

ASSEMBLY, No. 4170

STATE OF NEW JERSEY

218th LEGISLATURE

INTRODUCED JUNE 11, 2018

Sponsored by:

Assemblyman ADAM J. TALIAFERRO
District 3 (Cumberland, Gloucester and Salem)
Assemblywoman LINDA S. CARTER
District 22 (Middlesex, Somerset and Union)
Assemblyman RALPH R. CAPUTO
District 28 (Essex)
Senator STEPHEN M. SWEENEY
District 3 (Cumberland, Gloucester and Salem)

Co-Sponsored by:

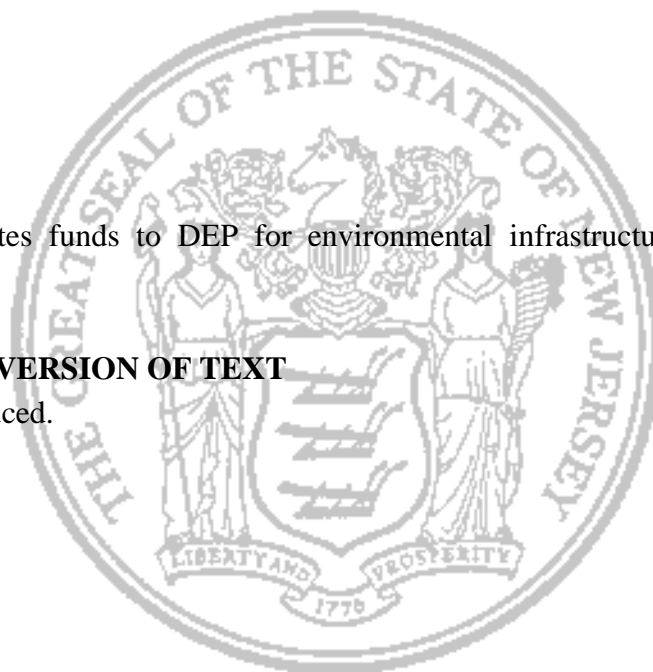
Assemblymen Rooney, Wolfe, Thomson, Clifton, DiMaio, Assemblywoman N.Munoz, Assemblymen Dancer, Auth, Assemblywomen Gove, Handlin, Assemblymen Harold J. Wirths, S.Kean, Bramnick, Assemblywoman DiMaso, Assemblyman DePhillips, Assemblywoman Schepisi, Assemblymen Peterson, Carroll, Space, Assemblywoman Downey, Assemblyman Houghtaling, Assemblywoman Pinkin, Senators Bateman, Oroho, Beach, Holzapfel, Brown, A.R.Bucco, Connors, Corrado, Doherty, T.Kean, O'Scanlon, Pennacchio and Thompson

SYNOPSIS

Appropriates funds to DEP for environmental infrastructure projects for FY2019.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/22/2018)

1 AN ACT appropriating moneys to the Department of Environmental
2 Protection for the purpose of making grants, zero interest loans,
3 or principal forgiveness loans to project sponsors to finance a
4 portion of the costs of environmental infrastructure projects.

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

8
9 1. a. (1) There is appropriated to the Department of
10 Environmental Protection from the "Clean Water State Revolving
11 Fund" established pursuant to section 1 of P.L.2009, c.77, an
12 amount equal to the federal fiscal year 2018 capitalization grant
13 made available to the State for clean water project loans pursuant to
14 the "Water Quality Act of 1987" (33 U.S.C. s.1251 et seq.), and any
15 amendatory and supplementary acts thereto (hereinafter referred to
16 as the "Federal Clean Water Act").

17 (2) There is appropriated to the Department of Environmental
18 Protection from the "Interim Environmental Financing Program
19 Fund" created and established by the New Jersey Infrastructure
20 Bank pursuant to subsection d. of section 9 of P.L.1985, c.334
21 (C.58:11B-9) such amounts as may be necessary to supplement the
22 sums appropriated from the Clean Water State Revolving Fund for
23 the purposes of clean water project loans and providing the State
24 match as required or will be required for the award of the
25 capitalization grants made available to the State for clean water
26 projects pursuant to the Federal Clean Water Act.

27 (3) There is appropriated to the Department of Environmental
28 Protection from the "Disaster Relief Emergency Financing Program
29 Fund" created and established by the New Jersey Infrastructure
30 Bank pursuant to section 1 of P.L.2013, c.93 (C.58:11B-9.5) such
31 amounts as may be necessary to supplement the sums appropriated
32 from the Clean Water State Revolving Fund for the purposes of
33 clean water project loans and providing the State match as required
34 or will be required for the award of the capitalization grants made
35 available to the State for clean water projects pursuant to the
36 Federal Clean Water Act.

37 (4) There is appropriated to the Department of Environmental
38 Protection from the "Drinking Water State Revolving Fund"
39 established pursuant to section 1 of P.L.1998, c.84 an amount equal
40 to the federal fiscal year 2018 capitalization grant made available to
41 the State for drinking water projects pursuant to the "Safe Drinking
42 Water Act Amendments of 1996," Pub.L.104-182, and any
43 amendatory and supplementary acts thereto (hereinafter referred to
44 as the "Federal Safe Drinking Water Act").

45 The Department of Environmental Protection is authorized to
46 transfer from the Clean Water State Revolving Fund to the Drinking
47 Water State Revolving Fund an amount up to the maximum amount
48 authorized to be transferred pursuant to the Federal Safe Drinking

1 Water Act to meet present and future needs for the financing of
2 eligible drinking water projects, and an amount equal to that
3 maximum amount is hereby appropriated to the department for
4 those purposes.

5 The Department of Environmental Protection is authorized to
6 transfer from the Drinking Water State Revolving Fund to the Clean
7 Water State Revolving Fund an amount up to the maximum amount
8 authorized to be transferred pursuant to the Federal Clean Water
9 Act to meet present and future needs for the financing of eligible
10 clean water projects, and an amount equal to that maximum amount
11 is hereby appropriated to the department for those purposes.

12 (5) There is appropriated to the Department of Environmental
13 Protection the unappropriated balances from the Clean Water State
14 Revolving Fund, including the balances from the Federal Disaster
15 Relief Appropriations Act, and any repayments of loans and interest
16 therefrom, for the purposes of clean water project loans and
17 providing the State match as available on or before June 30, 2019,
18 as required or will be required for the award of the capitalization
19 grants made available to the State for clean water projects pursuant
20 to the Federal Clean Water Act.

21 (6) There is appropriated to the Department of Environmental
22 Protection the unappropriated balances from the "Wastewater
23 Treatment Fund" established pursuant to section 15 of the
24 "Wastewater Treatment Bond Act of 1985" (P.L.1985, c.329), and
25 any repayments of loans and interest therefrom, as available on or
26 before June 30, 2019, for the purposes of clean water project loans
27 and providing the State match as required or will be required for the
28 award of the capitalization grants made available to the State for
29 clean water projects pursuant to the Federal Clean Water Act.

30 (7) There is appropriated to the Department of Environmental
31 Protection the unappropriated balances from the "1992 Wastewater
32 Treatment Fund" established pursuant to section 27 of the "Green
33 Acres, Clean Water, Farmland and Historic Preservation Bond Act
34 of 1992" (P.L.1992, c.88), and any repayments of loans and interest
35 therefrom, as available on or before June 30, 2019, for the purposes
36 of clean water project loans and providing the State match as
37 required or will be required for the award of the capitalization
38 grants made available to the State for clean water projects pursuant
39 to the Federal Clean Water Act.

