and credit nor the
7 taxing power of the State, or any political subdivision thereof, is
8 pledged to the payment of the principal of or the interest on the
9 bonds, notes or other obligations.

10 g. The aggregate principal amount of bonds, notes or other
11 obligations, including subordinated indebtedness of the trust, shall
12 not exceed (1) \$5,000,000,000 with respect to bonds, notes or other
13 obligations issued to finance the Disaster Relief Emergency
14 Financing Program established pursuant to section 1 of
15 P.L.2013, c.93 (C.58:11B-9.5), and (2) \$2,800,000,000 with respect
16 to bonds, notes or other obligations issued for all other purposes of
17 the trust. In computing the foregoing limitations there shall be
18 excluded all the bonds, notes or other obligations, including
19 subordinated indebtedness of the trust, which shall be issued for
20 refunding purposes, whenever the refunding shall be determined to
21 result in a savings.

22 (1) Upon the decision by the trust to issue refunding bonds,
23 except for current refunding, and prior to the sale of those bonds,
24 the trust shall transmit to the Joint Budget Oversight Committee, or
25 its successor, a report that a decision has been made, reciting the
26 basis on which the decision was made, including an estimate of the
27 debt service savings to be achieved and the calculations upon which
28 the trust relied when making the decision to issue refunding bonds.
29 The report shall also disclose the intent of the trust to issue and sell
30 the refunding bonds at public or private sale and the reasons
31 therefor.

32 (2) The Joint Budget Oversight Committee or its successor shall
33 have the authority to approve or disapprove the sales of refunding
34 bonds as included in each report submitted in accordance with
35 paragraph (1) of this subsection. The committee shall notify the
36 trust in writing of the approval or disapproval within 30 days of
37 receipt of the report. Should the committee not act within 30 days
38 of receipt of the report, the trust may proceed with the sale of the
39 refunding bonds, provided that the sale of refunding bonds shall
40 realize not less than 3.00% net present value debt service savings.

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

45 (4) Within 30 days after the sale of the refunding bonds, the
46 trust shall notify the committee of the result of that sale, including
47 the prices and terms, conditions and regulations concerning the
48 refunding bonds, the actual amount of debt service savings to be

1 realized as a result of the sale of refunding bonds, and the intended
2 use of the proceeds from the sale of those bonds.

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

7 h. Each issue of bonds, notes or other obligations of the trust
8 may, if it is determined by the trust, be general obligations thereof
9 payable out of any revenues, receipts or funds of the trust, or
10 special obligations thereof payable out of particular revenues,
11 receipts or funds, subject only to any agreements with the holders of
12 bonds, notes or other obligations, and may be secured by one or
13 more of the following:

14 (1) Pledge of revenues and other receipts to be derived from the
15 payment of the interest on and principal of notes, bonds or other
16 obligations issued to the trust by one or more local government
17 units, and any other payment made to the trust pursuant to
18 agreements with any local government units, or a pledge or
19 assignment of any notes, bonds or other obligations of any local
20 government unit and the rights and interest of the trust therein;

21 (2) Pledge of rentals, receipts and other revenues to be derived
22 from leases or other contractual arrangements with any person or
23 entity, public or private, including one or more local government
24 units, or a pledge or assignment of those leases or other contractual
25 arrangements and the rights and interest of the trust therein;

26 (3) Pledge of all moneys, funds, accounts, securities and other
27 funds, including the proceeds of the bonds, notes or other
28 obligations;

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

32 (5) A mortgage on all or any part of the property, real or
33 personal, of the trust then owned or thereafter to be acquired, or a
34 pledge or assignment of mortgages made to the trust by any person
35 or entity, public or private, including one or more local government
36 units and the rights and interest of the trust therein.

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

40 j. (Deleted by amendment, P.L.1996, c.88).
41 (cf: P.L.2013, c.93, s.2)

42
43 2. Section 9 of P.L.1985, c.334 (C.58:11B-9) is amended to
44 read as follows:

45 9. a. (1) The trust may make and contract to make loans to
46 local government units, or to a local government unit on behalf of
47 another local government unit, in accordance with and subject to the
48 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or

1 P.L.1997, c.224 (C.58:11B-10.1 et al.) to finance the cost of any
2 wastewater treatment system project or water supply project, which
3 the local government unit may lawfully undertake or acquire and for
4 which the local government unit is authorized by law to borrow
5 money.

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

13 (3) The trust may make and contract to make loans to private
14 persons other than local government units, or to any other person or
15 local government unit on behalf of a private person, in accordance
16 with and subject to the provisions of P.L.1985, c.334 (C.58:11B-
17 1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to finance the
18 cost of stormwater management systems.

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

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

1 undertake or acquire and for which the local government unit is
2 authorized by law to borrow money, and the guarantee shall
3 constitute an obligation of the trust for the purposes of
4 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-
5 10.1 et al.). Each guarantee by the trust and the terms and
6 conditions thereof shall be subject to approval by the State
7 Treasurer, and the trust shall make available to the State Treasurer
8 all information, statistical data and reports of independent
9 consultants or experts as the State Treasurer shall deem necessary in
10 order to evaluate the guarantee.

