

[First Reprint]

ASSEMBLY, No. 10

STATE OF NEW JERSEY

217th LEGISLATURE

INTRODUCED JUNE 20, 2016

Sponsored by:

Assemblyman VINCENT PRIETO

District 32 (Bergen and Hudson)

Assemblywoman VALERIE VAINIERI HUTTLE

District 37 (Bergen)

Assemblyman JOHN F. MCKEON

District 27 (Essex and Morris)

Assemblyman GARY S. SCHAER

District 36 (Bergen and Passaic)

Assemblywoman SHAVONDA E. SUMTER

District 35 (Bergen and Passaic)

Assemblyman RALPH R. CAPUTO

District 28 (Essex)

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Assemblyman TROY SINGLETON

District 7 (Burlington)

Assemblywoman ELIANA PINTOR MARIN

District 29 (Essex)

Assemblyman THOMAS P. GIBLIN

District 34 (Essex and Passaic)

Assemblyman DAVID P. RIBLE

District 30 (Monmouth and Ocean)

SYNOPSIS

Revises “New Jersey Transportation Trust Fund Authority Act”; establishes State Transportation Infrastructure Bank within NJ Environmental Infrastructure Trust; renames NJ Environmental Infrastructure Trust.

CURRENT VERSION OF TEXT

As reported by the Assembly Budget Committee on June 23, 2016, with amendments.

(Sponsorship Updated As Of: 6/28/2016)

1 AN ACT concerning the financing and construction of transportation
2 infrastructure in the State and amending various parts of the
3 statutory law, supplementing Title 27 and 58 of the Revised
4 Statutes, and repealing P.L.1997, c.142.

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

8
9 1. Section 3 of P.L.1984, c.73 (C.27:1B-3) is amended to read as
10 follows:

11 3. The following words or terms as used in this act shall have
12 the following meaning unless a different meaning clearly appears
13 from the context:

14 **[a.]** "Act" means this New Jersey Transportation Trust Fund
15 Authority Act of 1984 as amended and supplemented.

16 **[b.]** "Authority" means the New Jersey Transportation Trust
17 Fund Authority created by section 4 of this act.

18 **[c.]** "Bonds" means bonds issued by the authority pursuant to
19 the act and includes prior bonds and transportation program bonds.

20 "Circle of Mobility" means an essential group of related transit
21 projects that include (1) the New Jersey Urban Core Project, as
22 defined in section 3031 of the "Intermodal Surface Transportation
23 Efficiency Act of 1991," Pub.L.102-240, and consisting of the
24 following elements: Secaucus Transfer, Kearny Connection,
25 Waterfront Connection, Northeast Corridor Signal System, Hudson
26 River Waterfront Transportation System, Newark-Newark
27 International Airport-Elizabeth Transit Link, a rail connection
28 between Penn Station Newark and Broad Street Station, Newark,
29 New York Penn Station Concourse, and the equipment needed to
30 operate revenue service associated with improvements made by the
31 project, and (2) the modification and reconstruction of the West
32 Shore Line in Bergen County connected to Allied
33 Junction/Secaucus Transfer Meadowlands Rail Center; the
34 construction of a rail station and associated components at the
35 Meadowlands Sports Complex; the modification and reconstruction
36 of the Susquehanna and Western Railway, as defined and provided
37 in section 3035 (a) of the "Intermodal Surface Transportation
38 Efficiency Act of 1991"; the modification and reconstruction of the
39 Lackawanna Cutoff Commuter Rail Line connecting Morris, Sussex
40 and Warren Counties to the North Jersey Transportation Rail
41 Centers; and commuter rail service in the central New Jersey region
42 terminating at the proposed Lakewood Transportation Center in
43 Ocean County or other location, as determined by the Board of the
44 New Jersey Transit Corporation, pursuant to a resolution of the
45 board providing for the achievement of a consensus among the

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:

¹Assembly ABU committee amendments adopted June 23, 2016.

1 interested parties as to the direction of the proposed rail line;
2 provided, however, that this 2000 amendatory act shall not be
3 construed as affecting any priorities which may have been assigned
4 to any other project in the Circle of Mobility.

5 **【d.】**“Commissioner” means the Commissioner of Transportation.

6 **【e.】** “Department” means the Department of Transportation.

7 **【f.】** “Federal aid highway” means any highway within the State
8 in connection with which the State receives payment or
9 reimbursement from the federal government under the terms of
10 Title 23, United States Code or any amendment, successor, or
11 replacement thereof, for the purposes contained in the act.

12 **【g.】** “Federal government” means the United States of America,
13 and any **【officer】** office, department, board, commission, bureau,
14 division, corporation, agency, or instrumentality thereof.

15 **【h.】** “South Jersey Transportation Authority” means the public
16 corporation created by section 4 of P.L.1991, c.252 (C.27:25A-4) or
17 its successor.

18 **i.】** “New Jersey Highway Authority” means the public
19 corporation created by section 4 of P.L.1952, c.16 (C.27:12B-4) or
20 its successor.

21 **【j.】** “New Jersey Turnpike Authority” means the public
22 corporation created by section 3 of P.L.1948, c.454 (C.27:23-3) or
23 its successor.

24 **【k.】** “Notes” means the notes issued by the authority pursuant to
25 the act.

26 “Permitted maintenance” means, in relation to public
27 transportation projects and transportation projects, direct costs of
28 work necessary for preserving or maintaining the useful life of
29 public transportation projects and transportation projects,
30 respectively, provided the work performed is associated with the
31 acquisition, installation, and rehabilitation of components which are
32 not included in the normal operating maintenance of equipment and
33 facilities or replaced on a scheduled basis. The work shall ensure
34 the useful life of the public transportation project or transportation
35 project for not less than five years and shall not include routine
36 maintenance or inspection of equipment and facilities that is
37 conducted on a scheduled basis. This definition shall not apply to
38 the term “maintenance” as used in the definition of “public
39 highways.” In relation to public highways, “permitted
40 maintenance” means the direct costs of work necessary for
41 preserving or maintaining the useful life of public highways,
42 provided the work is not associated with the regular and routine
43 maintenance of public highways and their components. The work
44 shall ensure the useful life of the transportation project for not less
45 than five years.

46 “Prior bonds” means bonds issued pursuant to the authorization
47 contained in P.L.1995, c.108 and P.L.2006, c.3 and any bonds
48 issued to refund such prior bonds.

1 **[l.]** "Public highways" means public roads, streets, expressways,
2 freeways, parkways, motorways and boulevards, including bridges,
3 tunnels, overpasses, underpasses, interchanges, rest areas, express
4 bus roadways, bus pullouts and turnarounds, park-ride facilities,
5 traffic circles, grade separations, traffic control devices, the
6 elimination or improvement of crossings of railroads and highways,
7 whether at grade or not at grade, bicycle and pedestrian pathways
8 and pedestrian and bicycle bridges traversing public highways and
9 any facilities, equipment, property, rights of way, easements and
10 interests therein needed for the construction, improvement, and
11 maintenance of highways.

12 **[m.]** "Public transportation project" means, in connection with
13 public transportation service, passenger stations, shelters and
14 terminals, automobile parking facilities, ferries and ferry facilities,
15 including capital projects for ferry terminals, approach roadways,
16 pedestrian accommodations, parking, docks, and other necessary
17 land-side improvements, ramps, track connections, signal systems,
18 power systems, information and communication systems, roadbeds,
19 transit lanes or rights of way, equipment storage, pedestrian
20 walkways and bridges connecting to passenger stations and
21 servicing facilities, bridges, grade crossings, rail cars, locomotives,
22 motorbuses and other motor vehicles, maintenance and garage
23 facilities, revenue handling equipment and any other equipment,
24 facility, or property useful for or related to the provision of public
25 transportation service.

26 "South Jersey Transportation Authority" means the public
27 corporation created by section 4 of P.L.1991, c.252 (C.27:25A-4) or
28 its successor.

29 **[n.]** "State agency" means any **[officer]** office, department,
30 board, commission, bureau, division, agency, or instrumentality of
31 the State.

32 **[o.]** "Toll road authorities" means and includes the New Jersey
33 Turnpike Authority, the New Jersey Highway Authority, or its
34 successor, and the South Jersey Transportation Authority.

35 "Transportation program bonds" means bonds issued pursuant to
36 the authorization contained in P.L.2012, c.13, P.L. , c. (pending
37 before the Legislature as this bill), and any bonds issued to refund
38 such transportation program bonds.

39 **[p.]** "Transportation project" means, in addition to public
40 highways and public transportation projects, any equipment, facility
41 or property useful or related to the provision of any ground,
42 waterborne, or air transportation for the movement of people and
43 goods including rail freight infrastructure, which equipment,
44 facility, or property may be acquired by purchase or lease.

45 **[q.]** "Transportation system" means public highways, public
46 transportation projects, other transportation projects, and all other
47 surface, airborne, and waterborne methods of transportation for the
48 movement of people and goods.

1 [r. "Permitted maintenance" means, in relation to public
2 transportation projects, direct costs of work necessary for
3 preserving or maintaining the useful life of public transportation
4 projects, provided the work performed is associated with the
5 acquisition, installation and rehabilitation of components which are
6 not included in the normal operating maintenance of equipment and
7 facilities or replaced on a scheduled basis. The work shall ensure
8 the useful life of the project for not less than five years and shall not
9 include routine maintenance or inspection of equipment and
10 facilities that is conducted on a scheduled basis. This definition
11 shall not apply to the term "maintenance" as used in subsection l. of
12 this section. For purposes of this subsection, "permitted
13 maintenance" means, in relation to public highways, the direct costs
14 of work necessary for preserving or maintaining the useful life of
15 public highways, provided the work is not associated with the
16 regular and routine maintenance of public highways and their
17 components. The work shall ensure the useful life of the project for
18 not less than five years.

19 s. "Circle of Mobility" means an essential group of related transit
20 projects that include (1) the New Jersey Urban Core Project, as
21 defined in section 3031 of the "Intermodal Surface Transportation
22 Efficiency Act of 1991," Pub.L.102-240, and consisting of the
23 following elements: Secaucus Transfer, Kearny Connection,
24 Waterfront Connection, Northeast Corridor Signal System, Hudson
25 River Waterfront Transportation System, Newark-Newark
26 International Airport-Elizabeth Transit Link, a rail connection
27 between Penn Station Newark and Broad Street Station, Newark,
28 New York Penn Station Concourse, and the equipment needed to
29 operate revenue service associated with improvements made by the
30 project, and (2) the modification and reconstruction of the West
31 Shore Line in Bergen County connected to Allied
32 Junction/Secaucus Transfer Meadowlands Rail Center; the
33 construction of a rail station and associated components at the
34 Meadowlands Sports Complex; the modification and reconstruction
35 of the Susquehanna and Western Railway, as defined and provided
36 in section 3035 (a) of the "Intermodal Surface Transportation
37 Efficiency Act of 1991"; the modification and reconstruction of the
38 Lackawanna Cutoff Commuter Rail Line connecting Morris, Sussex
39 and Warren Counties to the North Jersey Transportation Rail
40 Centers; and commuter rail service in the central New Jersey region
41 terminating at the proposed Lakewood Transportation Center in
42 Ocean County or other location, as determined by the Board of the
43 New Jersey Transit Corporation, pursuant to a resolution of the
44 board providing for the achievement of a consensus among the
45 interested parties as to the direction of the proposed rail line;
46 provided, however, that this 2000 amendatory act shall not be
47 construed as affecting any priorities which may have been assigned
48 to any other project in the Circle of Mobility.

1 t. "Prior bonds" means bonds issued pursuant to the authorization
2 contained in P.L.1995, c.108 and P.L.2006, c.3 and any bonds
3 issued to refund such prior bonds.

4 u. "Transportation program bonds" means bonds issued pursuant
5 to the authorization contained in P.L.2012, c.13, and any bonds
6 issued to refund such transportation program bonds.】

7 (cf: P.L.2012, c.13, s.1)

8
9 2. Section 9 of P.L.1984, c.73 (C.27:1B-9) is amended to read as
10 follows:

11 9. a. The authority shall have the power and is hereby authorized
12 after November 15, 1984 and from time to time thereafter to issue
13 its bonds, notes or other obligations in principal amounts as in the
14 opinion of the authority shall be necessary to provide for any of its
15 corporate purposes, including the payment, funding or refunding of
16 the principal of, or interest or redemption premiums on, any bonds,
17 notes or other obligations issued by it, whether the bonds, notes,
18 obligations or interest to be funded or refunded have or have not
19 become due; and to provide for the security thereof and for the
20 establishment or increase of reserves to secure or to pay the bonds,
21 notes or other obligations or interest thereon and all other reserves
22 and all costs or expenses of the authority incident to and necessary
23 or convenient to carry out its corporate purposes and powers; and in
24 addition to its bonds, notes and other obligations, the authority shall
25 have the power to issue subordinated indebtedness, which shall be
26 subordinate in lien to the lien of any or all of its bonds or notes. No
27 resolution or other action of the authority providing for the issuance
28 of bonds, refunding bonds, notes, or other obligations shall be
29 adopted or otherwise made effective by the authority without the
30 prior approval in writing of the Governor and the State Treasurer.

31 b. Except as may be otherwise expressly provided in the act or
32 by the authority:

33 (1) Every issue of bonds or notes shall be general obligations
34 payable out of any revenues or funds of the authority, subject only
35 to any agreements with the holders of particular bonds or notes
36 pledging any particular revenues or funds. The authority may
37 provide the security and payment provisions for its bonds or notes
38 as it may determine, including (without limiting the generality of
39 the foregoing) bonds or notes as to which the principal and interest
40 are payable from and secured by all or any portion of the revenues
41 of and payments to the authority, and other moneys or funds as the
42 authority shall determine, provided that for transportation program
43 bonds or notes issued in anticipation of such transportation program
44 bonds, only revenues dedicated pursuant to the New Jersey
45 Constitution, including Article VIII, Section II, paragraph 4, and
46 deposited into the "Transportation Trust Fund Account -
47 Subaccount for Debt Service for Transportation Program Bonds,"
48 may be used for such payment;

1 (2) In addition, the authority may issue notes, in anticipation of
2 the issuance of the bonds, provided that the issuance of such notes
3 shall be subject to the bonding limitations as provided in subsection
4 i. of this section, and the payment of such notes if issued in
5 anticipation of the issuance of transportation program bonds shall
6 be paid solely from revenues dedicated pursuant to the New Jersey
7 Constitution, including Article VIII, Section II, paragraph 4, and
8 deposited into the "Transportation Trust Fund Account -
9 Subaccount for Debt Service for Transportation Program Bonds."
10 The authority may also issue notes in anticipation of the receipt of
11 appropriations, grants, reimbursements or other funds, including
12 without limitation grants from the federal government for federal
13 aid highways or public transportation systems, the principal of or
14 interest on which, or both, shall be payable out of the proceeds of
15 appropriations, grants, reimbursements or other funds, including
16 without limitation grants from the federal government for federal
17 aid highways or public transportation systems. Such notes shall not
18 be subject to the bonding limitations as provided in subsection i. of
19 this section; and

20 (3) The authority may also enter into bank loan agreements,
21 lines of credit and other security agreements as authorized pursuant
22 to subsection h. of section 6 of P.L.1984, c.73 (C.27:1B-6) and
23 obtain for or on its behalf letters of credit in each case for the
24 purpose of securing its bonds, notes or other obligations or to
25 provide direct payment of any costs which the authority is
26 authorized to pay by this act and to secure repayment of any
27 borrowings under the loan agreement, line of credit, letter of credit
28 or other security agreement by its bonds, notes or other obligations
29 or the proceeds thereof or by any or all of the revenues of and
30 payments to the authority or by any appropriation, grant or
31 reimbursement to be received by the authority and other moneys or
32 funds as the authority shall determine, provided that for any such
33 agreements entered into in connection with transportation program
34 bonds issued pursuant to the authorization contained in subsection i.
35 of this section, or notes issued in anticipation of such transportation
36 program bonds, only revenues dedicated pursuant to the New Jersey
37 Constitution, including Article VIII, Section II, paragraph 4, and
38 deposited into the "Transportation Trust Fund Account -
39 Subaccount for Debt Service for Transportation Program Bonds,"
40 may be used for such payment.

41 c. Whether or not the bonds and notes are of the form and
42 character as to be negotiable instruments under the terms of Title
43 12A, Commercial Transactions, New Jersey Statutes, the bonds and
44 notes are hereby made negotiable instruments within the meaning of
45 and for all the purposes of Title 12A of the New Jersey Statutes.

46 d. Bonds or notes of the authority shall be authorized by a
47 resolution or resolutions of the authority and may be issued in one
48 or more series and shall bear the date, or dates, mature at the time

1 or times, bear interest at the rate or rates of interest per annum, be
2 in the denomination or denominations, be in the form, carry the
3 conversion or registration privileges, have the rank or priority, be
4 executed in the manner, be payable from the sources, in the medium
5 of payment, at the place or places within or without the State, and
6 be subject to the terms of redemption (with or without premium) as
7 the resolution or resolutions may provide. Bonds or notes may be
8 further secured by a trust indenture between the authority and a
9 corporate trustee within or without the State. All other obligations
10 of the authority shall be authorized by resolution containing terms
11 and conditions as the authority shall determine.

12 e. Bonds, notes or other obligations of the authority may be
13 sold at public or private sale at a price or prices and in a manner as
14 the authority shall determine, either on a negotiated or on a
15 competitive basis. Every bond, or refunding bond, issued on or
16 after the effective date of P.L.2006, c.3 (C.27:1B-22.2 et al.) shall
17 mature and be paid no later than 31 years from the date of the
18 issuance of that bond or refunding bond.

19 f. Bonds or notes may be issued and other obligations incurred
20 under the provisions of the act without obtaining the consent of any
21 department, division, commission, board, bureau or agency of the
22 State, other than the approval as required by subsection a. of this
23 section, and without any other proceedings or the happening of any
24 other conditions or other things than those proceedings, conditions
25 or things which are specifically required by the act.

26 g. Bonds, notes and other obligations of the authority issued or
27 incurred under the provisions of the act shall not be in any way a
28 debt or liability of the State or of any political subdivision thereof
29 other than the authority and shall not create or constitute any
30 indebtedness, liability or obligation of the State or of any political
31 subdivision or be or constitute a pledge of the faith and credit of the
32 State or of any political subdivision, but all bonds, notes and
33 obligations, unless funded or refunded by bonds, notes or other
34 obligations of the authority, shall be payable solely from revenues
35 or funds pledged or available for their payment as authorized in the
36 act. Each bond, note or other obligation shall contain on its face a
37 statement to the effect that the authority is obligated to pay the
38 principal thereof or the interest thereon only from revenues or funds
39 of the authority, and for transportation program bonds and
40 agreements securing such transportation program bonds only from
41 revenues dedicated pursuant to the New Jersey Constitution,
42 including Article VIII, Section II, paragraph 4, and deposited into
43 the "Transportation Trust Fund Account - Subaccount for Debt
44 Service for Transportation Program Bonds," and that neither the
45 State nor any political subdivision thereof is obligated to pay the
46 principal or interest and that neither the faith and credit nor the
47 taxing power of the State or any political subdivision thereof is
48 pledged to the payment of the principal of or the interest on the

1 bonds, notes or other obligations. For the purposes of this
2 subsection, political subdivision does not include the authority.

3 h. All expenses incurred in carrying out the provisions of the
4 act shall be payable solely from the revenues or funds provided or
5 to be provided under or pursuant to the provisions of the act and
6 nothing in the act shall be construed to authorize the authority to
7 incur any indebtedness or liability on behalf of or payable by the
8 State or any political subdivision thereof.

9 i. **【The authority shall minimize debt incurrence by first**
10 **relying on appropriations and other revenues available to the**
11 **authority before incurring debt secured by State revenues to meet its**
12 **statutory purposes.】** Commencing with the fiscal year beginning
13 July 1, 1995 and ending within the fiscal year beginning July 1,
14 2005, the authority shall not incur debt in any fiscal year in excess
15 of \$650,000,000, except that if that permitted amount of debt, or
16 any portion thereof, is not incurred in a fiscal year it may be
17 incurred in a subsequent fiscal year. Commencing with the fiscal
18 year beginning July 1, 2006 and ending with the fiscal year
19 beginning on July 1, 2010, the authority shall not incur debt for any
20 fiscal year in excess of \$1,600,000,000, reduced in each of those
21 fiscal years by the amount by which the appropriation of State funds
22 to the Transportation Trust Fund Account for that fiscal year shall
23 exceed \$895,000,000; provided, however, that if a portion of that
24 permitted amount of debt, less any reduction as provided above, is
25 not incurred in a fiscal year, an amount not greater than the unused
26 portion may be incurred in a subsequent fiscal year in addition to
27 the amount otherwise permitted. Debt permitted for the fiscal year
28 beginning July 1, 2006 may be incurred prior to July 1, 2006. The
29 authority shall not issue transportation program bonds in excess of
30 \$1,247,000,000 for the fiscal year beginning July 1, 2012, in excess
31 of \$849,200,000 for the fiscal year beginning July 1, 2013, in
32 excess of \$735,300,000 for the fiscal year beginning July 1, 2014,
33 and in excess of \$626,800,000 for the fiscal year beginning July 1,
34 2015, except that (1) if that permitted amount of transportation
35 program bonds, or any portion thereof, is not incurred in a fiscal
36 year, it may be issued in a subsequent fiscal year and (2) 30 percent
37 of the permitted amount of transportation program bonds for a fiscal
38 year may be issued in the fiscal year preceding such fiscal year
39 provided that (a) any transportation program bonds issued pursuant
40 to this paragraph shall be deducted from the authorization for the
41 fiscal year from which it was taken, and (b) the proceeds of any
42 such transportation program bonds shall not be encumbered until
43 the fiscal year from which the deduction of the authorization was
44 taken pursuant to this paragraph. Transportation program bonds
45 authorized to be issued for the fiscal year beginning July 1, 2012
46 may be issued prior to July 1, 2012. Commencing on the day that
47 Assembly Concurrent Resolution No.1 of 2015, a constitutional
48 amendment to Article VIII, section II, paragraph 4 of the New

1 Jersey Constitution, takes effect, and ending June 30, 2026, the
2 authority shall not issue transportation program bonds in excess of
3 \$15,000,000,000. Any increase in this limitation shall only occur if
4 so provided for by law. In computing the foregoing limitation as to
5 the amount of bonds the authority may issue, the authority may
6 exclude any bonds, notes or other obligations, including
7 subordinated obligations of the authority, issued for refunding
8 purposes; except that, any premiums received in connection with
9 the issuance of transportation program bonds shall count against
10 any limitation as to the amount of transportation program bonds the
11 authority may issue. The payment of debt service on transportation
12 program bonds and any agreements issued in connection with such
13 transportation program bonds shall be paid solely from revenues
14 dedicated pursuant to the New Jersey Constitution, including
15 Article VIII, Section II, paragraph 4, and deposited into the
16 "Transportation Trust Fund Account - Subaccount for Debt Service
17 for Transportation Program Bonds."

