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# SENATE, No. 2889

## STATE OF NEW JERSEY 213th LEGISLATURE

INTRODUCED MAY 21, 2009

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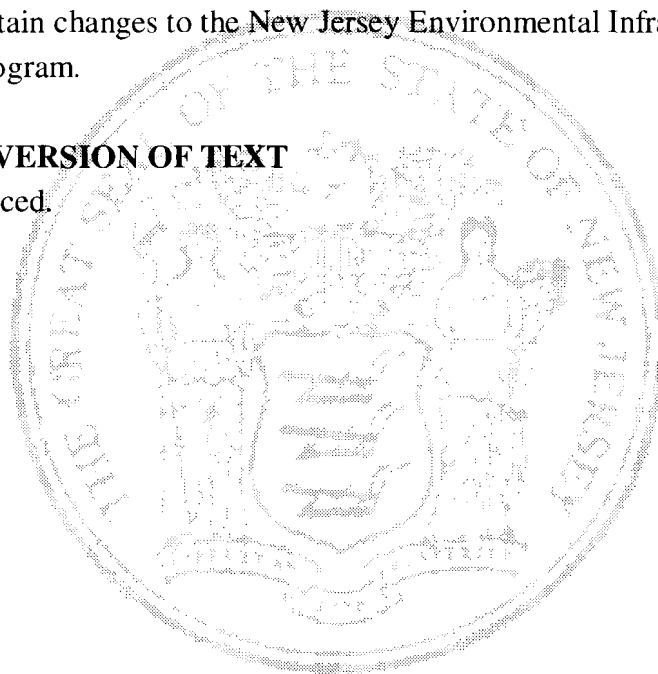
**Senator Beach**

**SYNOPSIS**

Makes certain changes to the New Jersey Environmental Infrastructure Trust Financing Program.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 6/26/2009)**

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

3

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

6

7 1. Section 3 of P.L.1985, c.334 (C.58:11B-3) is amended to  
8 read as follows:

9 3. As used in sections 1 through 27 of P.L.1985, c.334  
10 (C.58:11B-1 through 58:11B-27) and sections 23 through 27 of  
11 P.L.1997, c.224 (C.58:11B-10.1 et al.):

12 "Bonds" means bonds issued by the trust pursuant to P.L.1985,  
13 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et  
14 al.);

15 "Combined sewer system" means a sewer system designed to  
16 carry sanitary wastewater at all times, which is also designed to  
17 collect and transport stormwater runoff from streets and other  
18 sources, thereby serving a combined purpose;

19 "Combined sewer overflow" means the discharge of untreated or  
20 partially treated stormwater runoff and wastewater from a combined  
21 sewer system into a body of water;

22 "Commissioner" means the Commissioner of the Department of  
23 Environmental Protection;

24 "Cost" means the cost of all labor, materials, machinery and  
25 equipment, lands, property, rights and easements, financing  
26 charges, interest on bonds, notes or other obligations, plans and  
27 specifications, surveys or estimates of costs and revenues,  
28 engineering and legal services, and all other expenses necessary or  
29 incident to all or part of an environmental infrastructure project;

30 "Department" means the Department of Environmental  
31 Protection;

32 "Local government unit" means (1) a State authority, county,  
33 municipality, municipal, county or regional sewerage or utility  
34 authority, municipal sewerage district, joint meeting, improvement  
35 authority, or any other political subdivision of the State authorized  
36 to construct, operate and maintain wastewater treatment systems; or  
37 (2) a State authority, district water supply commission, county,  
38 municipality, municipal, county or regional utilities authority,  
39 municipal water district, joint meeting or any other political  
40 subdivision of the State authorized pursuant to law to operate or  
41 maintain a public water supply system or to construct, rehabilitate,  
42 operate or maintain water supply facilities or otherwise provide  
43 water for human consumption;

**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 "Notes" means notes issued by the trust pursuant to P.L.1985,  
2 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et  
3 al.);

4 "Onsite septic system ordinance or regulation" means an  
5 ordinance adopted by a municipality or county or regulation  
6 adopted by a regional planning agency establishing the  
7 requirements for construction, maintenance and repair of onsite  
8 wastewater treatment and disposal systems;

9 "Onsite wastewater treatment and disposal system" means an on-  
10 site system designed to treat and dispose of domestic sewage;

11 "Project" or "environmental infrastructure project" means the  
12 acquisition, construction, improvement, repair or reconstruction of  
13 all or part of any structure, facility or equipment, or real or personal  
14 property necessary for or ancillary to any (1) wastewater treatment  
15 system project, including any stormwater management or combined  
16 sewer overflow abatement projects; or (2) water supply project, as  
17 authorized pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.) or  
18 P.L.1997, c.224 (C.58:11B-10.1 et al.), including any water  
19 resources project, as authorized pursuant to P.L.2003, c.162;

20 "Public water utility" means any investor-owned water company  
21 or small water company;

22 "Small water company" means any company, purveyor or entity,  
23 other than a governmental agency, that provides water for human  
24 consumption and which regularly serves less than 1,000 customer  
25 connections, including nonprofit, noncommunity water systems  
26 owned or operated by a nonprofit group or organization;

27 "Stormwater management system" means any equipment, plants,  
28 structures, machinery, apparatus, management practices, or land, or  
29 any combination thereof, acquired, used, constructed, implemented  
30 or operated to prevent nonpoint source pollution, abate improper  
31 cross-connections and interconnections between stormwater and  
32 sewer systems, minimize stormwater runoff, reduce soil erosion, or  
33 induce groundwater recharge, or any combination thereof;

34 "Trust" means the New Jersey Environmental Infrastructure  
35 Trust created pursuant to section 4 of P.L.1985, c.334 (C.58:11B-  
36 4);

37 "Wastewater" means residential, commercial, industrial, or  
38 agricultural liquid waste, sewage, septage, stormwater runoff, or  
39 any combination thereof, or other liquid residue discharged or  
40 collected into a sewer system or stormwater management system, or  
41 any combination thereof;

42 "Wastewater treatment system" means any equipment, plants,  
43 structures, machinery, apparatus, or land, or any combination  
44 thereof, acquired, used, constructed or operated by, or on behalf of,  
45 a local government unit for the storage, collection, reduction,  
46 recycling, reclamation, disposal, separation, or other treatment of  
47 wastewater or sewage sludge, or for the collection or treatment, or  
48 both, of stormwater runoff and wastewater, or for the final disposal

1 of residues resulting from the treatment of wastewater, including,  
2 but not limited to, pumping and ventilating stations, treatment  
3 plants and works, connections, outfall sewers, interceptors, trunk  
4 lines, stormwater management systems, and other personal property  
5 and appurtenances necessary for their use or operation; "wastewater  
6 treatment system" shall include a stormwater management system  
7 or a combined sewer system;

8 "Wastewater treatment system project" means any work relating  
9 to the acquisition, construction, improvement, repair or  
10 reconstruction of all or part of any structure, facility or equipment,  
11 or real or personal property necessary for or ancillary to any  
12 wastewater treatment system that meets the requirements set forth  
13 in sections 20, 21 and 22 of P.L.1985, c.334 (C.58:11B-20, 58:11B-  
14 21 and 58:11B-22); or any work relating to any of the stormwater  
15 management or combined sewer overflow abatement projects  
16 identified in the stormwater management and combined sewer  
17 overflow abatement project priority list adopted by the  
18 commissioner pursuant to section 28 of P.L.1989, c.181; or any  
19 work relating to the purposes set forth in section 6 of P.L.2003,  
20 c.162; or any work relating to any other project eligible for  
21 financing under the Federal Water Pollution Control Act  
22 Amendments of 1972 (33 U.S.C. s.1251 et seq.), or any amendatory  
23 or supplementary acts thereto;

24 "Water resources project" means any work related to transferring  
25 water between public water systems during a state of water  
26 emergency, to avert a drought emergency in all or any part of the  
27 State, to plan, design or construct interconnections of existing water  
28 supplies, or to extend water supplies to areas with contaminated  
29 ground water supplies;

