

SENATE, No. 3902

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JUNE 10, 2021

Sponsored by:

Senator JOSEPH P. CRYAN

District 20 (Union)

SYNOPSIS

Authorizes NJ Infrastructure Bank to guarantee local government bonds or provide other assistance for certain local redevelopment projects.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning guarantees for local government bonds, and
2 amending P.L.1985, c.334.

3

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

6

7 1. Section 2 of P.L.1985, c.334 (C.58:11B-2) is amended to
8 read as follows:

9 2. a. The Legislature finds that the steady deterioration of
10 older sewage and sewer systems and wastewater treatment plants
11 endangers the availability and quality of uncontaminated water
12 resources of the State, thereby posing a grave danger to the health,
13 safety and welfare of the residents of the concerned communities
14 and the State; that the construction, rehabilitation, operation, and
15 maintenance of modern and efficient sewer systems and wastewater
16 treatment plants are essential to protecting and improving the State's
17 water quality; that in addition to protecting and improving water
18 quality, adequate wastewater treatment systems are essential to
19 economic growth and development; that many of the wastewater
20 treatment systems in New Jersey must be replaced or upgraded if an
21 inexorable decline in water quality is to be avoided during the
22 coming decades; that the United States Congress in recognition of
23 the crucial role wastewater treatment systems and plants play in
24 maintaining and improving water quality, and with an
25 understanding that the cost of financing and constructing these
26 systems must be borne by local governments and authorities with
27 limited sources of revenues, established in the "Federal Water
28 Pollution Control Act Amendments of 1972," Pub.L.92-500 (33
29 U.S.C. s.1251 et al.) a program to provide local governments with
30 grants for constructing these systems; that during the last several
31 years the amount of federal grant money available to states and
32 local governments for assistance in constructing and improving
33 wastewater treatment systems has sharply diminished; that the
34 current level of federal grant funding is inadequate to meet the cost
35 of upgrading the State's wastewater treatment capacity to comply
36 with State water quality standards; that the collective needs of the
37 State and local governments for capital financing of wastewater
38 treatment systems far exceed the sums of money presently available
39 through revenue initiatives and State and federal aid programs; and
40 that it is fitting and proper for the State to encourage local
41 governments to undertake wastewater treatment projects through
42 the establishment of a State mechanism to provide loans at the
43 lowest reasonable interest rates and to guarantee or insure local
44 capital improvement bonds.

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 b. The Legislature finds that stormwater runoff and combined
2 sewer overflows are among the major sources of ocean pollution,
3 contributing to beach closings; that combined sewer systems
4 discharge untreated wastewater and stormwater into rivers, streams
5 and coastal waters during wet weather, resulting in water pollution;
6 that some combined sewer systems have deteriorated to the point
7 that overflows occur regularly, even during dry weather; that many
8 sewer systems are on inadequate repair and replacement programs,
9 which may cause disturbances at sewage treatment plants; that
10 many municipalities are under building moratoriums due to the
11 inadequacy of their sewage and stormwater collection systems,
12 which severely affect municipal budgets; and that large unmet
13 capital expenses exist for combined sewer system separation and
14 abatement projects.

15 The Legislature further finds that funding at the federal level for
16 wastewater treatment, stormwater management and combined sewer
17 system rehabilitation projects is insufficient; that State funds
18 available for these projects are inadequate to meet current needs;
19 that local revenues are insufficient to meet these expenses; and that
20 additional funding at the State level is necessary to meet this
21 financial obligation.

22 c. The Legislature finds that construction, rehabilitation,
23 operation and maintenance of modern and efficient water supply
24 facilities are essential to protecting and improving the State's water
25 quality; that the citizens of this State, in recognition of the crucial
26 role the construction of new and the upgrading of existing water
27 supply facilities play in maintaining and augmenting the natural
28 water resources of the State, and with an understanding that the cost
29 of financing and constructing these systems is beyond the limited
30 financial resource capabilities of local governments and authorities
31 and must be subsidized by the State and repaid through a system of
32 water supply user charges, approved the enactment of the "Water
33 Supply Bond Act of 1981" (P.L.1981, c.261); that the water supply
34 needs of the State are so great that the funds allocated for this
35 purpose from the "Water Supply Fund" established by that 1981
36 bond act should be augmented and maximized, to the extent
37 practicable, through the use of alternative methods of State
38 financing to offset the costs of water supply projects and for the
39 construction of new or the rehabilitation of antiquated or inadequate
40 existing water supply facilities; that the United States Congress in
41 recognition of the essential role that safe drinking water plays in
42 protecting the public health, and with an understanding that
43 financing, constructing and maintaining water systems that meet the
44 requirements of the "Safe Drinking Water Act," 42 U.S.C. s.300f et
45 seq. exceed the financial and technical capacity of the operators of
46 some water systems, has established in the "Safe Drinking Water
47 Act Amendments of 1996," P.L.104-182, a program to provide
48 public water systems with financial assistance to meet national

1 primary drinking water regulations or to otherwise further the
2 health protection objectives of the federal law and that the State
3 must, in order to make use of the federal funds, provide State funds
4 for the program; and therefore, State funding for the program is
5 necessary to meet this financial obligation.

6 d. The Legislature finds that the transportation infrastructure of
7 the State is among the most heavily used in the nation and has
8 deteriorated in recent years, with parts of the highway system
9 reaching the end of their useful lives.

10 e. The Legislature finds that capital projects for roadways and
11 bridges are essential to protecting and improving the State's
12 transportation system; that construction of new and the upgrading of
13 existing roadways and bridges play a critical role in the
14 transportation needs of the State, and with an understanding that the
15 cost of financing and constructing these systems is beyond the
16 limited financial resource capabilities of local governments and
17 authorities and must be subsidized by the State and Federal
18 government; that the United States Congress has established "State
19 Infrastructure Bank" programs to provide funding for transportation
20 systems (23 U.S.C. s.610) and that the State must, in order to make
21 use of the federal funds, provide State funds for the program; and
22 therefore, State funding for the program is necessary to meet this
23 financial obligation.

24 f. The Legislature finds that investment in redevelopment
25 projects with a water supply, wastewater, or transportation
26 infrastructure component is essential to the support of healthy
27 communities, allowing local government units to take steps needed
28 to meet economic and environmental challenges.

29 g. The Legislature therefore determines that it is in the public
30 interest to establish a State authority authorized to issue bonds,
31 notes and other obligations and to establish any reserve funds
32 necessary therefor, and to make loans to and guarantee debt
33 incurred by local government units for environmental and
34 transportation infrastructure projects.