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

28 k. The Joint Budget Oversight Committee, or its successor,
29 shall have authority to approve or disapprove the sale of refunding
30 bonds as included in each report submitted in accordance with
31 subsection j. of this section. The committee shall approve or
32 disapprove the sale of refunding bonds within 10 business days
33 after physical receipt of the report. The committee shall notify the
34 authority in writing of the approval or disapproval as expeditiously
35 as possible.

36 l. No refunding bonds shall be issued unless the report has
37 been submitted to and approved by the Joint Budget Oversight
38 Committee, or its successor, as set forth in subsection k. of this
39 section.

40 m. Within 30 days after the sale of the refunding bonds, the
41 authority shall notify the Joint Budget Oversight Committee, or its
42 successor, of the result of that sale, including the prices and terms,
43 conditions and regulations concerning the refunding bonds, and the
44 actual amount of debt service savings to be realized as a result of
45 the sale of refunding bonds.

46 n. The Joint Budget Oversight Committee, or its successor,
47 shall, however, review all information and reports submitted in
48 accordance with this section and may, on its own initiative, make

1 observations and recommendations to the authority or to the
2 Legislature, or both, as it deems appropriate.

3 o. No refunding bonds shall be issued unless the authority shall
4 first determine that the present value of the aggregate principal of
5 and interest on the refunding bonds is less than the present value of
6 the aggregate principal of and interest on the outstanding bonds to
7 be refinanced, except that, for the purposes of this limitation,
8 present value shall be computed using a discount rate equal to the
9 yield of those refunding bonds, and yield shall be computed using
10 an actuarial method based upon a 360-day year with semiannual
11 compounding and upon the prices paid to the authority by the initial
12 purchasers of those refunding bonds.

13 (cf: P.L.2012, c.13, s.3)

14
15 3. Section 20 of P.L.1984, c.73 (C.27:1B-20) is amended to read
16 as follows:

17 20. There is hereby established in the General Fund an account
18 entitled "Transportation Trust Fund Account," which shall consist
19 of **[two]** three subaccounts entitled: "Transportation Trust Fund
20 Account - Subaccount for Debt Service for Prior Bonds," **[and]**
21 "Transportation Trust Fund Account - Subaccount for Debt Service
22 for Transportation Program Bonds," and "Transportation Trust
23 Fund Account - Subaccount for Capital Reserves." During the
24 fiscal year beginning July 1, 1984 and during each succeeding fiscal
25 year in which the authority has bonds, notes or other obligations
26 outstanding, the treasurer shall credit to the "Transportation Trust
27 Fund Account - Subaccount for Debt Service for Prior Bonds" a
28 portion of the revenues derived from the following, as determined
29 by the treasurer, and to the "Transportation Trust Fund Account -
30 Subaccount for Debt Service for Transportation Program Bonds"
31 and "Transportation Trust Fund Account - Subaccount for Capital
32 Reserves" only revenues dedicated pursuant to the New Jersey
33 Constitution, including Article VIII, Section II, paragraph 4, which
34 are also derived under subsection a. of this section and from the
35 petroleum products gross receipts and sales tax as set forth in
36 subsection d. of this section:

37 a. An amount equivalent to **[the]** all revenue derived from
38 **[\$0.105 per gallon from]** the collection of the tax imposed on the
39 sale of motor fuels pursuant to chapter 39 of Title 54 of the Revised
40 Statutes, as provided in Article VIII, Section II, paragraph 4 of the
41 State Constitution**],** provided, however, such amount during any
42 fiscal year shall not be less than \$483,000,000**];**

43 b. (Deleted by amendment, P.L.2000, c.73).

44 c. An amount equivalent to moneys received by the State in
45 accordance with contracts entered into with toll road authorities or
46 other State agencies, provided that effective with the fiscal year
47 beginning July 1, 1988 the amount so credited shall not be less than
48 **[\$24,500,000.00]** \$24,500,000 in any fiscal year.

1 The treasurer shall also credit to the "Transportation Trust Fund
2 Account - Subaccount for Debt Service for Prior Bonds," in
3 accordance with a contract between the treasurer and the authority,
4 an amount equivalent to the sum of the revenues due from the
5 increase of fees for motor vehicle registrations collected pursuant to
6 the amendment to R.S.39:3-20 made by section 32 of P.L.1984,
7 c.73 **【**and from the increase in the tax on diesel fuels imposed
8 pursuant to the amendment to R.S.54:39-27 made by section 35 of
9 P.L.1984, c.73 and by P.L.1987, c.460, and as amended by section
10 18 of P.L.1992, c.23, and repealed by section 56 of P.L.2010, c.22
11 and now imposed pursuant to section 3 of P.L.2010, c.22 (C.54:39-
12 103)**】**, provided that the total amount credited during the fiscal year
13 beginning July 1, 1984 shall not be less than **【\$20,000,000.00】**
14 \$20,000,000 and that the total amount credited during the fiscal
15 year beginning July 1, 1985 and during every fiscal year thereafter
16 shall not be less than **【\$30,000,000.00】** \$30,000,000.

17 In addition to the amounts credited to the account by this section,
18 commencing with the fiscal year beginning July 1, 1995 and every
19 fiscal year thereafter, there shall be appropriated from the General
20 Fund such additional amounts as are necessary to carry out the
21 provisions of this act and beginning July 1, 2000 the fees collected
22 pursuant to subsection a. of section 68 of P.L.1990, c.8 (C.17:33B-
23 63) shall be credited to the account for the purposes of this act,
24 provided, however, the amount credited from such fees during any
25 fiscal year shall not be less than \$60,000,000.

26 d. In addition to the amount credited in subsection a. of this
27 section**【,】**: beginning January 1 following approval by the voters an
28 amount equivalent to the revenue derived from the tax imposed on
29 the sale of petroleum products pursuant to P.L.1990, c.42
30 (C.54:15B-1 et seq.), provided, however, such amount shall not be
31 less than \$100,000,000 in the period January 1 through June 30
32 following approval by the voters and shall not be less than
33 \$200,000,000 in any fiscal year through the fiscal year commencing
34 July 1, 2015; and in the fiscal year commencing July 1, 2016, an
35 amount equivalent to all revenue derived from the sale of petroleum
36 products pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.) and in
37 each year thereafter; and for the fiscal year commencing July 1,
38 2001 and for each fiscal year thereafter an amount equivalent to the
39 revenue derived from the tax imposed under the "Sales and Use Tax
40 Act," P.L.1966, c.30 (C.54:32B-1 et seq.) on the sale of new motor
41 vehicles, provided, however, that such amount shall not be less than
42 \$200,000,000 for the fiscal year commencing July 1, 2003 and for
43 each fiscal year thereafter, as provided in Article VIII, Section II,
44 paragraph 4 of the State Constitution.

45 No later than the fifth business day of the month following the
46 month in which a credit has been made, the treasurer shall pay to
47 the authority, for its purposes as provided herein, the amounts then
48 credited to the "Transportation Trust Fund Account - Subaccount

1 for Debt Service for Prior Bonds," **and** "Transportation Trust
2 Fund Account - Subaccount for Debt Service for Transportation
3 Program Bonds," and "Transportation Trust Fund Account -
4 Subaccount for Capital Reserves," provided that the payments to the
5 authority shall be subject to and dependent upon appropriations
6 being made from time to time by the Legislature of the amounts
7 thereof for the purposes of the act, and further provided that the
8 revenues deposited into the "Transportation Trust Fund Account -
9 Subaccount for Debt Service for Transportation Program Bonds"
10 and "Transportation Trust Fund Account - Subaccount for Capital
11 Reserves" shall consist solely of revenues which are dedicated
12 pursuant to the New Jersey Constitution, including Article VIII,
13 Section II, paragraph 4, and subsections a. and d. of this section.

14 ¹Commencing with the fiscal year beginning July 1, 2018
15 through the fiscal year commencing July 1, 2025, of the amounts
16 credited from the tax imposed on the sale of petroleum products
17 pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.) pursuant to this
18 subsection, any amount of revenue collected per year that exceeds
19 the amount collected in the fiscal year beginning July 1, 2017, shall
20 only be appropriated for: (1) expanding the State's mass transit
21 system; or (2) making payments on authority debt, and further
22 provided that an appropriation made pursuant to paragraph (1) shall
23 be in addition to the appropriations already provided for in the
24 State's appropriation for mass transit.】¹

25 In the event that the amount of appropriations and other revenues
26 made available to the authority are greater than the amount of
27 appropriations and other revenues needed to meet the statutory
28 purposes of the authority in a fiscal year, any of those additional
29 amounts, which are dedicated pursuant to the New Jersey
30 Constitution, including Article VIII, Section II, paragraph 4, and
31 subsections a. and d. of this section, may be deposited into the
32 "Transportation Trust Fund Account - Subaccount for Capital
33 Reserves." Monies deposited in the "Transportation Trust Fund
34 Account - Subaccount for Capital Reserves" shall be held in reserve
35 as a means of ensuring the adequacy of funding to meet the future
36 statutory needs of the authority, and may be transferred to the other
37 subaccounts of the "Transportation Trust Fund Account" or to the
38 "Special Transportation Fund" through appropriation by the
39 Legislature for any statutory need of the authority.

40 (cf: P.L.2012, c.13, s.5)

41

42 4. Section 21 of P.L.1984, c.73 (C.27:1B-21) is amended to read
43 as follows:

44 21. a. There is hereby established a separate fund entitled
45 "Special Transportation Fund." This fund shall be maintained by the
46 State Treasurer and may be held in depositories as may be selected
47 by the treasurer and invested and reinvested as other funds in the
48 custody of the treasurer, in the manner provided by law. The

1 commissioner may from time to time (but not more frequently than
2 monthly) certify to the authority an amount necessary to fund
3 payments made, or anticipated to be made by or on behalf of the
4 department, from appropriations established for or made to the
5 department from revenues or other funds of the authority. The
6 commissioner's certification shall be deemed conclusive for
7 purposes of the act. The authority shall, within 15 days of receipt
8 of the certificate, transfer from available funds of the authority to
9 the treasurer for deposit in the Special Transportation Fund the
10 amount certified by the commissioner, provided that all funds
11 transferred shall only be expended by the department by project
12 pursuant to appropriations made from time to time by the
13 Legislature for the purposes of the act.

14 b. The department shall not expend any money except as
15 appropriated by law. Commencing with appropriations for the
16 fiscal years beginning on July 1, 1988, the department shall not
17 expend any funds, other than for permitted maintenance, except as
18 are appropriated by specific projects identified by a description of
19 the projects, the county or counties within which they are located,
20 and amounts to be expended on each project, in the annual
21 appropriations act. Funds expended for permitted maintenance may
22 be appropriated as one item of appropriation and subject to
23 allocation at the commissioner's discretion.

24 c. No funds appropriated, authorized, or expended pursuant to
25 this act shall be used to finance the resurfacing of highways by
26 department personnel, where that resurfacing would require the use
27 of more than 100,000 tons of bituminous concrete for that purpose
28 in any calendar year, except that the commissioner may waive this
29 provision when **[he]** the commissioner determines the existence of
30 emergency conditions requiring the use of department personnel for
31 the resurfacing of highways, after the department has effectively
32 reached the 100,000 ton limit.

33 d. In order to provide the department with flexibility in
34 administering the specific appropriations by project identified in the
35 annual appropriations act, the commissioner may transfer a part of
36 any item to any other item subject to the approval of the Director of
37 the Division of Budget and Accounting and of the Joint Budget
38 Oversight Committee or its successor. Upon approval of the
39 director and the committee, the transfer shall take effect.

40 e. Any federal funds which become available to the State for
41 transportation projects which have not been appropriated to the
42 department in the annual appropriations act, shall be deemed
43 appropriated to the department and may, subject to approval by the
44 Joint Budget Oversight Committee and the State Treasurer, be
45 expended for any purpose for which such funds are qualified.

46 f. There shall be no appropriations from the revenues and other
47 funds of the authority for regular and routine maintenance of public
48 highways and components thereof, or operational activities of the

1 department unrelated to the implementation of, and indirect costs
2 associated with, the capital program. The commissioner shall
3 include in his annual budget request sufficient funding to effectuate
4 the purposes of P.L.2000, c.73 (C.27:1B-21.14 et al.).

5 g. To the extent that salaries or overhead of the department or
6 the New Jersey Transit Corporation are charged to transportation
7 projects, each agency shall keep adequate and truthful personnel
8 records, and time charts to adequately justify each such charge, and
9 shall make those records available to the external auditor to the
10 authority.

11 h. The commissioner shall annually, on or before January 1 of
12 each fiscal year, report to the Governor and the Legislature how
13 much money was expended in the previous fiscal year for salaries
14 and overhead of the department and the New Jersey Transit
15 Corporation. However, the amount expended from the revenues
16 and other funds of the authority for salaries and overhead of the
17 department and the New Jersey Transit Corporation for the fiscal
18 year beginning July 1, 2006 **【and each fiscal year thereafter】**
19 through the fiscal year beginning July 1, 2015 shall not exceed 13
20 percent of the total funds appropriated from the revenues and other
21 nonfederal funds of the authority for those fiscal years, and shall
22 not exceed \$208,000,000 for the fiscal year beginning July 1, 2016
23 and each fiscal year thereafter.

24 i. No revenues or other funds of the authority shall be
25 expended for emergency response operations, the review of
26 applications for access permits under the State highway access
27 management code and membership fees or other fees connected
28 with membership in TRANSCOM, the Transportation Operations
29 Coordinating Committee.

30 j. Every project in which revenues or other funds of the
31 authority are expended shall be included on a website created by the
32 authority whose exclusive purpose shall be reporting on the status
33 of State and federal projects and serving as a singular location for
34 State and federal public documentation concerning those projects.
35 The website shall document the status of each project, presented in
36 tabular form outlining the budgeted amount, the amount spent and
37 committed, and the amount necessary to complete each project. The
38 website shall include a chart which compares the planned and actual
39 quarterly and cumulative expenditures for each project. The
40 website shall chronicle actions which have a bearing on the
41 progress of projects, including, but not limited to, awards for legal,
42 insurance, and engineering services, environmental review, public
43 involvement and outreach, property acquisitions, and construction
44 contracts. The website shall also include a description of any action
45 by an external regulatory agency such as the Department of
46 Environmental Protection, or any other party, which occurred
47 during the reporting period that affected the cost or timely
48 completion of any project in any manner. If information concerning

1 a project is not included and updated, at minimum, once per month,
2 then no revenues or other funds of the authority may be expended
3 upon that project.

4 k. There shall be a minimum appropriation from the revenues
5 and other funds of the authority of \$25,000,000 each fiscal year,
6 commencing with the fiscal year beginning July 1, 2016 for the
7 design, construction, reconstruction, rehabilitation, land acquisition,
8 and environmental mitigation of freight rail projects that: are
9 significant to port commerce connectivity; eliminate rail freight
10 missing links to port facilities; or upgrade freight rail trackage to a
11 286,000 pound load carrying capacity. The amount appropriated
12 pursuant to this subsection shall be inclusive of all amounts
13 annually appropriated for the New Jersey Rail Freight Assistance
14 Program.

15 (cf: P.L.2012, c.13, s.6)

16
17 5. Section 8 of P.L.1987, c.460 (C.27:1B-21.1) is amended to
18 read as follows:

19 8. a. Commencing with the **【report】** reports of the
20 commissioner, which shall include the Transportation Master Plan,
21 Statewide Capital Investment Strategy, Annual Transportation
22 Capital Program, Transportation Trust Fund Authority Financial
23 Plan, and Five-Year Capital Plan, as may be amended, required to
24 be submitted pursuant to section 22 of P.L.1984, c.73 (C.27:1B-22)
25 on or before March 1, 2006 and on each succeeding March 1
26 thereafter through March 1, 2015, the annual amount so reported by
27 the commissioner for proposed projects shall not exceed
28 \$1,600,000,000 exclusive of federal funds, and beginning with the
29 reports due March 1, 2016, and on each succeeding March
30 thereafter through March 1, 2025, the amount so reported by the
31 commissioner for proposed projects shall not exceed an aggregate
32 \$20,000,000,000 over that 10 year period ¹【, plus any
33 appropriations for mass transit expansion from the additional annual
34 amount of revenue derived from the tax imposed on the sale of
35 petroleum products pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.)
36 which is greater than the amount collected in the fiscal year
37 beginning on July 1, 2017, and not used for making payments on
38 authority debt】¹.

39 b. For the fiscal year beginning on July 1, 2006 and for each
40 fiscal year thereafter through the fiscal year beginning on July 1,
41 2011, the total annual amount authorized to be appropriated from
42 the revenues and other nonfederal funds of the New Jersey
43 Transportation Trust Fund Authority for the projects listed in the
44 appropriations act pursuant to section 21 of P.L.1984, c.73
45 (C.27:1B-21) shall not exceed \$1,600,000,000, all amounts
46 exclusive of federal funds. The total amount authorized to be
47 appropriated from the revenues and other nonfederal funds of the
48 New Jersey Transportation Trust Fund Authority for the projects

1 listed in the appropriations act pursuant to section 21 of P.L.1984,
2 c.73 (C.27:1B-21) shall not exceed: \$1,247,000,000 for the fiscal
3 year beginning on July 1, 2012; \$1,224,000,000 for the fiscal year
4 beginning on July 1, 2013; \$1,225,000,000 for the fiscal year
5 beginning on July 1, 2014; and \$1,247,000,000 for the fiscal year
6 beginning on July 1, 2015. The total amount authorized to be
7 appropriated from the revenues and other nonfederal funds of the
8 New Jersey Transportation Trust Fund Authority for the projects
9 listed in the appropriations act pursuant to section 21 of P.L.1984,
10 c.73 (C.27:1B-21) shall not exceed an aggregate \$20,000,000,000 in
11 total for the fiscal years beginning on July 1, 2016 through the
12 fiscal year beginning on July 1, 2025. ¹【The total amount
13 authorized pursuant to this subsection shall be increased by any
14 additional annual amount of revenue derived from the tax imposed
15 on the sale of petroleum products pursuant to P.L.1990, c.42
16 (C.54:15B-1 et seq.) which is greater than the amount collected in
17 the fiscal year beginning on July 1, 2017, provided that the
18 additional amount collected is appropriated for mass transit
19 expansion and not for making payments on authority debt.】¹

20 c. (Deleted by amendment, P.L.1991, c.40.)

21 d. (Deleted by amendment, P.L.1992, c.10).

22 e. The State Auditor shall provide for a unified annual audit of
23 expenditures from the "Special Transportation Fund," established
24 by section 21 of P.L.1984, c.73 (C.27:1B-21), in order to determine
25 that these funds are expended for costs eligible for funding from the
26 authority and in a manner consistent with appropriations made by
27 the Legislature. The findings of such audits shall be transmitted to
28 the presiding officer of each House of the Legislature, and to the
29 Chair of the Senate Budget and Appropriations Committee, the
30 Senate Transportation Committee, the Assembly Appropriations
31 Committee, and the Assembly Transportation and
32 **【Communications】** Independent Authorities Committee or their
33 successors.

34 f. The State Auditor shall review bond issuances of the
35 authority and report to the Joint Budget Oversight Committee and
36 to the members of the Senate Budget and Appropriations
37 Committee and the Assembly Appropriations Committee, or their
38 successors, on the status of the bonds of the authority and projects
39 financed from the proceeds of the bonds. The report shall include
40 the investment status of all unexpended bond proceeds and provide
41 a description of any bond issues expected during a fiscal year,
42 including type of issue, estimated amount of bonds to be issued and
43 the expected month of sale.

44 ¹【g. Commencing with the fiscal year beginning July 1, 2018
45 through the fiscal year beginning July 1, 2025, if in any fiscal year,
46 the amount of revenue collected from the tax imposed on the sale of
47 petroleum products pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.)
48 exceeds the amount collected in the fiscal year beginning on July 1,

1 2017, then in that subsequent fiscal year the amount of that
2 difference shall be appropriated by the Legislature for
3 transportation projects that expand the mass transit system in this
4 State or for payments on authority debt. Any amount appropriated
5 for transportation projects that expand the mass transit system in
6 this State shall also increase the total amount that may be
7 appropriated pursuant to subsection b. of this section by that same
8 amount.】¹

9 (cf: P.L.2012, c.13, s.7)

10
11 6. Section 22 of P.L.1984, c.73 (C.27:1B-22) is amended to read
12 as follows:

13 22. The commissioner shall prepare and submit the following
14 reports to the Governor, the Legislature, and the **【Financial】**
15 **Transportation** Policy Review Board, established pursuant to
16 section 6 of P.L.2006, c.3 (C.27:1B-22.2) under the terms set forth
17 below: a Transportation Master Plan, a Statewide Capital
18 Investment Strategy, an Annual Transportation Capital Program, a
19 Transportation Trust Fund Authority Financial Plan, and a Five-
20 Year Capital Plan.

21 a. To the end that the transportation system of the State shall
22 be planned in an orderly and efficient manner and that the
23 Legislature shall be advised of the nature and extent of public
24 highways, public transportation projects and other transportation
25 projects contemplated to be financed under this act, the department
26 shall submit a master plan, as provided in subsection (a) of section
27 5 of P.L.1966, c.301 (C.27:1A-5). Notwithstanding the provisions
28 of that act, the plan shall be for a period of five years and shall be
29 submitted to the Commission on Capital Budgeting and Planning,
30 the Chairman of the Senate Transportation Committee and the
31 Chairman of the Assembly Transportation and **【Communications】**
32 **Independent Authorities** Committee, or their successors, and the
33 Legislative Budget and Finance Officer, and the metropolitan
34 planning organizations, on or before March 1, 2001, and at five-
35 year intervals thereafter. The master plan shall set the direction for
36 the department's overall Capital Investment Strategy and subsequent
37 annual Transportation Capital Programs submitted to the
38 Legislature for approval pursuant to this section. This master plan
39 shall, to the extent practicable, conform to all federal requirements
40 for Statewide transportation planning.

