

**Temporary & Executed
LEGISLATIVE HISTORY CHECKLIST**
Compiled by the NJ State Law Library

LAWS OF: 2021 **CHAPTER:** 206

NJSA: Temporary & Executed (Authorizes NJ Infrastructure Bank to expend certain sums to make loans for transportation infrastructure projects for FY2022.)

BILL NO: A5819 (Substituted for S3924)

SPONSOR(S) Freiman, Roy and others

DATE INTRODUCED: 6/2/2021

COMMITTEE: **ASSEMBLY:**

SENATE:

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:**

SENATE:

DATE OF APPROVAL: 8/24/2021

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (First Reprint enacted) Yes

A5819

INTRODUCED BILL (INCLUDES SPONSOR'S STATEMENT): Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

SENATE: No

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

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

S3924

INTRODUCED BILL (INCLUDES SPONSOR'S STATEMENT): Yes

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: Yes

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

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE:

No

VETO MESSAGE:

No

GOVERNOR'S PRESS RELEASE ON SIGNING:

Yes

FOLLOWING WERE PRINTED:

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:

No

P.L. 2021, CHAPTER 206, *approved August 24, 2021*
Assembly, No. 5819 (*First Reprint*)

1 AN ACT authorizing the expenditure of funds by the New Jersey
2 Infrastructure Bank for the purpose of making loans to eligible
3 project sponsors to finance the cost to construct transportation
4 infrastructure projects, and making an appropriation.
5

6 **BE IT ENACTED** *by the Senate and General Assembly of the State*
7 *of New Jersey:*
8

9 1. a. The New Jersey Infrastructure Bank, established pursuant to
10 P.L.1985, c.334 (C.58:11B-1 et seq.), is authorized to expend the
11 aggregate sum of \$68,349,007 or such amounts as can be supported
12 through balances in the State Transportation Infrastructure Bank Fund,
13 established pursuant to section 34 of P.L.2016, c.56 (C.58:11B-10.4),
14 and via direct appropriation through the State transportation capital
15 program for the purpose of making loans to or, on behalf of, local
16 government units to finance all or a portion of the cost of construction
17 of transportation infrastructure projects listed in ¹**sections** section¹ 3
18 of this act.

19 b. The bank is authorized to increase the aggregate sums specified
20 in subsection a. of this section for the bank's costs to acquire lending
21 capital, specifically:

22 (1) the amounts of capitalized interest and the bond issuance
23 expenses as provided in subsection b. of section 6 of this act;

24 (2) the amounts of reserve capacity expenses and debt service
25 reserve fund requirements as provided in subsection c. of section 6 of
26 this act;

27 (3) the interest earned on amounts deposited for project costs
28 pending their distribution to project sponsors as provided in subsection
29 d. of section 6 of this act;

30 (4) the amounts of the loan origination fee as provided in
31 subsection e. of section 6 of this act.

32 c. For the purposes of this act:

33 "bank" means the New Jersey Infrastructure Bank, established
34 pursuant to section 4 of P.L.1985, c.334 (C.58:11B-4);

35 "capitalized interest" means an amount equal to interest paid on
36 bank transportation bonds which is funded with bank transportation
37 bond proceeds and the earnings thereon;

38 "debt service reserve fund expenses" means the debt service
39 reserve fund costs associated with reserve capacity expenses ¹**].** ¹

40 "issuance expenses" means any costs related to the issuance of
41 bank transportation bonds and includes, but is not limited to, the costs

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly ATR committee amendments adopted June 14, 2021.

1 of financial document printing, bond insurance premiums or other
 2 credit enhancement, underwriters' discount, verification of financial
 3 calculations, the services of bond rating agencies and trustees, the
 4 employment of accountants, attorneys, financial advisors, loan
 5 servicing agents, registrars, and paying agents ¹[.]¹

6 “loan origination fee” means the fee charged by the bank to pay a
 7 portion of the costs incurred by the bank and the Department of
 8 Transportation in the implementation of the New Jersey Transportation
 9 Infrastructure Financing Program;

10 “project sponsor” means a local government unit receiving a loan
 11 from the bank pursuant to this act; and

12 “reserve capacity expenses” means those project costs for reserve
 13 capacity which are eligible for loans from the bank in accordance with
 14 the requirements of subsection g. of section 9 of P.L.1985, c.334
 15 (C.58:11B-9) and any policy statements relating to the Transportation
 16 Bank Infrastructure Financing Program to be set forth in the State
 17 fiscal year 2022 Transportation Infrastructure Financing Program
 18 Financial Plan.

19

20 2. The New Jersey Infrastructure Bank is authorized to make
 21 loans to or on behalf of the project sponsors for the transportation
 22 projects listed in subsection a. of section 3 of this act up to the
 23 individual amounts indicated and in the priority stated, except that
 24 any such amount may be reduced by the bank pursuant to
 25 subsection a. of section 6 of this act, or if a project fails to meet the
 26 requirements of section 5 of this act. The bank is authorized to
 27 increase any such amount pursuant to subsection b. through
 28 subsection e. of section 6 or section 7 of this act.

29

30 3. a. The following transportation infrastructure projects shall
 31 be known and may be cited as the “State Fiscal Year 2022
 32 Transportation Financing Program Project Eligibility List”:

Applicant	Project No.	Total Allowable State Loan Amount	Estimated Total Allowable Loan Amount
Burlington County	TB0300-001	\$ 1,662,500	\$ 3,325,000
Bayonne City	TB0901-001	\$ 1,460,615	\$ 2,921,230
Cape May County	TB0500-007	\$ 5,050,000	\$ 10,100,000
Essex County	TB0700-003	\$ 1,125,000	\$ 2,250,000
Camden County	TB0400-001	\$ 1,250,000	\$ 2,500,000
Orange City	TB0717-001	\$ 4,955,000	\$ 9,910,000
Little Silver Borough	TB1325-002	\$ 1,195,500	\$ 2,391,000
Hackensack City	TB0223-001	\$ 1,960,890	\$ 3,921,780

A5819 [1R]

Little Silver Borough	TB1325-001	\$ 229,500	\$ 459,000
Somerdale Borough	TB0431-002	\$ 526,775	\$ 1,053,550
Somerdale Borough	TB0431-001	\$ 500,000	\$ 1,000,000
Essex County	TB0700-004	\$ 2,586,269	\$ 5,172,537
Orange City	TB0717-002	\$ 4,606,000	\$ 9,212,000
Flemington Borough	TB1009-001	\$ 835,775	\$ 1,671,550
Raritan Township	TB1021-001	\$ 1,411,475	\$ 2,822,950
Bloomfield Township	TB0702-001	\$ 3,490,352	\$ 6,980,703
Orange City	TB0717-003	\$ 934,250	\$ 1,868,500
Raritan Township	TB1021-004	\$ 394,604	\$ 789,207
Total Projects: 18		\$34,174,505	\$68,349,007

1

2 b. The bank is authorized to adjust the allowable State loan
3 amount and estimated total allowable loan amount for each project
4 authorized in this section as appropriate, provided that the total
5 amount of loan issuance remains within available funds and that
6 each loan is issued pursuant to the terms and conditions of the
7 financing program from the year in which each construction
8 contract for a project was certified, if subject to an interim
9 financing program loan or, in the absence of an interim financing
10 program loan, the terms and conditions of the State Fiscal Year
11 2022 Financing Program.

12 c. The bank is authorized to increase the loan amount of
13 projects authorized pursuant to this section in the future to
14 compensate for a refunding of the issue, provided adequate savings
15 are achieved, for the loans issued pursuant to this act.