35 (cf: P.L.2016, c.56, s.11)

36
37 2. Section 3 of P.L.1985, c.334 (C.58:11B-3) is amended to
38 read as follows:

39 3. As used in sections 1 through 27 of P.L.1985, c.334
40 (C.58:11B-1 through C.58:11B-27), sections 23 through 27 of
41 P.L.1997, c.224 (C.58:11B-10.1 et al.), and sections 22 and 34
42 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
43 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4):

44 "Bonds" means bonds issued by the trust pursuant to P.L.1985,
45 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et
46 al.);

1 "Combined sewer overflow" means the discharge of untreated or
2 partially treated stormwater runoff and wastewater from a combined
3 sewer system into a body of water;

4 "Combined sewer system" means a sewer system designed to
5 carry sanitary wastewater at all times, which is also designed to
6 collect and transport stormwater runoff from streets and other
7 sources, thereby serving a combined purpose;

8 "Commissioner" means the Commissioner of the Department of
9 Environmental Protection;

10 "Cost" means the cost of all labor, materials, machinery and
11 equipment, lands, property, rights and easements, financing
12 charges, interest on bonds, notes or other obligations, plans and
13 specifications, surveys or estimates of costs and revenues,
14 engineering and legal services, and all other expenses necessary or
15 incident to all or part of an environmental infrastructure project;

16 "Department" means the Department of Environmental
17 Protection;

18 "Environmental infrastructure project" means the acquisition,
19 construction, improvement, repair or reconstruction of all or part of
20 any structure, facility or equipment, or real or personal property
21 necessary for or ancillary to any: (1) wastewater treatment system
22 project, including any stormwater management or combined sewer
23 overflow abatement projects; or (2) water supply project, as
24 authorized pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.) or
25 P.L.1997, c.224 (C.58:11B-10.1 et al.), including any water
26 resources project, as authorized pursuant to P.L.2003, c.162;

27 "Federal infrastructure bank program" means the United States
28 Department of Transportation State Infrastructure Bank Program
29 provided for in section 350 of Pub.L.104-59 and Pub.L.102-240 as
30 amended or superseded;

31 "Planning, design, and construction loan" means a short-term or
32 temporary loan for eligible costs incurred in project planning,
33 engineering design, or construction issued before or during the
34 planning stage of a project;

35 "Local government unit" means (1) a State authority, county,
36 municipality, municipal, county or regional sewerage or utility
37 authority, municipal sewerage district, joint meeting, improvement
38 authority, or any other political subdivision of the State authorized
39 to construct, operate, and maintain wastewater treatment systems;
40 (2) a State authority, district water supply commission, county,
41 municipality, municipal, county or regional utilities authority,
42 municipal water district, joint meeting, or any other political
43 subdivision of the State authorized pursuant to law to operate or
44 maintain a public water supply system or to construct, rehabilitate,
45 operate, or maintain water supply facilities or otherwise provide
46 water for human consumption; or (3) a county, municipality,
47 municipal, county or regional transportation authority, or any other
48 political subdivision of the State authorized to construct, operate,

1 and maintain public highways or transportation projects as defined
2 pursuant to this section;

3 "New Jersey Environmental Infrastructure Financing Program"
4 means the financing program to fund environmental infrastructure
5 projects;

6 "New Jersey Transportation Infrastructure Financing Program"
7 means the financing program to fund transportation infrastructure
8 projects;

9 "Notes" means notes issued by the trust pursuant to P.L.1985,
10 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),
11 or sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
12 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
13 C.58:11B-22.4);

14 "Onsite septic system ordinance or regulation" means an
15 ordinance adopted by a municipality or county or regulation
16 adopted by a regional planning agency establishing the
17 requirements for construction, maintenance and repair of onsite
18 wastewater treatment and disposal systems;

19 "Onsite wastewater treatment and disposal system" means an on-
20 site system designed to treat and dispose of domestic sewage;

21 "Other assistance" means forms of financial assistance, in
22 addition to loans, authorized by the New Jersey Infrastructure Bank
23 from the State Transportation Infrastructure Bank Fund, including,
24 but not limited to, use of funds to: provide credit enhancements;
25 serve as a capital reserve for bond or other debt instrument
26 financing; subsidize interest rates; ensure the issuance of letters of
27 credit and credit instruments; finance purchase and lease
28 agreements with respect to transit projects; and provide bond or
29 other debt financing instrument security;

30 "Project" means the acquisition, construction, improvement,
31 repair or reconstruction of all or part of any structure, facility, or
32 equipment, or real or personal property necessary for or ancillary to
33 any: (1) wastewater treatment system project, including any
34 stormwater management or combined sewer overflow abatement
35 projects; (2) water supply project, as authorized pursuant to
36 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-
37 10.1 et al.), including any water resources project, as authorized
38 pursuant to P.L.2003, c.162; **【or】** (3) transportation project
39 authorized pursuant to sections 22 and 34 through 38 of P.L.2016,
40 c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2,
41 C.58:11B-22.3, and C.58:11B-22.4); or (4) redevelopment project
42 as defined in the "Redevelopment Area Bond Financing Law,"
43 P.L.2001, c.310 (C.40A:12A-64 et al.) and authorized pursuant to
44 paragraph (2) of subsection b. of section 9 of P.L.1985, c.334
45 (C.58:11B-9);

46 "Public highway" means public roads, streets, expressways,
47 freeways, parkways, motorways and boulevards, including bridges,
48 tunnels, overpasses, underpasses, interchanges, express bus

1 roadways, bus pullouts and turnarounds, park-ride facilities, traffic
2 circles, grade separations, traffic control devices, the elimination or
3 improvement of crossings of railroads and highways, whether at-
4 grade or not at-grade, bicycle and pedestrian pathways and
5 pedestrian and bicycle bridges, and any property, rights of way,
6 easements and interests therein needed for the construction,
7 improvement, and maintenance of highways;

8 "Public water utility" means any investor-owned water company
9 or small water company;

10 "Small water company" means any company, purveyor or entity,
11 other than a governmental agency, that provides water for human
12 consumption and which regularly serves less than 1,000 customer
13 connections, including nonprofit, noncommunity water systems
14 owned or operated by a nonprofit group or organization;

15 "Stormwater management system" means any equipment, plants,
16 structures, machinery, apparatus, management practices, or land, or
17 any combination thereof, acquired, used, constructed, implemented
18 or operated to prevent nonpoint source pollution, abate improper
19 cross-connections and interconnections between stormwater and
20 sewer systems, minimize stormwater runoff, reduce soil erosion, or
21 induce groundwater recharge, or any combination thereof;

22 "Transportation project" means capital projects for public
23 highways, approach roadways and other necessary land-side
24 improvements, ramps, signal systems, roadbeds, transit lanes or
25 rights of way, pedestrian walkways and bridges connecting to
26 passenger stations and servicing facilities, bridges, and grade
27 crossings;

28 "Trust" means the New Jersey Infrastructure Bank created
29 pursuant to section 4 of P.L.1985, c.334 (C.58:11B-4);

