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"Christie signs 10 bills into law," NorthJersey.com, August 18, 2016

"Signed into law on Thursday," Herald News, August 19, 2016

RWH/JA

P.L.2016, CHAPTER 30, *approved August 18, 2016*  
Assembly, No. 3882 (*First Reprint*)

1 AN ACT concerning environmental infrastructure projects,  
2 amending P.L.1985, c.334, P.L.2013, c.93, and P.L.1997, c.224,  
3 and repealing parts of the statutory law.

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

7  
8 1. Section 9 of P.L.1985, c.334 (C.58:11B-9) is amended to  
9 read as follows:

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

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

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

31 The loans may be made subject to those terms and conditions as  
32 the trust shall determine to be consistent with the purposes thereof.  
33 Each loan by the trust and the terms and conditions thereof shall be  
34 subject to approval by the State Treasurer, and the trust shall make  
35 available to the State Treasurer all information, statistical data and  
36 reports of independent consultants or experts as the State Treasurer  
37 shall deem necessary in order to evaluate the loan. Each loan to a  
38 local government unit, public water utility or any other person shall  
39 be evidenced by notes, bonds or other obligations thereof issued to  
40 the trust. In the case of each local government unit, notes and

**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:**

<sup>1</sup>Assembly ABU committee amendments adopted June 23, 2016.

1 bonds to be issued to the trust and, if applicable, the State, acting by  
2 and through the Department of Environmental Protection, by the  
3 local government unit (1) shall be authorized and issued as provided  
4 by law for the issuance of notes and bonds by the local government  
5 unit, (2) notwithstanding any provisions of the "Local Authorities  
6 Fiscal Control Law," P.L.1983, c.313 (C.40A:5A-1 et seq.) to the  
7 contrary, shall be approved by the Director of the Division of Local  
8 Government Services in the Department of Community Affairs, and  
9 (3), notwithstanding the provisions of N.J.S.40A:2-27, N.J.S.40A:2-  
10 28 and N.J.S.40A:2-29 or any other provisions of law to the  
11 contrary, may be sold at private sale to the trust or the State, as the  
12 case may be, at any price, whether or not less than par value, and  
13 shall be subject to redemption prior to maturity at any times and at  
14 any prices as the trust or the State, as the case may be, and local  
15 government units may agree. Each loan to a local government unit,  
16 public water utility or any other person and the notes, bonds or  
17 other obligations thereby issued shall bear interest at a rate or rates  
18 per annum as the trust or the State, as the case may be, and the local  
19 government unit, public water utility or any other person, as the  
20 case may be, may agree.

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

36 c. The trust shall not make or contract to make any loans or  
37 guarantees to local government units, public water utilities or any  
38 other person, or otherwise incur any additional indebtedness, on or  
39 after June 30, 2033.

40 d. Notwithstanding any provision of P.L.1985, c.334  
41 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to  
42 the contrary, the trust may receive funds from any source including,  
43 without limitation, any funds drawn by the trust from a revolving  
44 line of credit or other similar financial vehicle that may be procured  
45 by the trust, either through a competitive or negotiated process,  
46 pursuant to section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit  
47 into the Interim Financing Program Fund or the trust may issue its  
48 bonds, notes or other obligations , including commercial paper

1 issued through a competitive or negotiated process, in any principal  
2 amounts, in either case, as in the judgment of the trust shall be  
3 necessary to provide sufficient funds to finance or refinance short-  
4 term or temporary loans to local government units, public water  
5 utilities or private persons for any wastewater treatment system  
6 projects included on the project priority list and eligible for  
7 approval pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20)  
8 or water supply projects included on the project priority list and  
9 eligible for approval pursuant to section 24 of P.L.1997, c.224  
10 (C.58:11B-20.1), as applicable, without regard to any other  
11 provisions of P.L.1985, c.334 or P.L.1997, c.224, including,  
12 without limitation, any administrative or legislative approvals.

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

17 **【Any】** Except as provided in section 1 of P.L.2013, c.93  
18 (C.58:11B-9.5), any short-term or temporary loans made by the  
19 trust pursuant to this subsection may only be made in advance of  
20 the anticipated loans the trust may make and contract to make under  
21 the provisions of subsection a. of this section from any source of  
22 funds anticipated to be received by the trust. Any such short-term  
23 or temporary loan made pursuant to the Interim Financing Program  
24 shall mature no later than the last day of the third succeeding fiscal  
25 year following the closing date on which the short-term or  
26 temporary loan was made by the trust to the project sponsor ; except  
27 a short-term or temporary loan made pursuant to this subsection for  
28 environmental planning and engineering design costs associated  
29 with long-term control plans for combined sewer overflow projects  
30 shall mature no later than the last day of the 10<sup>th</sup> succeeding fiscal  
31 year following the closing date on which the short-term or  
32 temporary loan was made by the trust to the project sponsor. The  
33 trust may make short-term or temporary loans pursuant to the  
34 Interim Financing Program to any one or more of the project  
35 sponsors, for the respective projects thereof, identified in the  
36 interim financing project priority list (hereinafter referred to as the  
37 "Interim Financing Program **【Eligibility】 Project Priority List**") in  
38 the form provided to the Legislature by the Commissioner of  
39 Environmental Protection.

40 The Interim Financing Program **【Eligibility】 Project Priority**  
41 List, including any revision thereof or supplement thereto, shall be  
42 submitted **【to the Secretary of the Senate and the Clerk of the**  
43 **General Assembly on or before June 30 of each year. The Interim**  
44 **Financing Program Eligibility List shall be submitted】** to the  
45 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1)  
46 at least once in each fiscal year as provided in section 20 of  
47 P.L.1985, c.334 (C.58:11B-20) and section 24 of P.L.1997, c.224  
48 (C.58:11B-20.1). The Secretary and the Clerk shall cause the date

1 of submission to be entered upon the Senate Journal and the  
2 Minutes of the General Assembly, respectively. The trust may  
3 revise or supplement the Interim Financing Program Project Priority  
4 List no more than three times during the fiscal year and shall submit  
5 the revised list to the Legislature when the revisions are made. Any  
6 environmental infrastructure project or the project sponsor thereof  
7 not identified in the Interim Financing Program **【Eligibility】**  
8 Project Priority List submitted to the Legislature shall not be  
9 eligible for a short-term or temporary loan from the Interim  
10 Financing Program Fund. The trust may issue short-term or  
11 temporary loans pursuant to this subsection only if a project is listed  
12 on an Interim Financing Program Project Priority List that has been  
13 submitted to the Legislature. No funds may be disbursed pursuant  
14 to this section for project activities prior to a determination and  
15 certification, in writing, from the Department of Environmental  
16 Protection, that the project activities satisfy the provisions of  
17 P.L.1985, c.332 (C.58:11B-1 et seq.).

18 e. Notwithstanding any provisions of the "Local Bond Law"  
19 (N.J.S.40A:2-1 et seq.), the "sewerage authorities law," P.L.1946,  
20 c.138 (C.40:14A-1 et seq.), or the "municipal and county utilities  
21 authority law," P.L.1957, c.183 (C.40:14B-1 et seq.) to the contrary,  
22 short-term or temporary loans made by the trust pursuant to section  
23 9 of P.L.1985, c.334 (C.58:11B-9) **【**, section 4 of P.L.2007, c.138  
24 (C.58:11B-9.1), section 1 of P.L.2009, c.59 (C.58:11B-9.2), section  
25 5 of P.L.2009, c.103 (C.58:11B-9.3), section 2 of P.L.2011, c.94  
26 (C.58:11B-9.4),**】** or section 1 of P.L.2013, c.93 (C.58:11B-9.5) **【**,  
27 or section 1 of P.L.2014, c.28 (C.58:11B-9.6)**】**, and the obligations  
28 issued by project sponsors to evidence such loans, may, at the  
29 discretion of the trust and upon application by the project sponsor,  
30 bear interest at a variable rate determined pursuant to a  
31 methodology as may be established by the trust from time to time.

32 Further, notwithstanding any provisions of the "Local Bond  
33 Law" (N.J.S.40A:2-1 et seq.), the "sewerage authorities law,"  
34 P.L.1946, c.138 (C.40:14A-1 et seq.), or the "municipal and county  
35 utilities authority law," P.L.1957, c.183 (C.40:14B-1 et seq.) to the  
36 contrary, any short-term or temporary loans made by the trust  
37 pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9) **【**, section 4  
38 of P.L.2007, c.138 (C.58:11B-9.1), section 1 of P.L.2009, c.59  
39 (C.58:11B-9.2), section 5 of P.L.2009, c.103 (C.58:11B-9.3),  
40 section 2 of P.L.2011, c.94 (C.58:11B-9.4),**】** or section 1 of  
41 P.L.2013, c.93 (C.58:11B-9.5) **【**, or section 1 of P.L.2014, c.28  
42 (C.58:11B-9.6)**】**, and any notes or other obligations issued by  
43 project sponsors to evidence such short-term or temporary loans,  
44 except **【as provided in section 1 of P.L.2009, c.59 (C.58:11B-9.2)】**  
45 for loans for environmental planning and engineering design costs  
46 associated with long-term control plans for combined sewer  
47 overflow projects as provided in subsection d. of this section, shall  
48 mature no later than the last day of the third succeeding fiscal year

1 following the date of issuance of such notes or other obligations,  
2 without payment by project sponsors of any portion of the principal  
3 thereof prior to maturity.

4 f. Any balances remaining in the Emergency Loan Fund  
5 established pursuant to section 4 of P.L.2007, c.138 (C.58:11B-9.1),  
6 the Planning and Design Fund established pursuant to section 1 of  
7 P.L.2009, c.59 (C.58:11B-9.2), the Onsite Wastewater Disposal  
8 Loan Fund established pursuant to section 5 of P.L.2009, c.103  
9 (C.58:11B-9.3), the Supplemental Loan Fund established pursuant  
10 to section 2 of P.L.2011, c.94 (C.58:11B-9.4), and the Equipment  
11 Loan Fund established pursuant to section 1 of P.L.2014, c.28  
12 (C.58:11B-9.6) after the date of enactment of P.L. , c. (pending  
13 before the Legislature as this bill) shall be transferred to the Interim  
14 Financing Program Fund, and any loan repayments to the trust of  
15 principal and interest or premium on loans made from those funds  
16 shall be credited to the Interim Financing Program Fund.

17 (cf: P.L.2015, c.106, s.2)

18

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

21 1. a. The trust shall create and establish a special fund  
22 (hereinafter referred to as the "Disaster Relief Emergency Financing  
23 Program Fund") for the disaster relief emergency short-term or  
24 temporary loan program of the trust (hereinafter referred to as the  
25 "Disaster Relief Emergency Financing Program").

26 The Disaster Relief Emergency Financing Program Fund shall be  
27 credited with:

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

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

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

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

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

44 (6) any other source of available funds that may be deemed by  
45 the trust to be necessary or appropriate to provide sufficient funds  
46 for deposit into the fund to finance or refinance emergency short-  
47 term or temporary loans pursuant to the Disaster Relief Emergency  
48 Financing Program, including, without limitation, any funds drawn

1 by the trust from (i) a revolving line of credit or other similar  
2 financial vehicle, or (ii) a commercial paper financing program,  
3 either through a competitive or negotiated process, that may be  
4 procured by the trust pursuant to the provisions of section 5 of  
5 P.L.1985, c.334 (C.58:11B-5), for deposit into the fund to finance  
6 or refinance emergency short-term or temporary loans pursuant to  
7 the Disaster Relief Emergency Financing Program.