16

17 4. In accordance with and subject to the provisions of sections
18 5, 6, and 23 of P.L.1985, c.334 (C.58:11B-5, 58:11B-6, and
19 58:11B-23), and as set forth in the financial plan required pursuant
20 to section 37 of P.L.2016, c.56 (C.58:11B-22.3), any proceeds from
21 bonds issued by the bank to make loans for priority transportation
22 infrastructure projects listed in section 3 of this act which are not
23 expended for that purpose may be applied for the payment of all or
24 any part of the principal of, or interest and premium on, the bank
25 transportation bonds whether due at stated maturity, the interest
26 payment dates, or earlier upon redemption. A portion of the
27 proceeds from bonds issued by the bank to make loans for priority
28 transportation infrastructure projects pursuant to this act may be
29 applied for the payment of capitalized interest and for the payment
30 of any issuance expenses; for the payment of reserve capacity
31 expenses; for the payment of debt service reserve fund expenses;

1 for the payment of the loan origination fees; and for the payment of
2 increased costs, as defined and determined in accordance with the
3 rules and regulations adopted by the bank pursuant to section 27 of
4 P.L.1985, c.334 (C.58:11B-27) and satisfies the requirements of
5 subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any
6 policy statements relating to the Transportation Bank Infrastructure
7 Financing Program to be set forth in the State Fiscal Year 2022
8 Transportation Infrastructure Financing Program Financial Plan.

9
10 5. Any loan made by the New Jersey Infrastructure Bank pursuant
11 to this act shall be subject to the following requirements:

12 a. The chairperson, vice-chairperson or secretary of the bank
13 **'[has certified] shall certify'** that the project is in compliance with the
14 provisions of P.L.1984, c.73, P.L.1985, c.334, P.L.2016, c.56, and any
15 amendatory and supplementary acts thereto, and any rules and
16 regulations adopted pursuant thereto, as applicable, and satisfies the
17 requirements of subsection g. of section 9 of P.L.1985, c.334
18 (C.58:11B-9) and any policy statements relating to the Transportation
19 Bank Infrastructure Financing Program to be set forth in the State
20 Fiscal Year 2022 Transportation Infrastructure Financing Program
21 Financial Plan. In making this certification, the chairperson, vice-
22 chairperson or secretary may conclusively rely on the project review
23 conducted by the Department of Transportation without any
24 independent review thereof by the bank;

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

28 c. The loan shall be repaid within a period not to exceed 31 years
29 of the making of the loan or, for loans funded pursuant to the
30 "Transportation Infrastructure Finance and Innovation Act" (TIFIA),
31 23 U.S.C. s.601 et seq., as amended and superseded, not later than the
32 maximum time period allowed by the TIFIA;

33 d. The loan shall not exceed the allowable project cost of the
34 transportation infrastructure project, exclusive of capitalized interest,
35 administrative expenses associated with federal funding programs, if
36 applicable, and issuance expenses as provided in subsection b. of
37 section 6 of this act, reserve capacity expenses and the debt service
38 reserve fund expenses as provided in subsection c. of section 6 of this
39 act, interest earned on project costs as provided in subsection d. of
40 section 6 of this act, the amounts of the loan origination fee as
41 provided in subsection e. of section 6 of this act, refunding increases as
42 provided in section 7 of this act, and increased costs as defined and
43 determined in accordance with the rules and regulations adopted by the
44 bank pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27) and
45 satisfies the requirements of subsection g. of section 9 of P.L.1985,
46 c.334 (C.58:11B-9) and any policy statements relating to the
47 Transportation Bank Infrastructure Financing Program to be set forth

1 in the State Fiscal Year 2022 Transportation Infrastructure Financing
2 Program Financial Plan;

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

12 f. The loan shall be subject to all other terms and conditions as
13 the bank shall determine to be consistent with the provisions of
14 P.L.1985, c.334 (C.58:11B-1 et seq.) and any rules and regulations
15 adopted pursuant thereto, the requirements of subsection g. of section
16 9 of P.L.1985, c.334 (C.58:11B-9), any policy statements relating to
17 the Transportation Bank Infrastructure Financing Program and with
18 the financial plan required by section 37 of P.L.2016, c.56 (C.58:11B-
19 22.3). The eligibility lists and authorization for the making of loans
20 pursuant to this act shall expire on July 1, 2022, and any project
21 sponsor which has not executed and delivered a loan agreement with
22 the bank for a loan authorized in this act shall no longer be entitled to
23 that loan.

24
25 6. a. The New Jersey Infrastructure Bank is authorized to
26 reduce the individual amount of loan funds made available to or on
27 behalf of project sponsors pursuant to section 3 of this act based
28 upon final building costs defined in and determined in accordance
29 with rules and regulations adopted by the bank pursuant to section
30 27 of P.L.1985, c.334 (C.58:11B-27) and the requirements of
31 subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any
32 policy statements relating to the Transportation Bank Infrastructure
33 Financing Program to be set forth in the State Fiscal Year 2022
34 Transportation Infrastructure Financing Program Financial Plan.
35 The bank is authorized to use any such reduction in the loan amount
36 made available to a project sponsor to cover that project sponsor's
37 increased costs due to differing site conditions or other allowable
38 expenses as defined and determined in accordance with the rules
39 and regulations adopted by the bank pursuant to section 27 of
40 P.L.1985, c.334 (C.58:11B-27) and the requirements of subsection
41 g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any policy
42 statements relating to the Transportation Bank Infrastructure
43 Financing Program to be set forth in the State Fiscal Year 2022
44 Transportation Infrastructure Financing Program Financial Plan.

45 b. The bank is authorized to increase each loan amount
46 authorized in section 3 of this act by the amount of capitalized
47 interest, issuance expenses and administrative expenses associated

1 with federal funding programs allocable to each loan made by the
2 bank pursuant to this act,

3 c. The bank is authorized to increase each loan amount
4 authorized in section 3 of this act by the amount of reserve capacity
5 expenses, and by the debt service reserve fund expenses associated
6 with the costs identified in subsection b. of section 1 of this act.

7 d. The bank is authorized to increase each loan amount
8 authorized in section 3 of this act by the interest earned on amounts
9 deposited for project costs pending their distribution to project
10 sponsors.

11 e. The bank is authorized to increase each loan amount
12 authorized in section 3 of this act by the loan origination fee.

13

14 7. The New Jersey Infrastructure Bank is authorized to utilize
15 the proceeds from the refunding of bank transportation bonds to
16 increase the individual amount of loan funds made available to
17 project sponsors by the bank pursuant to this act provided that the
18 amount of the increase is limited to the amount of savings achieved
19 by the refunding of bank transportation bonds issued to make loans
20 authorized by this act.

21

22 8. The expenditure of funds authorized pursuant to this act is
23 subject to the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) as
24 amended and supplemented by P.L.2016, c.56, and the requirements
25 of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and
26 any policy statements relating to the Transportation Bank
27 Infrastructure Financing Program to be set forth in the State Fiscal
28 Year 2022 Transportation Infrastructure Financing Program
29 Financial Plan, as appropriate.

30

31 9. a. There is appropriated to the New Jersey Infrastructure
32 Bank for deposit in the transportation subaccount of the special
33 fund created and established by the bank for the short-term or
34 temporary loan financing or refinancing under the “Disaster Relief
35 Emergency Financing Program,” program authorized pursuant to
36 subsection a. of section 1 of P.L.2013, c.93 (C.58:11B-9.5), such
37 sums as needed consisting of:

38 (1) sums from the “Interim Transportation Financing Program
39 Fund” as needed by the bank to make short-term or temporary loans
40 pursuant to the “Disaster Relief Emergency Financing Program” to
41 any one or more of the project sponsors, for the respective projects
42 thereof; and

43 (2) such other amounts to be deposited in the “Disaster Relief
44 Emergency Financing Program Fund,” established pursuant to
45 subsection a. of section 1 of P.L.2013, c.93 (C.58:11B-9.5),
46 provided that the amount so appropriated to the bank for deposit in
47 the “Disaster Relief Emergency Financing Program Fund” shall be
48 utilized by the bank to make short-term or temporary loans pursuant

1 to the “Disaster Relief Emergency Financing Program” to any one
2 or more of the project sponsors, for the respective projects thereof.
3 Any transportation projects funded by the “Disaster Relief
4 Emergency Financing Program” shall be subject to the approval of
5 the Commissioner of Transportation.