11 c. The trust shall not make or contract to make any loans or
12 guarantees to local government units, public water utilities or any
13 other person, or otherwise incur any additional indebtedness, on or
14 after June 30, 2033.

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

35 The trust shall create and establish a special fund (hereinafter
36 referred to as the "Interim Financing Program Fund") for the short-
37 term or temporary loan financing or refinancing program
38 (hereinafter referred to as the "Interim Financing Program").

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

1 to any one or more of the project sponsors, for the respective
2 projects thereof, identified in the interim financing project priority
3 list (hereinafter referred to as the "Interim Financing Program
4 Eligibility List") in the form provided to the Legislature by the
5 Commissioner of Environmental Protection.

6 **【Incremental revisions or supplements to the Interim Financing
7 Program Eligibility List may be submitted to the Legislature at any
8 time between January 15th and May 15th of each year.】**

9 The Interim Financing Program Eligibility List, including any
10 revision thereof or supplement thereto, shall be submitted to the
11 **【Legislature】** Secretary of the Senate and the Clerk of the General
12 Assembly on or before June 30 of each year **【on a day when both**
13 **Houses are meeting】**. The Interim Financing Program Eligibility
14 List shall be submitted to the Legislature pursuant to section 2 of
15 P.L.1991, c.164 (C.52:14-19.1) at least once in each fiscal year.
16 The **【President of the Senate and the Speaker of the General**
17 **Assembly】** Secretary and the Clerk shall cause the date of
18 submission to be entered upon the Senate Journal and the Minutes
19 of the General Assembly, respectively. Any environmental
20 infrastructure project or the project sponsor thereof not identified in
21 the Interim Financing Program Eligibility List shall not be eligible
22 for a short-term or temporary loan from the Interim Financing
23 Program Fund.

24 e. Notwithstanding any provisions of the "Local Bond Law"
25 N.J.S.40A:2-1 et seq., the "sewerage authorities law," P.L.1946,
26 c.138 (C.40:14A-1 et seq.), or the "municipal and county utilities
27 authority law," P.L.1957, c.183 (C.40:14B-1 et seq.) to the
28 contrary, short-term or temporary loans made by the trust pursuant
29 to section 9 of P.L.1985, c.334 (C.58:11B-9), section 4 of P.L.2007,
30 c.138 (C.58:11B-9.1), section 1 of P.L.2009, c.59 (C.58:11B-9.2),
31 section 5 of P.L.2009, c.103 (C.58:11B-9.3), section 2 of P.L.2011,
32 c.94 (C.58:11B-9.4), section 1 of P.L.2013, c.93 (C.58:11B-9.5), or
33 section 1 of P.L.2014, c.28 (C.58:11B-9.6), and the obligations
34 issued by project sponsors to evidence such loans, may, at the
35 discretion of the trust and upon application by the project sponsor,
36 bear interest at a variable rate determined pursuant to a
37 methodology as may be established by the trust from time to time.

38 Further, notwithstanding any provisions of the "Local Bond
39 Law" N.J.S.40A:2-1 et seq., the "sewerage authorities law,"
40 P.L.1946, c.138 (C.40:14A-1 et seq.), or the "municipal and county
41 utilities authority law," P.L.1957, c.183 (C.40:14B-1 et seq.) to the
42 contrary, any short-term or temporary loans made by the trust
43 pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9), section 4 of
44 P.L.2007, c.138 (C.58:11B-9.1), section 1 of P.L.2009, c.59
45 (C.58:11B-9.2), section 5 of P.L.2009, c.103 (C.58:11B-9.3),
46 section 2 of P.L.2011, c.94 (C.58:11B-9.4), section 1 of P.L.2013,
47 c.93 (C.58:11B-9.5), or section 1 of P.L.2014, c.28 (C.58:11B-9.6),

1 and any notes or other obligations issued by project sponsors to
2 evidence such short-term or temporary loans, except as provided in
3 section 1 of P.L.2009, c.59 (C.58:11B-9.2), shall mature no later
4 than the last day of the third succeeding fiscal year following the
5 date of issuance of such notes or other obligations, without payment
6 by project sponsors of any portion of the principal thereof prior to
7 maturity.

8 (cf: P.L.2013, c.93, s.3)

9

10 3. Section 4 of P.L.2007, c.138 (C.58:11B-9.1) is amended to
11 read as follows:

12 4. a. The trust shall create and establish a special emergency
13 fund (hereinafter referred to as the "Emergency Loan Fund") for the
14 emergency short-term or temporary loan financing or refinancing
15 program (hereinafter referred to as the "Emergency Financing
16 Program").