30 "Water supply facilities" means and refers to the real property  
31 and the plants, structures, interconnections between existing water  
32 supply facilities, machinery and equipment and other property, real,  
33 personal and mixed, acquired, constructed or operated, or to be  
34 acquired, constructed or operated, in whole or in part, by or on  
35 behalf of a public water utility, or by or on behalf of the State or a  
36 local government unit, for the purpose of augmenting the natural  
37 water resources of the State and making available an increased  
38 supply of water for all uses, or of conserving existing water  
39 resources, and any and all appurtenances necessary, useful or  
40 convenient for the collecting, impounding, storing, improving,  
41 treating, filtering, conserving or transmitting of water, and for the  
42 preservation and protection of these resources and facilities,  
43 whether in public or private ownership, and providing for the  
44 conservation and development of future water supply resources, and  
45 facilitating incidental recreational uses thereof;

46 "Water supply project" means any work relating to the  
47 acquisition, construction, improvement, repair or reconstruction of  
48 all or part of any structure, facility or equipment, or real or personal

1 property necessary for or ancillary to water supply facilities that  
2 meets the requirements set forth in sections 24, 25 and 26 of  
3 P.L.1997, c.224 (C.58:11B-20.1, C.58:11B-21.1 and C.58:11B-  
4 22.1); or any work relating to the purposes set forth in section 4 of  
5 P.L.1981, c.261; or any work relating to the purposes set forth in  
6 section 6 of P.L.2003, c.162; or any work relating to any other  
7 project eligible for funding pursuant to the federal "Safe Drinking  
8 Water Act Amendments of 1996" Pub.L.104-182, and any  
9 amendatory and supplementary acts thereto.

10 (cf: P.L.2004, c.111, s.1)

11

12 2. Section 5 of P.L.1985, c.334 (C.58:11B-5) is amended to  
13 read as follows:

14 5. Except as otherwise limited by the provisions of P.L.1985,  
15 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et  
16 al.), the trust may:

17 a. Make and alter bylaws for its organization and internal  
18 management and, subject to agreements with holders of its bonds,  
19 notes or other obligations, make rules and regulations with respect  
20 to its operations, properties and facilities;

21 b. Adopt an official seal and alter it;

22 c. Sue and be sued;

23 d. Make and enter into all contracts, leases and agreements  
24 necessary or incidental to the performance of its duties and the  
25 exercise of its powers under the provisions of P.L.1985, c.334  
26 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), and  
27 subject to any agreement with the holders of the trust's bonds, notes  
28 or other obligations, consent to any modification, amendment or  
29 revision of any contract, lease or agreement to which the trust is a  
30 party;

31 e. Enter into agreements or other transactions with and accept,  
32 subject to the provisions of section 23 of P.L.1985, c.334  
33 (C.58:11B-23), grants, appropriations and the cooperation of the  
34 State, or any State agency, in furtherance of the purposes of  
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.), and do anything necessary in order to avail itself of that  
37 aid and cooperation;

38 f. Receive and accept aid or contributions from any source of  
39 money, property, labor or other things of value, to be held, used and  
40 applied to carry out the purposes of P.L.1985, c.334 (C.58:11B-1 et  
41 seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), subject to the  
42 conditions upon which that aid and those contributions may be  
43 made, including, but not limited to, gifts or grants from any  
44 department or agency of the State, or any State agency, for any  
45 purpose consistent with the provisions of P.L.1985, c.334  
46 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.),  
47 subject to the provisions of section 23 of P.L.1985, c.334  
48 (C.58:11B-23);

1 g. Acquire, own, hold, construct, improve, rehabilitate,  
2 renovate, operate, maintain, sell, assign, exchange, lease, mortgage  
3 or otherwise dispose of real and personal property, or any interest  
4 therein, in the exercise of its powers and the performance of its  
5 duties under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.)  
6 or P.L.1997, c.224 (C.58:11B-10.1 et al.);

7 h. Appoint and employ an executive director and any other  
8 officers or employees as it may require for the performance of its  
9 duties, without regard to the provisions of Title 11A of the New  
10 Jersey Statutes;

11 i. Borrow money and issue bonds, notes and other obligations,  
12 and secure the same, and provide for the rights of the holders  
13 thereof as provided in the provisions of P.L.1985, c.334 (C.58:11B-  
14 1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.);

15 j. Subject to any agreement with holders of its bonds, notes or  
16 other obligations, invest moneys of the trust not required for  
17 immediate use, including proceeds from the sale of any bonds, notes  
18 or other obligations, in any obligations, securities and other  
19 investments in accordance with the rules and regulations of the  
20 State Investment Council or as may otherwise be approved by the  
21 Director of the Division of Investment in the Department of the  
22 Treasury upon a finding that such investments are consistent with  
23 the corporate purposes of the trust;

24 k. Procure insurance to secure the payment of its bonds, notes  
25 or other obligations or the payment of any guarantees or loans made  
26 by it in accordance with the provisions of P.L.1985, c.334  
27 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
28 against any loss in connection with its property and other assets and  
29 operations, in any amounts and from any insurers as it deems  
30 desirable;

31 l. Engage the services of attorneys, accountants, engineers, and  
32 financial experts and any other advisors, consultants, experts and  
33 agents as may be necessary in its judgment and fix their  
34 compensation;

35 m. (1) Make and contract to make loans to local government  
36 units, or to a local government unit on behalf of another local  
37 government unit, to finance the cost of wastewater treatment system  
38 projects or water supply projects and acquire and contract to acquire  
39 notes, bonds or other obligations issued or to be issued by any local  
40 government units to evidence the loans, all in accordance with the  
41 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,  
42 c.224 (C.58:11B-10.1 et al.);

43 (2) Make and contract to make loans to public water utilities, or  
44 to any other person or local government unit on behalf of a public  
45 water utility, to finance the cost of water supply projects in  
46 accordance with the provisions of P.L.1985, c.334 (C.58:11B-1 et  
47 seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.);



1 (3) Make and contract to make loans to private persons other  
2 than local government units, or to any other person or local  
3 government unit on behalf of a private person, to finance the cost of  
4 onsite wastewater treatment and disposal systems or stormwater  
5 management systems in accordance 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.);

8 n. Subject to any agreement with holders of its bonds, notes or  
9 other obligations, purchase bonds, notes and other obligations of the  
10 trust and hold the same for resale or provide for the cancellation  
11 thereof, all in accordance with the provisions of P.L.1985, c.334  
12 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.);

13 o. (1) Charge to and collect from local government units,  
14 private persons or public water utilities any fees and charges in  
15 connection with the trust's loans, guarantees or other services,  
16 including, but not limited to, fees and charges sufficient to  
17 reimburse the trust for all reasonable costs necessarily incurred by it  
18 in connection with its financings and the establishment and  
19 maintenance of reserve or other funds, as the trust may determine to  
20 be reasonable. The fees and charges shall be in accordance with a  
21 uniform schedule published by the trust for the purpose of  
22 providing actual cost reimbursement for the services rendered;

23 (2) Any fees and charges collected by the trust pursuant to this  
24 subsection may be deposited and maintained in a special fund  
25 separate from any other funds held by the trust pursuant to section  
26 10 of P.L.1985, c.334 (C.58:11B-10) or section 23 of P.L.1997,  
27 c.224 (C.58:11B-10.1), including the Emergency Loan Fund  
28 established pursuant to section 4 of P.L.2007, c.138 (C.58:11B-9.1),  
29 and shall be available for any corporate purposes of the trust,  
30 including the Emergency Financing Program pursuant to section 4  
31 of P.L.2007, c.138 (C.58:11B-9.1);

32 p. Subject to any agreement with holders of its bonds, notes or  
33 other obligations, obtain as security or to provide liquidity for  
34 payment of all or any part of the principal of and interest and  
35 premium on the bonds, notes and other obligations of the trust or  
36 for the purchase upon tender or otherwise of the bonds, notes or  
37 other obligations, lines of credit, letters of credit and other security  
38 agreements or instruments in any amounts and upon any terms as  
39 the trust may determine, and pay any fees and expenses required in  
40 connection therewith;

41 q. Provide to local government units any financial and credit  
42 advice as these local government units may request;

43 r. Make payments to the State from any moneys of the trust  
44 available therefor as may be required pursuant to any agreement  
45 with the State or act appropriating moneys to the trust; and

46 s. Take any action necessary or convenient to the exercise of  
47 the foregoing powers or reasonably implied therefrom.