30 "Wastewater" means residential, commercial, industrial, or
31 agricultural liquid waste, sewage, septage, stormwater runoff, or
32 any combination thereof, or other liquid residue discharged or
33 collected into a sewer system or stormwater management system, or
34 any combination thereof;

35 "Wastewater treatment system" means any equipment, plants,
36 structures, machinery, apparatus, or land, or any combination
37 thereof, acquired, used, constructed or operated by, or on behalf of,
38 a local government unit for the storage, collection, reduction,
39 recycling, reclamation, disposal, separation, or other treatment of
40 wastewater or sewage sludge, or for the collection or treatment, or
41 both, of stormwater runoff and wastewater, or for the final disposal
42 of residues resulting from the treatment of wastewater, including,
43 but not limited to, pumping and ventilating stations, treatment
44 plants and works, connections, outfall sewers, interceptors, trunk
45 lines, stormwater management systems, and other personal property
46 and appurtenances necessary for their use or operation; "wastewater
47 treatment system" shall include a stormwater management system
48 or a combined sewer system;

1 "Wastewater treatment system project" means any work relating
2 to the acquisition, construction, improvement, repair or
3 reconstruction of all or part of any structure, facility or equipment,
4 or real or personal property necessary for or ancillary to any
5 wastewater treatment system that meets the requirements set forth
6 in sections 20, 21, and 22 of P.L.1985, c.334 (C.58:11B-20,
7 C.58:11B-21, and C.58:11B-22); or any work relating to any of the
8 stormwater management or combined sewer overflow abatement
9 projects identified in the stormwater management and combined
10 sewer overflow abatement project priority list adopted by the
11 commissioner pursuant to section 28 of P.L.1989, c.181; or any
12 work relating to the purposes set forth in section 6 of P.L.2003,
13 c.162; or any work relating to any other project eligible for
14 financing under the "Federal Water Pollution Control Act
15 Amendments of 1972" (33 U.S.C. s.1251 et seq.), or any
16 amendatory or supplementary acts thereto;

17 "Water resources project" means any work related to transferring
18 water between public water systems during a state of water
19 emergency, to avert a drought emergency in all or any part of the
20 State, to plan, design or construct interconnections of existing water
21 supplies, or to extend water supplies to areas with contaminated
22 ground water supplies;

23 "Water supply facilities" means and refers to the real property
24 and the plants, structures, interconnections between existing water
25 supply facilities, machinery and equipment and other property, real,
26 personal and mixed, acquired, constructed or operated, or to be
27 acquired, constructed or operated, in whole or in part, by or on
28 behalf of a public water utility, or by or on behalf of the State or a
29 local government unit, for the purpose of augmenting the natural
30 water resources of the State and making available an increased
31 supply of water for all uses, or of conserving existing water
32 resources, and any and all appurtenances necessary, useful or
33 convenient for the collecting, impounding, storing, improving,
34 treating, filtering, conserving or transmitting of water, and for the
35 preservation and protection of these resources and facilities,
36 whether in public or private ownership, and providing for the
37 conservation and development of future water supply resources, and
38 facilitating incidental recreational uses thereof;

39 "Water supply project" means any work relating to the
40 acquisition, construction, improvement, repair or reconstruction of
41 all or part of any structure, facility or equipment, or real or personal
42 property necessary for or ancillary to water supply facilities that
43 meets the requirements set forth in sections 24, 25, and 26 of
44 P.L.1997, c.224 (C.58:11B-20.1, C.58:11B-21.1, and C.58:11B-
45 22.1); or any work relating to the purposes set forth in section 4 of
46 P.L.1981, c.261; or any work relating to the purposes set forth in
47 section 6 of P.L.2003, c.162; or any work relating to any other
48 project eligible for funding pursuant to the federal "Safe Drinking

1 Water Act Amendments of 1996," Pub.L.104-182, and any
2 amendatory and supplementary acts thereto.

3 (cf: P.L.2019, c.516, s.1)

4
5 3. Section 5 of P.L.1985, c.334 (C.58:11B-5) is amended to
6 read as follows:

7 5. Except as otherwise limited by the provisions of P.L.1985,
8 c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),
9 or sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
10 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
11 C.58:11B-22.4), the trust may:

12 a. Make and alter bylaws for its organization and internal
13 management and, subject to agreements with holders of its bonds,
14 notes or other obligations, make rules and regulations with respect
15 to its operations, properties and facilities;

16 b. Adopt an official seal and alter it;

17 c. Sue and be sued;

18 d. Make and enter into all contracts, leases and agreements
19 necessary or incidental to the performance of its duties and the
20 exercise of its powers under the provisions of P.L.1985, c.334
21 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or
22 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
23 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
24 C.58:11B-22.4), and subject to any agreement with the holders of
25 the trust's bonds, notes or other obligations, consent to any
26 modification, amendment or revision of any contract, lease or
27 agreement to which the trust is a party;

28 e. Enter into agreements or other transactions with and accept,
29 subject to the provisions of section 23 of P.L.1985, c.334
30 (C.58:11B-23), grants, appropriations and the cooperation of the
31 State, or any State agency, in furtherance of the purposes of
32 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-
33 10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56
34 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-
35 22.3, and C.58:11B-22.4), and do anything necessary in order to
36 avail itself of that aid and cooperation;

37 f. Receive and accept aid or contributions from any source of
38 money, property, labor or other things of value, to be held, used and
39 applied to carry out the purposes of P.L.1985, c.334 (C.58:11B-1 et
40 seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34
41 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
42 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4), subject
43 to the conditions upon which that aid and those contributions may
44 be made, including, but not limited to, gifts or grants from any
45 department or agency of the State, or any State agency, for any
46 purpose consistent with the provisions of P.L.1985, c.334
47 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or
48 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3

1 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
2 C.58:11B-22.4), subject to the provisions of section 23 of P.L.1985,
3 c.334 (C.58:11B-23);

4 g. Acquire, own, hold, construct, improve, rehabilitate,
5 renovate, operate, maintain, sell, assign, exchange, lease, mortgage
6 or otherwise dispose of real and personal property, or any interest
7 therein, in the exercise of its powers and the performance of its
8 duties under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.),
9 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34
10 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
11 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4);

12 h. Appoint and employ an executive director and any other
13 officers or employees as it may require for the performance of its
14 duties, without regard to the provisions of Title 11A of the New
15 Jersey Statutes;

16 i. Borrow money and issue bonds, notes and other obligations,
17 and secure the same, and provide for the rights of the holders
18 thereof as provided in the provisions of P.L.1985, c.334 (C.58:11B-
19 1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and
20 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
21 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4);