17 The Emergency Loan Fund shall be credited with:

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

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

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

24 **[and]**

25 (4) such other moneys as the Legislature may appropriate to the
26 trust for deposit into the fund at any time to finance or refinance
27 emergency short-term or temporary loans pursuant to the
28 Emergency Financing Program; and

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

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

1 list for the ensuing fiscal year or eligible for approval pursuant to
2 section 24 of P.L.1997, c.224 (C.58:11B-20.1), as applicable,
3 whenever the Commissioner of Environmental Protection has
4 determined and certified, in writing, that any such project
5 constitutes an emergency project because of an imminent threat to
6 the environment or the public health, safety or welfare caused by
7 structural or mechanical failure, sabotage or act of God, without
8 regard to any other provisions of P.L.1985, c.334 or
9 P.L.1997, c.224, including, without limitation, the provisions of
10 section 20 of P.L.1985, c.334 (C.58:11B-20), section 24 of
11 P.L.1997, c.224 (C.58:11B-20.1), the Interim Financing Program
12 Eligibility List pursuant to subsection d. of section 9 of
13 P.L.1985, c.334 (C.58:11B-9), or any administrative or legislative
14 approvals.
15 (cf: P.L.2007, c.138, s.4)

16

17 4. Section 1 of P.L.2009, c.59 (C.58:11B-9.2) is amended to
18 read as follows:

19 1. a. The trust shall create and establish a special fund
20 (hereinafter referred to as the "Planning and Design Fund") for the
21 short-term or temporary financing or refinancing of environmental
22 planning and engineering design costs (hereinafter referred to as the
23 "Planning and Design Financing Program").

24 The Planning and Design Fund shall be credited with:

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

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

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

31 (4) moneys deposited in the Interim Financing Program Fund
32 established pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9)
33 subject to the provisions of subsection c. of this section; **[and]**

34 (5) such other moneys as the Legislature may appropriate to the
35 trust for deposit into the fund at any time to finance or refinance
36 short-term or temporary loans pursuant to the Planning and Design
37 Financing Program; and

38 (6) any other source of available funds deemed by the trust to be
39 necessary or appropriate to provide sufficient funds for deposit into
40 the Planning and Design Fund to finance or refinance short-term or
41 temporary loans pursuant to the Planning and Design Financing
42 Program, including, without limitation, any funds drawn by the trust
43 from a revolving line of credit or other similar financial vehicle that
44 may be procured by the trust, either through a competitive or
45 negotiated process, pursuant to section 5 of P.L.1985, c.334
46 (C.58:11B-5), for deposit into the Planning and Design Fund to
47 finance or refinance short-term or temporary loans pursuant to the
48 Planning and Design Financing Program.

1 b. Notwithstanding any provision of P.L.1985, c.334
2 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
3 the contrary, the trust may make short-term or temporary loans for
4 environmental planning and engineering design costs to (1) local
5 government units to finance or refinance wastewater treatment
6 system projects not included on the project priority list for the
7 ensuing fiscal year or eligible for approval pursuant to section 20 of
8 P.L.1985, c.334 (C.58:11B-20); or (2) public water utilities or
9 private persons to finance or refinance water supply projects not
10 included on the project priority list for the ensuing fiscal year or
11 eligible for approval pursuant to section 24 of P.L.1997, c.224
12 (C.58:11B-20.1), as applicable, without regard to any other
13 provisions of P.L.1985, c.334 or P.L.1997, c.224, including,
14 without limitation, the provisions of section 20 of P.L.1985, c.334
15 (C.58:11B-20), section 24 of P.L.1997, c.224 (C.58:11B-20.1), the
16 Interim Financing Program Eligibility List pursuant to subsection d.
17 of section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative
18 or legislative approvals. Except for Combined Sewer Overflow
19 Abatement Projects, any such short-term or temporary loan made
20 pursuant to the Planning and Design Financing Program shall
21 mature no later than the last day of the third succeeding fiscal year
22 following the closing date on which the Planning and Design loan
23 was made by the trust to the project sponsor. Planning and Design
24 loans made to Combined Sewer Overflow Abatement Projects shall
25 mature no later than the last day of the tenth succeeding fiscal year
26 following the closing date on which the Planning and Design loan
27 was made by the trust to the project sponsor.

28 c. Notwithstanding any provision of P.L.1985, c.334
29 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
30 the contrary, the trust may utilize moneys deposited in the Interim
31 Financing Program Fund established pursuant to subsection d. of
32 section 9 of P.L.1985, c.334 (C.58:11B-9) to make short-term or
33 temporary loans for environmental planning and engineering design
34 costs to (1) local government units to finance or refinance
35 wastewater treatment system projects included on the project
36 priority list pursuant to section 20 of P.L.1985, c.334 (C.58:11B-
37 20); or (2) public water utilities or private persons to finance or
38 refinance water supply projects included on the project priority list
39 pursuant to section 24 of P.L.1997, c.224 (C.58:11B-20.1), as
40 applicable, in advance of the anticipated loans the trust may make
41 and contract to make under the provisions of subsection a. of
42 section 9 of P.L.1985, c.334 (C.58:11B-9) to be financed or
43 refinanced through the issuance of bonds, notes or other obligations
44 of the trust authorized under section 6 of P.L.1985, c.334
45 (C.58:11B-6), without regard to any other provisions of P.L.1985,
46 c.334 or P.L.1997, c.224, including, without limitation, the
47 provisions of section 20 of P.L.1985, c.334 (C.58:11B-20), section
48 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim Financing

1 Program Eligibility List pursuant to subsection d. of section 9 of
2 P.L.1985, c.334 (C.58:11B-9), or any administrative or legislative
3 approvals.