40 (8) There is appropriated to the Department of Environmental
41 Protection the unappropriated balances from the "2003 Water
42 Resources and Wastewater Treatment Fund" established pursuant to
43 subsection a. of section 19 of the "Dam, Lake, Stream, Flood
44 Control, Water Resources, and Wastewater Treatment Project Bond
45 Act of 2003" (P.L.2003, c.162), and any repayments of loans and
46 interest therefrom, as available on or before June 30, 2019, for the
47 purposes of clean water project loans and providing the State match
48 as required or will be required for the award of the capitalization

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

3 (9) There is appropriated to the Department of Environmental
4 Protection the unappropriated balances from the "Pinelands
5 Infrastructure Trust Fund" established pursuant to section 14 of the
6 "Pinelands Infrastructure Trust Bond Act of 1985" (P.L.1985,
7 c.302), and any repayments of loans and interest therefrom, as
8 available on or before June 30, 2019, for the purposes of clean
9 water project loans and providing the State match as required or
10 will be required for the award of the capitalization grants made
11 available to the State for clean water projects pursuant to the
12 Federal Clean Water Act.

13 (10) There is appropriated to the Department of Environmental
14 Protection the unappropriated balances from the "Stormwater
15 Management and Combined Sewer Overflow Abatement Fund,"
16 established pursuant to the "Stormwater Management and
17 Combined Sewer Overflow Abatement Bond Act of 1989"
18 (P.L.1989, c.181), and any repayments of loans and interest
19 therefrom, as available on or before June 30, 2019, for the purposes
20 of clean water project loans and providing the State match as
21 required or will be required for the award of the capitalization
22 grants made available to the State for clean water projects pursuant
23 to the Federal Clean Water Act.

24 (11) There is appropriated to the Department of Environmental
25 Protection the unappropriated balances from the Drinking Water
26 State Revolving Fund, including the balances from the Disaster
27 Relief Appropriations Act of 2013, for the purposes of drinking
28 water project loans and any repayments of loans and interest
29 therefrom, that are or may become available on or before June 30,
30 2019.

31 (12) There is appropriated to the Department of Environmental
32 Protection such sums as may be needed from loan repayments and
33 interest earnings from the "Water Supply Fund" established
34 pursuant to section 14 of the "Water Supply Bond Act of 1981"
35 (P.L.1981, c.261) for the "Drinking Water State Revolving Fund
36 Match Accounts" contained within that fund for the purpose of
37 providing the State match as required or will be required for the
38 award of the capitalization grants made available to the State for
39 drinking water projects pursuant to the Federal Safe Drinking Water
40 Act.

41 (13) There is appropriated to the Department of Environmental
42 Protection from the "Interim Environmental Financing Program
43 Fund" created and established by the New Jersey Infrastructure
44 Bank pursuant to subsection d. of section 9 of P.L.1985, c.334
45 (C.58:11B-9) such amounts as may be or become available on or
46 before June 30, 2019, and any repayments of loans and interest
47 therefrom, as may be necessary to supplement the sums
48 appropriated from the Drinking Water State Revolving Fund for the

1 purposes of drinking water project loans and providing the State
2 match as required or will be required for the award of the
3 capitalization grants made available to the State for clean water
4 projects pursuant to the Federal Safe Drinking Water Act.

5 (14) There is appropriated to the Department of Environmental
6 Protection from the "Disaster Relief Emergency Financing Program
7 Fund" created and established by the New Jersey Infrastructure
8 Bank pursuant to section 1 of P.L.2013, c.93 (C.58:11B-9.5) such
9 amounts as may be necessary to supplement the sums appropriated
10 from the Drinking Water State Revolving Fund for the purposes of
11 drinking water project loans and providing the State match as
12 required or will be required for the award of the capitalization
13 grants made available to the State for drinking water projects
14 pursuant to the Federal Safe Drinking Water Act.

15 (15) There is appropriated to the Department of Environmental
16 Protection such sums as may be received by the Department of
17 Community Affairs as the grantee from the United States
18 Department of Housing and Urban Development Community
19 Development Block Grant - Disaster Recovery Program (CDBG-
20 DR), as anticipated and upon availability on or before June 30,
21 2019, for the purposes of CDBG-DR eligible clean water and
22 drinking water project loans and providing the State match as
23 required or will be required for the award of the capitalization
24 grants made available to the State for clean water projects pursuant
25 to the Federal Clean Water Act and drinking water projects pursuant
26 to the Federal Safe Drinking Water Act, respectively.

27 (16) There is appropriated to the Department of Environmental
28 Protection such sums as may be or become available on or before
29 June 30, 2019, as repayments of drinking water project loans and
30 any interest therefrom from the "Water Supply Fund" established
31 pursuant to section 14 of the "Water Supply Bond Act of 1981"
32 (P.L.1981, c.261) for the purposes of drinking water project loans
33 and providing the State match as required or will be required for the
34 award of the capitalization grants made available to the State for
35 drinking water projects pursuant to the Federal Safe Drinking Water
36 Act.

37 (17) Of the sums appropriated to the Department of
38 Environmental Protection from the "Water Supply Fund" pursuant
39 to P.L.1999, c.174, P.L.2001, c.222, P.L.2002, c.70 and P.L.2003,
40 c.158, the department is authorized to transfer any unexpended
41 balances and any repayments of loans and interest therefrom as may
42 be or become available on or before June 30, 2019, in such amounts
43 as needed to the Drinking Water State Revolving Fund accounts
44 contained within the Water Supply Fund established for the
45 purposes of providing drinking water project loans and providing
46 the State match as required or will be required for the award of the
47 capitalization grants made available to the State for drinking water
48 projects pursuant to the Federal Safe Drinking Water Act.

1 (18) Of the sums appropriated to the Department of
2 Environmental Protection from the "1992 Wastewater Treatment
3 Fund" pursuant to P.L.1996, c.85, P.L.1997, c.221, P.L.1998, c.84,
4 P.L.1999, c.174, P.L.2000, c.92, P.L.2001, c.222 and P.L.2002,
5 c.70, the department is authorized to transfer any unexpended
6 balances and any repayments of loans and interest therefrom as may
7 be or become available on or before June 30, 2019, in such amounts
8 as needed to the Clean Water State Revolving Fund accounts
9 contained within the 1992 Wastewater Treatment Fund for the
10 purposes of providing clean water project loans and providing the
11 State match as required or will be required for the award of the
12 capitalization grants made available to the State for clean water
13 projects pursuant to the Federal Clean Water Act.

14 (19) Of the sums appropriated to the Department of
15 Environmental Protection from the "2003 Water Resources and
16 Wastewater Treatment Fund" pursuant to P.L.2004, c.109, and
17 P.L.2007, c.139, the department is authorized to transfer any
18 unexpended balances and any repayments of loans and interest
19 therefrom as may be or become available on or before June 30,
20 2019, in such amounts as needed to the Clean Water State
21 Revolving Fund accounts contained within the 2003 Water
22 Resources and Wastewater Treatment Fund for the purposes of
23 providing clean water project loans and providing the State match
24 as required or will be required for the award of the capitalization
25 grants made available to the State for clean water projects pursuant
26 to the Federal Clean Water Act.

27 (20) There is appropriated to the Department of Environmental
28 Protection the sums deposited by the New Jersey Infrastructure
29 Bank into the Clean Water State Revolving Fund, the "Wastewater
30 Treatment Fund," the "1992 Wastewater Treatment Fund," the
31 "Water Supply Fund," the "Stormwater Management and Combined
32 Sewer Overflow Abatement Fund," established pursuant to the
33 "Stormwater Management and Combined Sewer Overflow
34 Abatement Bond Act of 1989" (P.L.1989, c.181), the "2003 Water
35 Resources and Wastewater Treatment Fund" and the Drinking
36 Water State Revolving Fund, as appropriate, pursuant to paragraph
37 (6) of subsection c. of section 1 of P.L. , c. (pending before the
38 Legislature as Senate Bill No. 2647 of 2018 and Assembly Bill No.
39 of 2018), as available on or before June 30, 2019, for the purposes
40 of providing clean water project loans and drinking water project
41 loans and providing the State match as required or will be required
42 for the award of the capitalization grants made available to the State
43 for clean water projects pursuant to the Federal Clean Water Act
44 and drinking water projects pursuant to the Federal Safe Drinking
45 Water Act.