22 j. Subject to any agreement with holders of its bonds, notes or
23 other obligations, invest moneys of the trust not required for
24 immediate use, including proceeds from the sale of any bonds, notes
25 or other obligations, in any obligations, securities and other
26 investments in accordance with the rules and regulations of the
27 State Investment Council or as may otherwise be approved by the
28 Director of the Division of Investment in the Department of the
29 Treasury upon a finding that such investments are consistent with
30 the corporate purposes of the trust;

31 k. Procure insurance to secure the payment of its bonds, notes
32 or other obligations or the payment of any guarantees or loans made
33 by it in accordance with the provisions of P.L.1985, c.334
34 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or
35 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
36 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
37 C.58:11B-22.4), or against any loss in connection with its property
38 and other assets and operations, in any amounts and from any
39 insurers as it deems desirable;

40 l. Engage the services of attorneys, accountants, engineers, and
41 financial experts and any other advisors, consultants, experts and
42 agents as may be necessary in its judgment and fix their
43 compensation;

44 m. (1) Make and contract to make loans to local government
45 units, or to a local government unit on behalf of another local
46 government unit, to finance the cost of wastewater treatment system
47 projects or water supply projects and acquire and contract to acquire
48 notes, bonds or other obligations issued or to be issued by any local

1 government units to evidence the loans, all in accordance with the
2 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,
3 c.224 (C.58:11B-10.1 et al.);

4 (2) Make and contract to make loans to public water utilities, or
5 to any other person or local government unit on behalf of a public
6 water utility, to finance the cost of water supply projects in
7 accordance with the provisions of P.L.1985, c.334 (C.58:11B-1 et
8 seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.);

9 (3) Make and contract to make loans to private persons other
10 than local government units, or to any other person or local
11 government unit on behalf of a private person, to finance the cost of
12 onsite wastewater treatment and disposal systems or stormwater
13 management systems in accordance with the provisions of
14 P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-
15 10.1 et al.);

16 (4) Make and contract to make loans and provide other
17 assistance to one or more local government units or consortia
18 thereof to finance the cost of transportation projects in accordance
19 with the provisions of the federal infrastructure bank program and
20 pursuant to sections 22 and 34 through 38 of P.L.2016, c.56
21 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-
22 22.3, and C.58:11B-22.4);

23 (5) Invest in, insure, securitize, collateralize, guarantee, create
24 debt service reserve funds for, or provide other instruments for,
25 redevelopment projects as defined in the “Redevelopment Area
26 Bond Financing Law,” P.L.2001, c.310 (C.40A:12A-64 et al.), for
27 which credits, loans, or payments in lieu of taxes may be secured by
28 loan or security agreements, or any other instruments, upon such
29 terms and conditions as the trust shall deem reasonable, including
30 the provision for the establishment and maintenance of reserve
31 funds. The trust may require the inclusion of such provisions in any
32 contract, loan, security agreement, or other instrument, for the
33 financing of a redevelopment project, in accordance with the
34 provisions of paragraph (2) of subsection b. of section 9 of
35 P.L.1985, c.334 (C.58:11B-9);

36 n. Subject to any agreement with holders of its bonds, notes or
37 other obligations, purchase bonds, notes and other obligations of the
38 trust and hold the same for resale or provide for the cancellation
39 thereof, all in accordance with the provisions of P.L.1985, c.334
40 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or
41 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
42 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
43 C.58:11B-22.4);

44 o. (1) Charge to and collect from local government units,
45 private persons or public water utilities any fees and charges in
46 connection with the trust's loans, guarantees or other services,
47 including, but not limited to, fees and charges sufficient to
48 reimburse the trust for all reasonable costs necessarily incurred by it

1 in connection with its financings and the establishment and
2 maintenance of reserve or other funds, as the trust may determine to
3 be reasonable. The fees and charges shall be in accordance with a
4 uniform schedule published by the trust for the purpose of
5 providing actual cost reimbursement for the services rendered;

6 (2) Any fees and charges collected by the trust pursuant to this
7 subsection may be deposited and maintained in a special fund
8 separate from any other funds held by the trust pursuant to section
9 10 of P.L.1985, c.334 (C.58:11B-10) or section 23 of P.L.1997,
10 c.224 (C.58:11B-10.1), and shall be available for any corporate
11 purposes of the trust;

12 p. Subject to any agreement with holders of its bonds, notes or
13 other obligations, obtain as security or to provide liquidity for
14 payment of all or any part of the principal of and interest and
15 premium on the bonds, notes and other obligations of the trust or
16 for the purchase upon tender or otherwise of the bonds, notes or
17 other obligations, lines of credit, letters of credit and other security
18 agreements or instruments in any amounts and upon any terms as
19 the trust may determine, and pay any fees and expenses required in
20 connection therewith;

21 q. Provide to local government units any financial and credit
22 advice as these local government units may request;

23 r. Make payments to the State from any moneys of the trust
24 available therefor as may be required pursuant to any agreement
25 with the State or act appropriating moneys to the trust; and

26 s. Take any action necessary or convenient to the exercise of
27 the foregoing powers or reasonably implied therefrom.

28 (cf: P.L.2017, c.144, s.2)

29
30 4. Section 6 of P.L.1985, c.334 (C.58:11B-6) is amended to
31 read as follows:

32 6. a. Except as may be otherwise expressly provided in the
33 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224
34 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of
35 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-
36 20.2, C.58:11B-22.3, and C.58:11B-22.4), the trust may from time
37 to time issue its bonds, notes, or other obligations in any principal
38 amounts as in the judgment of the trust shall be necessary to
39 provide sufficient funds for any of its corporate purposes, including
40 the payment, funding, or refunding of the principal of, or interest or
41 redemption premiums on, any bonds, notes, or other obligations
42 issued by it, whether the bonds, notes, or other obligations or the
43 interest or redemption premiums thereon to be funded or refunded
44 have or have not become due, the establishment or increase of
45 reserves or other funds to secure or to pay the bonds, notes, or other
46 obligations or interest thereon and all other costs or expenses of the
47 trust incident to and necessary to carry out its corporate purposes
48 and powers.

1 b. Whether or not the bonds, notes or other obligations of the
2 trust are of a form and character as to be negotiable instruments
3 under the terms of Title 12A of the New Jersey Statutes, the bonds,
4 notes and other obligations are made negotiable instruments within
5 the meaning of and for the purposes of Title 12A of the New Jersey
6 Statutes, subject only to the provisions of the bonds, notes and other
7 obligations for registration.

8 c. Bonds, notes or other obligations of the trust shall be
9 authorized by a resolution or resolutions of the trust and may be
10 issued in one or more series and shall bear any date or dates, mature
11 at any time or times, bear interest at any rate or rates of interest per
12 annum, be in any denomination or denominations, be in any form,
13 either coupon, registered or book entry, carry any conversion or
14 registration privileges, have any rank or priority, be executed in any
15 manner, be payable in any coin or currency of the United States
16 which at the time of payment is legal tender for the payment of
17 public and private debts, at any place or places within or without
18 the State, and be subject to any terms of redemption by the trust or
19 the holders thereof, with or without premium, as the resolution or
20 resolutions may provide. A resolution of the trust authorizing the
21 issuance of bonds, notes or other obligations may provide that the
22 bonds, notes or other obligations be secured by a trust indenture
23 between the trust and a trustee, vesting in the trustee any property,
24 rights, powers and duties in trust consistent with the provisions of
25 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-
26 10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56
27 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-
28 22.3, and C.58:11B-22.4) as the trust may determine.