4 (cf: P.L.2009, c.59, s.1)

5

6 5. Section 2 of P.L. 2011, c.94 (C.58:11B-9.4) is amended to
7 read as follows:

8 2. a. The trust shall create and establish a special fund
9 (hereinafter referred to as the "Supplemental Loan Fund") for the
10 short-term or temporary supplemental loan financing or refinancing
11 program (hereinafter referred to as the "Supplemental Financing
12 Program").

13 The Supplemental Loan Fund shall be credited with:

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

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

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

20 **[and]**

21 (4) such other moneys as the Legislature may appropriate to the
22 trust for deposit into the fund at any time to finance or refinance
23 short-term or temporary supplemental loans pursuant to the
24 Supplemental Financing Program; and

25 (5) any other source of available funds deemed by the trust to be
26 necessary or appropriate to provide sufficient funds for deposit into
27 the Supplemental Loan Fund to finance or refinance short-term or
28 temporary loans pursuant to the Supplemental Financing Program,
29 including, without limitation, any funds drawn by the trust from a
30 revolving line of credit or other similar financial vehicle that may
31 be procured by the trust, either through a competitive or negotiated
32 process, pursuant to section 5 of P.L.1985, c.334 (C.58:11B-5), for
33 deposit into the Supplemental Loan Fund to finance or refinance
34 short-term or temporary loans pursuant to the Supplemental
35 Financing Program.

36 b. Notwithstanding any provision of P.L.1985, c.334
37 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
38 the contrary, the trust may make short-term or temporary loans for a
39 project for which a loan has been previously issued pursuant to
40 subsection a. of section 9 of P.L.1985, c.334 (C.58:11B-9) to pay
41 for eligible costs incurred in excess of the previous loan amount for
42 activities specifically approved in the previous project loan to: (1)
43 local government units to finance or refinance wastewater treatment
44 system projects not included on the project priority list for the
45 ensuing fiscal year or eligible for approval pursuant to section 20 of
46 P.L.1985, c.334 (C.58:11B-20); or (2) public water utilities or
47 private persons to finance or refinance water supply projects not
48 included on the project priority list for the ensuing fiscal year or

1 eligible for approval pursuant to section 24 of P.L.1997, c.224
2 (C.58:11B-20.1), as applicable, without regard to any other
3 provisions of P.L.1985, c.334 or P.L.1997, c.224, including,
4 without limitation, the provisions of section 20 of P.L.1985, c.334
5 (C.58:11B-20), section 24 of P.L.1997, c.224 (C.58:11B-20.1), the
6 Interim Financing Program Eligibility List pursuant to subsection d.
7 of section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative
8 or legislative approvals.
9 (cf: P.L.2011, c.94, s.2)

10

11 6. Section 1 of P.L.2013, c.93 (C.58:11B-9.5) is amended to
12 read as follows:

13 1. a. The trust shall create and establish a special fund
14 (hereinafter referred to as the "Disaster Relief Emergency Financing
15 Program Fund") for the disaster relief emergency short-term or
16 temporary loan program of the trust (hereinafter referred to as the
17 "Disaster Relief Emergency Financing Program").

18 The Disaster Relief Emergency Financing Program Fund shall be
19 credited with:

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

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

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

26 (4) such other moneys as the Legislature may appropriate to the
27 trust for deposit into the fund at any time to finance or refinance
28 emergency short-term or temporary loans pursuant to the Disaster
29 Relief Emergency Financing Program;

30 (5) the proceeds of any bonds, notes or other obligations that
31 may be issued by the trust from time to time in any principal
32 amounts as in the judgment of the trust shall be necessary or
33 appropriate to provide sufficient funds for deposit into the fund to
34 finance or refinance emergency short-term or temporary loans
35 pursuant to the Disaster Relief Emergency Financing Program; and

36 (6) any other source of available funds that may be deemed by
37 the trust to be necessary or appropriate to provide sufficient funds
38 for deposit into the fund to finance or refinance emergency short-
39 term or temporary loans pursuant to the Disaster Relief Emergency
40 Financing Program, including, without limitation, any funds drawn
41 by the trust from a revolving line of credit or other similar financial
42 vehicle, either through a competitive or negotiated process, that
43 may be procured by the trust pursuant to the provisions of section 5
44 of P.L.1985, c.334 (C.58:11B-5), for deposit into the fund to
45 finance or refinance emergency short-term or temporary loans
46 pursuant to the Disaster Relief Emergency Financing Program.