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

19 Emergency short-term or temporary loans may be made upon the  
20 determination and certification in writing by the department that  
21 any such project is necessary and appropriate to: repair damages to  
22 a wastewater treatment system or water supply facility directly  
23 arising from an act of terrorism, seismic activity, or weather  
24 conditions that occurred within the **【prior】** three fiscal years **【that**  
25 **gave rise to】** after a declaration by the Governor of a state of  
26 emergency, provided the wastewater treatment system or water  
27 supply facility is located in a county included in the Governor's  
28 state of emergency declaration; or mitigate the risk of future  
29 damage to a wastewater treatment system or water supply facility  
30 from an act of terrorism, seismic activity, or weather conditions  
31 comparable in scope and severity to the act of terrorism, seismic  
32 activity, or weather conditions that occurred within the **【prior】**  
33 three fiscal years **【that gave rise to】** after a declaration by the  
34 Governor of a state of emergency, provided the wastewater  
35 treatment system or water supply facility is located in a county  
36 included in the Governor's state of emergency declaration, without  
37 regard to any other provisions of P.L.1985, c.334 or P.L.1997,  
38 c.224, including, without limitation, the provisions of section 20 of  
39 P.L.1985, c.334 (C.58:11B-20), section 24 of P.L.1997, c.224  
40 (C.58:11B-20.1), the Interim Financing Program **【Eligibility】**  
41 Project Priority List pursuant to subsection d. of section 9 of  
42 P.L.1985, c.334 (C.58:11B-9), or any administrative or legislative  
43 approvals. A project shall be eligible for emergency short-term or  
44 temporary loans pursuant to this section if it is identified on a  
45 Disaster Relief Emergency Financing Program Project Priority List  
46 no more than three years after the conditions that gave rise to a  
47 declaration by the Governor of a state of emergency. Any such  
48 short-term or temporary loan pursuant to the Disaster Relief



1 Emergency Financing Program shall mature no later than the last  
2 day of the third succeeding fiscal year following the closing date on  
3 which the short-term or temporary loan was made by the trust to the  
4 project sponsor.

5 c. The trust may make short-term or temporary loans pursuant  
6 to the Disaster Relief Emergency Financing Program to one or more  
7 of the project sponsors, for the respective projects thereof, provided  
8 that the project is identified on the Disaster Relief Emergency  
9 Financing Program project priority list (hereinafter referred to as  
10 the "Disaster Relief Emergency Financing Program **【Eligibility】**  
11 Project Priority List") no later than three years after the date of the  
12 declaration by the Governor of a state of emergency in the form  
13 provided to the Legislature by the Commissioner of Environmental  
14 Protection. However, a project may be eligible for funding pursuant  
15 to this section more than three years after the date of the declaration  
16 by the Governor of a state of emergency if the project was first  
17 included on a Disaster Relief Emergency Financing Program  
18 Project Priority List within three years after the date of the  
19 declaration by the Governor of a state of emergency and continues  
20 to be identified on the Disaster Relief Emergency Financing  
21 Program Project Priority List in the fiscal year in which the funding  
22 is issued. The Disaster Relief Emergency Financing Program  
23 **【Eligibility】 Project Priority List** shall be submitted to the  
24 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1)  
25 at least once in each fiscal year. An environmental infrastructure  
26 project or a project sponsor thereof not identified on the Disaster  
27 Relief Emergency Financing Program **【Eligibility】 Project Priority**  
28 List submitted to the Legislature shall not be eligible for a short-  
29 term or temporary loan from the Disaster Relief Emergency  
30 Financing Program Fund.

31 d. The trust shall submit a report on the Disaster Emergency  
32 Financing Program to the Legislature pursuant to section 2 of  
33 P.L.1991, c.164 (C.52:14-19.1) on or before January 15 of each  
34 year. The Secretary of the Senate and the Clerk of the General  
35 Assembly shall cause the date of submission to be entered upon the  
36 Senate Journal and the Minutes of the General Assembly,  
37 respectively. The report shall identify the wastewater treatment  
38 system and water supply projects financed during the prior fiscal  
39 year through the program including a project description, the  
40 amount of the Disaster Relief Emergency Financing Program loan  
41 provided for each project, and the duration of each loan.

42 (cf: P.L.2015, c.106, s.6)

43

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

46 20. a. (1) The Commissioner of Environmental Protection shall  
47 for each fiscal year develop a priority system for wastewater treatment  
48 systems and shall establish the ranking criteria and funding policies for

1 the projects therefor. The commissioner shall set forth **[a]** an Interim  
2 Financing Program Project Priority List, hereinafter referred to as the  
3 “project priority list,” for funding by the trust for each fiscal year and  
4 shall include the aggregate amount of funds of the trust to be  
5 authorized for these purposes. The project priority list may include  
6 any stormwater management or combined sewer overflow abatement  
7 project identified in the stormwater management and combined sewer  
8 overflow abatement project priority list adopted by the commissioner  
9 pursuant to section 28 of P.L.1989, c.181.

10 The project priority list, which shall include for each wastewater  
11 treatment system the date each project is scheduled to be certified as  
12 ready for funding, shall be in conformance with applicable provisions  
13 of the "Federal Water Pollution Control Act Amendments of 1972,"  
14 Pub.L.92-500 (33 U.S.C. s.1251 et al.), and any amendatory or  
15 supplementary acts thereto, and State law <sup>1</sup>, or in the case of a  
16 wastewater treatment system project for the reduction of lead in a  
17 publicly-owned facility, conformance with requirements established  
18 by the Department of Environmental Protection for those projects<sup>1</sup>.  
19 The project priority list shall include a description of each project and  
20 its purpose, impact, cost, and construction schedule, and an  
21 explanation of the manner in which priorities were established. The  
22 priority system and project priority list for the ensuing fiscal year shall  
23 be submitted to the Secretary of the Senate and the Clerk of the  
24 General Assembly on or before January 15 of each year. The Secretary  
25 and the Clerk shall cause the date of submission to be entered upon the  
26 Senate Journal and the Minutes of the General Assembly, respectively.  
27 Incremental revisions or supplements to the project priority list may be  
28 submitted to the Legislature **[at any time between January 15th and**  
29 **May 15th of each year]** as provided in subsection d. of section 9 of  
30 P.L.1985, c.334 (C.58:11B-9).

31 (2) The commissioner shall set forth a project eligibility list for  
32 long-term funding by the trust and shall include the aggregate amount  
33 of funds to be authorized for these purposes. The project eligibility list  
34 shall consist of project priority list projects certified by the department  
35 that have commenced construction and demonstrated a high likelihood  
36 of construction completion on or before the end of the ensuing fiscal  
37 year. On or before May 15 of each year, the trust shall submit the  
38 project **[priority]** eligibility list for the ensuing fiscal year, including  
39 any revision thereof or supplement thereto, to be introduced in each  
40 House in the form of legislative appropriations bills, which shall be  
41 referred to the Senate Environment and Energy Committee and the  
42 Assembly Environment and Solid Waste Committee, or their  
43 successors, for their respective consideration. On or before October 15  
44 of each year the trust may submit an additional project eligibility list,  
45 to be introduced in each House in the form of legislative  
46 appropriations bills, which shall be referred to the Senate Environment  
47 and Energy Committee and the Assembly Environment and Solid

1 Waste Committee, or their successors, for their respective  
2 consideration.

3 b. The Senate Environment and Energy Committee and the  
4 Assembly Environment and Solid Waste Committee shall, either  
5 individually or jointly, consider the legislation containing the project  
6 **【priority】** eligibility list, and shall report the legislation, together with  
7 any modifications, out of committee for consideration by each House  
8 of the Legislature. On or before July 1 of each year, the Legislature  
9 shall approve an appropriations act containing the project **【priority】**  
10 eligibility list, including any amendatory or supplementary provisions  
11 thereto, which act shall include the authorization of an aggregate  
12 amount of funds of the trust to be expended for long-term loans and  
13 guarantees for the specific projects, including the individual amounts  
14 therefor, on the list.

15 c. The trust shall not expend any money for a long-term loan or  
16 guarantee during a fiscal year for any wastewater treatment system  
17 project unless the expenditure is authorized pursuant to an  
18 appropriations act as provided in the provisions of this section, or as  
19 otherwise set forth in an appropriations act.

20 (cf: P.L.2015, c.106, s.9)

21

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

24 24. a. (1) The Commissioner of Environmental Protection  
25 shall for each fiscal year develop a priority system for water supply  
26 projects and shall establish the ranking criteria and funding policies  
27 therefor. The commissioner shall set forth **【a】** an Interim Financing  
28 Program Project Priority List, hereinafter referred to as the “project  
29 priority list,” for funding by the trust for each fiscal year and shall  
30 include the aggregate amount of funds of the trust to be authorized for  
31 these purposes. The commissioner may include a water supply project  
32 on the project priority list if it meets the eligibility requirements for  
33 funding pursuant to the federal "Safe Drinking Water Act  
34 Amendments of 1996," Pub.L.104-182 <sup>1</sup>, or in the case of a water  
35 supply project for the reduction of lead in a publicly-owned facility,  
36 the project meets the eligibility requirements established by the  
37 Department of Environmental Protection for those projects<sup>1</sup>. The  
38 project priority list shall include a description of each project and an  
39 explanation of the manner in which priorities were established. The  
40 priority system and project priority list for the ensuing fiscal year shall  
41 be submitted to the Secretary of the Senate and the Clerk of the  
42 General Assembly on or before January 15 of each year. The Secretary  
43 and the Clerk shall cause the date of submission to be entered upon the  
44 Senate Journal and the Minutes of the General Assembly, respectively.  
45 Incremental revisions or supplements to the project priority list may be  
46 submitted to the Legislature **【at any time between January 15th and**  
47 **May 15th of each year】** as provided in subsection d. of section 9 of  
48 P.L.1985, c.334 (C.58:11B-9).

1       (2) The commissioner shall set forth a project eligibility list for  
2 long-term funding by the trust and shall include the aggregate amount  
3 of funds to be authorized for these purposes. The project eligibility list  
4 shall consist of project priority list projects certified by the department  
5 that have commenced construction and demonstrated a high likelihood  
6 of construction completion on or before the end of the ensuing fiscal  
7 year. On or before May 15 of each year, the trust shall submit the  
8 project [priority] eligibility list for the ensuing fiscal year, including  
9 any revision thereof or supplement thereto, to be introduced in each  
10 House in the form of legislative appropriations bills, which shall be  
11 referred to the Senate Environment and Energy Committee and the  
12 Assembly Environment and Solid Waste Committee, or their  
13 successors, for their respective consideration. On or before October 15  
14 of each year the trust may submit an additional project eligibility list,  
15 to be introduced in each House in the form of legislative  
16 appropriations bills, which shall be referred to the Senate Environment  
17 and Energy Committee and the Assembly Environment and Solid  
18 Waste Committee, or their successors, for their respective  
19 consideration.

20       b. The Senate Environment and Energy Committee and the  
21 Assembly Environment and Solid Waste Committee shall, either  
22 individually or jointly, consider the legislation containing the project  
23 [priority] eligibility list, and shall report the legislation, together with  
24 any modifications, out of committee for consideration by each House  
25 of the Legislature. On or before July 1 of each year, the Legislature  
26 shall approve an appropriations act containing the project [priority]  
27 eligibility list, including any amendatory or supplementary provisions  
28 thereto, which act shall include the authorization of an aggregate  
29 amount of funds of the trust to be expended for long-term loans and  
30 guarantees for the specific water supply projects, including the  
31 individual amounts therefor, on the list.