41 b. The Department of Transportation, in conjunction with the
42 New Jersey Transit Corporation, the New Jersey Turnpike
43 Authority, and the South Jersey Transportation Authority, shall
44 prepare a "Statewide Capital Investment Strategy" for at least a
45 five-year period which shall contain, at a minimum, a statement of
46 the goals of the department, the corporation, and the toll road
47 authorities in major selected policy areas and the means by which
48 the goals are to be attained during that period, using quantitative

1 measures where appropriate. The Statewide Capital Investment
2 Strategy may be updated and submitted no later than March 1 of
3 each year. The Statewide Capital Investment Strategy shall provide
4 for a multi-modal, intermodal, seamless, technologically advanced,
5 and secure transportation system. It shall recommend investment
6 for major program categories, set overall goals for investment in the
7 State's infrastructure, and develop program targets and performance
8 measures. It may rely on infrastructure management systems as
9 developed by the department to assess bridge conditions, pavement
10 conditions, bridge, traffic and pedestrian safety, traffic congestion
11 and public transit facilities. With respect to pavement conditions,
12 the department shall set as a priority the utilization of efficient cost-
13 effective materials and treatments as stated in section 9 of
14 P.L.2000, c.73 (C.27:1B-21.22). In the event that there exist
15 appropriate circumstances for the use of micro-surfacing and cold-
16 in-place recycling, the department shall establish as a special
17 priority the use of these materials and surface treatments. The goals
18 of the Capital Investment Strategy shall include, but not be limited
19 to, reduction of vehicular and pedestrian accidents, reduction in the
20 backlog of projects, including one-half of the structurally deficient
21 bridge repair projects and pavement deficiencies, and an increase in
22 lane miles of bicycle paths, with a goal of constructing an additional
23 1,000 lane miles of bicycle paths in five years to reduce traffic
24 congestion and for recreational uses. The construction of bicycle
25 and pedestrian lanes, paths and facilities shall be subject to no
26 stricter environmental requirements than are provided pursuant to
27 federal law and regulations for such lanes, paths and facilities,
28 notwithstanding the provisions to the contrary of State law and
29 regulations, including State Executive Order No. 215 of 1989. With
30 respect to the New Jersey Transit Corporation, the Statewide
31 Capital Investment Strategy shall deal with the corporation's overall
32 goal to keep the public transportation system in a state of good
33 repair and, more specifically, in the area of bus transportation,
34 present a strategy and a preliminary timetable for the replacement
35 of the current diesel bus fleet with a fleet of buses which have
36 reduced emission of air pollutants. The corporation shall consider
37 the feasibility of buses with improved pollution controls and that
38 reduce particulate emissions and buses powered by fuel other than
39 conventional diesel fuel, such as compressed natural gas vehicles,
40 hybrid vehicles, fuel cell vehicles, biodiesel vehicles, vehicles
41 operated on ultra low sulfur fuel, and vehicles operated on any other
42 bus fuel approved by the United States Environmental Protection
43 Agency[, and the like]. The corporation may consider as part of its
44 strategy, cooperative efforts with bus manufacturers, and the
45 solicitation of federal support, in developing a "clean bus" with air
46 pollution controls superior to currently available technology. For
47 the fiscal year beginning July 1, 2007 and each fiscal year
48 thereafter, all buses purchased by the New Jersey Transit

1 Corporation shall be buses with improved pollution controls and
2 that reduce particulate emissions, or buses powered by fuel other
3 than conventional diesel fuel, such as compressed natural gas
4 vehicles, hybrid vehicles, fuel cell vehicles, biodiesel vehicles,
5 vehicles operated on ultra low sulfur fuel, or vehicles operated on
6 any other bus fuel approved by the United States Environmental
7 Protection Agency, and the like. In the event that the corporation
8 is not able to meet the bus purchase requirements set forth in this
9 section with respect to any fiscal year, prior to the commencement
10 of the fiscal year, the board of the corporation shall, by resolution,
11 submit a report to the Legislature detailing its inability to meet the
12 requirements and the reasons therefor and shall submit the report to
13 the Senate and General Assembly when both houses are in session,
14 including therein a request to be exempted from the bus purchase
15 requirements of this section with regard to the fiscal year in
16 question. The President of the Senate and the Speaker of the
17 General Assembly shall cause the date of submission to be entered
18 upon the Senate Journal and the Minutes of the General Assembly.
19 If a joint resolution approving the exemption is passed by the
20 Legislature and signed by the Governor prior to the commencement
21 of the fiscal year in question, the corporation shall be exempt from
22 the requirements for that fiscal year.

23 In the fiscal year beginning on July 1, 2007 and in each fiscal
24 year thereafter, in the year prior to the year in which final
25 engineering is anticipated to start on any project which extends the
26 reach of the New Jersey Transit rail or light rail system, the New
27 Jersey Transit Corporation shall be required to identify and include
28 in the annual Statewide Capital Investment Strategy the required
29 State financial assistance to support operation of the incremental
30 service for the first three years and the projected fare box recovery
31 ratio at the commencement of the fourth year of operation of each
32 project.

33 The Statewide Capital Investment Strategy shall also detail the
34 planned investment of capital funds for public transportation
35 projects of companies other than the New Jersey Transit
36 Corporation engaged in the business of providing motor bus
37 transportation. The Statewide Capital Investment Strategy shall
38 demonstrate that such investment adequately addresses the finding
39 in section 2 of P.L.1979, c.150 (C.27:25-2) that in the provision of
40 public transportation services it is desirable to encourage to the
41 maximum extent feasible the participation of private enterprise.

42 c. On or before March 1 of each year, the commissioner shall
43 submit a report of general project categories and proposed projects
44 thereunder to be financed in the ensuing fiscal year, including
45 therewith a description of the projects, the county or counties and
46 municipality or municipalities within which they are to be located, a
47 distinction between State and local projects, **[and]** an identification
48 number for each project that can be used to cross reference any

1 project in the State's federal Statewide Transportation Improvement
2 Program, the project phase of work, investment category, project
3 sponsor, governmental entity with jurisdiction over the project and
4 associated infrastructure, the amount estimated to be expended on
5 each project in the year of appropriation, and an estimate of the
6 total project cost. This report shall be known as the "Annual
7 Transportation Capital Program" for the upcoming fiscal year. It
8 shall include proposed projects of both the Department of
9 Transportation and the New Jersey Transit Corporation. The
10 program shall be consistent with, and reflective of, the goals and
11 priorities of the Capital Investment Strategy and the program shall
12 include an explanation which demonstrates how it is consistent
13 with, and reflective of, the goals and priorities.

14 d. On or before March 1 of each year, the commissioner shall
15 also submit a "Transportation Trust Fund Authority Financial Plan"
16 designed to implement the financing of the proposed projects. The
17 financial plan shall contain an enumeration of the bonds, notes or
18 other obligations of the authority which the authority intends to
19 issue, including the amounts thereof and the conditions therefor.
20 The financial plan shall set forth a complete operating and financial
21 statement covering the authority's proposed operations during the
22 ensuing fiscal year, including amounts of income from all sources,
23 including but not limited to the proceeds of bonds, notes or other
24 obligations to be issued, as well as interest earned. In addition, the
25 plan shall contain proposed amounts to be appropriated and
26 expended, as well as amounts for which the department anticipates
27 to obligate during the ensuing fiscal year for any future
28 expenditures.

29 e. The Statewide Capital Investment Strategy, the Annual
30 Transportation Capital Program, and the Transportation Trust Fund
31 Authority Financial Plan shall be submitted to the Senate and
32 General Assembly. Within 45 days of the receipt thereof, the
33 Senate or the General Assembly may object in writing to the
34 commissioner in regard to any project or projects in the Annual
35 Transportation Capital Program it disapproves or which it is of the
36 opinion should be modified or added to or any additional or
37 alternative projects considered or in regard to any element of the
38 financial plan. The commissioner shall consider the objections and
39 recommendations and resubmit the report within 10 days,
40 containing therein any modifications based upon the commissioner's
41 consideration of the objections or recommendations.

42 f. In order that the Legislature shall be advised of the nature
43 and extent of public highways, public transportation projects, and
44 other transportation projects contemplated to be financed under this
45 act, the commissioner shall submit annually, together with the
46 Annual Transportation Capital Program, a Five-Year Capital Plan,
47 which shall set forth projects and programs anticipated to be funded
48 over the five-year period. The Five-Year Capital Plan shall, to the

1 extent practicable, conform to all federal requirements for Statewide
2 transportation capital programming.

3 (cf: P.L.2006, c.3, s.5)

4
5 7. Section 6 of P.L.2006, c.3 (C.27:1B-22.2) is amended to read
6 as follows:

7 6. There is hereby created in the Executive Branch of the State
8 Government, a body corporate and politic, with corporate
9 succession, to be known as the **【Financial】** Transportation Policy
10 Review Board. For the purpose of complying with the provisions of
11 Article V, Section IV, paragraph 1 of the New Jersey Constitution,
12 the board is hereby allocated within the Department of
13 Transportation, but, notwithstanding that allocation, the board shall
14 be independent of any supervision or control by the department or
15 by any body or officer thereof. The board is hereby constituted as
16 an instrumentality of the State exercising public and essential
17 governmental functions, and the exercise by the board of the powers
18 conferred by this act shall be deemed and held to be an essential
19 governmental function of the State.

20 The board shall be comprised of **【five】** nine public members
21 with experience in transportation finance and policy. The Governor
22 shall appoint three of the members with the advice and consent of
23 the Senate, two of whom shall be experts that perform academic
24 research in the areas of transportation and public transportation
25 policy, planning, or engineering, and one of whom shall be an
26 expert in the area of transportation capital finance. The remaining
27 members shall be appointed by the Governor as follows: **【one】** two
28 upon the **【joint】** recommendation of the President of the Senate
29 **【and】**, one upon the recommendation of the Minority Leader of the
30 Senate, **【and one】** two upon the **【joint】** recommendation of the
31 Speaker of the General Assembly, and one upon the
32 recommendation of the Minority **【leader】** Leader of the General
33 Assembly. Each member shall have a professional background in
34 passenger rail service, freight rail management, transportation
35 capital planning, transportation and public transportation capital
36 construction, federal transportation policy, State transportation
37 policy, or transportation capital finance. Each member shall serve
38 for a four-year term and shall serve until the member's successor is
39 appointed and qualified; provided, however, that in order to achieve
40 non-concurrent terms, of the members first appointed pursuant to
41 this section, two members appointed by the Governor shall serve for
42 four years; while the **【two】** three members appointed upon the
43 **【joint recommendation】** recommendations of the President of the
44 Senate and the Minority Leader of the Senate and the three
45 members appointed upon the **【joint recommendation】**
46 recommendations of the Speaker of the General Assembly and the
47 Minority Leader of the General Assembly shall serve for three years

1 each, and the remaining member appointed by the Governor shall
2 serve for two years; and further provided that any member serving
3 on the effective date of P.L. , c. (C.) (pending before the
4 Legislature as this bill) shall serve until the expiration of that
5 member's term, notwithstanding the criteria for appointment
6 established pursuant to P.L. , c. . The **【Financial】**
7 **Transportation** Policy Review Board shall be deemed to be
8 constituted immediately upon appointment and qualification in the
9 manner provided in this section of at least **【three】** five members.

10 The purpose of the board is to assure fiscal discipline through
11 evaluating the financing of transportation; independently analyzing
12 and reporting on the cost effectiveness of spending in the
13 transportation capital program; conducting and commissioning
14 research on best practices in the areas of transportation and public
15 transportation construction, planning, finance, and engineering;
16 providing policy recommendations to the Legislature on the best
17 ways to organize the capital program and appropriate capital
18 program funds; and preparing an annual State of Condition of
19 Transportation Financing certification.

20 The board shall annually appear before the Senate Budget and
21 Appropriations Committee, or its successor, and the Assembly
22 Budget Committee, or its successor, and provide independent
23 analysis of the transportation capital program, provide comments on
24 the cost effectiveness of the program, evaluate the condition of the
25 State transportation system, and identify needed infrastructure
26 investments. The board shall annually appear before the Senate
27 Transportation Committee, or its successor, and the Assembly
28 Transportation and Independent Authorities Committee, or its
29 successor, and report on best practices 'and cost savings' in areas
30 related to transportation and public transportation construction,
31 planning, finance, infrastructure, and governance. The board shall
32 also make itself available to the aforementioned budget and
33 transportation committees to conduct research and provide
34 recommendations on policy issues that those committees request of
35 the board. The board shall issue an annual report on or before June
36 1 of each year which summarizes the work of the board for the prior
37 year, evaluates the reports issued by the department pursuant to
38 section 22 of P.L.1984, c.73 ('C.'127:1B-22), and provides
39 independent recommendations for administering the annual capital
40 program.

41 The board shall be provided with a budget each year to be funded
42 through the capital program, and the budget shall be sufficient to
43 allow the board to commission independent research from academic
44 and other experts in the area of research to be conducted, to avail
45 itself of any professional or consultant services necessary to
46 perform its functions, and to complete the reports and certifications
47 required pursuant to this section.

1 The board may call to its assistance and avail itself of the
2 services of the employees of any State, county, or municipal
3 department, board, bureau, task force, or agency as it may require
4 and as may be available to it for its purposes, and to employ
5 stenographic and clerical assistance and incur traveling and other
6 miscellaneous expenses necessary to perform its duties, with the
7 limits of funds appropriated or otherwise made available to it for its
8 purposes.

9 The board shall submit reports to the Governor, and to the
10 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1)
11 no later than April 1, 2017 concerning the 'L:

12 a.]¹ taxation of motor vehicles that are powered by a fuel source
13 that is not subject to the motor fuels tax ¹pursuant to¹ P.L.2010,
14 c.22 (C.54:39-101 et seq.) or the petroleum products gross receipts
15 tax ¹pursuant to¹ P.L.1990, c.42 (C.54:15B-1 et seq.), including, but
16 not limited to electric vehicles and hydrogen fuel cell vehicles.
17 The report required pursuant to this subsection shall include
18 recommendations to the Legislature for a new system of taxation
19 that mandates that all vehicles operating on the highways of this
20 State contribute equitably to the cost of maintaining the State
21 transportation system ¹L.

22 b. relocation of utility company facilities that are located in,
23 on, along, over or under an infrastructure project, and require
24 relocation in order to accommodate the infrastructure project. The
25 board shall recommend a system that allows for optimal
26 coordination between the Department of Transportation and utility
27 companies in a manner that minimizes project delays that increase
28 utility costs and infrastructure project costs. The board shall
29 investigate and report on utility relocation process best practices in
30 other states and the report required pursuant to this subsection shall
31 include a proposal for legislation amending or replacing P.L.1983,
32 c.283 (C.27:7-44.9)]¹.

33 The State of Condition of Transportation Financing certification
34 shall ensure that the financing and expenditures of the New Jersey
35 Transportation Trust Fund Authority (the "authority") adhere to
36 certain standards. The standards are: a. The bonding limitation as
37 provided in subsection i. of section 9 of P.L.1984, c.73 (C.27:1B-9).
38 b. For the fiscal year commencing July 1, 2007, the amount
39 expended from the revenues and other funds of the authority for
40 permitted maintenance shall not exceed the amount expended for
41 permitted maintenance in the fiscal year commencing July 1, 2006.
42 c. The total amount authorized to be appropriated from the revenues
43 and other funds of the authority for project costs commencing with
44 the fiscal year beginning July 1, 2007 through the fiscal year
45 beginning July 1, 2015 shall not exceed \$1,600,000,000 annually,
46 and for the fiscal year beginning on July 1, 2016 through the fiscal
47 year beginning on July 1, 2025 shall not exceed an aggregate
48 \$20,000,000,000 over that 10 year period ¹L, plus any additional

1 annual amount of revenue derived from the tax imposed on the sale
2 of petroleum products pursuant to P.L.1990, c.42 (C.54:15B-1 et
3 seq.) which is greater than the amount collected in the fiscal year
4 beginning on July 1, 2017, and not used for making payments on
5 authority debt】¹.

6 Commencing with the fiscal year beginning July 1, 2007, the
7 board shall submit to the Governor, the Legislature, and the
8 commissioner on an annual basis the State of Condition of
9 Transportation Financing certification as to the requirements of
10 **【subsection a. of this section】** certification standard a. referencing
11 therein a certification with regard to **【subsections b. and c. of this**
12 **section】** certification standards b. and c. to the extent feasible,
13 given the other provisions of this section. The certifications shall
14 be based on the board's review of the State's fiscal year final
15 expenditures from the preceding fiscal year, including bonding and
16 expenditures from the annual independent audit of the authority,
17 and the amount of authority funds programmed for permitted
18 maintenance. If the capital program and its financing are found to
19 be in compliance, the first annual certification required by this
20 paragraph shall be submitted by February 1, 2008, after the
21 certification is concurred with by the members of the authority, and
22 by February 1 of each year thereafter. The board shall advise the
23 commissioner and the authority on February 1, 2008 and on each
24 succeeding February 1, if the board finds that the authority is not in
25 compliance with the bonding requirements as provided in
26 subsection a. of the section, and that a corrective action plan is
27 needed. The authority shall submit a corrective action plan that
28 would reduce its future bond sales to offset the amount of excess
29 bonding or to reduce future debt service payments, or both, as the
30 case may be. Upon approval of the corrective action plan by the
31 board, the certification shall be issued with certain conditions. The
32 Annual Transportation Capital Program submitted to the Legislature
33 for the forthcoming year shall be in compliance with the provisions
34 of the corrective action plan. If the board does not approve the
35 corrective action plan, the authority shall submit a financial plan
36 showing bonding only for existing projects, noting that no bonds
37 shall be issued for new projects shown in the department's Annual
38 Transportation Capital Program. The board shall advise the
39 commissioner on February 1, 2008 and on each succeeding
40 February 1, if the board finds that the Department of Transportation
41 has exceeded the limitation for the amount of authority funds spent
42 on permitted maintenance pursuant to **【subsection】** certification
43 standard b. of this section, or for the amount authorized to be
44 appropriated for project costs pursuant to **【subsection】** certification
45 standard c. of this section and that a corrective action plan is
46 needed. The department shall submit a corrective action plan that
47 would offset the excess amount spent, or the excess amount
48 appropriated, in the prior year with less funding for permitted

1 maintenance or for projects, as the case may be, in the proposed
2 capital budget request. Upon approval of the corrective action plan
3 by the board, a certification as to these matters shall be issued with
4 certain conditions. The Annual Transportation Capital Program
5 submitted to the Legislature for the forthcoming year shall be in
6 compliance with the provisions of the corrective action plan. If the
7 board does not approve the corrective action plan, the authority
8 shall submit a financial plan showing bonding only for existing
9 projects, noting that no bonds shall be issued for new projects
10 shown in the department's Annual Transportation Capital Program.

11 (cf: P.L.2006, c.3, s.6)

12

13 8. (New section) a. There is hereby established in but not of the
14 Department of Transportation, a body corporate and politic, with
15 corporate succession, to be known as the Annual Transportation
16 Capital Program Approval Committee. For the purpose of
17 complying with the provisions of Article V, Section IV, paragraph 1
18 of the New Jersey Constitution, the committee is hereby allocated
19 within the Department of Transportation, but, notwithstanding that
20 allocation, the committee shall be independent of any supervision or
21 control by the department or by any body or officer thereof. The
22 committee is hereby constituted as an instrumentality of the State
23 exercising public and essential governmental functions, and the
24 exercise by the committee of the powers conferred by P.L. ,
25 c. (C.) (pending before the Legislature as this bill) shall be
26 deemed and held to be an essential governmental function of the
27 State.

28 b. (1) The committee shall be comprised of four members. One
29 member shall be the Commissioner of Transportation, or the
30 commissioner's designee, who shall serve ex-officio, and the
31 remaining three members shall be public members, each of whom is
32 to be appointed by the Governor upon the joint recommendation of
33 the President of the Senate and Speaker of the General Assembly;
34 one of whom shall be a resident of Salem, Cumberland, Cape May,
35 Atlantic, Gloucester, Camden, Burlington, or Ocean county; one of
36 whom shall be a resident of Monmouth, Mercer, Middlesex,
37 Hunterdon, Somerset, or Union county; and one of whom shall be a
38 resident of Warren, Sussex, Essex, Passaic, Morris, Hudson, or
39 Bergen county. Each public member shall serve a term of three
40 years, which shall run from August 1, of the year of appointment
41 until July 31 of the third year following appointment. The Annual
42 Transportation Capital Program Approval Committee shall be
43 deemed to be constituted immediately upon appointment and
44 qualification in the manner provided in this section of the three
45 public members.

46 (2) The purpose of the committee is to ensure that Legislative
47 input is provided in the process of selecting the transportation
48 capital projects to be funded annually through the Transportation

1 Trust Fund Account pursuant to P.L.1984, c.73 (C.27:1B-20), and
2 to prepare an Annual Transportation Capital Program Approval
3 Certification.

4 (3) Commencing with the fiscal year beginning July 1, 2017, the
5 board shall submit to the Governor and the Legislature on an annual
6 basis the Annual Transportation Capital Program Approval
7 Certification referencing therein a certification attested to by all
8 members of the committee that for the proposed projects of both the
9 Department of Transportation and the New Jersey Transit
10 Corporation included in the Annual Transportation Capital
11 Program, required pursuant to section 22 of P.L.1984, c.73 (27:1B-
12 22) and the list of projects proposed by the department for inclusion
13 in the State budget to be appropriated from the revenues and other
14 funds of the New Jersey Transportation Trust Fund Authority: (a)
15 the projects were developed with input from each member of the
16 committee; (b) that every member of the committee has been
17 granted access to all available information of the department
18 concerning each project; and that (c) each member of the committee
19 approves the inclusion of each project in the Annual Transportation
20 Capital Program and recommends that the project be included in the
21 list of projects to be appropriated from the revenues and other funds
22 of the New Jersey Transportation Trust Fund Authority in the
23 Annual Appropriations Act. The first annual certification required
24 by this subsection shall be submitted to the Governor and the
25 Legislature by March 1, 2017, after the certification has been
26 approved by every member of the committee, and by March 1 of
27 each year thereafter. The committee shall advise the authority on
28 July 1, 2017 and on each succeeding July 1, if members of the
29 committee have failed to unanimously approve the Annual
30 Transportation Capital Program Approval Certification. If no
31 Annual Transportation Capital Program Approval Certification has
32 been approved for a fiscal year, the Legislature shall not make any
33 appropriation from the revenues and other funds of the authority for
34 the financing of transportation projects in that fiscal year until the
35 certification has been unanimously approved. Prior to approval of
36 the certification, appropriations shall only be made for existing
37 projects and for debt service on authority bonds.

38

39 9. Section 25 of P.L.1984, c.73 (C.27:1B-25) is amended to read
40 as follows:

41 25. a. Notwithstanding the provisions of subtitle 4 of Title 27 of
42 the Revised Statutes and P.L.1946, c.301 (C.27:15A-1 et seq.), the
43 commissioner may, pursuant to appropriations or authorizations
44 being made from time to time by the Legislature according to law,
45 allocate to counties and municipalities funds for the planning,
46 acquisition, engineering, construction, reconstruction, repair,
47 resurfacing and rehabilitation of public highways and the planning,
48 acquisition, engineering, construction, reconstruction, repair,

1 maintenance and rehabilitation of public transportation projects and
 2 of other transportation projects which a county or municipality may
 3 be authorized by law to undertake.

4 b. The commissioner shall, pursuant to appropriations or
 5 authorizations being made from time to time by the Legislature
 6 according to law, allocate at his discretion State aid to counties and
 7 municipalities for transportation projects, except that the amount to
 8 be appropriated for this program shall be ~~【10%】~~ seven percent of
 9 the total amount appropriated ~~【for the total county and municipal~~
 10 ~~aid programs】~~ pursuant to subsection d. of this section. This State
 11 aid shall be set aside prior to any formula allocations provided for
 12 in subsections c., d., ~~【and】~~ e., f., and g. of this section, and shall be
 13 known as the “Local Aid Infrastructure Fund.” In the fiscal year
 14 commencing July 1, 2016, any amount appropriated to the Local
 15 Aid Infrastructure Fund above \$7,500,000 shall be deposited into
 16 the State Transportation Infrastructure Bank Fund, established
 17 pursuant to section 39 of P.L. , c. (C.) (pending before the
 18 Legislature as this bill).

