

**APPROPRIATION  
LEGISLATIVE HISTORY CHECKLIST**

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**LAWS OF:** 2022                    **CHAPTER:** 18

**NJSA:**                    APPROPRIATION  
(Credits \$5.2 billion to "New Jersey Debt Defeasance and Prevention Fund"; appropriates \$2.9 billion to NJ Schools Development Authority, NJ DOT, and NJT; and establishes process for authorizing future appropriations for debt defeasance and capital project)

**BILL NO:**                S2944                    (Substituted for A4162 (1R))

**SPONSOR(S)** Paul A. Sarlo and others

**DATE INTRODUCED:** 6/27/2022

**COMMITTEE:**            **ASSEMBLY:** ---  
**SENATE:**                Senate Budget and Appropriations

**AMENDED DURING PASSAGE:** No

**DATE OF PASSAGE:**    **ASSEMBLY:** 6/29/2022  
**SENATE:**                6/29/2022

**DATE OF APPROVAL:** 6/30/2022

**FOLLOWING ARE ATTACHED IF AVAILABLE:**

**FINAL TEXT OF BILL** (Introduced bill enacted)                    Yes

**S2944**

**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](http://www.njleg.state.nj.us))

**FLOOR AMENDMENT STATEMENT:**                    No

**LEGISLATIVE FISCAL ESTIMATE:**                    No

**A4162 (1R)**

**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](http://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:**

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or <mailto:refdesk@njstatelib.org>

**REPORTS:** No

**HEARINGS:** No

**NEWSPAPER ARTICLES:** Yes

Colleen Wilson, NorthJersey.com, 'NJ TRANSIT COULD SEE \$814M FOR NEWARK PENN, HOBOKEN AND 5 OTHER STATIONS IF MURPHY SIGNS OFF', Record, The (online), 30 Jun 2022 A1

end

P.L. 2022, CHAPTER 18, *approved June 30, 2022*  
Senate, No. 2944

1 AN ACT concerning the “New Jersey Debt Defeasance and  
2 Prevention Fund” and making appropriations.

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

6  
7 1. There shall be credited \$5,150,000,000 from the General  
8 Fund to the "New Jersey Debt Defeasance and Prevention Fund,"  
9 established pursuant to section 1 of P.L.2021, c.125 (C.52:9H-2.2).

10  
11 2. a. There is appropriated from the "New Jersey Debt  
12 Defeasance and Prevention Fund" \$1,900,000,000 to the New  
13 Jersey Schools Development Authority for the purpose of funding  
14 school facilities projects, emergent needs, and capital maintenance  
15 in school districts for which State debt is already authorized by law,  
16 or for which funding would have been derived from future State  
17 bond issuances, thereby constituting debt avoidance, subject to the  
18 approval of the Director of the Division of Budget and Accounting.  
19 Of the amount appropriated pursuant to this section, \$1,550,000,000  
20 is appropriated for school facilities projects, emergent needs, and  
21 capital maintenance in SDA districts and \$350,000,000 is  
22 appropriated for school facilities projects, emergent needs, and  
23 capital maintenance in all other districts.

24 b. The State Treasurer shall enter into a grant agreement with  
25 the New Jersey Schools Development Authority which shall set  
26 forth the terms and conditions for the provision of the grant,  
27 including the schedule for disbursement of the grant.  
28 Notwithstanding any other law or regulation to the contrary, the  
29 monies appropriated pursuant to this section shall be invested by the  
30 State Treasurer pending the disbursement of such monies in such  
31 obligations, securities and other investments as shall be determined  
32 by the State Treasurer.

33  
34 3. There is appropriated from the "New Jersey Debt  
35 Defeasance and Prevention Fund" \$230,000,000 to the Department  
36 of Transportation, which shall be allocated, expended, and  
37 administered by the Department of Transportation in the following  
38 amounts for the following projects, subject to the approval of the  
39 Director of the Division of Budget and Accounting:

40 a. \$135,000,000 for the design and construction of the multiple  
41 projects supported by the Lincoln Tunnel Access Program;

42 b. \$50,000,000 for the reconstruction of I-295 Direct Connect  
43 Wall 22; and

1 c. \$45,000,000 for the engineering design of capital projects  
2 identified by the Commissioner of Transportation that are the  
3 subject of the multi-project solicitation pilot initiated by the  
4 Department of Transportation and the Federal Highway  
5 Administration.

