

CHAPTER 10

AN ACT concerning the financing of environmental infrastructure projects in Fiscal Year 2025 and amending P.L.2024, c.35.

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

1. Section 1 of P.L.2024, c.35 is amended to read as follows:

1. a. (1) There is appropriated to the department from the "Clean Water State Revolving Fund," established pursuant to section 1 of P.L.2009, c.77, an amount equal to the federal fiscal year 2024 capitalization grant made available to the State for clean water project loans and technical assistance pursuant to the "Water Quality Act of 1987," 33 U.S.C. s.1251 et seq., and any amendatory and supplementary acts thereto (hereinafter referred to as the "Federal Clean Water Act") and such sums as are made available to the department from the "Clean Water State Revolving Fund" from funds made available pursuant to the federal "Infrastructure Investment and Jobs Act," Pub.L. 117-58, for clean water project loans and technical assistance.

(2) There is appropriated to the department from the "Interim Environmental Financing Program Fund," established by the New Jersey Infrastructure Bank pursuant to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9), such amounts as may be necessary to supplement the sums appropriated from the Clean Water State Revolving Fund for the purposes of clean water project loans and technical assistance and providing the State match as may be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Clean Water Act.

(3) There is appropriated to the department from the "Disaster Relief Emergency Financing Program Fund," established by the New Jersey Infrastructure Bank pursuant to section 1 of P.L.2013, c.93 (C.58:11B-9.5), such amounts as may be necessary to supplement the sums appropriated from the Clean Water State Revolving Fund for the purposes of clean water project loans and technical assistance and providing the State match as may be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Clean Water Act.

(4) There is appropriated to the department from the "Drinking Water State Revolving Fund," established pursuant to section 1 of P.L.1998, c.84, an amount equal to the federal fiscal year 2024 capitalization grant made available to the State for drinking water projects pursuant to the "Safe Drinking Water Act Amendments of 1996," Pub.L. 104-182, and any amendatory and supplementary acts thereto (hereinafter referred to as the "Federal Safe Drinking Water Act"), and such sums as are made available to the department from the "Drinking Water State Revolving Fund" from funds made available pursuant to the federal "Infrastructure Investment and Jobs Act," Pub.L. 117-58, for drinking water project loans and technical assistance.

The department is authorized to transfer from the Clean Water State Revolving Fund to the Drinking Water State Revolving Fund, pursuant to the "Water Infrastructure Funding Transfer Act," Pub.L.116-63, additional amounts as may be necessary to address a threat to public health and an amount equal to the maximum amount authorized to be transferred is appropriated to the department for those purposes.

The department is authorized to transfer from the Clean Water State Revolving Fund to the Drinking Water State Revolving Fund an amount up to the maximum amount authorized to be transferred pursuant to the Federal Safe Drinking Water Act to meet present and future needs for the financing of eligible drinking water projects and an amount equal to that maximum amount is appropriated to the department for those purposes.

The department is authorized to transfer from the Drinking Water State Revolving Fund to the Clean Water State Revolving Fund an amount up to the maximum amount authorized to be transferred pursuant to the Federal Clean Water Act to meet present and future needs for the financing of eligible clean water projects and an amount equal to that maximum amount is appropriated to the department for those purposes.

Notwithstanding any provision of P.L.2024, c.35, as amended by P.L.2025, c.10, to the contrary, the department is authorized to utilize funds from the Clean Water State Revolving Fund for the purposes of the Drinking Water State Revolving Fund and may charge interest on loans made with such invested funds to the extent permitted by the Federal Clean Water Act and the Federal Safe Drinking Water Act.

(5) There is appropriated to the department the unappropriated balances from the Clean Water State Revolving Fund, including the balances from the Federal Disaster Relief Appropriations Act, and any repayments of loans and interest therefrom, as may be available on or before June 30, 2025, for the purposes of clean water project loans and technical assistance and providing the State match as may be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Clean Water Act.

(6) There is appropriated to the department the unappropriated balances from the "Wastewater Treatment Fund," established pursuant to section 15 of the "Wastewater Treatment Bond Act of 1985," P.L.1985, c.329, and any repayments of loans and interest therefrom, as may be available on or before June 30, 2025, for the purposes of clean water project loans and providing the State match as may be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Clean Water Act.

(7) There is appropriated to the department the unappropriated balances from the "1992 Wastewater Treatment Fund," established pursuant to section 27 of the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, and any repayments of loans and interest therefrom, as may be available on or before June 30, 2025, for the purposes of clean water project loans and providing the State match as may be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Clean Water Act.

(8) There is appropriated to the department the unappropriated balances from the "2003 Water Resources and Wastewater Treatment Fund," established pursuant to subsection a. of section 19 of the "Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project Bond Act of 2003," P.L.2003, c.162, and any repayments of loans and interest therefrom, as may be available on or before June 30, 2025, for the purposes of clean water project loans and providing the State match as may be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Clean Water Act.

(9) There is appropriated to the department the unappropriated balances from the "Pinelands Infrastructure Trust Fund," established pursuant to section 14 of the "Pinelands Infrastructure Trust Bond Act of 1985," P.L.1985, c.302, and any repayments of loans and interest therefrom, as may be available on or before June 30, 2025, for the purposes of clean water project loans and drinking water project loans and providing the State match as may be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Clean Water Act and for drinking water projects pursuant to the Federal Safe Drinking Water Act.

(10) There is appropriated to the department the unappropriated balances from the "Stormwater Management and Combined Sewer Overflow Abatement Fund," established pursuant to the "Stormwater Management and Combined Sewer Overflow Abatement Bond

Act of 1989," P.L.1989, c.181, and any repayments of loans and interest therefrom, as may be available on or before June 30, 2025, for the purposes of clean water project loans and providing the State match as may be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Clean Water Act.

(11) There is appropriated to the department the unappropriated balances from the Drinking Water State Revolving Fund and any repayments of loans and interest therefrom, including the balances from the Federal Disaster Relief Appropriations Act as may be available on or before June 30, 2025, for the purposes of drinking water project loans.

(12) There is appropriated to the department such sums as may be needed from loan repayments and interest earnings from the "Water Supply Fund," established pursuant to section 14 of the "Water Supply Bond Act of 1981," P.L.1981, c.261, for the "Drinking Water State Revolving Fund Match Accounts" contained within that fund, for the purpose of providing the State match as may be required for the award of the capitalization grants made available to the State for drinking water projects pursuant to the Federal Safe Drinking Water Act.

(13) There is appropriated to the department from the "Interim Environmental Financing Program Fund," established by the New Jersey Infrastructure Bank pursuant to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9), such amounts as may be available on or before June 30, 2025, and any repayments of loans and interest therefrom, as may be necessary to supplement the sums appropriated from the Drinking Water State Revolving Fund for the purposes of drinking water project loans and technical assistance and providing the State match as may be required for the award of the capitalization grants made available to the State for drinking water projects pursuant to the Federal Safe Drinking Water Act.

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

(15) There is appropriated to the department such amounts as may be received by the Department of Community Affairs, as the grantee from the United States Department of Housing and Urban Development Community Development Block Grant – Disaster Recovery Program (CDBG-DR), as may be available on or before June 30, 2025, for the purposes of CDBG-DR eligible clean water and drinking water project loans and providing the State match as may be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Clean Water Act and drinking water projects pursuant to the Federal Safe Drinking Water Act.

(16) There is appropriated to the department such sums as may be available on or before June 30, 2025, as repayments of drinking water project loans and any interest therefrom from the "Water Supply Fund," established pursuant to section 14 of the "Water Supply Bond Act of 1981," P.L.1981, c.261, for the purposes of drinking water project loans and providing the State match as may be required for the award of the capitalization grants made available to the State for drinking water projects pursuant to the Federal Safe Drinking Water Act.

(17) Of the sums appropriated to the department from the "Water Supply Fund" pursuant to P.L.1999, c.174, P.L.2001, c.222, P.L.2002, c.70, and P.L.2003, c.158, the department is authorized to transfer any unexpended balances and any repayments of loans and interest therefrom as may be available on or before June 30, 2025, in such amounts as needed to the Drinking Water State Revolving Fund accounts contained within the Water Supply Fund established for the purposes of providing drinking water project loans and providing the State

match as may be required for the award of the capitalization grants made available to the State for drinking water projects pursuant to the Federal Safe Drinking Water Act.

(18) Of the sums appropriated to the department from the "1992 Wastewater Treatment Fund" pursuant to P.L.1996, c.85, P.L.1997, c.221, P.L.1998, c.84, P.L.1999, c.174, P.L.2000, c.92, P.L.2001, c.222, and P.L.2002, c.70, the department is authorized to transfer any unexpended balances and any repayments of loans and interest therefrom as may be available on or before June 30, 2025, in such amounts as needed to the Clean Water State Revolving Fund accounts contained within the 1992 Wastewater Treatment Fund for the purposes of providing clean water project loans and providing the State match as may be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Clean Water Act.