48 (cf: P.L.2007, c.138, s.1)

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

3       6. a. Except as may be otherwise expressly provided in 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.), the trust may from time to time issue  
6 its bonds, notes or other obligations in any principal amounts as in  
7 the judgment of the trust shall be necessary to provide sufficient  
8 funds for any of its corporate purposes, including the payment,  
9 funding or refunding of the principal of, or interest or redemption  
10 premiums on, any bonds, notes or other obligations issued by it,  
11 whether the bonds, notes or other obligations or the interest or  
12 redemption premiums thereon to be funded or refunded have or  
13 have not become due, the establishment or increase of reserves or  
14 other funds to secure or to pay the bonds, notes or other obligations  
15 or interest thereon and all other costs or expenses of the trust  
16 incident to and necessary to carry out its corporate purposes and  
17 powers.

18       b. Whether or not the bonds, notes or other obligations of the  
19 trust are of a form and character as to be negotiable instruments  
20 under the terms of Title 12A of the New Jersey Statutes, the bonds,  
21 notes and other obligations are made negotiable instruments within  
22 the meaning of and for the purposes of Title 12A of the New Jersey  
23 Statutes, subject only to the provisions of the bonds, notes and other  
24 obligations for registration.

25       c. Bonds, notes or other obligations of the trust shall be  
26 authorized by a resolution or resolutions of the trust and may be  
27 issued in one or more series and shall bear any date or dates, mature  
28 at any time or times, bear interest at any rate or rates of interest per  
29 annum, be in any denomination or denominations, be in any form,  
30 either coupon, registered or book entry, carry any conversion or  
31 registration privileges, have any rank or priority, be executed in any  
32 manner, be payable in any coin or currency of the United States  
33 which at the time of payment is legal tender for the payment of  
34 public and private debts, at any place or places within or without  
35 the State, and be subject to any terms of redemption by the trust or  
36 the holders thereof, with or without premium, as the resolution or  
37 resolutions may provide. A resolution of the trust authorizing the  
38 issuance of bonds, notes or other obligations may provide that the  
39 bonds, notes or other obligations be secured by a trust indenture  
40 between the trust and a trustee, vesting in the trustee any property,  
41 rights, powers and duties in trust consistent with the provisions of  
42 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-  
43 10.1 et al.) as the trust may determine.

44       d. Bonds, notes or other obligations of the trust may be sold at  
45 any price or prices and in any manner as the trust may determine.  
46 Each bond, note or other obligation shall mature and be paid not  
47 later than 20 years from the effective date thereof, or the certified

1 useful life of the project or projects to be financed by the bonds,  
2 whichever is less.

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

19 e. Bonds, notes or other obligations of the trust may be issued  
20 under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or  
21 P.L.1997, c.224 (C.58:11B-10.1 et al.) without obtaining the  
22 consent of any department, division, board, bureau or agency of the  
23 State, and without any other proceedings or the happening of any  
24 other conditions or things, other than those consents, proceedings,  
25 conditions or things which are specifically required by P.L.1985,  
26 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et  
27 al.).

28 f. Bonds, notes or other obligations of the trust issued under  
29 the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,  
30 c.224 (C.58:11B-10.1 et al.) shall not be a debt or liability of the  
31 State or of any political subdivision thereof other than the trust and  
32 shall not create or constitute any indebtedness, liability or  
33 obligation of the State or any political subdivision, but all these  
34 bonds, notes and other obligations, unless funded or refunded by  
35 bonds, notes or other obligations, shall be payable solely from  
36 revenues or funds pledged or available for their payment as  
37 authorized in P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,  
38 c.224 (C.58:11B-10.1 et al.). Each bond, note and obligation shall  
39 contain on its face a statement to the effect that the trust is obligated  
40 to pay the principal thereof or the interest thereon only from its  
41 revenues, receipts or funds pledged or available for their payment  
42 as authorized in 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.), and that neither the State, nor any  
44 political subdivision thereof, is obligated to pay the principal or  
45 interest and that neither the faith and credit nor the taxing power of  
46 the State, or any political subdivision thereof, is pledged to the  
47 payment of the principal of or the interest on the bonds, notes or  
48 other obligations.

1 g. The aggregate principal amount of bonds, notes or other  
2 obligations, including subordinated indebtedness of the trust, shall  
3 not exceed ~~【\$2,600,000,000】~~ \$2,700,000,000. In computing the  
4 foregoing limitations there shall be excluded all the bonds, notes or  
5 other obligations, including subordinated indebtedness of the trust,  
6 which shall be issued for refunding purposes, whenever the  
7 refunding shall be determined to result in a savings.

8 (1) Upon the decision by the trust to issue refunding bonds,  
9 except for current refunding, and prior to the sale of those bonds,  
10 the trust shall transmit to the Joint Budget Oversight Committee, or  
11 its successor, a report that a decision has been made, reciting the  
12 basis on which the decision was made, including an estimate of the  
13 debt service savings to be achieved and the calculations upon which  
14 the trust relied when making the decision to issue refunding bonds.  
15 The report shall also disclose the intent of the trust to issue and sell  
16 the refunding bonds at public or private sale and the reasons  
17 therefor.

18 (2) The Joint Budget Oversight Committee or its successor shall  
19 have the authority to approve or disapprove the sales of refunding  
20 bonds as included in each report submitted in accordance with  
21 paragraph (1) of this subsection. The committee shall notify the  
22 trust in writing of the approval or disapproval within 30 days of  
23 receipt of the report. Should the committee not act within 30 days  
24 of receipt of the report, the trust may proceed with the sale of the  
25 refunding bonds, provided that the sale of refunding bonds shall  
26 realize not less than 3.00% net present value debt service savings.

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

31 (4) Within 30 days after the sale of the refunding bonds, the  
32 trust shall notify the committee of the result of that sale, including  
33 the prices and terms, conditions and regulations concerning the  
34 refunding bonds, the actual amount of debt service savings to be  
35 realized as a result of the sale of refunding bonds, and the intended  
36 use of the proceeds from the sale of those bonds.

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

41 h. Each issue of bonds, notes or other obligations of the trust  
42 may, if it is determined by the trust, be general obligations thereof  
43 payable out of any revenues, receipts or funds of the trust, or  
44 special obligations thereof payable out of particular revenues,  
45 receipts or funds, subject only to any agreements with the holders of  
46 bonds, notes or other obligations, and may be secured by one or  
47 more of the following:

1 (1) Pledge of revenues and other receipts to be derived from the  
2 payment of the interest on and principal of notes, bonds or other  
3 obligations issued to the trust by one or more local government  
4 units, and any other payment made to the trust pursuant to  
5 agreements with any local government units, or a pledge or  
6 assignment of any notes, bonds or other obligations of any local  
7 government unit and the rights and interest of the trust therein;

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

13 (3) Pledge of all moneys, funds, accounts, securities and other  
14 funds, including the proceeds of the bonds, notes or other  
15 obligations;

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

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

24 i. The trust shall not issue any bonds, notes or other  
25 obligations, or otherwise incur any additional indebtedness, on or  
26 after November 5, ~~2028~~ 2029.

27 j. (Deleted by amendment, P.L.1996, c.88).  
28 (cf: P.L.2008, c.69, s.1)

29  
30 4. Section 9 of P.L.1985, c.334 (C.58:11B-9) is amended to  
31 read as follows:

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

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

47 (3) The trust may make and contract to make loans to private  
48 persons other than local government units, or to any other person or

1 local government unit on behalf of a private person, in accordance  
2 with and subject to the provisions of P.L.1985, c.334 (C.58:11B-1  
3 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to finance the cost  
4 of stormwater management systems.

