

P.L. 2021, CHAPTER 206, *approved August 24, 2021*  
Assembly, No. 5819 (*First Reprint*)

1 **AN ACT** authorizing the expenditure of funds by the New Jersey  
2 Infrastructure Bank for the purpose of making loans to eligible  
3 project sponsors to finance the cost to construct transportation  
4 infrastructure projects, and making an appropriation.

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

8  
9 1. a. The New Jersey Infrastructure Bank, established pursuant to  
10 P.L.1985, c.334 (C.58:11B-1 et seq.), is authorized to expend the  
11 aggregate sum of \$68,349,007 or such amounts as can be supported  
12 through balances in the State Transportation Infrastructure Bank Fund,  
13 established pursuant to section 34 of P.L.2016, c.56 (C.58:11B-10.4),  
14 and via direct appropriation through the State transportation capital  
15 program for the purpose of making loans to or, on behalf of, local  
16 government units to finance all or a portion of the cost of construction  
17 of transportation infrastructure projects listed in <sup>1</sup>**sections** section<sup>1</sup> 3  
18 of this act.

19 b. The bank is authorized to increase the aggregate sums specified  
20 in subsection a. of this section for the bank's costs to acquire lending  
21 capital, specifically:

22 (1) the amounts of capitalized interest and the bond issuance  
23 expenses as provided in subsection b. of section 6 of this act;

24 (2) the amounts of reserve capacity expenses and debt service  
25 reserve fund requirements as provided in subsection c. of section 6 of  
26 this act;

27 (3) the interest earned on amounts deposited for project costs  
28 pending their distribution to project sponsors as provided in subsection  
29 d. of section 6 of this act;

30 (4) the amounts of the loan origination fee as provided in  
31 subsection e. of section 6 of this act.

32 c. For the purposes of this act:

33 "bank" means the New Jersey Infrastructure Bank, established  
34 pursuant to section 4 of P.L.1985, c.334 (C.58:11B-4);

35 "capitalized interest" means an amount equal to interest paid on  
36 bank transportation bonds which is funded with bank transportation  
37 bond proceeds and the earnings thereon;

38 "debt service reserve fund expenses" means the debt service  
39 reserve fund costs associated with reserve capacity expenses <sup>1</sup>**l.** <sup>1</sup>

40 "issuance expenses" means any costs related to the issuance of  
41 bank transportation bonds and includes, but is not limited to, the costs

**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.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Assembly ATR committee amendments adopted June 14, 2021.

1 of financial document printing, bond insurance premiums or other  
2 credit enhancement, underwriters' discount, verification of financial  
3 calculations, the services of bond rating agencies and trustees, the  
4 employment of accountants, attorneys, financial advisors, loan  
5 servicing agents, registrars, and paying agents '【.】';<sup>1</sup>

6 “loan origination fee” means the fee charged by the bank to pay a  
7 portion of the costs incurred by the bank and the Department of  
8 Transportation in the implementation of the New Jersey Transportation  
9 Infrastructure Financing Program;

10 “project sponsor” means a local government unit receiving a loan  
11 from the bank pursuant to this act; and

12 “reserve capacity expenses” means those project costs for reserve  
13 capacity which are eligible for loans from the bank in accordance with  
14 the requirements of subsection g. of section 9 of P.L.1985, c.334  
15 (C.58:11B-9) and any policy statements relating to the Transportation  
16 Bank Infrastructure Financing Program to be set forth in the State  
17 fiscal year 2022 Transportation Infrastructure Financing Program  
18 Financial Plan.

19  
20 2. The New Jersey Infrastructure Bank is authorized to make  
21 loans to or on behalf of the project sponsors for the transportation  
22 projects listed in subsection a. of section 3 of this act up to the  
23 individual amounts indicated and in the priority stated, except that  
24 any such amount may be reduced by the bank pursuant to  
25 subsection a. of section 6 of this act, or if a project fails to meet the  
26 requirements of section 5 of this act. The bank is authorized to  
27 increase any such amount pursuant to subsection b. through  
28 subsection e. of section 6 or section 7 of this act.