19 c. The commissioner shall, pursuant to appropriations or
 20 authorizations being made from time to time by the Legislature
 21 according to law and pursuant to the provisions of subsections b.
 22 and d. of this section, allocate State aid to municipalities for public
 23 highways under their jurisdiction. The amount to be appropriated
 24 shall be allocated on the basis of the following distribution factor:

$$\text{DF} = \frac{\text{Pc}}{\text{Ps}} + \frac{\text{Cm}}{\text{Sm}}$$

28 where, DF equals the distribution factor

29 Pc equals county population

30 Ps equals State population

31 Cm equals municipal road mileage within the county

32 Sm equals municipal road mileage within the State.

33 After the amount of aid has been allocated based on the above
 34 formula, the commissioner shall determine priority for the funding
 35 of municipal projects within each county, based upon criteria
 36 relating to volume of traffic, safety considerations, growth
 37 potential, readiness to obligate funds, and local taxing capacity. In
 38 addition to the above criteria used in determining priority of
 39 funding of municipal projects in each county, the commissioner
 40 shall consider whether a project is intended to remedy hazardous
 41 conditions as identified for the purposes of providing transportation
 42 pursuant to N.J.S.18A:39-1.2 for school pupils or to improve
 43 pedestrian safety.

44 For the purposes of this subsection, (1) "population" means the
 45 official population count as reported by the New Jersey Department
 46 of Labor and Workforce Development; and (2) "municipal road
 47 mileage" means that road mileage under the jurisdiction of
 48 municipalities, as determined by the department.

1 d. There shall be appropriated at least \$175,000,000 for **[the]**
2 each fiscal year commencing July 1, 2006 through the fiscal year
3 commencing July 1, 2015, and \$400,000,000 for each fiscal year
4 commencing July 1, 2016 and for each fiscal year thereafter, for the
5 purposes provided herein and in subsections b., c. **[and]**, e., f., and
6 g. of this section. (1) Of that appropriation, the commissioner shall
7 allocate **[\$5,000,000.00]** 37.5 percent of the total appropriation as
8 State aid for municipalities pursuant to the provisions of subsection
9 c. of this section, provided that \$5,000,000 for each fiscal year
10 commencing July 1, 2006 through the fiscal year commencing July
11 1, 2015, and \$10,000,000 for each fiscal year commencing July 1,
12 2016 and for each fiscal year thereafter of the amount allocated as
13 State aid for municipalities shall be set aside and sub-allocated as
14 State aid to any municipality qualifying for aid pursuant to the
15 provisions of P.L.1978, c.14 (C.52:27D-178 et seq.). The
16 commissioner shall allocate the aid to each municipality in the same
17 proportion that the municipality receives aid under P.L.1978, c.14
18 (C.52:27D-178 et seq.). (2) **[The remaining amount of the**
19 **appropriation shall be allocated pursuant to the provisions of**
20 **subsection c. of this section.]** The commissioner shall allocate 37.5
21 percent of the total appropriation pursuant to the provisions of
22 subsection e. of this section for the Local County Aid Program. (3)
23 The commissioner shall allocate seven percent of the total
24 appropriation pursuant to the provisions of subsection b. of this
25 section for the “Local Aid Infrastructure Fund.” (4) The
26 commissioner shall allocate seven percent of the appropriation
27 pursuant to the provisions of subsection f. of this section for the
28 “Local Freight Impact Fund.” (5) The remaining 11 percent of the
29 appropriation shall be allocated pursuant to the provisions of
30 subsection g. of this section for the “Local Bridges Fund.”

31 e. The commissioner may, pursuant to appropriations or
32 authorizations being made from time to time by the Legislature
33 according to law, allocate additional funding to the Local County
34 Aid Program for public highway projects, in accordance with a
35 formula similar to that provided for in subsection c. of this section,
36 except that Cm equals road mileage under county jurisdiction and
37 Sm equals total county road mileage within the State.

38 f. The commissioner shall, pursuant to appropriations or
39 authorizations being made from time to time by the Legislature
40 according to law, allocate at the commissioner’s discretion, State
41 aid to counties and municipalities for transportation projects that
42 address the impacts of freight travel in local communities and on
43 local transportation infrastructure, except that the amount to be
44 appropriated for this program shall be seven percent of the total
45 amount appropriated pursuant to subsection d. of this section. This
46 State aid shall be set aside prior to any formula allocations provided
47 for in subsections c., d., e., and g. of this section, and shall be
48 known as the “Local Freight Impact Fund.”

1 g. The commissioner shall, pursuant to appropriations or
2 authorizations being made from time to time by the Legislature
3 according to law, allocate at the commissioner's discretion, State
4 aid to counties and municipalities for transportation projects that
5 address the condition of bridges under the jurisdiction of counties
6 with an emphasis on repair and reconstruction of those with the
7 greatest structural deficiencies, except that the amount to be
8 appropriated for this program shall be 11 percent of the total
9 amount appropriated pursuant to subsection d. of this section. This
10 State aid shall be set aside prior to any formula allocations provided
11 for in subsections c., d., e., and f. of this section, and shall be
12 known as the "Local Bridges Fund."

13 (cf: P.L.2012, c.13, s.9)

14
15 10. Section 1 of P.L.1985, c.334 (C.58:11B-1) is amended to
16 read as follows:

17 1. This act shall be known and may be cited as the "New Jersey
18 **【Environmental】** Infrastructure Trust Act."

19 (cf: P.L.1997, c.224, s.2)

20
21 11. Section 2 of P.L.1985, c.334 (C.58:11B-2) is amended to
22 read as follows:

23 2. a. The Legislature finds that the steady deterioration of older
24 sewage and sewer systems and wastewater treatment plants
25 endangers the availability and quality of uncontaminated water
26 resources of the State, thereby posing a grave danger to the health,
27 safety and welfare of the residents of the concerned communities
28 and the State; that the construction, rehabilitation, operation, and
29 maintenance of modern and efficient sewer systems and wastewater
30 treatment plants are essential to protecting and improving the State's
31 water quality; that in addition to protecting and improving water
32 quality, adequate wastewater treatment systems are essential to
33 economic growth and development; that many of the wastewater
34 treatment systems in New Jersey must be replaced or upgraded if an
35 inexorable decline in water quality is to be avoided during the
36 coming decades; that the United States Congress in recognition of
37 the crucial role wastewater treatment systems and plants play in
38 maintaining and improving water quality, and with an
39 understanding that the cost of financing and constructing these
40 systems must be borne by local governments and authorities with
41 limited sources of revenues, established in the "Federal Water
42 Pollution Control Act Amendments of 1972," Pub.L.92-500 (33
43 U.S.C. s.1251 et al.) a program to provide local governments with
44 grants for constructing these systems; that during the last several
45 years the amount of federal grant money available to states and
46 local governments for assistance in constructing and improving
47 wastewater treatment systems has sharply diminished; that the
48 current level of federal grant funding is inadequate to meet the cost

1 of upgrading the State's wastewater treatment capacity to comply
2 with State water quality standards; that the collective needs of the
3 State and local governments for capital financing of wastewater
4 treatment systems far exceed the sums of money presently available
5 through revenue initiatives and State and federal aid programs; and
6 that it is fitting and proper for the State to encourage local
7 governments to undertake wastewater treatment projects through
8 the establishment of a State mechanism to provide loans at the
9 lowest reasonable interest rates and to guarantee or insure local
10 capital improvement bonds.

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

25 The Legislature further finds that funding at the federal level for
26 wastewater treatment, stormwater management and combined sewer
27 system rehabilitation projects is insufficient; that State funds
28 available for these projects are inadequate to meet current needs;
29 that local revenues are insufficient to meet these expenses; and that
30 additional funding at the State level is necessary to meet this
31 financial obligation.

32 c. The Legislature finds that construction, rehabilitation,
33 operation and maintenance of modern and efficient water supply
34 facilities are essential to protecting and improving the State's water
35 quality; that the citizens of this State, in recognition of the crucial
36 role the construction of new and the upgrading of existing water
37 supply facilities play in maintaining and augmenting the natural
38 water resources of the State, and with an understanding that the cost
39 of financing and constructing these systems is beyond the limited
40 financial resource capabilities of local governments and authorities
41 and must be subsidized by the State and repaid through a system of
42 water supply user charges, approved the enactment of the "Water
43 Supply Bond Act of 1981" (P.L.1981, c.261); that the water supply
44 needs of the State are so great that the funds allocated for this
45 purpose from the "Water Supply Fund" established by that 1981
46 bond act should be augmented and maximized, to the extent
47 practicable, through the use of alternative methods of State
48 financing to offset the costs of water supply projects and for the

1 construction of new or the rehabilitation of antiquated or inadequate
2 existing water supply facilities; that the United States Congress in
3 recognition of the essential role that safe drinking water plays in
4 protecting the public health, and with an understanding that
5 financing, constructing and maintaining water systems that meet the
6 requirements of the "Safe Drinking Water Act," 42 U.S.C. s.300f et
7 seq. exceed the financial and technical capacity of the operators of
8 some water systems, has established in the "Safe Drinking Water
9 Act Amendments of 1996," P.L.104-182, a program to provide
10 public water systems with financial assistance to meet national
11 primary drinking water regulations or to otherwise further the
12 health protection objectives of the federal law and that the State
13 must, in order to make use of the federal funds, provide State funds
14 for the program; and therefore, State funding for the program is
15 necessary to meet this financial obligation.

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

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

34 f. The Legislature therefore determines that it is in the public
35 interest to establish a State authority authorized to issue bonds,
36 notes and other obligations and to establish any reserve funds
37 necessary therefor, and to make loans to and guarantee debt
38 incurred by local government units for environmental and
39 transportation infrastructure projects.

40 (cf: P.L.1997, c.224, s.3)

41
42 12. Section 3 of P.L.1985, c.334 (C.58:11B-3) is amended to
43 read as follows:

44 3. As used in sections 1 through 27 of P.L.1985, c.334
45 (C.58:11B-1 through C.58:11B-27) **【and】**, sections 23 through 27
46 of P.L.1997, c.224 (C.58:11B-10.1 et al.), and sections 27 and 39
47 through 43 of P.L. , c. (C.) (pending before the Legislature
48 as this bill):

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

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

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

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

15 "Commissioner" means the Commissioner of the Department of
16 Environmental Protection;

17 "Cost" means the cost of all labor, materials, machinery and
18 equipment, lands, property, rights and easements, financing
19 charges, interest on bonds, notes or other obligations, plans and
20 specifications, surveys or estimates of costs and revenues,
21 engineering and legal services, and all other expenses necessary or
22 incident to all or part of an environmental infrastructure project;

23 "Department" means the Department of Environmental
24 Protection;

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

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

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

1 water for human consumption; or (3) a county, municipality,
2 municipal, county or regional transportation authority, or any other
3 political subdivision of the State authorized to construct, operate,
4 and maintain public highways or transportation projects as defined
5 pursuant to this section;

6 "Notes" means notes issued by the trust pursuant to P.L.1985,
7 c.334 (C.58:11B-1 et seq.) **[or]**, P.L.1997, c.224 (C.58:11B-10.1 et
8 al.), or sections 27 and 39 through 43 of P.L. , c. (C.)
9 (pending before the Legislature as this bill);

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

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

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

26 "Project" **[or "environmental infrastructure project"]** means the
27 acquisition, construction, improvement, repair or reconstruction of
28 all or part of any structure, facility, or equipment, or real or
29 personal property necessary for or ancillary to any: (1) wastewater
30 treatment system project, including any stormwater management or
31 combined sewer overflow abatement projects; **[or]** (2) water supply
32 project, as authorized pursuant to P.L.1985, c.334 (C.58:11B-1 et
33 seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), including any water
34 resources project, as authorized pursuant to P.L.2003, c.162**[,];** or
35 (3) transportation project authorized pursuant to sections 27 and 39
36 through 43 of P.L. , c. (C.) (pending before the Legislature
37 as this bill);

38 "Public highway" means public roads, streets, expressways,
39 freeways, parkways, motorways and boulevards, including bridges,
40 tunnels, overpasses, underpasses, interchanges, express bus
41 roadways, bus pullouts and turnarounds, park-ride facilities, traffic
42 circles, grade separations, traffic control devices, the elimination or
43 improvement of crossings of railroads and highways, whether at-
44 grade or not at-grade, bicycle and pedestrian pathways and
45 pedestrian and bicycle bridges, and any property, rights of way,
46 easements and interests therein needed for the construction,
47 improvement, and maintenance of highways;

1 "Public water utility" means any investor-owned water company
2 or small water company;

3 "Small water company" means any company, purveyor or entity,
4 other than a governmental agency, that provides water for human
5 consumption and which regularly serves less than 1,000 customer
6 connections, including nonprofit, noncommunity water systems
7 owned or operated by a nonprofit group or organization;

8 "Stormwater management system" means any equipment, plants,
9 structures, machinery, apparatus, management practices, or land, or
10 any combination thereof, acquired, used, constructed, implemented
11 or operated to prevent nonpoint source pollution, abate improper
12 cross-connections and interconnections between stormwater and
13 sewer systems, minimize stormwater runoff, reduce soil erosion, or
14 induce groundwater recharge, or any combination thereof;

15 "Transportation project" means capital projects for public
16 highways, approach roadways and other necessary land-side
17 improvements, ramps, signal systems, roadbeds, transit lanes or
18 rights of way, pedestrian walkways and bridges connecting to
19 passenger stations and servicing facilities, bridges, and grade
20 crossings;

21 "Trust" means the New Jersey **【Environmental】** Infrastructure
22 **【Trust】** Bank created pursuant to section 4 of P.L.1985, c.334
23 (C.58:11B-4);

24 "Wastewater" means residential, commercial, industrial, or
25 agricultural liquid waste, sewage, septage, stormwater runoff, or
26 any combination thereof, or other liquid residue discharged or
27 collected into a sewer system or stormwater management system, or
28 any combination thereof;

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

43 "Wastewater treatment system project" means any work relating
44 to the acquisition, construction, improvement, repair or
45 reconstruction of all or part of any structure, facility or equipment,
46 or real or personal property necessary for or ancillary to any
47 wastewater treatment system that meets the requirements set forth
48 in sections 20, 21, and 22 of P.L.1985, c.334 (C.58:11B-20,

1 C.58:11B-21, and C.58:11B-22); or any work relating to any of the
2 stormwater management or combined sewer overflow abatement
3 projects identified in the stormwater management and combined
4 sewer overflow abatement project priority list adopted by the
5 commissioner pursuant to section 28 of P.L.1989, c.181; or any
6 work relating to the purposes set forth in section 6 of P.L.2003,
7 c.162; or any work relating to any other project eligible for
8 financing under the "Federal Water Pollution Control Act
9 Amendments of 1972" (33 U.S.C. s.1251 et seq.), or any
10 amendatory or supplementary acts thereto;

11 "Water resources project" means any work related to transferring
12 water between public water systems during a state of water
13 emergency, to avert a drought emergency in all or any part of the
14 State, to plan, design or construct interconnections of existing water
15 supplies, or to extend water supplies to areas with contaminated
16 ground water supplies;

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

33 "Water supply project" means any work relating to the
34 acquisition, construction, improvement, repair or reconstruction of
35 all or part of any structure, facility or equipment, or real or personal
36 property necessary for or ancillary to water supply facilities that
37 meets the requirements set forth in sections 24, 25, and 26 of
38 P.L.1997, c.224 (C.58:11B-20.1, C.58:11B-21.1, and C.58:11B-
39 22.1); or any work relating to the purposes set forth in section 4 of
40 P.L.1981, c.261; or any work relating to the purposes set forth in
41 section 6 of P.L.2003, c.162; or any work relating to any other
42 project eligible for funding pursuant to the federal "Safe Drinking
43 Water Act Amendments of 1996," Pub.L.104-182, and any
44 amendatory and supplementary acts thereto.

45 (cf: P.L.2009, c.103, s.1)

46

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

1 4. a. There is established in, but not of, the Department of
2 **【Environmental Protection】** the Treasury a body corporate and
3 politic, with corporate succession, to be known as the "New Jersey
4 **【Environmental】** Infrastructure **【Trust】** Bank." The trust is
5 constituted as an instrumentality of the State exercising public and
6 essential governmental functions, no part of whose revenues shall
7 accrue to the benefit of any individual, and the exercise by the trust
8 of the powers conferred by the provisions of P.L.1985, c.334
9 (C.58:11B-1 et seq.) **【or】** , P.L.1997, c.224 (C.58:11B-10.1 et al.),
10 or sections 27 and 39 through 43 of P.L. , c. (C.) (pending
11 before the Legislature as this bill), shall be deemed and held to be
12 an essential governmental function of the State.

13 b. The trust shall consist of a **【seven-member】** 10 member
14 board of directors composed of the State Treasurer, the
15 Commissioner of the Department of Community Affairs, the
16 Commissioner of the Department of Transportation, and the
17 Commissioner of the Department of Environmental Protection, who
18 shall be members ex officio; **【one person】** two people appointed by
19 the Governor upon the recommendation of the President of the
20 Senate, and **【one person】** two people appointed by the Governor
21 upon the recommendation of the Speaker of the General Assembly,
22 who shall serve during the two-year legislative term in which they
23 are appointed; and two residents of the State appointed by the
24 Governor with the advice and consent of the Senate, who shall serve
25 for terms of four years, except that the first two appointed shall
26 serve terms of two and three years respectively. Each appointed
27 director shall serve until **【his】** that director's successor has been
28 appointed and qualified. A director is eligible for reappointment.
29 Any vacancy shall be filled in the same manner as the original
30 appointment, but for the unexpired term only.

31 With respect to those public members first appointed by the
32 Governor, the appointment of each of the two members upon the
33 advice and consent of the Senate shall become effective 30 days
34 after their nomination by the Governor if the Senate has not given
35 advice and consent on those nominations within that time period;
36 the President of the Senate and the Speaker of the General
37 Assembly each shall recommend to the Governor a public member
38 for appointment within 20 days following the effective date of
39 **【this act】** P.L.1985, c.334 (C.58:11B-1 et seq.) and a public
40 member for appointment within 20 days following the effective date
41 of P.L. c. (pending before the Legislature as this bill), and a
42 recommendation made in this manner shall become effective if the
43 Governor makes the appointment in accordance with the
44 recommendation, in writing, within 10 days of the Governor's
45 receipt thereof. In each instance where the Governor fails to make
46 the appointment, the President of the Senate and the Speaker of the
47 General Assembly shall make new recommendations subject to
48 appointment by the Governor as determined in this section.

1 c. Each appointed director may be removed from office by the
2 Governor for cause, upon the Governor's consideration of the
3 findings and recommendations of an administrative law judge after
4 a public hearing before the judge, and may be suspended by the
5 Governor pending the completion of the hearing. Each director,
6 before entering upon **【his】** the director's duties, shall take and
7 subscribe an oath to perform the duties of **【his】** the director's office
8 faithfully, impartially and justly to the best of **【his】** the director's
9 ability. A record of oaths shall be filed in the office of the Secretary
10 of State.

11 d. The Governor shall designate one of the appointed members
12 to be the **【chairman】** chairperson and chief executive officer of the
13 trust and the directors shall biannually elect a **【vice-chairman】**
14 vice-chairperson from among the appointed directors. The
15 **【chairman】** chairperson shall serve as such for a term of two years
16 and until a successor has been designated. A **【chairman】**
17 chairperson shall be eligible **【to succeed himself】** for one additional
18 two-year term as chairperson. The directors shall elect a secretary
19 and treasurer, who need not be directors, and the same person may
20 be elected to serve as both secretary and treasurer.

21 The powers of the trust are vested in the directors in office from
22 time to time and **【four】** six directors shall constitute a quorum at
23 any meeting. Action may be taken and motions and resolutions
24 adopted by the trust by the affirmative majority vote of those
25 directors present, but in no event shall any action be taken or
26 motions or resolutions adopted without the affirmative vote of at
27 least **【four members】** six directors. No vacancy on the board of
28 directors of the trust shall impair the right of a quorum of the
29 directors to exercise the powers and perform the duties of the trust.

30 e. Each director and the treasurer of the trust shall execute a
31 bond to be conditioned upon the faithful performance of the duties
32 of the director or treasurer in a form and amount as may be
33 prescribed by the State Treasurer. Bonds shall be filed in the office
34 of the Secretary of State. At all times thereafter, the directors and
35 treasurer shall maintain these bonds in full effect. All costs of the
36 bonds shall be borne by the trust.

37 f. The directors of the trust shall serve without compensation,
38 but the trust shall reimburse the directors for actual and necessary
39 expenses incurred in the performance of their duties.
40 Notwithstanding the provisions of any other law to the contrary, no
41 officer or employee of the State shall be deemed to have forfeited or
42 shall forfeit **【his】** the officer's or employee's office or employment
43 or any benefits or emoluments thereof by reason of **【his】** the
44 officer's or employee's acceptance of the office of ex officio
45 director of the trust or **【his】** the ex officio director's services
46 thereon.

1 g. Each ex officio director may designate an officer of **【his】**
2 the ex officio director's department to represent **【him】** the ex
3 officio director at meetings of the trust. Each designee may lawfully
4 vote and otherwise act on behalf of the director for whom **【he】** the
5 person constitutes the designee. The designation shall be delivered
6 in writing to the trust and shall continue in effect until revoked or
7 amended in writing and delivered to the trust.

8 h. The trust may be dissolved by law; provided the trust has no
9 debts or obligations outstanding or that provision has been made for
10 the payment or retirement of these debts or obligations. The trust
11 shall continue in existence until dissolved by act of the Legislature.
12 Upon any dissolution of the trust, all property, funds and assets of
13 the trust shall be vested in the State.

14 i. A true copy of the minutes of every meeting of the trust shall
15 be forthwith delivered by and under the certification of the secretary
16 thereof to the Governor and at the same time to the Senate and
17 General Assembly. The time and act of this delivery shall be duly
18 recorded on a delivery receipt. No action taken or motion or
19 resolution adopted at a meeting by the trust shall have effect until
20 10 days, exclusive of Saturdays, Sundays and public holidays, after
21 a copy of the minutes has been delivered to the Governor, unless
22 during the 10-day period the Governor shall approve all or part of
23 the actions taken or motions or resolutions adopted, in which case
24 the action or motion or resolution shall become effective upon the
25 approval.

26 If, in the 10-day period, the Governor returns the copy of the
27 minutes with a veto of any action taken by the trust or any member
28 thereof at that meeting, the action shall be of no effect. The Senate
29 or General Assembly shall have the right to provide written
30 comments concerning the minutes to the Governor within the 10-
31 day period, which comments shall be returned to the trust by the
32 Governor with **【his】** the Governor's approval or veto of the
33 minutes.

34 The powers conferred in this subsection upon the Governor shall
35 be exercised with due regard for the rights of the holders of bonds,
36 notes and other obligations of the trust at any time outstanding, and
37 nothing in, or done pursuant to, this subsection shall in any way
38 limit, restrict or alter the obligation or powers of the trust or any
39 representative or officer of the trust to carry out and perform each
40 covenant, agreement, or contract made or entered into by or on
41 behalf of the trust with respect to its bonds, notes, or other
42 obligations or for the benefit, protection or security of the holders
43 thereof.

