

**SENATE, No. 2002**

**STATE OF NEW JERSEY**  
**214th LEGISLATURE**

INTRODUCED MAY 27, 2010

**Sponsored by:**

**Senator ROBERT M. GORDON**

**District 38 (Bergen)**

**Senator CHRISTOPHER "KIP" BATEMAN**

**District 16 (Morris and Somerset)**

**Co-Sponsored by:**

**Senator Beach**

**SYNOPSIS**

Authorizes New Jersey Environmental Infrastructure Trust to expend certain sums to make loans for environmental infrastructure projects.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT authorizing the expenditure of funds by the New Jersey  
2 Environmental Infrastructure Trust for the purpose of making  
3 loans to eligible project sponsors to finance a portion of the cost  
4 of construction of environmental infrastructure projects,  
5 supplementing P.L.1985, c.334 (C.58:11B-1 et seq.), and making  
6 an appropriation.  
7

8 **BE IT ENACTED** by the Senate and General Assembly of the State  
9 of New Jersey:  
10

11 1. a. The New Jersey Environmental Infrastructure Trust,  
12 established pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.), as  
13 amended and supplemented by P.L.1997, c.224 and amended by  
14 P.L.2004, c.111, is authorized to expend the aggregate sum of up to  
15 \$818,412,500, and any unexpended balance of the aggregate  
16 expenditures authorized pursuant to section 1 of P.L.2000, c.93,  
17 section 1 of P.L.2001, c.224, section 1 of P.L.2002, c.71, section 1  
18 of P.L.2003, c.159, section 1 of P.L.2004, c.110, section 1 of  
19 P.L.2005, c.197, section 1 of P.L.2006, c.67, section 1 of P.L.2007,  
20 c.140, section 1 of P.L.2008, c.67, and section 1 of P.L.2009, c.101  
21 for the purpose of making loans, to the extent sufficient funds are  
22 available, to or on behalf of local government units or public water  
23 utilities (hereinafter referred to as "project sponsors") to finance all  
24 or a portion of the cost of construction of environmental  
25 infrastructure projects listed in sections 2 and 4 of this act.

26 b. The trust is authorized to increase the aggregate sums  
27 specified in subsection a. of this section by:

28 (1) the amounts of capitalized interest and the bond issuance  
29 expenses as provided in subsection b. of section 7 of this act;

30 (2) the amounts of reserve capacity expenses and debt service  
31 reserve fund requirements as provided in subsection c. of section 7  
32 of this act;

33 (3) the interest earned on amounts deposited for project costs  
34 pending their distribution to project sponsors as provided in  
35 subsection d. of section 7 of this act;

36 (4) the amounts of the loan origination fee as provided in  
37 subsection e. of section 7 of this act; and

38 (5) the amount appropriated to the Department of Environmental  
39 Protection for the purpose of making zero interest or principal  
40 forgiveness loans pursuant to section 3 of P.L. , c. (pending  
41 before the Legislature as Senate Bill No. 2003 of 2010 and  
42 Assembly Bill No. of 2010) in connection with the project costs  
43 of a particular project sponsor, to the extent the priority ranking and  
44 an insufficiency of funding prevents the department from making  
45 the loan as provided in subsection f. of section 7 of this act.

46 c. (1) Of the sums made available to the trust from the "Water  
47 Supply Trust Fund" established pursuant to subsection a. of section  
48 15 of the "Water Supply Bond Act of 1981," (P.L.1981, c.261)

1 pursuant to P.L.1997, c.223, the trust is authorized to transfer such  
2 amounts to the Department of Environmental Protection as needed  
3 for drinking water project loans pursuant to the "Safe Drinking  
4 Water Act Amendments of 1996" Pub.L.104-182, and any  
5 amendatory and supplementary acts thereto (hereinafter referred to  
6 as the "Federal Safe Drinking Water Act"), under terms and  
7 conditions established by the Commissioner of Environmental  
8 Protection and trust, and approved by the State Treasurer, which  
9 loans shall be jointly administered by the trust and department.

10 (2) Of the sums appropriated to the trust from the "Wastewater  
11 Treatment Trust Fund" established pursuant to section 15 of the  
12 "Wastewater Treatment Bond Act of 1985," (P.L.1985, c.329)  
13 pursuant to P.L.1987, c.198, the trust is authorized to transfer such  
14 amounts as needed to the Clean Water State Revolving Fund  
15 established pursuant to section 1 of P.L.2009, c.77 for the purposes  
16 of issuing loans or providing the State match as required for the  
17 award of the capitalization grants made available to the State for  
18 clean water projects pursuant to the "Water Quality Act of 1987"  
19 (33 U.S.C.s.1251 et seq.), and any amendatory and supplementary  
20 acts thereto (hereinafter referred to as the "Federal Clean Water  
21 Act").

22 (3) Of the sums appropriated to the trust from the "1992  
23 Wastewater Treatment Trust Fund" established pursuant to section  
24 27 of the "Green Acres, Clean Water, Farmland and Historic  
25 Preservation Bond Act of 1992," (P.L.1992, c.88) pursuant to  
26 P.L.1996, c.86, the trust is authorized to transfer such amounts as  
27 needed to the Clean Water State Revolving Fund for the purpose of  
28 providing the State match as required for the award of the  
29 capitalization grants made available to the State for clean water  
30 projects pursuant to the Federal Clean Water Act.