29 d. Bonds, notes or other obligations of the trust may be sold at
30 any price or prices and in any manner as the trust may determine.
31 Notwithstanding any provisions of the "Local Bond Law,"
32 N.J.S.40A:2-1 et seq., to the contrary, each bond, note or other
33 obligation shall mature and be paid not later than 30 years for
34 environmental infrastructure projects, 45 years for combined sewer
35 overflow projects, 25 years for redevelopment projects as defined in
36 the "Redevelopment Area Bond Financing Law," P.L.2001, c.310
37 (C.40A:12A-64 et al.) and financed pursuant to paragraph (2) of
38 subsection b. of section 9 of P.L.1985, c.334 (C.58:11B-9), and 31
39 years for transportation projects, from the effective date thereof, or
40 the certified useful life of the project or projects to be financed by
41 the bonds, whichever is less, or a shorter period of time as may be
42 applicable to any companion loan issued pursuant to federal law or
43 regulation.

44 All bonds of the trust shall be sold at the price or prices and in
45 the manner as the trust shall determine, after notice of sale, a
46 summary of which shall be published at least once in at least three
47 newspapers published in the State of New Jersey and at least once
48 in a publication carrying municipal bond notices and devoted

1 primarily to financial news published in New Jersey or the city of
2 New York, the first summary notice to be at least five days prior to
3 the day of bidding. The notice of sale may contain a provision to the
4 effect that any or all bids made in pursuance thereof may be
5 rejected. In the event of such rejection or of failure to receive any
6 acceptable bid, the trust, at any time within 60 days from the date of
7 such advertised sale, may sell such bonds at private sale upon terms
8 not less favorable to the State than the terms offered by any rejected
9 bid. The trust may sell all or part of the bonds of any series as
10 issued to any State fund or to the federal government or any agency
11 thereof, at private sale, without advertisement.

12 e. Bonds, notes or other obligations of the trust may be issued
13 under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.),
14 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34
15 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
16 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4) without
17 obtaining the consent of any department, division, board, bureau or
18 agency of the State, and without any other proceedings or the
19 happening of any other conditions or things, other than those
20 consents, proceedings, conditions or things which are specifically
21 required by P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224
22 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of
23 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-
24 20.2, C.58:11B-22.3, and C.58:11B-22.4).

25 f. Bonds, notes or other obligations of the trust issued under
26 the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997,
27 c.224 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of
28 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-
29 20.2, C.58:11B-22.3, and C.58:11B-22.4) shall not be a debt or
30 liability of the State or of any political subdivision thereof other
31 than the trust and shall not create or constitute any indebtedness,
32 liability or obligation of the State or any political subdivision, but
33 all these bonds, notes and other obligations, unless funded or
34 refunded by bonds, notes or other obligations, shall be payable
35 solely from revenues or funds pledged or available for their
36 payment as authorized in P.L.1985, c.334 (C.58:11B-1 et seq.),
37 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34
38 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
39 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4). Each
40 bond, note and obligation shall contain on its face a statement to the
41 effect that the trust is obligated to pay the principal thereof or the
42 interest thereon only from its revenues, receipts or funds pledged or
43 available for their payment as authorized in P.L.1985, c.334
44 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or
45 sections 22 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3
46 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and
47 C.58:11B-22.4), and that neither the State, nor any political
48 subdivision thereof, is obligated to pay the principal or interest and

1 that neither the faith and credit nor the taxing power of the State, or
2 any political subdivision thereof, is pledged to the payment of the
3 principal of or the interest on the bonds, notes or other obligations.

4 g. The aggregate principal amount of bonds, notes or other
5 obligations, including subordinated indebtedness of the trust, shall
6 not exceed (1) \$5,000,000,000 with respect to bonds, notes, or other
7 obligations issued to finance the Disaster Relief Emergency
8 Financing Program established pursuant to section 1 of P.L.2013,
9 c.93 (C.58:11B-9.5), and (2) \$3,800,000,000 with respect to bonds,
10 notes, or other obligations issued for all other purposes of the trust.
11 In computing the foregoing limitations there shall be excluded all
12 the bonds, notes or other obligations, including subordinated
13 indebtedness of the trust, which shall be issued for refunding
14 purposes, whenever the refunding shall be determined to result in a
15 savings.

16 (1) Upon the decision by the trust to issue refunding bonds,
17 except for current refunding, and prior to the sale of those bonds,
18 the trust shall transmit to the Joint Budget Oversight Committee, or
19 its successor, a report that a decision has been made, reciting the
20 basis on which the decision was made, including an estimate of the
21 debt service savings to be achieved and the calculations upon which
22 the trust relied when making the decision to issue refunding bonds.
23 The report shall also disclose the intent of the trust to issue and sell
24 the refunding bonds at public or private sale and the reasons
25 therefor.

26 (2) The Joint Budget Oversight Committee or its successor shall
27 have the authority to approve or disapprove the sales of refunding
28 bonds as included in each report submitted in accordance with
29 paragraph (1) of this subsection. The committee shall notify the
30 trust in writing of the approval or disapproval within 30 days of
31 receipt of the report. Should the committee not act within 30 days
32 of receipt of the report, the trust may proceed with the sale of the
33 refunding bonds, provided that the sale of refunding bonds shall
34 realize not less than three percent net present value debt service
35 savings.

36 (3) No refunding bonds shall be issued unless the report has
37 been submitted to and approved by the Joint Budget Oversight
38 Committee or its successor as set forth in paragraphs (1) and (2) of
39 this subsection.

40 (4) Within 30 days after the sale of the refunding bonds, the
41 trust shall notify the committee of the result of that sale, including
42 the prices and terms, conditions and regulations concerning the
43 refunding bonds, the actual amount of debt service savings to be
44 realized as a result of the sale of refunding bonds, and the intended
45 use of the proceeds from the sale of those bonds.

46 (5) The committee shall review all information and reports
47 submitted in accordance with this subsection and may, on its own

1 initiative, make observations to the trust, or to the Legislature, or
2 both, as it deems appropriate.