(19) Of the sums appropriated to the department from the "2003 Water Resources and Wastewater Treatment Fund" pursuant to P.L.2004, c.109 and P.L.2007, c.139, the department is authorized to transfer any unexpended balances and any repayments of loans and interest therefrom as may be available on or before June 30, 2025, in such amounts as needed to the Clean Water State Revolving Fund accounts contained within the 2003 Water Resources and Wastewater Treatment Fund for the purposes of providing clean water project loans and providing the State match as may be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Clean Water Act.

(20) There is appropriated to the department the sums deposited by the New Jersey Infrastructure Bank into the Clean Water State Revolving Fund, the "Wastewater Treatment Fund," the "1992 Wastewater Treatment Fund," the "Water Supply Fund," the "Stormwater Management and Combined Sewer Overflow Abatement Fund," established pursuant to the "Stormwater Management and Combined Sewer Overflow Abatement Bond Act of 1989," P.L.1989, c.181, the "2003 Water Resources and Wastewater Treatment Fund," and the Drinking Water State Revolving Fund, as appropriate, pursuant to paragraph (6) of subsection c. of section 1 of P.L.2024, c.41, as amended by P.L.2025, c.8, as may be available on or before June 30, 2025, for the purposes of providing clean water project loans and drinking water project loans and providing the State match as may be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Clean Water Act and for drinking water projects pursuant to the Federal Safe Drinking Water Act.

Any such amounts shall be for the purpose of making zero-interest and principal-forgiveness financing loans, to the extent sufficient funds are available, to or on behalf of local government units or public water utilities (hereinafter referred to as "project sponsors") to finance a portion of the cost of the construction of clean water projects and drinking water projects listed in sections 2 and 3 of P.L.2024, c.35, as amended by P.L.2025, c.10, and for the purpose of implementing and administering the provisions of P.L.2024, c.35, as amended by P.L.2025, c.10, to the extent permitted by the Federal Disaster Relief Appropriations Act, the Federal Clean Water Act, the Federal Safe Drinking Water Act, P.L.2009, c.77, the "Wastewater Treatment Bond Act of 1985," P.L.1985, c.329, the "Water Supply Bond Act of 1981," P.L.1981, c.261, the "Stormwater Management and Combined Sewer Overflow Abatement Bond Act of 1989," P.L.1989, c.181, the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992," P.L.1992, c.88, the "Dam, Lake, Stream, Flood Control, Water Resources, and the Wastewater Treatment Project Bond Act of 2003," P.L.2003, c.162, and any amendatory and supplementary acts thereto.

(21) Of the \$60 million appropriated to the department for the capital construction of drinking water infrastructure by the State fiscal year 2024 appropriations act, P.L.2023, c.74, plus any appropriated funds designated in State fiscal years 2021, 2022, and 2023, up to \$25 million may be transferred to the New Jersey Infrastructure Bank to invest, provide debt

service reserve or guarantee, or pay interest on behalf of a sponsor of a drinking water environmental infrastructure project.

(22) Of the funds appropriated or reappropriated to the department for the capital construction of drinking water and clean water infrastructure by the State fiscal year 2025 appropriations act, P.L.2024, c.22, the department is authorized to transfer up to \$5 million to the trust for technical assistance to disadvantaged communities.

(23) Of the funds appropriated or reappropriated to the department for the capital construction of drinking water and clean water infrastructure by the State fiscal year 2025 appropriations act, P.L.2024, c.22, plus any appropriated funds designated in State fiscal years 2021, 2022, and 2023, the department is authorized to utilize up to \$60 million for principal forgiveness of up to \$2 million per applicant to disadvantaged communities participating in the department's technical assistance program for construction costs associated with clean water or drinking water environmental infrastructure projects.

(24) There is appropriated to the department for the purposes of eligible clean water project grants such amounts as may be received by the department under the Sewer Overflow and Stormwater Reuse Grants Program, as the grantee from the United States Environmental Protection Agency and as may be available on or before June 30, 2025.

(25) Of the funds appropriated or reappropriated to the department for the capital construction of drinking water and clean water infrastructure by the State fiscal year 2025 appropriations act, P.L.2024, c.22, plus any appropriated funds designated in State fiscal years 2021, 2022, and 2023, the department is authorized to utilize up to \$60 million to provide grants of up to \$2 million per applicant to disadvantaged communities participating in the Water Bank's technical assistance program for planning and design costs associated with clean water or drinking water environmental infrastructure projects.

b. The department is authorized to make zero-interest and principal-forgiveness financing loans to or on behalf of the project sponsors for the environmental infrastructure projects listed in subsection a. of section 2 and subsection a. of section 3 of P.L.2024, c.35, as amended by P.L.2025, c.10, for clean water projects, up to the individual amounts indicated and in the priority stated, to the extent there are sufficient eligible project applications, except that any such amounts may be reduced if a project fails to meet the requirements of sections 4 or 5 of P.L.2024, c.35, as amended by P.L.2025, c.10, or by the Commissioner of Environmental Protection pursuant to section 7 of P.L.2024, c.35, as amended by P.L.2025, c.10.

(1) A maximum of \$20 million in principal forgiveness, plus any appropriated but unallocated funds designated in State fiscal year 2024 for combined sewer overflow projects, shall be issued as provided in subsection a. of section 3 of P.L.2024, c.35, as amended by P.L.2025, c.10, to communities in combined sewer overflow sewersheds for construction projects that reduce or eliminate discharges from combined sewer overflow outfalls. The amount of principal forgiveness issued pursuant to this paragraph shall not exceed \$5 million per borrower whenever practicable. For project costs greater than \$5 million, up to and including \$10 million, 50 percent of the principal of the loan shall be forgiven and the remaining 50 percent of the loan shall have a blended interest rate of 50 percent of the trust's market rate. For project costs greater than \$10 million, the loan shall have a blended interest rate of 25 percent of the trust's market rate. For combined sewer overflow projects that receive no principal forgiveness because principal-forgiveness funds allocated to such projects are no longer available, the loan shall have a blended interest rate of 25 percent of the trust's market rate.

(2) A maximum of \$30 million in principal forgiveness, plus any appropriated but unallocated funds designated in State fiscal year 2024 for combined sewer overflow projects shall be issued as provided in subsection a. of section 3 of P.L.2024, c.35, as amended by P.L.2025, c.10, to communities in combined sewer overflow sewersheds for construction

projects that reduce or eliminate discharges from combined sewer overflow outfalls that meet "Clean Water State Revolving Fund" affordability criteria. The amount of principal forgiveness issued pursuant to this paragraph shall be based on the applicable tier of the department's affordability score. For a borrower satisfying Tier 1 of the department's affordability score and project costs up to and including \$8 million, 100 percent of the principal of the loan shall be forgiven. For a borrower satisfying Tier 2 of the department's affordability score and project costs up to and including \$7 million, 100 percent of the principal of the loan shall be forgiven. For project costs greater than \$8 million in the case of a Tier 1 borrower, and greater than \$7 million in the case of a Tier 2 borrower, the loan shall have a blended interest rate of 25 percent of the trust's market rate. For combined sewer overflow projects that reduce or eliminate discharges from combined sewer overflow outfalls that meet "Clean Water State Revolving Fund" affordability criteria that receive no principal forgiveness because principal-forgiveness funds allocated to such projects are no longer available, the loan shall have a blended interest rate of 25 percent of the trust's market rate.

(3) A maximum of \$10 million in principal forgiveness, plus any appropriated but unallocated funds designated in State fiscal year 2024 for water quality restoration projects, shall be issued as provided in subsection a. of section 3 of P.L.2024, c.35, as amended by P.L.2025, c.10, for water quality restoration projects. The amount of a principal-forgiveness loan issued pursuant to this paragraph shall not exceed \$2.5 million per borrower whenever practicable. For project costs up to and including \$5 million, 50 percent of the principal of the loan shall be forgiven and the remaining 50 percent of the loan shall have a blended interest rate of 50 percent of the trust's market rate. For project costs greater than \$5 million, the loan shall have a blended interest rate of 25 percent of the trust's market rate. For water quality restoration projects that receive no principal forgiveness because principal-forgiveness funds allocated to such projects are no longer available, the loan shall have a blended interest rate of 25 percent of the trust's market rate.