31 (4) Of the sums appropriated to the trust from the "Stormwater  
32 Management and Combined Sewer Overflow Abatement Fund"  
33 created pursuant to section 14 of the "Stormwater Management and  
34 Combined Sewer Overflow Abatement Bond Act of 1989,"  
35 (P.L.1989, c.181) pursuant to P.L.1998, c.87, the trust is authorized  
36 to transfer such amounts as needed to the Clean Water State  
37 Revolving Fund for the purpose of providing the State match as  
38 required for the award of the capitalization grants made available to  
39 the State for clean water projects pursuant to the Federal Clean  
40 Water Act.

41 (5) Of the sums appropriated to the trust from the "2003 Water  
42 Resources and Wastewater Treatment Trust Fund" established  
43 pursuant to subsection b. of section 19 of the "Dam, Lake, Stream,  
44 Flood Control, Water Resources, and Wastewater Treatment Project  
45 Bond Act of 2003," (P.L.2003, c.162) pursuant to P.L.2004, c.110,  
46 the trust is authorized to transfer such amounts as needed to the  
47 Clean Water State Revolving Fund for the purpose of providing the  
48 State match as required for the award of the capitalization grants

1 made available to the State for clean water projects pursuant to the  
2 Federal Clean Water Act.

3 (6) Of the sums appropriated to the trust from repayments of  
4 loans deposited in any account, including the "Clean Water State  
5 Revolving Fund," "Wastewater Treatment Fund," the "1992  
6 Wastewater Treatment Fund," the "Water Supply Fund," the  
7 "Stormwater Management and Combined Sewer Overflow  
8 Abatement Fund" or the Drinking Water State Revolving Fund, as  
9 appropriate, pursuant to sections 11 and 12 of P.L.1995, c.219,  
10 sections 11 and 12 of P.L.1996, c.85, sections 11 and 12 of  
11 P.L.1997, c.221, sections 12 and 13 of P.L.1998, c.84, section 11 of  
12 P.L.1999, c.174, section 11 of P.L.2000, c.92, section 11 of  
13 P.L.2001, c.222, section 11 of P.L.2002, c.70, section 11 of  
14 P.L.2003, c.158, section 11 of P.L.2004, c.109, section 11 of  
15 P.L.2005, c.196, section 11 of P.L.2006, c.68, section 10 of  
16 P.L.2007, c.140, section 10 of P.L.2008, c.67, and section 10 of  
17 P.L.2009, c.101 for deposit into one or more reserve funds  
18 established by the trust pursuant to section 11 of P.L.1985, c.334  
19 (C.58:11B-11), the trust shall transfer to the respective fund of  
20 origin the unexpended balance of all such moneys no longer utilized  
21 by the trust for reserve fund purposes.

22 d. For the purposes of this act:

23 (1) "capitalized interest" means the amount equal to interest  
24 paid on trust bonds which is funded with trust bond proceeds and  
25 the earnings thereon;

26 (2) "issuance expenses" means and includes, but need not be  
27 limited to, the costs of financial document printing, bond insurance  
28 premiums or other credit enhancement, underwriters' discount,  
29 verification of financial calculations, the services of bond rating  
30 agencies and trustees, the employment of accountants, attorneys,  
31 financial advisors, loan servicing agents, registrars, and paying  
32 agents, and any other costs related to the issuance of trust bonds;

33 (3) "reserve capacity expenses" means those project costs for  
34 reserve capacity not eligible for loans under rules and regulations  
35 governing zero interest loans adopted by the Commissioner of  
36 Environmental Protection pursuant to section 4 of P.L.1985, c.329  
37 but which are eligible for loans from the trust in accordance with  
38 the rules and regulations adopted by the trust pursuant to section 27  
39 of P.L.1985, c.334 (C.58:11B-27);

40 (4) "debt service reserve fund expenses" means the debt service  
41 reserve fund costs associated with reserve capacity expenses, water  
42 supply projects for which the project sponsors are public water  
43 utilities as provided in section 9 of P.L.1985, c.334 (C.58:11B-9),  
44 other drinking water projects not eligible for, or interested in, State  
45 or federal debt service reserve funds pursuant to the "Water Supply  
46 Bond Act of 1981," P.L.1981, c.261, as amended and supplemented  
47 by P.L.1997, c.223, and any clean water projects not eligible for, or

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1 interested in, State or federal debt service reserve funds from the  
2 Clean Water State Revolving Fund; and

3 (5) "loan origination fee" means the fee charged by the  
4 Department of Environmental Protection and financed under the  
5 trust loan to pay a portion of the costs incurred by the department in  
6 the implementation of the New Jersey Environmental Infrastructure  
7 Financing Program.

8 e. The trust is authorized to increase the loan amount in the  
9 future to compensate for a refunding of the issue, provided adequate  
10 savings are achieved, for the loans issued pursuant to P.L.1995,  
11 c.218, P.L.1996, c.87, P.L.1997, c.222, P.L.1998, c.85, P.L.1999,  
12 c.173, P.L.2000, c.93, P.L.2001, c.224, P.L.2002, c.71, P.L.2003,  
13 c.159, P.L.2004, c.110, P.L.2005, c.197, P.L.2006, c.67, P.L.2007,  
14 c.140, P.L.2008, c.67, P.L.2009, c.101, and P.L. , c. (pending  
15 before the Legislature as Senate Bill No. 2002 of 2010 and  
16 Assembly Bill No. of 2010).