6 b. The Transportation Disaster Relief Emergency Financing
7 Program Project Priority List shall be submitted to the Legislature
8 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) at least
9 once in each fiscal year. Any transportation infrastructure project or
10 the project sponsor thereof not identified in the Transportation
11 Disaster Relief Emergency Financing Program Project Priority List
12 shall not be eligible for a short-term or temporary loan from the
13 Transportation Disaster Relief Emergency Financing Program Fund.
14

15 10. Notwithstanding the provisions of the "Administrative
16 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the
17 contrary, the bank shall not be required to adopt rules and
18 regulations governing the issuance of loans under the “Disaster
19 Relief Emergency Financing Program.”
20

21 11. This act shall take effect immediately.
22
23
24

25 _____
26 Authorizes NJ Infrastructure Bank to expend certain sums to
27 make loans for transportation infrastructure projects for FY2022.

CHAPTER 206

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

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

1. a. The New Jersey Infrastructure Bank, established pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.), is authorized to expend the aggregate sum of \$68,349,007 or such amounts as can be supported through balances in the State Transportation Infrastructure Bank Fund, established pursuant to section 34 of P.L.2016, c.56 (C.58:11B-10.4), and via direct appropriation through the State transportation capital program for the purpose of making loans to or, on behalf of, local government units to finance all or a portion of the cost of construction of transportation infrastructure projects listed in section 3 of this act.

b. The bank is authorized to increase the aggregate sums specified in subsection a. of this section for the bank's costs to acquire lending capital, specifically:

(1) the amounts of capitalized interest and the bond issuance expenses as provided in subsection b. of section 6 of this act;

(2) the amounts of reserve capacity expenses and debt service reserve fund requirements as provided in subsection c. of section 6 of this act;

(3) the interest earned on amounts deposited for project costs pending their distribution to project sponsors as provided in subsection d. of section 6 of this act;

(4) the amounts of the loan origination fee as provided in subsection e. of section 6 of this act.

c. For the purposes of this act:

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

“capitalized interest” means an amount equal to interest paid on bank transportation bonds which is funded with bank transportation bond proceeds and the earnings thereon;

“debt service reserve fund expenses” means the debt service reserve fund costs associated with reserve capacity expenses;

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

“loan origination fee” means the fee charged by the bank to pay a portion of the costs incurred by the bank and the Department of Transportation in the implementation of the New Jersey Transportation Infrastructure Financing Program;

“project sponsor” means a local government unit receiving a loan from the bank pursuant to this act; and

“reserve capacity expenses” means those project costs for reserve capacity which are eligible for loans from the bank in accordance with the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any policy statements relating to the Transportation Bank Infrastructure Financing Program to be set forth in the State fiscal year 2022 Transportation Infrastructure Financing Program Financial Plan.

2. The New Jersey Infrastructure Bank is authorized to make loans to or on behalf of the project sponsors for the transportation projects listed in subsection a. of section 3 of this act up to the individual amounts indicated and in the priority stated, except that any such amount may be reduced by the bank pursuant to subsection a. of section 6 of this act, or if a project fails to meet the requirements of section 5 of this act. The bank is authorized to increase any such amount pursuant to subsection b. through subsection e. of section 6 or section 7 of this act.

3. a. The following transportation infrastructure projects shall be known and may be cited as the “State Fiscal Year 2022 Transportation Financing Program Project Eligibility List”:

Applicant	Project No.	Total Allowable State Loan Amount	Estimated Total Allowable Loan Amount
Burlington County	TB0300-001	\$ 1,662,500	\$ 3,325,000
Bayonne City	TB0901-001	\$ 1,460,615	\$ 2,921,230
Cape May County	TB0500-007	\$ 5,050,000	\$ 10,100,000
Essex County	TB0700-003	\$ 1,125,000	\$ 2,250,000
Camden County	TB0400-001	\$ 1,250,000	\$ 2,500,000
Orange City	TB0717-001	\$ 4,955,000	\$ 9,910,000
Little Silver Borough	TB1325-002	\$ 1,195,500	\$ 2,391,000
Hackensack City	TB0223-001	\$ 1,960,890	\$ 3,921,780
Little Silver Borough	TB1325-001	\$ 229,500	\$ 459,000
Somerdale Borough	TB0431-002	\$ 526,775	\$ 1,053,550
Somerdale Borough	TB0431-001	\$ 500,000	\$ 1,000,000
Essex County	TB0700-004	\$ 2,586,269	\$ 5,172,537
Orange City	TB0717-002	\$ 4,606,000	\$ 9,212,000
Flemington Borough	TB1009-001	\$ 835,775	\$ 1,671,550
Raritan Township	TB1021-001	\$ 1,411,475	\$ 2,822,950
Bloomfield Township	TB0702-001	\$ 3,490,352	\$ 6,980,703
Orange City	TB0717-003	\$ 934,250	\$ 1,868,500
Raritan Township	TB1021-004	\$ 394,604	\$ 789,207
Total Projects: 18		\$34,174,505	\$68,349,007

b. The bank is authorized to adjust the allowable State loan amount and estimated total allowable loan amount for each project authorized in this section as appropriate, provided that the total amount of loan issuance remains within available funds and that each loan is issued pursuant to the terms and conditions of the financing program from the year in which each construction contract for a project was certified, if subject to an interim financing program loan or, in the absence of an interim financing program loan, the terms and conditions of the State Fiscal Year 2022 Financing Program.

c. The bank is authorized to increase the loan amount of projects authorized pursuant to this section in the future to compensate for a refunding of the issue, provided adequate savings are achieved, for the loans issued pursuant to this act.

4. In accordance with and subject to the provisions of sections 5, 6, and 23 of P.L.1985, c.334 (C.58:11B-5, 58:11B-6, and 58:11B-23), and as set forth in the financial plan required pursuant to section 37 of P.L.2016, c.56 (C.58:11B-22.3), any proceeds from bonds issued by the bank to make loans for priority transportation infrastructure projects listed in section 3 of this act which are not expended for that purpose may be applied for the payment of all or any part of the principal of, or interest and premium on, the bank transportation bonds whether due at stated maturity, the interest payment dates, or earlier upon redemption. A portion of the proceeds from bonds issued by the bank to make loans for priority transportation infrastructure projects pursuant to this act may be applied for the payment of capitalized interest and for the payment of any issuance expenses; for the payment of reserve capacity expenses; for the payment of debt service reserve fund expenses; for the payment of the loan origination fees; and for the payment of increased costs, as defined and determined in accordance with the rules and regulations adopted by the bank pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27) and satisfies the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any policy statements relating to the Transportation Bank Infrastructure Financing Program to be set forth in the State Fiscal Year 2022 Transportation Infrastructure Financing Program Financial Plan.

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

a. The chairperson, vice-chairperson or secretary of the bank shall certify that the project is in compliance with the provisions of P.L.1984, c.73, P.L.1985, c.334, P.L.2016, c.56, and any amendatory and supplementary acts thereto, and any rules and regulations adopted pursuant thereto, as applicable, and satisfies the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any policy statements relating to the Transportation Bank Infrastructure Financing Program to be set forth in the State Fiscal Year 2022 Transportation Infrastructure Financing Program Financial Plan. In making this certification, the chairperson, vice-chairperson or secretary may conclusively rely on the project review conducted by the Department of Transportation without any independent review thereof by the bank;

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

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

d. The loan shall not exceed the allowable project cost of the transportation infrastructure project, exclusive of capitalized interest, administrative expenses associated with federal funding programs, if applicable, and issuance expenses as provided in subsection b. of section 6 of this act, reserve capacity expenses and the debt service reserve fund expenses as provided in subsection c. of section 6 of this act, interest earned on project costs as provided in subsection d. of section 6 of this act, the amounts of the loan origination fee as provided in subsection e. of section 6 of this act, refunding increases as provided in section 7 of this act, and increased costs as defined and determined in accordance with the rules and regulations adopted by the bank pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27) and satisfies the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any policy statements relating to the Transportation Bank Infrastructure Financing Program to be set forth in the State Fiscal Year 2022 Transportation Infrastructure Financing Program Financial Plan;

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

f. The loan shall be subject to all other terms and conditions as the bank shall determine to be consistent with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) and any rules and regulations adopted pursuant thereto, the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9), any policy statements relating to the Transportation Bank Infrastructure Financing Program and with the financial plan required by section 37 of P.L.2016, c.56 (C.58:11B-22.3). The eligibility lists and authorization for the making of loans pursuant to this act shall expire on July 1, 2022, and any project sponsor which has not executed and delivered a loan agreement with the bank for a loan authorized in this act shall no longer be entitled to that loan.