29  
30 3. a. The following transportation infrastructure projects shall  
31 be known and may be cited as the “State Fiscal Year 2022  
32 Transportation Financing Program Project Eligibility List”:

Applicant	Project No.	Total Allowable State Loan Amount	Estimated Total Allowable Loan Amount
Burlington County	TB0300-001	\$ 1,662,500	\$ 3,325,000
Bayonne City	TB0901-001	\$ 1,460,615	\$ 2,921,230
Cape May County	TB0500-007	\$ 5,050,000	\$ 10,100,000
Essex County	TB0700-003	\$ 1,125,000	\$ 2,250,000
Camden County	TB0400-001	\$ 1,250,000	\$ 2,500,000
Orange City	TB0717-001	\$ 4,955,000	\$ 9,910,000
Little Silver Borough	TB1325-002	\$ 1,195,500	\$ 2,391,000
Hackensack City	TB0223-001	\$ 1,960,890	\$ 3,921,780

Little Silver Borough	TB1325-001	\$ 229,500	\$ 459,000
Somerdale Borough	TB0431-002	\$ 526,775	\$ 1,053,550
Somerdale Borough	TB0431-001	\$ 500,000	\$ 1,000,000
Essex County	TB0700-004	\$ 2,586,269	\$ 5,172,537
Orange City	TB0717-002	\$ 4,606,000	\$ 9,212,000
Flemington Borough	TB1009-001	\$ 835,775	\$ 1,671,550
Raritan Township	TB1021-001	\$ 1,411,475	\$ 2,822,950
Bloomfield Township	TB0702-001	\$ 3,490,352	\$ 6,980,703
Orange City	TB0717-003	\$ 934,250	\$ 1,868,500
Raritan Township	TB1021-004	\$ 394,604	\$ 789,207
<b>Total Projects: 18</b>		<b>\$34,174,505</b>	<b>\$68,349,007</b>

- 1
- 2       b. The bank is authorized to adjust the allowable State loan
- 3 amount and estimated total allowable loan amount for each project
- 4 authorized in this section as appropriate, provided that the total
- 5 amount of loan issuance remains within available funds and that
- 6 each loan is issued pursuant to the terms and conditions of the
- 7 financing program from the year in which each construction
- 8 contract for a project was certified, if subject to an interim
- 9 financing program loan or, in the absence of an interim financing
- 10 program loan, the terms and conditions of the State Fiscal Year
- 11 2022 Financing Program.
- 12       c. The bank is authorized to increase the loan amount of
- 13 projects authorized pursuant to this section in the future to
- 14 compensate for a refunding of the issue, provided adequate savings
- 15 are achieved, for the loans issued pursuant to this act.
- 16
- 17       4. In accordance with and subject to the provisions of sections
- 18 5, 6, and 23 of P.L.1985, c.334 (C.58:11B-5, 58:11B-6, and
- 19 58:11B-23), and as set forth in the financial plan required pursuant
- 20 to section 37 of P.L.2016, c.56 (C.58:11B-22.3), any proceeds from
- 21 bonds issued by the bank to make loans for priority transportation
- 22 infrastructure projects listed in section 3 of this act which are not
- 23 expended for that purpose may be applied for the payment of all or
- 24 any part of the principal of, or interest and premium on, the bank
- 25 transportation bonds whether due at stated maturity, the interest
- 26 payment dates, or earlier upon redemption. A portion of the
- 27 proceeds from bonds issued by the bank to make loans for priority
- 28 transportation infrastructure projects pursuant to this act may be
- 29 applied for the payment of capitalized interest and for the payment
- 30 of any issuance expenses; for the payment of reserve capacity
- 31 expenses; for the payment of debt service reserve fund expenses;

1 for the payment of the loan origination fees; and for the payment of  
2 increased costs, as defined and determined in accordance with the  
3 rules and regulations adopted by the bank pursuant to section 27 of  
4 P.L.1985, c.334 (C.58:11B-27) and satisfies the requirements of  
5 subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any  
6 policy statements relating to the Transportation Bank Infrastructure  
7 Financing Program to be set forth in the State Fiscal Year 2022  
8 Transportation Infrastructure Financing Program Financial Plan.