(4) A maximum of \$40 million in principal forgiveness, plus any appropriated but unallocated funds designated in State fiscal year 2024, for clean water projects sponsored by applicants that meet the "Clean Water State Revolving Fund" affordability criteria as set forth by the department shall be issued as provided in subsection a. of section 3 of P.L.2024, c.35, as amended by P.L.2025, c.10. The amount of a principal-forgiveness loan issued pursuant to this paragraph shall be based on the applicable tier of the department's affordability score. For a borrower satisfying Tier 1 of the department's affordability score and project costs up to and including \$3 million, 100 percent of the principal of the loan shall be forgiven. For a borrower satisfying Tier 2 of the department's affordability score and project costs up to and including \$2 million, 100 percent of the principal of the loan shall be forgiven. For project costs greater than \$3 million in the case of a Tier 1 borrower or greater than \$2 million in the case of a Tier 2 borrower, the loan shall have a blended interest rate of 25 percent of the trust's market rate. For clean water projects sponsored by applicants that meet the "Clean Water State Revolving Fund" affordability criteria that receive no principal forgiveness because principal-forgiveness funds allocated to such projects are no longer available, the loan shall have a blended interest rate of 25 percent of the trust's market rate.

(5) A maximum of \$18 million in principal forgiveness, plus any appropriated but unallocated funds designated in State fiscal year 2024, for water and energy efficiency projects shall be issued as provided in subsection a. of section 3 of P.L.2024, c.35, as amended by P.L.2025, c.10, to projects that address water and energy efficiency goals that meet the eligibility requirements for water and energy efficiency as defined in the United States Environmental Protection Agency's "Green Project Reserve Guidance." The amount of a principal-forgiveness loan issued pursuant to this paragraph shall not exceed \$2 million per

borrower whenever practicable. For project costs up to and including \$4 million, 50 percent of the principal of the loan shall be forgiven and the remaining 50 percent of the loan shall have a blended interest rate of 50 percent of the trust's market rate. For project costs greater than \$4 million, the loan shall have a blended interest rate of 25 percent of the trust's market rate. For water and energy efficiency projects that receive no principal forgiveness because principal-forgiveness funds allocated to such projects are no longer available, the loan shall have a blended interest rate of 25 percent of the trust's market rate.

(6) A maximum of \$18 million in principal forgiveness for emerging contaminant projects shall be issued as provided in subsection a. of section 3 of P.L.2024, c.35, as amended by P.L.2025, c.10, to projects that primarily address substances and microorganisms, which are known or anticipated in the environment and which may pose newly identified or re-emerging risks to human health, aquatic life, or the environment. For project costs up to and including \$10 million, 100 percent of the principal of the loan shall be forgiven, whenever practicable. For project costs greater than \$10 million, the loan shall have a blended interest rate of 25 percent of the trust's market rate. For emerging contaminant projects that receive no principal forgiveness because principal-forgiveness funds allocated to such projects are no longer available, the loan shall have a blended interest rate of 25 percent of the trust's market rate.

(7) A maximum of \$2 million in principal forgiveness, plus any appropriated but unallocated funds designated in State fiscal year 2024, for combined sewer overflow or stormwater management projects shall be issued to finance up to 20 percent of project costs for projects that qualify for a Sewer Overflow and Stormwater Reuse grant. 100 percent of the principal of the loan shall be forgiven and the remaining project costs shall be financed through a Sewer Overflow and Stormwater Reuse grant from the department.

(8) A maximum of \$30 million in principal forgiveness, plus, of the sums appropriated to the department by the federal "American Rescue Plan Act," Pub.L. 117-2, a maximum of \$50 million in principal forgiveness, plus any appropriated but unallocated funds designated in State fiscal year 2024, shall be issued as provided in subsection a. of section 3 of P.L.2024, c.35, as amended by P.L.2025, c.10, to communities in combined sewer overflow sewersheds for construction projects that reduce or eliminate discharges from combined sewer overflow outfalls that are listed on combined sewer outfall long term control plans. Eighty percent of the principal of the loan shall be forgiven and the remaining 20 percent of the loan shall have a blended interest rate of 50 percent of the trust's market rate.

(9) A maximum of \$9 million in principal forgiveness, plus, of the sums appropriated to the department by the federal "American Rescue Plan Act," Pub.L. 117-2, a maximum of \$11 million in principal forgiveness, shall be issued as provided in subsection a. of section 3 of P.L.2024, c.35, as amended by P.L.2025, c.10, to improve stormwater resilience. Eighty percent of the principal of the loan shall be forgiven and the remaining 20 percent of the loan shall have a blended interest rate of 50 percent of the trust's market rate. For stormwater resilience projects that receive no principal forgiveness because principal-forgiveness funds allocated to such projects are no longer available, the loan shall have a blended interest rate of 25 percent of the trust's market rate.

(10) The projects listed in subsection a. of section 2 of P.L.2024, c.35, as amended by P.L.2025, c.10, and subsection a. of section 3 of P.L.2024, c.35, as amended by P.L.2025, c.10, that were previously identified in P.L.2023, c.120, as amended by P.L.2023, c.344, are granted continued priority status and shall be subject to the provisions of P.L.2023, c.120, as amended by P.L.2023, c.344, provided such projects receive short-term funding prior to June 30, 2024.

c. The department is authorized to make zero-interest and principal-forgiveness financing loans to or on behalf of the project sponsors for the environmental infrastructure projects listed

in subsection b. of section 3 of P.L.2024, c.35, as amended by P.L.2025, c.10, for drinking water projects, up to the individual amounts indicated and in the priority stated, provided:

(1) up to \$7 million of Drinking Water State Revolving Fund loans, plus any appropriated but unallocated funds designated in State fiscal year 2024 for drinking water systems serving populations of up to 10,000 residents, shall be available for drinking water systems serving populations of up to 10,000 residents wherein principal forgiveness shall not exceed \$1 million in the aggregate and shall not exceed 50 percent of the total loan amount per project sponsor in an amount not to exceed \$2 million per project sponsor. Project costs greater than \$2 million shall have a loan funded at a blended interest rate of 25 percent of the trust's market rate;

(2) up to \$6 million in principal forgiveness shall be available to finance drinking water systems that serve fewer than 1,000 persons. A loan issued pursuant to this paragraph shall have 100 percent principal forgiveness;

(3) a maximum of \$34 million of principal forgiveness shall be available for drinking water projects that primarily address emerging contaminants, for which principal forgiveness may be authorized for up to 100 percent of the total fund loan amount of up to \$2 million per applicant. For project costs greater than \$2 million, the loan shall have a blended interest rate of 25 percent of the trust's market rate. For emerging contaminant projects that receive no principal forgiveness because principal-forgiveness funds allocated to such projects are no longer available, the loan shall have a blended interest rate of 25 percent of the trust's market rate;

(4) up to \$40 million of the sums appropriated to the department from the federal "Infrastructure Investment and Jobs Act," Pub. L. 117-58, may be issued for principal forgiveness for drinking water projects other than those to address emerging contaminants or lead that meet the affordability criteria of the department. A maximum of \$20 million of principal forgiveness pursuant to this paragraph shall be available for up to 100 percent of the total fund loan amount up to and including \$10 million for a borrower satisfying the department's affordability criteria whose project is identified as among the department's highest ranked drinking water projects. A maximum of \$20 million of principal forgiveness shall be available for up to 100 percent of the total fund loan amount up to and including \$4 million for borrowers satisfying the department's Tier 1 affordability score and up to and including \$2 million for borrowers satisfying the department's Tier 2 affordability score. For projects that would otherwise qualify under this subsection for principal forgiveness that receive no principal forgiveness because principal-forgiveness funds allocated to such projects are no longer available, the loan shall have a blended interest rate of 25 percent of the trust's market rate;

(5) up to \$51 million plus any appropriated but unallocated funds designated in State fiscal year 2024, and up to \$60.3 million of the sums appropriated to the department by the federal "Infrastructure Investment and Jobs Act," Pub.L. 117-58, may be issued for principal-forgiveness loans for drinking water systems that meet the department's affordability criteria pursuant to the State's lead service line replacement program to finance lead service line replacements. The amount of a principal-forgiveness loan issued pursuant to this paragraph shall be based on the applicable tier of the department's affordability score. For a borrower satisfying Tier 1 of the department's affordability score, the amount of principal forgiveness shall not exceed 80 percent of the total loan amount of up to \$16 million per water system. For project costs up to and including \$20 million, 80 percent of the principal of the loan shall be forgiven and the remaining 20 percent of the loan shall have a blended interest rate of 50 percent of the trust's market rate. For project costs greater than \$20 million, the loan shall have a blended interest rate of 25 percent of the trust's market rate. For a borrower satisfying Tier 2 of the department's affordability score, the amount of principal forgiveness shall not exceed 50 percent of the total loan amount of up to \$10 million per water system. For project costs up to and including \$20 million, 50 percent of the principal of the loan shall be forgiven and the

remaining 50 percent of the loan shall have a blended interest rate of 50 percent of the trust's market rate. For project costs greater than \$20 million, the loan shall have a blended interest rate of 25 percent of the trust's market rate. For lead service line replacement projects that receive no principal forgiveness because principal-forgiveness funds allocated to such projects are no longer available, the loan shall have a blended interest rate of 20 percent of the trust's market rate; and

(6) A maximum of \$20 million of the sums appropriated to the department from the federal "American Rescue Plan Act," Pub.L. 117-2, plus any appropriated but unallocated funds designated in State fiscal year 2024, may be issued to drinking water systems for principal-forgiveness loans for projects that address climate change concerns and ensure long-term drinking water resilience in New Jersey, or for projects for the installation of treatment systems to address multiple maximum contaminant level violations at one drinking water system that meets the affordability criteria of the department. For project costs up to and including \$25 million, 80 percent of the principal of the loan shall be forgiven and the remaining 20 percent of the loan shall have a blended interest rate of 50 percent of the trust's market rate. For project costs over \$25 million, the loan shall have a blended interest rate of 25 percent of the trust's market rate.