6. a. The New Jersey Infrastructure Bank is authorized to reduce the individual amount of loan funds made available to or on behalf of project sponsors pursuant to section 3 of this act based upon final building costs defined in and determined in accordance with rules and regulations adopted by the bank pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27) and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any policy statements relating to the Transportation Bank Infrastructure Financing Program to be set forth in the State Fiscal Year 2022 Transportation Infrastructure Financing Program Financial Plan. The bank is authorized to use any such reduction in the loan amount made available to a project sponsor to cover that project sponsor's increased costs due to differing site conditions or other allowable expenses as defined and determined in accordance with the rules and regulations adopted by the bank pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27) and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any policy statements relating to the Transportation Bank Infrastructure Financing Program to be set forth in the State Fiscal Year 2022 Transportation Infrastructure Financing Program Financial Plan.

b. The bank is authorized to increase each loan amount authorized in section 3 of this act by the amount of capitalized interest, issuance expenses and administrative expenses

associated with federal funding programs allocable to each loan made by the bank pursuant to this act.

c. The bank is authorized to increase each loan amount authorized in section 3 of this act by the amount of reserve capacity expenses, and by the debt service reserve fund expenses associated with the costs identified in subsection b. of section 1 of this act.

d. The bank is authorized to increase each loan amount authorized in section 3 of this act by the interest earned on amounts deposited for project costs pending their distribution to project sponsors.

e. The bank is authorized to increase each loan amount authorized in section 3 of this act by the loan origination fee.

7. The New Jersey Infrastructure Bank is authorized to utilize the proceeds from the refunding of bank transportation bonds to increase the individual amount of loan funds made available to project sponsors by the bank pursuant to this act provided that the amount of the increase is limited to the amount of savings achieved by the refunding of bank transportation bonds issued to make loans authorized by this act.

8. The expenditure of funds authorized pursuant to this act is subject to the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) as amended and supplemented by P.L.2016, c.56, and the requirements of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any policy statements relating to the Transportation Bank Infrastructure Financing Program to be set forth in the State Fiscal Year 2022 Transportation Infrastructure Financing Program Financial Plan, as appropriate.

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

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

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

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

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

11. This act shall take effect immediately.

Approved August 24, 2021.

ASSEMBLY, No. 5819

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JUNE 2, 2021

Sponsored by:

Assemblyman ROY FREIMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblywoman SHANIQUE SPEIGHT

District 29 (Essex)

Assemblywoman PAMELA R. LAMPITT

District 6 (Burlington and Camden)

Co-Sponsored by:

Assemblyman Benson

SYNOPSIS

Authorizes NJ Infrastructure Bank to expend certain sums to make loans for transportation infrastructure projects for FY2022.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/9/2021)

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

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

8
9 1. a. The New Jersey Infrastructure Bank, established pursuant
10 to P.L.1985, c.334 (C.58:11B-1 et seq.), is authorized to expend the
11 aggregate sum of \$68,349,007 or such amounts as can be supported
12 through balances in the State Transportation Infrastructure Bank
13 Fund, established pursuant to section 34 of P.L.2016, c.56
14 (C.58:11B-10.4), and via direct appropriation through the State
15 transportation capital program for the purpose of making loans to
16 or, on behalf of, local government units to finance all or a portion of
17 the cost of construction of transportation infrastructure projects
18 listed in sections 3 of this act.

19 b. The bank is authorized to increase the aggregate sums
20 specified in subsection a. of this section for the bank's costs to
21 acquire lending capital, specifically:

22 (1) the amounts of capitalized interest and the bond issuance
23 expenses as provided in subsection b. of section 6 of this act;

24 (2) the amounts of reserve capacity expenses and debt service
25 reserve fund requirements as provided in subsection c. of section 6
26 of this act;

27 (3) the interest earned on amounts deposited for project costs
28 pending their distribution to project sponsors as provided in
29 subsection d. of section 6 of this act;

30 (4) the amounts of the loan origination fee as provided in
31 subsection e. of section 6 of this act.

32 c. For the purposes of this act:

33 "bank" means the New Jersey Infrastructure Bank, established
34 pursuant to section 4 of P.L.1985, c.334 (C.58:11B-4);

35 "capitalized interest" means an amount equal to interest paid on
36 bank transportation bonds which is funded with bank transportation
37 bond proceeds and the earnings thereon;

38 "debt service reserve fund expenses" means the debt service
39 reserve fund costs associated with reserve capacity expenses,

40 "issuance expenses" means any costs related to the issuance of
41 bank transportation bonds and includes, but is not limited to, the
42 costs of financial document printing, bond insurance premiums or
43 other credit enhancement, underwriters' discount, verification of
44 financial calculations, the services of bond rating agencies and
45 trustees, the employment of accountants, attorneys, financial
46 advisors, loan servicing agents, registrars, and paying agents.

47 "loan origination fee" means the fee charged by the bank to pay a
48 portion of the costs incurred by the bank and the Department of

1 Transportation in the implementation of the New Jersey
2 Transportation Infrastructure Financing Program;

3 “project sponsor” means a local government unit receiving a loan
4 from the bank pursuant to this act; and

5 “reserve capacity expenses” means those project costs for reserve
6 capacity which are eligible for loans from the bank in accordance
7 with the requirements of subsection g. of section 9 of P.L.1985,
8 c.334 (C.58:11B-9) and any policy statements relating to the
9 Transportation Bank Infrastructure Financing Program to be set
10 forth in the State fiscal year 2022 Transportation Infrastructure
11 Financing Program Financial Plan.

12

13 2. The New Jersey Infrastructure Bank is authorized to make
14 loans to or on behalf of the project sponsors for the transportation
15 projects listed in subsection a. of section 3 of this act up to the
16 individual amounts indicated and in the priority stated, except that
17 any such amount may be reduced by the bank pursuant to
18 subsection a. of section 6 of this act, or if a project fails to meet the
19 requirements of section 5 of this act. The bank is authorized to
20 increase any such amount pursuant to subsection b. through
21 subsection e. of section 6 or section 7 of this act.