9  
10 5. Any loan made by the New Jersey Infrastructure Bank pursuant  
11 to this act shall be subject to the following requirements:

12 a. The chairperson, vice-chairperson or secretary of the bank  
13 ~~'[has certified]~~ shall certify<sup>1</sup> that the project is in compliance with the  
14 provisions of P.L.1984, c.73, P.L.1985, c.334, P.L.2016, c.56, and any  
15 amendatory and supplementary acts thereto, and any rules and  
16 regulations adopted pursuant thereto, as applicable, and satisfies the  
17 requirements of subsection g. of section 9 of P.L.1985, c.334  
18 (C.58:11B-9) and any policy statements relating to the Transportation  
19 Bank Infrastructure Financing Program to be set forth in the State  
20 Fiscal Year 2022 Transportation Infrastructure Financing Program  
21 Financial Plan. In making this certification, the chairperson, vice-  
22 chairperson or secretary may conclusively rely on the project review  
23 conducted by the Department of Transportation without any  
24 independent review thereof by the bank;

25 b. The loan shall be conditioned upon inclusion of the project on  
26 a project eligibility list approved pursuant to section 36 of P.L.2016,  
27 c.56 (C.58:11B-20.2);

28 c. The loan shall be repaid within a period not to exceed 31 years  
29 of the making of the loan or, for loans funded pursuant to the  
30 "Transportation Infrastructure Finance and Innovation Act" (TIFIA),  
31 23 U.S.C. s.601 et seq., as amended and superseded, not later than the  
32 maximum time period allowed by the TIFIA;

33 d. The loan shall not exceed the allowable project cost of the  
34 transportation infrastructure project, exclusive of capitalized interest,  
35 administrative expenses associated with federal funding programs, if  
36 applicable, and issuance expenses as provided in subsection b. of  
37 section 6 of this act, reserve capacity expenses and the debt service  
38 reserve fund expenses as provided in subsection c. of section 6 of this  
39 act, interest earned on project costs as provided in subsection d. of  
40 section 6 of this act, the amounts of the loan origination fee as  
41 provided in subsection e. of section 6 of this act, refunding increases as  
42 provided in section 7 of this act, and increased costs as defined and  
43 determined in accordance with the rules and regulations adopted by the  
44 bank pursuant to section 27 of P.L.1985, c.334 (C.58:11B-27) and  
45 satisfies the requirements of subsection g. of section 9 of P.L.1985,  
46 c.334 (C.58:11B-9) and any policy statements relating to the  
47 Transportation Bank Infrastructure Financing Program to be set forth

1 in the State Fiscal Year 2022 Transportation Infrastructure Financing  
2 Program Financial Plan;

3 e. The loan shall bear interest, exclusive of any, cost of issuance  
4 charges, late charges or administrative fees payable to the bank  
5 pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5)  
6 by the project sponsors receiving bank transportation loans, at or  
7 below the interest rate paid by the bank on the bonds issued to make or  
8 refund the loans authorized by this act, adjusted for underwriting  
9 discount and original issue discount or premium, in accordance with  
10 the terms and conditions set forth in the financial plan required  
11 pursuant to section 37 of P.L.2016, c.56 (C.58:11B-22.3); and

12 f. The loan shall be subject to all other terms and conditions as  
13 the bank shall determine to be consistent with the provisions of  
14 P.L.1985, c.334 (C.58:11B-1 et seq.) and any rules and regulations  
15 adopted pursuant thereto, the requirements of subsection g. of section  
16 9 of P.L.1985, c.334 (C.58:11B-9), any policy statements relating to  
17 the Transportation Bank Infrastructure Financing Program and with  
18 the financial plan required by section 37 of P.L.2016, c.56 (C.58:11B-  
19 22.3). The eligibility lists and authorization for the making of loans  
20 pursuant to this act shall expire on July 1, 2022, and any project  
21 sponsor which has not executed and delivered a loan agreement with  
22 the bank for a loan authorized in this act shall no longer be entitled to  
23 that loan.

24  
25 6. a. The New Jersey Infrastructure Bank is authorized to  
26 reduce the individual amount of loan funds made available to or on  
27 behalf of project sponsors pursuant to section 3 of this act based  
28 upon final building costs defined in and determined in accordance  
29 with rules and regulations adopted by the bank pursuant to section  
30 27 of P.L.1985, c.334 (C.58:11B-27) and the requirements of  
31 subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any  
32 policy statements relating to the Transportation Bank Infrastructure  
33 Financing Program to be set forth in the State Fiscal Year 2022  
34 Transportation Infrastructure Financing Program Financial Plan.  
35 The bank is authorized to use any such reduction in the loan amount  
36 made available to a project sponsor to cover that project sponsor's  
37 increased costs due to differing site conditions or other allowable  
38 expenses as defined and determined in accordance with the rules  
39 and regulations adopted by the bank pursuant to section 27 of  
40 P.L.1985, c.334 (C.58:11B-27) and the requirements of subsection  
41 g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and any policy  
42 statements relating to the Transportation Bank Infrastructure  
43 Financing Program to be set forth in the State Fiscal Year 2022  
44 Transportation Infrastructure Financing Program Financial Plan.