46 Any such amounts shall be for the purpose of making zero
47 interest and principal forgiveness financing loans, to the extent
48 sufficient funds are available, to or on behalf of local government

1 units or public water utilities (hereinafter referred to as "project
2 sponsors") to finance a portion of the cost of construction of clean
3 water projects and drinking water projects listed in sections 2 and 3
4 of this act, and for the purpose of implementing and administering
5 the provisions of this act, to the extent permitted by the Federal
6 Disaster Relief Appropriations Act, the Federal Clean Water Act,
7 and any amendatory and supplementary acts thereto, P.L.2009, c.77,
8 the "Wastewater Treatment Bond Act of 1985" (P.L.1985, c.329),
9 the "Water Supply Bond Act of 1981" (P.L.1981, c.261), the
10 "Stormwater Management and Combined Sewer Overflow
11 Abatement Bond Act of 1989" (P.L.1989, c.181), the "Green Acres,
12 Clean Water, Farmland and Historic Preservation Bond Act of
13 1992" (P.L.1992, c.88), the "Dam, Lake, Stream, Flood Control,
14 Water Resources, and Wastewater Treatment Project Bond Act of
15 2003" (P.L.2003, c.162), the Federal Safe Drinking Water Act, and
16 any amendatory and supplementary acts thereto, and State law.

17 b. The department is authorized to make zero interest and
18 principal forgiveness financing loans to or on behalf of the project
19 sponsors for the environmental infrastructure projects listed in
20 subsection a. of section 2 and subsection a. of section 3 of this act
21 for clean water projects, up to the individual amounts indicated and
22 in the priority stated, to the extent there are sufficient eligible
23 project applications, and except that any such amounts may be
24 reduced if a project fails to meet the requirements of section 4 or 5
25 of this act, or by the Commissioner of Environmental Protection
26 pursuant to section 7 of this act, provided:

27 (1) a maximum of \$3 million, as well as any unallocated funds
28 unspent at the end of State fiscal year 2018 from \$10 million
29 reserved in State fiscal year 2018 for Barnegat Bay Watershed
30 projects, in principal forgiveness loans shall be issued to finance
31 Barnegat Bay Watershed environmental infrastructure projects as
32 provided in subsection a. of section 3 of this act, wherein principal
33 forgiveness shall be a minimum of 25 percent of the fund loan
34 amount per project sponsor in an amount not to exceed \$2 million
35 of principal forgiveness per project sponsor;

36 (2) a maximum of \$30 million shall be issued to finance clean
37 water redevelopment projects as provided in subsection a. of section
38 3 of this act;

39 (3) to the extent funds are available from funds appropriated but
40 not allocated in State fiscal year 2018 from \$30 million reserved in
41 State fiscal year 2018 for combined sewer overflow projects,
42 principal forgiveness loans shall be issued as provided in subsection
43 a. of section 3 of this act to communities in combined sewer
44 overflow sewersheds sponsoring construction projects that reduce
45 or eliminate excessive infiltration/inflow or extraneous flows
46 wherein principal forgiveness loans shall not exceed \$5 million per
47 borrower subject to the availability of funds wherein 50 percent of
48 the principal of the fund loan shall be forgiven, 25 percent of the

1 loan shall be a zero interest rate fund loan, and 25 percent of the
2 loan shall be a trust market rate loan. A 100 percent DEP interest-
3 free loan will be issued to borrowers for amounts in excess of the
4 cap;

5 (4) a maximum of \$6 million, as well as any appropriated but
6 unallocated funds designated in State fiscal year 2018 for combined
7 sewer overflow projects, in principal forgiveness loans shall be
8 issued as provided in subsection a. of section 3 of this act for
9 combined sewer overflow abatement projects, including projects
10 that use practices that restore natural hydrology through infiltration,
11 evapotranspiration, or the usage or harvesting of stormwater,
12 wherein principal forgiveness loans shall not exceed \$2 million per
13 borrower subject to the availability of funds, and wherein 50
14 percent of the principal of the fund loan shall be forgiven, 25
15 percent of the loan shall be a zero interest rate fund loan, and 25
16 percent of the loan shall be a trust market rate loan subject to the
17 availability of funds. A 100 percent DEP interest-free loan will be
18 issued to borrowers for amounts in excess of the cap;

19 (5) to the extent funds are available, a maximum of \$1 million
20 in principal forgiveness loans shall be issued to finance clean water
21 environmental infrastructure projects as provided in subsection a. of
22 section 3 of this act for systems serving populations of up to 10,000
23 residents for the development of asset management plans wherein
24 principal forgiveness shall be 100 percent of the fund loan amount
25 per project in an amount not to exceed \$100,000 per project sponsor
26 subject to the availability of funds; and

27 (6) those projects listed in subsection a. of section 2 of this act
28 and subsection a. of section 3 of this act that were previously
29 identified in P.L.2017, c.143, as amended by P.L.2017, c.326, are
30 granted continued priority status and shall be subject to the
31 provisions of P.L.2017, c.143, as amended by P.L.2017, c.326
32 provided such projects receive short-term funding prior to June 30,
33 2019.

34 c. The department is authorized to make zero interest and
35 principal forgiveness financing loans to or on behalf of the project
36 sponsors for the environmental infrastructure projects listed in
37 subsection b. of section 3 of this act for drinking water projects, up
38 to the individual amounts indicated and in the priority stated,
39 provided:

40 (1) a maximum of 30 percent of the 2018 Drinking Water State
41 Revolving Fund capitalization grant not to exceed \$5 million may
42 be issued as provided in subsection b. of section 3 of this act for
43 drinking water systems, as follows:

44 (a) up to \$4 million of Drinking Water State Revolving Fund
45 loans shall be available for drinking water systems serving
46 populations of up to 10,000 residents wherein principal forgiveness
47 shall not exceed \$500,000 in the aggregate and shall not exceed 50

1 percent of the total loan amount per project sponsor in an amount
2 not to exceed \$1 million per project sponsor.

3 Loans for drinking water systems serving 500 or fewer residents
4 shall be given the highest priority, followed by systems serving
5 between 501 to 10,000 residents;

6 (b) a maximum of \$1 million in principal forgiveness loans shall
7 be issued to drinking water systems serving populations of up to
8 10,000 residents for the development of asset management plans
9 wherein principal forgiveness shall be 100 percent of the fund loan
10 amount per project in an amount not to exceed \$100,000 per project
11 sponsor subject to the availability of funds; and

12 (c) a maximum of \$30 million of principal forgiveness for
13 drinking water systems serving communities with a median
14 household income less than the median household income for the
15 county in which they are located for lead line replacement wherein
16 principal forgiveness shall not exceed \$1 million of principal
17 forgiveness per water system project.

18 Loans may be made pursuant to this subsection to the extent
19 there are sufficient eligible project applications and as required or
20 will be required for the award of the capitalization grants made
21 available to the State for drinking water projects pursuant to the
22 Federal Safe Drinking Water Act. Any such amounts may be
23 reduced by the Commissioner of Environmental Protection pursuant
24 to section 7 of this act, or if a project fails to meet the requirements
25 of section 4 or 5 of this act.

26 (2) Those projects listed in subsection a. of section 3 of this act
27 and subsection b. of section 3 of this act that were previously
28 identified in P.L.2017, c.143, as amended by P.L.2017, c.326, are
29 granted continued priority status and shall be subject to the
30 provisions of P.L.2017, c.143, as amended by P.L.2017, c.326,
31 provided such projects receive short-term funding prior to June 30,
32 2018.