32       c. The trust shall not expend any money for a long-term loan or  
33 guarantee during a fiscal year for any water supply project unless the  
34 expenditure is authorized pursuant to an appropriations act as provided  
35 in the provisions of this section, or as otherwise set forth in an  
36 appropriations act.

37 (cf: P.L.2015, c.106, s.10)

38

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

41       21. On or before May 15 of each year, the trust shall submit to  
42 the Legislature a financial plan designed to implement the financing  
43 of the wastewater treatment system projects either on the Interim  
44 Financing Program Project Priority List, hereinafter referred to as  
45 the “project priority list,” or the project eligibility list, approved  
46 pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20) or as  
47 otherwise approved by the Legislature. The financial plan shall  
48 contain an enumeration of the bonds, notes or other obligations of

1 the trust which the trust intends to issue, including the amounts  
2 thereof and the terms and conditions thereof, a list of loans to be  
3 made to local government units or private persons, including the  
4 terms and conditions thereof and the anticipated rate of interest per  
5 annum and repayment schedule therefor, and a list of loan  
6 guarantees or contracts to guarantee the payment of all or a portion  
7 of the principal and interest on bonds, notes or other obligations  
8 issued by a local government unit to finance the cost of a  
9 wastewater treatment system project, and the terms and conditions  
10 thereof.

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

21 The financial plan shall identify the wastewater treatment system  
22 projects financed during the prior fiscal year through the Disaster  
23 Relief Emergency Financing Program established pursuant to  
24 section 1 of P.L.2013, c.93 (C.58:11B-9.5), including a project  
25 description, the amount of the Disaster Relief Emergency Financing  
26 Program loan for each project, and the duration of such Disaster  
27 Relief Emergency Financing Program loan.

28 The financial plan shall also identify the wastewater treatment  
29 system projects financed during the prior fiscal year by the Interim  
30 Financing Program established pursuant to subsection d. of section  
31 9 of P.L.1985, c.224 (C.58:11B-9) **【**and the Equipment Loan  
32 Program established pursuant to section 1 of P.L.2014, c.28  
33 (C.58:11B-9.6)**】** including a project description, the amount of the  
34 loan provided for each project, and the duration of each loan.  
35 (cf: P.L.2014, c.28, s.2)

36  
37 6. Section 25 of P.L.1997, c.224 (C.58:11B-21.1) is amended  
38 to read as follows:

39 25. On or before May 15 of each year, the trust shall submit to  
40 the Legislature a financial plan designed to implement the financing  
41 of the water supply projects either on the Interim Financing  
42 Program Project Priority List, hereinafter referred to as the “project  
43 priority list,” or the project eligibility list, approved pursuant to  
44 section 24 of P.L.1997, c.224 (C.58:11B-20.1) or as otherwise  
45 approved by the Legislature. The financial plan shall contain an  
46 enumeration of the bonds, notes or other obligations of the trust  
47 which the trust intends to issue, including the amounts thereof and  
48 the terms and conditions thereof, a list of loans to be made to local

1 government units, public water utilities, or to any other person or  
2 local government unit on behalf of a public water utility, including  
3 the terms and conditions thereof and the anticipated rate of interest  
4 per annum and repayment schedule therefor, and a list of loan  
5 guarantees or contracts to guarantee the payment of all or a portion  
6 of the principal and interest on bonds, notes or other obligations  
7 issued by a local government unit to finance the cost of a water  
8 supply project, and the terms and conditions thereof.

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

19 The financial plan shall identify the water supply projects  
20 financed during the prior fiscal year through the Disaster Relief  
21 Emergency Financing Program established pursuant to section 1 of  
22 P.L.2013, c.93 (C.58:11B-9.5), including a project description, the  
23 amount of the Disaster Relief Emergency Financing Program loan  
24 for each project, and the duration of such Disaster Relief  
25 Emergency Financing Program loan.

26 The financial plan shall also identify the water supply projects  
27 financed during the prior fiscal year by the Interim Financing  
28 Program established pursuant to subsection d. of section 9 of  
29 P.L.1985, c.224 (C.58:11B-9) **and the Equipment Loan Program**  
30 **established pursuant to section 1 of P.L.2014, c.28 (C.58:11B-9.6),**  
31 including a project description, the amount of the loan provided for  
32 each project, and the duration of each loan.

33 (cf: P.L.2014, c.28, s.3)

34

35 7. Section 27 of P.L.1997, c.224 (C.58:11B-22.2) is amended  
36 to read as follows:

37 27. As an alternative to the individual annual submissions  
38 required by the provisions of sections 21 and 22 of P.L.1985, c.334  
39 (C.58:11B-21 and 58:11B-22), sections 25 and 26 of P.L.1997,  
40 c.224 (C.58:11B-21.1 and C.58:11B-22.1) and subsection d. of  
41 section 9 of P.L.1985, c.334 (C.58:11B-9), the trust may develop  
42 and submit to the Legislature a consolidated financial plan designed  
43 to implement the financing of the wastewater treatment system  
44 projects on the project priority list and project eligibility list  
45 approved pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20),  
46 the water supply projects on the project priority list and project  
47 eligibility list approved pursuant to section 24 of P.L.1997, c.224  
48 (C.58:11B-20.1), the water resources projects and wastewater

1 treatment system projects on the water resources project and  
2 wastewater treatment system project priority list and project  
3 eligibility list developed pursuant to section 31 of P.L.2003, c.162  
4 **【**, the environmental infrastructure projects identified in the Interim  
5 Financing Program Eligibility List developed pursuant to subsection  
6 d. of section 9 of P.L.1985, c.334 (C.58:11B-9),**】** and any other  
7 environmental infrastructure projects approved by the Legislature.  
8 (cf: P.L.2009, c.59, s.5)

9  
10 8. The following sections are repealed:  
11 Section 4 of P.L.2007, c.138 (C.58:11B-9.1);  
12 Section 1 of P.L.2009, c.59 (C.58:11B-9.2);  
13 Section 5 of P.L.2009, c.103 (C.58:11B-9.3);  
14 Section 2 of P.L.2011, c.94 (C.58:11B-9.4); and  
15 Section 1 of P.L.2014, c.28 (C.58:11B-9.6).

16  
17 9. This act shall take effect immediately.

18

19

20

21

22 Changes submission and notice requirements for short-term and  
23 long-term financing for environmental infrastructure projects.

# ASSEMBLY, No. 3882

## STATE OF NEW JERSEY 217th LEGISLATURE

INTRODUCED JUNE 20, 2016

**Sponsored by:**

**Assemblywoman L. GRACE SPENCER**

**District 29 (Essex)**

**Assemblywoman ANNETTE CHAPARRO**

**District 33 (Hudson)**

**Assemblywoman MARLENE CARIDE**

**District 36 (Bergen and Passaic)**

**Assemblyman JAMES J. KENNEDY**

**District 22 (Middlesex, Somerset and Union)**

**SYNOPSIS**

Changes submission and notice requirements for short-term and long-term financing for environmental infrastructure projects.

**CURRENT VERSION OF TEXT**

As introduced.





1 AN ACT concerning environmental infrastructure projects,  
2 amending P.L.1985, c.334, P.L.2013, c.93, and P.L.1997, c.224,  
3 and repealing parts of the statutory law.

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

7  
8 1. Section 9 of P.L.1985, c.334 (C.58:11B-9) is amended to  
9 read as follows:

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

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

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

31 The loans may be made subject to those terms and conditions as  
32 the trust shall determine to be consistent with the purposes thereof.  
33 Each loan by the trust and the terms and conditions thereof shall be  
34 subject to approval by the State Treasurer, and the trust shall make  
35 available to the State Treasurer all information, statistical data and  
36 reports of independent consultants or experts as the State Treasurer  
37 shall deem necessary in order to evaluate the loan. Each loan to a  
38 local government unit, public water utility or any other person shall  
39 be evidenced by notes, bonds or other obligations thereof issued to  
40 the trust. In the case of each local government unit, notes and  
41 bonds to be issued to the trust and, if applicable, the State, acting by  
42 and through the Department of Environmental Protection, by the  
43 local government unit (1) shall be authorized and issued as provided  
44 by law for the issuance of notes and bonds by the local government  
45 unit, (2) notwithstanding any provisions of the "Local Authorities

**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 Fiscal Control Law," P.L.1983, c.313 (C.40A:5A-1 et seq.) to the  
2 contrary, shall be approved by the Director of the Division of Local  
3 Government Services in the Department of Community Affairs, and  
4 (3), notwithstanding the provisions of N.J.S.40A:2-27, N.J.S.40A:2-  
5 28 and N.J.S.40A:2-29 or any other provisions of law to the  
6 contrary, may be sold at private sale to the trust or the State, as the  
7 case may be, at any price, whether or not less than par value, and  
8 shall be subject to redemption prior to maturity at any times and at  
9 any prices as the trust or the State, as the case may be, and local  
10 government units may agree. Each loan to a local government unit,  
11 public water utility or any other person and the notes, bonds or  
12 other obligations thereby issued shall bear interest at a rate or rates  
13 per annum as the trust or the State, as the case may be, and the local  
14 government unit, public water utility or any other person, as the  
15 case may be, may agree.

16 b. The trust is authorized to guarantee or contract to guarantee  
17 the payment of all or any portion of the principal and interest on  
18 bonds, notes or other obligations issued by a local government unit  
19 to finance the cost of any wastewater treatment system project or  
20 water supply project, which the local government unit may lawfully  
21 undertake or acquire and for which the local government unit is  
22 authorized by law to borrow money, and the guarantee shall  
23 constitute an obligation of the trust for the purposes of P.L.1985,  
24 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et  
25 al.). Each guarantee by the trust and the terms and conditions  
26 thereof shall be subject to approval by the State Treasurer, and the  
27 trust shall make available to the State Treasurer all information,  
28 statistical data and reports of independent consultants or experts as  
29 the State Treasurer shall deem necessary in order to evaluate the  
30 guarantee.

31 c. The trust shall not make or contract to make any loans or  
32 guarantees to local government units, public water utilities or any  
33 other person, or otherwise incur any additional indebtedness, on or  
34 after June 30, 2033.

35 d. Notwithstanding any provision of P.L.1985, c.334  
36 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to  
37 the contrary, the trust may receive funds from any source including,  
38 without limitation, any funds drawn by the trust from a revolving  
39 line of credit or other similar financial vehicle that may be procured  
40 by the trust, either through a competitive or negotiated process,  
41 pursuant to section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit  
42 into the Interim Financing Program Fund or the trust may issue its  
43 bonds, notes or other obligations , including commercial paper  
44 issued through a competitive or negotiated process, in any principal  
45 amounts, in either case, as in the judgment of the trust shall be  
46 necessary to provide sufficient funds to finance or refinance short-  
47 term or temporary loans to local government units, public water  
48 utilities or private persons for any wastewater treatment system

1 projects included on the project priority list and eligible for  
2 approval pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20)  
3 or water supply projects included on the project priority list and  
4 eligible for approval pursuant to section 24 of P.L.1997, c.224  
5 (C.58:11B-20.1), as applicable, without regard to any other  
6 provisions of P.L.1985, c.334 or P.L.1997, c.224, including,  
7 without limitation, any administrative or legislative approvals.