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

30 b. The trust is authorized to guarantee or contract to guarantee  
31 the payment of all or any portion of the principal and interest on  
32 bonds, notes or other obligations issued by a local government unit  
33 to finance the cost of any wastewater treatment system project or  
34 water supply project, which the local government unit may lawfully  
35 undertake or acquire and for which the local government unit is  
36 authorized by law to borrow money, and the guarantee shall  
37 constitute an obligation of the trust for the purposes of P.L.1985,  
38 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et  
39 al.). Each guarantee by the trust and the terms and conditions  
40 thereof shall be subject to approval by the State Treasurer, and the  
41 trust shall make available to the State Treasurer all information,  
42 statistical data and reports of independent consultants or experts as  
43 the State Treasurer shall deem necessary in order to evaluate the  
44 guarantee.

45 c. The trust shall not make or contract to make any loans or  
46 guarantees to local government units, public water utilities or any  
47 other person, or otherwise incur any additional indebtedness, on or  
48 after November 5, **[2028]** 2029.

1 d. 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 receive funds from any source or issue  
4 its bonds, notes or other obligations in any principal amounts as in  
5 the judgment of the trust shall be necessary to provide sufficient  
6 funds to finance or refinance short-term or temporary loans to local  
7 government units, public water utilities or private persons for any  
8 wastewater treatment system projects included on the project  
9 priority list for the ensuing fiscal year and eligible for approval  
10 pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20) or water  
11 supply projects included on the project priority list for the ensuing  
12 fiscal year and eligible for approval pursuant to section 24 of  
13 P.L.1997, c.224 (C.58:11B-20.1), as applicable, without regard to  
14 any other provisions of P.L.1985, c.334 or P.L.1997, c.224,  
15 including, without limitation, any administrative or legislative  
16 approvals.

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

21 Any short-term or temporary loans made by the trust pursuant to  
22 this subsection may only be made in advance of the anticipated  
23 loans the trust may make and contract to make under the provisions  
24 of subsection a. of this section from any source of funds anticipated  
25 to be received by the trust. The trust may make short-term or  
26 temporary loans pursuant to the Interim Financing Program to any  
27 one or more of the project sponsors, for the respective projects  
28 thereof, identified in the interim financing project priority list  
29 (hereinafter referred to as the "Interim Financing Program  
30 Eligibility List") in the form provided to the Legislature by the  
31 Commissioner of Environmental Protection.

32 Incremental revisions or supplements to the Interim Financing  
33 Program Eligibility List may be submitted to the Legislature at any  
34 time between January 15th and May 15th of each year.

35 The Interim Financing Program Eligibility List, including any  
36 revision thereof or supplement thereto, shall be submitted to the  
37 Legislature on or before June 30 of each year on a day when both  
38 Houses are meeting. The President of the Senate and the Speaker of  
39 the General Assembly shall cause the date of submission to be  
40 entered upon the Senate Journal and the Minutes of the General  
41 Assembly, respectively. Any environmental infrastructure project or  
42 the project sponsor thereof not identified in the Interim Financing  
43 Program Eligibility List shall not be eligible for a short-term or  
44 temporary loan from the Interim Financing Program Fund.

45 (cf: P.L.2009, c.59, s.2)

46

47 5. (New section) a. The trust shall create and establish a special  
48 fund (hereinafter referred to as the "Onsite Wastewater Disposal

1 Loan Fund") for the purposes of an onsite wastewater disposal loan  
2 financing or refinancing program (hereinafter referred to as the  
3 "Onsite Wastewater Disposal Financing Program").

4 The Onsite Wastewater Disposal Loan Fund shall be credited  
5 with:

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

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

11 (3) any interest earnings received on the moneys in the fund;  
12 and

13 (4) such other moneys as the Legislature may appropriate to the  
14 trust for deposit into the fund at any time to finance or refinance  
15 onsite wastewater disposal loans pursuant to the Onsite Wastewater  
16 Disposal Financing Program.

17 b. Notwithstanding any provision of P.L.1985, c.334  
18 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to  
19 the contrary, the trust may make onsite wastewater disposal loans  
20 for a period not to exceed 10 years to private persons to finance the  
21 cost of alterations, repairs or replacements to individual subsurface  
22 sewage disposal systems performed pursuant to an onsite septic  
23 system ordinance approved by the Department of Environmental  
24 Protection, the New Jersey Pinelands Commission or the New  
25 Jersey Highlands Council, without regard to any other provisions of  
26 P.L.1985, c.334 or P.L.1997, c.224, including, without limitation,  
27 the provisions of section 20 of P.L.1985, c.334 (C.58:11B-20),  
28 section 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim  
29 Financing Program Eligibility List pursuant to subsection d. of  
30 section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative or  
31 legislative approvals.

32  
33 6. This act shall take effect immediately.  
34

35  
36 *Sponsor's* STATEMENT  
37

38 This bill extends the statutory date after which the New Jersey  
39 Environmental Infrastructure Trust may not incur any additional  
40 indebtedness an additional calendar year to November 5, 2029. The  
41 bill increases the Trust's statutory debt ceiling of \$2.6 billion to  
42 \$2.7 billion. These changes are necessary to permit the 2009 New  
43 Jersey Environmental Infrastructure Trust Financing Program to  
44 proceed as developed by the Trust.

45 This bill also authorizes the Trust to create and establish a special  
46 "Onsite Wastewater Disposal Fund" for onsite wastewater disposal  
47 loans to private persons to finance the cost of alterations, repairs or  
48 replacements to individual subsurface sewage disposal system



1 arising from onsite sewage system failure under a new "Onsite  
2 Wastewater Disposal Financing Program."

3 Under the Onsite Wastewater Disposal Financing Program, the  
4 Trust would be authorized to make short-term or temporary loans for  
5 the repair of failed onsite wastewater disposal systems of private  
6 persons residing in municipalities that have adopted onsite septic  
7 system ordinances approved by the Department of Environmental  
8 Protection, New Jersey Pinelands, Commission or the New Jersey  
9 Highlands Council, not included on the project priority list for the  
10 ensuing fiscal year or eligible for approval pursuant to section 24 of  
11 P.L.1997, c.224 (C.58:11B-20.1). The Onsite Wastewater Disposal  
12 Financing Program would function without regard to any other  
13 provision of the Trust's enabling laws, P.L.1985, c.334 and P.L.1997,  
14 c.224, or any other administrative or legislative approvals.

# SENATE ENVIRONMENT COMMITTEE

## STATEMENT TO

### SENATE, No. 2889

# STATE OF NEW JERSEY

DATED: JUNE 11, 2009

The Senate Environment Committee reports favorably Senate Bill No. 2889.

Senate Bill No. 2889 extends the statutory date after which the New Jersey Environmental Infrastructure Trust (Trust) may not incur any additional indebtedness an additional calendar year to November 5, 2029. The bill increases the Trust's statutory debt ceiling of \$2.6 billion to \$2.7 billion. These changes are necessary to permit the 2009 New Jersey Environmental Infrastructure Financing Program to proceed as developed by the Trust.

This bill also authorizes the Trust to create and establish a special "Onsite Wastewater Disposal Fund" for onsite wastewater disposal loans to private persons to finance the cost of alterations, repairs or replacements to individual subsurface sewage disposal system arising from onsite sewage system failure under a new "Onsite Wastewater Disposal Financing Program."

Under the Onsite Wastewater Disposal Financing Program, the Trust would be authorized to make short-term or temporary loans for the repair of failed onsite wastewater disposal systems of private persons residing in municipalities that have adopted onsite septic system ordinances approved by the Department of Environmental Protection, New Jersey Pinelands Commission or the New Jersey Highlands Council, not included on the project priority list for the ensuing fiscal year or eligible for approval pursuant to section 24 of P.L.1997, c.224 (C.58:11B-20.1). The Onsite Wastewater Disposal Financing Program would function without regard to any other provision of the Trust's enabling laws, P.L.1985, c.334 and P.L.1997, c.224, or any other administrative or legislative approvals.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### **SENATE, No. 2889**

# **STATE OF NEW JERSEY**

DATED: JUNE 15, 2009

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2889.