22

23 3. a. The following transportation infrastructure projects shall
24 be known and may be cited as the “State Fiscal Year 2022
25 Transportation Financing Program Project Eligibility List”:

A5819 FREIMAN, SPEIGHT

Applicant	Project No.	Total Allowable State Loan Amount	Estimated Total Allowable Loan Amount
Burlington County	TB0300-001	\$ 1,662,500	\$ 3,325,000
Bayonne City	TB0901-001	\$ 1,460,615	\$ 2,921,230
Cape May County	TB0500-007	\$ 5,050,000	\$ 10,100,000
Essex County	TB0700-003	\$ 1,125,000	\$ 2,250,000
Camden County	TB0400-001	\$ 1,250,000	\$ 2,500,000
Orange City	TB0717-001	\$ 4,955,000	\$ 9,910,000
Little Silver Borough	TB1325-002	\$ 1,195,500	\$ 2,391,000
Hackensack City	TB0223-001	\$ 1,960,890	\$ 3,921,780
Little Silver Borough	TB1325-001	\$ 229,500	\$ 459,000
Somerdale Borough	TB0431-002	\$ 526,775	\$ 1,053,550
Somerdale Borough	TB0431-001	\$ 500,000	\$ 1,000,000
Essex County	TB0700-004	\$ 2,586,269	\$ 5,172,537
Orange City	TB0717-002	\$ 4,606,000	\$ 9,212,000
Flemington Borough	TB1009-001	\$ 835,775	\$ 1,671,550
Raritan Township	TB1021-001	\$ 1,411,475	\$ 2,822,950
Bloomfield Township	TB0702-001	\$ 3,490,352	\$ 6,980,703
Orange City	TB0717-003	\$ 934,250	\$ 1,868,500
Raritan Township	TB1021-004	\$ 394,604	\$ 789,207
Total Projects: 18		\$34,174,505	\$68,349,007

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15

b. The bank is authorized to adjust the allowable State loan amount and estimated total allowable loan amount for each project authorized in this section as appropriate, provided that the total amount of loan issuance remains within available funds and that each loan is issued pursuant to the terms and conditions of the financing program from the year in which each construction contract for a project was certified, if subject to an interim financing program loan or, in the absence of an interim financing program loan, the terms and conditions of the State Fiscal Year 2022 Financing Program.

c. The bank is authorized to increase the loan amount of projects authorized pursuant to this section in the future to compensate for a refunding of the issue, provided adequate savings are achieved, for the loans issued pursuant to this act.

1 4. In accordance with and subject to the provisions of sections
2 5, 6, and 23 of P.L.1985, c.334 (C.58:11B-5, 58:11B-6, and
3 58:11B-23), and as set forth in the financial plan required pursuant
4 to section 37 of P.L.2016, c.56 (C.58:11B-22.3), any proceeds from
5 bonds issued by the bank to make loans for priority transportation
6 infrastructure projects listed in section 3 of this act which are not
7 expended for that purpose may be applied for the payment of all or
8 any part of the principal of, or interest and premium on, the bank
9 transportation bonds whether due at stated maturity, the interest
10 payment dates, or earlier upon redemption. A portion of the
11 proceeds from bonds issued by the bank to make loans for priority
12 transportation infrastructure projects pursuant to this act may be
13 applied for the payment of capitalized interest and for the payment
14 of any issuance expenses; for the payment of reserve capacity
15 expenses; for the payment of debt service reserve fund expenses;
16 for the payment of the loan origination fees; and for the payment of
17 increased costs, as defined and determined in accordance with the
18 rules and regulations adopted by the bank pursuant to section 27 of
19 P.L.1985, c.334 (C.58:11B-27) and satisfies the requirements of
20 subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any
21 policy statements relating to the Transportation Bank Infrastructure
22 Financing Program to be set forth in the State Fiscal Year 2022
23 Transportation Infrastructure Financing Program Financial Plan.

24
25 5. Any loan made by the New Jersey Infrastructure Bank
26 pursuant to this act shall be subject to the following requirements:

27 a. The chairperson, vice-chairperson or secretary of the bank
28 has certified that the project is in compliance with the provisions of
29 P.L.1984, c.73, P.L.1985, c.334, P.L.2016, c.56, and any
30 amendatory and supplementary acts thereto, and any rules and
31 regulations adopted pursuant thereto, as applicable, and satisfies the
32 requirements of subsection g. of section 9 of P.L.1985, c.334
33 (C.58:11B-9) and any policy statements relating to the
34 Transportation Bank Infrastructure Financing Program to be set
35 forth in the State Fiscal Year 2022 Transportation Infrastructure
36 Financing Program Financial Plan. In making this certification, the
37 chairperson, vice-chairperson or secretary may conclusively rely on
38 the project review conducted by the Department of Transportation
39 without any independent review thereof by the bank;

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

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

1 d. The loan shall not exceed the allowable project cost of the
2 transportation infrastructure project, exclusive of capitalized
3 interest, administrative expenses associated with federal funding
4 programs, if applicable, and issuance expenses as provided in
5 subsection b. of section 6 of this act, reserve capacity expenses and
6 the debt service reserve fund expenses as provided in subsection c.
7 of section 6 of this act, interest earned on project costs as provided
8 in subsection d. of section 6 of this act, the amounts of the loan
9 origination fee as provided in subsection e. of section 6 of this act,
10 refunding increases as provided in section 7 of this act, and
11 increased costs as defined and determined in accordance with the
12 rules and regulations adopted by the bank pursuant to section 27 of
13 P.L.1985, c.334 (C.58:11B-27) and satisfies the requirements of
14 subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any
15 policy statements relating to the Transportation Bank Infrastructure
16 Financing Program to be set forth in the State Fiscal Year 2022
17 Transportation Infrastructure Financing Program Financial Plan;

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

28 f. The loan shall be subject to all other terms and conditions as
29 the bank shall determine to be consistent with the provisions of
30 P.L.1985, c.334 (C.58:11B-1 et seq.) and any rules and regulations
31 adopted pursuant thereto, the requirements of subsection g. of
32 section 9 of P.L.1985, c.334 (C.58:11B-9), any policy statements
33 relating to the Transportation Bank Infrastructure Financing
34 Program and with the financial plan required by section 37 of
35 P.L.2016, c.56 (C.58:11B-22.3). The eligibility lists and
36 authorization for the making of loans pursuant to this act shall
37 expire on July 1, 2022, and any project sponsor which has not
38 executed and delivered a loan agreement with the bank for a loan
39 authorized in this act shall no longer be entitled to that loan.

40
41 6. a. The New Jersey Infrastructure Bank is authorized to
42 reduce the individual amount of loan funds made available to or on
43 behalf of project sponsors pursuant to section 3 of this act based
44 upon final building costs defined in and determined in accordance
45 with rules and regulations adopted by the bank pursuant to section
46 27 of P.L.1985, c.334 (C.58:11B-27) and the requirements of
47 subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any
48 policy statements relating to the Transportation Bank Infrastructure

1 Financing Program to be set forth in the State Fiscal Year 2022
2 Transportation Infrastructure Financing Program Financial Plan.
3 The bank is authorized to use any such reduction in the loan amount
4 made available to a project sponsor to cover that project sponsor's
5 increased costs due to differing site conditions or other allowable
6 expenses as defined and determined in accordance with the rules
7 and regulations adopted by the bank pursuant to section 27 of
8 P.L.1985, c.334 (C.58:11B-27) and the requirements of subsection
9 g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any policy
10 statements relating to the Transportation Bank Infrastructure
11 Financing Program to be set forth in the State Fiscal Year 2022
12 Transportation Infrastructure Financing Program Financial Plan.

13 b. The bank is authorized to increase each loan amount
14 authorized in section 3 of this act by the amount of capitalized
15 interest, issuance expenses and administrative expenses associated
16 with federal funding programs allocable to each loan made by the
17 bank pursuant to this act,

18 c. The bank is authorized to increase each loan amount
19 authorized in section 3 of this act by the amount of reserve capacity
20 expenses, and by the debt service reserve fund expenses associated
21 with the costs identified in subsection b. of section 1 of this act.

22 d. The bank is authorized to increase each loan amount
23 authorized in section 3 of this act by the interest earned on amounts
24 deposited for project costs pending their distribution to project
25 sponsors.

26 e. The bank is authorized to increase each loan amount
27 authorized in section 3 of this act by the loan origination fee.

28
29 7. The New Jersey Infrastructure Bank is authorized to utilize
30 the proceeds from the refunding of bank transportation bonds to
31 increase the individual amount of loan funds made available to
32 project sponsors by the bank pursuant to this act provided that the
33 amount of the increase is limited to the amount of savings achieved
34 by the refunding of bank transportation bonds issued to make loans
35 authorized by this act.

36
37 8. The expenditure of funds authorized pursuant to this act is
38 subject to the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) as
39 amended and supplemented by P.L.2016, c.56, and the requirements
40 of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and
41 any policy statements relating to the Transportation Bank
42 Infrastructure Financing Program to be set forth in the State Fiscal
43 Year 2022 Transportation Infrastructure Financing Program
44 Financial Plan, as appropriate.