47 b. Notwithstanding any provision of P.L.1985, c.334
48 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to

1 the contrary, the trust may make emergency short-term or
2 temporary Disaster Relief Emergency Financing Program loans to:
3 (1) local government units to finance or refinance the costs incurred
4 in the environmental planning and design associated with such
5 wastewater treatment system projects, and wastewater treatment
6 system projects, as applicable; or (2) local government units, public
7 water utilities, or private persons to finance or refinance the costs
8 incurred in the environmental planning and design of water supply
9 projects, and water supply projects, as applicable.

10 Emergency short-term or temporary loans may be made upon the
11 determination and certification in writing by the department that
12 any such project is necessary and appropriate to: repair damages to
13 a wastewater treatment system or water supply facility directly
14 arising from an act of terrorism, seismic activity, or weather
15 conditions that occurred within the prior three fiscal years that gave
16 rise to a declaration by the Governor of a state of emergency,
17 provided the wastewater treatment system or water supply facility is
18 located in a county included in the Governor's state of emergency
19 declaration; or mitigate the risk of future damage to a wastewater
20 treatment system or water supply facility from an act of terrorism,
21 seismic activity, or weather conditions comparable in scope and
22 severity to the act of terrorism, seismic activity, or weather
23 conditions that occurred within the prior three fiscal years that gave
24 rise to a declaration by the Governor of a state of emergency,
25 provided the wastewater treatment system or water supply facility is
26 located in a county included in the Governor's state of emergency
27 declaration, without regard to any other provisions of P.L.1985,
28 c.334 or P.L.1997, c.224, including, without limitation, the
29 provisions of section 20 of P.L.1985, c.334 (C.58:11B-20), section
30 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim Financing
31 Program Eligibility List pursuant to subsection d. of section 9 of
32 P.L.1985, c.334 (C.58:11B-9), or any administrative or legislative
33 approvals. Any such short-term or temporary loan pursuant to the
34 Disaster Relief Emergency Financing Program shall mature no later
35 than the last day of the third succeeding fiscal year following the
36 closing date on which the short-term or temporary loan was made
37 by the trust to the project sponsor.

38 c. The trust may make short-term or temporary loans pursuant
39 to the Disaster Relief Emergency Financing Program to one or more
40 of the project sponsors, for the respective projects thereof,
41 identified on the Disaster Relief Emergency Financing Program
42 project priority list (hereinafter referred to as the "Disaster Relief
43 Emergency Financing Program Eligibility List") in the form
44 provided to the Legislature by the Commissioner of Environmental
45 Protection. The Disaster Relief Emergency Financing Program
46 Eligibility List shall be submitted to the Legislature pursuant to
47 section 2 of P.L.1991, c.164 (C.52:14-19.1) at least once in each
48 fiscal year. An environmental infrastructure project or a project

1 sponsor thereof not identified on the Disaster Relief Emergency
2 Financing Program Eligibility List submitted to the Legislature
3 shall not be eligible for a short-term or temporary loan from the
4 Disaster Relief Emergency Financing Program Fund.
5 (cf: P.L.2013, c.93, s.1)

6
7 7. Section 1 of P.L.2014, c.28 (C.58:11B-9.6) is amended to
8 read as follows:

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

13 The Equipment Loan Fund shall be credited with:

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

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

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

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

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

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

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

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

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

11 (cf: P.L.2014, c.28, s.1)

12

13 8. Section 1 of P.L.2005, c.202 (C.58:11B-10.2) is amended to
14 read as follows:

15 1. a. There is established in the New Jersey Environmental
16 Infrastructure Trust a special fund to be known as the Loan
17 Origination Fee Fund.

18 The Loan Origination Fee Fund shall be credited with:

19 (1) moneys deposited into the fund as loan origination fees
20 received by the Department of Environmental Protection and paid
21 by project sponsors of wastewater treatment system projects or
22 water supply projects financed under the New Jersey Environmental
23 Infrastructure Financing Program; and

24 (2) any interest accumulated on the amounts of the loan
25 origination fees.

26 b. Moneys in the Loan Origination Fee Fund shall be used
27 **【exclusively】** by the Department of Environmental Protection
28 **【solely】** for administrative and operating expenses incurred by the
29 department in administering the New Jersey Environmental
30 Infrastructure Financing Program, except that the total amount
31 utilized by the department for administrative and operating
32 expenses in any fiscal year shall not exceed \$5,000,000. **【Moneys**
33 **in the fund shall be disbursed to the Department of the Treasury on**
34 **an annual basis to meet the department's State revenue anticipation**
35 **established within the annual appropriations act】** The amounts in
36 the Loan Origination Fee Fund shall also be available for
37 application by the department for State matching funds or loans to
38 local government units for the cost of wastewater treatment system
39 or water supply projects. Amounts in excess of revenue
40 anticipation shall be carried forward into the following year.

41 c. As used in this section, “loan origination fee” means the fee
42 charged by the Department of Environmental Protection and
43 financed under the trust loan to pay a portion of the costs incurred
44 by the department in the implementation of the New Jersey
45 Environmental Infrastructure Financing Program.