This bill extends the statutory date after which the New Jersey Environmental Infrastructure Trust may not incur any additional indebtedness an additional calendar year to November 5, 2029. The bill increases the Trust's statutory debt ceiling of \$2.6 billion to \$2.7 billion. These changes are necessary to permit the 2009 New Jersey Environmental Infrastructure Trust Financing Program to proceed as developed by the Trust.

This bill also authorizes the Trust to create and establish a special "Onsite Wastewater Disposal Fund" for onsite wastewater disposal loans to private persons to finance the cost of alterations, repairs or replacements to individual subsurface sewage disposal system arising from onsite sewage system failure.

#### FISCAL IMPACT:

The bill increases the Trust's statutory debt ceiling of \$2.6 billion to \$2.7 billion and extends by one year in which indebtedness may occur for the 2009 financing program to proceed.

# ASSEMBLY, No. 4047

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## STATE OF NEW JERSEY 213th LEGISLATURE

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INTRODUCED JUNE 4, 2009

**Sponsored by:**

**Assemblyman JOHN F. MCKEON**

**District 27 (Essex)**

**Assemblyman REED GUSCIORA**

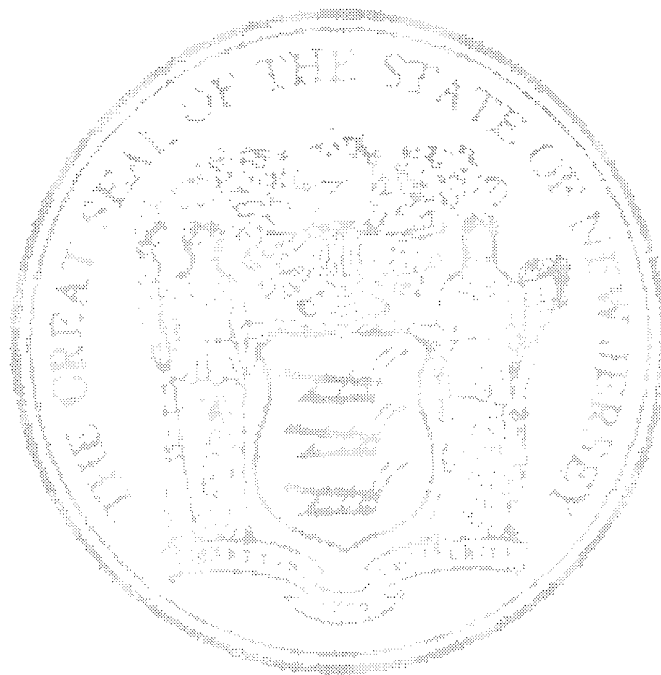
**District 15 (Mercer)**

**SYNOPSIS**

Makes certain changes to the New Jersey Environmental Infrastructure Trust Financing Program.

**CURRENT VERSION OF TEXT**

As introduced.



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

3

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

6

7 1. Section 3 of P.L.1985, c.334 (C.58:11B-3) is amended to  
8 read as follows:

9 3. As used in sections 1 through 27 of P.L.1985, c.334  
10 (C.58:11B-1 through 58:11B-27) and sections 23 through 27 of  
11 P.L.1997, c.224 (C.58:11B-10.1 et al.):

12 "Bonds" means bonds issued by the trust pursuant to P.L.1985,  
13 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et  
14 al.);

15 "Combined sewer system" means a sewer system designed to  
16 carry sanitary wastewater at all times, which is also designed to  
17 collect and transport stormwater runoff from streets and other  
18 sources, thereby serving a combined purpose;

19 "Combined sewer overflow" means the discharge of untreated or  
20 partially treated stormwater runoff and wastewater from a combined  
21 sewer system into a body of water;

22 "Commissioner" means the Commissioner of the Department of  
23 Environmental Protection;

24 "Cost" means the cost of all labor, materials, machinery and  
25 equipment, lands, property, rights and easements, financing  
26 charges, interest on bonds, notes or other obligations, plans and  
27 specifications, surveys or estimates of costs and revenues,  
28 engineering and legal services, and all other expenses necessary or  
29 incident to all or part of an environmental infrastructure project;

30 "Department" means the Department of Environmental  
31 Protection;

32 "Local government unit" means (1) a State authority, county,  
33 municipality, municipal, county or regional sewerage or utility  
34 authority, municipal sewerage district, joint meeting, improvement  
35 authority, or any other political subdivision of the State authorized  
36 to construct, operate and maintain wastewater treatment systems; or  
37 (2) a State authority, district water supply commission, county,  
38 municipality, municipal, county or regional utilities authority,  
39 municipal water district, joint meeting or any other political  
40 subdivision of the State authorized pursuant to law to operate or  
41 maintain a public water supply system or to construct, rehabilitate,  
42 operate or maintain water supply facilities or otherwise provide  
43 water for human consumption;

**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 "Notes" means notes issued by the trust pursuant to P.L.1985,  
2 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et  
3 al.);

4 "Onsite septic system ordinance or regulation" means an  
5 ordinance adopted by a municipality or county or regulation  
6 adopted by a regional planning agency establishing the  
7 requirements for construction, maintenance and repair of onsite  
8 wastewater treatment and disposal systems;

9 "Onsite wastewater treatment and disposal system" means an on-  
10 site system designed to treat and dispose of domestic sewage;

11 "Project" or "environmental infrastructure project" means the  
12 acquisition, construction, improvement, repair or reconstruction of  
13 all or part of any structure, facility or equipment, or real or personal  
14 property necessary for or ancillary to any (1) wastewater treatment  
15 system project, including any stormwater management or combined  
16 sewer overflow abatement projects; or (2) water supply project, as  
17 authorized pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.) or  
18 P.L.1997, c.224 (C.58:11B-10.1 et al.), including any water  
19 resources project, as authorized pursuant to P.L.2003, c.162;

20 "Public water utility" means any investor-owned water company  
21 or small water company;

22 "Small water company" means any company, purveyor or entity,  
23 other than a governmental agency, that provides water for human  
24 consumption and which regularly serves less than 1,000 customer  
25 connections, including nonprofit, noncommunity water systems  
26 owned or operated by a nonprofit group or organization;

27 "Stormwater management system" means any equipment, plants,  
28 structures, machinery, apparatus, management practices, or land, or  
29 any combination thereof, acquired, used, constructed, implemented  
30 or operated to prevent nonpoint source pollution, abate improper  
31 cross-connections and interconnections between stormwater and  
32 sewer systems, minimize stormwater runoff, reduce soil erosion, or  
33 induce groundwater recharge, or any combination thereof;

34 "Trust" means the New Jersey Environmental Infrastructure  
35 Trust created pursuant to section 4 of P.L.1985, c.334 (C.58:11B-  
36 4);

37 "Wastewater" means residential, commercial, industrial, or  
38 agricultural liquid waste, sewage, septage, stormwater runoff, or  
39 any combination thereof, or other liquid residue discharged or  
40 collected into a sewer system or stormwater management system, or  
41 any combination thereof;

42 "Wastewater treatment system" means any equipment, plants,  
43 structures, machinery, apparatus, or land, or any combination  
44 thereof, acquired, used, constructed or operated by, or on behalf of,  
45 a local government unit for the storage, collection, reduction,  
46 recycling, reclamation, disposal, separation, or other treatment of  
47 wastewater or sewage sludge, or for the collection or treatment, or  
48 both, of stormwater runoff and wastewater, or for the final disposal

1 of residues resulting from the treatment of wastewater, including,  
2 but not limited to, pumping and ventilating stations, treatment  
3 plants and works, connections, outfall sewers, interceptors, trunk  
4 lines, stormwater management systems, and other personal property  
5 and appurtenances necessary for their use or operation; "wastewater  
6 treatment system" shall include a stormwater management system  
7 or a combined sewer system;

