

P.L. 1997, CHAPTER 142, *approved June 27, 1997*
Assembly, No. 3056

1 **AN ACT** establishing the State Transportation Infrastructure Bank and
2 supplementing P.L.1984, c.73 (C.27:1B-1 et seq.).

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

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7 1. As used in this act:

8 "Federal infrastructure bank program" means the United States
9 Department of Transportation State Infrastructure Bank Program
10 provided for in section 350 of Pub.L.104-59 and Pub.L.102-240 as
11 amended or superseded.

12 "Other assistance" means forms of financial assistance, in addition
13 to loans, authorized by the federal infrastructure bank program,
14 including, but not limited to, use of funds to: provide credit
15 enhancements; serve as a capital reserve for bond or other debt
16 instrument financing; subsidize interest rates; ensure the issuance of
17 letters of credit and credit instruments; finance purchase and lease
18 agreements with respect to transit projects; and provide bond or other
19 debt financing instrument security.

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21 2. a. There is hereby established a special non-lapsing, revolving
22 subaccount of the Special Transportation Fund to be known as the
23 "State Transportation Infrastructure Bank" which shall be credited
24 with: State and federal funds appropriated to the State Transportation
25 Infrastructure Bank, monetary donations made available to the State
26 to support the State Transportation Infrastructure Bank program and
27 any monies received as repayment of the monies loaned or otherwise
28 provided pursuant to this act. The commissioner may establish
29 subaccounts of the State Transportation Infrastructure Bank as may be
30 required by the federal infrastructure bank program. The
31 commissioner shall administer and maintain the State Transportation
32 Infrastructure Bank in accordance with the provisions of the federal
33 infrastructure bank program.

34 b. Monies in the State Transportation Infrastructure Bank shall be
35 used to provide loans or other assistance to public or private entities
36 or consortia thereof for the purpose of financing all or a portion of the
37 costs incurred for the planning, acquisition, engineering, construction,

1 reconstruction, repair and rehabilitation of a transportation project or
2 for any other purpose permitted under the federal infrastructure bank
3 program.

4 c. Loans or other assistance granted pursuant to this section shall
5 be considered an investment or reinvestment by the State
6 Transportation Infrastructure Bank consistent with the federal
7 infrastructure bank program and not a loan within the meaning of
8 section 12 of P.L.1995, c.108 (C.27:1B-21.5).

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10 3. a. The commissioner is authorized to enter into agreements with
11 public or private entities or consortia thereof for the use of monies
12 from the State Transportation Infrastructure Bank to provide loans or
13 other assistance for the purpose of financing all or a portion of the
14 costs incurred for the planning, acquisition, engineering, construction,
15 reconstruction, repair and rehabilitation of a transportation project or
16 for any other purpose permitted under the federal infrastructure bank
17 program. The terms of the agreements shall be consistent with the
18 requirements of the federal infrastructure bank program.

19 b. The commissioner shall report periodically, and at least annually,
20 on the status of the State Transportation Infrastructure Bank program
21 to the Joint Budget Oversight Committee or its successor.

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23 4. The commissioner shall adopt rules and regulations, pursuant to
24 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
25 seq.), governing the State Transportation Infrastructure Bank
26 Program.

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28 5. This act shall take effect immediately.

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STATEMENT

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33 This bill would establish a special non-lapsing, revolving
34 subaccount of Special Transportation Fund to be known as the State
35 Transportation Infrastructure Bank.

36 Establishment of the State Transportation Infrastructure Bank is
37 required by federal law as a depository for federal transportation
38 infrastructure bank monies. The federal program allows States to
39 enter into agreements whereby monies in the State Transportation
40 Infrastructure Bank would be loaned or used to provide other financial
41 assistance to public or private entities for the planning, acquisition,
42 engineering, construction, reconstruction, repair and rehabilitation of
43 a transportation project or for any other purpose permitted under the
44 federal program.

45 Other financial assistance that could be provided by the State
46 Transportation Infrastructure Bank would include, but not be limited

1 to, use of funds to: provide credit enhancements; serve as a capital
2 reserve for bond or other debt instrument financing; subsidize interest
3 rates; ensure the issuance of letters of credit and credit instruments;
4 finance purchase and lease agreements with respect to transit projects;
5 and provide bond or other debt financing instrument security.

6 The State Transportation Infrastructure Bank would be credited
7 with State and federal funds appropriated to the bank, monetary
8 donations made available to the State to support the State
9 Transportation Infrastructure Bank program and any monies received
10 as repayment of the monies loaned or otherwise provided pursuant to
11 the program.

12 The Department of Transportation expects to receive \$4 million in
13 federal funds for the State Transportation Infrastructure Bank program
14 in this federal fiscal year. The President's proposal for the
15 reauthorization of the Intermodal Surface Transportation Efficiency
16 Act would continue the federal transportation infrastructure bank
17 program.

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22 Establishes State Transportation Infrastructure Bank.