46 (cf: P.L.2005, c.202, s.1)

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

3 20. a. The Commissioner of Environmental Protection shall for
4 each fiscal year develop a priority system for wastewater treatment
5 systems and shall establish the ranking criteria and funding policies
6 for the projects therefor. The commissioner shall set forth a project
7 priority list for funding by the trust for each fiscal year and shall
8 include the aggregate amount of funds of the trust to be authorized
9 for these purposes. The project priority list may include any
10 stormwater management or combined sewer overflow abatement
11 project identified in the stormwater management and combined
12 sewer overflow abatement project priority list adopted by the
13 commissioner pursuant to section 28 of P.L.1989, c.181.

14 The project priority list, which shall include for each wastewater
15 treatment system the date each project is scheduled to be certified
16 as ready for funding, shall be in conformance with applicable
17 provisions of the "Federal Water Pollution Control Act
18 Amendments of 1972," Pub.L. 92-500 (33 U.S.C. s.1251 et al.), and
19 any amendatory or supplementary acts thereto, and State law. The
20 project priority list shall include a description of each project and
21 its purpose, impact, cost, and construction schedule, and an
22 explanation of the manner in which priorities were established. The
23 priority system and project priority list for the ensuing fiscal year
24 shall be submitted to the **【Legislature】** Secretary of the Senate and
25 the Clerk of the General Assembly on or before January 15 of each
26 year **【on a day when both Houses are meeting】**. The **【President of**
27 **the Senate and the Speaker of the General Assembly】** Secretary and
28 the Clerk shall cause the date of submission to be entered upon the
29 Senate Journal and the Minutes of the General Assembly,
30 respectively. Incremental revisions or supplements to the project
31 priority list may be submitted to the Legislature at any time
32 between January 15th and May 15th of each year. On or before May
33 15 of each year, the trust shall submit the project priority list,
34 including any revision thereof or supplement thereto, to be
35 introduced in each House in the form of legislative appropriations
36 bills, which shall be referred to the Senate Environment Committee
37 and the **【General】** Assembly Environment and Solid Waste
38 Committee, or their successors, for their respective consideration.

39 b. The Senate Environment Committee and the **【General】**
40 Assembly Environment and Solid Waste Committee shall, either
41 individually or jointly, consider the legislation containing the
42 project priority list, and shall report the legislation, together with
43 any modifications, out of committee for consideration by each
44 House of the Legislature. On or before July 1 of each year, the
45 Legislature shall approve an appropriations act containing the
46 project priority list, including any amendatory or supplementary
47 provisions thereto, which act shall include the authorization of an
48 aggregate amount of funds of the trust to be expended for loans and

1 guarantees for the specific projects, including the individual
2 amounts therefor, on the list.

3 c. The trust shall not expend any money for a loan or guarantee
4 during a fiscal year for any wastewater treatment system project
5 unless the expenditure is authorized pursuant to an appropriations
6 act as provided in the provisions of this section, or as otherwise set
7 forth in an appropriations act.

8 (cf: P.L.2009, c.59, s.3)

9

10 10. Section 24 of P.L.1997, c.224 (C.58:11B-20.1) is amended
11 to read as follows:

12 24. a. The Commissioner of Environmental Protection shall for
13 each fiscal year develop a priority system for water supply projects
14 and shall establish the ranking criteria and funding policies therefor.
15 The commissioner shall set forth a project priority list for funding
16 by the trust for each fiscal year and shall include the aggregate
17 amount of funds of the trust to be authorized for these purposes.
18 The commissioner may include a water supply project on the
19 project priority list if it meets the eligibility requirements for
20 funding pursuant to the federal "Safe Drinking Water Act
21 Amendments of 1996," Pub.L.104-182. The project priority list
22 shall include a description of each project and an explanation of the
23 manner in which priorities were established. The priority system
24 and project priority list for the ensuing fiscal year shall be
25 submitted to the **【Legislature】** Secretary of the Senate and the Clerk
26 of the General Assembly on or before January 15 of each year **【**on a
27 day when both Houses are meeting**】**. The **【President of the Senate**
28 **and the Speaker of the General Assembly】** Secretary and the Clerk
29 shall cause the date of submission to be entered upon the Senate
30 Journal and the Minutes of the General Assembly, respectively.
31 Incremental revisions or supplements to the project priority list may
32 be submitted to the Legislature at any time between January 15th
33 and May 15th of each year. On or before May 15 of each year, the
34 trust shall submit the project priority list, including any revision
35 thereof or supplement thereto, to be introduced in each House in the
36 form of legislative appropriations bills, which shall be referred to
37 the Senate Environment Committee and the **【General】** Assembly
38 Environment and Solid Waste Committee, or their successors, for
39 their respective consideration.