17

18 2. a. (1) The New Jersey Environmental Infrastructure Trust is  
19 authorized to expend funds for the purpose of making supplemental  
20 loans to or on behalf of the project sponsors listed below for the  
21 following clean water environmental infrastructure projects:

22

23

<b>Project Sponsor</b>	<b>Project Number</b>	<b>Estimated Total Allowable Loan Amount</b>	<b>Estimated Allowable Trust Loan Amount</b>
Bergen County UA.	S340386-07-1	\$525,000	\$262,500
Camden County MUA	S340640-06,09,11-1	\$20,160,000	\$10,080,000
Haledon Borough	S340173-01-1	\$315,000	\$157,500
Hamilton Township	S340898-03-1	\$525,000	\$262,500
Jersey City MUA	S340928-02-1	\$3,885,000	\$1,942,500
Madison Borough	S340715-04B-1	\$420,000	\$210,000
Medford Township	S340346-05-1	\$3,780,000	\$1,890,000
Montgomery Township	S340130-02-1	\$10,815,000	\$5,407,500
New Brunswick City	S340437-11-1	\$1,890,000	\$945,000
Pequannok Lincoln Park, and Fairfield SA	S340880-03-1	\$2,835,000	\$1,417,500
Wanaque Valley RSA	S340780-03-1	\$4,830,000	\$2,415,000
West Milford Township MUA	S340701-09-1	\$1,050,000	\$525,000
<b>Total:</b>		\$51,030,000	\$25,515,000

24

25 (2) The loans authorized in this subsection shall be made for the  
26 difference between the allowable loan amounts required by these  
27 projects based upon final building costs pursuant to subsection a. of

1 section 7 of this act and the loan amounts certified by the chairman  
 2 of the trust in State fiscal years 2002, 2004, 2008, 2009, and 2010  
 3 and for increased allowable costs as defined and determined in  
 4 accordance with the rules and regulations adopted by the trust  
 5 pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27). The loans  
 6 authorized in this subsection shall be made to or on behalf of the  
 7 project sponsors listed, up to the individual amounts indicated and  
 8 in the priority stated, to the extent sufficient funds are available,  
 9 except as a project fails to meet the requirements of section 6 of this  
 10 act.

11 (3) The loans authorized in this subsection shall have priority  
 12 over the environmental infrastructure projects listed in subsection a.  
 13 of section 4 of this act.

14 b. (1) The trust is authorized to expend funds for the purpose of  
 15 making supplemental loans to or on behalf of the project sponsors  
 16 listed below for the following drinking water environmental  
 17 infrastructure projects:  
 18

<b>Project Sponsor</b>	<b>Project Number</b>	<b>Estimated Total Allowable Loan Amount</b>	<b>Estimated Allowable Trust Loan Amount</b>
Perth Amboy City	1216001-004-1	\$2,730,000	\$1,365,000
Sea Girt Borough	1344001-001,002-1	\$7,770,000	\$3,885,000
<b>Total:</b>		\$10,500,000	\$5,250,000

19  
 20 (2) The loans authorized in this subsection shall be made for the  
 21 difference between the allowable loan amounts required by these  
 22 projects based upon final building costs pursuant to subsection a. of  
 23 section 7 of this act and the loan amounts certified by the chairman  
 24 of the trust in State fiscal years 2007 and 2008, and for increased  
 25 allowable costs as defined and determined in accordance with the  
 26 rules and regulations adopted by the trust pursuant to section 27 of  
 27 P.L.1985, c.334 (C.58:11B-27). The loans authorized in this  
 28 subsection shall be made to or on behalf of the project sponsors  
 29 listed, up to the individual amounts indicated and in the priority  
 30 stated, to the extent sufficient funds are available, except as a  
 31 project fails to meet the requirements of section 6 of this act.

32 (3) The loans authorized in this subsection shall have priority  
 33 over the environmental infrastructure projects listed in subsection b.  
 34 of section 4 of this act.

35 c. The trust is authorized to adjust the allowable trust loan  
 36 amount for projects authorized in this section to between 25% and  
 37 75% of the total allowable loan amount.  
 38

39 3. a. The New Jersey Environmental Infrastructure Trust is  
 40 authorized to make loans to or on behalf of the project sponsors for  
 41 the clean water projects listed in subsection a. of section 2 and

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1 subsection a. of section 4 of this act up to the individual amounts  
 2 indicated and in the priority stated, except as any such amount may  
 3 be reduced by the trust pursuant to subsection a. of section 7 of this  
 4 act, or if a project fails to meet the requirements of section 6 of this  
 5 act. The trust is authorized to increase any such amount pursuant to  
 6 subsection b., c., d., e. or f. of section 7 or section 8 of this act.

7 b. The trust is authorized to make loans to project sponsors for  
 8 the drinking water projects listed in subsection b. of section 2 and  
 9 subsection b. of section 4 of this act up to the individual amounts  
 10 indicated and in the priority stated, except as any such amount may  
 11 be reduced by the trust pursuant to subsection a. of section 7 of this  
 12 act, or if a project fails to meet the requirements of section 6 of this  
 13 act. The trust is authorized to increase any such amount pursuant to  
 14 subsection b., c., d., e. or f. of section 7 or section 8 of this act.