45
46 9. a. There is appropriated to the New Jersey Infrastructure
47 Bank for deposit in the transportation subaccount of the special
48 fund created and established by the bank for the short-term or

1 temporary loan financing or refinancing under the “Disaster Relief
2 Emergency Financing Program,” program authorized pursuant to
3 subsection a. of section 1 of P.L.2013, c.93 (C.58:11B-9.5), such
4 sums as needed consisting of:

5 (1) sums from the “Interim Transportation Financing Program
6 Fund” as needed by the bank to make short-term or temporary loans
7 pursuant to the “Disaster Relief Emergency Financing Program” to
8 any one or more of the project sponsors, for the respective projects
9 thereof; and

10 (2) such other amounts to be deposited in the “Disaster Relief
11 Emergency Financing Program Fund,” established pursuant to
12 subsection a. of section 1 of P.L.2013, c.93 (C.58:11B-9.5),
13 provided that the amount so appropriated to the bank for deposit in
14 the “Disaster Relief Emergency Financing Program Fund” shall be
15 utilized by the bank to make short-term or temporary loans pursuant
16 to the “Disaster Relief Emergency Financing Program” to any one
17 or more of the project sponsors, for the respective projects thereof.
18 Any transportation projects funded by the “Disaster Relief
19 Emergency Financing Program” shall be subject to the approval of
20 the Commissioner of Transportation.

21 b. The Transportation Disaster Relief Emergency Financing
22 Program Project Priority List shall be submitted to the Legislature
23 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) at least
24 once in each fiscal year. Any transportation infrastructure project or
25 the project sponsor thereof not identified in the Transportation
26 Disaster Relief Emergency Financing Program Project Priority List
27 shall not be eligible for a short-term or temporary loan from the
28 Transportation Disaster Relief Emergency Financing Program Fund.
29

30 10. Notwithstanding the provisions of the "Administrative
31 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the
32 contrary, the bank shall not be required to adopt rules and
33 regulations governing the issuance of loans under the “Disaster
34 Relief Emergency Financing Program.”
35

36 11. This act shall take effect immediately.
37
38

39 STATEMENT
40

41 This bill authorizes the New Jersey Infrastructure Bank (NJIB)
42 (formerly the New Jersey Environmental Infrastructure Trust) to
43 expend up to \$68,349,007 to provide loans with an interest rate at or
44 below the prevailing market rate to local government units for up to
45 the total costs of 18 eligible transportation infrastructure projects.

46 This bill also permits the NJIB to use any loan repayments
47 received to date, and the amounts for capitalized interest, bond
48 issuance expenses and related amounts, to fund the State Fiscal

1 Year 2022 New Jersey Transportation Infrastructure Financing
2 Program (NJTIB).

3 Since its creation in 2018, the NJIB, in partnership with the
4 Department of Transportation, has provided low-cost NJTIB loans
5 for the construction of critical transportation infrastructure projects
6 with the mission of reducing the cost of financing for New Jersey
7 counties and municipalities and making possible responsible and
8 sustainable economic development. Since 2018, NJTIB loans to
9 local government units have totaled more than \$52 million to
10 finance capital projects for public highways, approach roadways,
11 ramps, signal systems, roadbeds, transit lanes or rights of way,
12 pedestrian walkways and bridges connecting to passenger stations
13 and servicing facilities, bridges, and grade crossings generating
14 more than 13 construction projects throughout the State.

ASSEMBLY TRANSPORTATION AND INDEPENDENT
AUTHORITIES COMMITTEE

STATEMENT TO
ASSEMBLY, No. 5819

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 14, 2021

The Assembly Transportation and Independent Authorities Committee reports favorably and with committee amendments Assembly Bill No. 5819.

As amended and reported, this bill authorizes the New Jersey Infrastructure Bank (NJIB) (formerly the New Jersey Environmental Infrastructure Trust) to expend up to \$68,349,007 to provide loans with an interest rate at or below the prevailing market rate to local government units for up to the total costs of 18 eligible transportation infrastructure projects.

This bill also permits the NJIB to use any loan repayments received to date, and the amounts for capitalized interest, bond issuance expenses and related amounts, to fund the State Fiscal Year 2022 New Jersey Transportation Infrastructure Financing Program (NJTIB).

Since its creation in 2018, the NJIB, in partnership with the Department of Transportation, has provided low-cost NJTIB loans for the construction of critical transportation infrastructure projects with the mission of reducing the cost of financing for New Jersey counties and municipalities and making possible responsible and sustainable economic development. Since 2018, NJTIB loans to local government units have totaled more than \$52 million to finance capital projects for public highways, approach roadways, ramps, signal systems, roadbeds, transit lanes or rights of way, pedestrian walkways and bridges connecting to passenger stations and servicing facilities, bridges, and grade crossings generating more than 13 construction projects throughout the State.

COMMITTEE AMENDMENTS

The committee amendments make a grammatical correction, replace a comma and period with semicolons, and provide an additional technical change to language in the bill.

SENATE, No. 3924

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JUNE 10, 2021

Sponsored by:

Senator VIN GOPAL

District 11 (Monmouth)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

Co-Sponsored by:

Senator Pou

SYNOPSIS

Authorizes NJ Infrastructure Bank to expend certain sums to make loans for transportation infrastructure projects for FY2022.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/30/2021)

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

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

8
9 1. a. The New Jersey Infrastructure Bank, established pursuant
10 to P.L.1985, c.334 (C.58:11B-1 et seq.), is authorized to expend the
11 aggregate sum of \$68,349,007 or such amounts as can be supported
12 through balances in the State Transportation Infrastructure Bank
13 Fund, established pursuant to section 34 of P.L.2016, c.56
14 (C.58:11B-10.4), and via direct appropriation through the State
15 transportation capital program for the purpose of making loans to or,
16 on behalf of, local government units to finance all or a portion of the
17 cost of construction of transportation infrastructure projects listed in
18 section 3 of this act.

19 b. The bank is authorized to increase the aggregate sums
20 specified in subsection a. of this section for the bank's costs to
21 acquire lending capital, specifically:

22 (1) the amounts of capitalized interest and the bond issuance
23 expenses as provided in subsection b. of section 6 of this act;

24 (2) the amounts of reserve capacity expenses and debt service
25 reserve fund requirements as provided in subsection c. of section 6
26 of this act;

27 (3) the interest earned on amounts deposited for project costs
28 pending their distribution to project sponsors as provided in
29 subsection d. of section 6 of this act;

30 (4) the amounts of the loan origination fee as provided in
31 subsection e. of section 6 of this act.

32 c. For the purposes of this act:

33 "bank" means the New Jersey Infrastructure Bank, established
34 pursuant to section 4 of P.L.1985, c.334 (C.58:11B-4);

35 "capitalized interest" means an amount equal to interest paid on
36 bank transportation bonds which is funded with bank transportation
37 bond proceeds and the earnings thereon;

38 "debt service reserve fund expenses" means the debt service
39 reserve fund costs associated with reserve capacity expenses;

40 "issuance expenses" means any costs related to the issuance of
41 bank transportation bonds and includes, but is not limited to, the costs
42 of financial document printing, bond insurance premiums or other
43 credit enhancement, underwriters' discount, verification of financial
44 calculations, the services of bond rating agencies and trustees, the
45 employment of accountants, attorneys, financial advisors, loan
46 servicing agents, registrars, and paying agents;

47 "loan origination fee" means the fee charged by the bank to pay a
48 portion of the costs incurred by the bank and the Department of

1 Transportation in the implementation of the New Jersey
2 Transportation Infrastructure Financing Program;

3 “project sponsor” means a local government unit receiving a loan
4 from the bank pursuant to this act; and

5 “reserve capacity expenses” means those project costs for reserve
6 capacity which are eligible for loans from the bank in accordance
7 with the requirements of subsection g. of section 9 of P.L.1985, c.334
8 (C.58:11B-9) and any policy statements relating to the
9 Transportation Bank Infrastructure Financing Program to be set forth
10 in the State fiscal year 2022 Transportation Infrastructure Financing
11 Program Financial Plan.