3 h. Each issue of bonds, notes, or other obligations of the trust
4 may, if it is determined by the trust, be general obligations thereof
5 payable out of any revenues, receipts or funds of the trust, or
6 special obligations thereof payable out of particular revenues,
7 receipts or funds, subject only to any agreements with the holders of
8 bonds, notes or other obligations, and may be secured by one or
9 more of the following:

10 (1) Pledge of revenues and other receipts to be derived from the
11 payment of the interest on and principal of notes, bonds or other
12 obligations issued to the trust by one or more local government
13 units, and any other payment made to the trust pursuant to
14 agreements with any local government units, or a pledge or
15 assignment of any notes, bonds, or other obligations of any local
16 government unit and the rights and interest of the trust therein;

17 (2) Pledge of rentals, receipts and other revenues to be derived
18 from leases or other contractual arrangements with any person or
19 entity, public or private, including one or more local government
20 units, or a pledge or assignment of those leases or other contractual
21 arrangements and the rights and interest of the trust therein;

22 (3) Pledge of all moneys, funds, accounts, securities and other
23 funds, including the proceeds of the bonds, notes or other
24 obligations;

25 (4) Pledge of the receipts to be derived from the payments of
26 State aid, payable to the trust pursuant to section 12 of P.L.1985,
27 c.334 (C.58:11B-12);

28 (5) A mortgage on all or any part of the property, real or
29 personal, of the trust then owned or thereafter to be acquired, or a
30 pledge or assignment of mortgages made to the trust by any person
31 or entity, public or private, including one or more local government
32 units and the rights and interest of the trust therein.

33 i. The trust shall not issue any bonds, notes or other
34 obligations, or otherwise incur any additional indebtedness, on or
35 after June 30, 2033.

36 j. (Deleted by amendment, P.L.1996, c.88).
37 (cf: P.L.2018, c.75, s.2)

38

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

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

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

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

14 (4) The trust may make and contract to make loans and provide
15 other assistance to a local government unit or consortia thereof to
16 finance the cost of transportation projects pursuant to sections 22
17 and 34 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through
18 C.58:11B-10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-
19 22.4), and provided that the federally-funded subaccount is operated
20 in accordance with the provisions of the federal infrastructure bank
21 program.

22 (5) The trust may invest in, insure, securitize, collateralize,
23 create debt service reserve funds for, or provide other forms of
24 credit support for, local government redevelopment bonds, or may
25 facilitate the financing of redevelopment projects financed pursuant
26 to paragraph (2) of subsection b. of this section.

27 The loans may be made subject to those terms and conditions as
28 the trust shall determine to be consistent with the purposes thereof.
29 Each loan by the trust and the terms and conditions thereof shall be
30 subject to approval by the State Treasurer, and the trust shall make
31 available to the State Treasurer all information, statistical data and
32 reports of independent consultants or experts as the State Treasurer
33 shall deem necessary in order to evaluate the loan. Each loan to a
34 local government unit, public water utility or any other person shall
35 be evidenced by notes, bonds or other obligations thereof issued to
36 the trust. In the case of each local government unit, notes and
37 bonds to be issued to the trust and, if applicable, the State, acting by
38 and through the Department of Environmental Protection, by the
39 local government unit; (1) shall be authorized and issued as
40 provided by law for the issuance of notes and bonds by the local
41 government unit~~;~~ ; (2) notwithstanding any provisions of the
42 "Local Authorities Fiscal Control Law," P.L.1983, c.313
43 (C.40A:5A-1 et seq.) to the contrary, shall be approved by the
44 Director of the Division of Local Government Services in the
45 Department of Community Affairs~~;~~ ; and (3) notwithstanding the
46 provisions of N.J.S.40A:2-27, N.J.S.40A:2-28 and N.J.S.40A:2-29
47 or any other provisions of law to the contrary, may be sold at
48 private sale to the trust or the State, as the case may be, at any price,

1 whether or not less than par value, and shall be subject to
2 redemption prior to maturity at any times and at any prices as the
3 trust or the State, as the case may be, and local government units
4 may agree. Each loan to a local government unit, public water
5 utility or any other person and the notes, bonds or other obligations
6 thereby issued shall bear interest at a rate or rates per annum as the
7 trust or the State, as the case may be, and the local government unit,
8 public water utility or any other person, as the case may be, may
9 agree.

10 b. (1) The trust is authorized to guarantee or contract to
11 guarantee the payment of all or any portion of the principal and
12 interest on bonds, notes or other obligations issued by a local
13 government unit to finance the cost of any wastewater treatment
14 system project, water supply project, or transportation project which
15 the local government unit may lawfully undertake or acquire and for
16 which the local government unit is authorized by law to borrow
17 money, and the guarantee shall constitute an obligation of the
18 trust for the purposes of P.L.1985, c.334 (C.58:11B-1 et seq.),
19 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 22 and 34
20 through 38 of P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-
21 10.5, C.58:11B-20.2, C.58:11B-22.3, and C.58:11B-22.4).

22 (2) The trust is authorized to guarantee, contract to guarantee the
23 payment of all or any portion of the principal and interest of, or
24 invest in, bonds, notes, or other obligations issued by one or more
25 local government units, or provide other assistance, in order to
26 provide credit support for, or otherwise facilitate the financing of,
27 the cost of a redevelopment project financed pursuant to sections 1
28 through 10 of the "Redevelopment Area Bond Financing Law,"
29 P.L.2001, c.310 (C.40A:12A-64 through C.40A:12A-73), that
30 includes, as a portion thereof, a wastewater treatment system
31 project, water supply project, or transportation project, which the
32 local government unit may lawfully undertake or acquire and for
33 which the local government unit is authorized by law to borrow
34 money. Notwithstanding the provisions of subsection j. of section 5
35 of P.L.1985, c.334 (C.58:11B-5) to the contrary, investments in
36 redevelopment projects pursuant to this paragraph shall not require
37 conformance with the rules and regulations of the State Investment
38 Council or approval by the Director of the Division of Investment in
39 the Department of the Treasury. The guarantee shall constitute an
40 obligation of the trust, may include investments of subordinated
41 debt of an individual obligation or pool of obligations, and shall be
42 in furtherance of the corporate purposes of the trust, for the
43 purposes of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224
44 (C.58:11B-10.1 et al.), or sections 22 and 34 through 38 of
45 P.L.2016, c.56 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-
46 20.2, C.58:11B-22.3, and C.58:11B-22.4), and the "New Jersey
47 Economic Recovery Act of 2020," P.L.2020, c.156 (C.34:1B-269 et
48 al.).

1 (3) Each guarantee by the trust and the terms and conditions
2 thereof shall be subject to approval by the State Treasurer, and the
3 trust shall make available to the State Treasurer all information,
4 statistical data and reports of independent consultants or experts as
5 the State Treasurer shall deem necessary in order to evaluate the
6 guarantee.

7 c. The trust shall not make or contract to make any loans or
8 guarantees to local government units, public water utilities or any
9 other person, or otherwise incur any additional indebtedness, on or
10 after June 30, 2033.