15  
 16 4. a. The following environmental infrastructure projects shall  
 17 be known and may be cited as the "State Fiscal Year 2011 Clean  
 18 Water Project Priority List":  
 19

<b>Project Sponsor</b>	<b>Project Number</b>	<b>Estimated Total Allowable Loan Amount</b>	<b>Estimated Allowable Trust Loan Amount</b>
Musconetcong SA	S340384-07	\$1,260,000	\$630,000
Ewing Lawrence SA.	S340391-08	\$9,660,000	\$4,830,000
Newark City	S340815-20	\$19,320,000	\$9,660,000
Cape May County MUA	S340661-10	\$525,000	\$262,500
Cape May County MUA	S340661-14	\$420,000	\$210,000
North Hudson SA.	S340952-15	\$1,260,000	\$630,000
North Hudson SA	S340952-14	\$1,260,000	\$630,000
North Hudson SA	S340952-16	\$3,780,000	\$1,890,000
Passaic Valley SC	S340689-18	\$22,050,000	\$11,025,000
Pompton Lakes Bor. MUA	S340636-07	\$1,050,000	\$525,000
Phillipsburg Town	S340874-05	\$1,785,000	\$892,500
Bergen County UA	S340386-09	\$35,175,000	\$17,587,500
Stony Brook RSA	S340400-06	\$10,395,000	\$5,197,500
Allamuchy Township	S340256-02	\$3,780,000	\$1,890,000
Hackensack City	S340923-11	\$2,310,000	\$1,155,000
Trenton City	S340416-11	\$2,520,000	\$1,260,000
Medford Township	S340346-07	\$3,780,000	\$1,890,000
Bergen County UA	S340386-10	\$6,405,000	\$3,202,500
Bergen County UA	S340386-11	\$9,030,000	\$4,515,000
Maple Shade Township	S340710-05	\$1,365,000	\$682,500
Camden County MUA	S340640-10	\$52,605,000	\$26,302,500
Atlantic County UA	S340809-21	\$8,715,000	\$4,357,500

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Kearny MUA	S340259-07	\$2,940,000	\$1,470,000
Cranford Township	S340858-01	\$1,050,000	\$525,000
Middlesex County UA	S340699-09	\$11,865,000	\$5,932,500
Ocean County UA	S340372-44	\$6,615,000	\$3,307,500
Ocean County UA	S340372-43	\$4,305,000	\$2,152,500
Atlantic County UA	S340809-10	\$1,890,000	\$945,000
Cumberland County UA	S340550-05	\$1,890,000	\$945,000
Cape May County MUA	S340661-11	\$420,000	\$210,000
Cape May County MUA	S340661-12	\$8,390,000	\$4,195,000
Hamilton Township	S340898-05	\$3,045,000	\$1,522,500
Hamilton Township	S340898-04	\$2,100,000	\$1,050,000
Old Bridge MUA	S340945-09	\$3,675,000	\$1,837,500
Montclair Township	S340837-02	\$4,620,000	\$2,310,000
Galloway Township	S340892-05	\$735,000	\$367,500
Galloway Township	S340892-06	\$840,000	\$420,000
Galloway Township	S340892-08	\$525,000	\$262,500
Carteret Borough	S340939-06	\$5,250,000	\$2,625,000
Muscongecong SA	S340384-08	\$1,575,000	\$787,500
Lyndhurst Township	S340426-08	\$5,985,000	\$2,992,500
New Milford Borough	S340177-01	\$1,365,000	\$682,500
Ventnor City	S340241-01	\$1,155,000	\$577,500
Brigantine City	S340827-03	\$5,775,000	\$2,887,500
Somers Point City	S340618-01	\$3,150,000	\$1,575,000
Waldwick Borough	S340195-01	\$315,000	\$157,500
Maywood Borough	S340226-01	\$1,785,000	\$892,500
Oradell Borough	S340835-02	\$840,000	\$420,000
Glen Ridge Borough	S340861-01	\$420,000	\$210,000
Edgewater Park SA	S340108-02	\$4,725,000	\$2,362,500
Edgewater Borough	S340446-12	\$630,000	\$315,000
Barrington Borough	S340305-02	\$1,470,000	\$735,000
Midland Park Borough	S340227-01	\$735,000	\$367,500
Ocean Township	S340750-09	\$420,000	\$210,000
Lopatcong Borough	S340264-02	\$3,675,000	\$1,837,500
Norwood Borough	S340230-01	\$1,155,000	\$577,500
Lambertville MUA	S340882-07	\$420,000	\$210,000
Stanhope Borough	S340504-02	\$315,000	\$157,500
Long Beach Township	S340023-03	\$2,415,000	\$1,207,500
Hamburg Borough	S340149-01	\$1,470,000	\$735,000
Sussex Borough	S340155-01	\$1,260,000	\$630,000
Island Heights Borough	S340176-02	\$105,000	\$52,500
Stone Harbor Borough	S340722-03	\$2,205,000	\$1,102,500
Rockleigh SA	S340232-01	\$1,155,000	\$577,500
Ocean County UA	S340372-42	\$1,680,000	\$840,000
Gloucester County UA	S340902-07	\$2,310,000	\$1,155,000