6  
7 4. There is appropriated from the "New Jersey Debt  
8 Defeasance and Prevention Fund" \$814,000,000 to the New Jersey  
9 Transit Corporation, which shall be allocated, expended, and  
10 administered by the New Jersey Transit Corporation in the  
11 following amounts for the following projects, subject to the  
12 approval of the Director of the Division of Budget and Accounting:

13 a. \$191,000,000 for improvements to platforms, roof  
14 replacement, lighting upgrades, and other interior and exterior  
15 improvements at Newark Penn Station;

16 b. \$176,000,000 for infrastructure and access improvements at  
17 the Hoboken Ferry Terminal Building and Hoboken Bus Terminal;

18 c. \$250,000,000 for the redevelopment of the Walter Rand  
19 Transportation Center;

20 d. \$48,000,000 for improvements at the Bloomfield Station;

21 e. \$33,000,000 for improvements at the Brick Church Station;

22 f. \$49,000,000 for extending and replacing existing platforms,  
23 rehabilitating and replacing the elevators and escalators, installing  
24 new lighting and windows, upgrading HVAC systems, and other  
25 internal and external improvements at the New Brunswick Station;

26 g. \$27,000,000 for platform replacement, repairs to access  
27 stairs, and other internal and external improvements at the Roselle  
28 Park Station; and

29 h. \$40,000,000 for construction of a Maintenance-of-Way  
30 facility in Clifton, New Jersey.

31  
32 5. a. Notwithstanding the provisions of section 3 of P.L.2021,  
33 c.125, there is appropriated from the "New Jersey Debt Defeasance  
34 and Prevention Fund" such amounts remaining therein after the  
35 appropriations required pursuant to sections 2 through 4 of this act,  
36 as determined by the State Treasurer, including any amounts  
37 previously deposited therein, for the purpose of retiring and  
38 defeasing debts of the State of New Jersey, and the costs thereof, in  
39 such manner and at such times as the State Treasurer shall direct. If  
40 money is used for debt retirement or defeasance, the State Treasurer  
41 shall submit to the Joint Budget Oversight Committee a report  
42 describing the manner in which debt retirement and defeasance has  
43 been accomplished, including a description of the amounts to be  
44 saved and an attestation that describes the manner in which the  
45 retired debt benefits the State.

46 b. Notwithstanding the provisions of section 4 of P.L.2021,  
47 c.125, there is appropriated from the "New Jersey Debt Defeasance  
48 and Prevention Fund" such amounts remaining therein after the

1 appropriations required pursuant to sections 2 through 4 of this act,  
2 as determined by the State Treasurer, including any amounts  
3 previously deposited therein, for the purpose of funding capital  
4 construction projects for which State debt is already authorized by  
5 law, or for which funding would have been derived from future  
6 State bond issuances, thereby constituting debt avoidance, subject  
7 to the approval of the Director of the Division of Budget and  
8 Accounting. The State Treasurer shall submit a list of proposed  
9 capital projects to the Joint Budget Oversight Committee for  
10 approval. The Joint Budget Oversight Committee shall meet not  
11 less frequently than quarterly, with the first quarter of the fiscal  
12 year beginning on July 1 and ending on September 30, to consider  
13 lists of proposed capital projects submitted by the State Treasurer.  
14 The Joint Budget Oversight Committee shall meet during the third  
15 month of the first quarter of the fiscal year. In the event that the  
16 Joint Budget Oversight Committee fails to meet during a given  
17 quarter, any recommendation submitted to the Joint Budget  
18 Oversight Committee more than 45 days prior to the last day of the  
19 quarter shall be deemed approved.

20

21 6. This act shall take effect immediately.

22

23

24

#### STATEMENT

25

26 This bill adds \$5.150 billion from the General Fund to the “New  
27 Jersey Debt Defeasance and Prevention Fund,” and appropriates a  
28 total of \$2.9 billion from the fund to the New Jersey Schools  
29 Development Authority (SDA), \$814 million to the New Jersey  
30 Transit Corporation (NJT) and \$230 million to the Department of  
31 Transportation (DOT). The fund was established in 2021 for the  
32 purpose of: retiring and defeasing State debt, including general  
33 obligation bonds and appropriations-backed bonds, and the costs  
34 thereof; and funding capital projects on a pay-as-you-go basis,  
35 rather than issuing additional State debt.

36

#### *Specific Debt Defeasance and Prevention Fund Appropriations*

37 The specific appropriations in the bill are intended to support  
38 various school and transportation capital projects. Of the \$1.9  
39 billion appropriated to the SDA, \$1.550 billion is appropriated for  
40 school facilities projects, emergent needs, and capital maintenance  
41 in SDA districts and \$350 million is allocated for such projects in  
42 non-SDA school districts. The \$814 million appropriated to NJT is  
43 allocated for capital improvements and maintenance at various NJT  
44 facilities. The \$230 million appropriated to the DOT allocated to  
45 support the design and construction of multiple projects supported  
46 by the Lincoln Tunnel Access Program, the reconstruction of the I-  
47 295 Direct Connect Wall, and the engineering design of capital  
48

1 projects identified by the DOT Commissioner that are subject to the  
2 multi-project solicitation initiated by the DOT and the Federal  
3 Highway Administration.