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

12 **【Any】** Except as provided in section 1 of P.L.2013, c.93  
13 (C.58:11B-9.5), any short-term or temporary loans made by the  
14 trust pursuant to this subsection may only be made in advance of  
15 the anticipated loans the trust may make and contract to make under  
16 the provisions of subsection a. of this section from any source of  
17 funds anticipated to be received by the trust. Any such short-term  
18 or temporary loan made pursuant to the Interim Financing Program  
19 shall mature no later than the last day of the third succeeding fiscal  
20 year following the closing date on which the short-term or  
21 temporary loan was made by the trust to the project sponsor ; except  
22 a short-term or temporary loan made pursuant to this subsection for  
23 environmental planning and engineering design costs associated  
24 with long-term control plans for combined sewer overflow projects  
25 shall mature no later than the last day of the 10<sup>th</sup> succeeding fiscal  
26 year following the closing date on which the short-term or  
27 temporary loan was made by the trust to the project sponsor. The  
28 trust may make short-term or temporary loans pursuant to the  
29 Interim Financing Program to any one or more of the project  
30 sponsors, for the respective projects thereof, identified in the  
31 interim financing project priority list (hereinafter referred to as the  
32 "Interim Financing Program **【Eligibility】** Project Priority List") in  
33 the form provided to the Legislature by the Commissioner of  
34 Environmental Protection.

35 The Interim Financing Program **【Eligibility】** Project Priority  
36 List, including any revision thereof or supplement thereto, shall be  
37 submitted **【to the Secretary of the Senate and the Clerk of the**  
38 General Assembly on or before June 30 of each year. The Interim  
39 Financing Program Eligibility List shall be submitted**】** to the  
40 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1)  
41 at least once in each fiscal year as provided in section 20 of  
42 P.L.1985, c.334 (C.58:11B-20) and section 24 of P.L.1997, c.224  
43 (C.58:11B-20.1). The Secretary and the Clerk shall cause the date  
44 of submission to be entered upon the Senate Journal and the  
45 Minutes of the General Assembly, respectively. The trust may  
46 revise or supplement the Interim Financing Program Project Priority  
47 List no more than three times during the fiscal year and shall submit  
48 the revised list to the Legislature when the revisions are made. Any

1 environmental infrastructure project or the project sponsor thereof  
2 not identified in the Interim Financing Program **【Eligibility】**  
3 Project Priority List submitted to the Legislature shall not be  
4 eligible for a short-term or temporary loan from the Interim  
5 Financing Program Fund. The trust may issue short-term or  
6 temporary loans pursuant to this subsection only if a project is listed  
7 on an Interim Financing Program Project Priority List that has been  
8 submitted to the Legislature. No funds may be disbursed pursuant  
9 to this section for project activities prior to a determination and  
10 certification, in writing, from the Department of Environmental  
11 Protection, that the project activities satisfy the provisions of  
12 P.L.1985, c.332 (C.58:11B-1 et seq.).

13 e. Notwithstanding any provisions of the "Local Bond Law"  
14 (N.J.S.40A:2-1 et seq.), the "sewerage authorities law," P.L.1946,  
15 c.138 (C.40:14A-1 et seq.), or the "municipal and county utilities  
16 authority law," P.L.1957, c.183 (C.40:14B-1 et seq.) to the contrary,  
17 short-term or temporary loans made by the trust pursuant to section  
18 9 of P.L.1985, c.334 (C.58:11B-9) **【**, section 4 of P.L.2007, c.138  
19 (C.58:11B-9.1), section 1 of P.L.2009, c.59 (C.58:11B-9.2), section  
20 5 of P.L.2009, c.103 (C.58:11B-9.3), section 2 of P.L.2011, c.94  
21 (C.58:11B-9.4),**】** or section 1 of P.L.2013, c.93 (C.58:11B-9.5) **【**,  
22 or section 1 of P.L.2014, c.28 (C.58:11B-9.6)**】**, and the obligations  
23 issued by project sponsors to evidence such loans, may, at the  
24 discretion of the trust and upon application by the project sponsor,  
25 bear interest at a variable rate determined pursuant to a  
26 methodology as may be established by the trust from time to time.

27 Further, notwithstanding any provisions of the "Local Bond  
28 Law" (N.J.S.40A:2-1 et seq.), the "sewerage authorities law,"  
29 P.L.1946, c.138 (C.40:14A-1 et seq.), or the "municipal and county  
30 utilities authority law," P.L.1957, c.183 (C.40:14B-1 et seq.) to the  
31 contrary, any short-term or temporary loans made by the trust  
32 pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9) **【**, section 4  
33 of P.L.2007, c.138 (C.58:11B-9.1), section 1 of P.L.2009, c.59  
34 (C.58:11B-9.2), section 5 of P.L.2009, c.103 (C.58:11B-9.3),  
35 section 2 of P.L.2011, c.94 (C.58:11B-9.4),**】** or section 1 of  
36 P.L.2013, c.93 (C.58:11B-9.5) **【**, or section 1 of P.L.2014, c.28  
37 (C.58:11B-9.6)**】**, and any notes or other obligations issued by  
38 project sponsors to evidence such short-term or temporary loans,  
39 except **【**as provided in section 1 of P.L.2009, c.59 (C.58:11B-9.2)**】**  
40 for loans for environmental planning and engineering design costs  
41 associated with long-term control plans for combined sewer  
42 overflow projects as provided in subsection d. of this section, shall  
43 mature no later than the last day of the third succeeding fiscal year  
44 following the date of issuance of such notes or other obligations,  
45 without payment by project sponsors of any portion of the principal  
46 thereof prior to maturity.

47 f. Any balances remaining in the Emergency Loan Fund  
48 established pursuant to section 4 of P.L.2007, c.138 (C.58:11B-9.1),

1 the Planning and Design Fund established pursuant to section 1 of  
2 P.L.2009, c.59 (C.58:11B-9.2), the Onsite Wastewater Disposal  
3 Loan Fund established pursuant to section 5 of P.L.2009, c.103  
4 (C.58:11B-9.3), the Supplemental Loan Fund established pursuant  
5 to section 2 of P.L.2011, c.94 (C.58:11B-9.4), and the Equipment  
6 Loan Fund established pursuant to section 1 of P.L.2014, c.28  
7 (C.58:11B-9.6) after the date of enactment of P.L. , c. (pending  
8 before the Legislature as this bill) shall be transferred to the Interim  
9 Financing Program Fund, and any loan repayments to the trust of  
10 principal and interest or premium on loans made from those funds  
11 shall be credited to the Interim Financing Program Fund.

12 (cf: P.L.2015, c.106, s.2)

13

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

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

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

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

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

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

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

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

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

1 or refinance emergency short-term or temporary loans pursuant to  
2 the Disaster Relief Emergency Financing Program.

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

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

1 c. The trust may make short-term or temporary loans pursuant  
2 to the Disaster Relief Emergency Financing Program to one or more  
3 of the project sponsors, for the respective projects thereof, provided  
4 that the project is identified on the Disaster Relief Emergency  
5 Financing Program project priority list (hereinafter referred to as  
6 the "Disaster Relief Emergency Financing Program [Eligibility]  
7 Project Priority List") no later than three years after the date of the  
8 declaration by the Governor of a state of emergency in the form  
9 provided to the Legislature by the Commissioner of Environmental  
10 Protection. However, a project may be eligible for funding  
11 pursuant to this section more than three years after the date of the  
12 declaration by the Governor of a state of emergency if the project  
13 was first included on a Disaster Relief Emergency Financing  
14 Program Project Priority List within three years after the date of the  
15 declaration by the Governor of a state of emergency and continues  
16 to be identified on the Disaster Relief Emergency Financing  
17 Program Project Priority List in the fiscal year in which the funding  
18 is issued. The Disaster Relief Emergency Financing Program  
19 [Eligibility] Project Priority List shall be submitted to the  
20 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1)  
21 at least once in each fiscal year. An environmental infrastructure  
22 project or a project sponsor thereof not identified on the Disaster  
23 Relief Emergency Financing Program [Eligibility] Project Priority  
24 List submitted to the Legislature shall not be eligible for a short-  
25 term or temporary loan from the Disaster Relief Emergency  
26 Financing Program Fund.

27 d. The trust shall submit a report on the Disaster Emergency  
28 Financing Program to the Legislature pursuant to section 2 of  
29 P.L.1991, c.164 (C.52:14-19.1) on or before January 15 of each  
30 year. The Secretary of the Senate and the Clerk of the General  
31 Assembly shall cause the date of submission to be entered upon the  
32 Senate Journal and the Minutes of the General Assembly,  
33 respectively. The report shall identify the wastewater treatment  
34 system and water supply projects financed during the prior fiscal  
35 year through the program including a project description, the  
36 amount of the Disaster Relief Emergency Financing Program loan  
37 provided for each project, and the duration of each loan.

38 (cf: P.L.2015, c.106, s.6)

39

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

42 20. a. (1) The Commissioner of Environmental Protection shall  
43 for each fiscal year develop a priority system for wastewater  
44 treatment systems and shall establish the ranking criteria and  
45 funding policies for the projects therefor. The commissioner shall  
46 set forth **[a]** an Interim Financing Program Project Priority List,  
47 hereinafter referred to as the "project priority list," for funding by  
48 the trust for each fiscal year and shall include the aggregate amount

1 of funds of the trust to be authorized for these purposes. The project  
2 priority list may include any stormwater management or combined  
3 sewer overflow abatement project identified in the stormwater  
4 management and combined sewer overflow abatement project  
5 priority list adopted by the commissioner pursuant to section 28 of  
6 P.L.1989, c.181.

7 The project priority list, which shall include for each wastewater  
8 treatment system the date each project is scheduled to be certified  
9 as ready for funding, shall be in conformance with applicable  
10 provisions of the "Federal Water Pollution Control Act  
11 Amendments of 1972," Pub.L. 92-500 (33 U.S.C. s.1251 et al.), and  
12 any amendatory or supplementary acts thereto, and State law. The  
13 project priority list shall include a description of each project and  
14 its purpose, impact, cost, and construction schedule, and an  
15 explanation of the manner in which priorities were established. The  
16 priority system and project priority list for the ensuing fiscal year  
17 shall be submitted to the Secretary of the Senate and the Clerk of  
18 the General Assembly on or before January 15 of each year. The  
19 Secretary and the Clerk shall cause the date of submission to be  
20 entered upon the Senate Journal and the Minutes of the General  
21 Assembly, respectively. Incremental revisions or supplements to the  
22 project priority list may be submitted to the Legislature [at any time  
23 between January 15th and May 15th of each year] as provided in  
24 subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9).

25 (2) The commissioner shall set forth a project eligibility list for  
26 long-term funding by the trust and shall include the aggregate  
27 amount of funds to be authorized for these purposes. The project  
28 eligibility list shall consist of project priority list projects certified  
29 by the department that have commenced construction and  
30 demonstrated a high likelihood of construction completion on or  
31 before the end of the ensuing fiscal year. On or before May 15 of  
32 each year, the trust shall submit the project [priority] eligibility list  
33 for the ensuing fiscal year, including any revision thereof or  
34 supplement thereto, to be introduced in each House in the form of  
35 legislative appropriations bills, which shall be referred to the Senate  
36 Environment and Energy Committee and the Assembly  
37 Environment and Solid Waste Committee, or their successors, for  
38 their respective consideration. On or before October 15 of each  
39 year the trust may submit an additional project eligibility list, to be  
40 introduced in each House in the form of legislative appropriations  
41 bills, which shall be referred to the Senate Environment and Energy  
42 Committee and the Assembly Environment and Solid Waste  
43 Committee, or their successors, for their respective consideration.