45 b. The bank is authorized to increase each loan amount  
46 authorized in section 3 of this act by the amount of capitalized  
47 interest, issuance expenses and administrative expenses associated

1 with federal funding programs allocable to each loan made by the  
2 bank pursuant to this act,

3 c. The bank is authorized to increase each loan amount  
4 authorized in section 3 of this act by the amount of reserve capacity  
5 expenses, and by the debt service reserve fund expenses associated  
6 with the costs identified in subsection b. of section 1 of this act.

7 d. The bank is authorized to increase each loan amount  
8 authorized in section 3 of this act by the interest earned on amounts  
9 deposited for project costs pending their distribution to project  
10 sponsors.

11 e. The bank is authorized to increase each loan amount  
12 authorized in section 3 of this act by the loan origination fee.

13

14 7. The New Jersey Infrastructure Bank is authorized to utilize  
15 the proceeds from the refunding of bank transportation bonds to  
16 increase the individual amount of loan funds made available to  
17 project sponsors by the bank pursuant to this act provided that the  
18 amount of the increase is limited to the amount of savings achieved  
19 by the refunding of bank transportation bonds issued to make loans  
20 authorized by this act.

21

22 8. The expenditure of funds authorized pursuant to this act is  
23 subject to the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) as  
24 amended and supplemented by P.L.2016, c.56, and the requirements  
25 of subsection g. of section 9 of P.L.1985, c.334 (C.58:11B-9) and  
26 any policy statements relating to the Transportation Bank  
27 Infrastructure Financing Program to be set forth in the State Fiscal  
28 Year 2022 Transportation Infrastructure Financing Program  
29 Financial Plan, as appropriate.

30

31 9. a. There is appropriated to the New Jersey Infrastructure  
32 Bank for deposit in the transportation subaccount of the special  
33 fund created and established by the bank for the short-term or  
34 temporary loan financing or refinancing under the "Disaster Relief  
35 Emergency Financing Program," program authorized pursuant to  
36 subsection a. of section 1 of P.L.2013, c.93 (C.58:11B-9.5), such  
37 sums as needed consisting of:

38 (1) sums from the "Interim Transportation Financing Program  
39 Fund" as needed by the bank to make short-term or temporary loans  
40 pursuant to the "Disaster Relief Emergency Financing Program" to  
41 any one or more of the project sponsors, for the respective projects  
42 thereof; and

43 (2) such other amounts to be deposited in the "Disaster Relief  
44 Emergency Financing Program Fund," established pursuant to  
45 subsection a. of section 1 of P.L.2013, c.93 (C.58:11B-9.5),  
46 provided that the amount so appropriated to the bank for deposit in  
47 the "Disaster Relief Emergency Financing Program Fund" shall be  
48 utilized by the bank to make short-term or temporary loans pursuant

1 to the “Disaster Relief Emergency Financing Program” to any one  
2 or more of the project sponsors, for the respective projects thereof.  
3 Any transportation projects funded by the “Disaster Relief  
4 Emergency Financing Program” shall be subject to the approval of  
5 the Commissioner of Transportation.

6 b. The Transportation Disaster Relief Emergency Financing  
7 Program Project Priority List shall be submitted to the Legislature  
8 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) at least  
9 once in each fiscal year. Any transportation infrastructure project or  
10 the project sponsor thereof not identified in the Transportation  
11 Disaster Relief Emergency Financing Program Project Priority List  
12 shall not be eligible for a short-term or temporary loan from the  
13 Transportation Disaster Relief Emergency Financing Program Fund.  
14

15 10. Notwithstanding the provisions of the "Administrative  
16 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the  
17 contrary, the bank shall not be required to adopt rules and  
18 regulations governing the issuance of loans under the “Disaster  
19 Relief Emergency Financing Program.”  
20

21 11. This act shall take effect immediately.  
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26 \_\_\_\_\_  
27 Authorizes NJ Infrastructure Bank to expend certain sums to  
make loans for transportation infrastructure projects for FY2022.