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Cape May County MUA	S340661-13	\$525,000	\$262,500
Northwest Bergen County UA	S340700-10	\$3,360,000	\$1,680,000
Merchantville-Pennsauken Water Commission	S340137-01	\$1,365,000	\$682,500
Old Bridge MUA	S340945-08	\$9,450,000	\$4,725,000
Aberdeen Township	S340869-02	\$6,720,000	\$3,360,000
Willingboro Township	S340132-03	\$2,940,000	\$1,470,000
Delran Township	S340794-06	\$1,050,000	\$525,000
Newark City	S340815-12	\$25,095,000	\$12,547,500
Newark City	S340815-11	\$19,215,000	\$9,607,500
Atlantic County UA	S340809-18	\$2,415,000	\$1,207,500
Atlantic County UA	S340809-19	\$1,575,000	\$787,500
Atlantic County UA	S340809-20	\$525,000	\$262,500
Gloucester Township	S340364-08	\$1,680,000	\$840,000
Gloucester Township	S340364-07	\$840,000	\$420,000
Plainfield City	S340240-01	\$210,000	\$105,000
Berkeley Township	S340969-11	\$2,415,000	\$420,000
Berkeley Township	S340969-10	\$840,000	\$1,207,500
Galloway Township	S340892-03	\$630,000	\$315,000
Galloway Township	S340892-07	\$840,000	\$420,000
Rahway City	S340546-03	\$840,000	\$420,000
Hillside Township	S340906-04	\$1,155,000	\$577,500
Dumont Borough	S340922-05	\$4,935,000	\$2,467,500
Little Falls Township	S340716-06	\$1,050,000	\$525,000
Mount Holly Township	S340817-05	\$210,000	\$105,000
Bogota Borough	S340914-02	\$1,155,000	\$577,500
Linwood City	S340217-01	\$840,000	\$420,000
Linwood City	S340217-02	\$2,100,000	\$1,050,000
Bellmawr Borough	S342011-02	\$27,405,000	\$13,702,500
NJ Water Supply Authority	S343054-07	\$3,465,000	\$1,732,500
NJ City University	S340111-02	\$29,295,000	\$14,647,500
City of Bayonne Redevelopment Authority	S340051-05	\$2,625,000	\$1,312,500
City of Bayonne Redevelopment Authority	S340051-06	\$3,255,000	\$1,627,500
City of Bayonne Redevelopment Authority	S340051-07	\$7,245,000	\$3,622,500
Woodbridge Township	S340433-10	\$10,185,000	\$5,092,500
Phillipsburg Redevelopment Agency	S340874-06	\$10,290,000	\$5,145,000
<b>Total:</b>		\$494,855,000	\$247,427,500

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- 1        b. The following environmental infrastructure projects shall be  
 2 known and may be cited as the "State Fiscal Year 2011 Drinking  
 3 Water Project Priority List":  
 4

<b>Project Sponsor</b>	<b>Project Number</b>	<b>Estimated Total Allowable Loan Amount</b>	<b>Estimated Allowable Trust Loan Amount</b>
Trenton City	1111001-009	\$14,070,000	\$7,035,000
Aqua New Jersey Inc.	1103001-003	\$1,365,000	\$682,500
Camden County Board of Education	0415308-001	\$525,000	\$262,500
Sea Village Marina L.L.C.	0108021-002	\$945,000	\$472,500
Great Gorge Terrace Condo Association	1922014-001	\$1,050,000	\$525,000
Lake Tamarack Water Company, Inc.	1911003-002	\$105,000	\$52,500
Egg Harbor City	0107001-002	\$10,710,000	\$5,355,000
Newark City	0714001-006	\$9,345,000	\$4,672,500
Camden City	0408001-018	\$1,365,000	\$682,500
NJ American Water Company, Inc.	0119002-005	\$3,255,000	\$1,627,500
Passaic Valley Water Commission	1605002-012	\$1,680,000	\$840,000
Passaic Valley Water Commission	1605002-011	\$2,415,000	\$1,207,500
Passaic Valley Water Commission	1605002-013	\$1,680,000	\$840,000
NJ City University/ Jersey City MUA	0906001-005	\$945,000	\$472,500
Ocean Township	1520001-001	\$1,365,000	\$682,500
National Park Borough	0812001-001	\$3,360,000	\$1,680,000
East Orange City	0705001-008	\$7,770,000	\$3,885,000
Stone Harbor Borough	0510001-004	\$945,000	\$472,500
Maple Shade Township	0319001-005	\$1,575,000	\$787,500
Phillipsburg Redevelopment Agency/ Aqua NJ	2119001-006	\$2,730,000	\$1,365,000
Pemberton Borough	0328001-001	\$840,000	\$420,000
NJ American Water Company, Inc.	0712001-005	\$82,005,000	\$41,002,500
Sayreville Borough	1219001-007	\$16,485,000	\$8,242,500
Bordentown City	0303001-004	\$630,000	\$315,000
Clinton Town	1005001-001	\$1,470,000	\$735,000
Island Heights Borough	1510001-003	\$3,150,000	\$1,575,000
Plausha Park Water Company, Inc.	1421004-001	\$210,000	\$105,000
Greenbriar Residential Healthcare Facility, Inc.	1421305-001	\$52,500	\$26,250
Willingboro MUA	0338001-002	\$10,605,000	\$5,302,500
Long Beach Township	1517001-010	\$2,310,000	\$1,155,000
Lyndhurst Township	0232001-002	\$2,625,000	\$1,312,500
Lyndhurst Township	0232001-001	\$12,390,000	\$6,195,000
Beach Haven Borough	1503001-002	\$2,730,000	\$1,365,000

