

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 5054

# STATE OF NEW JERSEY

DATED: DECEMBER 15, 2020

The Assembly Appropriations Committee reports favorably Assembly Bill No. 5054.

This bill would authorize the New Jersey Infrastructure Bank (NJIB) to expend additional sums to make loans for environmental infrastructure projects for Fiscal Year 2021.

The bill would also provide that loans for projects that utilize federal funds raised pursuant to the federal "Water Infrastructure Finance and Innovation Act of 2014" (WIFIA) are subject to terms and conditions regulating the blending of federal and other funds that are consistent with certain provisions of the FY2021 financial plan of the New Jersey Infrastructure Bank (NJIB), even if those projects began in earlier fiscal years. In addition, the bill would authorize the NJIB to expend up to \$25 million transferred to the NJIB by the Department of Environmental Protection (DEP) from a \$60 million capital construction appropriation in the FY2021 annual appropriations act, P.L.2020, c.97.

In July 2020, P.L.2020, c.48 was enacted into law, which authorized the NJIB to expend up to \$1.168 billion, and any unexpended balances from previous authorizations, to provide low-interest and market-rate loans to project sponsors (primarily local governments, public authorities, or public water utilities) for a portion of the total costs of 178 eligible environmental infrastructure projects for Fiscal Year 2021. This included 123 projects from the "Storm Sandy and State Fiscal Year 2020 Clean Water Project Eligibility List" and 44 projects from the "Storm Sandy and State Fiscal Year 2020 Drinking Water Project Eligibility List." The NJIB was also authorized under P.L.2020, c.48 to provide a supplemental loan to seven projects that received a loan in the past and which require a supplemental loan in order to meet actual costs.

This bill would amend the lists of environmental infrastructure projects for which the NJIB is authorized to make loans pursuant to P.L.2020, c.48 to include new projects and modify the trust loan amounts for certain projects. This bill authorizes the NJIB to expend up to \$2.039 billion, and any unexpended balances from previous authorizations, to provide loans to project sponsors for a total of 220 eligible environmental infrastructure projects for Fiscal Year 2020. This would include 157 projects on the "Storm Sandy and State Fiscal Year 2020 Clean Water Project Eligibility List" and 50 projects on the

"Storm Sandy and State Fiscal Year 2020 Drinking Water Project Eligibility List." The NJIB would also be authorized to make supplemental loans to nine environmental infrastructure projects.

**FISCAL IMPACT:**

This bill authorizes the New Jersey Infrastructure Bank to expend up to \$2.039 billion, and any unexpended balances from previous authorizations, to provide loans to project sponsors for 220 eligible environmental infrastructure projects for Fiscal Year 2020.