44 b. The Senate Environment and Energy Committee and the  
45 Assembly Environment and Solid Waste Committee shall, either  
46 individually or jointly, consider the legislation containing the  
47 project [priority] eligibility list, and shall report the legislation,  
48 together with any modifications, out of committee for consideration



1 by each House of the Legislature. On or before July 1 of each year,  
2 the Legislature shall approve an appropriations act containing the  
3 project **【priority】** eligibility list, including any amendatory or  
4 supplementary provisions thereto, which act shall include the  
5 authorization of an aggregate amount of funds of the trust to be  
6 expended for long-term loans and guarantees for the specific  
7 projects, including the individual amounts therefor, on the list.

8 c. The trust shall not expend any money for a long-term loan or  
9 guarantee during a fiscal year for any wastewater treatment system  
10 project unless the expenditure is authorized pursuant to an  
11 appropriations act as provided in the provisions of this section, or as  
12 otherwise set forth in an appropriations act.

13 (cf: P.L.2015, c.106, s.9)

14  
15 4. Section 24 of P.L.1997, c.224 (C.58:11B-20.1) is amended  
16 to read as follows:

17 24. a. (1) The Commissioner of Environmental Protection shall  
18 for each fiscal year develop a priority system for water supply  
19 projects and shall establish the ranking criteria and funding policies  
20 therefor. The commissioner shall set forth **【a】** an Interim Financing  
21 Program Project Priority List, hereinafter referred to as the “project  
22 priority list.” for funding by the trust for each fiscal year and shall  
23 include the aggregate amount of funds of the trust to be authorized  
24 for these purposes. The commissioner may include a water supply  
25 project on the project priority list if it meets the eligibility  
26 requirements for funding pursuant to the federal "Safe Drinking  
27 Water Act Amendments of 1996," Pub.L.104-182. The project  
28 priority list shall include a description of each project and an  
29 explanation of the manner in which priorities were established. The  
30 priority system and project priority list for the ensuing fiscal year  
31 shall be submitted to the Secretary of the Senate and the Clerk of  
32 the General Assembly on or before January 15 of each year. The  
33 Secretary and the Clerk shall cause the date of submission to be  
34 entered upon the Senate Journal and the Minutes of the General  
35 Assembly, respectively. Incremental revisions or supplements to the  
36 project priority list may be submitted to the Legislature **【at any time**  
37 **between January 15th and May 15th of each year】** as provided in  
38 subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9).

39 (2) The commissioner shall set forth a project eligibility list for  
40 long-term funding by the trust and shall include the aggregate  
41 amount of funds to be authorized for these purposes. The project  
42 eligibility list shall consist of project priority list projects certified  
43 by the department that have commenced construction and  
44 demonstrated a high likelihood of construction completion on or  
45 before the end of the ensuing fiscal year. On or before May 15 of  
46 each year, the trust shall submit the project **【priority】** eligibility list  
47 for the ensuing fiscal year, including any revision thereof or  
48 supplement thereto, to be introduced in each House in the form of

1 legislative appropriations bills, which shall be referred to the Senate  
2 Environment and Energy Committee and the Assembly  
3 Environment and Solid Waste Committee, or their successors, for  
4 their respective consideration. On or before October 15 of each  
5 year the trust may submit an additional project eligibility list, to be  
6 introduced in each House in the form of legislative appropriations  
7 bills, which shall be referred to the Senate Environment and Energy  
8 Committee and the Assembly Environment and Solid Waste  
9 Committee, or their successors, for their respective consideration.

10 b. The Senate Environment and Energy Committee and the  
11 Assembly Environment and Solid Waste Committee shall, either  
12 individually or jointly, consider the legislation containing the  
13 project **【priority】** eligibility list, and shall report the legislation,  
14 together with any modifications, out of committee for consideration  
15 by each House of the Legislature. On or before July 1 of each year,  
16 the Legislature shall approve an appropriations act containing the  
17 project **【priority】** eligibility list, including any amendatory or  
18 supplementary provisions thereto, which act shall include the  
19 authorization of an aggregate amount of funds of the trust to be  
20 expended for long-term loans and guarantees for the specific water  
21 supply projects, including the individual amounts therefor, on the  
22 list.

23 c. The trust shall not expend any money for a long-term loan or  
24 guarantee during a fiscal year for any water supply project unless  
25 the expenditure is authorized pursuant to an appropriations act as  
26 provided in the provisions of this section, or as otherwise set forth  
27 in an appropriations act.

28 (cf: P.L.2015, c.106, s.10)

29

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

32 21. On or before May 15 of each year, the trust shall submit to  
33 the Legislature a financial plan designed to implement the financing  
34 of the wastewater treatment system projects either on the Interim  
35 Financing Program Project Priority List, hereinafter referred to as  
36 the “project priority list,” or the project eligibility list, approved  
37 pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20) or as  
38 otherwise approved by the Legislature. The financial plan shall  
39 contain an enumeration of the bonds, notes or other obligations of  
40 the trust which the trust intends to issue, including the amounts  
41 thereof and the terms and conditions thereof, a list of loans to be  
42 made to local government units or private persons, including the  
43 terms and conditions thereof and the anticipated rate of interest per  
44 annum and repayment schedule therefor, and a list of loan  
45 guarantees or contracts to guarantee the payment of all or a portion  
46 of the principal and interest on bonds, notes or other obligations  
47 issued by a local government unit to finance the cost of a

1 wastewater treatment system project, and the terms and conditions  
2 thereof.

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

13 The financial plan shall identify the wastewater treatment system  
14 projects financed during the prior fiscal year through the Disaster  
15 Relief Emergency Financing Program established pursuant to  
16 section 1 of P.L.2013, c.93 (C.58:11B-9.5), including a project  
17 description, the amount of the Disaster Relief Emergency Financing  
18 Program loan for each project, and the duration of such Disaster  
19 Relief Emergency Financing Program loan.

20 The financial plan shall also identify the wastewater treatment  
21 system projects financed during the prior fiscal year by the Interim  
22 Financing Program established pursuant to subsection d. of section  
23 9 of P.L.1985, c.224 (C.58:11B-9) [and the Equipment Loan  
24 Program established pursuant to section 1 of P.L.2014, c.28  
25 (C.58:11B-9.6)] including a project description, the amount of the  
26 loan provided for each project, and the duration of each loan.  
27 (cf: P.L.2014, c.28, s.2)

28

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

31 25. On or before May 15 of each year, the trust shall submit to  
32 the Legislature a financial plan designed to implement the financing  
33 of the water supply projects either on the Interim Financing  
34 Program Project Priority List, hereinafter referred to as the “project  
35 priority list,” or the project eligibility list, approved pursuant to  
36 section 24 of P.L.1997, c.224 (C.58:11B-20.1) or as otherwise  
37 approved by the Legislature. The financial plan shall contain an  
38 enumeration of the bonds, notes or other obligations of the trust  
39 which the trust intends to issue, including the amounts thereof and  
40 the terms and conditions thereof, a list of loans to be made to local  
41 government units, public water utilities, or to any other person or  
42 local government unit on behalf of a public water utility, including  
43 the terms and conditions thereof and the anticipated rate of interest  
44 per annum and repayment schedule therefor, and a list of loan  
45 guarantees or contracts to guarantee the payment of all or a portion  
46 of the principal and interest on bonds, notes or other obligations  
47 issued by a local government unit to finance the cost of a water  
48 supply project, and the terms and conditions thereof.

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

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

18 The financial plan shall also identify the water supply projects  
19 financed during the prior fiscal year by the Interim Financing  
20 Program established pursuant to subsection d. of section 9 of  
21 P.L.1985, c.224 (C.58:11B-9) **【**and the Equipment Loan Program  
22 established pursuant to section 1 of P.L.2014, c.28 (C.58:11B-9.6),**】**  
23 including a project description, the amount of the loan provided for  
24 each project, and the duration of each loan.  
25 (cf: P.L.2014, c.28, s.3)

26

27 7. Section 27 of P.L.1997, c.224 (C.58:11B-22.2) is amended  
28 to read as follows:

29 27. As an alternative to the individual annual submissions  
30 required by the provisions of sections 21 and 22 of P.L.1985, c.334  
31 (C.58:11B-21 and 58:11B-22), sections 25 and 26 of P.L.1997,  
32 c.224 (C.58:11B-21.1 and C.58:11B-22.1) and subsection d. of  
33 section 9 of P.L.1985, c.334 (C.58:11B-9), the trust may develop  
34 and submit to the Legislature a consolidated financial plan designed  
35 to implement the financing of the wastewater treatment system  
36 projects on the project priority list and project eligibility list  
37 approved pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20),  
38 the water supply projects on the project priority list and project  
39 eligibility list approved pursuant to section 24 of P.L.1997, c.224  
40 (C.58:11B-20.1), the water resources projects and wastewater  
41 treatment system projects on the water resources project and  
42 wastewater treatment system project priority list and project  
43 eligibility list developed pursuant to section 31 of P.L.2003, c.162  
44 **【**, the environmental infrastructure projects identified in the Interim  
45 Financing Program Eligibility List developed pursuant to subsection  
46 d. of section 9 of P.L.1985, c.334 (C.58:11B-9),**】** and any other  
47 environmental infrastructure projects approved by the Legislature.  
48 (cf: P.L.2009, c.59, s.5)

1 8. The following sections are repealed:  
2 Section 4 of P.L.2007, c.138 (C.58:11B-9.1);  
3 Section 1 of P.L.2009, c.59 (C.58:11B-9.2);  
4 Section 5 of P.L.2009, c.103 (C.58:11B-9.3);  
5 Section 2 of P.L.2011, c.94 (C.58:11B-9.4); and  
6 Section 1 of P.L.2014, c.28 (C.58:11B-9.6).

7  
8 9. This act shall take effect immediately.

9  
10

#### 11 STATEMENT

12

13 This bill would clarify and streamline the process for the  
14 approval of environmental infrastructure projects financed by the  
15 New Jersey Environmental Infrastructure Trust (trust). All short-  
16 term financing of environmental infrastructure projects would be  
17 funded through the Interim Financing Program or, in the case of  
18 projects necessary due to a disaster as declared by the Governor,  
19 through the Disaster Relief Emergency Financing Program. Thus,  
20 the bill would repeal existing law establishing the Emergency  
21 Financing Program, the Planning and Design Financing Program,  
22 the Onsite Wastewater Disposal Financing Program, the  
23 Supplemental Financing Program, and the Equipment Loan  
24 Program. Projects that meet the ranking criteria and funding  
25 priorities under the trust's program would be set forth on the  
26 Interim Funding Program Project Priority List and submitted to the  
27 Legislature at least once and up to four times each fiscal year for  
28 short-term funding. The bill provides that no funds for short-term  
29 or temporary loans may be disbursed unless the Department of  
30 Environmental Protection determines, and certifies in writing, that  
31 the project activities satisfy the provisions of the "New Jersey  
32 Environmental Infrastructure Trust Act. Projects that meet the  
33 criteria for long-term funding by the trust that have commenced  
34 construction and demonstrated a high likelihood of construction  
35 completion on or before the end of the ensuing fiscal year would be  
36 included on the project eligibility list for approval. The bill also  
37 provides the trust with the authority to submit an additional project  
38 eligibility list to the Legislature for approval by October 15 of each  
39 year.