33 d. The department is authorized to make zero interest and
34 principal forgiveness financing loans to or on behalf of the project
35 sponsors for the environmental infrastructure projects listed in
36 sections 2 and 3 of this act under the same terms, conditions and
37 requirements as set forth in this section from any unexpended
38 balances of the amounts appropriated pursuant to section 1 of
39 P.L.1987, c.200, section 2 of P.L.1988, c.133, section 1 of
40 P.L.1989, c.189, section 1 of P.L.1990, c.99, section 1 of P.L.1991,
41 c.325, section 1 of P.L.1992, c.38, section 1 of P.L.1993, c.193,
42 section 1 of P.L.1994, c.106, section 1 of P.L.1995, c.219, section 1
43 of P.L.1996, c.85, section 1 of P.L.1997, c.221, section 2 of
44 P.L.1998, c.84, section 2 of P.L.1999, c.174, section 2 of P.L.2000,
45 c.92, sections 1 and 2 of P.L.2001, c.222, sections 1 and 2 of
46 P.L.2002, c.70, sections 1 and 2 of P.L.2003, c.158, sections 1 and
47 2 of P.L.2004, c.109, sections 1 and 2 of P.L.2005, c.196, sections 1
48 and 2 of P.L.2006, c.68, sections 1 and 2 of P.L.2007, c.139,

1 sections 1 and 2 of P.L.2008, c.68, sections 1 and 2 of P.L.2009,
2 c.102, sections 1 and 2 of P.L.2010, c.63, sections 1 and 2 of
3 P.L.2011, c.93, sections 1 and 2 of P.L.2012, c.43, sections 1 and 2
4 of P.L.2013, c.95, sections 1 and 2 of P.L.2014, c.25, sections 1 and
5 2 of P.L.2015, c.108, and sections 1 and 2 of P.L.2016, c.32, as
6 amended by P.L.2017, c.14, and sections 1 and 2 of P.L.2017,
7 c.143, as amended by P.L.2017, c.326, including amounts resulting
8 from the low bid and final building cost reductions authorized
9 pursuant to section 6 of P.L.1987, c.200, section 7 of P.L.1988,
10 c.133, section 6 of P.L.1989, c.189, section 6 of P.L.1990, c.99,
11 section 6 of P.L.1991, c.325, section 6 of P.L.1992, c.38, section 6
12 of P.L.1993, c.193, section 6 of P.L.1994, c.106, section 6 of
13 P.L.1995, c.219, section 6 of P.L.1996, c.85, section 6 of P.L.1997,
14 c.221, section 7 of P.L.1998, c.84, section 6 of P.L.1999, c.174,
15 section 6 of P.L.2000, c.92, section 6 of P.L.2001, c.222, section 6
16 of P.L.2002, c.70, section 6 of P.L.2003, c.158, section 6 of
17 P.L.2004, c.109, section 6 of P.L.2005, c.196, section 6 of
18 P.L.2006, c.68, section 6 of P.L.2007, c.139, section 6 of P.L.2008,
19 c.68, section 7 of P.L.2009, c.102, section 6 of P.L.2010, c.63,
20 section 6 of P.L.2011, c.93, section 6 of P.L.2012, c.43, section 6 of
21 P.L.2013, c.95, section 6 of P.L.2014, c.25, section 6 of P.L.2015,
22 c.108, and section 6 of P.L.2016, c.32, as amended by P.L.2017,
23 c.14, and section 6 of P.L.2017, c.143 as amended by P.L.2017,
24 c.326, and from any repayments of loans and interest from the
25 Clean Water State Revolving Fund, the "Wastewater Treatment
26 Fund," the "Water Supply Fund," the "1992 Wastewater Treatment
27 Fund," the "2003 Water Resources and Wastewater Treatment
28 Fund," and amounts deposited therein during State fiscal year 2017
29 and State fiscal year 2018 pursuant to the provisions of section 16
30 of P.L.1985, c.329, and section 2 of P.L.2009, c.77 and any
31 amendatory and supplementary acts thereto, including any Clean
32 Water State Revolving Fund Accounts contained within the
33 "Wastewater Treatment Fund," and from any repayment of loans
34 and interest from the Drinking Water State Revolving Fund.

35 e. The department is authorized to make zero interest and
36 principal forgiveness Sandy financing loans to or on behalf of the
37 project sponsors for the Sandy environmental infrastructure projects
38 listed in subsection a. of section 3 of this act for clean water
39 projects and subsection b. of section 3 of this act for drinking water
40 projects, in a manner consistent with the Federal Disaster Relief
41 Appropriations Act, up to the individual amounts indicated, except
42 that any such amount may be reduced by the Commissioner of
43 Environmental Protection pursuant to section 7 of this act, or if a
44 project fails to meet the requirements of section 4, 5, or 7 of this
45 act, provided a maximum of \$300 million shall be provided for
46 Sandy financing loans for clean water and drinking water projects
47 to provide financial assistance to communities affected by the
48 Storm Sandy, and for projects whose purpose is to reduce flood

1 damage risk and vulnerability or to enhance resiliency to rapid
2 hydrologic change or a natural disaster.

3 f. For the purposes of this act:

4 “Base financing” means zero interest loans provided by the
5 Department of Environmental Protection from moneys made
6 available for the purposes of this act from any source other than
7 funds received pursuant to the Federal Disaster Relief
8 Appropriations Act, related State matching funds, and interest
9 earned thereon.

10 "Federal Disaster Relief Appropriations Act" means the
11 "Disaster Relief Appropriations of 2013" (Pub.L.113-2), and any
12 amendatory and supplementary acts thereto.

13 "Sandy financing” or “Sandy funding" means grants, zero
14 interest loans or principal forgiveness loans provided by the
15 Department of Environmental Protection from funds made available
16 to the State for clean water projects, clean water project match,
17 drinking water projects or drinking water project match pursuant to
18 the Federal Disaster Relief Appropriations Act.

19

20 2. a. (1) The department is authorized to expend funds for
21 the purpose of making supplemental zero interest loans to or on
22 behalf of the project sponsors listed below for the following clean
23 water environmental infrastructure projects:

24

25

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Allowable Loan Amount
Burlington Township	S340712-14-1	\$150,000	\$200,000
Manasquan Borough	S340450-01-1	\$1,582,500	\$2,110,000
Mendham Township	S340477-01-1	\$1,615,500	\$2,154,000
North Hudson SA	S340952-19-1	\$525,000	\$700,000
Warren Township SA	S340964-02-1	\$262,500	\$350,000
Total Projects: 5		\$4,135,500	\$5,514,000

26

27

28 (2) The loans authorized in this subsection shall be made for the
29 difference between the allowable loan amounts required by these
30 projects based upon final building costs pursuant to section 7 of this
31 act and the loan amounts certified by the Commissioner of
32 Environmental Protection in State fiscal years 2016, 2017, and 2018
33 and for increased allowable costs as defined and determined in

1 accordance with the rules and regulations adopted by the
2 department pursuant to section 4 of P.L.1985, c.329. The loans
3 authorized in this subsection shall be made to or on behalf of the
4 project sponsors listed, up to the individual amounts indicated and
5 in the priority stated, to the extent sufficient funds are available,
6 except as a project fails to meet the requirements of section 4, 5, or
7 7 of this act.

8 (3) The zero interest loans for the projects authorized in this
9 subsection shall have priority over projects listed in subsection a. of
10 section 3 of this act.