4

5 *Future Debt Defeasance and Prevention Fund Appropriations*

6 The bill authorizes balances remaining the fund, including  
7 amounts previously credited to the fund by P.L.2021, c.125, to be  
8 appropriated for the purpose of retiring and defeasing State debt and  
9 funding capital projects on a pay-as-you-go basis rather than issuing  
10 additional State debt.

11 The bill also establishes a process by which the Executive and  
12 Legislative branches of State government will determine future  
13 appropriations from the fund for capital projects. The bill requires  
14 the Joint Budget Oversight Committee (JBOC) to meet at least once  
15 each calendar quarter to consider appropriations for capital projects  
16 on lists provided by the State Treasurer. JBOC may appropriate  
17 funding for all, some, or none of the projects recommended by the  
18 State Treasurer. If JBOC fails to meet during a given calendar  
19 quarter, any recommendation submitted to JBOC more than 45 days  
20 prior to the last day of the calendar quarter is deemed approved.

21

22

23

24

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25 Credits \$5.2 billion to “New Jersey Debt Defeasance and  
26 Prevention Fund”; appropriates \$2.9 billion to NJ Schools  
27 Development Authority, NJ DOT, and NJT; and establishes process  
28 for authorizing future appropriations for debt defeasance and capital  
29 projects.

# SENATE, No. 2944

## STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED JUNE 27, 2022

**Sponsored by:**

**Senator PAUL A. SARLO**

**District 36 (Bergen and Passaic)**

**Senator M. TERESA RUIZ**

**District 29 (Essex)**

**Assemblyman ROY FREIMAN**

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

**Assemblywoman GABRIELA M. MOSQUERA**

**District 4 (Camden and Gloucester)**

**Assemblywoman SADAF F. JAFFER**

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

**Assemblyman PAUL D. MORIARTY**

**District 4 (Camden and Gloucester)**

**Assemblyman P. CHRISTOPHER TULLY**

**District 38 (Bergen and Passaic)**

**Assemblywoman LISA SWAIN**

**District 38 (Bergen and Passaic)**

**Co-Sponsored by:**

**Assemblywomen Murphy, Lopez, Assemblyman Moen, Assemblywoman Jimenez, Assemblyman Mejia, Assemblywoman Tucker, Assemblymen Caputo, Wimberly, McKeon, Stanley, Assemblywoman Park, Assemblyman Spearman, Assemblywomen Chaparro, Jasey, McKnight, Assemblymen DeAngelo, Danielsen, Mukherji, Sampson, Karabinchak, Verrelli, Benson, Assemblywoman Lampitt, Assemblyman Atkins, Assemblywoman Carter, Assemblymen Schaer, Egan, Assemblywomen Timberlake and Haider**

**SYNOPSIS**

Credits \$5.2 billion to “New Jersey Debt Defeasance and Prevention Fund”; appropriates \$2.9 billion to NJ Schools Development Authority, NJ DOT, and NJT; and establishes process for authorizing future appropriations for debt defeasance and capital projects.

**CURRENT VERSION OF TEXT**

As introduced.

(Sponsorship Updated As Of: 6/29/2022)

1 AN ACT concerning the “New Jersey Debt Defeasance and  
2 Prevention Fund” and making appropriations.

3

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

6

7 1. There shall be credited \$5,150,000,000 from the General  
8 Fund to the "New Jersey Debt Defeasance and Prevention Fund,"  
9 established pursuant to section 1 of P.L.2021, c.125 (C.52:9H-2.2).

10

11 2. a. There is appropriated from the "New Jersey Debt  
12 Defeasance and Prevention Fund" \$1,900,000,000 to the New  
13 Jersey Schools Development Authority for the purpose of funding  
14 school facilities projects, emergent needs, and capital maintenance  
15 in school districts for which State debt is already authorized by law,  
16 or for which funding would have been derived from future State  
17 bond issuances, thereby constituting debt avoidance, subject to the  
18 approval of the Director of the Division of Budget and Accounting.  
19 Of the amount appropriated pursuant to this section, \$1,550,000,000  
20 is appropriated for school facilities projects, emergent needs, and  
21 capital maintenance in SDA districts and \$350,000,000 is  
22 appropriated for school facilities projects, emergent needs, and  
23 capital maintenance in all other districts.

24 b. The State Treasurer shall enter into a grant agreement with the  
25 New Jersey Schools Development Authority which shall set forth  
26 the terms and conditions for the provision of the grant, including the  
27 schedule for disbursement of the grant. Notwithstanding any other  
28 law or regulation to the contrary, the monies appropriated pursuant  
29 to this section shall be invested by the State Treasurer pending the  
30 disbursement of such monies in such obligations, securities and  
31 other investments as shall be determined by the State Treasurer.