# ASSEMBLY BUDGET COMMITTEE

## STATEMENT TO

### **ASSEMBLY, No. 3882**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: JUNE 23, 2016

The Assembly Budget Committee reports favorably Assembly Bill No. 3882, with committee amendments.

This bill, as amended, clarifies and streamlines the process for the approval of environmental infrastructure projects financed by the New Jersey Environmental Infrastructure Trust (trust). The bill provides that all short-term financing of environmental infrastructure projects is to be funded through the Interim Financing Program or, in the case of projects necessary due to a disaster as declared by the Governor, through the Disaster Relief Emergency Financing Program. Thus, the bill repeals existing law establishing the Emergency Financing Program, the Planning and Design Financing Program, the Onsite Wastewater Disposal Financing Program, the Supplemental Financing Program, and the Equipment Loan Program. The bill provides that projects that meet the ranking criteria and funding priorities under the trust's program are to be set forth on the Interim Funding Program Project Priority List and submitted to the Legislature at least once and up to four times each fiscal year for short-term funding. The bill also provides that no funds for short-term or temporary loans may be disbursed unless the Department of Environmental Protection determines, and certifies in writing, that the project activities satisfy the provisions of the "New Jersey Environmental Infrastructure Trust Act." Projects that meet the criteria for long-term funding by the trust that have commenced construction and demonstrated a high likelihood of construction completion on or before the end of the ensuing fiscal year are to be included on the project eligibility list for approval. The bill provides the trust with the authority to submit an additional project eligibility list to the Legislature for approval by October 15 of each year.

#### FISCAL IMPACT:

This bill has not been certified as requiring a fiscal note.

COMMITTEE AMENDMENTS:

These amendments authorize the funding by the Environmental Infrastructure Trust of wastewater treatment system projects and water supply projects for the reduction of lead in publicly-owned facilities if they are in conformance with requirements established by the Department of Environmental Protection for those projects.

**SENATE, No. 2287**

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**STATE OF NEW JERSEY**  
**217th LEGISLATURE**

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INTRODUCED MAY 26, 2016

**Sponsored by:**

**Senator CHRISTOPHER "KIP" BATEMAN**

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

**Senator BOB SMITH**

**District 17 (Middlesex and Somerset)**

**SYNOPSIS**

Changes submission and notice requirements for short-term and long-term financing for environmental infrastructure projects.

**CURRENT VERSION OF TEXT**

As introduced.





1 AN ACT concerning environmental infrastructure projects,  
2 amending P.L.1985, c.334, P.L.2013, c.93, and P.L.1997, c.224,  
3 and repealing parts of the statutory law.

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

7  
8 1. Section 9 of P.L.1985, c.334 (C.58:11B-9) is amended to  
9 read as follows:

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

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

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

31 The loans may be made subject to those terms and conditions as  
32 the trust shall determine to be consistent with the purposes thereof.  
33 Each loan by the trust and the terms and conditions thereof shall be  
34 subject to approval by the State Treasurer, and the trust shall make  
35 available to the State Treasurer all information, statistical data and  
36 reports of independent consultants or experts as the State Treasurer  
37 shall deem necessary in order to evaluate the loan. Each loan to a  
38 local government unit, public water utility or any other person shall  
39 be evidenced by notes, bonds or other obligations thereof issued to  
40 the trust. In the case of each local government unit, notes and  
41 bonds to be issued to the trust and, if applicable, the State, acting by  
42 and through the Department of Environmental Protection, by the  
43 local government unit (1) shall be authorized and issued as provided  
44 by law for the issuance of notes and bonds by the local government  
45 unit, (2) notwithstanding any provisions of the "Local Authorities

**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 Fiscal Control Law," P.L.1983, c.313 (C.40A:5A-1 et seq.) to the  
2 contrary, shall be approved by the Director of the Division of Local  
3 Government Services in the Department of Community Affairs, and  
4 (3), notwithstanding the provisions of N.J.S.40A:2-27, N.J.S.40A:2-  
5 28 and N.J.S.40A:2-29 or any other provisions of law to the  
6 contrary, may be sold at private sale to the trust or the State, as the  
7 case may be, at any price, whether or not less than par value, and  
8 shall be subject to redemption prior to maturity at any times and at  
9 any prices as the trust or the State, as the case may be, and local  
10 government units may agree. Each loan to a local government unit,  
11 public water utility or any other person and the notes, bonds or  
12 other obligations thereby issued shall bear interest at a rate or rates  
13 per annum as the trust or the State, as the case may be, and the local  
14 government unit, public water utility or any other person, as the  
15 case may be, may agree.

16 b. The trust is authorized to guarantee or contract to guarantee  
17 the payment of all or any portion of the principal and interest on  
18 bonds, notes or other obligations issued by a local government unit  
19 to finance the cost of any wastewater treatment system project or  
20 water supply project, which the local government unit may lawfully  
21 undertake or acquire and for which the local government unit is  
22 authorized by law to borrow money, and the guarantee shall  
23 constitute an obligation of the trust for the purposes of P.L.1985,  
24 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et  
25 al.). Each guarantee by the trust and the terms and conditions  
26 thereof shall be subject to approval by the State Treasurer, and the  
27 trust shall make available to the State Treasurer all information,  
28 statistical data and reports of independent consultants or experts as  
29 the State Treasurer shall deem necessary in order to evaluate the  
30 guarantee.

31 c. The trust shall not make or contract to make any loans or  
32 guarantees to local government units, public water utilities or any  
33 other person, or otherwise incur any additional indebtedness, on or  
34 after June 30, 2033.

35 d. Notwithstanding any provision of P.L.1985, c.334  
36 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to  
37 the contrary, the trust may receive funds from any source including,  
38 without limitation, any funds drawn by the trust from a revolving  
39 line of credit or other similar financial vehicle that may be procured  
40 by the trust, either through a competitive or negotiated process,  
41 pursuant to section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit  
42 into the Interim Financing Program Fund or the trust may issue its  
43 bonds, notes or other obligations , including commercial paper  
44 issued through a competitive or negotiated process, in any principal  
45 amounts, in either case, as in the judgment of the trust shall be  
46 necessary to provide sufficient funds to finance or refinance short-  
47 term or temporary loans to local government units, public water  
48 utilities or private persons for any wastewater treatment system

1 projects included on the project priority list and eligible for  
2 approval pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20)  
3 or water supply projects included on the project priority list and  
4 eligible for approval pursuant to section 24 of P.L.1997, c.224  
5 (C.58:11B-20.1), as applicable, without regard to any other  
6 provisions of P.L.1985, c.334 or P.L.1997, c.224, including,  
7 without limitation, any administrative or legislative approvals.

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

12 **【Any】** Except as provided in section 1 of P.L.2013, c.93  
13 (C.58:11B-9.5), any short-term or temporary loans made by the  
14 trust pursuant to this subsection may only be made in advance of  
15 the anticipated loans the trust may make and contract to make under  
16 the provisions of subsection a. of this section from any source of  
17 funds anticipated to be received by the trust. Any such short-term  
18 or temporary loan made pursuant to the Interim Financing Program  
19 shall mature no later than the last day of the third succeeding fiscal  
20 year following the closing date on which the short-term or  
21 temporary loan was made by the trust to the project sponsor ; except  
22 a short-term or temporary loan made pursuant to this subsection for  
23 environmental planning and engineering design costs associated  
24 with long-term control plans for combined sewer overflow projects  
25 shall mature no later than the last day of the 10<sup>th</sup> succeeding fiscal  
26 year following the closing date on which the short-term or  
27 temporary loan was made by the trust to the project sponsor. The  
28 trust may make short-term or temporary loans pursuant to the  
29 Interim Financing Program to any one or more of the project  
30 sponsors, for the respective projects thereof, identified in the  
31 interim financing project priority list (hereinafter referred to as the  
32 "Interim Financing Program **【Eligibility】** Project Priority List") in  
33 the form provided to the Legislature by the Commissioner of  
34 Environmental Protection.

35 The Interim Financing Program **【Eligibility】** Project Priority  
36 List, including any revision thereof or supplement thereto, shall be  
37 submitted **【to the Secretary of the Senate and the Clerk of the**  
38 General Assembly on or before June 30 of each year. The Interim  
39 Financing Program Eligibility List shall be submitted**】** to the  
40 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1)  
41 at least once in each fiscal year as provided in section 20 of  
42 P.L.1985, c.334 (C.58:11B-20) and section 24 of P.L.1997, c.224  
43 (C.58:11B-20.1). The Secretary and the Clerk shall cause the date  
44 of submission to be entered upon the Senate Journal and the  
45 Minutes of the General Assembly, respectively. The trust may  
46 revise or supplement the Interim Financing Program Project Priority  
47 List no more than three times during the fiscal year and shall submit  
48 the revised list to the Legislature when the revisions are made. Any

1 environmental infrastructure project or the project sponsor thereof  
2 not identified in the Interim Financing Program **【Eligibility】**  
3 Project Priority List submitted to the Legislature shall not be  
4 eligible for a short-term or temporary loan from the Interim  
5 Financing Program Fund. The trust may issue short-term or  
6 temporary loans pursuant to this subsection only if a project is listed  
7 on an Interim Financing Program Project Priority List that has been  
8 submitted to the Legislature. No funds may be disbursed pursuant  
9 to this section for project activities prior to a determination and  
10 certification, in writing, from the Department of Environmental  
11 Protection, that the project activities satisfy the provisions of  
12 P.L.1985, c.332 (C.58:11B-1 et seq.).

13 e. Notwithstanding any provisions of the "Local Bond Law"  
14 (N.J.S.40A:2-1 et seq.), the "sewerage authorities law," P.L.1946,  
15 c.138 (C.40:14A-1 et seq.), or the "municipal and county utilities  
16 authority law," P.L.1957, c.183 (C.40:14B-1 et seq.) to the contrary,  
17 short-term or temporary loans made by the trust pursuant to section  
18 9 of P.L.1985, c.334 (C.58:11B-9) **【**, section 4 of P.L.2007, c.138  
19 (C.58:11B-9.1), section 1 of P.L.2009, c.59 (C.58:11B-9.2), section  
20 5 of P.L.2009, c.103 (C.58:11B-9.3), section 2 of P.L.2011, c.94  
21 (C.58:11B-9.4),**】** or section 1 of P.L.2013, c.93 (C.58:11B-9.5) **【**,  
22 or section 1 of P.L.2014, c.28 (C.58:11B-9.6)**】**, and the obligations  
23 issued by project sponsors to evidence such loans, may, at the  
24 discretion of the trust and upon application by the project sponsor,  
25 bear interest at a variable rate determined pursuant to a  
26 methodology as may be established by the trust from time to time.

27 Further, notwithstanding any provisions of the "Local Bond  
28 Law" (N.J.S.40A:2-1 et seq.), the "sewerage authorities law,"  
29 P.L.1946, c.138 (C.40:14A-1 et seq.), or the "municipal and county  
30 utilities authority law," P.L.1957, c.183 (C.40:14B-1 et seq.) to the  
31 contrary, any short-term or temporary loans made by the trust  
32 pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9) **【**, section 4  
33 of P.L.2007, c.138 (C.58:11B-9.1), section 1 of P.L.2009, c.59  
34 (C.58:11B-9.2), section 5 of P.L.2009, c.103 (C.58:11B-9.3),  
35 section 2 of P.L.2011, c.94 (C.58:11B-9.4),**】** or section 1 of  
36 P.L.2013, c.93 (C.58:11B-9.5) **【**, or section 1 of P.L.2014, c.28  
37 (C.58:11B-9.6)**】**, and any notes or other obligations issued by  
38 project sponsors to evidence such short-term or temporary loans,  
39 except **【**as provided in section 1 of P.L.2009, c.59 (C.58:11B-9.2)**】**  
40 for loans for environmental planning and engineering design costs  
41 associated with long-term control plans for combined sewer  
42 overflow projects as provided in subsection d. of this section, shall  
43 mature no later than the last day of the third succeeding fiscal year  
44 following the date of issuance of such notes or other obligations,  
45 without payment by project sponsors of any portion of the principal  
46 thereof prior to maturity.