8 "Wastewater treatment system project" means any work relating  
9 to the acquisition, construction, improvement, repair or  
10 reconstruction of all or part of any structure, facility or equipment,  
11 or real or personal property necessary for or ancillary to any  
12 wastewater treatment system that meets the requirements set forth  
13 in sections 20, 21 and 22 of P.L.1985, c.334 (C.58:11B-20, 58:11B-  
14 21 and 58:11B-22); or any work relating to any of the stormwater  
15 management or combined sewer overflow abatement projects  
16 identified in the stormwater management and combined sewer  
17 overflow abatement project priority list adopted by the  
18 commissioner pursuant to section 28 of P.L.1989, c.181; or any  
19 work relating to the purposes set forth in section 6 of P.L.2003,  
20 c.162; or any work relating to any other project eligible for  
21 financing under the Federal Water Pollution Control Act  
22 Amendments of 1972 (33 U.S.C. s.1251 et seq.), or any amendatory  
23 or supplementary acts thereto;

24 "Water resources project" means any work related to transferring  
25 water between public water systems during a state of water  
26 emergency, to avert a drought emergency in all or any part of the  
27 State, to plan, design or construct interconnections of existing water  
28 supplies, or to extend water supplies to areas with contaminated  
29 ground water supplies;

30 "Water supply facilities" means and refers to the real property  
31 and the plants, structures, interconnections between existing water  
32 supply facilities, machinery and equipment and other property, real,  
33 personal and mixed, acquired, constructed or operated, or to be  
34 acquired, constructed or operated, in whole or in part, by or on  
35 behalf of a public water utility, or by or on behalf of the State or a  
36 local government unit, for the purpose of augmenting the natural  
37 water resources of the State and making available an increased  
38 supply of water for all uses, or of conserving existing water  
39 resources, and any and all appurtenances necessary, useful or  
40 convenient for the collecting, impounding, storing, improving,  
41 treating, filtering, conserving or transmitting of water, and for the  
42 preservation and protection of these resources and facilities,  
43 whether in public or private ownership, and providing for the  
44 conservation and development of future water supply resources, and  
45 facilitating incidental recreational uses thereof;

46 "Water supply project" means any work relating to the  
47 acquisition, construction, improvement, repair or reconstruction of  
48 all or part of any structure, facility or equipment, or real or personal

1 property necessary for or ancillary to water supply facilities that  
2 meets the requirements set forth in sections 24, 25 and 26 of  
3 P.L.1997, c.224 (C.58:11B-20.1, C.58:11B-21.1 and C.58:11B-  
4 22.1); or any work relating to the purposes set forth in section 4 of  
5 P.L.1981, c.261; or any work relating to the purposes set forth in  
6 section 6 of P.L.2003, c.162; or any work relating to any other  
7 project eligible for funding pursuant to the federal "Safe Drinking  
8 Water Act Amendments of 1996" Pub.L.104-182, and any  
9 amendatory and supplementary acts thereto.

10 (cf: P.L.2004, c.111, s.1)

11  
12 2. Section 5 of P.L.1985, c.334 (C.58:11B-5) is amended to  
13 read as follows:

14 5. Except as otherwise limited by the provisions of P.L.1985,  
15 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et  
16 al.), the trust may:

17 a. Make and alter bylaws for its organization and internal  
18 management and, subject to agreements with holders of its bonds,  
19 notes or other obligations, make rules and regulations with respect  
20 to its operations, properties and facilities;

21 b. Adopt an official seal and alter it;

22 c. Sue and be sued;

23 d. Make and enter into all contracts, leases and agreements  
24 necessary or incidental to the performance of its duties and the  
25 exercise of its powers under the provisions of P.L.1985, c.334  
26 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), and  
27 subject to any agreement with the holders of the trust's bonds, notes  
28 or other obligations, consent to any modification, amendment or  
29 revision of any contract, lease or agreement to which the trust is a  
30 party;

31 e. Enter into agreements or other transactions with and accept,  
32 subject to the provisions of section 23 of P.L.1985, c.334  
33 (C.58:11B-23), grants, appropriations and the cooperation of the  
34 State, or any State agency, in furtherance of the purposes of  
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.), and do anything necessary in order to avail itself of that  
37 aid and cooperation;

38 f. Receive and accept aid or contributions from any source of  
39 money, property, labor or other things of value, to be held, used and  
40 applied to carry out the purposes of P.L.1985, c.334 (C.58:11B-1 et  
41 seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), subject to the  
42 conditions upon which that aid and those contributions may be  
43 made, including, but not limited to, gifts or grants from any  
44 department or agency of the State, or any State agency, for any  
45 purpose consistent with the provisions of P.L.1985, c.334  
46 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.),  
47 subject to the provisions of section 23 of P.L.1985, c.334  
48 (C.58:11B-23);



1 g. Acquire, own, hold, construct, improve, rehabilitate,  
2 renovate, operate, maintain, sell, assign, exchange, lease, mortgage  
3 or otherwise dispose of real and personal property, or any interest  
4 therein, in the exercise of its powers and the performance of its  
5 duties under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.)  
6 or P.L.1997, c.224 (C.58:11B-10.1 et al.);

7 h. Appoint and employ an executive director and any other  
8 officers or employees as it may require for the performance of its  
9 duties, without regard to the provisions of Title 11A of the New  
10 Jersey Statutes;

11 i. Borrow money and issue bonds, notes and other obligations,  
12 and secure the same, and provide for the rights of the holders  
13 thereof as provided in the provisions of P.L.1985, c.334 (C.58:11B-  
14 1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.);

15 j. Subject to any agreement with holders of its bonds, notes or  
16 other obligations, invest moneys of the trust not required for  
17 immediate use, including proceeds from the sale of any bonds, notes  
18 or other obligations, in any obligations, securities and other  
19 investments in accordance with the rules and regulations of the  
20 State Investment Council or as may otherwise be approved by the  
21 Director of the Division of Investment in the Department of the  
22 Treasury upon a finding that such investments are consistent with  
23 the corporate purposes of the trust;

24 k. Procure insurance to secure the payment of its bonds, notes  
25 or other obligations or the payment of any guarantees or loans made  
26 by it in accordance with the provisions of P.L.1985, c.334  
27 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), or  
28 against any loss in connection with its property and other assets and  
29 operations, in any amounts and from any insurers as it deems  
30 desirable;

31 l. Engage the services of attorneys, accountants, engineers, and  
32 financial experts and any other advisors, consultants, experts and  
33 agents as may be necessary in its judgment and fix their  
34 compensation;

35 m. (1) Make and contract to make loans to local government  
36 units, or to a local government unit on behalf of another local  
37 government unit, to finance the cost of wastewater treatment system  
38 projects or water supply projects and acquire and contract to acquire  
39 notes, bonds or other obligations issued or to be issued by any local  
40 government units to evidence the loans, all in accordance with the  
41 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,  
42 c.224 (C.58:11B-10.1 et al.);

43 (2) Make and contract to make loans to public water utilities, or  
44 to any other person or local government unit on behalf of a public  
45 water utility, to finance the cost of water supply projects in  
46 accordance with the provisions of P.L.1985, c.334 (C.58:11B-1 et  
47 seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.);

1 (3) Make and contract to make loans to private persons other  
2 than local government units, or to any other person or local  
3 government unit on behalf of a private person, to finance the cost of  
4 onsite wastewater treatment and disposal systems or stormwater  
5 management systems in accordance 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.);

8 n. Subject to any agreement with holders of its bonds, notes or  
9 other obligations, purchase bonds, notes and other obligations of the  
10 trust and hold the same for resale or provide for the cancellation  
11 thereof, all in accordance with the provisions of P.L.1985, c.334  
12 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.);

13 o. (1) Charge to and collect from local government units,  
14 private persons or public water utilities any fees and charges in  
15 connection with the trust's loans, guarantees or other services,  
16 including, but not limited to, fees and charges sufficient to  
17 reimburse the trust for all reasonable costs necessarily incurred by it  
18 in connection with its financings and the establishment and  
19 maintenance of reserve or other funds, as the trust may determine to  
20 be reasonable. The fees and charges shall be in accordance with a  
21 uniform schedule published by the trust for the purpose of  
22 providing actual cost reimbursement for the services rendered;