32

33 3. There is appropriated from the "New Jersey Debt  
34 Defeasance and Prevention Fund" \$230,000,000 to the Department  
35 of Transportation, which shall be allocated, expended, and  
36 administered by the Department of Transportation in the following  
37 amounts for the following projects, subject to the approval of the  
38 Director of the Division of Budget and Accounting:

39 a. \$135,000,000 for the design and construction of the multiple  
40 projects supported by the Lincoln Tunnel Access Program;

41 b. \$50,000,000 for the reconstruction of I-295 Direct Connect  
42 Wall 22; and

43 c. \$45,000,000 for the engineering design of capital projects  
44 identified by the Commissioner of Transportation that are the  
45 subject of the multi-project solicitation pilot initiated by the  
46 Department of Transportation and the Federal Highway  
47 Administration.



1 4. There is appropriated from the "New Jersey Debt  
2 Defeasance and Prevention Fund" \$814,000,000 to the New Jersey  
3 Transit Corporation, which shall be allocated, expended, and  
4 administered by the New Jersey Transit Corporation in the  
5 following amounts for the following projects, subject to the  
6 approval of the Director of the Division of Budget and Accounting:

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8 replacement, lighting upgrades, and other interior and exterior  
9 improvements at Newark Penn Station;

10 b. \$176,000,000 for infrastructure and access improvements at  
11 the Hoboken Ferry Terminal Building and Hoboken Bus Terminal;

12 c. \$250,000,000 for the redevelopment of the Walter Rand  
13 Transportation Center;

14 d. \$48,000,000 for improvements at the Bloomfield Station;

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17 rehabilitating and replacing the elevators and escalators, installing  
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19 internal and external improvements at the New Brunswick Station;

20 g. \$27,000,000 for platform replacement, repairs to access  
21 stairs, and other internal and external improvements at the Roselle  
22 Park Station; and

23 h. \$40,000,000 for construction of a Maintenance-of-Way  
24 facility in Clifton, New Jersey.

25

26 5. a. Notwithstanding the provisions of section 3 of P.L.2021,  
27 c.125, there is appropriated from the "New Jersey Debt Defeasance  
28 and Prevention Fund" such amounts remaining therein after the  
29 appropriations required pursuant to sections 2 through 4 of this act,  
30 as determined by the State Treasurer, including any amounts  
31 previously deposited therein, for the purpose of retiring and  
32 defeasing debts of the State of New Jersey, and the costs thereof, in  
33 such manner and at such times as the State Treasurer shall direct. If  
34 money is used for debt retirement or defeasance, the State Treasurer  
35 shall submit to the Joint Budget Oversight Committee a report  
36 describing the manner in which debt retirement and defeasance has  
37 been accomplished, including a description of the amounts to be  
38 saved and an attestation that describes the manner in which the  
39 retired debt benefits the State.

40 b. Notwithstanding the provisions of section 4 of P.L.2021,  
41 c.125, there is appropriated from the "New Jersey Debt Defeasance  
42 and Prevention Fund" such amounts remaining therein after the  
43 appropriations required pursuant to sections 2 through 4 of this act,  
44 as determined by the State Treasurer, including any amounts  
45 previously deposited therein, for the purpose of funding capital  
46 construction projects for which State debt is already authorized by  
47 law, or for which funding would have been derived from future  
48 State bond issuances, thereby constituting debt avoidance, subject

1 to the approval of the Director of the Division of Budget and  
2 Accounting. The State Treasurer shall submit a list of proposed  
3 capital projects to the Joint Budget Oversight Committee for  
4 approval. The Joint Budget Oversight Committee shall meet not  
5 less frequently than quarterly, with the first quarter of the fiscal  
6 year beginning on July 1 and ending on September 30, to consider  
7 lists of proposed capital projects submitted by the State Treasurer.  
8 The Joint Budget Oversight Committee shall meet during the third  
9 month of the first quarter of the fiscal year. In the event that the  
10 Joint Budget Oversight Committee fails to meet during a given  
11 quarter, any recommendation submitted to the Joint Budget  
12 Oversight Committee more than 45 days prior to the last day of the  
13 quarter shall be deemed approved.

14

15 6. This act shall take effect immediately.

16

17

18

#### STATEMENT

19

20 This bill adds \$5.150 billion from the General Fund to the “New  
21 Jersey Debt Defeasance and Prevention Fund,” and appropriates a  
22 total of \$2.9 billion from the fund to the New Jersey Schools  
23 Development Authority (SDA), \$814 million to the New Jersey  
24 Transit Corporation (NJT) and \$230 million to the Department of  
25 Transportation (DOT). The fund was established in 2021 for the  
26 purpose of: retiring and defeasing State debt, including general  
27 obligation bonds and appropriations-backed bonds, and the costs  
28 thereof; and funding capital projects on a pay-as-you-go basis,  
29 rather than issuing additional State debt.