47 f. Any balances remaining in the Emergency Loan Fund  
48 established pursuant to section 4 of P.L.2007, c.138 (C.58:11B-9.1),

1 the Planning and Design Fund established pursuant to section 1 of  
2 P.L.2009, c.59 (C.58:11B-9.2), the Onsite Wastewater Disposal  
3 Loan Fund established pursuant to section 5 of P.L.2009, c.103  
4 (C.58:11B-9.3), the Supplemental Loan Fund established pursuant  
5 to section 2 of P.L.2011, c.94 (C.58:11B-9.4), and the Equipment  
6 Loan Fund established pursuant to section 1 of P.L.2014, c.28  
7 (C.58:11B-9.6) after the date of enactment of P.L. , c. (pending  
8 before the Legislature as this bill) shall be transferred to the Interim  
9 Financing Program Fund, and any loan repayments to the trust of  
10 principal and interest or premium on loans made from those funds  
11 shall be credited to the Interim Financing Program Fund.  
12 (cf: P.L.2015, c.106, s.2)

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

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

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

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

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

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

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

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

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

1 or refinance emergency short-term or temporary loans pursuant to  
2 the Disaster Relief Emergency Financing Program.

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

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

1 c. The trust may make short-term or temporary loans pursuant  
2 to the Disaster Relief Emergency Financing Program to one or more  
3 of the project sponsors, for the respective projects thereof, provided  
4 that the project is identified on the Disaster Relief Emergency  
5 Financing Program project priority list (hereinafter referred to as  
6 the "Disaster Relief Emergency Financing Program [Eligibility]  
7 Project Priority List") no later than three years after the date of the  
8 declaration by the Governor of a state of emergency in the form  
9 provided to the Legislature by the Commissioner of Environmental  
10 Protection. However, a project may be eligible for funding  
11 pursuant to this section more than three years after the date of the  
12 declaration by the Governor of a state of emergency if the project  
13 was first included on a Disaster Relief Emergency Financing  
14 Program Project Priority List within three years after the date of the  
15 declaration by the Governor of a state of emergency and continues  
16 to be identified on the Disaster Relief Emergency Financing  
17 Program Project Priority List in the fiscal year in which the funding  
18 is issued. The Disaster Relief Emergency Financing Program  
19 [Eligibility] Project Priority List shall be submitted to the  
20 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1)  
21 at least once in each fiscal year. An environmental infrastructure  
22 project or a project sponsor thereof not identified on the Disaster  
23 Relief Emergency Financing Program [Eligibility] Project Priority  
24 List submitted to the Legislature shall not be eligible for a short-  
25 term or temporary loan from the Disaster Relief Emergency  
26 Financing Program Fund.

27 d. The trust shall submit a report on the Disaster Emergency  
28 Financing Program to the Legislature pursuant to section 2 of  
29 P.L.1991, c.164 (C.52:14-19.1) on or before January 15 of each  
30 year. The Secretary of the Senate and the Clerk of the General  
31 Assembly shall cause the date of submission to be entered upon the  
32 Senate Journal and the Minutes of the General Assembly,  
33 respectively. The report shall identify the wastewater treatment  
34 system and water supply projects financed during the prior fiscal  
35 year through the program including a project description, the  
36 amount of the Disaster Relief Emergency Financing Program loan  
37 provided for each project, and the duration of each loan.

38 (cf: P.L.2015, c.106, s.6)

39

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

42 20. a. (1) The Commissioner of Environmental Protection shall  
43 for each fiscal year develop a priority system for wastewater  
44 treatment systems and shall establish the ranking criteria and  
45 funding policies for the projects therefor. The commissioner shall  
46 set forth **[a]** an Interim Financing Program Project Priority List,  
47 hereinafter referred to as the "project priority list," for funding by  
48 the trust for each fiscal year and shall include the aggregate amount

1 of funds of the trust to be authorized for these purposes. The project  
2 priority list may include any stormwater management or combined  
3 sewer overflow abatement project identified in the stormwater  
4 management and combined sewer overflow abatement project  
5 priority list adopted by the commissioner pursuant to section 28 of  
6 P.L.1989, c.181.

7 The project priority list, which shall include for each wastewater  
8 treatment system the date each project is scheduled to be certified  
9 as ready for funding, shall be in conformance with applicable  
10 provisions of the "Federal Water Pollution Control Act  
11 Amendments of 1972," Pub.L. 92-500 (33 U.S.C. s.1251 et al.), and  
12 any amendatory or supplementary acts thereto, and State law. The  
13 project priority list shall include a description of each project and  
14 its purpose, impact, cost, and construction schedule, and an  
15 explanation of the manner in which priorities were established. The  
16 priority system and project priority list for the ensuing fiscal year  
17 shall be submitted to the Secretary of the Senate and the Clerk of  
18 the General Assembly on or before January 15 of each year. The  
19 Secretary and the Clerk shall cause the date of submission to be  
20 entered upon the Senate Journal and the Minutes of the General  
21 Assembly, respectively. Incremental revisions or supplements to the  
22 project priority list may be submitted to the Legislature [at any time  
23 between January 15th and May 15th of each year] as provided in  
24 subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9).

25 (2) The commissioner shall set forth a project eligibility list for  
26 long-term funding by the trust and shall include the aggregate  
27 amount of funds to be authorized for these purposes. The project  
28 eligibility list shall consist of project priority list projects certified  
29 by the department that have commenced construction and  
30 demonstrated a high likelihood of construction completion on or  
31 before the end of the ensuing fiscal year. On or before May 15 of  
32 each year, the trust shall submit the project [priority] eligibility list  
33 for the ensuing fiscal year, including any revision thereof or  
34 supplement thereto, to be introduced in each House in the form of  
35 legislative appropriations bills, which shall be referred to the Senate  
36 Environment and Energy Committee and the Assembly  
37 Environment and Solid Waste Committee, or their successors, for  
38 their respective consideration. On or before October 15 of each  
39 year the trust may submit an additional project eligibility list, to be  
40 introduced in each House in the form of legislative appropriations  
41 bills, which shall be referred to the Senate Environment and Energy  
42 Committee and the Assembly Environment and Solid Waste  
43 Committee, or their successors, for their respective consideration.

44 b. The Senate Environment and Energy Committee and the  
45 Assembly Environment and Solid Waste Committee shall, either  
46 individually or jointly, consider the legislation containing the  
47 project [priority] eligibility list, and shall report the legislation,  
48 together with any modifications, out of committee for consideration



1 by each House of the Legislature. On or before July 1 of each year,  
2 the Legislature shall approve an appropriations act containing the  
3 project **【priority】** eligibility list, including any amendatory or  
4 supplementary provisions thereto, which act shall include the  
5 authorization of an aggregate amount of funds of the trust to be  
6 expended for long-term loans and guarantees for the specific  
7 projects, including the individual amounts therefor, on the list.

8 c. The trust shall not expend any money for a long-term loan or  
9 guarantee during a fiscal year for any wastewater treatment system  
10 project unless the expenditure is authorized pursuant to an  
11 appropriations act as provided in the provisions of this section, or as  
12 otherwise set forth in an appropriations act.

13 (cf: P.L.2015, c.106, s.9)

14  
15 4. Section 24 of P.L.1997, c.224 (C.58:11B-20.1) is amended  
16 to read as follows:

17 24. a. (1) The Commissioner of Environmental Protection shall  
18 for each fiscal year develop a priority system for water supply  
19 projects and shall establish the ranking criteria and funding policies  
20 therefor. The commissioner shall set forth **【a】** an Interim Financing  
21 Program Project Priority List, hereinafter referred to as the “project  
22 priority list.” for funding by the trust for each fiscal year and shall  
23 include the aggregate amount of funds of the trust to be authorized  
24 for these purposes. The commissioner may include a water supply  
25 project on the project priority list if it meets the eligibility  
26 requirements for funding pursuant to the federal "Safe Drinking  
27 Water Act Amendments of 1996," Pub.L.104-182. The project  
28 priority list shall include a description of each project and an  
29 explanation of the manner in which priorities were established. The  
30 priority system and project priority list for the ensuing fiscal year  
31 shall be submitted to the Secretary of the Senate and the Clerk of  
32 the General Assembly on or before January 15 of each year. The  
33 Secretary and the Clerk shall cause the date of submission to be  
34 entered upon the Senate Journal and the Minutes of the General  
35 Assembly, respectively. Incremental revisions or supplements to the  
36 project priority list may be submitted to the Legislature **【at any time**  
37 **between January 15th and May 15th of each year】** as provided in  
38 subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9).

39 (2) The commissioner shall set forth a project eligibility list for  
40 long-term funding by the trust and shall include the aggregate  
41 amount of funds to be authorized for these purposes. The project  
42 eligibility list shall consist of project priority list projects certified  
43 by the department that have commenced construction and  
44 demonstrated a high likelihood of construction completion on or  
45 before the end of the ensuing fiscal year. On or before May 15 of  
46 each year, the trust shall submit the project **【priority】** eligibility list  
47 for the ensuing fiscal year, including any revision thereof or  
48 supplement thereto, to be introduced in each House in the form of

1 legislative appropriations bills, which shall be referred to the Senate  
2 Environment and Energy Committee and the Assembly  
3 Environment and Solid Waste Committee, or their successors, for  
4 their respective consideration. On or before October 15 of each  
5 year the trust may submit an additional project eligibility list, to be  
6 introduced in each House in the form of legislative appropriations  
7 bills, which shall be referred to the Senate Environment and Energy  
8 Committee and the Assembly Environment and Solid Waste  
9 Committee, or their successors, for their respective consideration.

10 b. The Senate Environment and Energy Committee and the  
11 Assembly Environment and Solid Waste Committee shall, either  
12 individually or jointly, consider the legislation containing the  
13 project **【priority】** eligibility list, and shall report the legislation,  
14 together with any modifications, out of committee for consideration  
15 by each House of the Legislature. On or before July 1 of each year,  
16 the Legislature shall approve an appropriations act containing the  
17 project **【priority】** eligibility list, including any amendatory or  
18 supplementary provisions thereto, which act shall include the  
19 authorization of an aggregate amount of funds of the trust to be  
20 expended for long-term loans and guarantees for the specific water  
21 supply projects, including the individual amounts therefor, on the  
22 list.

23 c. The trust shall not expend any money for a long-term loan or  
24 guarantee during a fiscal year for any water supply project unless  
25 the expenditure is authorized pursuant to an appropriations act as  
26 provided in the provisions of this section, or as otherwise set forth  
27 in an appropriations act.