23 (2) Any fees and charges collected by the trust pursuant to this  
24 subsection may be deposited and maintained in a special fund  
25 separate from any other funds held by the trust pursuant to section  
26 10 of P.L.1985, c.334 (C.58:11B-10) or section 23 of P.L.1997,  
27 c.224 (C.58:11B-10.1), including the Emergency Loan Fund  
28 established pursuant to section 4 of P.L.2007, c.138 (C.58:11B-9.1),  
29 and shall be available for any corporate purposes of the trust,  
30 including the Emergency Financing Program pursuant to section 4  
31 of P.L.2007, c.138 (C.58:11B-9.1);

32 p. Subject to any agreement with holders of its bonds, notes or  
33 other obligations, obtain as security or to provide liquidity for  
34 payment of all or any part of the principal of and interest and  
35 premium on the bonds, notes and other obligations of the trust or  
36 for the purchase upon tender or otherwise of the bonds, notes or  
37 other obligations, lines of credit, letters of credit and other security  
38 agreements or instruments in any amounts and upon any terms as  
39 the trust may determine, and pay any fees and expenses required in  
40 connection therewith;

41 q. Provide to local government units any financial and credit  
42 advice as these local government units may request;

43 r. Make payments to the State from any moneys of the trust  
44 available therefor as may be required pursuant to any agreement  
45 with the State or act appropriating moneys to the trust; and

46 s. Take any action necessary or convenient to the exercise of  
47 the foregoing powers or reasonably implied therefrom.

48 (cf: P.L.2007, c.138, s.1)

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

3       6. a. Except as may be otherwise expressly provided in 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.), the trust may from time to time issue  
6 its bonds, notes or other obligations in any principal amounts as in  
7 the judgment of the trust shall be necessary to provide sufficient  
8 funds for any of its corporate purposes, including the payment,  
9 funding or refunding of the principal of, or interest or redemption  
10 premiums on, any bonds, notes or other obligations issued by it,  
11 whether the bonds, notes or other obligations or the interest or  
12 redemption premiums thereon to be funded or refunded have or  
13 have not become due, the establishment or increase of reserves or  
14 other funds to secure or to pay the bonds, notes or other obligations  
15 or interest thereon and all other costs or expenses of the trust  
16 incident to and necessary to carry out its corporate purposes and  
17 powers.

18       b. Whether or not the bonds, notes or other obligations of the  
19 trust are of a form and character as to be negotiable instruments  
20 under the terms of Title 12A of the New Jersey Statutes, the bonds,  
21 notes and other obligations are made negotiable instruments within  
22 the meaning of and for the purposes of Title 12A of the New Jersey  
23 Statutes, subject only to the provisions of the bonds, notes and other  
24 obligations for registration.

25       c. Bonds, notes or other obligations of the trust shall be  
26 authorized by a resolution or resolutions of the trust and may be  
27 issued in one or more series and shall bear any date or dates, mature  
28 at any time or times, bear interest at any rate or rates of interest per  
29 annum, be in any denomination or denominations, be in any form,  
30 either coupon, registered or book entry, carry any conversion or  
31 registration privileges, have any rank or priority, be executed in any  
32 manner, be payable in any coin or currency of the United States  
33 which at the time of payment is legal tender for the payment of  
34 public and private debts, at any place or places within or without  
35 the State, and be subject to any terms of redemption by the trust or  
36 the holders thereof, with or without premium, as the resolution or  
37 resolutions may provide. A resolution of the trust authorizing the  
38 issuance of bonds, notes or other obligations may provide that the  
39 bonds, notes or other obligations be secured by a trust indenture  
40 between the trust and a trustee, vesting in the trustee any property,  
41 rights, powers and duties in trust consistent with the provisions of  
42 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-  
43 10.1 et al.) as the trust may determine.

44       d. Bonds, notes or other obligations of the trust may be sold at  
45 any price or prices and in any manner as the trust may determine.  
46 Each bond, note or other obligation shall mature and be paid not  
47 later than 20 years from the effective date thereof, or the certified

1 useful life of the project or projects to be financed by the bonds,  
2 whichever is less.

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

19 e. Bonds, notes or other obligations of the trust may be issued  
20 under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or  
21 P.L.1997, c.224 (C.58:11B-10.1 et al.) without obtaining the  
22 consent of any department, division, board, bureau or agency of the  
23 State, and without any other proceedings or the happening of any  
24 other conditions or things, other than those consents, proceedings,  
25 conditions or things which are specifically required by P.L.1985,  
26 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et  
27 al.).

28 f. Bonds, notes or other obligations of the trust issued under  
29 the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,  
30 c.224 (C.58:11B-10.1 et al.) shall not be a debt or liability of the  
31 State or of any political subdivision thereof other than the trust and  
32 shall not create or constitute any indebtedness, liability or  
33 obligation of the State or any political subdivision, but all these  
34 bonds, notes and other obligations, unless funded or refunded by  
35 bonds, notes or other obligations, shall be payable solely from  
36 revenues or funds pledged or available for their payment as  
37 authorized in P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,  
38 c.224 (C.58:11B-10.1 et al.). Each bond, note and obligation shall  
39 contain on its face a statement to the effect that the trust is obligated  
40 to pay the principal thereof or the interest thereon only from its  
41 revenues, receipts or funds pledged or available for their payment  
42 as authorized in 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.), and that neither the State, nor any  
44 political subdivision thereof, is obligated to pay the principal or  
45 interest and that neither the faith and credit nor the taxing power of  
46 the State, or any political subdivision thereof, is pledged to the  
47 payment of the principal of or the interest on the bonds, notes or  
48 other obligations.

1 g. The aggregate principal amount of bonds, notes or other  
2 obligations, including subordinated indebtedness of the trust, shall  
3 not exceed ~~[\$2,600,000,000]~~ \$2,700,000,000. In computing the  
4 foregoing limitations there shall be excluded all the bonds, notes or  
5 other obligations, including subordinated indebtedness of the trust,  
6 which shall be issued for refunding purposes, whenever the  
7 refunding shall be determined to result in a savings.

8 (1) Upon the decision by the trust to issue refunding bonds,  
9 except for current refunding, and prior to the sale of those bonds,  
10 the trust shall transmit to the Joint Budget Oversight Committee, or  
11 its successor, a report that a decision has been made, reciting the  
12 basis on which the decision was made, including an estimate of the  
13 debt service savings to be achieved and the calculations upon which  
14 the trust relied when making the decision to issue refunding bonds.  
15 The report shall also disclose the intent of the trust to issue and sell  
16 the refunding bonds at public or private sale and the reasons  
17 therefor.

18 (2) The Joint Budget Oversight Committee or its successor shall  
19 have the authority to approve or disapprove the sales of refunding  
20 bonds as included in each report submitted in accordance with  
21 paragraph (1) of this subsection. The committee shall notify the  
22 trust in writing of the approval or disapproval within 30 days of  
23 receipt of the report. Should the committee not act within 30 days  
24 of receipt of the report, the trust may proceed with the sale of the  
25 refunding bonds, provided that the sale of refunding bonds shall  
26 realize not less than 3.00% net present value debt service savings.

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

31 (4) Within 30 days after the sale of the refunding bonds, the  
32 trust shall notify the committee of the result of that sale, including  
33 the prices and terms, conditions and regulations concerning the  
34 refunding bonds, the actual amount of debt service savings to be  
35 realized as a result of the sale of refunding bonds, and the intended  
36 use of the proceeds from the sale of those bonds.

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

41 h. Each issue of bonds, notes or other obligations of the trust  
42 may, if it is determined by the trust, be general obligations thereof  
43 payable out of any revenues, receipts or funds of the trust, or  
44 special obligations thereof payable out of particular revenues,  
45 receipts or funds, subject only to any agreements with the holders of  
46 bonds, notes or other obligations, and may be secured by one or  
47 more of the following:

1 (1) Pledge of revenues and other receipts to be derived from the  
2 payment of the interest on and principal of notes, bonds or other  
3 obligations issued to the trust by one or more local government  
4 units, and any other payment made to the trust pursuant to  
5 agreements with any local government units, or a pledge or  
6 assignment of any notes, bonds or other obligations of any local  
7 government unit and the rights and interest of the trust therein;

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

13 (3) Pledge of all moneys, funds, accounts, securities and other  
14 funds, including the proceeds of the bonds, notes or other  
15 obligations;

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

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

24 i. The trust shall not issue any bonds, notes or other  
25 obligations, or otherwise incur any additional indebtedness, on or  
26 after November 5, ~~2028~~ 2029.