11 b. The Department of Environmental Protection is authorized
12 to adjust the allowable Department of Environmental Protection
13 loan amount for projects authorized in this section to between 25
14 percent and 75 percent of the total allowable loan amount.
15

16 3. a. The following environmental infrastructure projects shall
17 be known and may be cited as the "Storm Sandy and State Fiscal
18 Year 2019 Clean Water Project Eligibility List":
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Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Allowable Loan Amount
Aberdeen Township	S340869-02	\$6,750,000	\$9,000,000
Atlantic County UA	S340809-23	\$11,040,000	\$11,040,000
Atlantic County UA	S340809-24	\$600,000	\$800,000
Atlantic County UA	S340809-25	\$17,520,000	\$17,520,000
Atlantic County UA	S340809-26	\$1,500,000	\$1,500,000
Atlantic County UA	S340809-28	\$3,075,000	\$4,100,000
Bayshore RSA	S340697-05	\$9,750,000	\$13,000,000
Bayshore RSA	S340697-06	\$11,325,000	\$15,100,000
Bradley Beach Borough	S340472-01	\$2,025,000	\$2,700,000
Bradley Beach Borough	S340472-02	\$1,942,538	\$2,590,050
Burlington City	S340140-01	\$1,275,000	\$1,700,000
Camden County MUA	S340640-17	\$2,625,000	\$3,500,000
Carteret Borough	S340939-09	\$11,257,500	\$15,010,000

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Cinnaminson SA	S340170-08	\$870,000	\$1,160,000
Elizabeth City	S340942-19	\$5,775,000	\$7,700,000
Glen Ridge Borough	S340861-03	\$334,387	\$445,849
Gloucester City	S340958-08	\$1,575,000	\$2,100,000
Gloucester County UA	S340902-14	\$33,750,000	\$45,000,000
Gloucester County UA	S340902-16	\$1,575,000	\$2,100,000
Hightstown Borough	S340915-05	\$1,050,000	\$1,400,000
Hoboken City	S340635-07	\$3,750,000	\$5,000,000
Jersey City	S340928-30	\$2,033,250	\$2,711,000
Jersey City MUA	S340928-15	\$30,750,000	\$41,000,000
Jersey City MUA	S340928-19	\$5,625,000	\$7,500,000
Jersey City MUA	S340928-20	\$5,400,000	\$7,200,000
Jersey City MUA	S340928-22	\$562,500	\$750,000
Kearny MUA	S340259-07	\$4,875,000	\$6,500,000
Little Egg Harbor MUA	S340579-02	\$3,187,500	\$4,250,000
Manasquan River RSA	S340911-03	\$495,000	\$660,000
Mendham Township	S340477-01	\$1,875,000	\$2,500,000
Millville City	S340921-07	\$9,000,000	\$12,000,000
Montclair Township	S340837-04	\$1,275,000	\$1,700,000
Newark City	S340815-22	\$7,875,000	\$10,500,000
North Bergen MUA	S340652-14	\$17,250,000	\$23,000,000
North Hudson SA	S340952-22	\$13,500,000	\$18,000,000
North Hudson SA	S340952-23	\$2,325,000	\$3,100,000
North Hudson SA	S340952-28	\$1,275,000	\$1,700,000
Northwest Bergen County UA	S340700-13	\$3,900,000	\$5,200,000
Ocean County	S344080-09	\$975,000	\$1,300,000
Ocean County	S344080-10	\$187,500	\$250,000
Ocean County	S344080-11	\$262,500	\$350,000
Ocean Township SA	S340750-13	\$412,500	\$550,000
Ocean Township SA	S340750-14	\$1,875,000	\$2,500,000
Passaic Valley SC	S340689-25	\$6,825,000	\$9,100,000
Passaic Valley SC	S340689-30	\$2,775,000	\$3,700,000
Passaic Valley SC	S340689-31	\$3,000,000	\$4,000,000
Passaic Valley SC	S340689-32	\$7,500,000	\$10,000,000
Passaic Valley SC	S340689-34	\$2,175,000	\$2,900,000
Passaic Valley SC	S340689-38	\$15,750,000	\$21,000,000

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Passaic Valley SC	S340689-39	\$3,612,000	\$4,816,000
Paulsboro Borough	S340164-01	\$2,062,500	\$2,750,000
Perth Amboy City	S340435-11	\$4,844,513	\$6,459,351
Perth Amboy City	S340435-13	\$637,500	\$850,000
Plumsted Township	S340607-03	\$20,250,000	\$27,000,000
Point Pleasant Beach Borough	S344190-02	\$2,250,000	\$3,000,000
Rahway Valley SA	S340547-15	\$1,941,389	\$2,588,518
Rahway Valley SA	S340547-14	\$7,125,000	\$9,500,000
Riverdale Borough	S340729-02	\$217,342	\$289,789
Riverside SA	S340490-01	\$630,000	\$840,000
Rockaway Valley RSA	S340821-06	\$6,000,000	\$8,000,000
Rockaway Valley RSA	S340821-07	\$6,150,000	\$8,200,000
Rockaway Valley RSA	S340821-09	\$1,650,000	\$2,200,000
Roxbury Township	S340381-07	\$5,625,000	\$7,500,000
Ship Bottom Borough	S340311-03	\$3,525,000	\$4,700,000
Somerset Raritan Valley SA	S340801-08	\$12,375,000	\$16,500,000
Somerville Borough	S342013-01	\$8,625,000	\$11,500,000
Stafford Township	S344100-03	\$4,200,000	\$5,600,000
Stony Brook RSA	S340400-10	\$3,825,000	\$5,100,000
Sussex County MUA	S342008-05	\$9,750,000	\$13,000,000
Ventnor City	S340667-03	\$1,500,000	\$2,000,000
Total Projects: 70		\$389,100,418	\$508,780,557

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b. The following environmental infrastructure projects shall be known and may be cited as the "Storm Sandy and State Fiscal Year 2019 Drinking Water Project Eligibility List":

Project Sponsor	Project No.	Estimated Allowable DEP Loan Amount	Estimated Total Allowable Loan Amount
Aberdeen Township	1330004-001	\$2,925,000	\$3,900,000
Bellmawr Borough	0404001-006	\$1,725,000	\$2,300,000
Berkeley Township MUA	1505004-009	\$1,650,000	\$2,200,000
Berkeley Township MUA	1505004-007	\$525,000	\$700,000

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Bordentown City	0303001-008	\$1,650,000	\$2,200,000
Brick Township MUA	1506001-012	\$4,065,000	\$5,420,000
Cape May City	0502001-004	\$1,650,000	\$2,200,000
Clinton Town	1005001-008	\$1,125,000	\$1,500,000
Clinton Town	1005001-009	\$900,000	\$1,200,000
Elmer Borough	1702001-001	\$600,000	\$800,000
Gloucester City	0414001-022	\$900,000	\$1,200,000
Hoboken City	0905001-001	\$6,375,000	\$8,500,000
Jackson Township MUA	1511001-012	\$8,250,000	\$11,000,000
Jackson Township MUA	1511001-013	\$15,000,000	\$20,000,000
Jackson Township MUA	1511001-010	\$6,150,000	\$8,200,000
Lavallette Borough	1515001-001	\$998,250	\$1,331,000
Little Egg Harbor MUA	1516001-004	\$2,250,000	\$3,000,000
Long Beach Township	1517001-501	\$1,725,000	\$2,300,000
Manchester Township	1518005-002	\$4,125,000	\$5,500,000
Mantua Township MUA	0810004-002	\$1,350,000	\$1,800,000
Mantua Township MUA	0810004-003	\$1,050,000	\$1,400,000
Maple Shade Township	0319001-006	\$1,950,000	\$2,600,000
Middlesex Water Company	1225001-026	\$9,750,000	\$13,000,000
Netcong Borough	1428001-007	\$2,775,000	\$3,700,000
Netcong Borough	1428001-008	\$825,000	\$1,100,000
Netcong Borough	1428001-009	\$300,000	\$400,000
Newark City	0714001-016	\$10,500,000	\$14,000,000
Newark City	0714001-500	\$3,825,000	\$5,100,000
NJ American Water Co., Inc.	1345001-017	\$7,575,000	\$10,100,000
NJ American Water Co., Inc.	2004002-013	\$12,000,000	\$16,000,000
NJ American Water Co., Inc.	2004002-500	\$27,000,000	\$36,000,000
NJ American Water Co., Inc.	1345001-016	\$10,125,000	\$13,500,000
NJ American Water Co., Inc.	2004002-011	\$9,600,000	\$12,800,000