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National Park Borough	0812001-003	\$420,000	\$210,000
Alpha Borough	2102001-001	\$2,520,000	\$1,260,000
Byram Homeowners Association Water Company, Inc.	1904009-002	\$315,000	\$157,500
Middlesex Water Company, Inc.	1225001-012	\$4,305,000	\$2,152,500
NJ American Water Company, Inc./ Free Acres Homeowners Association	0712001-010	\$1,680,000	\$840,000
NJ American Water Company, Inc./ Free Acres Homeowners Association	0712001-011	\$210,000	\$105,000
Avalon Borough	0501001-001	\$1,785,000	\$892,500
Clinton Town	1005001-002	\$3,150,000	\$1,575,000
Aberdeen Township	1330002-002	\$1,575,000	\$787,500
Glen Ridge Borough	0708001-005	\$945,000	\$472,500
Allamuchy Township	2101001-003	\$2,730,000	\$1,365,000
Island Heights Borough	1510001-004	\$315,000	\$157,500
Byram Homeowners Association Water Company, Inc.	1904009-005	\$210,000	\$105,000
Plausha Park Water Company, Inc.	1421004-002	\$210,000	\$105,000
Old Bridge MUA	1209002-007	\$5,460,000	\$2,730,000
Little Egg Harbor MUA	1516001-002	\$420,000	\$210,000
Waldwick Borough	0264001-002	\$1,260,000	\$630,000
Boonton Town	1401001-001	\$1,365,000	\$682,500
Island Heights Borough	1510001-002	\$2,205,000	\$1,102,500
Byram Homeowners Association Water Co., Inc.	1904009-004	\$52,500	\$26,250
Plausha Park Water Company, Inc.	1421004-003	\$210,000	\$105,000
NJ American Water Company, Inc.	1345001-013	\$1,260,000	\$630,000
NJ American Water Company, Inc.	0327001-011	\$8,400,000	\$4,200,000
NJ American Water Company, Inc.	0712001-012	\$1,470,000	\$735,000
NJ American Water Company, Inc.	0323001-002	\$7,455,000	\$3,727,500
Lakehurst Borough	1513001-001	\$105,000	\$52,500
Byram Homeowners Association Water Company, Inc.	1904009-001	\$105,000	\$52,500
Ocean Township	1520001-002	\$315,000	\$157,500
National Park Borough	0812001-002	\$210,000	\$105,000
Mount Olive Township	1427015-001	\$1,050,000	\$525,000

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1

Byram Homeowners Association Water Company, Inc.	1904009-003	\$52,500	\$26,250
Nutley Township	0716001-001	\$3,255,000	\$1,627,500
NJ Water Supply Authority	1352005-004	\$4,305,000	\$2,152,500
<b>Total:</b>		\$262,027,500	\$131,013,750

2

3 c. The trust is authorized to adjust the allowable trust loan  
4 amount for projects authorized in this section to between 25% and  
5 75% of the total allowable loan amount.

6

7 5. In accordance with and subject to the provisions of sections  
8 5, 6 and 23 of P.L.1985, c.334 (C.58:11B-5, C.58:11B-6, and  
9 C.58:11B-23) and as set forth in the financial plan required  
10 pursuant to section 21 of P.L.1985, c.334 (C.58:11B-21), or the  
11 financial plan required pursuant to section 25 of P.L.1997, c.224  
12 (C.58:11B-21.1), any proceeds from bonds issued by the trust to  
13 make loans for priority environmental infrastructure projects listed  
14 in sections 2 and 4 of this act which are not expended for that  
15 purpose may be applied for the payment of all or any part of the  
16 principal of and interest and premium on the trust bonds whether  
17 due at stated maturity, the interest payment dates or earlier upon  
18 redemption. A portion of the proceeds from bonds issued by the  
19 trust to make loans for priority environmental infrastructure projects  
20 pursuant to this act may be applied for the payment of capitalized  
21 interest and for the payment of any issuance expenses; for the  
22 payment of reserve capacity expenses; for the payment of debt  
23 service reserve fund expenses for the payment of the loan  
24 origination fees; and for the payment of increased costs as defined  
25 and determined in accordance with the rules and regulations  
26 adopted by the trust pursuant to section 27 of P.L.1985, c.334  
27 (C.58:11B-27).

28

29 6. Any loan made by the New Jersey Environmental  
30 Infrastructure Trust pursuant to this act shall be subject to the  
31 following requirements:

32 a. The chairman of the trust has certified that the project is in  
33 compliance with the provisions of P.L.1977, c.224, P.L.1985, c.334,  
34 P.L.1992, c.88, P.L.1997, c.223, P.L.1997, c.224, P.L.1997, c.225,  
35 P.L.1999, c.175 or P.L.2003, c.162, and any rules and regulations  
36 adopted pursuant thereto, and any amendatory and supplementary  
37 acts thereto, , as applicable. In making this certification, the  
38 chairman may conclusively rely on the project review conducted by  
39 the Department of Environmental Protection without any  
40 independent review thereof by the trust;

41 b. The loan shall be conditioned upon inclusion of the project  
42 on a project priority list approved pursuant to section 20 of

1 P.L.1985, c.334 (C.58:11B-20) or section 24 of P.L.1997, c.224  
2 (C.58:11B-20.1);

3 c. The loan shall be repaid within a period not to exceed 20  
4 years of the making of the loan;