30

#### *Specific Debt Defeasance and Prevention Fund Appropriations*

31

32 The specific appropriations in the bill are intended to support  
33 various school and transportation capital projects. Of the \$1.9  
34 billion appropriated to the SDA, \$1.550 billion is appropriated for  
35 school facilities projects, emergent needs, and capital maintenance  
36 in SDA districts and \$350 million is allocated for such projects in  
37 non-SDA school districts. The \$814 million appropriated to NJT is  
38 allocated for capital improvements and maintenance at various NJT  
39 facilities. The \$230 million appropriated to the DOT allocated to  
40 support the design and construction of multiple projects supported  
41 by the Lincoln Tunnel Access Program, the reconstruction of the I-  
42 295 Direct Connect Wall, and the engineering design of capital  
43 projects identified by the DOT Commissioner that are subject to the  
44 multi-project solicitation initiated by the DOT and the Federal  
45 Highway Administration.

1 *Future Debt Defeasance and Prevention Fund Appropriations*

2 The bill authorizes balances remaining the fund, including  
3 amounts previously credited to the fund by P.L.2021, c.125, to be  
4 appropriated for the purpose of retiring and defeasing State debt and  
5 funding capital projects on a pay-as-you-go basis rather than issuing  
6 additional State debt.

7 The bill also establishes a process by which the Executive and  
8 Legislative branches of State government will determine future  
9 appropriations from the fund for capital projects. The bill requires  
10 the Joint Budget Oversight Committee (JBOC) to meet at least once  
11 each calendar quarter to consider appropriations for capital projects  
12 on lists provided by the State Treasurer. JBOC may appropriate  
13 funding for all, some, or none of the projects recommended by the  
14 State Treasurer. If JBOC fails to meet during a given calendar  
15 quarter, any recommendation submitted to JBOC more than 45 days  
16 prior to the last day of the calendar quarter is deemed approved.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### SENATE, No. 2944

# STATE OF NEW JERSEY

DATED: JUNE 27, 2022

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2944.

This bill adds \$5.150 billion from the General Fund to the “New Jersey Debt Defeasance and Prevention Fund,” and appropriates a total of \$2.9 billion from the fund to the New Jersey Schools Development Authority (SDA), \$814 million to the New Jersey Transit Corporation (NJT) and \$230 million to the Department of Transportation (DOT). The fund was established in 2021 for the purpose of: retiring and defeasing State debt, including general obligation bonds and appropriations-backed bonds, and the costs thereof; and funding capital projects on a pay-as-you-go basis, rather than issuing additional State debt.

#### *Specific Debt Defeasance and Prevention Fund Appropriations*

The specific appropriations in the bill are intended to support various school and transportation capital projects. Of the \$1.9 billion appropriated to the SDA, \$1.550 billion is appropriated for school facilities projects, emergent needs, and capital maintenance in SDA districts and \$350 million is allocated for such projects in non-SDA school districts. The \$814 million appropriated to NJT is allocated for capital improvements and maintenance at various NJT facilities. The \$230 million appropriated to the DOT allocated to support the design and construction of multiple projects supported by the Lincoln Tunnel Access Program, the reconstruction of the I-295 Direct Connect Wall, and the engineering design of capital projects identified by the DOT Commissioner that are subject to the multi-project solicitation initiated by the DOT and the Federal Highway Administration.

#### *Future Debt Defeasance and Prevention Fund Appropriations*

The bill authorizes balances remaining the fund, including amounts previously credited to the fund by P.L.2021, c.125, to be appropriated for the purpose of retiring and defeasing State debt and funding capital projects on a pay-as-you-go basis rather than issuing additional State debt.

The bill also establishes a process by which the Executive and Legislative branches of State government will determine future appropriations from the fund for capital projects. The bill requires the Joint Budget Oversight Committee (JBOC) to meet at least once each

calendar quarter to consider appropriations for capital projects on lists provided by the State Treasurer. JBOC may appropriate funding for all, some, or none of the projects recommended by the State Treasurer. If JBOC fails to meet during a given calendar quarter, any recommendation submitted to JBOC more than 45 days prior to the last day of the calendar quarter is deemed approved.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.