44 j. No resolution or other action of the trust providing for the
45 issuance of bonds, refunding bonds, notes or other obligations shall
46 be adopted or otherwise made effective by the trust without the
47 prior approval in writing of the Governor and the State Treasurer.
48 The trust shall provide the Senate and General Assembly with

1 written notice of any request for approval of the Governor and State
2 Treasurer at the time the request is made, and shall also provide the
3 Senate and General Assembly written notice of the response of the
4 Governor and State Treasurer at the time that the response is
5 received by the trust.

6 (cf: P.L.1997, c.224, s.5)

7
8 14. Section 5 of P.L.1985, c.334 (C.58:11B-5) is amended to
9 read as follows:

10 5. Except as otherwise limited by the provisions of P.L.1985,
11 c.334 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et
12 al.), or sections 27 and 39 through 43 of P.L. , c. (C.)
13 (pending before the Legislature as this bill), the trust may:

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

18 b. Adopt an official seal and alter it;

19 c. Sue and be sued;

20 d. Make and enter into all contracts, leases and agreements
21 necessary or incidental to the performance of its duties and the
22 exercise of its powers under the provisions of P.L.1985, c.334
23 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.),
24 or sections 27 and 39 through 43 of P.L. , c. (C.) (pending
25 before the Legislature as this bill), and subject to any agreement
26 with the holders of the trust's bonds, notes or other obligations,
27 consent to any modification, amendment or revision of any contract,
28 lease or agreement to which the trust is a party;

29 e. Enter into agreements or other transactions with and accept,
30 subject to the provisions of section 23 of P.L.1985, c.334
31 (C.58:11B-23), grants, appropriations and the cooperation of the
32 State, or any State agency, in furtherance of the purposes of
33 P.L.1985, c.334 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224
34 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. ,
35 c. (C.) (pending before the Legislature as this bill), and do
36 anything necessary in order to avail itself of that aid and
37 cooperation;

38 f. Receive and accept aid or contributions from any source of
39 money, property, labor or other things of value, to be held, used and
40 applied to carry out the purposes of P.L.1985, c.334 (C.58:11B-1 et
41 seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27
42 and 39 through 43 of P.L. , c. (C.) (pending before the
43 Legislature as this bill), subject to the conditions upon which that
44 aid and those contributions may be made, including, but not limited
45 to, gifts or grants from any department or agency of the State, or
46 any State agency, for any purpose consistent with the provisions of
47 P.L.1985, c.334 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224
48 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. ,

- 1 c. (C.) (pending before the Legislature as this bill), subject to
2 the provisions of section 23 of P.L.1985, c.334 (C.58:11B-23);
- 3 g. Acquire, own, hold, construct, improve, rehabilitate,
4 renovate, operate, maintain, sell, assign, exchange, lease, mortgage
5 or otherwise dispose of real and personal property, or any interest
6 therein, in the exercise of its powers and the performance of its
7 duties under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.)
8 **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39
9 through 43 of P.L. , c. (C.) (pending before the Legislature
10 as this bill);
- 11 h. Appoint and employ an executive director and any other
12 officers or employees as it may require for the performance of its
13 duties, without regard to the provisions of Title 11A of the New
14 Jersey Statutes;
- 15 i. Borrow money and issue bonds, notes and other obligations,
16 and secure the same, and provide for the rights of the holders
17 thereof as provided in the provisions of P.L.1985, c.334 (C.58:11B-
18 1 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections
19 27 and 39 through 43 of P.L. , c. (C.) (pending before the
20 Legislature as this bill);
- 21 j. Subject to any agreement with holders of its bonds, notes or
22 other obligations, invest moneys of the trust not required for
23 immediate use, including proceeds from the sale of any bonds, notes
24 or other obligations, in any obligations, securities and other
25 investments in accordance with the rules and regulations of the
26 State Investment Council or as may otherwise be approved by the
27 Director of the Division of Investment in the Department of the
28 Treasury upon a finding that such investments are consistent with
29 the corporate purposes of the trust;
- 30 k. Procure insurance to secure the payment of its bonds, notes
31 or other obligations or the payment of any guarantees or loans made
32 by it in accordance with the provisions of P.L.1985, c.334
33 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.),
34 or sections 27 and 39 through 43 of P.L. , c. (C.) (pending
35 before the Legislature as this bill), or against any loss in connection
36 with its property and other assets and operations, in any amounts
37 and from any insurers as it deems desirable;
- 38 l. Engage the services of attorneys, accountants, engineers, and
39 financial experts and any other advisors, consultants, experts and
40 agents as may be necessary in its judgment and fix their
41 compensation;
- 42 m. (1) Make and contract to make loans to local government
43 units, or to a local government unit on behalf of another local
44 government unit, to finance the cost of wastewater treatment system
45 projects or water supply projects and acquire and contract to acquire
46 notes, bonds or other obligations issued or to be issued by any local
47 government units to evidence the loans, all in accordance with the

1 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,
2 c.224 (C.58:11B-10.1 et al.);

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

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

15 (4) Make and contract to make loans and provide other
16 assistance to one or more local government units or consortia
17 thereof to finance the cost of transportation projects in accordance
18 with the provisions of the federal infrastructure bank program and
19 pursuant to sections 27 and 39 through 43 of P.L. , c. (C.)
20 (pending before the Legislature as this bill);

21 n. Subject to any agreement with holders of its bonds, notes or
22 other obligations, purchase bonds, notes and other obligations of the
23 trust and hold the same for resale or provide for the cancellation
24 thereof, all in accordance with the provisions of P.L.1985, c.334
25 (C.58:11B-1 et seq.) **【or】** P.L.1997, c.224 (C.58:11B-10.1 et al.),
26 or sections 27 and 39 through 43 of P.L. , c. (C.) (pending
27 before the Legislature as this bill);

28 o. (1) Charge to and collect from local government units,
29 private persons or public water utilities any fees and charges in
30 connection with the trust's loans, guarantees or other services,
31 including, but not limited to, fees and charges sufficient to
32 reimburse the trust for all reasonable costs necessarily incurred by it
33 in connection with its financings and the establishment and
34 maintenance of reserve or other funds, as the trust may determine to
35 be reasonable. The fees and charges shall be in accordance with a
36 uniform schedule published by the trust for the purpose of
37 providing actual cost reimbursement for the services rendered;

38 (2) Any fees and charges collected by the trust pursuant to this
39 subsection may be deposited and maintained in a special fund
40 separate from any other funds held by the trust pursuant to section
41 10 of P.L.1985, c.334 (C.58:11B-10) or section 23 of P.L.1997,
42 c.224 (C.58:11B-10.1), including the Emergency Loan Fund
43 established pursuant to section 4 of P.L.2007, c.138 (C.58:11B-9.1),
44 and shall be available for any corporate purposes of the trust,
45 including the Emergency Financing Program pursuant to section 4
46 of P.L.2007, c.138 (C.58:11B-9.1);

47 p. Subject to any agreement with holders of its bonds, notes or
48 other obligations, obtain as security or to provide liquidity for

1 payment of all or any part of the principal of and interest and
2 premium on the bonds, notes and other obligations of the trust or
3 for the purchase upon tender or otherwise of the bonds, notes or
4 other obligations, lines of credit, letters of credit and other security
5 agreements or instruments in any amounts and upon any terms as
6 the trust may determine, and pay any fees and expenses required in
7 connection therewith;

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

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

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

15 (cf: P.L.2009, c.103, s.2)

16
17 15. Section 6 of P.L.1985, c.334 (C.58:11B-6) is amended to
18 read as follows:

19 6. a. Except as may be otherwise expressly provided in the
20 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) **【or】** P.L.1997,
21 c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of
22 P.L. , c. (C.) (pending before the Legislature as this bill),
23 the trust may from time to time issue its bonds, notes, or other
24 obligations in any principal amounts as in the judgment of the trust
25 shall be necessary to provide sufficient funds for any of its
26 corporate purposes, including the payment, funding, or refunding of
27 the principal of, or interest or redemption premiums on, any bonds,
28 notes, or other obligations issued by it, whether the bonds, notes, or
29 other obligations or the interest or redemption premiums thereon to
30 be funded or refunded have or have not become due, the
31 establishment or increase of reserves or other funds to secure or to
32 pay the bonds, notes, or other obligations or interest thereon and all
33 other costs or expenses of the trust incident to and necessary to
34 carry out its corporate purposes and powers.

35 b. Whether or not the bonds, notes or other obligations of the
36 trust are of a form and character as to be negotiable instruments
37 under the terms of Title 12A of the New Jersey Statutes, the bonds,
38 notes and other obligations are made negotiable instruments within
39 the meaning of and for the purposes of Title 12A of the New Jersey
40 Statutes, subject only to the provisions of the bonds, notes and other
41 obligations for registration.

42 c. Bonds, notes or other obligations of the trust shall be
43 authorized by a resolution or resolutions of the trust and may be
44 issued in one or more series and shall bear any date or dates, mature
45 at any time or times, bear interest at any rate or rates of interest per
46 annum, be in any denomination or denominations, be in any form,
47 either coupon, registered or book entry, carry any conversion or
48 registration privileges, have any rank or priority, be executed in any

1 manner, be payable in any coin or currency of the United States
2 which at the time of payment is legal tender for the payment of
3 public and private debts, at any place or places within or without
4 the State, and be subject to any terms of redemption by the trust or
5 the holders thereof, with or without premium, as the resolution or
6 resolutions may provide. A resolution of the trust authorizing the
7 issuance of bonds, notes or other obligations may provide that the
8 bonds, notes or other obligations be secured by a trust indenture
9 between the trust and a trustee, vesting in the trustee any property,
10 rights, powers and duties in trust consistent with the provisions of
11 P.L.1985, c.334 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224
12 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. ,
13 c. (C.) (pending before the Legislature as this bill) as the trust
14 may determine.

15 d. Bonds, notes or other obligations of the trust may be sold at
16 any price or prices and in any manner as the trust may determine.
17 Each bond, note or other obligation shall mature and be paid not
18 later than 30 years for environmental infrastructure projects, and 31
19 years for transportation projects, from the effective date thereof, or
20 the certified useful life of the project or projects to be financed by
21 the bonds, whichever is less, or a shorter period of time as may be
22 applicable to any companion loan issued pursuant to federal law or
23 regulation.

24 All bonds of the trust shall be sold at **【such】** the price or prices
25 and in **【such】** the manner as the trust shall determine, after notice
26 of sale, a summary of which shall be published at least once in at
27 least three newspapers published in the State of New Jersey and at
28 least once in a publication carrying municipal bond notices and
29 devoted primarily to financial news published in New Jersey or the
30 city of New York, the first summary notice to be at least five days
31 prior to the day of bidding. The notice of sale may contain a
32 provision to the effect that any or all bids made in pursuance thereof
33 may be rejected. In the event of such rejection or of failure to
34 receive any acceptable bid, the trust, at any time within 60 days
35 from the date of such advertised sale, may sell such bonds at private
36 sale upon terms not less favorable to the State than the terms
37 offered by any rejected bid. The trust may sell all or part of the
38 bonds of any series as issued to any State fund or to the federal
39 government or any agency thereof, at private sale, without
40 advertisement.

41 e. Bonds, notes or other obligations of the trust may be issued
42 under the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) **【or】**,
43 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39
44 through 43 of P.L. , c. (C.) (pending before the Legislature
45 as this bill) without obtaining the consent of any department,
46 division, board, bureau or agency of the State, and without any
47 other proceedings or the happening of any other conditions or
48 things, other than those consents, proceedings, conditions or things

1 which are specifically required by P.L.1985, c.334 (C.58:11B-1 et
2 seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27
3 and 39 through 43 of P.L. , c. (C.) (pending before the
4 Legislature as this bill).

5 f. Bonds, notes or other obligations of the trust issued under
6 the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) **【or】**,
7 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39
8 through 43 of P.L. , c. (C.) (pending before the Legislature
9 as this bill) shall not be a debt or liability of the State or of any
10 political subdivision thereof other than the trust and shall not create
11 or constitute any indebtedness, liability or obligation of the State or
12 any political subdivision, but all these bonds, notes and other
13 obligations, unless funded or refunded by bonds, notes or other
14 obligations, shall be payable solely from revenues or funds pledged
15 or available for their payment as authorized in P.L.1985, c.334
16 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.),
17 or sections 27 and 39 through 43 of P.L. , c. (C.) (pending
18 before the Legislature as this bill). Each bond, note and obligation
19 shall contain on its face a statement to the effect that the trust is
20 obligated to pay the principal thereof or the interest thereon only
21 from its revenues, receipts or funds pledged or available for their
22 payment as authorized in P.L.1985, c.334 (C.58:11B-1 et seq.)
23 **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39
24 through 43 of P.L. , c. (C.) (pending before the Legislature
25 as this bill), and that neither the State, nor any political subdivision
26 thereof, is obligated to pay the principal or interest and that neither
27 the faith and credit nor the taxing power of the State, or any
28 political subdivision thereof, is pledged to the payment of the
29 principal of or the interest on the bonds, notes or other obligations.

30 g. The aggregate principal amount of bonds, notes or other
31 obligations, including subordinated indebtedness of the trust, shall
32 not exceed (1) \$5,000,000,000 with respect to bonds, notes, or other
33 obligations issued to finance the Disaster Relief Emergency
34 Financing Program established pursuant to section 1 of P.L.2013,
35 c.93 (C.58:11B-9.5), and (2) **【\$2,800,000,000】** \$3,800,000,000
36 with respect to bonds, notes, or other obligations issued for all other
37 purposes of the trust. In computing the foregoing limitations there
38 shall be excluded all the bonds, notes or other obligations, including
39 subordinated indebtedness of the trust, which shall be issued for
40 refunding purposes, whenever the refunding shall be determined to
41 result in a savings.

42 (1) Upon the decision by the trust to issue refunding bonds,
43 except for current refunding, and prior to the sale of those bonds,
44 the trust shall transmit to the Joint Budget Oversight Committee, or
45 its successor, a report that a decision has been made, reciting the
46 basis on which the decision was made, including an estimate of the
47 debt service savings to be achieved and the calculations upon which
48 the trust relied when making the decision to issue refunding bonds.

1 The report shall also disclose the intent of the trust to issue and sell
2 the refunding bonds at public or private sale and the reasons
3 therefor.

4 (2) The Joint Budget Oversight Committee or its successor shall
5 have the authority to approve or disapprove the sales of refunding
6 bonds as included in each report submitted in accordance with
7 paragraph (1) of this subsection. The committee shall notify the
8 trust in writing of the approval or disapproval within 30 days of
9 receipt of the report. Should the committee not act within 30 days
10 of receipt of the report, the trust may proceed with the sale of the
11 refunding bonds, provided that the sale of refunding bonds shall
12 realize not less than **【3.00%】** three percent net present value debt
13 service savings.

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

18 (4) Within 30 days after the sale of the refunding bonds, the
19 trust shall notify the committee of the result of that sale, including
20 the prices and terms, conditions and regulations concerning the
21 refunding bonds, the actual amount of debt service savings to be
22 realized as a result of the sale of refunding bonds, and the intended
23 use of the proceeds from the sale of those bonds.

24 (5) The committee shall review all information and reports
25 submitted in accordance with this subsection and may, on its own
26 initiative, make observations to the trust, or to the Legislature, or
27 both, as it deems appropriate.

28 h. Each issue of bonds, notes, or other obligations of the trust
29 may, if it is determined by the trust, be general obligations thereof
30 payable out of any revenues, receipts or funds of the trust, or
31 special obligations thereof payable out of particular revenues,
32 receipts or funds, subject only to any agreements with the holders of
33 bonds, notes or other obligations, and may be secured by one or
34 more of the following:

35 (1) Pledge of revenues and other receipts to be derived from the
36 payment of the interest on and principal of notes, bonds or other
37 obligations issued to the trust by one or more local government
38 units, and any other payment made to the trust pursuant to
39 agreements with any local government units, or a pledge or
40 assignment of any notes, bonds, or other obligations of any local
41 government unit and the rights and interest of the trust therein;

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

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

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

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

12 i. The trust shall not issue any bonds, notes or other
13 obligations, or otherwise incur any additional indebtedness, on or
14 after June 30, 2033.

15 j. (Deleted by amendment, P.L.1996, c.88).
16 (cf: P.L.2015, c.106, s.1)

17

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

20 7. In any resolution of the trust authorizing or relating to the
21 issuance of any of its bonds, notes or other obligations, the trust, in
22 order to secure the payment of the bonds, notes or other obligations
23 and in addition to its other powers, may by provisions therein which
24 shall constitute covenants by the trust and contracts with the holders
25 of the bonds, notes or other obligations:

26 a. Secure the bonds, notes or other obligations as provided in
27 section 6 of P.L.1985, c.334 (C.58:11B-6);

28 b. Covenant against pledging all or part of its revenues or
29 receipts;

30 c. Covenant with respect to limitations on any right to sell,
31 mortgage, lease or otherwise dispose of any notes, bonds or other
32 obligations of local government units, or any part thereof, or any
33 property of any kind;

34 d. Covenant as to any bonds, notes or other obligations to be
35 issued by the trust, and the limitations thereon, and the terms and
36 conditions thereof, and as to the custody, application, investment
37 and disposition of the proceeds thereof;

38 e. Covenant as to the issuance of additional bonds, notes or
39 other obligations of the trust or as to limitations on the issuance of
40 additional bonds, notes or other obligations and on the incurring of
41 other debts by it;

42 f. Covenant as to the payment of the principal of or interest on
43 bonds, notes or other obligations of the trust, as to the sources and
44 methods of payment, as to the rank or priority of the bonds, notes or
45 other obligations with respect to any lien or security or as to the
46 acceleration of the maturity of the bonds, notes or other obligations;

47 g. Provide for the replacement of lost, stolen, destroyed or
48 mutilated bonds, notes or other obligations of the trust;

- 1 h. Covenant against extending the time for the payment of
2 bonds, notes or other obligations of the trust or interest thereon;
- 3 i. Covenant as to the redemption of bonds, notes and other
4 obligations by the trust or the holders thereof and privileges of
5 exchange thereof for other bonds, notes or other obligations of the
6 trust;
- 7 j. Covenant to create or authorize the creation of special funds
8 or accounts to be held in trust or otherwise for the benefit of holders
9 of bonds, notes and other obligations of the trust, or reserves for
10 other purposes and as to the use, investment, and disposition of
11 moneys held in those funds, accounts or reserves;
- 12 k. Provide for the rights and liabilities, powers and duties
13 arising upon the breach of any covenant, condition or obligation and
14 prescribe the events of default and terms and conditions upon which
15 any or all of the bonds, notes or other obligations of the trust shall
16 become or may be declared due and payable before maturity and the
17 terms and conditions upon which the declaration and its
18 consequences may be waived;
- 19 l. Vest in a trustee or trustees within or without the State any
20 property, rights, powers and duties in trust as the trust may
21 determine, which may include any or all of the rights, powers and
22 duties of any trustee appointed by the holders of any bonds, notes or
23 other obligations of the trust pursuant to section 18 of P.L.1985,
24 c.334 (C.58:11B-18), including rights with respect to the sale or
25 other disposition of notes, bonds or other obligations of local
26 government units pledged pursuant to a resolution or trust indenture
27 for the benefit of the holders of bonds, notes or other obligations of
28 the trust and the right by suit or action to foreclose any mortgage
29 pledged pursuant to the resolution or trust indenture for the benefit
30 of the holders of the bonds, notes or other obligations, and to limit
31 or abrogate the right of the holders of any bonds, notes or other
32 obligations of the trust to appoint a trustee under the provisions of
33 P.L.1985, c.334 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224
34 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. ,
35 c. (C.) (pending before the Legislature as this bill), and to
36 limit the rights, duties and powers of the trustee;
- 37 m. Pay the costs or expenses incident to the enforcement of the
38 bonds, notes or other obligations of the trust or of the provisions of
39 the resolution authorizing the issuance of those bonds, notes or
40 other obligations or of any covenant or agreement of the trust with
41 the holders of the bonds, notes or other obligations;
- 42 n. Limit the rights of the holders of any bonds, notes or other
43 obligations of the trust to enforce any pledge or covenant securing
44 the bonds, notes or other obligations; and
- 45 o. Make covenants other than or in addition to the covenants
46 authorized by P.L.1985, c.334 (C.58:11B-1 et seq.) **【or】**, P.L.1997,
47 c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of
48 P.L. , c. (C.) (pending before the Legislature as this bill) of

1 like or different character, and make covenants to do or refrain from
2 doing any acts and things as may be necessary, or convenient and
3 desirable, in order to better secure the bonds, notes or other
4 obligations of the trust, or which, in the absolute discretion of the
5 trust, would make the bonds, notes or other obligations more
6 marketable, notwithstanding that the covenants, acts or things may
7 not be enumerated herein.

8 (cf: P.L.1997, c.224, s.8)

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

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

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

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

33 (4) The trust may make and contract to make loans and provide
34 other assistance to a local government unit or consortia thereof to
35 finance the cost of transportation projects pursuant to sections 27
36 and 39 through 43 of P.L. , c. (C.) (pending before the
37 Legislature as this bill), and provided that the federally-funded
38 subaccount is operated in accordance with the provisions of the
39 federal infrastructure bank program.

40 The loans may be made subject to those terms and conditions as
41 the trust shall determine to be consistent with the purposes thereof.
42 Each loan by the trust and the terms and conditions thereof shall be
43 subject to approval by the State Treasurer, and the trust shall make
44 available to the State Treasurer all information, statistical data and
45 reports of independent consultants or experts as the State Treasurer
46 shall deem necessary in order to evaluate the loan. Each loan to a
47 local government unit, public water utility or any other person shall
48 be evidenced by notes, bonds or other obligations thereof issued to

1 the trust. In the case of each local government unit, notes and
2 bonds to be issued to the trust and, if applicable, the State, acting by
3 and through the Department of Environmental Protection, by the
4 local government unit (1) shall be authorized and issued as provided
5 by law for the issuance of notes and bonds by the local government
6 unit, (2) notwithstanding any provisions of the "Local Authorities
7 Fiscal Control Law," P.L.1983, c.313 (C.40A:5A-1 et seq.) to the
8 contrary, shall be approved by the Director of the Division of Local
9 Government Services in the Department of Community Affairs, and
10 (3)**[.]** notwithstanding the provisions of N.J.S.40A:2-27,
11 N.J.S.40A:2-28 and N.J.S.40A:2-29 or any other provisions of law
12 to the contrary, may be sold at private sale to the trust or the State,
13 as the case may be, at any price, whether or not less than par value,
14 and shall be subject to redemption prior to maturity at any times and
15 at any prices as the trust or the State, as the case may be, and local
16 government units may agree. Each loan to a local government unit,
17 public water utility or any other person and the notes, bonds or
18 other obligations thereby issued shall bear interest at a rate or rates
19 per annum as the trust or the State, as the case may be, and the local
20 government unit, public water utility or any other person, as the
21 case may be, may agree.