27 j. (Deleted by amendment, P.L.1996, c.88).  
28 (cf: P.L.2008, c.69, s.1)

29  
30 4. Section 9 of P.L.1985, c.334 (C.58:11B-9) is amended to  
31 read as follows:

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

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

47 (3) The trust may make and contract to make loans to private  
48 persons other than local government units, or to any other person or

1 local government unit on behalf of a private person, in accordance  
2 with and subject to the provisions of P.L.1985, c.334 (C.58:11B-1  
3 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to finance the cost  
4 of stormwater management systems.

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

30 b. The trust is authorized to guarantee or contract to guarantee  
31 the payment of all or any portion of the principal and interest on  
32 bonds, notes or other obligations issued by a local government unit  
33 to finance the cost of any wastewater treatment system project or  
34 water supply project, which the local government unit may lawfully  
35 undertake or acquire and for which the local government unit is  
36 authorized by law to borrow money, and the guarantee shall  
37 constitute an obligation of the trust for the purposes of P.L.1985,  
38 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et  
39 al.). Each guarantee by the trust and the terms and conditions  
40 thereof shall be subject to approval by the State Treasurer, and the  
41 trust shall make available to the State Treasurer all information,  
42 statistical data and reports of independent consultants or experts as  
43 the State Treasurer shall deem necessary in order to evaluate the  
44 guarantee.

45 c. The trust shall not make or contract to make any loans or  
46 guarantees to local government units, public water utilities or any  
47 other person, or otherwise incur any additional indebtedness, on or  
48 after November 5, ~~2028~~ 2029.

1 d. 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 receive funds from any source or issue  
4 its bonds, notes or other obligations in any principal amounts as in  
5 the judgment of the trust shall be necessary to provide sufficient  
6 funds to finance or refinance short-term or temporary loans to local  
7 government units, public water utilities or private persons for any  
8 wastewater treatment system projects included on the project  
9 priority list for the ensuing fiscal year and eligible for approval  
10 pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20) or water  
11 supply projects included on the project priority list for the ensuing  
12 fiscal year and eligible for approval pursuant to section 24 of  
13 P.L.1997, c.224 (C.58:11B-20.1), as applicable, without regard to  
14 any other provisions of P.L.1985, c.334 or P.L.1997, c.224,  
15 including, without limitation, any administrative or legislative  
16 approvals.

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

21 Any short-term or temporary loans made by the trust pursuant to  
22 this subsection may only be made in advance of the anticipated  
23 loans the trust may make and contract to make under the provisions  
24 of subsection a. of this section from any source of funds anticipated  
25 to be received by the trust. The trust may make short-term or  
26 temporary loans pursuant to the Interim Financing Program to any  
27 one or more of the project sponsors, for the respective projects  
28 thereof, identified in the interim financing project priority list  
29 (hereinafter referred to as the "Interim Financing Program  
30 Eligibility List") in the form provided to the Legislature by the  
31 Commissioner of Environmental Protection.

32 Incremental revisions or supplements to the Interim Financing  
33 Program Eligibility List may be submitted to the Legislature at any  
34 time between January 15th and May 15th of each year.

35 The Interim Financing Program Eligibility List, including any  
36 revision thereof or supplement thereto, shall be submitted to the  
37 Legislature on or before June 30 of each year on a day when both  
38 Houses are meeting. The President of the Senate and the Speaker of  
39 the General Assembly shall cause the date of submission to be  
40 entered upon the Senate Journal and the Minutes of the General  
41 Assembly, respectively. Any environmental infrastructure project or  
42 the project sponsor thereof not identified in the Interim Financing  
43 Program Eligibility List shall not be eligible for a short-term or  
44 temporary loan from the Interim Financing Program Fund.

45 (cf: P.L.2009, c.59, s.2)

46

47 5. (New section) a. The trust shall create and establish a special  
48 fund (hereinafter referred to as the "Onsite Wastewater Disposal



1 Loan Fund") for the purposes of an onsite wastewater disposal loan  
2 financing or refinancing program (hereinafter referred to as the  
3 "Onsite Wastewater Disposal Financing Program").

4 The Onsite Wastewater Disposal Loan Fund shall be credited  
5 with:

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

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

11 (3) any interest earnings received on the moneys in the fund;  
12 and

13 (4) such other moneys as the Legislature may appropriate to the  
14 trust for deposit into the fund at any time to finance or refinance  
15 onsite wastewater disposal loans pursuant to the Onsite Wastewater  
16 Disposal Financing Program.

17 b. Notwithstanding any provision of P.L.1985, c.334  
18 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to  
19 the contrary, the trust may make onsite wastewater disposal loans  
20 for a period not to exceed 10 years to private persons to finance the  
21 cost of alterations, repairs or replacements to individual subsurface  
22 sewage disposal systems performed pursuant to an onsite septic  
23 system ordinance approved by the Department of Environmental  
24 Protection, the New Jersey Pinelands Commission or the New  
25 Jersey Highlands Council, without regard to any other provisions of  
26 P.L.1985, c.334 or P.L.1997, c.224, including, without limitation,  
27 the provisions of section 20 of P.L.1985, c.334 (C.58:11B-20),  
28 section 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim  
29 Financing Program Eligibility List pursuant to subsection d. of  
30 section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative or  
31 legislative approvals.

32

33 6. This act shall take effect immediately.

34

35

36 *Sponsor's* STATEMENT

37

38 This bill extends the statutory date after which the New Jersey  
39 Environmental Infrastructure Trust may not incur any additional  
40 indebtedness an additional calendar year to November 5, 2029. The  
41 bill increases the Trust's statutory debt ceiling of \$2.6 billion to  
42 \$2.7 billion. These changes are necessary to permit the 2009 New  
43 Jersey Environmental Infrastructure Trust Financing Program to  
44 proceed as developed by the Trust.

45 This bill also authorizes the Trust to create and establish a special  
46 "Onsite Wastewater Disposal Fund" for onsite wastewater disposal  
47 loans to private persons to finance the cost of alterations, repairs or  
48 replacements to individual subsurface sewage disposal system

1 arising from onsite sewage system failure under a new "Onsite  
2 Wastewater Disposal Financing Program."

3 Under the Onsite Wastewater Disposal Financing Program, the  
4 Trust would be authorized to make short-term or temporary loans  
5 for the repair of failed onsite wastewater disposal systems of private  
6 persons residing in municipalities that have adopted onsite septic  
7 system ordinances approved by the Department of Environmental  
8 Protection, New Jersey Pinelands, Commission or the New Jersey  
9 Highlands Council, not included on the project priority list for the  
10 ensuing fiscal year or eligible for approval pursuant to section 24 of  
11 P.L.1997, c.224 (C.58:11B-20.1). The Onsite Wastewater Disposal  
12 Financing Program would function without regard to any other  
13 provision of the Trust's enabling laws, P.L.1985, c.334 and  
14 P.L.1997, c.224, or any other administrative or legislative  
15 approvals.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 4047**

**STATE OF NEW JERSEY**

DATED: JUNE 4, 2009

The Assembly Appropriations Committee reports favorably Assembly Bill No. 4047.

The bill extends the statutory date after which the New Jersey Environmental Infrastructure Trust may not incur any additional indebtedness in the additional calendar year to November 5, 2029. These changes are necessary to permit the 2009 New Jersey Environmental Infrastructure Trust Financing Program to proceed as developed by the Trust.

This bill also authorizes the Trust to create and establish a special "Onsite Wastewater Disposal Fund" for onsite wastewater disposal loans to private persons to finance the cost of alterations, repairs or replacements to individual subsurface sewage disposal system arising from onsite sewage system failure.

FISCAL IMPACT:

The bill increases the Trust's statutory debt ceiling of \$2.6 billion to \$2.7 billion and extends by one year in which indebtedness may occur for the 2009 financing program to proceed.