40 b. The Senate Environment Committee and the **【General】**
41 Assembly Environment and Solid Waste Committee shall, either
42 individually or jointly, consider the legislation containing the
43 project priority list, and shall report the legislation, together with
44 any modifications, out of committee for consideration by each
45 House of the Legislature. On or before July 1 of each year, the
46 Legislature shall approve an appropriations act containing the
47 project priority list, including any amendatory or supplementary

1 provisions thereto, which act shall include the authorization of an
2 aggregate amount of funds of the trust to be expended for loans and
3 guarantees for the specific water supply projects, including the
4 individual amounts therefor, on the list.

5 c. The trust shall not expend any money for a loan or guarantee
6 during a fiscal year for any water supply project unless the
7 expenditure is authorized pursuant to an appropriations act as
8 provided in the provisions of this section, or as otherwise set forth
9 in an appropriations act.

10 (cf: P.L.2009, c.59, s.4)

11
12 11. This act shall take effect immediately.

13
14
15 STATEMENT

16
17 This bill would make certain changes to the Environmental
18 Infrastructure Trust Financing Program ("NJEIFP").

19 Specifically, the bill would extend the possible term of bonds,
20 notes, or other obligations of the New Jersey Environmental
21 Infrastructure Trust ("Trust") issued by the Trust from 20 years
22 from the effective date to 30 years from the effective date or a
23 shorter period of time as may be applicable pursuant to federal law
24 or regulation.

25 This bill would also make several changes to the short term loan
26 financing programs. First, it would permit funds for the short-term
27 financing programs to be drawn by the trust from a revolving line of
28 credit or other similar financial vehicle pursuant to a competitive or
29 negotiated process. The bill would enable the Trust to draw from
30 the revolving line of credit or other similar financial vehicle, for
31 deposit into the Interim Financing Program Fund, Emergency Loan
32 Fund, Planning and Design Fund, Supplemental Loan Fund,
33 Disaster Relief Emergency Financing Program Fund, or Equipment
34 Loan Fund as, in the judgment of the trust, is necessary to provide
35 sufficient funds to finance or refinance short-term or temporary
36 loans pursuant to the Interim Financing Program, Emergency
37 Financing Program, Planning and Design Financing Program,
38 Supplemental Financing Program, Disaster Relief Emergency
39 Financing Program, and the Equipment Loan Program. The bill
40 would allow short-term or temporary loans to bear interest at a
41 variable rate. The bill would also allow short term or temporary
42 loans made pursuant to the Planning and Design Financing Program
43 for Combined Sewer Overflow Abatement Projects to mature no
44 later than the last day of the tenth succeeding fiscal year following
45 the closing date on which the Planning and Design loan was made.

46 The bill also expands the potential use of the amounts in the
47 Loan Origination Fee Fund. Current law requires application of
48 these funds solely for use by the Department of Environmental

1 Protection for administrative and operating expenses incurred by
2 the department in administering the NJEIFP. The bill would
3 provide that the amounts in the Loan Origination Fee Fund could
4 also be applied by the department for State matching funds or loans
5 to local government units for the cost of wastewater treatment
6 system or water supply projects.

7 The bill would also change the submission requirements for the
8 Trust's Interim Financing Program Eligibility List. Current law
9 requires that the plan be submitted when both Houses of the
10 Legislature are meeting on or before June 30. The bill would
11 authorize the Trust to submit the plan instead to the Secretary of the
12 Senate and the Clerk of the General Assembly at least once a year
13 on or before June 30.

14 Similarly, the bill would also change the submission
15 requirements for the Trust's priority system and project priority list.
16 Current law requires that the priority system and project priority list
17 for the ensuing fiscal year be submitted when both Houses of the
18 Legislature are meeting on or before January 15 of each year. The
19 bill would authorize the Trust to submit the priority system and
20 project priority list instead to the Secretary of the Senate and the
21 Clerk of the General Assembly on or before January 15.

SENATE ENVIRONMENT AND ENERGY COMMITTEE

STATEMENT TO

SENATE, No. 2964

STATE OF NEW JERSEY

DATED: JUNE 8, 2015

The Senate Environment and Energy Committee favorably reports Senate Bill No. 2964.

This bill would make certain changes to the New Jersey Environmental Infrastructure Trust Financing Program ("NJEIFP").

Specifically, the bill would extend the possible term of bonds, notes, or other obligations of the New Jersey Environmental Infrastructure Trust ("Trust") issued by the Trust from 20 years from the effective date to 30 years from the effective date or a shorter period of time as may be applicable pursuant to federal law or regulation.

This bill would also make several changes to the short-term loan financing programs. First, it would permit funds for the short-term financing programs to be drawn by the Trust from a revolving line of credit or other similar financial vehicle pursuant to a competitive or negotiated process. The bill would also enable the Trust to draw from the revolving line of credit or other similar financial vehicle, for deposit into the Interim Financing Program Fund, Emergency Loan Fund, Planning and Design Fund, Supplemental Loan Fund, Disaster Relief Emergency Financing Program Fund, or Equipment Loan Fund as, in the judgment of the Trust, is necessary to provide sufficient funds to finance or refinance short-term or temporary loans pursuant to the Interim Financing Program, Emergency Financing Program, Planning and Design Financing Program, Supplemental Financing Program, Disaster Relief Emergency Financing Program, and Equipment Loan Program. The bill would allow short-term or temporary loans to bear interest at a variable rate. The bill would also allow short-term or temporary loans made pursuant to the Planning and Design Financing Program for combined sewer overflow abatement projects to mature no later than the last day of the 10th succeeding fiscal year following the closing date on which the Planning and Design loan was made.