12

13 2. The New Jersey Infrastructure Bank is authorized to make
14 loans to or on behalf of the project sponsors for the transportation
15 projects listed in subsection a. of section 3 of this act up to the
16 individual amounts indicated and in the priority stated, except that
17 any such amount may be reduced by the bank pursuant to subsection
18 a. of section 6 of this act, or if a project fails to meet the requirements
19 of section 5 of this act. The bank is authorized to increase any such
20 amount pursuant to subsection b. through subsection e. of section 6
21 or section 7 of this act.

22

23 3. a. The following transportation infrastructure projects shall
24 be known and may be cited as the “State Fiscal Year 2022
25 Transportation Financing Program Project Eligibility List”:

S3924 GOPAL, GREENSTEIN

Applicant	Project No.	Total Allowable State Loan Amount	Estimated Total Allowable Loan Amount
Burlington County	TB0300-001	\$ 1,662,500	\$ 3,325,000
Bayonne City	TB0901-001	\$ 1,460,615	\$ 2,921,230
Cape May County	TB0500-007	\$ 5,050,000	\$ 10,100,000
Essex County	TB0700-003	\$ 1,125,000	\$ 2,250,000
Camden County	TB0400-001	\$ 1,250,000	\$ 2,500,000
Orange City	TB0717-001	\$ 4,955,000	\$ 9,910,000
Little Silver Borough	TB1325-002	\$ 1,195,500	\$ 2,391,000
Hackensack City	TB0223-001	\$ 1,960,890	\$ 3,921,780
Little Silver Borough	TB1325-001	\$ 229,500	\$ 459,000
Somerdale Borough	TB0431-002	\$ 526,775	\$ 1,053,550
Somerdale Borough	TB0431-001	\$ 500,000	\$ 1,000,000
Essex County	TB0700-004	\$ 2,586,269	\$ 5,172,537
Orange City	TB0717-002	\$ 4,606,000	\$ 9,212,000
Flemington Borough	TB1009-001	\$ 835,775	\$ 1,671,550
Raritan Township	TB1021-001	\$ 1,411,475	\$ 2,822,950
Bloomfield Township	TB0702-001	\$ 3,490,352	\$ 6,980,703
Orange City	TB0717-003	\$ 934,250	\$ 1,868,500
Raritan Township	TB1021-004	\$ 394,604	\$ 789,207
Total Projects: 18		\$34,174,505	\$68,349,007

1

2 b. The bank is authorized to adjust the allowable State loan
3 amount and estimated total allowable loan amount for each project
4 authorized in this section as appropriate, provided that the total
5 amount of loan issuance remains within available funds and that each
6 loan is issued pursuant to the terms and conditions of the financing
7 program from the year in which each construction contract for a
8 project was certified, if subject to an interim financing program loan
9 or, in the absence of an interim financing program loan, the terms and
10 conditions of the State Fiscal Year 2022 Financing Program.

11 c. The bank is authorized to increase the loan amount of projects
12 authorized pursuant to this section in the future to compensate for a
13 refunding of the issue, provided adequate savings are achieved, for
14 the loans issued pursuant to this act.

1 4. In accordance with and subject to the provisions of sections
2 5, 6, and 23 of P.L.1985, c.334 (C.58:11B-5, 58:11B-6, and 58:11B-
3 23), and as set forth in the financial plan required pursuant to section
4 37 of P.L.2016, c.56 (C.58:11B-22.3), any proceeds from bonds
5 issued by the bank to make loans for priority transportation
6 infrastructure projects listed in section 3 of this act which are not
7 expended for that purpose may be applied for the payment of all or
8 any part of the principal of, or interest and premium on, the bank
9 transportation bonds whether due at stated maturity, the interest
10 payment dates, or earlier upon redemption. A portion of the proceeds
11 from bonds issued by the bank to make loans for priority
12 transportation infrastructure projects pursuant to this act may be
13 applied for the payment of capitalized interest and for the payment
14 of any issuance expenses; for the payment of reserve capacity
15 expenses; for the payment of debt service reserve fund expenses; for
16 the payment of the loan origination fees; and for the payment of
17 increased costs, as defined and determined in accordance with the
18 rules and regulations adopted by the bank pursuant to section 27 of
19 P.L.1985, c.334 (C.58:11B-27) and satisfies the requirements of
20 subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any
21 policy statements relating to the Transportation Bank Infrastructure
22 Financing Program to be set forth in the State Fiscal Year 2022
23 Transportation Infrastructure Financing Program Financial Plan.

24
25 5. Any loan made by the New Jersey Infrastructure Bank
26 pursuant to this act shall be subject to the following requirements:

27 a. The chairperson, vice-chairperson or secretary of the bank
28 shall certify that the project is in compliance with the provisions of
29 P.L.1984, c.73, P.L.1985, c.334, P.L.2016, c.56, and any amendatory
30 and supplementary acts thereto, and any rules and regulations
31 adopted pursuant thereto, as applicable, and satisfies the
32 requirements of subsection g. of section 9 of P.L.1985, c.334
33 (C.58:11B-9) and any policy statements relating to the
34 Transportation Bank Infrastructure Financing Program to be set forth
35 in the State Fiscal Year 2022 Transportation Infrastructure Financing
36 Program Financial Plan. In making this certification, the chairperson,
37 vice-chairperson or secretary may conclusively rely on the project
38 review conducted by the Department of Transportation without any
39 independent review thereof by the bank;

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

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

1 d. The loan shall not exceed the allowable project cost of the
2 transportation infrastructure project, exclusive of capitalized interest,
3 administrative expenses associated with federal funding programs, if
4 applicable, and issuance expenses as provided in subsection b. of
5 section 6 of this act, reserve capacity expenses and the debt service
6 reserve fund expenses as provided in subsection c. of section 6 of this
7 act, interest earned on project costs as provided in subsection d. of
8 section 6 of this act, the amounts of the loan origination fee as
9 provided in subsection e. of section 6 of this act, refunding increases
10 as provided in section 7 of this act, and increased costs as defined
11 and determined in accordance with the rules and regulations adopted
12 by the bank pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27)
13 and satisfies the requirements of subsection g. of section 9 of
14 P.L.1985, c.334 (C.58:11B-9) and any policy statements relating to
15 the Transportation Bank Infrastructure Financing Program to be set
16 forth in the State Fiscal Year 2022 Transportation Infrastructure
17 Financing Program Financial Plan;

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

27 f. The loan shall be subject to all other terms and conditions as
28 the bank shall determine to be consistent with the provisions of
29 P.L.1985, c.334 (C.58:11B-1 et seq.) and any rules and regulations
30 adopted pursuant thereto, the requirements of subsection g. of section
31 9 of P.L.1985, c.334 (C.58:11B-9), any policy statements relating to
32 the Transportation Bank Infrastructure Financing Program and with
33 the financial plan required by section 37 of P.L.2016, c.56
34 (C.58:11B-22.3). The eligibility lists and authorization for the
35 making of loans pursuant to this act shall expire on July 1, 2022, and
36 any project sponsor which has not executed and delivered a loan
37 agreement with the bank for a loan authorized in this act shall no
38 longer be entitled to that loan.

39

40 6. a. The New Jersey Infrastructure Bank is authorized to reduce
41 the individual amount of loan funds made available to or on behalf
42 of project sponsors pursuant to section 3 of this act based upon final
43 building costs defined in and determined in accordance with rules
44 and regulations adopted by the bank pursuant to section 27 of
45 P.L.1985, c.334 (C.58:11B-27) and the requirements of subsection g.
46 of section 9 of P.L.1985, c.334 (C.58:11B-9) and any policy
47 statements relating to the Transportation Bank Infrastructure
48 Financing Program to be set forth in the State Fiscal Year 2022

1 Transportation Infrastructure Financing Program Financial Plan. The
2 bank is authorized to use any such reduction in the loan amount made
3 available to a project sponsor to cover that project sponsor's increased
4 costs due to differing site conditions or other allowable expenses as
5 defined and determined in accordance with the rules and regulations
6 adopted by the bank pursuant to section 27 of P.L.1985, c.334
7 (C.58:11B-27) and the requirements of subsection g. of section 9 of
8 P.L.1985, c.334 (C.58:11B-9) and any policy statements relating to
9 the Transportation Bank Infrastructure Financing Program to be set
10 forth in the State Fiscal Year 2022 Transportation Infrastructure
11 Financing Program Financial Plan.