22 b. The trust is authorized to guarantee or contract to guarantee
23 the payment of all or any portion of the principal and interest on
24 bonds, notes or other obligations issued by a local government unit
25 to finance the cost of any wastewater treatment system project **[or]**,
26 water supply project, or transportation project which the local
27 government unit may lawfully undertake or acquire and for which
28 the local government unit is authorized by law to borrow money,
29 and the guarantee shall constitute an obligation of the trust for the
30 purposes of P.L.1985, c.334 (C.58:11B-1 et seq.) **[or]**, P.L.1997,
31 c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of
32 P.L. , c. (C.) (pending before the Legislature as this bill).
33 Each guarantee by the trust and the terms and conditions thereof
34 shall be subject to approval by the State Treasurer, and the trust
35 shall make available to the State Treasurer all information,
36 statistical data and reports of independent consultants or experts as
37 the State Treasurer shall deem necessary in order to evaluate the
38 guarantee.

39 c. The trust shall not make or contract to make any loans or
40 guarantees to local government units, public water utilities or any
41 other person, or otherwise incur any additional indebtedness, on or
42 after June 30, 2033.

43 d. Notwithstanding any provision of P.L.1985, c.334
44 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
45 the contrary, the trust may receive funds from any source including,
46 without limitation, any funds drawn by the trust from a revolving
47 line of credit or other similar financial vehicle that may be procured
48 by the trust, either through a competitive or negotiated process,

1 pursuant to section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit
2 into the Interim Environmental Financing Program Fund or the trust
3 may issue its bonds, notes or other obligations in any principal
4 amounts, in either case, as in the judgment of the trust shall be
5 necessary to provide sufficient funds to finance or refinance short-
6 term or temporary loans to local government units, public water
7 utilities or private persons for any wastewater treatment system
8 projects included on the Department of Environmental Protection
9 project priority list and eligible for approval pursuant to section 20
10 of P.L.1985, c.334 (C.58:11B-20) or water supply projects included
11 on the Department of Environmental Protection project priority list
12 and eligible for approval pursuant to section 24 of P.L.1997, c.224
13 (C.58:11B-20.1), as applicable, without regard to any other
14 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997,
15 c.224 (C.58:11B-10.1 et al.), including, without limitation, any
16 administrative or legislative approvals.

17 The trust shall create and establish a special fund **[(hereinafter**
18 **referred]** to be known as the "Interim Environmental Financing
19 Program Fund"**)]** for the short-term or temporary loan financing or
20 refinancing program **[(hereinafter referred]** to be known as the
21 "Interim Environmental Financing Program"**)]**.

22 Any short-term or temporary loans made by the trust pursuant to
23 this subsection may only be made in advance of the anticipated
24 loans the trust may make and contract to make under the provisions
25 of subsection a. of this section from any source of funds anticipated
26 to be received by the trust. Any such short-term or temporary loan
27 made pursuant to the Interim Environmental Financing Program
28 shall mature no later than the last day of the third succeeding fiscal
29 year following the closing date on which the short-term or
30 temporary loan was made by the trust to the project sponsor. The
31 trust may make short-term or temporary loans pursuant to the
32 Interim Environmental Financing Program to any one or more of
33 the project sponsors, for the respective projects thereof, identified in
34 the interim financing project priority list **[(hereinafter referred]** to
35 be known as the "Interim Environmental Financing Program
36 Eligibility List"**)]** in the form provided to the Legislature by the
37 Commissioner of Environmental Protection.

38 The Interim Environmental Financing Program Eligibility List,
39 including any revision thereof or supplement thereto, shall be
40 submitted to the Secretary of the Senate and the Clerk of the
41 General Assembly on or before June 30 of each year. The Interim
42 Environmental Financing Program Eligibility List shall be
43 submitted to the Legislature pursuant to section 2 of P.L.1991,
44 c.164 (C.52:14-19.1) at least once in each fiscal year. The
45 Secretary and the Clerk shall cause the date of submission to be
46 entered upon the Senate Journal and the Minutes of the General
47 Assembly, respectively. Any environmental infrastructure project or
48 the project sponsor thereof not identified in the Interim

1 Environmental Financing Program Eligibility List shall not be
2 eligible for a short-term or temporary loan from the Interim
3 Financing Environmental Program Fund.

4 e. Notwithstanding any provisions of the "Local Bond Law"
5 (N.J.S.40A:2-1 et seq.), the "sewerage authorities law," P.L.1946,
6 c.138 (C.40:14A-1 et seq.), or the "municipal and county utilities
7 **【authority】** authorities law," P.L.1957, c.183 (C.40:14B-1 et seq.)
8 to the contrary, short-term or temporary loans made by the trust
9 pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9), section 4 of
10 P.L.2007, c.138 (C.58:11B-9.1), section 1 of P.L.2009, c.59
11 (C.58:11B-9.2), section 5 of P.L.2009, c.103 (C.58:11B-9.3),
12 section 2 of P.L.2011, c.94 (C.58:11B-9.4), section 1 of P.L.2013,
13 c.93 (C.58:11B-9.5), or section 1 of P.L.2014, c.28 (C.58:11B-9.6),
14 and the obligations issued by project sponsors to evidence such
15 loans, may, at the discretion of the trust and upon application by the
16 project sponsor, bear interest at a variable rate determined pursuant
17 to a methodology as may be established by the trust from time to
18 time.

19 Further, notwithstanding any provisions of the "Local Bond
20 Law" (N.J.S.40A:2-1 et seq.), the "sewerage authorities law,"
21 P.L.1946, c.138 (C.40:14A-1 et seq.), or the "municipal and county
22 utilities **【authority】** authorities law," P.L.1957, c.183 (C.40:14B-1
23 et seq.) to the contrary, any short-term or temporary loans made by
24 the trust pursuant to section 9 of P.L.1985, c.334 (C.58:11B-9),
25 section 4 of P.L.2007, c.138 (C.58:11B-9.1), section 1 of P.L.2009,
26 c.59 (C.58:11B-9.2), section 5 of P.L.2009, c.103 (C.58:11B-9.3),
27 section 2 of P.L.2011, c.94 (C.58:11B-9.4), section 1 of P.L.2013,
28 c.93 (C.58:11B-9.5), or section 1 of P.L.2014, c.28 (C.58:11B-9.6),
29 and any notes or other obligations issued by project sponsors to
30 evidence such short-term or temporary loans, except as provided in
31 section 1 of P.L.2009, c.59 (C.58:11B-9.2), shall mature no later
32 than the last day of the third succeeding fiscal year following the
33 date of issuance of such notes or other obligations, without payment
34 by project sponsors of any portion of the principal thereof prior to
35 maturity.

36 f. The trust shall create and establish a special fund to be
37 known as the "Interim Transportation Financing Program Fund" for
38 the short-term or temporary loan financing or refinancing program
39 to be known as the "Interim Transportation Financing Program."

40 Notwithstanding any provision of P.L.1985, c.334 (C.58:11B-1
41 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to the contrary,
42 the trust may receive funds from any source including, without
43 limitation, any funds drawn by the trust from a revolving line of
44 credit or other similar financial vehicle that may be procured by the
45 trust, either through a competitive or negotiated process, pursuant to
46 section 5 of P.L.1985, c.334 (C.58:11B-5), for deposit into the
47 Interim Transportation Financing Program Fund or the trust may
48 issue its bonds, notes or other obligations in any principal amounts,

1 in either case, as in the judgment of the trust shall be necessary to
2 provide sufficient funds to finance or refinance short-term or
3 temporary loans to local government units or private persons for
4 any transportation project included on the Department of
5 Transportation Interim Transportation Financing Program Project
6 Eligibility List for the ensuing fiscal year and eligible for approval
7 pursuant to sections 27 and 39 through 43 of P.L. , c. (C.)
8 (pending before the Legislature as this bill), without regard to any
9 other provisions of P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997,
10 c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of
11 P.L. , c. (C.) (pending before the Legislature as this bill),
12 including, without limitation, any administrative or legislative
13 approvals.

14 Any short-term or temporary loans made by the trust pursuant to
15 this subsection may only be made in advance of the anticipated
16 loans the trust may make and contract to make under the provisions
17 of subsection a. of this section from any source of funds anticipated
18 to be received by the trust. Any such short-term or temporary loan
19 made pursuant to the Interim Transportation Financing Program
20 shall mature no later than the last day of the third succeeding fiscal
21 year following the closing date on which the short-term or
22 temporary loan was made by the trust to the project sponsor. The
23 trust may make short-term or temporary loans pursuant to the
24 Interim Transportation Financing Program to any one or more of the
25 project sponsors, for the respective projects thereof, only if a
26 project is identified in the Department of Transportation Interim
27 Transportation Financing Program Project Eligibility List to be
28 known as the "Interim Transportation Financing Program Project
29 Eligibility List" in the form provided to the Legislature by the
30 Commissioner of Transportation.

31 The Interim Transportation Financing Program Project Eligibility
32 List, including any revision thereof or supplement thereto, shall be
33 submitted to the Secretary of the Senate and the Clerk of the
34 General Assembly on or before July 1 of each year. The Interim
35 Transportation Financing Program Project Eligibility List shall be
36 submitted to the Legislature pursuant to section 2 of P.L.1991,
37 c.164 (C.52:14-19.1) at least once in each fiscal year. The
38 Secretary and the Clerk shall cause the date of submission to be
39 entered upon the Senate Journal and the Minutes of the General
40 Assembly, respectively. Any transportation infrastructure project or
41 the project sponsor thereof not identified in the Interim
42 Transportation Financing Program Project Eligibility List shall not
43 be eligible for a short-term or temporary loan from the Interim
44 Transportation Financing Program Fund. The trust may revise or
45 supplement the Interim Transportation Financing Program Project
46 Eligibility List no more than three times during the fiscal year, and
47 shall submit the revised list to the Legislature when the revisions
48 are made.

1 No funds may be disbursed pursuant to this section for project
2 activities prior to the determination and certification in writing,
3 from the Department of Transportation, that the project activities
4 satisfy the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.),
5 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39
6 through 43 of P.L. , c. (C.) (pending before the Legislature
7 as this bill).
8 (cf: P.L.2015, c.106, s.2)

10 18. Section 4 of P.L.2007, c.138 (C.58:11B-9.1) is amended to
11 read as follows:

12 4. a. The trust shall create and establish a special emergency
13 fund **[(hereinafter referred] to be known** as the "Emergency Loan
14 Fund**[")]** for the emergency short-term or temporary loan financing
15 or refinancing program **[(hereinafter referred] to be known** as the
16 "Emergency Financing Program."**[").]**

17 The Emergency Loan Fund shall be credited with:

18 (1) moneys deposited in the fund as administrative fees received
19 by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334
20 (C.58:11B-5);

21 (2) moneys received by the trust as repayment of the principal
22 of and the interest or premium on loans made from the fund;

23 (3) any interest earnings received on the moneys in the fund;

24 (4) such other moneys as the Legislature may appropriate to the
25 trust for deposit into the fund at any time to finance or refinance
26 emergency short-term or temporary loans pursuant to the
27 Emergency Financing Program; and

28 (5) any other source of available funds deemed by the trust to be
29 necessary or appropriate to provide sufficient funds for deposit into
30 the Emergency Loan Fund to finance or refinance emergency short-
31 term or temporary loans pursuant to the Emergency Financing
32 Program, including, without limitation, any funds drawn by the trust
33 from a revolving line of credit or other similar financial vehicle that
34 may be procured by the trust, either through a competitive or
35 negotiated process, pursuant to section 5 of P.L.1985, c.334
36 (C.58:11B-5), for deposit into the Emergency Loan Fund to finance
37 or refinance emergency short-term or temporary loans pursuant to
38 the Emergency Financing Program.

39 b. Notwithstanding any provision of P.L.1985, c.334
40 (C.58:11B-1 et seq.) **[or]**, P.L.1997, c.224 (C.58:11B-10.1 et al.),
41 or sections 27 and 39 through 43 of P.L. , c. (C.) (pending
42 before the Legislature as this bill) to the contrary, the trust may
43 make emergency short-term or temporary loans to (1) local
44 government units to finance or refinance wastewater treatment
45 system projects not included on the project priority list for the
46 ensuing fiscal year or eligible for approval pursuant to section 20 of
47 P.L.1985, c.334 (C.58:11B-20); or (2) public water utilities or
48 private persons to finance or refinance water supply projects not

1 included on the project priority list for the ensuing fiscal year or
2 eligible for approval pursuant to section 24 of P.L.1997, c.224
3 (C.58:11B-20.1), as applicable, whenever the Commissioner of
4 Environmental Protection has determined and certified, in writing,
5 that any such project constitutes an emergency project because of
6 an imminent threat to the environment or the public health, safety or
7 welfare caused by structural or mechanical failure, sabotage or act
8 of God, without regard to any other provisions of P.L.1985, c.334
9 **【or】** (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.),
10 or sections 27 and 39 through 43 of P.L. , c. (C.) (pending
11 before the Legislature as this bill), including, without limitation, the
12 provisions of section 20 of P.L.1985, c.334 (C.58:11B-20), section
13 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim Environmental
14 Financing Program Eligibility List pursuant to subsection d. of
15 section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative or
16 legislative approvals.
17 (cf: P.L.2015, c.106, s.3)

18
19 19. Section 1 of P.L.2009, c.59 (C.58:11B-9.2) is amended to
20 read as follows:

21 1. a. The trust shall create and establish a special fund
22 **【(hereinafter referred】 to be known as the "Planning and Design**
23 **Fund"【】** for the short-term or temporary financing or refinancing
24 of environmental planning and engineering design costs
25 **【(hereinafter referred】 to be known as the "Planning and Design**
26 **Financing Program_ "【】.**

27 The Planning and Design Fund shall be credited with:

28 (1) moneys deposited in the fund as administrative fees received
29 by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334
30 (C.58:11B-5);

31 (2) moneys received by the trust as repayment of the principal
32 of and the interest or premium on loans made from the fund;

33 (3) any interest earnings received on the moneys in the fund;

34 (4) moneys deposited in the Interim Environmental Financing
35 Program Fund established pursuant to section 9 of P.L.1985, c.334
36 (C.58:11B-9) subject to the provisions of subsection c. of this
37 section;

38 (5) such other moneys as the Legislature may appropriate to the
39 trust for deposit into the fund at any time to finance or refinance
40 short-term or temporary loans pursuant to the Planning and Design
41 Financing Program; and

42 (6) any other source of available funds deemed by the trust to be
43 necessary or appropriate to provide sufficient funds for deposit into
44 the Planning and Design Fund to finance or refinance short-term or
45 temporary loans pursuant to the Planning and Design Financing
46 Program, including, without limitation, any funds drawn by the trust
47 from a revolving line of credit or other similar financial vehicle that
48 may be procured by the trust, either through a competitive or

1 negotiated process, pursuant to section 5 of P.L.1985, c.334
2 (C.58:11B-5), for deposit into the Planning and Design Fund to
3 finance or refinance short-term or temporary loans pursuant to the
4 Planning and Design Financing Program.

5 b. Notwithstanding any provision of P.L.1985, c.334
6 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.),
7 or sections 27 and 39 through 43 of P.L. , c. (C.) (pending
8 before the Legislature as this bill) to the contrary, the trust may
9 make short-term or temporary loans for environmental planning and
10 engineering design costs to (1) local government units to finance or
11 refinance wastewater treatment system projects not included on the
12 project priority list for the ensuing fiscal year or eligible for
13 approval pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20);
14 or (2) public water utilities or private persons to finance or
15 refinance water supply projects not included on the project priority
16 list for the ensuing fiscal year or eligible for approval pursuant to
17 section 24 of P.L.1997, c.224 (C.58:11B-20.1), as applicable,
18 without regard to any other provisions of P.L.1985, c.334 **【or】**
19 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or
20 sections 27 and 39 through 43 of P.L. , c. (C.) (pending
21 before the Legislature as this bill), including, without limitation, the
22 provisions of section 20 of P.L.1985, c.334 (C.58:11B-20), section
23 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim Environmental
24 Financing Program Eligibility List pursuant to subsection d. of
25 section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative or
26 legislative approvals. Except for Combined Sewer Overflow
27 Abatement Projects, any such short-term or temporary loan made
28 pursuant to the Planning and Design Financing Program shall
29 mature no later than the last day of the third succeeding fiscal year
30 following the closing date on which the Planning and Design loan
31 was made by the trust to the project sponsor. Planning and Design
32 loans made to Combined Sewer Overflow Abatement Projects shall
33 mature no later than the last day of the tenth succeeding fiscal year
34 following the closing date on which the Planning and Design loan
35 was made by the trust to the project sponsor.

36 c. Notwithstanding any provision of P.L.1985, c.334
37 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.),
38 or sections 27 and 39 through 43 of P.L. , c. (C.) (pending
39 before the Legislature as this bill) to the contrary, the trust may
40 utilize moneys deposited in the Interim Environmental Financing
41 Program Fund established pursuant to subsection d. of section 9 of
42 P.L.1985, c.334 (C.58:11B-9) to make short-term or temporary
43 loans for environmental planning and engineering design costs to
44 (1) local government units to finance or refinance wastewater
45 treatment system projects included on the project priority list
46 pursuant to section 20 of P.L.1985, c.334 (C.58:11B-20); or (2)
47 public water utilities or private persons to finance or refinance
48 water supply projects included on the project priority list pursuant

1 to section 24 of P.L.1997, c.224 (C.58:11B-20.1), as applicable, in
 2 advance of the anticipated loans the trust may make and contract to
 3 make under the provisions of subsection a. of section 9 of P.L.1985,
 4 c.334 (C.58:11B-9) to be financed or refinanced through the
 5 issuance of bonds, notes or other obligations of the trust authorized
 6 under section 6 of P.L.1985, c.334 (C.58:11B-6), without regard to
 7 any other provisions of P.L.1985, c.334 **【or】** (C.58:11B-1 et seq.),
 8 P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39
 9 through 43 of P.L. , c. (C.) (pending before the Legislature
 10 as this bill), including, without limitation, the provisions of section
 11 20 of P.L.1985, c.334 (C.58:11B-20), section 24 of P.L.1997, c.224
 12 (C.58:11B-20.1), the Interim Environmental Financing Program
 13 Eligibility List pursuant to subsection d. of section 9 of P.L.1985,
 14 c.334 (C.58:11B-9), or any administrative or legislative approvals.
 15 (cf: P.L.2015, c.106, s.4)

16
 17 20. Section 5 of P.L.2009, c.103 (C.58:11B-9.3) is amended to
 18 read as follows:

19 5. a. The trust shall create and establish a special fund
 20 **【(hereinafter referred】 to be known as the "Onsite Wastewater**
 21 **Disposal Loan Fund"【】** for the purposes of an onsite wastewater
 22 disposal loan financing or refinancing program **【(hereinafter**
 23 **referred】 to be known as the "Onsite Wastewater Disposal**
 24 **Financing Program."【].】**

25 The Onsite Wastewater Disposal Loan Fund shall be credited
 26 with:

27 (1) moneys deposited in the fund as administrative fees received
 28 by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334
 29 (C.58:11B-5);

30 (2) moneys received by the trust as repayment of the principal
 31 of and the interest or premium on loans made from the fund;

32 (3) any interest earnings received on the moneys in the fund;
 33 and

34 (4) such other moneys as the Legislature may appropriate to the
 35 trust for deposit into the fund at any time to finance or refinance
 36 onsite wastewater disposal loans pursuant to the Onsite Wastewater
 37 Disposal Financing Program.

38 b. Notwithstanding any provision of P.L.1985, c.334
 39 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.),
 40 or sections 27 and 39 through 43 of P.L. , c. (C.) (pending
 41 before the Legislature as this bill) to the contrary, the trust may
 42 make onsite wastewater disposal loans for a period not to exceed 10
 43 years to private persons or to local government units on behalf of
 44 private persons to finance the cost of alterations, repairs or
 45 replacements to individual subsurface sewage disposal systems
 46 performed pursuant to an onsite septic system ordinance approved
 47 by the Department of Environmental Protection, the New Jersey
 48 Pinelands Commission or the New Jersey Highlands Council,

1 without regard to any other provisions of P.L.1985, c.334 **【or】**
2 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or
3 sections 27 and 39 through 43 of P.L. , c. (C.) (pending
4 before the Legislature as this bill), including, without limitation, the
5 provisions of section 20 of P.L.1985, c.334 (C.58:11B-20), section
6 24 of P.L.1997, c.224 (C.58:11B-20.1), the Interim Environmental
7 Financing Program Eligibility List pursuant to subsection d. of
8 section 9 of P.L.1985, c.334 (C.58:11B-9), or any administrative or
9 legislative approvals.

10 (cf: P.L.2011, c.94, s.1)

11
12 21. Section 2 of P.L.2011, c.94 (C.58:11B-9.4) is amended to
13 read as follows:

14 2. a. The trust shall create and establish a special fund
15 **【(hereinafter referred】 to be known as the "Supplemental Loan**
16 **Fund"【】】** for the short-term or temporary supplemental loan
17 financing or refinancing program **【(hereinafter referred】 to be**
18 **known as the "Supplemental Financing Program."【】.】**

19 The Supplemental Loan Fund shall be credited with:

20 (1) moneys deposited in the fund as administrative fees received
21 by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334
22 (C.58:11B-5);

23 (2) moneys received by the trust as repayment of the principal
24 of and the interest or premium on loans made from the fund;

25 (3) any interest earnings received on the moneys in the fund;

26 (4) such other moneys as the Legislature may appropriate to the
27 trust for deposit into the fund at any time to finance or refinance
28 short-term or temporary supplemental loans pursuant to the
29 Supplemental Financing Program; and

30 (5) any other source of available funds deemed by the trust to be
31 necessary or appropriate to provide sufficient funds for deposit into
32 the Supplemental Loan Fund to finance or refinance short-term or
33 temporary loans pursuant to the Supplemental Financing Program,
34 including, without limitation, any funds drawn by the trust from a
35 revolving line of credit or other similar financial vehicle that may
36 be procured by the trust, either through a competitive or negotiated
37 process, pursuant to section 5 of P.L.1985, c.334 (C.58:11B-5), for
38 deposit into the Supplemental Loan Fund to finance or refinance
39 short-term or temporary loans pursuant to the Supplemental
40 Financing Program.