Loans may be made pursuant to this subsection to the extent there are sufficient eligible project applications and as may be required for the award of the capitalization grants made available to the State for drinking water projects pursuant to the Federal Safe Drinking Water Act. Any such amounts may be reduced by the Commissioner of Environmental Protection pursuant to section 7 of P.L.2024, c.35, as amended by P.L.2025, c.10, or if a project fails to meet the requirements of section 4 or 5 of P.L.2024, c.35, as amended by P.L.2025, c.10.

The department is authorized to increase the maximum amounts available for principal forgiveness pursuant to this subsection or subsection b. of this section, to the extent additional funds are available.

d. The department is authorized to make zero-interest and principal-forgiveness financing loans to or on behalf of the project sponsors for the environmental infrastructure projects listed in sections 2 and 3 of P.L.2024, c.35, as amended by P.L.2025, c.10, under the same terms, conditions and requirements set forth in this section from any unexpended balances of the amounts appropriated pursuant to section 1 of P.L.1987, c.200, section 2 of P.L.1988, c.133, section 1 of P.L.1989, c.189, section 1 of P.L.1990, c.99, section 1 of P.L.1991, c.325, section 1 of P.L.1992, c.38, section 1 of P.L.1993, c.193, section 1 of P.L.1994, c.106, section 1 of P.L.1995, c.219, section 1 of P.L.1996, c.85, section 1 of P.L.1997, c.221, section 2 of P.L.1998, c.84, section 2 of P.L.1999, c.174, section 2 of P.L.2000, c.92, sections 1 and 2 of P.L.2001, c.222, sections 1 and 2 of P.L.2002, c.70, sections 1 and 2 of P.L.2003, c.158, sections 1 and 2 of P.L.2004, c.109, sections 1 and 2 of P.L.2005, c.196, sections 1 and 2 of P.L.2006, c.68, sections 1 and 2 of P.L.2007, c.139, sections 1 and 2 of P.L.2008, c.68, sections 1 and 2 of P.L.2009, c.102, sections 1 and 2 of P.L.2010, c.63, sections 1 and 2 of P.L.2011, c.93, sections 1 and 2 of P.L.2012, c.43, sections 1 and 2 of P.L.2013, c.95, sections 1 and 2 of P.L.2014, c.25, sections 1 and 2 of P.L.2015, c.108, sections 1 and 2 of P.L.2016, c.32, as amended by P.L.2017, c.14, sections 1 and 2 of P.L.2017, c.143, as amended by P.L.2017, c.326, sections 1 and 2 of P.L.2018, c.85, as amended by P.L.2018, c.137 and P.L.2019, c.12, sections 1 and 2 of P.L.2019, c.193, as amended by P.L.2019, c.514, P.L.2020, c.49, as amended by P.L.2021, c.21, P.L.2021, c.203, as amended by P.L.2021, c.328, P.L.2022, c.99, as amended by P.L.2023, c.6, P.L.2023, c.120, as amended by P.L.2023, c.344, and P.L.2024, c.35, as amended by P.L.2025, c.10, including amounts resulting from the low bid and final building cost reductions authorized pursuant to section 6 of P.L.1987, c.200, section 7 of P.L.1988, c.133, section 6 of P.L.1989, c.189, section 6 of P.L.1990, c.99, section 6 of

P.L.1991, c.325, section 6 of P.L.1992, c.38, section 6 of P.L.1993, c.193, section 6 of P.L.1994, c.106, section 6 of P.L.1995, c.219, section 6 of P.L. 1996, c.85, section 6 of P.L.1997, c.221, section 7 of P.L.1998, c.84, section 6 of P.L.1999, c.174, section 6 of P.L.2000, c.92, section 6 of P.L.2001, c.222, section 6 of P.L.2002, c.70, section 6 of P.L.2003, c.158, section 6 of P.L.2004, c.109, section 6 of P.L.2005, c.196, section 6 of P.L.2006, c.68, section 6 of P.L.2007, c.139, section 6 of P.L.2008, c.68, section 7 of P.L.2009, c.102, section 6 of P.L.2010, c.63, section 6 of P.L.2011, c.93, section 6 of P.L.2012, c.43, section 6 of P.L.2013, c.95, section 7 of P.L.2014, c.25, section 7 of P.L.2015, c.108, section 7 of P.L.2016, c.32, as amended by P.L.2017, c.14, section 7 of P.L.2017, c.143 as amended by P.L.2017, c.326, section 7 of P.L.2018, c.85, as amended by P.L.2018, c.137 and P.L.2019, c.12, section 7 of P.L.2019, c.193, as amended by P.L.2019, c.514, section 7 of P.L.2020, c.49, as amended by P.L.2021, c.21, P.L.2021, c.203, as amended by P.L.2021, c.328, P.L.2022, c.99, as amended by P.L.2023, c.6, P.L.2023, c.120, as amended by P.L.2023, c.344, and P.L.2024, c.35, as amended by P.L.2025, c.10, and from any repayments of loans and interest from the Clean Water State Revolving Fund, the "Wastewater Treatment Fund," the "Water Supply Fund," the "1992 Wastewater Treatment Fund," the "2003 Water Resources and Wastewater Treatment Fund," and amounts deposited therein during State fiscal year 2024 and State fiscal year 2025 pursuant to the provisions of section 16 of P.L.1985, c.329, and section 2 of P.L.2009, c.77 and any amendatory and supplementary acts thereto, including any Clean Water State Revolving Fund Accounts contained within the "Wastewater Treatment Fund," and from any repayment of loans and interest from the Drinking Water State Revolving Fund.

e. The department is authorized to make zero-interest and principal-forgiveness Sandy financing loans to or on behalf of the project sponsors for the Sandy environmental infrastructure projects listed in subsection a. of section 3 of P.L.2024, c.35, as amended by P.L.2025, c.10, for clean water projects, in a manner consistent with the Federal Disaster Relief Appropriations Act, up to the individual amounts indicated, except that any such amount may be reduced by the Commissioner of Environmental Protection pursuant to section 7 of P.L.2024, c.35, as amended by P.L.2025, c.10, or if a project fails to meet the requirements of section 4, 5, or 7 of P.L.2024, c.35, as amended by P.L.2025, c.10, provided a maximum of \$300 million shall be provided for Sandy financing loans for clean water projects to provide financial assistance to communities affected by the Storm Sandy and for projects whose purpose is to reduce flood damage risk and vulnerability or to enhance resiliency to rapid hydrologic change or a natural disaster.

f. The department is authorized to increase the aggregate sums specified in subsections b. and c. of this section by the amount of interest accrued pursuant to a short-term or temporary loan made to a project sponsor pursuant to the Interim Environmental Financing Program.

g. For the purposes of P.L.2024, c.35, as amended by P.L.2025, c.10:

"Department" means the Department of Environmental Protection.

"Federal Disaster Relief Appropriations Act" means the "Disaster Relief Appropriations Act, 2013," Pub.L.113-2, and any amendatory and supplementary acts thereto.

"Sandy financing" means grants, zero-interest loans or principal-forgiveness loans provided by the Department of Environmental Protection from funds made available to the State for clean water or drinking water projects, or clean water or drinking water project match, pursuant to the Federal Disaster Relief Appropriations Act.