12 b. The bank is authorized to increase each loan amount authorized
13 in section 3 of this act by the amount of capitalized interest, issuance
14 expenses and administrative expenses associated with federal
15 funding programs allocable to each loan made by the bank pursuant
16 to this act,

17 c. The bank is authorized to increase each loan amount authorized
18 in section 3 of this act by the amount of reserve capacity expenses,
19 and by the debt service reserve fund expenses associated with the
20 costs identified in subsection b. of section 1 of this act.

21 d. The bank is authorized to increase each loan amount authorized
22 in section 3 of this act by the interest earned on amounts deposited
23 for project costs pending their distribution to project sponsors.

24 e. The bank is authorized to increase each loan amount authorized
25 in section 3 of this act by the loan origination fee.

26

27 7. The New Jersey Infrastructure Bank is authorized to utilize
28 the proceeds from the refunding of bank transportation bonds to
29 increase the individual amount of loan funds made available to
30 project sponsors by the bank pursuant to this act provided that the
31 amount of the increase is limited to the amount of savings achieved
32 by the refunding of bank transportation bonds issued to make loans
33 authorized by this act.

34

35 8. The expenditure of funds authorized pursuant to this act is
36 subject to the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) as
37 amended and supplemented by P.L.2016, c.56, and the requirements
38 of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any
39 policy statements relating to the Transportation Bank Infrastructure
40 Financing Program to be set forth in the State Fiscal Year 2022
41 Transportation Infrastructure Financing Program Financial Plan, as
42 appropriate.

43

44 9. a. There is appropriated to the New Jersey Infrastructure
45 Bank for deposit in the transportation subaccount of the special fund
46 created and established by the bank for the short-term or temporary
47 loan financing or refinancing under the "Disaster Relief Emergency
48 Financing Program," program authorized pursuant to subsection a. of

1 section 1 of P.L.2013, c.93 (C.58:11B-9.5), such sums as needed
2 consisting of:

3 (1) sums from the “Interim Transportation Financing Program
4 Fund” as needed by the bank to make short-term or temporary loans
5 pursuant to the “Disaster Relief Emergency Financing Program” to
6 any one or more of the project sponsors, for the respective projects
7 thereof; and

8 (2) such other amounts to be deposited in the “Disaster Relief
9 Emergency Financing Program Fund,” established pursuant to
10 subsection a. of section 1 of P.L.2013, c.93 (C.58:11B-9.5), provided
11 that the amount so appropriated to the bank for deposit in the
12 “Disaster Relief Emergency Financing Program Fund” shall be
13 utilized by the bank to make short-term or temporary loans pursuant
14 to the “Disaster Relief Emergency Financing Program” to any one or
15 more of the project sponsors, for the respective projects thereof. Any
16 transportation projects funded by the “Disaster Relief Emergency
17 Financing Program” shall be subject to the approval of the
18 Commissioner of Transportation.

19 b. The Transportation Disaster Relief Emergency Financing
20 Program Project Priority List shall be submitted to the Legislature
21 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) at least once
22 in each fiscal year. Any transportation infrastructure project or the
23 project sponsor thereof not identified in the Transportation Disaster
24 Relief Emergency Financing Program Project Priority List shall not
25 be eligible for a short-term or temporary loan from the Transportation
26 Disaster Relief Emergency Financing Program Fund.

27
28 10. Notwithstanding the provisions of the "Administrative
29 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary,
30 the bank shall not be required to adopt rules and regulations
31 governing the issuance of loans under the “Disaster Relief
32 Emergency Financing Program.”

33
34 11. This act shall take effect immediately.

35
36
37 STATEMENT

38
39 This bill authorizes the New Jersey Infrastructure Bank (NJIB)
40 (formerly the New Jersey Environmental Infrastructure Trust) to
41 expend up to \$68,349,007 to provide loans with an interest rate at or
42 below the prevailing market rate to local government units for up to
43 the total costs of 18 eligible transportation infrastructure projects.

44 This bill also permits the NJIB to use any loan repayments
45 received to date, and the amounts for capitalized interest, bond
46 issuance expenses and related amounts, to fund the State Fiscal Year
47 2022 New Jersey Transportation Infrastructure Financing Program
48 (NJTIB).

1 Since its creation in 2018, the NJIB, in partnership with the
2 Department of Transportation, has provided low-cost NJTIB loans
3 for the construction of critical transportation infrastructure projects
4 with the mission of reducing the cost of financing for New Jersey
5 counties and municipalities and making possible responsible and
6 sustainable economic development. Since 2018, NJTIB loans to local
7 government units have totaled more than \$52 million to finance
8 capital projects for public highways, approach roadways, ramps,
9 signal systems, roadbeds, transit lanes or rights of way, pedestrian
10 walkways and bridges connecting to passenger stations and servicing
11 facilities, bridges, and grade crossings generating more than 13
12 construction projects throughout the State.

SENATE TRANSPORTATION COMMITTEE

STATEMENT TO

SENATE, No. 3924

STATE OF NEW JERSEY

DATED: JUNE 10, 2021

The Senate Transportation Committee reports favorably Senate Bill No. 3924.

As reported, this bill authorizes the New Jersey Infrastructure Bank (NJIB) (formerly the New Jersey Environmental Infrastructure Trust) to expend up to \$68,349,007 to provide loans with an interest rate at or below the prevailing market rate to local government units for up to the total costs of 18 eligible transportation infrastructure projects.

This bill also permits the NJIB to use any loan repayments received to date, and the amounts for capitalized interest, bond issuance expenses and related amounts, to fund the State Fiscal Year 2022 New Jersey Transportation Infrastructure Financing Program (NJTIB).

Since its creation in 2018, the NJIB, in partnership with the Department of Transportation, has provided low-cost NJTIB loans for the construction of critical transportation infrastructure projects with the mission of reducing the cost of financing for New Jersey counties and municipalities and making possible responsible and sustainable economic development. Since 2018, NJTIB loans to local government units have totaled more than \$52 million to finance capital projects for public highways, approach roadways, ramps, signal systems, roadbeds, transit lanes or rights of way, pedestrian walkways and bridges connecting to passenger stations and servicing facilities, bridges, and grade crossings generating more than 13 construction projects throughout the State.

Governor Murphy Takes Action on Legislation

08/24/2021

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

A-4918/S-3266 (Greenwald, Johnson, Mukherji/Diegnan, Gopal) – Allows corporations and certain financial institutions to hold remote shareholder meetings

A-5588/S-3812 (McKnight, Kennedy, Moen/Greenstein, Bateman) – Appropriates funds to DEP for environmental infrastructure projects for FY2022

A-5589/S-3813 (Caputo, Taliaferro, Chaparro/Codey, Corrado) – Authorizes NJ Infrastructure Bank to expend certain sums to make loans for environmental infrastructure projects for FY2022

A-5816/S-3848 (Tully, Swain, Speight/Lagana) – Allows county boards of elections to expand staff and appoint clerk within county budgetary requirements

A-5819/S-3924 (Freiman, Speight, Lampitt/Gopal, Greenstein) – Authorizes NJ Infrastructure Bank to expend certain sums to make loans for transportation infrastructure projects for FY2022

A-5841/S3932 (Zwicker, Karabinchak/Smith, Vitale) Revises certain funding provisions for financial assistance and grants from Hazardous Discharge Site Remediation Fund.