41 b. Notwithstanding any provision of P.L.1985, c.334
42 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.) to
43 the contrary, the trust may make short-term or temporary loans for a
44 project for which a loan has been previously issued pursuant to
45 subsection a. of section 9 of P.L.1985, c.334 (C.58:11B-9) to pay
46 for eligible costs incurred in excess of the previous loan amount for
47 activities specifically approved in the previous project loan to: (1)
48 local government units to finance or refinance wastewater treatment

1 system projects not included on the project priority list for the
2 ensuing fiscal year or eligible for approval pursuant to section 20 of
3 P.L.1985, c.334 (C.58:11B-20); or (2) public water utilities or
4 private persons to finance or refinance water supply projects not
5 included on the project priority list for the ensuing fiscal year or
6 eligible for approval pursuant to section 24 of P.L.1997, c.224
7 (C.58:11B-20.1), as applicable, without regard to any other
8 provisions of P.L.1985, c.334 **【or】** (C.58:11B-1 et seq.), P.L.1997,
9 c.224 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of
10 P.L. , c. (C.) (pending before the Legislature as this bill),
11 including, without limitation, the provisions of section 20 of
12 P.L.1985, c.334 (C.58:11B-20), section 24 of P.L.1997, c.224
13 (C.58:11B-20.1), the Interim Environmental Financing Program
14 Eligibility List pursuant to subsection d. of section 9 of P.L.1985,
15 c.334 (C.58:11B-9), or any administrative or legislative approvals.
16 (cf: P.L.2015, c.106, s.5)

17

18 22. Section 1 of P.L.2013, c.93 (C.58:11B-9.5) is amended to
19 read as follows:

20 1. a. The trust shall create and establish a special fund
21 **【(hereinafter referred】 to be known as the "Disaster Relief**
22 **Emergency Financing Program Fund【"]】** for the disaster relief
23 emergency short-term or temporary loan program of the trust
24 **【(hereinafter referred】 to be known as the "Disaster Relief**
25 **Emergency Financing Program_."【).】**

26 The Disaster Relief Emergency Financing Program Fund shall be
27 credited with:

28 (1) moneys deposited in the fund as administrative fees received
29 by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334
30 (C.58:11B-5);

31 (2) moneys received by the trust as repayment of the principal
32 of and the interest or premium on loans made from the fund;

33 (3) any interest earnings received on the moneys in the fund;

34 (4) such other moneys as the Legislature may appropriate to the
35 trust for deposit into the fund at any time to finance or refinance
36 emergency short-term or temporary loans pursuant to the Disaster
37 Relief Emergency Financing Program;

38 (5) the proceeds of any bonds, notes or other obligations that
39 may be issued by the trust from time to time in any principal
40 amounts as in the judgment of the trust shall be necessary or
41 appropriate to provide sufficient funds for deposit into the fund to
42 finance or refinance emergency short-term or temporary loans
43 pursuant to the Disaster Relief Emergency Financing Program; and

44 (6) any other source of available funds that may be deemed by
45 the trust to be necessary or appropriate to provide sufficient funds
46 for deposit into the fund to finance or refinance emergency short-
47 term or temporary loans pursuant to the Disaster Relief Emergency
48 Financing Program, including, without limitation, any funds drawn

1 by the trust from a revolving line of credit or other similar financial
2 vehicle, either through a competitive or negotiated process, that
3 may be procured by the trust pursuant to the provisions of section 5
4 of P.L.1985, c.334 (C.58:11B-5), for deposit into the fund to
5 finance or refinance emergency short-term or temporary loans
6 pursuant to the Disaster Relief Emergency Financing Program.

7 b. Notwithstanding any provision of P.L.1985, c.334
8 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.),
9 or sections 27 and 39 through 43 of P.L. , c. (C.) (pending
10 before the Legislature as this bill) to the contrary, the trust may
11 make emergency short-term or temporary Disaster Relief
12 Emergency Financing Program loans to: (1) local government units
13 to finance or refinance the costs incurred in the environmental
14 planning and design associated with such wastewater treatment
15 system projects, and wastewater treatment system projects, as
16 applicable; or (2) local government units, public water utilities, or
17 private persons to finance or refinance the costs incurred in the
18 environmental planning and design of water supply projects, and
19 water supply projects, as applicable.

20 Emergency short-term or temporary loans may be made upon the
21 determination and certification in writing by the department that
22 any such project is necessary and appropriate to: repair damages to
23 a wastewater treatment system or water supply facility directly
24 arising from an act of terrorism, seismic activity, or weather
25 conditions that occurred within the prior three fiscal years that gave
26 rise to a declaration by the Governor of a state of emergency,
27 provided the wastewater treatment system or water supply facility is
28 located in a county included in the Governor's state of emergency
29 declaration; or mitigate the risk of future damage to a wastewater
30 treatment system or water supply facility from an act of terrorism,
31 seismic activity, or weather conditions comparable in scope and
32 severity to the act of terrorism, seismic activity, or weather
33 conditions that occurred within the prior three fiscal years that gave
34 rise to a declaration by the Governor of a state of emergency,
35 provided the wastewater treatment system or water supply facility is
36 located in a county included in the Governor's state of emergency
37 declaration, without regard to any other provisions of P.L.1985,
38 c.334 **【or】** (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et
39 al.), or sections 27 and 39 through 43 of P.L. , c. (C.)
40 (pending before the Legislature as this bill), including, without
41 limitation, the provisions of section 20 of P.L.1985, c.334
42 (C.58:11B-20), section 24 of P.L.1997, c.224 (C.58:11B-20.1), the
43 Interim Environmental Financing Program Eligibility List pursuant
44 to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9), or
45 any administrative or legislative approvals. Any such short-term or
46 temporary loan pursuant to the Disaster Relief Emergency
47 Financing Program shall mature no later than the last day of the
48 third succeeding fiscal year following the closing date on which the

1 short-term or temporary loan was made by the trust to the project
2 sponsor.

3 c. The trust may make short-term or temporary loans pursuant
4 to the Disaster Relief Emergency Financing Program to one or more
5 of the project sponsors, for the respective projects thereof,
6 identified on the Disaster Relief Emergency Financing Program
7 project priority list **[(hereinafter referred] to be known as the**
8 **"Disaster Relief Emergency Financing Program Eligibility List" [)]**
9 in the form provided to the Legislature by the Commissioner of
10 Environmental Protection. The Disaster Relief Emergency
11 Financing Program Eligibility List shall be submitted to the
12 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1)
13 at least once in each fiscal year. An environmental infrastructure
14 project or a project sponsor thereof not identified on the Disaster
15 Relief Emergency Financing Program Eligibility List submitted to
16 the Legislature shall not be eligible for a short-term or temporary
17 loan from the Disaster Relief Emergency Financing Program Fund.
18 (cf: P.L.2015, c.106, s.6)

19

20 23. Section 1 of P.L.2014, c.28 (C.58:11B-9.6) is amended to
21 read as follows:

22 1. a. The trust shall create and establish a special fund
23 **[(hereinafter referred] to be known as the "Equipment Loan**
24 **Fund" [)]** for the short-term or temporary equipment loan program
25 of the trust **[(hereinafter referred] to be known as the "Equipment**
26 **Loan Program." [).]**

27 The Equipment Loan Fund shall be credited with:

28 (1) moneys deposited in the fund as administrative fees received
29 by the trust pursuant to subsection o. of section 5 of P.L.1985, c.334
30 (C.58:11B-5);

31 (2) moneys received by the trust as repayment of the principal
32 of and the interest or premium on loans made from the fund;

33 (3) any interest earnings received on the moneys in the fund;

34 (4) such other moneys as the Legislature may appropriate to the
35 trust for deposit into the fund at any time to finance or refinance
36 short-term or temporary loans pursuant to the Equipment Loan
37 Program;

38 (5) the proceeds of any bonds, notes or other obligations that
39 may be issued by the trust from time to time in any principal
40 amounts as in the judgment of the trust shall be necessary or
41 appropriate to provide sufficient funds for deposit into the fund to
42 finance or refinance short-term or temporary loans pursuant to the
43 Equipment Loan Program; and

44 (6) any other source of available funds that may be deemed by
45 the trust to be necessary or appropriate to provide sufficient funds
46 for deposit into the fund to finance or refinance short-term or
47 temporary loans pursuant to the Equipment Loan Program,
48 including, without limitation, any funds drawn by the trust from a

1 revolving line of credit or other similar financial vehicle, that may
 2 be procured by the trust, either through a competitive or negotiated
 3 process, pursuant to the provisions of section 5 of P.L.1985, c.334
 4 (C.58:11B-5), for deposit into the fund to finance or refinance
 5 short-term or temporary loans pursuant to the Equipment Loan
 6 Program.

7 b. Notwithstanding any provision of P.L.1985, c.334
 8 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.),
 9 or sections 27 and 39 through 43 of P.L. , c. (C.) (pending
 10 before the Legislature as this bill) to the contrary, the trust may
 11 make short-term or temporary equipment loans to: (1) local
 12 government units to finance wastewater treatment system
 13 equipment projects not included on the project priority list for the
 14 ensuing fiscal year or eligible for approval pursuant to section 20 of
 15 P.L.1985, **【c.332】** c.334 (C.58:11B-20); or (2) public water utilities
 16 or private persons to finance water supply equipment projects not
 17 included on the project priority list for the ensuing fiscal year or
 18 eligible for approval pursuant to section 24 of P.L.1997, c.224
 19 (C.58:11B-20.1).

20 The loans may be made without regard to any other provisions of
 21 P.L.1985, c.334 **【or】** (C.58:11B-1 et seq.), P.L.1997, c.224
 22 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. ,
 23 c. (C.) (pending before the Legislature as this bill),
 24 including, without limitation, the provisions of section 20 of
 25 P.L.1985, c.334 (C.58:11B-20), section 24 of P.L.1997, c.224
 26 (C.58:11B-20.1), the Interim Environmental Financing Program
 27 Eligibility List pursuant to subsection d. of section 9 of P.L.1985,
 28 c.334 (C.58:11B-9), or any administrative or legislative approvals.
 29 (cf: P.L.2015, c.106, s.7)

30
 31 24. Section 10 of P.L.1985, c.334 (C.58:11B-10) is amended to
 32 read as follows:

33 10. The trust shall create and establish a special fund to be
 34 known as the "wastewater treatment system general loan fund."

35 Subject to the provisions of the legislation appropriating moneys
 36 to the trust, subject to any other provision of P.L.1985, c.334
 37 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.),
 38 or sections 27 and 39 through 43 of P.L. , c. (C.) (pending
 39 before the Legislature as this bill) providing otherwise, and subject
 40 to agreements with the holders of bonds, notes and other obligations
 41 of the trust, the trust shall deposit into the wastewater treatment
 42 system general loan fund all revenues and receipts of the trust,
 43 including moneys received by the trust as payment of the principal
 44 of and the interest or premium on loans made from moneys in any
 45 wastewater treatment system fund or account held by the trust under
 46 P.L.1985, c.334 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224
 47 (C.58:11B-10.1 et al.), or 27 and sections 39 through 43 of P.L. ,
 48 c. (C.) (pending before the Legislature as this bill), and the

1 earnings on the moneys in any wastewater treatment system fund or
2 account of the trust, and all grants, appropriations, other than those
3 referred to in section 11 of P.L.1985, c.334 (C.58:11B-11),
4 contributions, or other moneys from any source, available for the
5 making of loans to local government units. The amounts in the
6 wastewater treatment system general loan fund shall be available
7 for application by the trust for loans to local government units for
8 the cost of wastewater treatment system projects, and for other
9 corporate purposes of the trust related to wastewater treatment
10 systems, subject to agreements with the holders of bonds, notes or
11 other obligations of the trust.

12 (cf: P.L.1997, c.224, s.10)

13

14 25. Section 23 of P.L.1997, c.224 (C.58:11B-10.1) is amended
15 to read as follows:

16 23. The trust shall create and establish a special fund to be
17 known as the "water supply facilities general loan fund."

18 Subject to the provisions of the legislation appropriating moneys
19 to the trust, subject to any other provision of P.L.1985, c.334
20 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.),
21 or sections 27 and 39 through 43 of P.L. , c. (C.) (pending
22 before the Legislature as this bill) providing otherwise, and subject
23 to agreements with the holders of bonds, notes and other obligations
24 of the trust, the trust shall deposit into the water supply facilities
25 general loan fund all revenues and receipts of the trust, including
26 moneys received by the trust as payment of the principal of and the
27 interest or premium on loans made from moneys in any fund or
28 account held by the trust under the provisions of P.L.1985, c.334
29 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.),
30 or sections 27 and 39 through 43 of P.L. , c. (C.) (pending
31 before the Legislature as this bill), and the earnings on the moneys
32 in any fund or account of the trust, and all grants, appropriations,
33 other than those referred to in section 11 of P.L.1985, c.334
34 (C.58:11B-11), contributions, or other moneys from any source,
35 available for the making of loans to local government units, public
36 water utilities, or to any other person or local government unit on
37 behalf of a public water utility, for water supply projects. The
38 amounts in the water supply facilities general loan fund shall be
39 available for application by the trust for loans to local government
40 units, public water utilities or any other person for the cost of water
41 supply projects, and for other corporate purposes of the trust,
42 subject to agreements with the holders of bonds, notes or other
43 obligations of the trust.

44 (cf: P.L.1999, c.175, s.4)

45

46 26. Section 1 of P.L.2005, c.202 (C.58:11B-10.2) is amended to
47 read as follows:

1 1. a. There is established in the New Jersey **【Environmental】**
2 Infrastructure **【Trust】 Bank** a special fund to be known as the
3 Department of Environmental Protection Loan Origination Fee
4 Fund.

5 The Department of Environmental Protection Loan Origination
6 Fee Fund shall be credited with:

7 (1) moneys deposited into the fund as loan origination fees
8 received by the Department of Environmental Protection and paid
9 by project sponsors of wastewater treatment system projects or
10 water supply projects financed under the New Jersey Environmental
11 Infrastructure Financing Program; and

12 (2) any interest accumulated on the amounts of the Department
13 of Environmental Protection loan origination fees.

14 b. Moneys in the Department of Environmental Protection
15 Loan Origination Fee Fund shall be used by the Department of
16 Environmental Protection for administrative and operating expenses
17 incurred by the department in administering the New Jersey
18 Environmental Infrastructure Financing Program, except that the
19 total amount utilized by the department for administrative and
20 operating expenses in any fiscal year shall not exceed \$5,000,000.
21 The amounts in the Department of Environmental Protection Loan
22 Origination Fee Fund shall also be available for application by the
23 department for State matching funds or loans to local government
24 units for the cost of wastewater treatment system or water supply
25 projects. Amounts in excess of revenue anticipation shall be carried
26 forward into the following year.

27 c. As used in this section, "Department of Environmental
28 Protection loan origination fee" means the fee charged by the
29 Department of Environmental Protection and financed under the
30 trust loan to pay a portion of the costs incurred by the department in
31 the implementation of the New Jersey Environmental Infrastructure
32 Financing Program.

33 (cf: P.L.2015, c.106, s.8)

34

35 27. (New section) a. There is established in the New Jersey
36 Infrastructure Bank a special fund to be known as the Department
37 of Transportation Loan Origination Fee Fund.

38 The Department of Transportation Loan Origination Fee Fund
39 shall be credited with:

40 (1) moneys deposited into the fund as loan origination fees
41 received by the Department of Transportation and paid by project
42 sponsors of transportation projects financed under the New Jersey
43 Transportation Infrastructure Financing Program; and

44 (2) any interest accumulated on the amounts of the Department
45 of Transportation loan origination fees.

46 b. Moneys in the Department of Transportation Loan
47 Origination Fee Fund shall be used by the Department of
48 Transportation for administrative and operating expenses incurred

1 by the department in administering the New Jersey Transportation
2 Infrastructure Financing Program, except that the total amount
3 utilized by the department for administrative and operating
4 expenses in any fiscal year shall not exceed \$8,000,000. The
5 amounts in the Department of Transportation Loan Origination Fee
6 Fund shall also be available for application by the department for
7 State matching funds or loans to local government units for the cost
8 of transportation projects. Amounts in excess of revenue
9 anticipation shall be carried forward into the following year.

10 c. As used in this section, "Department of Transportation loan
11 origination fee" means the fee charged by the Department of
12 Transportation and financed under the trust loan to pay a portion of
13 the costs incurred by the department in the implementation of the
14 New Jersey Transportation Infrastructure Financing Program.

15

16 28. Section 12 of P.L.1985, c.334 (C.58:11B-12) is amended to
17 read as follows:

18 12. a. To assure the continued operation and solvency of the
19 trust, the trust may require that if a local government unit fails or is
20 unable to pay to the trust in full when due any obligations of the
21 local government unit to the trust, an amount sufficient to satisfy
22 the deficiency shall be paid by the State Treasurer to the trust from
23 State aid payable to the local government unit. As used in this
24 section, obligations of the local government unit include the
25 principal of or interest on bonds, notes or other obligations of a
26 local government unit issued to or guaranteed by the trust, including
27 the subrogation of the trust to the right of the holders of those
28 obligations, any fees or charges payable to the trust, and any
29 amounts payable by a local government unit under any service
30 contract or other contractual arrangement the payments under which
31 are pledged to secure any bonds or notes issued to the trust by
32 another local government unit. State aid includes business personal
33 property tax replacement revenues, State urban aid and State
34 revenue sharing, as these terms are defined in section 2 of
35 **【P.L.1976, c.138 (C.40A:3-3)】** P.L.1976, c.38 (C.40A:3-3), or
36 other similar forms of State aid payable to the local government
37 unit and to the extent permitted by federal law, federal moneys
38 appropriated or apportioned to the local government unit by the
39 State, and for loans made in support of transportation projects, State
40 aid shall also include county and municipal transportation aid
41 issued pursuant to section 25 of P.L.1984, c.73 (C.27:1B-25).

42 (1) If the trust requires, and there has been a failure or inability
43 by a local government unit to pay its obligations to the trust
44 remaining uncured for a period of 30 days, the chairman of the trust
45 shall certify to the State Treasurer, with written notice to the fiscal
46 officer of the local government unit and to the Legislature, the
47 amount remaining unpaid, and the State Treasurer shall pay that
48 amount to the trust, or if the right to receive those payments has

1 been pledged or assigned to a trustee for benefit of the holders of
2 bonds, notes or other obligations of the trust, to that trustee, out of
3 the State aid payable to the local government unit, until the amount
4 so certified is paid.

5 (2) The amount paid over to the trust shall be deducted from the
6 corresponding appropriation or apportionment of State aid payable
7 to the local government unit and shall not obligate the State to
8 make, nor entitle the local government unit to receive, any
9 additional appropriation or apportionment. The obligation of the
10 State Treasurer to make payments to the trust or trustee and the
11 right of the trust or trustee to receive those payments shall be
12 subject and subordinate to the rights of holders of qualified bonds
13 issued or to be issued pursuant to **【P.L.1976, c.38 (C.40A:3-1 et**
14 **seq.)】** P.L.1976, c.38 (C.40A:3-1 et seq.).

15 (3) In those instances where the local government units are
16 municipal or county sewerage, utility or improvement authorities
17 created pursuant to **【P.L. 1946, c. 138 (C. 40:14A-1 et seq.)】**
18 P.L.1946, c.138 (C.40:14A-1 et seq.) or **【P.L.1957, c.183**
19 **(C.40:14B-1 et seq.)】** P.L.1957, c.183 (C.40:14B-1 et seq.), the
20 trust may require the municipalities or counties which receive
21 service or other benefits from the districts or authorities to enter
22 into service contracts or other contractual arrangements under
23 which they would be required to make payments which would
24 satisfy any deficiencies in the revenues of the districts or authorities
25 to repay the loans made by the trust, which contracts would be
26 pledged to secure the payment of the loans of the trust.

27 b. Whenever a local government unit covenants or pledges to or
28 secures the payment of its obligations to the trust by, in whole or in
29 part, certain revenues of the local government unit derived by the
30 local government unit from the imposition of rates, fees and
31 charges, and the local government unit, and if payments by another
32 local government unit under a service contract or other contractual
33 arrangement are pledged to the payment of the obligations, the other
34 local government unit, fails or is unable to pay in full when due any
35 of the obligations and the State aid revenues for any reason have not
36 been made available for the payment of the obligations or have not
37 been made available in sufficient amounts to pay the obligations in
38 full, the trust is authorized during the period of such failure to cause
39 the local government unit, in accordance with the covenants or
40 pledges established in any loan or other agreement relating thereto,
41 to establish and collect rates, fees and charges in the amounts
42 required to pay the obligations in accordance with the covenants or
43 pledges established in the loan or other agreement relating thereto.

44 c. In the event that a local government unit, consortia thereof
45 or private entity receiving a loan from the trust fails or is unable to
46 pay to the trust in full when due any obligations of the local
47 government unit, consortia thereof, or private entity to the trust, the
48 trust shall have the authority to exercise any and all recourses

1 available to it under the law in an effort to recover any amounts
2 owed to the trust.

3 (cf: P.L.1985, c.334, s.12)

4
5 29. Section 13 of P.L.1985, c.334 (C.58:11B-13) is amended to
6 read as follows:

7 13. Neither the directors of the trust nor any person executing
8 bonds, notes or other obligations of the trust issued pursuant to
9 P.L.1985, c.334 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224
10 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. ,
11 c. (C.) (pending before the Legislature as this bill) shall be
12 liable personally on the bonds, notes or other obligations by reason
13 of the issuance thereof.

14 (cf: P.L.1997, c.224, s.11)

15
16 30. Section 14 of P.L.1985, c.334 (C.58:11B-14) is amended to
17 read as follows:

18 14. The State does pledge to and covenant and agree with the
19 holders of any bonds, notes or other obligations of the trust issued
20 pursuant to authorization of P.L.1985, c.334 (C.58:11B-1 et seq.)
21 **【or】**, P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27 and 39
22 through 43 of P.L. , c. (C.) (pending before the Legislature
23 as this bill) that the State shall not limit or alter the rights or powers
24 vested in the trust to perform and fulfill the terms of any agreement
25 made with the holders of the bonds, notes or other obligations or to
26 fix, establish, charge and collect any rents, fees, rates, payments or
27 other charges as may be convenient or necessary to produce
28 sufficient revenues to meet all expenses of the trust and to fulfill the
29 terms of any agreement made with the holders of bonds, notes or
30 other obligations, including the obligations to pay the principal of
31 and interest and premium on those bonds, notes or other
32 obligations, with interest on any unpaid installments of interest, and
33 all costs and expenses in connection with any action or proceedings
34 by or on behalf of the holders, and shall not limit or alter the rights
35 and powers of any local government unit to pay and perform its
36 obligations owed to the trust in connection with loans received from
37 the trust, until the bonds, notes and other obligations of the trust,
38 together with interest thereon, are fully met and discharged or
39 provided for.

40 (cf: P.L.1997, c.224, s.12)

41
42 31. Section 15 of P.L.1985, c.334 (C.58:11B-15) is amended to
43 read as follows:

44 15. The State and all public officers, governmental units and
45 agencies thereof, all banks, trust companies, savings banks and
46 institutions, building and loan associations, savings and loan
47 associations, investment companies, and other persons carrying on a
48 banking business, all insurance companies, insurance associations

1 and other persons carrying on an insurance business, and all
2 executors, administrators, guardians, trustees and other fiduciaries
3 may legally invest any sinking funds, moneys or other funds
4 belonging to them or within their control in any bonds, notes or
5 other obligations issued pursuant to P.L.1985, c.334 (C.58:11B-1 et
6 seq.) **【or】** P.L.1997, c.224 (C.58:11B-10.1 et al.), or sections 27
7 and 39 through 43 of P.L. , c. (C.) (pending before the
8 Legislature as this bill), and those bonds, notes or other obligations
9 shall be authorized security for any and all public deposits.
10 (cf: P.L.1997, c.224, s.13)

11
12 32. Section 17 of P.L.1985, c.334 (C.58:11B-17) is amended to
13 read as follows:

14 17. All property of the trust is declared to be public property
15 devoted to an essential public and governmental function and
16 purpose and the revenues, income and other moneys received or to
17 be received by the trust shall be exempt from all taxes of the State
18 or any political subdivision thereof. All bonds, notes and other
19 obligations of the trust issued pursuant to P.L.1985, c.334
20 (C.58:11B-1 et seq.) **【or】** P.L.1997, c.224 (C.58:11B-10.1 et al.),
21 or sections 27 and 39 through 43 of P.L. , c. (C.) (pending
22 before the Legislature as this bill) are declared to be issued by a
23 body corporate and politic of the State and for an essential public
24 and governmental purpose and those bonds, notes and other
25 obligations, and interest thereon and the income therefrom and from
26 the sale, exchange or other transfer thereof shall at all times be
27 exempt from taxation, except for transfer inheritance and estate
28 taxes.