"Technical assistance" means all services and assistance provided for the benefit of eligible project sponsors, including, but not limited to, public engagement services, technical assistance and expertise, and community education, for the purposes of identifying and pursuing a clean water or drinking water project, as described in the financial plan developed

pursuant to section 21 of P.L.1985, c.334 (C.58:11B-21) or section 25 of P.L.1997, c.224 (C.58:11B-21.1).

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

2. Section 2 of P.L.2024, c.35 is amended to read as follows:

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

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Loan Amount
Rutgers University	S340500-01R	\$3,150,000	\$4,200,000
Somerville Borough	S342013-01-1	\$1,387,500	\$1,850,000
Total Projects: 2		\$4,537,500	\$6,050,000

(2) The loans authorized in this subsection shall be made for the difference between the allowable loan amounts required by these projects based upon final building costs pursuant to section 7 of P.L.2024, c.35, as amended by P.L.2025, c.10, and the loan amounts certified by the Commissioner of Environmental Protection in State fiscal years 2019 and 2023 and for increased allowable costs as defined and determined in accordance with the rules and regulations adopted by the department pursuant to section 4 of P.L.1985, c.329. The loans authorized in this subsection shall be made to or on behalf of the project sponsors listed, up to the individual amounts indicated and in the priority stated, to the extent sufficient funds are available, except as a project fails to meet the requirements of section 4, 5, or 7 of P.L.2024, c.35, as amended by P.L.2025, c.10.

(3) The zero-interest loans for the projects authorized in this subsection shall have priority over projects listed in subsection a. of section 3 of P.L.2024, c.35, as amended by P.L.2025, c.10.

b. (1) The department is authorized to expend funds for the purpose of making supplemental loans to or on behalf of the project sponsors listed below for the following drinking water environmental infrastructure projects:

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Loan Amount
East Orange City	0705001-014R	\$1,500,000	\$2,000,000
National Park Borough	0812001-004R	\$750,000	\$1,000,000
Total Projects: 2		\$2,250,000	\$3,000,000

(2) The loans authorized in this subsection shall be made for the difference between the allowable loan amount required by these projects based upon final building costs pursuant to section 7 of P.L.2024, c.35, as amended by P.L.2025, c.10, and the loan amounts certified by the Commissioner of Environmental Protection in State fiscal years 2020 and 2022 and for increased allowable costs as defined and determined in accordance with the rules and regulations adopted by the department pursuant to section 5 of P.L.1981, c.261. The loans authorized in this subsection shall be made to or on behalf of the project sponsors listed, up to the individual amounts indicated and in the priority stated, to the extent sufficient funds are available, except as a project fails to meet the requirements of section 4, 5, or 7 of P.L.2024, c.35, as amended by P.L.2025, c.10.

(3) The zero-interest loans for the projects authorized in this subsection shall have priority over projects listed in subsection b. of section 3 of P.L.2024, c.35, as amended by P.L.2025, c.10.

c. The department is authorized to adjust the allowable department loan amount for projects authorized in this section to between zero percent and 100 percent of the total

allowable loan amount, and, if the department loan amount is adjusted to 100 percent of the total allowable loan amount, the loan shall be provided pursuant to the terms and conditions of the financing program year in which the construction loan component of the project was certified by the department, and for which the trust issued an interim financing program loan for the project, or, in the absence of an interim financing program loan, the terms and conditions of the State fiscal year 2025 financing program.

3. Section 3 of P.L.2024, c.35 is amended to read as follows:

3. a. (1) The following environmental infrastructure projects shall be known and may be cited as the "Storm Sandy and State Fiscal Year 2025 Clean Water Project Eligibility List":

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Loan Amount
Oakland Borough	S340418-06	\$5,790,000	\$7,720,000
Camden County MUA	S340640-19	\$8,625,000	\$11,500,000
Camden County MUA	S340640-25	\$10,725,000	\$14,300,000
Rahway Valley SA	S340547-17	\$4,500,000	\$6,000,000
Mendham Borough	S340159-04	\$4,125,000	\$5,500,000
Newark City	S340815-25	\$750,000	\$1,000,000
Camden County MUA	S340640-32	\$18,000,000	\$24,000,000
Camden County MUA	S340640-29	\$9,525,000	\$12,700,000
Montgomery Township	S340130-03	\$21,750,000	\$29,000,000
Newark City	S340815-26	\$3,300,000	\$4,400,000
Camden City	S340366-07	\$7,500,000	\$10,000,000
Camden City	S340366-14	\$7,027,500	\$9,370,000
Jersey City MUA	S340928-37	\$37,651,858	\$50,202,482
Middlesex County UA	S340699-17	\$19,500,000	\$26,000,000
North Bergen MUA	S340652-16	\$46,500,000	\$62,000,000
Musconetcong SA	S340384-10	\$1,875,000	\$2,500,000
Hoboken City	S340635-08	\$28,500,000	\$38,000,000
Paterson City	S340850-05	\$1,451,250	\$1,935,000
Paterson City	S340850-07	\$3,000,000	\$4,000,000
Jersey City MUA	S340928-47	\$18,750,000	\$25,000,000
Jersey City MUA	S340928-49	\$24,825,000	\$33,100,000
Jersey City MUA	S340928-23	\$9,750,000	\$13,000,000
Elizabeth City	S340942-20	\$17,250,000	\$23,000,000
Elizabeth City	S345070-01	\$3,000,001	\$4,000,001
Camden County MUA	S340640-33	\$21,750,000	\$29,000,000
Kearny Town	S340259-11	\$12,750,000	\$17,000,000
Ridgefield Park Village	S340688-06	\$9,150,000	\$12,200,000
Ridgefield Park Village	S340688-07	\$2,025,000	\$2,700,000
Perth Amboy City	S340435-17	\$3,313,800	\$4,418,400
Long Branch SA	S340336-08	\$1,305,525	\$1,740,700
Bayshore RSA	S340697-07	\$23,625,000	\$31,500,000
Ocean County UA	S340372-64	\$37,500,000	\$50,000,000
Cliffside Park Borough	S340847-04	\$3,975,000	\$5,300,000
North Hudson SA	S340952-42	\$40,125,000	\$53,500,000
North Hudson SA	S340952-40	\$17,625,000	\$23,500,000
North Hudson SA	S340952-43	\$15,000,000	\$20,000,000
North Hudson SA	S340952-37	\$9,750,000	\$13,000,000
North Hudson SA	S340952-39	\$13,500,000	\$18,000,000
Perth Amboy City	S340435-19	\$300,000	\$400,000
Perth Amboy City	S340435-24	\$975,000	\$1,300,000
Hackensack City	S340923-13	\$12,750,000	\$17,000,000
Hackensack City	S340923-16	\$10,500,000	\$14,000,000
Hackensack City	S340923-17	\$5,625,000	\$7,500,000
Hackensack City	S340923-18	\$7,500,000	\$10,000,000
Hackensack City	S340923-21	\$15,000,000	\$20,000,000
Bayonne City	S340399-33	\$4,350,000	\$5,800,000
Passaic Valley SC	S340689-37	\$91,125,000	\$121,500,000
Passaic Valley SC	S340689-44	\$18,000,000	\$24,000,000
Passaic Valley SC	S340689-53	\$13,650,000	\$18,200,000
Passaic Valley SC	S345200-01	\$7,500,000	\$10,000,000
Passaic Valley SC	S340689-51	\$105,750,000	\$141,000,000
Pennsville SA	S340870-05	\$7,500,000	\$10,000,000
Beach Haven Borough	S344220-01	\$2,700,000	\$3,600,000