5 d. The loan, including any portion thereof made by the trust  
6 pursuant to subsection f. of section 7 of this act, shall not exceed the  
7 allowable project cost of the environmental infrastructure facility,  
8 exclusive of capitalized interest and issuance expenses as provided  
9 in subsection b. of section 7 of this act, reserve capacity expenses  
10 and the debt service reserve fund expenses as provided in  
11 subsection c. of section 7 of this act, interest earned on project costs  
12 as provided in subsection d. of section 7 of this act, the amounts of  
13 the loan origination fee as provided in subsection e. of section 7 of  
14 this act, refunding increases as provided in section 8 of this act and  
15 increased costs as defined and determined in accordance with the  
16 rules and regulations adopted by the trust pursuant to section 27 of  
17 P.L.1985, c.334 (C.58:11B-27);

18 e. The loan shall bear interest, exclusive of any late charges or  
19 administrative fees payable to the trust pursuant to subsection o. of  
20 section 5 of P.L.1985, c.334 (C.58:11B-5) by the project sponsors  
21 receiving trust loans, at or below the interest rate paid by the trust  
22 on the bonds issued to make or refund the loans authorized by this  
23 act, adjusted for underwriting discount and original issue discount  
24 or premium, in accordance with the terms and conditions set forth  
25 in the financial plan required pursuant to section 21 of P.L.1985,  
26 c.334 (C.58:11B-21) or the financial plan required pursuant to  
27 section 25 of P.L.1997, c.224 (C.58:11B-21.1); and

28 f. The loan shall be subject to all other terms and conditions as  
29 the trust shall determine to be consistent with the provisions of  
30 P.L.1985, c.334 (C.58:11B-1 et seq.) and any rules and regulations  
31 adopted pursuant thereto, and with the financial plan required by  
32 section 21 of P.L.1985, c.334 (C.58:11B-21) or the financial plan  
33 required pursuant to section 25 of P.L.1997, c.224 (C.58:11B-21.1).

34 The priority lists and authorization for the making of loans  
35 pursuant to this act shall expire on July 1, 2011, and any project  
36 sponsor which has not executed and delivered a loan agreement  
37 with the trust for a loan authorized in this act shall no longer be  
38 entitled to that loan.

39

40 7. a. The New Jersey Environmental Infrastructure Trust is  
41 authorized to reduce the individual amount of loan funds made  
42 available to or on behalf of project sponsors pursuant to sections 2  
43 and 4 of this act based upon final building costs defined in and  
44 determined in accordance with rules and regulations adopted by the  
45 trust pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27) or  
46 rules and regulations adopted by the Commissioner of  
47 Environmental Protection pursuant to section 4 of P.L.1985, c.329,  
48 section 11 of P.L.1977, c.224 (C.58:12A-11) or section 5 of

1 P.L.1981, c.261. The trust is authorized to use any such reduction  
2 in the loan amount made available to a project sponsor to cover that  
3 project sponsor's increased costs due to differing site conditions or  
4 other allowable expenses as defined and determined in accordance  
5 with the rules and regulations adopted by the trust pursuant to  
6 section 27 of P.L.1985, c.334 (C.58:11B-27).

7 b. The trust is authorized to increase each loan amount  
8 authorized in sections 2 and 4 of this act by the amount of  
9 capitalized interest and issuance expenses allocable to each loan  
10 made by the trust pursuant to this act; provided that the increase for  
11 issuance expenses, excluding underwriters' discount, original issue  
12 discount or premiums, municipal bond insurance premiums and  
13 bond rating agency fees, shall not exceed 0.4% of the principal  
14 amount of trust bonds issued to make loans authorized by this act.

15 c. The trust is authorized to increase each loan amount  
16 authorized in sections 2 and 4 of this act by the amount of reserve  
17 capacity expenses, and by the debt service reserve fund expenses  
18 associated with the costs identified in paragraphs (3) and (4) of  
19 subsection d. of section 1 of this act.

20 d. The trust is authorized to increase each loan amount  
21 authorized in sections 2 and 4 of this act by the interest earned on  
22 amounts deposited for project costs pending their distribution to  
23 project sponsors.

24 e. The trust is authorized to increase each loan amount  
25 authorized in sections 2 and 4 of this act by the loan origination fee.

26 f. The trust is authorized to increase each loan amount  
27 authorized in sections 2 and 4 of this act by the amount  
28 appropriated to the Department of Environmental Protection for the  
29 purpose of making the corresponding zero interest loan pursuant to  
30 section 3 of P.L. , c. (pending before the Legislature as Senate  
31 Bill No. 2003 of 2010 and Assembly Bill No. of 2010) in  
32 connection with the project costs of the project sponsor, to the  
33 extent the priority ranking and an insufficiency of funding prevents  
34 the department from making the loan.