The bill also expands the potential use of the amounts in the Loan Origination Fee Fund. Current law requires application of these funds solely for use by the Department of Environmental Protection for administrative and operating expenses incurred by the department in administering the NJEIFP. The bill would provide that the amounts in the Loan Origination Fee Fund could also be applied by the

department for State matching funds or loans to local government units for the cost of wastewater treatment system or water supply projects.

The bill would also change the submission requirements for the Trust's Interim Financing Program Eligibility List. Current law requires that the plan be submitted when both Houses of the Legislature are meeting on or before June 30. The bill would authorize the Trust to submit the plan instead to the Secretary of the Senate and the Clerk of the General Assembly at least once a year on or before June 30.

Similarly, the bill would also change the submission requirements for the Trust's priority system and project priority list. Current law requires that the priority system and project priority list for the ensuing fiscal year be submitted when both Houses of the Legislature are meeting on or before January 15 of each year. The bill would authorize the Trust to submit the priority system and project priority list instead to the Secretary of the Senate and the Clerk of the General Assembly on or before January 15.

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Governor Christie Signs Legislation Providing \$1.94 Billion for Critical Drinking Water and Infrastructure Resiliency Projects Across New Jersey

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Trenton, NJ – Furthering his commitment to the environment and modernizing critical New Jersey infrastructure, Governor Chris Christie signed legislation authorizing up to \$1.94 billion in state financing for projects to improve drinking water and wastewater infrastructure across the state. The funding includes \$776 million to upgrade and protect facilities from storms and flooding such as occurred during Superstorm Sandy.

“There can be no compromise when it comes to the integrity of the State’s water infrastructure systems and the impact they have on our communities and our environment,” said Governor Christie. “Through this legislation, more than 280 projects will be authorized for low-interest loans and no-interest financing that will make infrastructure throughout New Jersey more storm-resilient, enhance and protect the state’s water quality, and create jobs and advance economic development.”

The New Jersey Environmental Infrastructure Trust (NJEIT) and New Jersey Department of Environmental Protection (DEP) have been working in partnership for decades to provide financing to projects that will protect and enhance water quality. This mission took on added significance following Sandy, with the development of the Statewide Assistance Infrastructure Loan, or SAIL, program, which expedites the financing process to get work done more quickly in anticipation of Federal Emergency Management Agency disaster reimbursement.

Operators of infrastructure in New Jersey have undertaken a wide range of storm-resiliency projects, including replacement and hardening of pump stations, restoring and protecting key treatment and administrative facilities, construction of flood-protection walls and elevation of existing walls, ensuring backup power generators are protected, relocating infrastructure to safer ground, and construction of pumping systems to remove flood waters.

“Projects such as these are critical to ensuring these vital public services remain in operation in times of natural disasters, and that our environment is protected,” Commissioner Martin said. “Sandy dealt a devastating blow to our drinking water and wastewater infrastructure, much of which is located along rivers and coastal areas that are vulnerable to severe flooding.”

Storm-hardening projects authorized for funding include:

Nearly \$185 million for the Middlesex County Utilities Authority that will allow for restoration of Sayreville and Edison pump stations, and takes steps to protect them from future flooding. The financing will also fund upgrades to its wastewater treatment plant;

Approximately \$78 million for the Passaic Valley Sewerage Commission for repairs and upgrades to infrastructure;

More than \$72 million for ongoing restoration and resiliency projects for the Bayshore Regional Sewerage Authority in Union Beach;

More than \$33 million for work to construct a sea wall and improve the resiliency of the Atlantic County Utilities Authority treatment plant in Atlantic City;

Nearly \$16 million for construction of wet weather pumping stations and up to \$30 million in additional funds for storm water and green infrastructure to address flooding in Hoboken.

BILL SIGNINGS:

A-4527/S-2964 (Pintor Marin, Diegnan, Tucker, Pinkin/Smith, Bateman) - Makes certain changes to Environmental Infrastructure Trust Financing Program

A-4528/S-2957 (Prieto, Coughlin, Taliaferro, Andrzejczak, Wimberly, Caride/Sweeney, T. Kean) - Authorizes New Jersey Environmental Infrastructure Trust to expend certain sums to make loans for environmental infrastructure projects for FY2016

A-4529/S-2962 (Spencer, Mukherji, Eustace, Burzichelli, Jimenez, Egan, Caputo/Sweeney, T. Kean) - Appropriates funds to DEP for environmental infrastructure projects for FY2016

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