# ASSEMBLY, No. 4162

## STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED JUNE 2, 2022

**Sponsored by:**

**Assemblyman ROY FREIMAN**

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

**Assemblywoman GABRIELA M. MOSQUERA**

**District 4 (Camden and Gloucester)**

**Assemblywoman SADAF F. JAFFER**

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

**Assemblyman PAUL D. MORIARTY**

**District 4 (Camden and Gloucester)**

**Assemblyman P. CHRISTOPHER TULLY**

**District 38 (Bergen and Passaic)**

**Assemblywoman LISA SWAIN**

**District 38 (Bergen and Passaic)**

**Co-Sponsored by:**

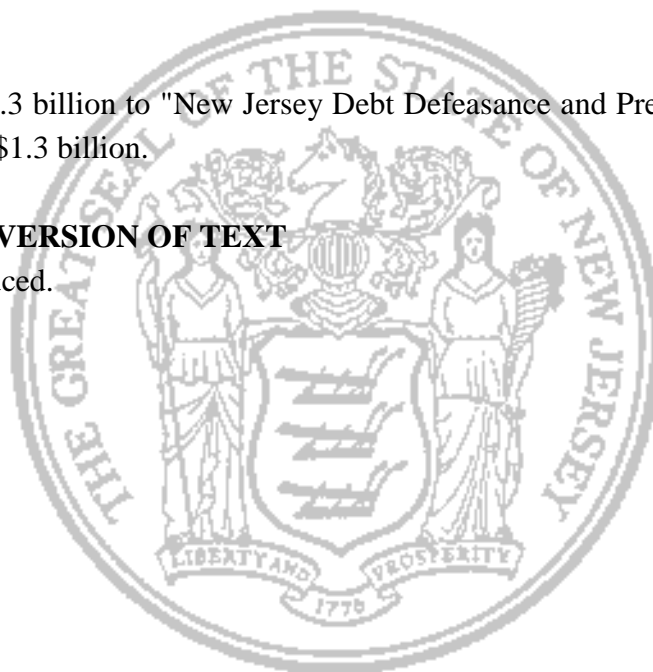
**Assemblywoman Murphy**

**SYNOPSIS**

Credits \$1.3 billion to "New Jersey Debt Defeasance and Prevention Fund"; appropriates \$1.3 billion.

**CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 6/27/2022)

1 AN ACT concerning the "New Jersey Debt Defeasance and  
2 Prevention Fund," and making an appropriation.

3

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

6

7 1. There shall be credited \$1,300,000,000 from the General  
8 Fund to the "New Jersey Debt Defeasance and Prevention Fund,"  
9 established pursuant to section 1 of P.L.2021, c.125 (C.52:9H-2.2).

10

11 2. There is appropriated from the "New Jersey Debt  
12 Defeasance and Prevention Fund" \$1,000,000,000 for the purpose  
13 of retiring and defeasing debts of the State of New Jersey, and the  
14 costs thereof, in such manner and at such times as the State  
15 Treasurer shall direct. If moneys are used for debt retirement or  
16 defeasance, the State Treasurer shall submit to the Joint Budget  
17 Oversight Committee a report describing the manner in which debt  
18 retirement and defeasance has been accomplished, including a  
19 description of amounts to be saved and an attestation that such  
20 savings have been maximized within a ten-year period.

21

22 3. There is appropriated from the "New Jersey Debt  
23 Defeasance and Prevention Fund" \$300,000,000 for the purpose of  
24 funding capital construction projects for which State debt is already  
25 authorized by law, or for which funding would have been derived  
26 from future State bond issuances, thereby constituting debt  
27 avoidance, subject to the approval of the Director of the Division of  
28 Budget and Accounting. The State Treasurer shall submit a list of  
29 proposed capital projects to the Joint Budget Oversight Committee  
30 for approval. Within one business day of receipt of a list, the Joint  
31 Budget Oversight Committee shall schedule a meeting to consider  
32 the submitted items, which hearing shall be held within seven days  
33 of receipt of the list.

34

35 4. This act shall take effect immediately.

36

37

38

#### STATEMENT

39

40 This bill adds \$1.3 billion from the General Fund to the "New  
41 Jersey Debt Defeasance and Prevention Fund," which was  
42 established in 2021 for the purposes of: retiring and defeasing State  
43 debt, including general obligation bonds and appropriations-backed  
44 bonds, and the costs thereof; and funding capital projects on a pay-  
45 as-you-go basis rather than issuing additional State debt, including  
46 general obligation bonds or appropriations-backed bonds.

**A4162 FREIMAN, MOSQUERA**

3

1       The bill also appropriates \$1 billion from the fund for the  
2 purpose of retiring and defeasing State debt, and \$300 million for  
3 funding capital projects on a pay-as-you-go basis rather than issuing  
4 additional State debt.



# ASSEMBLY BUDGET COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 4162

# STATE OF NEW JERSEY

DATED: JUNE 27, 2022

The Assembly Budget Committee reports favorably and with committee amendments Assembly Bill No. 4162.

As amended, this bill adds \$5.150 billion from the General Fund to the “New Jersey Debt Defeasance and Prevention Fund,” and appropriates a total of \$2.9 billion from the fund to the New Jersey Schools Development Authority (SDA), \$814 million to the New Jersey Transit Corporation (NJT) and \$230 million to the Department of Transportation (DOT).

#### *Specific Debt Defeasance and Prevention Fund Appropriations*

The specific appropriations in the amended bill are intended to support various school and transportation capital projects. Of the \$1.9 billion appropriated to the SDA, \$1.550 billion is appropriated for school facilities projects, emergent needs, and capital maintenance in SDA districts and \$350 million is allocated for such projects in all other school districts. The \$814 million appropriated to NJT is allocated for capital improvements and maintenance at various NJT facilities. The \$230 million appropriated to the DOT allocated to support the design and construction of multiple projects supported by the Lincoln Tunnel Access Program, the reconstruction of the I-295 Direct Connect Wall, and the engineering design of capital projects identified by the DOT Commissioner that are subject to the multi-project solicitation initiated by the DOT and the Federal Highway Administration.