North Jersey District Water Supply Comm.	1613001-022	\$12,750,000	\$17,000,000
North Jersey District Water Supply Comm.	1613001-025	\$18,000,000	\$24,000,000
Old Bridge MUA	1613001-033	\$3,075,000	\$4,100,000
Paulsboro Borough	1209002-013	\$3,000,000	\$4,000,000
Pennington Borough	0814001-003	\$2,100,000	\$2,800,000
Rahway City	1108001-002	\$937,500	\$1,250,000
Red Bank Borough	2013001-007	\$13,650,000	\$18,200,000
Saddle Brook Township	1340001-002	\$1,500,000	\$2,000,000
Ship Bottom Borough	0257001-002	\$1,425,000	\$1,900,000
Stafford Township	1528001-002	\$2,812,500	\$3,750,000
Total Projects: 44	1530004-018	\$1,800,000	\$2,400,000
		\$222,263,250	\$296,351,000

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c. The Department of Environmental Protection is authorized to adjust the allowable Department of Environmental Protection loan amount for projects authorized in this section to between 25 percent and 75 percent of the total allowable loan amount and loan amounts to less than 25 percent to the extent the priority ranking and an insufficiency of funding prevents the department from making the loan.

4. Any financing loan made by the Department of Environmental Protection pursuant to this act shall be subject to the following requirements:

a. The Commissioner Environmental Protection has certified that the project is in compliance with the provisions of P.L.1977, c.224, P.L.1985, c.329, P.L.1992, c.88, P.L.1997, c.223, P.L.1997, c.225 or P.L.2003, c.162, and any rules and regulations adopted pursuant thereto;

b. A loan for an environmental infrastructure project listed in section 2 or 3 of this act shall be subject to the terms and conditions of the financing program year in which the trust issued an interim financing program fund loan for such project or the terms and conditions of the state fiscal year 2019 financing program in the absence of an interim financing program fund loan.

c. The estimated Department of Environmental Protection allowable loan amount shall not exceed 75 percent of the total allowable loan amount of the environmental infrastructure facility for projects listed in subsections a. and b. of section 2 of this act, and in subsections a. and b. of section 3 of this act, provided that:

1 (1) for clean water project and drinking water project loans to
2 (a) municipalities that do not satisfy the New Jersey Infrastructure
3 Bank credit policy but are subject to State financial supervision and
4 oversight pursuant to the "Local Government Supervision Act
5 (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.), or (b) municipal,
6 county, or regional sewerage authorities, or utilities authorities, that
7 do not satisfy the New Jersey Infrastructure Bank credit policy but
8 where the municipal participant through its service agreement with
9 the authority or utility is under State financial supervision and
10 oversight pursuant to the "Local Government Supervision Act
11 (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.), and the repayment
12 obligation of the authority or utility is secured by the full faith and
13 credit of the participating municipality pursuant to the service
14 agreement, the Department of Environmental Protection allowable
15 loan amount shall be up to 100 percent of the total allowable loan
16 amount not to exceed a total of \$10 million for all such loans;

17 (2) for clean water and drinking water loans to municipalities
18 receiving funding under the United States Department of Housing
19 and Urban Development Community Development Block Grant –
20 Disaster Recovery Program (CDBG-DR) the Department of
21 Environmental Protection allowable loan amount shall be up to 100
22 percent of the total allowable loan amount; and

23 (3) for loans to communities in a combined sewer overflow
24 sewershed sponsoring construction projects that reduce or eliminate
25 excessive infiltration, inflow, or extraneous flows, the Department
26 of Environmental Protection allowable loan amount shall be up to
27 100 percent of the total allowable loan amount;

28 d. With the exception of paragraphs (1) through (3) of
29 subsection c. of this section, the loan shall be conditioned upon
30 approval of a loan from the New Jersey Infrastructure Bank
31 pursuant to P.L. , c. , (pending before the Legislature as Senate
32 Bill No. of 2018 and Assembly Bill No. of 2018, prior to June
33 30, 2010;

34 e. The loan shall be repaid within a period not to exceed 30
35 years, or 45 years for combined sewer overflow abatement projects,
36 of the making of the loan; and

37 f. The loan shall be subject to any other terms and conditions
38 as may be established by the commissioner and approved by the
39 State Treasurer, which may include, notwithstanding any other
40 provision of law to the contrary, subordination of a loan authorized
41 in this act to loans made by the New Jersey Infrastructure Bank
42 pursuant to P.L. , c. (pending before the Legislature as Senate Bill
43 No. 2647 of 2018 and Assembly Bill No. of 2018), or to
44 administrative fees payable to the trust pursuant to subsection o. of
45 section 5 of P.L.1985, c.334 (C.58:11B-5).

1 5. a. Any Sandy financing loan made by the Department of
2 Environmental Protection pursuant to this act shall be subject to the
3 following requirements:

4 (1) The commissioner has certified that the project is in
5 compliance with the provisions of Title X, Chapter 7 of the Federal
6 "Disaster Relief Appropriations Act of 2013" (Pub.L.113-2), and
7 any amendatory and supplementary acts thereto; and

8 (2) The commissioner has certified that the project is in
9 compliance with the provisions of P.L.1977, c.224, P.L.1985, c.329,
10 P.L.1992, c.88, P.L.1997, c.223, P.L.1997, c.225 or P.L.2003,
11 c.162, and any rules and regulations adopted pursuant thereto.

12 b. The total amount of Sandy financing loans received by any
13 project sponsor for drinking water projects listed in subsection b. of
14 section 3 of this act shall not exceed \$15 million of which not more
15 than \$4.5 million of the principal may be forgiven. In the event a
16 project sponsor's individual loan needs exceed \$15 million, the
17 borrower may select which of its projects it will seek funding
18 pursuant to this section, and the borrower may seek a loan for
19 excess costs in a base financing loan. In the event that additional
20 Sandy funding becomes available because project sponsors do not
21 close on loans or the project sponsors loan requests are less than
22 originally applied for, the loan not to exceed amount may be
23 increased to the extent needed to assure full utilization of Sandy
24 funding for drinking water projects, provided:

25 (1) the loan shall be repaid within a period not to exceed 30
26 years of the making of the loan;

27 (2) the loan shall be conditioned upon approval of a loan from
28 the New Jersey Infrastructure Bank pursuant to P.L. , c. (pending
29 before the Legislature as Senate Bill No. 2647 of 2018 and Assembly
30 Bill No. of 2018) prior to June 30, 2019; and

31 (3) the loan shall be subject to any other terms and conditions as
32 may be established by the commissioner and approved by the State
33 Treasurer, which may include, notwithstanding any other provision
34 of law to the contrary, subordination of a loan authorized in this act
35 to loans made by the trust pursuant to P.L. , c. (pending before
36 the Legislature as Senate Bill No. 2647 of 2018 and Assembly Bill No.
37 of 2018) prior to June 30, 2019, or to administrative fees payable to
38 the trust pursuant to subsection o. of section 5 of P.L.1985, c.334
39 (C.58:11B-5).

40
41 6. The eligibility lists and authorization for the making of loans
42 pursuant to sections 2 and 3 of this act shall expire on July 1, 2019,
43 and any project sponsor which has not executed and delivered a
44 loan agreement with the department for a loan authorized in this act
45 shall no longer be entitled to that loan.