P.L. 2025, CHAPTER 10
13

Logan Township MUA	S340123-02	\$9,000,000	\$12,000,000
Bergen County UA	S340386-23	\$45,000,000	\$60,000,000
Linden Roselle SA	S340299-08	\$20,250,000	\$27,000,000
Raritan Township MUA	S340485-13	\$1,500,000	\$2,000,000
Passaic Valley SC	S340689-63	\$66,750,000	\$89,000,000
Wanaque Valley RSA	S340780-05	\$8,625,000	\$11,500,000
Gloucester County UA	S340902-15	\$10,875,000	\$14,500,000
Stony Brook RSA	S340400-11	\$16,500,000	\$22,000,000
Long Branch SA	S340336-09	\$4,200,000	\$5,600,000
Bergen County UA	S340386-26	\$4,500,000	\$6,000,000
JMEUC - East Orange City	S340686-09a	\$465,378	\$620,504
JMEUC - Elizabeth City	S340686-09b	\$4,879,407	\$6,505,876
JMEUC - Hillside Township	S340686-09c	\$681,323	\$908,430
JMEUC - Irvington Township	S340686-09d	\$1,689,260	\$2,252,347
JMEUC - Newark City	S340686-09e	\$1,022,282	\$1,363,042
JMEUC - South Orange Village	S340686-09f	\$488,105	\$650,806
JMEUC - Summit City	S340686-09g	\$889,742	\$1,186,322
JMEUC - Union Township	S340686-09h	\$1,837,001	\$2,449,335
JMEUC - West Orange Township	S340686-09i	\$1,189,072	\$1,585,429
Ocean County	S344080-10	\$187,500	\$250,000
Ocean County	S344080-11	\$262,500	\$350,000
Rockaway Valley RSA	S340821-08	\$11,625,000	\$15,500,000
Rockaway Valley RSA	S340821-11	\$10,125,000	\$13,500,000
Camden County MUA	S340640-36	\$11,625,000	\$15,500,000
Hamilton Township	S340898-06	\$3,037,500	\$4,050,000
Stafford Township	S340946-09	\$3,510,000	\$4,680,000
Metuchen Borough	S340360-02	\$6,750,000	\$9,000,000
Somerville Borough	S340551-01	\$2,775,000	\$3,700,000
Netcong Borough	S340538-01	\$75,000	\$100,000
Manasquan River Regional SA	S340911-03	\$495,000	\$660,000
Stafford Township	S340946-10	\$6,375,000	\$8,500,000
Vernon Township	S340745-03	\$2,271,750	\$3,029,000
Hightstown Borough	S340915-08	\$1,875,000	\$2,500,000
Delanco SA	S340956-03	\$1,725,000	\$2,300,000
Pleasantville City	S340752-04	\$3,246,413	\$4,328,550
Monmouth County Bayshore Outfall Authority	S340325-04	\$1,500,000	\$2,000,000
Monmouth County Bayshore Outfall Authority	S340325-04a	\$1,500,000	\$2,000,000
Camden County MUA	S340640-30	\$5,625,000	\$7,500,000
Rockaway Valley RSA	S340821-10	\$6,375,000	\$8,500,000
Toms River MUA	S340145-07	\$6,750,000	\$9,000,000
Brick Township MUA	S340448-12	\$6,750,000	\$9,000,000
Brick Township MUA	S340448-13	\$3,450,000	\$4,600,000
Northwest Bergen County UA	S340700-19	\$6,099,338	\$8,132,450
Franklin Township SA	S340839-09	\$5,700,000	\$7,600,000
Franklin Township SA	S340839-10	\$7,125,000	\$9,500,000
Egg Harbor Township MUA	S340753-06	\$937,500	\$1,250,000
Hackensack City	S340923-22	\$1,200,000	\$1,600,000
Mount Laurel Township MUA	S340943-07	\$6,000,000	\$8,000,000
North Brunswick Township	S340888-03	\$2,475,000	\$3,300,000
North Brunswick Township	S340888-04	\$2,625,000	\$3,500,000
Deptford Township MUA	S340066-03	\$750,000	\$1,000,000
Deptford Township MUA	S340066-04	\$750,000	\$1,000,000
Hillside Township	S340686-10	\$1,950,000	\$2,600,000
Hopewell Township	S340282-03	\$1,230,000	\$1,640,000
Mantua Township MUA	S340514-01	\$2,007,375	\$2,676,500

P.L. 2025, CHAPTER 10
14

Mantua Township MUA	S340514-03	\$1,022,625	\$1,363,500
Berkeley Heights Township	S340385-08	\$525,000	\$700,000
North Haledon Borough	S340229-02	\$75,000	\$100,000
North Haledon Borough	S340229-01	\$1,875,000	\$2,500,000
Carneys Point SA	S340502-08	\$1,500,000	\$2,000,000
Haddon Heights Borough	S340877-02	\$487,500	\$650,000
Emerson Borough	S340497-01	\$75,000	\$100,000
Emerson Borough	S340497-02	\$525,000	\$700,000
Highlands Borough	S340901-05	\$6,375,000	\$8,500,000
Medford Lakes Borough	S340319-03	\$8,250,000	\$11,000,000
Hamburg Borough	S340149-03	\$75,000	\$100,000
Hamburg Borough	S340149-04	\$750,000	\$1,000,000
Wenonah Borough	S340531-01	\$997,500	\$1,330,000
Clinton Township SA	S340873-04	\$1,875,000	\$2,500,000
Long Beach Township	S340023-10	\$5,677,500	\$7,570,000
Fieldsboro Borough	S340522-01	\$3,750,000	\$5,000,000
North Bergen Township	S340652-17	\$3,225,000	\$4,300,000
Willingboro MUA	S340132-10	\$13,650,000	\$18,200,000
Passaic Valley SC	S340689-46	\$51,750,000	\$69,000,000
Passaic Valley SC	S340689-54	\$16,950,000	\$22,600,000
Ocean gate Borough	S340151-02	\$1,125,000	\$1,500,000
Ocean County UA	S340372-65	\$3,150,000	\$4,200,000
Hackensack City	S340923-15	\$1,575,000	\$2,100,000
Lower Township MUA	S340810-05	\$22,500,000	\$30,000,000
Boonton Town	S340265-02	\$2,475,000	\$3,300,000
Runnemede Borough	S340363-07	\$8,250,000	\$11,000,000
Newton Town	S340449-04	\$1,875,000	\$2,500,000
Gloucester Township	S340364-19	\$1,500,000	\$2,000,000
Gloucester Township	S340364-16	\$450,000	\$600,000
Gloucester Township	S340364-17	\$967,649	\$1,290,198
Gloucester Township	S340364-18	\$1,125,000	\$1,500,000
Newton Town	S340449-10	\$1,651,125	\$2,201,500
Jersey City MUA	S340928-32	\$11,250,000	\$15,000,000
Trenton City	S340416-14	\$18,000,000	\$24,000,000
Atlantic City MUA	S340439-04	\$2,300,000	\$3,066,667
East Orange City	S340843-03	\$12,825,000	\$17,100,000
Burlington City	S340140-02	\$1,950,000	\$2,600,000
South Orange Village	S340103-02	\$2,002,500	\$2,670,000
Brick Township MUA	S340448-14	\$1,500,000	\$2,000,000
West Deptford Township	S340947-06	\$3,540,000	\$4,720,000
Glen Ridge Borough	S340861-02	\$1,275,000	\$1,700,000
Bordentown City	S340219-04	\$3,000,000	\$4,000,000
Island Heights Borough	S340176-03	\$750,000	\$1,000,000
Ship Bottom Borough	S340311-04	\$2,062,500	\$2,750,000
Total Projects: 152		\$1,391,900,279	\$1,855,867,039

(2) The department is authorized to make clean water and drinking water project loans to the following municipalities receiving funding from the "Pinelands Infrastructure Trust Fund," established pursuant to section 14 of the "Pinelands Infrastructure Trust Bond Act of 1985," P.L.1985, c.302:

Project Sponsor	Project Number	Estimated Total Loan Amount
Pemberton Twp.	Pinelands 1	\$2,929,000
Manchester Twp./ Jackson MUA	Pinelands 2	\$7,192,035
Galloway Twp.	Pinelands 4	\$3,493,440
Winslow Twp.	Pinelands 5	\$1,728,940
Total Pinelands Projects: 4		\$15,343,415

b. The following environmental infrastructure projects shall be known and may be cited as the "Storm Sandy and State Fiscal Year 2025 Drinking Water Project Eligibility List":