#### *Future Debt Defeasance and Prevention Fund Appropriations*

As amended, the bill authorizes balances remaining the fund, including amounts previously credited to the fund by P.L.2021, c.125, to be appropriated for the purpose of retiring and defeasing State debt and funding capital projects on a pay-as-you-go basis rather than issuing additional State debt.

The amended bill also establishes a process by which the Executive and Legislative branches of State government will determine future appropriations from the fund for capital projects. The bill requires the Joint Budget Oversight Committee (JBOC) to meet at least once each calendar quarter to consider appropriations for capital projects on lists provided by the State Treasurer. JBOC may appropriate funding for all, some, or none of the projects

recommended by the State Treasurer. If JBOC fails to meet during a given calendar quarter, any recommendation submitted to JBOC more than 45 days prior to the last day of the calendar quarter is deemed approved.

COMMITTEE AMENDMENTS:

The committee amendments:

- Increase, from \$1.3 billion to \$5.150 billion, the amount credited from the General Fund to the “New Jersey Debt Defeasance and Prevention Fund”;
- Appropriate \$1.9 billion from the “New Jersey Debt Defeasance and Prevention Fund” to the SDA;
- Allocate \$1.550 billion from the amount appropriated to the SDA to be allocated for capital projects in SDA districts;
- Allocate \$350 million from the amount appropriated to the SDA for capital projects in non-SDA school districts;
- Appropriate \$230 million from the “New Jersey Debt Defeasance and Prevention Fund” to the DOT for various transportation capital projects;
- Appropriate \$814 million from the “New Jersey Debt Defeasance and Prevention Fund” to the NJT for capital improvements and maintenance at various NJT facilities;
- Authorize the appropriation of remaining balances in the “New Jersey Debt Defeasance and Prevention Fund” to retire State debt or to fund capital projects on a pay-as-you-go basis; and
- Establish a process by which the Joint Budget Oversight Committee may approve future appropriations from the “New Jersey Debt Defeasance and Prevention Fund” for capital projects.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.

# Governor Murphy Takes Action on Legislation

06/30/2022

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

**2944/A-4162 (Sarlo, Ruiz/Freiman, Mosquera, Jaffer, Moriarty, Tully, Swain)** - Credits \$5.2 billion to “New Jersey Debt Defeasance and Prevention Fund”; appropriates \$2.9 billion to NJ Schools Development Authority, NJ DOT, and NJT; and establishes process for authorizing future appropriations for debt defeasance and capital projects

**S-1929/A-3668 (Gopal, Pennacchio/McKeon, Tully, Conaway)** - Makes FY 2022 supplemental appropriation to provide State military impact aid to certain school districts

**A-4403/S-2915 (Pintor Marin, Wimberly/Sarlo, Cunningham)** - Makes FY 2022 supplemental appropriations of \$71,786,000

**ACS for A-1522/S-2914 (Moriarty, Mosquera, Jaffer, Freiman, Lampitt, Greenwald/Madden, Gopal)** - Establishes annual sales tax holiday for certain retail sales of computers, school computer supplies, school supplies, school art supplies, school instructional materials and sport or recreational equipment.

**A-4401/S-2860 (Jaffer, Moriarty, Tully/Gopal, Pou)** - Provides one-year waiver of certain MVC fees imposed for driver’s licenses and non-driver identification cards.

**S-2861/A-4400 (Madden, Pou/Mosquera, Swain, Wimberly)** - Waives fees for marriage and civil union licenses in Fiscal Year 2023; appropriates \$2 million

**S-2523/ACS for A-3852 (Ruiz, Cunningham/Reynolds-Jackson, Freiman, Jaffer, Moriarty, Mosquera, Wimberly)** - Provides child tax credit under gross income tax

**S-2476wGR/A-4179 (Ruiz, Vitale/Coughlin, Jasey, Sumter, Quijano)** - Establishes Thriving By Three Act to award competitive grants for infant and toddler child care programs; appropriates \$28 million

**A-2359/S-2034 (Tucker, Moen, Haider/Cruz-Perez, Pou)** - Provides for streamlining of SNAP application process and establishes SNAP application call center; appropriates \$750,000

**A-2360/S-2035 (Reynolds-Jackson, Mukherji, Speight/Cunningham, Ruiz)** - Eliminates requirement that participation in NJ SNAP Employment and Training Program is mandatory for certain recipients

**A-2361/S-2016 (Jimenez, Sumter, Timberlake/Zwicker, Ruiz)** - Requires DHS to maintain SNAP outreach plan and to conduct additional outreach programs