46
47 7. The Commissioner of Environmental Protection is
48 authorized to reduce or increase the individual amount of loan funds

1 made available to or on behalf of project sponsors pursuant to
2 sections 2 and 3 of this act based upon final or low bid building
3 costs defined in and determined in accordance with rules and
4 regulations adopted by the commissioner pursuant to section 4 of
5 P.L.1985, c.329, section 2 of P.L.1999, c.362 (C.58:12A-12.2), or
6 section 5 of P.L.1981, c.261, provided that the total loan amount
7 does not exceed the estimated total allowable loan amount. The
8 commissioner is authorized to reduce or increase the individual
9 amount of loan funds made available to or on behalf of project
10 sponsors pursuant to sections 2 and 3 of this act in an amount not to
11 exceed 10 percent of the total allowable loan amount based upon
12 additional project costs to comply with the Department of
13 Environmental Protection's guidance for asset management,
14 emergency response, flood protection, and auxiliary power.
15

16 8. The expenditure of the funds appropriated by this act is
17 subject to the provisions and conditions of P.L.1977, c.224,
18 P.L.1085, c.302, P.L.1985, c.329, P.L.1989, c.181, P.L.1992, c.88,
19 P.L.1997, c.223, P.L.1997, c.225 or P.L.2003, c.162, and the rules
20 and regulations adopted by the Commissioner of Environmental
21 Protection pursuant thereto, and the provisions of the Federal
22 Disaster Relief Appropriations Act, the Federal Clean Water Act or
23 the Federal Safe Drinking Water Act, and any amendatory and
24 supplementary acts thereto, as appropriate.
25

26 9. The Department of Environmental Protection shall provide
27 general technical assistance to any project sponsor requesting
28 assistance regarding environmental infrastructure project
29 development or applications for funds for a project.
30

31 10. a. Prior to repayment to the Clean Water State Revolving
32 Fund pursuant to sections 1 and 2 of P.L.2009, c.77 and any
33 amendatory and supplementary acts thereto, prior to repayment to
34 the "Wastewater Treatment Fund" pursuant to the provisions of
35 section 16 of P.L.1985, c.329, prior to repayment to the "1992
36 Wastewater Treatment Fund" pursuant to the provisions of section
37 28 of P.L.1992, c.88, prior to repayment to the Drinking Water
38 State Revolving Fund, prior to repayment to the "Stormwater
39 Management and Combined Sewer Overflow Abatement Fund"
40 pursuant to the provisions of section 15 of P.L.1989, c.181, prior to
41 repayment to the "2003 Water Resources and Wastewater
42 Treatment Fund" pursuant to the provisions of section 20 of
43 P.L.2003, c.162, or prior to repayment to the "Water Supply Fund"
44 pursuant to the provisions of section 15 of P.L.1981, c.261,
45 repayments of loans made pursuant to these acts may be utilized by
46 the New Jersey Infrastructure Bank established pursuant to
47 P.L.1985, c.334 (C.58:11B-1 et seq.), as amended and
48 supplemented by P.L.1997, c.224, under terms and conditions

1 established by the commissioner and trust, and approved by the
2 State Treasurer, and consistent with the provisions of P.L.1985,
3 c.334 (C.58:11B-1 et seq.) and federal tax, environmental or
4 securities law, to the extent necessary to secure repayment of trust
5 bonds issued to finance loans approved pursuant to P.L. , c.
6 (pending before the Legislature as Senate Bill No. 2647 of 2018 and
7 Assembly Bill No. of 2018), and to secure the administrative fees
8 payable to the trust pursuant to subsection o. of section 5 of
9 P.L.1985, c.334 (C.58:11B-5) by the project sponsors receiving
10 trust loans.

11 b. Prior to repayment to the Clean Water State Revolving Fund
12 pursuant to section 1 and 2 of P.L. 2009, c.77 and any amendatory
13 and supplementary acts thereto, prior to repayment to the
14 "Wastewater Treatment Fund" pursuant to the provisions of section
15 16 of P.L.1985, c.329, prior to repayment to the "1992 Wastewater
16 Treatment Fund" pursuant to the provisions of section 28 of
17 P.L.1992, c.88, prior to repayment to the "Water Supply Fund"
18 pursuant to the provisions of section 15 of P.L.1981, c.261, prior to
19 repayment to the Drinking Water State Revolving Fund, prior to
20 repayment to the "2003 Water Resources and Wastewater
21 Treatment Fund" pursuant to the provisions of section 20 of
22 P.L.2003, c.162, or prior to repayment to the "Stormwater
23 Management and Combined Sewer Overflow Abatement Fund"
24 pursuant to the provisions of section 15 of P.L.1989, c.181, the trust
25 is further authorized to utilize repayments of loans made pursuant to
26 P.L.1989, c.189, P.L.1990, c.99, P.L.1991, c.325, P.L.1992, c.38,
27 P.L.1993, c.193, P.L.1994, c.106, P.L.1995, c.219, P.L.1996, c.85,
28 P.L.1997, c.221, P.L.1998, c.84, P.L.1999, c.174, P.L.2000, c.92,
29 P.L.2001, c.222, P.L.2002, c.70, P.L.2003, c.158, P.L.2004, c.109,
30 P.L.2005, c.196, P.L.2006, c.68, P.L.2007, c.139, P.L.2008, c.68,
31 P.L.2009, c.102, P.L.2010, c.63, P.L.2011, c.93, P.L.2012, c.43,
32 P.L.2013, c.95, P.L.2014, c.25, P.L.2015, c.108, P.L.2016, c.32,
33 P.L.2017, c.143, or P.L. , c. (pending before the Legislature as
34 Senate Bill No. 2646 of 2018 and Assembly Bill No. of 2018), to
35 secure repayment of trust bonds issued to finance loans approved
36 pursuant to P.L.1995, c.218, P.L.1996, c.87, P.L.1997, c.222,
37 P.L.1998, c.85, P.L.1999, c.173, P.L.2000, c.93, P.L.2001, c.224,
38 P.L.2002, c.71, P.L.2003, c.159, P.L.2004, c.110, P.L.2005, c.197,
39 P.L.2006, c.67, P.L.2007, c.140, P.L.2008, c.67, P.L.2009, c.101,
40 P.L.2010, c.62, P.L.2011, c.95, P.L.2012, c.38, P.L.2013, c.94,
41 P.L.2014, c.26, P.L.2015, c.107 P.L.2016, c.31, P.L.2017, c.142, or
42 P.L. , c. (pending before the Legislature as Senate Bill No. 2647 of
43 2018 and Assembly Bill No. of 2018), and to secure the
44 administrative fees payable to the trust under these loans pursuant
45 to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5).

46 c. To the extent that any loan repayment sums are used to
47 satisfy any trust bond repayment or administrative fee payment
48 deficiencies, the trust shall repay such sums to the department for

1 deposit into the Clean Water State Revolving Fund, the
2 "Wastewater Treatment Fund," the "1992 Wastewater Treatment
3 Fund," the "Water Supply Fund," the Drinking Water State
4 Revolving Fund, the "2003 Water Resources and Wastewater
5 Treatment Fund," or the "Stormwater Management and Combined
6 Sewer Overflow Abatement Fund," as appropriate, from amounts
7 received by or on behalf of the trust from project sponsors causing
8 any such deficiency.

9
10 11. The Commissioner of Environmental Protection is
11 authorized to enter into capitalization grant agreements as may be
12 required pursuant to the Federal Disaster Relief Appropriations Act,
13 the Federal Clean Water Act, or the Federal Safe Drinking Water
14 Act.