P.L. 2025, CHAPTER 10
15

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Loan Amount
Passaic Valley Water Commission	1605002-002	\$54,000,000	\$72,000,000
Lakewood Township MUA	1514002-001	\$11,250,000	\$15,000,000
Orange City	0717001-013	\$975,000	\$1,300,000
New Brunswick City	1214001-005	\$27,000,000	\$36,000,000
Camden City	0408001-001	\$15,000,000	\$20,000,000
Red Bank Borough	1340001-004	\$9,000,000	\$12,000,000
Hopatcong Borough	1912001-002	\$1,500,000	\$2,000,000
Bloomfield Township	0702001-004	\$3,000,000	\$4,000,000
Belleville Township	0701001-008	\$2,676,564	\$3,568,752
Ridgewood Village	0251001-001	\$30,000,000	\$40,000,000
Ridgewood Village	0251001-002	\$13,500,000	\$18,000,000
Ridgewood Village	0251001-003	\$7,200,000	\$9,600,000
Livingston Township	0710001-001	\$9,000,000	\$12,000,000
Livingston Township	0710001-002	\$3,750,000	\$5,000,000
Livingston Township	0710001-003	\$13,500,000	\$18,000,000
Waldwick Borough	0264001-003	\$5,250,000	\$7,000,000
Ho-Ho-Kus Borough	0228001-002	\$3,000,000	\$4,000,000
Essex Fells Borough	0706001-003	\$7,500,000	\$10,000,000
Lake Stockholm Systems, Inc.	1911002-001	\$1,725,000	\$2,300,000
Brick Township MUA	1506001-011	\$15,667,500	\$20,890,000
High Bridge Borough	1014001-004	\$1,875,000	\$2,500,000
Newton Town	1915001-001	\$1,500,000	\$2,000,000
Merchantville Pennsauken Water Commission	0424001-004	\$6,525,000	\$8,700,000
East Greenwich	0803001-004	\$4,500,000	\$6,000,000
Pompton Lakes MUA	1609001-007	\$4,125,000	\$5,500,000
NJ American Water Company, Incorporated	2004002-012	\$48,750,000	\$65,000,000
Old Bridge MUA	1209002-014	\$1,312,500	\$1,750,000
Seaside Heights Borough	1526001-002	\$7,500,000	\$10,000,000
Allentown Borough	1302001-006	\$945,000	\$1,260,000
Hackettstown MUA	2108001-002	\$757,500	\$1,010,000
Hawthorne Borough	1604001-003	\$2,100,000	\$2,800,000
Brick Township MUA	1506001-014	\$2,700,000	\$3,600,000
NJ American Water Company, Inc.	0323001-005	\$6,375,000	\$8,500,000
Verona Township	0720001-006	\$2,625,000	\$3,500,000
Hawthorne Borough	1604001-002	\$7,500,000	\$10,000,000
Upper Deerfield Township	0613004-002	\$3,300,000	\$4,400,000
Willingboro MUA	0338001-010	\$5,400,000	\$7,200,000
NJ American Water Company, Incorporated	0712001-016	\$39,375,000	\$52,500,000
Old Bridge MUA	1209002-005	\$3,525,000	\$4,700,000
Allentown Borough	1302001-004	\$1,746,720	\$2,328,960
Stone Harbor Borough	0510001-001	\$9,000,000	\$12,000,000
Newton Town	1915001-003	\$138,750	\$185,000
Hightstown Borough	1104001-011	\$825,000	\$1,100,000
Hoboken City	0905001-003	\$7,500,000	\$10,000,000
Burlington City	0305001-003	\$1,650,000	\$2,200,000
Berkeley Township MUA	1505323-001	\$1,575,000	\$2,100,000
North Brunswick Township	1215001-008	\$4,875,000	\$6,500,000
Deptford Township MUA	0802001-002	\$1,425,000	\$1,900,000
Deptford Township MUA	0802001-003	\$1,275,000	\$1,700,000
East Windsor MUA	1101002-005	\$1,500,000	\$2,000,000
Little Egg Harbor MUA	1516001-007	\$2,625,000	\$3,500,000
Clinton Town	1005001-012	\$2,625,000	\$3,500,000
Long Beach Township	1517001-015	\$3,119,401	\$4,159,201
Allentown Borough	1302001-002	\$411,825	\$549,100
Roosevelt Borough	1314001-003	\$1,500,000	\$2,000,000
Roosevelt Borough	1341001-008	\$750,000	\$1,000,000
Robbinsville Township	1112001-001	\$1,650,000	\$2,200,000
Willingboro MUA	0338001-014	\$2,625,000	\$3,500,000
Marlboro Township	1328002-003	\$1,285,500	\$1,714,000
Brookwood Musconetcong River Property Owners Association	1904001-005	\$1,125,000	\$1,500,000

P.L. 2025, CHAPTER 10
16

Mount Arlington Borough	1426005-001	\$1,575,000	\$2,100,000
Netcong Borough	1428001-001	\$90,000	\$120,000
Willingboro MUA	0338001-005	\$1,500,000	\$2,000,000
Hopatcong Borough	1912001-004	\$75,000	\$100,000
Harvey Cedars Borough	1509001-002	\$2,325,000	\$3,100,000
Lavallette Borough	1515001-002	\$2,850,000	\$3,800,000
High Bridge Borough	1014001-001	\$75,000	\$100,000
Total Projects: 67		\$442,901,260	\$590,535,013

c. The department is authorized to adjust the allowable department loan amount for projects authorized in this section to between zero percent and 100 percent of the total allowable loan amount, and, if the department loan amount is adjusted to 100 percent of the total allowable loan amount, the loan shall be provided pursuant to the terms and conditions of the financing program year in which the construction loan component of the project was certified by the department, and for which the trust issued an interim financing program loan, or, in the absence of an interim financing program loan, the terms and conditions of the State fiscal year 2025 financing program.

4. Section 4 of P.L.2024, c.35 is amended to read as follows:

4. Any financing loan made by the department pursuant to P.L.2024, c.35, as amended by P.L.2025, c.10, shall be subject to the following requirements:

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

b. Except as otherwise provided in this subsection, a loan for an environmental infrastructure project listed in section 2 or 3 of P.L.2024, c.35, as amended by P.L.2025, c.10, shall be subject to the terms and conditions of the financing program year in which the construction loan component of the project was certified by the department, and for which the trust issued an interim financing program loan, or, in the absence of an interim financing program loan, the terms and conditions of the State fiscal year 2025 financing program;

c. Notwithstanding the provisions of sections 2 and 3 of P.L.2024, c.35, as amended by P.L.2025, c.10, the department allowable loan amount may be 100 percent of the total allowable loan amount for:

(1) clean water project and drinking water project loans to (a) municipalities that do not satisfy the New Jersey Infrastructure Bank credit policy but are subject to State financial supervision and oversight pursuant to the "Local Government Supervision Act (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.), or (b) municipal, county, or regional sewerage authorities, or utilities authorities, that do not satisfy the New Jersey Infrastructure Bank credit policy but where the municipal participant through its service agreement with the authority or utility is under State financial supervision and oversight pursuant to the "Local Government Supervision Act (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.), and the repayment obligation of the authority or utility is secured by the full faith and credit of the participating municipality pursuant to the service agreement;

(2) clean water and drinking water loans to municipalities receiving funding under the United States Department of Housing and Urban Development Community Development Block Grant – Disaster Recovery Program (CDBG-DR); and

(3) clean water loans to municipal, county, or regional sewerage authorities that qualify for Sewer Overflow and Stormwater Reuse grants for combined sewer overflows or stormwater management projects;

d. With the exception of a loan for which the department issues 100 percent of the loan amount pursuant to subsection b. of section 2, subsection c. of section 3, and subsection c. of this section, the loan shall be conditioned upon approval of a loan from the New Jersey Infrastructure Bank pursuant to P.L.2024, c.41, as amended by P.L.2025, c.8;

e. The loan shall be repaid within a period not to exceed 30 years, or 35 years for loans funded pursuant to the federal "Water Infrastructure Finance and Innovation Act of 2014," 33 U.S.C. s.3901 et seq. as amended and supplemented, or 45 years for combined sewer overflow abatement projects, of the making of the loan; and

f. The loan shall be subject to any other terms and conditions as may be established by the commissioner and approved by the State Treasurer, which may include, notwithstanding any other provision of law to the contrary, subordination of a loan authorized in P.L.2024, c.35, as amended by P.L.2025, c.10, to loans made by the New Jersey Infrastructure Bank pursuant to P.L.2024, c.41, as amended by P.L.2025, c.8, or to administrative fees payable to the trust pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5).

g. Notwithstanding the provisions of any applicable law or regulation to the contrary, drinking water projects may be funded by the "Pinelands Infrastructure Trust Fund" established pursuant to section 14 of the "Pinelands Infrastructure Trust Bond Act of 1985," P.L.1985, c.302. Drinking water projects financed by the Pinelands Infrastructure Trust Fund shall be funded in accordance with the regulations applicable to the financing of wastewater projects by the Pinelands Infrastructure Trust Fund unless and until regulations specific to the financing of drinking water projects are promulgated.

5. Section 5 of P.L.2024, c.35 is amended to read as follows:

5. Any Sandy financing loan made by the department pursuant to P.L.2024, c.35, as amended by P.L.2025, c.10, shall be subject to the following requirements:

a. The commissioner has certified that the project is in compliance with the provisions of Title X, Chapter 7 of the Federal Disaster Relief Appropriations Act;

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

c. The loan shall be subject to any other terms and conditions as may be established by the commissioner and approved by the State Treasurer, which may include, notwithstanding any other provision of law to the contrary, subordination of a loan authorized in P.L.2024, c.35, as amended by P.L.2025, c.10, to loans made by the trust pursuant to P.L.2024, c.41, as amended by P.L.2025, c.8, or to administrative fees payable to the trust pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5).