35  
36 8. The New Jersey Environmental Infrastructure Trust is  
37 authorized to increase the individual amount of loan funds made  
38 available to project sponsors by the trust pursuant to P.L.1989,  
39 c.190, P.L.1990, c.97, P.L.1991, c.324, P.L.1992, c.37, P.L.1993,  
40 c.192, P.L.1994, c.105, P.L.1995, c.218, P.L.1996, c.87, P.L.1997,  
41 c.222, P.L.1998, c.85, P.L.1999, c.173, P.L.2000, c.93, P.L.2001,  
42 c.224, P.L.2002, c.71, P.L.2003, c.159, P.L.2004, c.110, P.L.2005,  
43 c.197, P.L.2006, c.67, P.L.2007, c.140, P.L.2008, c.67, P.L.2009,  
44 c.101 or P.L. , c. (pending before the Legislature as Senate Bill  
45 No. 2002 of 2010 and Assembly Bill No. of 2010), provided that  
46 adequate savings are achieved, to compensate for a refunding of  
47 trust bonds issued to make loans authorized by the aforementioned  
48 acts.

1       9. The expenditure of funds authorized pursuant to this act is  
2 subject to the provisions of P.L.1977, c.224 (C.58:12A-1 et al.),  
3 P.L.1985, c.329, P.L.1985, c.334 (C.58:11B-1 et seq.), as amended  
4 and supplemented by P.L.1997, c.224, P.L.1992, c.88, P.L.1989,  
5 c.181, P.L.1997, c.223, P.L.1997, c.225, P.L.1999, c.175 or  
6 P.L.2003, c.162, and the rules and regulations adopted pursuant  
7 thereto and the Federal Safe Drinking Water Act, as appropriate.

8  
9       10. a. There is appropriated to the New Jersey Environmental  
10 Infrastructure Trust as needed from repayments of loans deposited  
11 in any account, including the "Wastewater Treatment Fund," the  
12 "1992 Wastewater Treatment Fund," the "Water Supply Fund," the  
13 "Stormwater Management and Combined Sewer Overflow  
14 Abatement Fund," or the Drinking Water State Revolving Fund, as  
15 appropriate, and from any net earnings received from the  
16 investment and reinvestment of such deposits, the sum of  
17 \$100,000,000 consisting of:

18       (1) The unexpended balance of \$200,000,000 previously  
19 appropriated pursuant to P.L.2009, c.101 and currently on deposit in  
20 the special fund (hereinafter referred to as the "Interim Financing  
21 Program Fund") created and established by the trust for the short-  
22 term or temporary loan financing or refinancing program  
23 (hereinafter referred to as the "Interim Financing Program")  
24 authorized pursuant to subsection d. of section 9 of P.L.1985, c.334  
25 (C.58:11B-9), which balance previously had been appropriated to  
26 the trust for such purpose pursuant to section 12 of P.L.2004, c.109,  
27 less any Interim Financing Program Fund amounts appropriated to  
28 the Department of Environmental Protection to supplement the  
29 sums appropriated from the Clean Water State Revolving Fund for  
30 clean water projects pursuant to the Federal Clean Water Act; and

31       (2) such other amounts to be deposited in the Interim Financing  
32 Program Fund, provided that the amount so reappropriated and  
33 appropriated to the trust for deposit in the Interim Financing  
34 Program Fund shall be utilized by the trust to make short-term or  
35 temporary loans pursuant to the Interim Financing Program to any  
36 one or more of the project sponsors, for the respective projects  
37 thereof, identified in the interim financing project priority list  
38 (hereinafter referred to as the "Interim Financing Program  
39 Eligibility List") in the form provided to the Legislature by the  
40 Commissioner of Environmental Protection.

41       b. The Interim Financing Program Eligibility List shall be  
42 submitted to the Legislature on or before June 18, 2010 on a day  
43 when both Houses are meeting. The President of the Senate and the  
44 Speaker of the General Assembly shall cause the date of submission  
45 to be entered upon the Senate Journal and the Minutes of the  
46 General Assembly, respectively. Any environmental infrastructure  
47 project or the project sponsor thereof not identified in the Interim

1 Financing Program Eligibility List shall not be eligible for a short-  
2 term or temporary loan from the Interim Financing Program Fund.

3

4 11. This act shall take effect immediately.

5

6

7

STATEMENT

8

9 This bill authorizes the New Jersey Environmental Infrastructure  
10 Trust (Trust) to expend up to \$818,412,500 and any unexpended  
11 balances from previous authorizations to provide loans with an  
12 interest rate at or below the prevailing market rate to project  
13 sponsors (primarily local governments, public authorities or public  
14 water utilities) for a portion of the total costs of 181 eligible  
15 environmental infrastructure projects. The eligible projects are  
16 those included in the "State Fiscal Year 2011 Clean Water Project  
17 Priority List" and the "State Fiscal Year 2011 Drinking Water  
18 Project Priority List," as well as thirteen clean water and four  
19 drinking water environmental infrastructure projects that received  
20 loans in the past and which now require supplemental loans in order  
21 to meet actual costs.

22 In addition to the use of prior unused allocations, this bill also  
23 permits the Trust to use any loan repayments received to date, and  
24 the amounts for capitalized interest, bond issuance expenses and  
25 related amounts, to fund the 2011 New Jersey Environmental  
26 Infrastructure Financing Program.

27 Since its creation in 1985, the Trust has provided low-cost  
28 financing for the construction of environmental infrastructure  
29 projects that enhance and protect ground and surface water  
30 resources, ensure the safety of drinking water supplies, and make  
31 possible responsible and sustainable economic development. Since  
32 1985 the Trust has provided more than \$2 billion in loans to local  
33 government units and some private water companies to finance  
34 wastewater systems, combined sewer overflow abatement, nonpoint  
35 source pollution control and safe drinking water supplies.