11 d. Notwithstanding any provision of P.L.1985, c.334
12 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
13 the contrary, the trust may receive funds from any source including,
14 without limitation, any funds drawn by the trust from a revolving
15 line of credit or other similar financial vehicle that may be procured
16 by the trust, either through a competitive or negotiated process,
17 pursuant to section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit
18 into the Interim Environmental Financing Program Fund or the trust
19 may issue its bonds, notes or other obligations, including
20 commercial paper issued through a competitive or negotiated
21 process, in any principal amounts, in either case, as in the judgment
22 of the trust shall be necessary to provide sufficient funds to finance
23 or refinance short-term or temporary loans to local government
24 units, public water utilities or private persons for any wastewater
25 treatment system projects included on the Department of
26 Environmental Protection project priority list and eligible for
27 approval pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20)
28 or water supply projects included on the Department of
29 Environmental Protection project priority list and eligible for
30 approval pursuant to section 24 of P.L.1997, c.224 (C.58:11B-20.1),
31 as applicable, without regard to any other provisions of P.L.1985,
32 c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et
33 al.), including, without limitation, any administrative or legislative
34 approvals.

35 The trust shall create and establish a special fund to be known as
36 the "Interim Environmental Financing Program Fund" for the short-
37 term or temporary loan financing or refinancing program to be
38 known as the "Interim Environmental Financing Program." The
39 monies in the fund shall be used for short-term or temporary loans
40 for clean water and drinking water projects pursuant to the New
41 Jersey Environmental Infrastructure Financing Program.

42 Except as provided in section 1 of P.L.2013, c.93 (C.58:11B-
43 9.5), any short-term or temporary loans made by the trust pursuant
44 to this subsection may only be made in advance of the anticipated
45 loans the trust may make and contract to make under the provisions
46 of subsection a. of this section from any source of funds anticipated
47 to be received by the trust. Any such short-term or temporary loan
48 made pursuant to the Interim Environmental Financing Program

1 shall mature no later than the last day of the third succeeding fiscal
2 year following the closing date on which the short-term or
3 temporary loan was made by the trust to the project sponsor; except
4 a planning, design, and construction loan shall mature no later than
5 the last day of the fifth succeeding fiscal year following the closing
6 date of the planning, design, and construction loan or the last day of
7 the third succeeding fiscal year following the date of construction
8 certification following the closing date of the planning, design, and
9 construction loan, whichever is sooner, provided that, in either case,
10 project planning or engineering design activities shall not exceed
11 two years from the closing date of the planning, design, and
12 construction loan; and except a short-term or temporary loan made
13 pursuant to this subsection for environmental planning and
14 engineering design costs associated with long-term control plans for
15 combined sewer overflow projects shall mature no later than the last
16 day of the 10th succeeding fiscal year following the closing date on
17 which the short-term or temporary loan was made by the trust to the
18 project sponsor. With respect to any short-term or temporary loan
19 or planning, design, and construction loan made by the trust
20 pursuant to this subsection, the trust may authorize one short-term
21 supplemental loan for residual project expenses thereof upon receipt
22 by the trust from the Department of Environmental Protection of a
23 certification that states that the time required by the project sponsor
24 to complete construction of the project exceeds the maximum
25 maturity date of the project sponsor's outstanding short-term or
26 temporary loan or planning, design, and construction loan. Any
27 such short-term supplemental loan shall not exceed in duration the
28 last day of the third succeeding fiscal year following the loan
29 closing of the supplemental loan. The trust may make short-term or
30 temporary loans pursuant to the Interim Environmental Financing
31 Program to any one or more of the project sponsors, for the
32 respective projects thereof, identified in the interim financing
33 project priority list to be known as the "Interim Environmental
34 Financing Program Project Priority List" in the form provided to the
35 Legislature by the Commissioner of Environmental Protection.

36 The Interim Environmental Financing Program Project Priority
37 List, including any revision thereof or supplement thereto, shall be
38 submitted to the Legislature pursuant to section 2 of P.L.1991,
39 c.164 (C.52:14-19.1) at least once in each fiscal year as provided in
40 section 20 of P.L.1985, c.334 (C.58:11B-20) and section 24 of
41 P.L.1997, c.224 (C.58:11B-20.1). The Secretary and the Clerk shall
42 cause the date of submission to be entered upon the Senate Journal
43 and the Minutes of the General Assembly, respectively. The trust
44 may revise or supplement the Interim Environmental Financing
45 Program Project Priority List no more than four times during the
46 fiscal year and shall submit the revised list to the Legislature when
47 the revisions are made. Any environmental infrastructure project or
48 the project sponsor thereof not identified in the Interim

1 Environmental Financing Program Project Priority List shall not be
2 eligible for a short-term or temporary loan from the Interim
3 Environmental Financing Program Fund. The trust may issue short-
4 term or temporary loans pursuant to this subsection only if a project
5 is listed on an Interim Environmental Financing Program Project
6 Priority List that has been submitted to the Legislature. No funds
7 may be disbursed pursuant to this section for project activities prior
8 to a determination and certification, in writing, from the
9 Department of Environmental Protection, that the project activities
10 satisfy the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.).

11 e. Notwithstanding any provisions of the "Local Bond Law"
12 (N.J.S.40A:2-1 et seq.), the "sewerage authorities law," P.L.1946,
13 c.138 (C.40:14A-1 et seq.), or the "municipal and county utilities
14 authorities law," P.L.1957, c.183 (C.40:14B-1 et seq.) to the
15 contrary, short-term or temporary loans made by the trust pursuant
16 to section 9 of P.L.1985, c.334 (C.58:11B-9) or section 1 of
17 P.L.2013, c.93 (C.58:11B-9.5), and the obligations issued by project
18 sponsors to evidence such loans, may, at the discretion of the trust
19 and upon application by the project sponsor, bear interest at a
20 variable rate determined pursuant to a methodology as may be
21 established by the trust from time to time.

22 Further, notwithstanding any provisions of the "Local Bond
23 Law" (N.J.S.40A:2-1 et seq.), the "sewerage authorities law,"
24 P.L.1946, c.138 (C.40:14A-1 et seq.), or the "municipal and county
25 utilities authorities law," P.L.1957, c.183 (C.40:14B-1 et seq.) to
26 the contrary, any short-term or temporary loans made by the trust
27 pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9) or section 1
28 of P.L.2013, c.93 (C.58:11B-9.5), and any notes or other
29 obligations issued by project sponsors to evidence such short-term
30 or temporary loans, as such loans, notes, or other obligations may
31 be refinanced or extended, as provided in subsections d. and g. of
32 this section and section 1 of P.L.2013, c.93 (C.58:11B-9.5), except
33 for loans for environmental planning and engineering design costs
34 associated with long-term control plans for combined sewer
35 overflow projects as provided in subsection d. of this section, shall
36 mature no later than the maturity date as established pursuant to
37 subsections d. and g. of this section and section 1 of P.L.2013, c.93
38 (C.58:11B-9.5), without payment by project sponsors of any portion
39 of the principal thereof prior to maturity.