6. Section 6 of P.L.2024, c.35 is amended to read as follows:

6. The eligibility lists and authorization for the making of loans pursuant to sections 2 and 3 of P.L.2024, c.35, as amended by P.L.2025, c.10, shall expire on July 1, 2025, and any project sponsor which has not executed and delivered a loan agreement with the department for a loan authorized in P.L.2024, c.35, as amended by P.L.2025, c.10, shall no longer be entitled to that loan.

7. Section 7 of P.L.2024, c.35 is amended to read as follows:

7. The Commissioner of Environmental Protection is authorized to reduce or increase the individual amount of loan funds made available to or on behalf of project sponsors pursuant to sections 2 and 3 of P.L.2024, c.35, as amended by P.L.2025, c.10, based upon final or low-bid building costs defined in and determined in accordance with rules and regulations adopted by the commissioner pursuant to section 4 of P.L.1985, c.329, section 2 of P.L.1999, c.362 (C.58:12A-12.2), or section 5 of P.L.1981, c.261, provided that the total loan amount does not exceed the estimated total allowable loan amount. The commissioner is authorized to reduce or increase the individual amount of loan funds made available to or on behalf of project sponsors pursuant to sections 2 and 3 of P.L.2024, c.35, as amended by P.L.2025, c.10, in an amount not to exceed 10 percent of the total allowable loan amount based upon additional project costs to comply with the department's guidance for asset management, emergency response, flood protection, and auxiliary power.

8. Section 8 of P.L.2024, c.35 is amended to read as follows:

8. The expenditure of the funds appropriated by P.L.2024, c.35, as amended by P.L.2025, c.10, is subject to the provisions and conditions of P.L.1977, c.224, P.L.1985, c.302, P.L.1985, c.329, P.L.1989, c.181, P.L.1992, c.88, P.L.1997, c.223, P.L.1997, c.225, or P.L.2003, c.162, and the rules and regulations adopted by the Commissioner of Environmental Protection pursuant thereto, and the provisions of the Federal Disaster Relief Appropriations Act, the Federal Clean Water Act, and the Federal Safe Drinking Water Act, and any amendatory and supplementary acts thereto.

9. Section 10 of P.L.2024, c.35 is amended to read as follows:

10. a. Prior to repayment to the Clean Water State Revolving Fund pursuant to sections 1 and 2 of P.L.2009, c.77 and any amendatory and supplementary acts thereto, prior to repayment to the "Wastewater Treatment Fund" pursuant to the provisions of section 16 of P.L.1985, c.329, prior to repayment to the "1992 Wastewater Treatment Fund" pursuant to the provisions of section 28 of P.L.1992, c.88, prior to repayment to the Drinking Water State Revolving Fund, prior to repayment to the "Stormwater Management and Combined Sewer Overflow Abatement Fund" pursuant to the provisions of section 15 of P.L.1989, c.181, prior to repayment to the "2003 Water Resources and Wastewater Treatment Fund" pursuant to the provisions of section 20 of P.L.2003, c.162, prior to repayment to the "Water Supply Fund" pursuant to the provisions of section 15 of P.L.1981, c.261, or prior to the repayment to the "Pinelands Infrastructure Trust Fund" pursuant to the provisions of section 5 of P.L.1985, c.302, repayments of loans made pursuant to these acts may be utilized by the New Jersey Infrastructure Bank established pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.), as amended and supplemented by P.L.1997, c.224, under terms and conditions established by the commissioner and trust, approved by the State Treasurer, and consistent with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) and federal tax, environmental or securities law, to the extent necessary to secure repayment of trust bonds issued to finance loans approved pursuant to P.L.2024, c.41, as amended by P.L.2025, c.8, and to secure the administrative fees payable to the trust pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5) by the project sponsors receiving trust loans.

b. Prior to repayment to the Clean Water State Revolving Fund pursuant to section 1 and 2 of P.L.2009, c.77 and any amendatory and supplementary acts thereto, prior to repayment to the "Wastewater Treatment Fund" pursuant to the provisions of section 16 of P.L.1985, c.329, prior to repayment to the "1992 Wastewater Treatment Fund" pursuant to the provisions of section 28 of P.L.1992, c.88, prior to repayment to the "Water Supply Fund" pursuant to the provisions of section 15 of P.L.1981, c.261, prior to repayment to the Drinking Water State Revolving Fund,

prior to repayment to the "2003 Water Resources and Wastewater Treatment Fund" pursuant to the provisions of section 20 of P.L.2003, c.162, prior to repayment to the "Stormwater Management and Combined Sewer Overflow Abatement Fund" pursuant to the provisions of section 15 of P.L.1989, c.181, or prior to repayment to the "Pinelands Infrastructure Trust Fund" pursuant to the provisions of section 5 of P.L.1985, c.302, the trust is further authorized to utilize repayments of loans made pursuant to P.L.1989, c.189, P.L.1990, c.99, P.L.1991, c.325, P.L.1992, c.38, P.L.1993, c.193, P.L.1994, c.106, P.L.1995, c.219, P.L.1996, c.85, P.L.1997, c.221, P.L.1998, c.84, P.L.1999, c.174, P.L.2000, c.92, P.L.2001, c.222, P.L.2002, c.70, P.L.2003, c.158, P.L.2004, c.109, P.L.2005, c.196, P.L.2006, c.68, P.L.2007, c.139, P.L.2008, c.68, P.L.2009, c.102, P.L.2010, c.63, P.L.2011, c.93, P.L.2012, c.43, P.L.2013, c.95, P.L.2014, c.25, P.L.2015, c.108, P.L.2016, c.32, P.L.2017, c.143, as amended by P.L.2017, c.326, P.L.2018, c.85, as amended by P.L.2018, c.137, P.L.2019, c.12, P.L.2019, c.193, as amended by P.L.2019, c.514, P.L.2020, c.49, as amended by P.L.2021, c.21, P.L.2021, c.203, as amended by P.L.2021, c.328, P.L.2022, c.99, as amended by P.L.2023, c.6, P.L.2023, c.120, as amended by P.L.2023, c.344, or P.L.2024, c.35, as amended by P.L.2025, c.10, to secure repayment of trust bonds issued to finance loans approved pursuant to P.L.1995, c.218, P.L.1996, c.87, P.L.1997, c.222, P.L.1998, c.85, P.L.1999, c.173, P.L.2000, c.93, P.L.2001, c.224, P.L.2002, c.71, P.L.2003, c.159, P.L.2004, c.110, P.L.2005, c.197, P.L.2006, c.67, P.L.2007, c.140, P.L.2008, c.67, P.L.2009, c.101, P.L.2010, c.62, P.L.2011, c.95, P.L.2012, c.38, P.L.2013, c.94, P.L.2014, c.26, P.L.2015, c.107, P.L.2016, c.31, P.L.2017, c.142, as amended by P.L.2017, c.327, P.L.2018, c.84, as amended by P.L.2019, c.30, P.L.2019, c.192, as amended by P.L.2019, c.515, P.L.2020, c.48, as amended by P.L.2021, c.22, P.L.2021, c.204, as amended by P.L.2021, c.316, P.L.2022, c.100, as amended by P.L.2023, c.5, P.L.2023, c.119, as amended by P.L.2023, c.343, or P.L.2024, c.41, as amended by P.L.2025, c.8, and to secure the administrative fees payable to the trust under these loans pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5).

c. To the extent that any loan repayment sums are used to satisfy any trust bond repayment or administrative fee payment deficiencies, the trust shall repay such sums to the department for deposit into the Clean Water State Revolving Fund, the "Wastewater Treatment Fund," the "1992 Wastewater Treatment Fund," the "Water Supply Fund," the Drinking Water State Revolving Fund, the "2003 Water Resources and Wastewater Treatment Fund," the "Stormwater Management and Combined Sewer Overflow Abatement Fund," or the "Pinelands Infrastructure Trust Fund," as appropriate, from amounts received by or on behalf of the trust from project sponsors causing any such deficiency.

10. Section 13 of P.L.2024, c.35 is amended to read as follows:

13. There is appropriated to the New Jersey Infrastructure Bank established pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.), funds from the Federal Disaster Relief Appropriations Act deposited in any account including the Clean Water State Revolving Fund, the "Water Supply Fund," or the Drinking Water State Revolving Fund, as appropriate, funds transferred by the department to the New Jersey Infrastructure Bank pursuant to paragraph (21) of subsection a. of section 1 of P.L.2024, c.35, as amended by P.L.2025, c.10, and funds from any net earnings received from the investment and reinvestment of such deposits, such sums as the chairperson of the trust certifies to the Commissioner of Environmental Protection to be necessary and appropriate for deposit into one or more reserve funds or accounts established by the trust pursuant to section 11 of P.L.1985, c.334 (C.58:11B-11).

11. This act shall take effect immediately.

Approved January 30, 2025.