**A-2362/S-2036 (Freiman, Mosquera, Quijano/Johnson, Ruiz)** - Requires DHS to submit federal waiver request regarding time limits for certain SNAP recipients under certain circumstances

**A-2363/S-2033 (Stanley, Mejia, Lopez/Pou, Ruiz)** - Concerns SNAP services provided at county boards of social services and county welfare agencies; appropriates \$250,000

**A-2364/S-2017 (Spearman, Pintor Marin, Atkins/Greenstein, Ruiz)** - Appropriates \$813,000 to DHS to implement use of electronic benefit transfer cards in Senior Farmers’ Market Nutrition Program

**A-2366/SCS for S-2156 (McKnight, Carter, Verrelli/Lagana, Pou)** - Establishes State SNAP Minimum Benefit Program; appropriates \$18 million to DHS

**A-2008/S-352 (Conaway, Verrelli, Benson/Gopal, Madden)** - Requires health insurance carriers to provide coverage for treatment of mental health conditions and substance use disorders through collaborative care

**S-2872/A-4399 (Scutari, Ruiz/Carter, Reynolds-Jackson, Murphy, Wimberly)** - Establishes Behavioral Healthcare Provider Loan Redemption Program within Higher Education Student Assistance Authority; appropriates \$5 million

**SCS for S-311/ACS for A-2036 (Vitale, Gopal/Benson, Verrelli, Conaway)** - Establishes Statewide behavioral health crisis system of care

**SCS for S-722 and 785/ACS for A-998 (Codey, Singleton/Reynolds-Jackson, Stanley, Jaffer)** - Codifies and expands ARRIVE Together Pilot Program to make certain mental health services available to police responding to certain emergencies; appropriates \$2 million

**S-2909/ACS for A-4374 (Diegnan/Benson, Pintor Marin, McKnight)** - Authorizes DOT to compensate contractors and subcontractors affected by supply chain shortages; appropriates \$10 million

**A-4405/S-2943 (Benson, Wimberly, Moen/Diegnan)** - Concerns New Jersey Transportation Trust Fund Authority; increases Transportation Trust Fund spending limit by \$600 million

**A-674/S-1646 (Verrelli, McKnight, McKeon/Ruiz, Pou)** - Establishes New Jersey Easy Enrollment Health Insurance Program

**A-3733/S-488 (Haider, Stanley, Benson/Scutari, Beach)** - Authorizes student attending institution of higher education to earn credit towards graduation for serving as poll worker

**ACS for A-3990/SCS for S-2593 (Stanley, Tully, Karabinchak/Diegnan, Corrado)** - Provides temporary one-year extension of service life of school buses for 2022-2023 school year; authorizes chief administrator to allow one-year extension in subsequent two school years

**A-4208/S-2791 (Pintor Marin, Quijano, Speight/Ruiz, Cruz-Perez)** - Provides sales and use tax exemption for certain purchases made by all supermarkets and grocery stores located within urban enterprise zones

**A2426/S513 (Wimberly, Reynolds-Jackson, Schaer/Cryan, Turner)** - Establishes rebuttable presumption of pretrial detention for defendants who commit certain firearm offenses under Graves Act

**A-4385/S-2933 (Conaway/Cryan)** - Makes various revisions to law pertaining to electronic medical records and recording patients' demographic information

**S-2807/A-246 (Stack, Sacco, Cunningham/McKnight, Sampson, Chaparro)** - Establishes Liberty State Park Design Task Force

**S-2917/A-4395 (Cruz-Perez, Stack/Pintor Marin, Freiman, Reynolds-Jackson)** - Expands allowance for developers to carry forward unused tax credits under New Jersey Aspire Program

**S-2921/A-4365 (Zwicker, Pou/Coughlin, Verrelli, Spearman)** - Revises various provisions of Food Desert Relief Program

**S-2945/ACS for A-4392 (Scutari/Pintor Marin, Sumter, Quijano, McKnight)** - Concerns economic incentives for certain cannabis businesses

**S-2023/A-4402 (Sarlo, Cunningham/Pintor Marin, Wimberly) - LINE ITEM** - Appropriates \$50,638,729,000 in State funds and \$24,082,639,850 in federal funds for the State budget for fiscal year 2022-2023

#### [Copy of Statement](#)

Governor Murphy signed the following bills today, which were sent to his desk yesterday, conditionally vetoed, and then passed in concurrence with the Governor's recommendations:

**S-2476/A-4179 (Ruiz, Vitale/Coughlin, Jasey, Sumter, Quijano) – CONDITIONAL** - Establishes Thriving By Three Act to award competitive grants for infant and toddler child care programs; appropriates \$28 million

#### [Copy of Statement](#)

**A-4403/S-2915 (Pintor Marin, Wimberly/Sarlo, Cunningham) – CONDITIONAL** - Makes FY 2022 supplemental appropriations of \$71,786,000

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