40 f. Any balances remaining in the Emergency Loan Fund
41 established pursuant to section 4 of P.L.2007, c.138 (C.58:11B-9.1),
42 the Planning and Design Fund established pursuant to section 1 of
43 P.L.2009, c.59 (C.58:11B-9.2), the Onsite Wastewater Disposal
44 Loan Fund established pursuant to section 5 of P.L.2009, c.103
45 (C.58:11B-9.3), the Supplemental Loan Fund established pursuant
46 to section 2 of P.L.2011, c.94 (C.58:11B-9.4), and the Equipment
47 Loan Fund established pursuant to section 1 of P.L.2014, c.28
48 (C.58:11B-9.6) after the date of enactment of P.L.2016, c.30 shall

1 be transferred to the Interim Environmental Financing Program
2 Fund, and any loan repayments to the trust of principal and interest
3 or premium on loans made from those funds shall be credited to the
4 Interim Environmental Financing Program Fund.

5 g. The trust shall create and establish a special fund to be
6 known as the "Interim Transportation Financing Program Fund" for
7 the short-term or temporary loan financing or refinancing program
8 to be known as the "Interim Transportation Financing Program."

9 Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-1
10 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to the contrary,
11 the trust may receive funds from any source including, without
12 limitation, any funds drawn by the trust from a revolving line of
13 credit or other similar financial vehicle that may be procured by the
14 trust, either through a competitive or negotiated process, pursuant to
15 section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit into the
16 Interim Transportation Financing Program Fund or the trust may
17 issue its bonds, notes or other obligations in any principal amounts,
18 in either case, as in the judgment of the trust shall be necessary to
19 provide sufficient funds to finance or refinance short-term or
20 temporary loans to local government units or private persons for
21 any transportation project included on the Department of
22 Transportation Interim Transportation Financing Program Project
23 Priority List for the ensuing fiscal year and eligible for approval
24 pursuant to sections 22 and 34 through 38 of P.L.2016, c.56
25 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-
26 22.3, and C.58:11B-22.4), without regard to any other provisions of
27 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-
28 10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56
29 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-
30 22.3, and C.58:11B-22.4), including, without limitation, any
31 administrative or legislative approvals.

32 Any short-term or temporary loans made by the trust pursuant to
33 this subsection may only be made in advance of the anticipated
34 loans the trust may make and contract to make under the provisions
35 of subsection a. of this section from any source of funds anticipated
36 to be received by the trust. Any such short-term or temporary loan
37 made pursuant to the Interim Transportation Financing Program
38 shall mature no later than the last day of the third succeeding fiscal
39 year following the closing date on which the short-term or
40 temporary loan was made by the trust to the project sponsor; except
41 a planning, design, and construction loan shall mature no later than
42 the last day of the fifth succeeding fiscal year following the closing
43 date of the planning, design, and construction loan or the last day of
44 the third succeeding fiscal year following the date of construction
45 certification following the closing date of the planning, design, and
46 construction loan, whichever is sooner, provided that, in either case,
47 project planning or engineering design activities shall not exceed
48 two years from the closing date of the planning, design, and

1 construction loan. With respect to any short-term or temporary loan
2 or planning, design, and construction loan made by the trust
3 pursuant to this subsection, the trust may authorize one short-term
4 supplemental loan for residual expenses thereof upon receipt by the
5 trust from the Department of Transportation of a certification that
6 states that the time required by the project sponsor to complete
7 construction of the project exceeds the maximum maturity date of
8 the short-term or temporary loan or planning, design, and
9 construction loan. Any such short-term supplemental loan shall not
10 exceed in duration the last day of the third succeeding fiscal year
11 following the loan closing of the short-term supplemental loan. The
12 trust may make short-term or temporary loans pursuant to the
13 Interim Transportation Financing Program to any one or more of the
14 project sponsors, for the respective projects thereof, only if a
15 project is identified in the Department of Transportation Interim
16 Transportation Financing Program Project Priority List to be known
17 as the "Interim Transportation Financing Program Project Priority
18 List" in the form provided to the Legislature by the Commissioner
19 of Transportation.

20 The Interim Transportation Financing Program Project Priority
21 List, including any revision thereof or supplement thereto, shall be
22 submitted to the Secretary of the Senate and the Clerk of the
23 General Assembly on or before July 1 of each year. The Interim
24 Transportation Financing Program Project Priority List shall be
25 submitted to the Legislature pursuant to section 2 of P.L.1991,
26 c.164 (C.52:14-19.1) at least once in each fiscal year. The
27 Secretary and the Clerk shall cause the date of submission to be
28 entered upon the Senate Journal and the Minutes of the General
29 Assembly, respectively. Any transportation infrastructure project or
30 the project sponsor thereof not identified in the Interim
31 Transportation Financing Program Project Priority List shall not be
32 eligible for a short-term or temporary loan from the Interim
33 Transportation Financing Program Fund. The trust may revise or
34 supplement the Interim Transportation Financing Program Project
35 Priority List no more than four times during the fiscal year, and
36 shall submit the revised list to the Legislature when the revisions
37 are made.

38 No funds may be disbursed pursuant to this subsection for
39 project activities prior to written notification of award concurrence
40 from the Department of Transportation and certification in writing,
41 from the trust, that the project activities satisfy the provisions of
42 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-
43 10.1 et al.), or sections 22 and 34 through 38 of P.L.2016, c.56
44 (C.58:11B-10.3 through C.58:11B-10.5, C.58:11B-20.2, C.58:11B-
45 22.3, and C.58:11B-22.4).
46 (cf: P.L.2019, c.516, s.2)

47

48 6. This act shall take effect immediately.

1 STATEMENT

2

3 This bill would authorize the New Jersey Infrastructure Bank to
4 guarantee or contract to guarantee the payment of all or any portion
5 of the principal and interest on bonds, notes, or other obligations
6 issued by a local government unit, or provide other assistance, in
7 order to provide credit support for, or otherwise facilitate the
8 financing of, the cost of a redevelopment project financed pursuant
9 to the "Redevelopment Area Bond Financing Law," sections 1
10 through 10 of P.L.2001, c.310 (C.40A:12A-64 et seq.), that includes
11 a wastewater treatment system project, water supply project, or
12 transportation project, for the purposes of the "New Jersey
13 Economic Recovery Act of 2020," P.L.2020, c.156 (C.34:1B-269 et
14 al.). The bill would provide that investments in redevelopment
15 projects authorized under the bill would not require conformance
16 with the rules and regulations of the State Investment Council or
17 approval by the Director of the Division of Investment in the
18 Department of the Treasury.