15
16 12. There is appropriated to the New Jersey Infrastructure Bank
17 established pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.) from
18 repayments of loans and interest deposited in any account, on or
19 before June 30, 2019, including the "Clean Water State Revolving
20 Fund," the "1992 Wastewater Treatment Fund," the "Water Supply
21 Fund," the "Stormwater Management and Combined Sewer
22 Overflow Abatement Fund," the "2003 Water Resources and
23 Wastewater Treatment Fund," or the Drinking Water State
24 Revolving Fund, as appropriate, and from any net earnings received
25 from the investment and reinvestment of such deposits, such sums
26 as the chairman of the trust shall certify to the Commissioner of
27 Environmental Protection to be necessary and appropriate for
28 deposit into one or more reserve funds or accounts established by
29 the trust pursuant to section 11 of P.L.1985, c.334 (C.58:11B-11).

30
31 13. There is appropriated to the New Jersey Infrastructure Bank
32 established pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.), funds
33 from the Federal Disaster Relief Appropriations Act, Pub.L.113-2,
34 deposited in any account including the Clean Water State Revolving
35 Fund, the "Water Supply Fund," or the Drinking Water State
36 Revolving Fund, as appropriate, and from any net earnings received
37 from the investment and reinvestment of such deposits, such sums
38 as the chairman of the trust certifies to the Commissioner of
39 Environmental Protection to be necessary and appropriate for
40 deposit into one or more reserve funds or accounts established by
41 the trust pursuant to section 11 of P.L.1985, c.334 (C.58:11B-11).

42
43 14. This act shall take effect immediately.

44
45 STATEMENT

46
47 This bill appropriates certain federal and State moneys to the
48 Department of Environmental Protection (DEP) for the purpose of

1 implementing the State Fiscal Year 2019 New Jersey
2 Environmental Infrastructure Financing Program (NJEIFP), which
3 is expected to finance approximately \$810.6 million in Storm Sandy
4 and other environmental infrastructure projects for State Fiscal Year
5 2019.

6 To the extent funds are available, principal forgiveness loans will
7 be available for CSO projects with a focus on green technology
8 (e.g., green roofs, rain gardens, porous pavement, and other
9 activities that maintain and restore natural hydrology). For these
10 projects, 50 percent of the fund loan will be forgiven, 25 percent of
11 the loan will be a zero interest rate fund loan, and 25 percent of the
12 loan will be a trust market rate loan. Principal forgiveness will be
13 available to the highest ranked CSO projects and will be awarded
14 according to the DEP's ranking methodology based on projects'
15 relative water quality benefit in conjunction with project readiness.
16 Approximately \$3 million will be available for principal
17 forgiveness loans for stormwater runoff mitigation environmental
18 infrastructure projects in the Barnegat Bay Watershed to continue
19 addressing the critical water quality issues confronting this
20 waterbody, of which 25 percent will be subject to principal
21 forgiveness in an amount not to exceed \$2 million of principal
22 forgiveness per project sponsor. Approximately 10 percent of the
23 State's clean water capitalization grant and 20 percent of the State's
24 drinking water capitalization grant will be used as a green project
25 reserve as may be required in the 2018 federal appropriation.
26 Approximately \$30 million is available for loans to eligible
27 redevelopment projects.

28 To the extent funds are available, a maximum of \$1 million in
29 principal forgiveness loans will be available to finance the
30 development of asset management plans for systems serving
31 populations up to 10,000 residents of which 100 percent will be
32 subject to principal forgiveness in an amount not to exceed
33 \$100,000 per project sponsor.

34 A maximum of \$4 million in principal forgiveness loans will be
35 available to drinking water systems for improvements to water
36 supply systems serving populations of up to 10,000 people will be
37 in an amount not to exceed \$500,000 and may not exceed 50
38 percent of the total loan amount per project sponsor in an amount
39 not to exceed \$1 million per project sponsor. To the extent funds
40 are available, a maximum of \$30 million of principal forgiveness
41 loans are available for drinking water systems serving communities
42 with a median household income less than the median household
43 income for the county in which they are located for lead line
44 replacement in an amount not to exceed \$1 million of principal
45 forgiveness per project sponsor.

46 Disaster Relief Emergency Financing Program loans will
47 continue to be available for short-term financing (up to three full
48 fiscal years) for projects to repair or improve the resiliency of

1 environmental infrastructure systems adversely impacted by Storm
2 Sandy. The source of funds for such loans is currently repayments
3 of prior NJEIFP Loans and New Jersey Infrastructure Bank (trust)
4 operating funds but private bank financing for such loans may be
5 used as the need arises. Finally, short-term Interim Financing
6 Program (IFP) Loans will be available for projects approved to
7 receive long-term financing. IFP loans will be available upon
8 project certification by the DEP, and satisfaction of financial
9 eligibility requirements. The loans will finance costs disbursed
10 prior to long-term financing. The source of funds for such loans
11 include prior capitalization grants, NJEIFP loan repayments, prior
12 State bond acts, and interest earnings thereon.

13 The DEP would use the funds appropriated under this bill to
14 make zero-interest loans to local governments and privately-owned
15 water companies (project sponsors) for between 25 percent and 75
16 percent of project costs totaling (1) \$508.78 million for new clean
17 water projects included in the "Storm Sandy and State Fiscal Year
18 2019 Clean Water Project Eligibility List," and \$5.51 million for
19 clean water projects through supplemental zero interest loans to
20 project sponsors that had previously received a loan subject to the
21 availability of funds; and (2) \$296.35 million for new drinking
22 water projects included in the "Storm Sandy and State Fiscal Year
23 2019 Drinking Water Project Eligibility List." The supplemental
24 loans constitute the difference between the allowable loan amount
25 required by the project and the loan amount certified by the
26 Commissioner of Environmental Protection in State Fiscal Year
27 2019. The bill authorizes the DEP to issue loans up to 100 percent
28 of the total allowable loan amount (1) for clean water loans to
29 municipalities that do not satisfy the trust credit policy but are
30 subject to State financial supervision and oversight pursuant to the
31 "Local Government Supervision Act (1947)," P.L.1947, c.151
32 (C.52:27BB-1 et seq.), (2) for clean water and drinking water loans
33 to county or regional sewerage or utility authorities that do not
34 satisfy the trust's credit policy but where the municipal participant
35 via its service agreement with the authority is under State financial
36 supervision and oversight pursuant to the "Local Government
37 Supervision Act (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.)
38 and the repayment obligation of the authority remains secured by
39 the full faith and credit of the participating municipality pursuant to
40 its service agreement with the municipality, (3) for clean water
41 project and drinking water project loans to municipalities receiving
42 funding under the United States Department of Housing and Urban
43 Development Community Development Block Grant – Disaster
44 Recovery Program (CDBG-DR), (4) for loans to clean water or
45 drinking water systems serving 10,000 or fewer residents the DEP
46 allowable loan amount will be 100% of the total allowable loan
47 amount not to exceed a total of \$100,000 per project sponsor, and
48 (5) for loans to communities in a combined sewer overflow "CSO"

1 sewershed sponsoring construction projects that reduce or eliminate
2 excessive infiltration/inflow or extraneous flows.

3 A companion bill, Senate Bill No. of 2018, would authorize the
4 trust to make market rate loans to local governments and privately-
5 owned water companies (project sponsors) for between 25 percent
6 and 75 percent of project costs totaling (1) \$508.78 million for 70
7 new clean water projects included in the "Storm Sandy and State
8 Fiscal Year 2019 Clean Water Project Eligibility List," and \$5.51
9 million for five clean water projects through supplemental zero
10 interest loans to project sponsors that had previously received a loan
11 subject to the availability of funds; and (2) \$296.35 million for 44
12 new drinking water projects included in the "Storm Sandy and State
13 Fiscal Year 2019 Drinking Water Project Eligibility List." Under
14 this bill, in conjunction with Senate Bill No. of 2018, the Storm
15 Sandy and State Fiscal Year 2019 New Jersey Environmental
16 Infrastructure Financing Program would finance \$810.6 million in
17 environmental infrastructure projects for State Fiscal Year 2019
18 subject to the availability of funds.