28 (cf: P.L.2015, c.106, s.10)

29

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

32 21. On or before May 15 of each year, the trust shall submit to  
33 the Legislature a financial plan designed to implement the financing  
34 of the wastewater treatment system projects either on the Interim  
35 Financing Program Project Priority List, hereinafter referred to as  
36 the “project priority list,” or the project eligibility list, approved  
37 pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20) or as  
38 otherwise approved by the Legislature. The financial plan shall  
39 contain an enumeration of the bonds, notes or other obligations of  
40 the trust which the trust intends to issue, including the amounts  
41 thereof and the terms and conditions thereof, a list of loans to be  
42 made to local government units or private persons, including the  
43 terms and conditions thereof and the anticipated rate of interest per  
44 annum and repayment schedule therefor, and a list of loan  
45 guarantees or contracts to guarantee the payment of all or a portion  
46 of the principal and interest on bonds, notes or other obligations  
47 issued by a local government unit to finance the cost of a

1 wastewater treatment system project, and the terms and conditions  
2 thereof.

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

13 The financial plan shall identify the wastewater treatment system  
14 projects financed during the prior fiscal year through the Disaster  
15 Relief Emergency Financing Program established pursuant to  
16 section 1 of P.L.2013, c.93 (C.58:11B-9.5), including a project  
17 description, the amount of the Disaster Relief Emergency Financing  
18 Program loan for each project, and the duration of such Disaster  
19 Relief Emergency Financing Program loan.

20 The financial plan shall also identify the wastewater treatment  
21 system projects financed during the prior fiscal year by the Interim  
22 Financing Program established pursuant to subsection d. of section  
23 9 of P.L.1985, c.224 (C.58:11B-9) [and the Equipment Loan  
24 Program established pursuant to section 1 of P.L.2014, c.28  
25 (C.58:11B-9.6)] including a project description, the amount of the  
26 loan provided for each project, and the duration of each loan.  
27 (cf: P.L.2014, c.28, s.2)

28

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

31 25. On or before May 15 of each year, the trust shall submit to  
32 the Legislature a financial plan designed to implement the financing  
33 of the water supply projects either on the Interim Financing  
34 Program Project Priority List, hereinafter referred to as the "project  
35 priority list," or the project eligibility list, approved pursuant to  
36 section 24 of P.L.1997, c.224 (C.58:11B-20.1) or as otherwise  
37 approved by the Legislature. The financial plan shall contain an  
38 enumeration of the bonds, notes or other obligations of the trust  
39 which the trust intends to issue, including the amounts thereof and  
40 the terms and conditions thereof, a list of loans to be made to local  
41 government units, public water utilities, or to any other person or  
42 local government unit on behalf of a public water utility, including  
43 the terms and conditions thereof and the anticipated rate of interest  
44 per annum and repayment schedule therefor, and a list of loan  
45 guarantees or contracts to guarantee the payment of all or a portion  
46 of the principal and interest on bonds, notes or other obligations  
47 issued by a local government unit to finance the cost of a water  
48 supply project, and the terms and conditions thereof.

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

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

18 The financial plan shall also identify the water supply projects  
19 financed during the prior fiscal year by the Interim Financing  
20 Program established pursuant to subsection d. of section 9 of  
21 P.L.1985, c.224 (C.58:11B-9) **【**and the Equipment Loan Program  
22 established pursuant to section 1 of P.L.2014, c.28 (C.58:11B-9.6),**】**  
23 including a project description, the amount of the loan provided for  
24 each project, and the duration of each loan.  
25 (cf: P.L.2014, c.28, s.3)

26

27 7. Section 27 of P.L.1997, c.224 (C.58:11B-22.2) is amended  
28 to read as follows:

29 27. As an alternative to the individual annual submissions  
30 required by the provisions of sections 21 and 22 of P.L.1985, c.334  
31 (C.58:11B-21 and 58:11B-22), sections 25 and 26 of P.L.1997,  
32 c.224 (C.58:11B-21.1 and C.58:11B-22.1) and subsection d. of  
33 section 9 of P.L.1985, c.334 (C.58:11B-9), the trust may develop  
34 and submit to the Legislature a consolidated financial plan designed  
35 to implement the financing of the wastewater treatment system  
36 projects on the project priority list and project eligibility list  
37 approved pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20),  
38 the water supply projects on the project priority list and project  
39 eligibility list approved pursuant to section 24 of P.L.1997, c.224  
40 (C.58:11B-20.1), the water resources projects and wastewater  
41 treatment system projects on the water resources project and  
42 wastewater treatment system project priority list and project  
43 eligibility list developed pursuant to section 31 of P.L.2003, c.162  
44 **【**, the environmental infrastructure projects identified in the Interim  
45 Financing Program Eligibility List developed pursuant to subsection  
46 d. of section 9 of P.L.1985, c.334 (C.58:11B-9),**】** and any other  
47 environmental infrastructure projects approved by the Legislature.  
48 (cf: P.L.2009, c.59, s.5)

1 8. The following sections are repealed:  
2 Section 4 of P.L.2007, c.138 (C.58:11B-9.1);  
3 Section 1 of P.L.2009, c.59 (C.58:11B-9.2);  
4 Section 5 of P.L.2009, c.103 (C.58:11B-9.3);  
5 Section 2 of P.L.2011, c.94 (C.58:11B-9.4); and  
6 Section 1 of P.L.2014, c.28 (C.58:11B-9.6).

7  
8 9. This act shall take effect immediately.  
9

10  
11 STATEMENT  
12

13 This bill would clarify and streamline the process for the  
14 approval of environmental infrastructure projects financed by the  
15 New Jersey Environmental Infrastructure Trust (trust). All short-  
16 term financing of environmental infrastructure projects would be  
17 funded through the Interim Financing Program or, in the case of  
18 projects necessary due to a disaster as declared by the Governor,  
19 through the Disaster Relief Emergency Financing Program. Thus,  
20 the bill would repeal existing law establishing the Emergency  
21 Financing Program, the Planning and Design Financing Program,  
22 the Onsite Wastewater Disposal Financing Program, the  
23 Supplemental Financing Program, and the Equipment Loan  
24 Program. Projects that meet the ranking criteria and funding  
25 priorities under the trust's program would be set forth on the  
26 Interim Funding Program Project Priority List and submitted to the  
27 Legislature at least once and up to four times each fiscal year for  
28 short-term funding. The bill provides that no funds for short-term  
29 or temporary loans may be disbursed unless the Department of  
30 Environmental Protection determines, and certifies in writing, that  
31 the project activities satisfy the provisions of the "New Jersey  
32 Environmental Infrastructure Trust Act. Projects that meet the  
33 criteria for long-term funding by the trust that have commenced  
34 construction and demonstrated a high likelihood of construction  
35 completion on or before the end of the ensuing fiscal year would be  
36 included on the project eligibility list for approval. The bill also  
37 provides the trust with the authority to submit an additional project  
38 eligibility list to the Legislature for approval by October 15 of each  
39 year.

# SENATE ENVIRONMENT AND ENERGY COMMITTEE

## STATEMENT TO

### **SENATE, No. 2287**

# **STATE OF NEW JERSEY**

DATED: JUNE 6, 2016

The Senate Environment and Energy Committee favorably reports Senate Bill No. 2287.

This bill would clarify and streamline the process for the approval of environmental infrastructure projects financed by the New Jersey Environmental Infrastructure Trust (trust). All short-term financing of environmental infrastructure projects would be funded through the Interim Financing Program or, in the case of projects necessary due to a disaster as declared by the Governor, through the Disaster Relief Emergency Financing Program. Thus, the bill would repeal existing law establishing the Emergency Financing Program, the Planning and Design Financing Program, the Onsite Wastewater Disposal Financing Program, the Supplemental Financing Program, and the Equipment Loan Program. Projects that meet the ranking criteria and funding priorities under the trust's program would be set forth on the Interim Funding Program Project Priority List and submitted to the Legislature at least once and up to four times each fiscal year for short-term funding. The bill provides that no funds for short-term or temporary loans may be disbursed unless the Department of Environmental Protection determines, and certifies in writing, that the project activities satisfy the provisions of the "New Jersey Environmental Infrastructure Trust Act." Projects that meet the criteria for long-term funding by the trust that have commenced construction and demonstrated a high likelihood of construction completion on or before the end of the ensuing fiscal year would be included on the project eligibility list for approval by the Legislature of long-term funding. The bill also provides the trust with the authority to submit an additional project eligibility list of long-term funding to the Legislature for its approval by October 15 of each year.

STATEMENT TO  
**SENATE, No. 2287**

with Senate Floor Amendments  
(Proposed by Senator B. SMITH)

ADOPTED: JUNE 23, 2016

These floor amendments would authorize the funding by the Environmental Infrastructure Trust of wastewater treatment system projects and water supply projects for the reduction of lead in publicly-owned facilities if they are in conformance with requirements established by the Department of Environmental Protection (DEP) for those projects.

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## Governor Chris Christie Takes Action On Pending Legislation

Thursday, August 18 2016

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Trenton, NJ – Governor Chris Christie announced action that has been taken on the following legislation:

### BILLS SIGNED:

**S-1379/A-3003 (Turner, Pennacchio/McKeon, Zwicker, Houghtaling, Jasey)** - Concerns NJ Transit's treatment of people with guide or service dogs; establishes Access Link Customer Service Group

**S-2061/A-3610 (Sweeney, Allen/Conaway, Singleton, Greenwald, Taliaferro, Quijano, Benson)** - Increases accidental death benefit to 70% of final compensation for surviving children of SPRS or PFRS member; redefines child in SPRS

**S-2099/A-3728 (Vitale, Turner/Singleton)** - Places two-year moratorium on moving date of Type II school district's annual school election from day of general election in November back to third Tuesday in April; creates study commission

**A-3841/S-2296 (Lampitt/Cunningham)** - Allows School of Osteopathic Medicine at Rowan University to maintain principal clinical affiliation with either osteopathic or allopathic hospital

**A-3851/S-2033 (Quijano, O'Scanlon/Weinberg, Oroho)** - Authorizes certain local government entities to adopt policies for payment of certain claims through use of standard electronic funds transfer technologies

**A-3882/S-2287 (Chaparro, Caride, Kennedy/Bateman, Smith)** - Changes submission and notice requirements for short-term and long-term financing for environmental infrastructure projects

**A-3883/S-2292 (Zwicker, Green, Andrzejczak, Tucker, Benson, Mukherji/Greenstein, Kyrillos)** - Authorizes New Jersey Environmental Infrastructure Trust to expend certain sums to make loans for environmental infrastructure projects for FY2017

**A-3884/S-2293 (Chiaravalloti, Mukherji, Caputo/Whelan, Gordon)** - Appropriates funds to DEP for environmental infrastructure projects for FY2017

**AJR-95 (Conaway, McKnight)** - Designates August of each year as "Adult Vaccine Preventable Disease Awareness and Improvement Month" in New Jersey

**AJR-101/SJR-61 (Prieto, Bramnick, Phoebus, Space/Sweeney, T. Kean)** - Recognizes 100th anniversary of National Park Service on August 25, 2016

### BILLS VETOED:

**A-1944/S-1228 (Coughlin, Schaer, Eustace, Downey, Benson, Wimberly, McKeon, Jasey, Chiaravalloti/Vitale, Gill)** - **CONDITIONAL** - Automatically registers or updates voter registration as part of driver's license application or renewal

**A-3591/S-2116 (Zwicker, Holley, Muoio, Eustace, Barclay, McKnight, Mukherji/Beach, Gill)** - **ABSOLUTE** - "New Voter Empowerment Act"; permits 17 year olds to vote in primary election if they turn 18 years old before next succeeding general election



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