29 (cf: P.L.1997, c.224, s.14)

30
31 33. Section 18 of P.L.1985, c.334 (C.58:11B-18) is amended to
32 read as follows:

33 18. a. If the trust defaults in the payment of principal of, or
34 interest on, any issue of its bonds, notes or other obligations after
35 these are due, whether at maturity or upon call for redemption, and
36 the default continues for a period of 30 days or if the trust defaults
37 in any agreement made with the holders of any issue of bonds, notes
38 or other obligations, the holders of **【25%】** 25 percent in aggregate
39 principal amount of the bonds, notes or other obligations of the
40 issue then outstanding, by instrument or instruments filed in the
41 office of the clerk of any county in which the trust operates and has
42 an office and proved or acknowledged in the same manner as
43 required for a deed to be recorded, may direct a trustee to represent
44 the holders of the bonds, notes or other obligations of the issuers for
45 the purposes herein provided.

46 b. Upon default, the trustee may, and upon written request of the
47 holders of **【25%】** 25 percent in principal amount of the bonds,

1 notes or other obligations of the trust of a particular issue then
2 outstanding shall, in **【his or its】** the trustee's own name:

3 (1) By suit, action or proceeding enforce all rights of the holders
4 of bonds, notes or other obligations of the issue, to require the trust
5 to carry out any other agreements with the holders of the bonds,
6 notes or other obligations of the issue and to perform its duties
7 under P.L.1985, c.334 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224
8 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. ,
9 c. (C.) (pending before the Legislature as this bill);

10 (2) Bring suit upon the bonds, notes or other obligations of the
11 issue;

12 (3) By action or suit, require the trust to account as if it were the
13 trustee of an express trust for the holders of the bonds, notes or
14 other obligations of the issue;

15 (4) By action or suit, enjoin any acts or things which may be
16 unlawful or in violation of the rights of the holders of the bonds,
17 notes or other obligations of the issue;

18 (5) Sell or otherwise dispose of bonds and notes of local
19 government units pledged pursuant to resolution or trust indenture
20 for benefit of holders of bonds, notes, or other obligations of the
21 issue on any terms as resolution or trust indenture may provide;

22 (6) By action or suit, foreclose any mortgage pledged pursuant
23 to the resolution or trust indenture for the benefit of the holders of
24 the bonds, notes or other obligations of the issue;

25 (7) Declare all bonds, notes or other obligations of the issue due
26 and payable, and if all defaults are made good, then with the
27 consent of the holders of **【50%】** 50 percent of the principal amount
28 of the bonds, notes or other obligations of the issue then
29 outstanding, to annul the declaration and its consequences.

30 c. The trustee shall, in addition to the foregoing, have those
31 powers necessary or appropriate for the exercise of any function
32 specifically set forth herein or incident to the general representation
33 of holders of bonds, notes or other obligations of the trust in the
34 enforcement and protection of their rights.

35 d. The Superior Court shall have jurisdiction over any suit,
36 action or proceeding by the trustees on behalf of the holders of
37 bonds, notes or other obligations of the trust. The venue of any suit,
38 action or proceeding shall be in the county in which the principal
39 office of the trust is located.

40 e. Before declaring the principal of bonds, notes or other
41 obligations of the trust due and payable as a result of a trust default
42 on any of its bonds, notes or other obligations, the trustee shall first
43 give 30 days' notice in writing to the trust and to the Governor,
44 State Treasurer, President of the Senate and Speaker of the General
45 Assembly.

46 (cf: P.L.1997, c.224, s.15)

1 34. Section 19 of P.L.1985, c.334 (C.58:11B-19) is amended to
2 read as follows:

3 19. Sums of money received pursuant to the authority of
4 P.L.1985, c.334 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224
5 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. ,
6 c. (C.) (pending before the Legislature as this bill), whether
7 as proceeds from the sale of particular bonds, notes or other
8 obligations of the trust or as particular revenues or receipts of the
9 trust, are deemed to be trust funds, to be held and applied solely as
10 provided in the resolution or trust indenture under which the bonds,
11 notes or obligations are authorized or secured. Any officer with
12 whom or any bank or trust company with which those sums of
13 money are deposited as trustee thereof shall hold and apply the
14 same for the purposes thereof, subject to any provision as the
15 aforementioned acts and the resolution or trust indenture
16 authorizing or securing the bonds, notes or other obligations of the
17 trust may provide.

18 (cf: P.L.1997, c.224, s.16)

19

20 35. Section 23 of P.L.1985, c.334 (C.58:11B-23) is amended to
21 read as follows:

22 23. a. No funds from State sources or State bond issues used to
23 capitalize the trust shall be available for use by the trust unless
24 appropriated by law to the trust.

25 b. No funds shall be expended by the trust for its annual
26 operating expenses unless appropriated by law to the trust. Unless
27 required to be otherwise applied pursuant to law, funds generated
28 by the operation of the trust, including, but not limited to: proceeds
29 from the sale of the trust's bonds, notes or other obligations;
30 revenues derived from investments by the trust; loan repayments
31 from local government units; and fees and charges levied by the
32 trust, may thereafter be applied in accordance with the provisions of
33 P.L.1985, c.334 (C.58:11B-1 et seq.) **【or】**, P.L.1997, c.224
34 (C.58:11B-10.1 et al.), or sections 27 and 39 through 43 of P.L. ,
35 c. (C.) (pending before the Legislature as this bill) for any
36 corporate purpose of the trust without appropriation; except that the
37 funds shall only be used to make loans or guarantees approved by
38 the Legislature in accordance with the provisions of sections 20, 21,
39 and 22 of P.L.1985, c.334 (C.58:11B-20, C.58:11B-21 and
40 C.58:11B-22), **【or】** sections 24, 25, and 26 of P.L.1997, c.224
41 (C.58:11B-20.1, C.58:11B-21.1 and C.58:11B-22.1), or section 40
42 through 42 of P.L. , c. (C.) (pending before the Legislature
43 as this bill).

44 c. The trust shall not apply for any federal funds, including
45 funds which are authorized pursuant to the "Federal Water Pollution
46 Control Act Amendments of 1972," Pub.L. 92-500 (33 U.S.C.
47 s.1251 et al.), and any amendatory or supplementary acts thereto.

1 The trust, with the concurrence of the Commissioner of
2 Environmental Protection, may receive, accept or utilize moneys
3 received from local government units as repayments of principal
4 and interest on loans made from the State Revolving Fund Accounts
5 established pursuant to section 1 of P.L.1988, c.133.

6 (cf: P.L.1997, c.224, s.20)
7

8 36. Section 25 of P.L.1985, c.334 (C.58:11B-25) is amended to
9 read as follows:

10 25. The trust shall establish the rules and regulations governing
11 the making and use of loans or guarantees, including, but not
12 limited to, procedures for the submission of loan guarantee
13 requests, standards for the evaluation of requests, provisions
14 implementing priority systems for projects, reporting requirements
15 of the recipient of any loan or guarantee concerning the progress
16 and the expenditure of funds, and limitations, restrictions or
17 requirements concerning the use of loan funds as the trust shall
18 prescribe; provided that the rules and regulations shall be in
19 compliance with the terms and provisions of P.L.1985, c.334
20 (C.58:11B-1 et seq.) **[or]**, P.L.1997, c.224 (C.58:11B-10.1 et al.),
21 or sections 27 and 39 through 43 of P.L. , c. (C.) (pending
22 before the Legislature as this bill) relating to the making of or
23 eligibility for loans or guarantees for environmental infrastructure
24 projects generally or for any particular type or class of wastewater
25 treatment system or water supply projects.

26 (cf: P.L.1997, c.224, s.21)
27

28 37. Section 26 of P.L.1985, c.334 (C.58:11B-26) is amended to
29 read as follows:

30 26. a. The trust shall adopt **[the]** rules and regulations requiring
31 a local government unit which receives a loan or guarantee for a
32 project to establish an affirmative action program for the hiring of
33 minority workers in the performance of any construction contract
34 for that project and to establish a program to provide opportunities
35 for socially and economically disadvantaged contractors and
36 vendors to supply materials and services for the contract, consistent
37 with the provisions of the "Law Against Discrimination,"
38 **[P.L.1945, c.169 (C.10:5-1 et seq.)]** P.L.1945, c.169 (C.10:5-1 et
39 seq.). Not less than **[10%]** 10 percent of the amount of any
40 contract for construction, materials or services for a project shall be
41 awarded to small business concerns owned and controlled by
42 socially and economically disadvantaged individuals as defined in
43 **[section 8(a) and 8(d) of]** the "Small Business Act," **[Pub.L. 75-**
44 **536 (15 U.S.C. s. 637(a) and (d))]** Pub.L.85-536 (15 U.S.C. s.631 et
45 seq.), and any regulations promulgated pursuant thereto.

46 b. The trust shall adopt **[the]** rules and regulations requiring **[a**
47 **local government unit]** any entity, which receives a loan, grant, or
48 guarantee for a project to pay not less than the prevailing wage rate

1 to workers employed in the performance of any construction
 2 contract for that project, in accordance with the rate determined by
 3 the Commissioner of Labor and Workforce Development pursuant
 4 to **【P.L.1963, c.150 (C.34:11-56.25 et seq.)】** P.L.1963, c.150
 5 (C.34:11-56.25 et seq.).

6 c. Every contract subject to the provisions of P.L.1985, c.334
 7 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.), or
 8 sections 27 and 39 through 43 of P.L. , c. (C.) (pending
 9 before the Legislature as this bill), procured pursuant to the “Local
 10 Public Contracts Law,” P.L.1971, c.198, (C.40A:11-1 et seq.), shall
 11 provide that every worker employed in the performance of that
 12 contract is an apprentice participating in a registered apprenticeship
 13 program or has completed a registered apprenticeship, unless the
 14 contractor or subcontractor certifies that every worker shall be paid
 15 not less than the journeyworker’s rate established for the
 16 apprenticeable trade performed pursuant to P.L.1963, c.150
 17 (C.34:11-56.25 et seq.). “Registered apprenticeship program”
 18 means an apprenticeship program which is registered with and
 19 approved by the United States Department of Labor and which
 20 provides each trainee with combined classroom and on-the-job
 21 training under the direct and close supervision of a highly skilled
 22 worker in an occupation recognized as an apprenticeable trade and
 23 meets the program performance standards of enrollment and
 24 graduation under 29 C.F.R. s.29.6.

25 (cf: P.L.1985, c.334, s.26)

26
 27 38. Section 27 of P.L.1985, c.334 (C.58:11B-27) is amended to
 28 read as follows:

29 27. The trust shall adopt such rules and regulations as it deems
 30 necessary to effectuate the purposes of P.L.1985, c.334 (C.58:11B-1
 31 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), including those
 32 required pursuant to sections 25 and 26 of P.L.1985, c.334
 33 (C.58:11B-25 and C.58:11B-26), and sections 27 and 39 through 43
 34 of P.L. , c. (C.) (pending before the Legislature as this
 35 bill), in accordance with the "Administrative Procedure Act,"
 36 P.L.1968, c.410 (C.52:14B-1 et seq.).

37 (cf: P.L.1997, c.224, s.22)

38
 39 39. (New section) a. There is established in the New Jersey
 40 Infrastructure Bank a special fund to be known as the State
 41 Transportation Infrastructure Bank Fund. There shall be established
 42 within the fund, two subaccounts: (1) a federally-funded subaccount
 43 that shall be approved to receive federal funds and related State
 44 matching funds pursuant to the federal infrastructure bank program
 45 provided for in section 350 of Pub.L.104-59 and Pub.L.102-240 as
 46 amended or superseded, and (2) a State-funded subaccount that
 47 shall be approved to receive only State funds in excess of those
 48 required to be deposited in the federally-funded subaccount. The

1 State-funded subaccount shall be ineligible to receive any federal
2 funds. However, funds in the State-funded subaccount shall be
3 eligible for transfer into the federally-funded subaccount in the
4 discretion of the trust for the purpose of related match funding of
5 the federally-funded subaccount.

6 The State Transportation Infrastructure Bank Fund shall be
7 credited with:

8 (1) (a) State and federal funds appropriated to a federal
9 subaccount of the State Transportation Infrastructure Bank Fund
10 pursuant to the federal infrastructure bank program provided for in
11 section 350 of Pub.L.104-59 and Pub.L.102-240 as amended or
12 superseded, and

13 (b) State funds in excess of any minimum State match required
14 under the federal infrastructure bank program, appropriated to the
15 State-funded subaccount of the State Transportation Infrastructure
16 Bank Fund;

17 (2) monetary donations made available to the State to support
18 the State Transportation Infrastructure Bank Fund;

19 (3) moneys received as repayment of the principal of and the
20 interest or premium on loans made from the State Transportation
21 Infrastructure Bank Fund;

22 (4) any interest earnings received on the moneys in the State
23 Transportation Infrastructure Bank Fund; and

24 (5) such other moneys as the Legislature may appropriate to the
25 trust for deposit into the State Transportation Infrastructure Bank
26 Fund at any time to finance or refinance transportation loans issued
27 from the State Transportation Infrastructure Bank Fund.

28 b. Notwithstanding any provision of P.L.1985, c.334
29 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.) or
30 sections 27 and 39 through 43 of P.L. , c. (C.) (pending
31 before the Legislature as this bill) to the contrary, all moneys placed
32 into the State Transportation Infrastructure Bank Fund shall be held
33 separate from other funds of the trust, and no transportation funds
34 shall be combined or comingled with any funds that finance (1)
35 wastewater treatment system projects, (2) water supply projects, or
36 (3) other environmental infrastructure projects, that are not
37 transportation projects.

38 c. All moneys placed into the State-funded subaccount of the
39 State Transportation Infrastructure Bank Fund shall be held separate
40 from any federal funds provided for the federally-funded
41 subaccount of the State Transportation Infrastructure Bank Fund.

42 d. Notwithstanding any provision of P.L.1985, c.334
43 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-10.1 et al.) or
44 sections 27 and 39 through 43 of P.L. , c. (C.) (pending
45 before the Legislature as this bill) to the contrary, the trust may
46 provide loans or other assistance to one or more local government
47 units or consortia thereof for the purpose of financing all or a
48 portion of the costs incurred for the planning, acquisition,

1 engineering, construction, reconstruction, repair, and rehabilitation
2 of a transportation project, provided that monies from the federally-
3 funded subaccount are limited to the purposes permitted under the
4 federal infrastructure bank program.

5 e. In addition to the financing described in subsection d. of this
6 section, a portion, not to exceed 10 percent, of the assistance
7 provided from the State-funded sub-account of the State
8 Transportation Infrastructure Bank Fund may be issued in the form
9 of grants.

10 f. Loans or other assistance granted pursuant to this section
11 shall be considered an investment or reinvestment by the State
12 Transportation Infrastructure Bank Fund, provided that monies from
13 the federally-funded subaccount are limited to the purposes
14 permitted under the federal infrastructure bank program, and not a
15 loan within the meaning of section 12 of P.L.1995, c.108 (C.27:1B-
16 21.5).

17 g. The refinancing of debt relating to an existing transportation
18 project shall not be an eligible form of assistance from the State
19 Transportation Infrastructure Bank Fund, and a loan shall not be
20 granted unless the applicant can demonstrate to the satisfaction of
21 the trust that the assistance being sought is not for the refinancing
22 of debt relating to an existing transportation project.

23 h. Any project, the use or purpose of which is private and for
24 which no public benefit is created, shall not be eligible for financial
25 assistance from the trust.

26 i. The trust shall consider the following factors when setting an
27 interest rate on a loan provided pursuant to this section: (1) the
28 current market rates for comparable obligations; (2) the nature of
29 the project; (3) the financing structure of the project; (4) the
30 creditworthiness of the borrower; and (5) the term of the proposed
31 obligation.

32 j. The long term loan repayment schedule for each project
33 shall require: (1) the repayment of the loan commencing six months
34 after construction completion, the date the facility has opened to
35 traffic, or three years after execution of the long term financing
36 obligation, whichever is first, however, in the case of a highway
37 project, it shall be whichever is later; and (2) a final maturity date
38 of not more than 35 years following the completion of the project.

39 k. The trust may establish or direct the establishment of federal
40 and State accounts or subaccounts as may be necessary to meet any
41 applicable federal law requirements or desirable for the efficient
42 administration of the trust.

43
44 40. (New section) a. The trust shall maintain the administrative
45 responsibilities for financing projects approved for assistance
46 through the State Transportation Infrastructure Bank Fund, in
47 accordance with any applicable federal laws regarding the use of
48 federal funds on transportation projects, as well as any provision of

1 P.L.1985, c.334 (C.58:11B-1 et seq.), P.L.1997, c.224 (C.58:11B-
2 10.1 et al.) and sections 27 and 39 through 43 of P.L. ,
3 c. (C.) (pending before the Legislature as this bill), and
4 provided that monies from the federally-funded subaccount are
5 limited by the provisions of the federal infrastructure bank program.
6 The trust is authorized to enter into agreements with one or more
7 local government units or consortia thereof for the use of monies
8 from the State Transportation Infrastructure Bank Fund to provide
9 loans or other assistance for the purpose of financing all or a
10 portion of the costs incurred for the planning, acquisition,
11 engineering, construction, reconstruction, repair, and rehabilitation
12 of a transportation project, provided that monies from the federally-
13 funded subaccount are limited to the purposes permitted under the
14 federal infrastructure bank program. The terms of the federally-
15 funded subaccount agreements shall be consistent with the
16 requirements of the federal infrastructure bank program and the
17 trust may adopt rules and regulations to carry out these functions.

18 b. The trust shall also develop a formal relationship with the
19 Department of Transportation for purposes, including, but not
20 limited to, the evaluation of potential transportation projects,
21 fulfilling federal regulations regarding capital projects, coordinating
22 with metropolitan planning organizations, ensuring that any projects
23 obtaining assistance are consistent with the Statewide capital
24 investment strategy, monitoring borrower creditworthiness
25 standards, and advancing local, regional, and Statewide
26 transportation objectives.

27
28 41. (New section) a. The Commissioner of Transportation
29 shall, for each fiscal year, develop a priority system for
30 transportation projects. The Commissioner of Transportation shall
31 set forth a Transportation Financing Program Project Priority List
32 for long-term funding by the trust for each fiscal year and shall
33 include the aggregate amount of funds of the trust to be authorized
34 for these purposes. The Commissioner of Transportation may
35 include a transportation project on the Transportation Financing
36 Program Project Priority List if it meets the eligibility requirements
37 for funding pursuant to Pub.L.114-94, the "Fixing America's
38 Transportation Act," or any successor legislation. The
39 Transportation Financing Program Project Priority List shall include
40 a description of each project and an explanation of the manner in
41 which projects are ranked. The Transportation Financing Program
42 Project Priority List for the ensuing fiscal year shall be submitted to
43 the Legislature on or before January 15 of each year.

44 b. The Commissioner of Transportation shall set forth an
45 Interim Transportation Financing Program Project Eligibility List
46 for short-term funding by the trust and shall include the aggregate
47 amount of funds to be authorized for these purposes. The Interim
48 Transportation Financing Program Project Eligibility List shall

1 consist of Transportation Financing Program Project Priority List
2 projects certified by the Department of Transportation that have
3 commenced construction and demonstrated to the department a high
4 likelihood of construction completion on or before the end of the
5 ensuing fiscal year. The Interim Transportation Financing Program
6 Project Eligibility List established pursuant to this subsection shall
7 be considered by the budget committees of each House of the
8 Legislature for inclusion in the annual appropriations act. On or
9 before June 30 of each year, the Legislature shall include the
10 Interim Transportation Financing Program Project Eligibility List
11 with any modifications in the annual appropriations act, including
12 any amendatory or supplementary provisions thereto, which act
13 shall include the authorization of an aggregate amount of funds of
14 the trust to be expended for loans and guarantees for the specific
15 transportation projects, including the individual amounts therefor,
16 on the list. The initial Interim Transportation Financing Program
17 Project Eligibility List for the ensuing fiscal year shall be submitted
18 to the Legislature on or before July 1 of each year. The Secretary
19 and the Clerk shall cause the date of submission to be entered upon
20 the Senate Journal and the Minutes of the General Assembly,
21 respectively. Incremental revisions or supplements to the Interim
22 Transportation Financing Program Project Eligibility List may be
23 submitted to the Legislature as provided in subsection e. of section
24 9 of P.L.1985 c.334 (C.58:11B-9).

25 c. On or before October 15 of each year, the trust may submit
26 an amended Interim Transportation Financing Program Project
27 Eligibility List to be introduced in each House in the form of
28 legislative appropriations bills for approval by the Legislature on or
29 before January 15 of the following calendar year in the manner set
30 forth in subsection a. and subsection b. of this section.

31 d. The trust shall not expend any money for a long-term loan or
32 guarantee during a fiscal year for any transportation project unless
33 the expenditure is authorized pursuant to a State annual
34 appropriations act of the current or three immediate preceding fiscal
35 years as provided in the provisions of this section, or as otherwise
36 set forth in the State's annual appropriations act.

37 e. The trust shall submit to the Secretary of the Senate and the
38 Clerk of the General Assembly on or before January 15 of each year
39 a report which shall identify the transportation projects financed
40 during the prior fiscal year, including a project description, the
41 amount of the loan provided for each project, and the duration of
42 each loan.

43 f. The source of projects for the Transportation Financing
44 Program Project Priority List and the Interim Transportation
45 Financing Program Project Eligibility List shall be: (1) applications
46 made by counties and municipalities seeking aid through the State
47 Transportation Infrastructure Bank Fund in accordance with section
48 25 of P.L.1984, c.73 (C.27:1B-25) and the procedures established

1 therein for the allocation of State aid to counties and municipalities
2 through the local aid program, and (2) eligible projects within the
3 most recent 10-year Statewide Transportation Improvement
4 Program as issued by the Department of Transportation. Projects
5 deriving from either of these sources shall identify a consistent
6 source of revenue that will be utilized to repay any loan financing
7 provided by the trust either from the project itself or from the
8 sponsoring local government unit or consortia thereof that will be
9 receiving assistance.

10
11 42. (New section) a. On or before May 15 of each year, the
12 trust shall submit to the Speaker of the General Assembly and the
13 President of the Senate a financial plan designed to implement the
14 financing of the transportation projects either on the Transportation
15 Financing Program Project Priority List or the Interim
16 Transportation Financing Program Project Eligibility List approved
17 pursuant to P.L. , c. (C.) (pending before the Legislature as
18 this bill) or as otherwise approved by the Legislature. The financial
19 plan shall list the bonds, notes or other obligations of the trust
20 which the trust intends to issue, including the amounts thereof and
21 the terms and conditions thereof, a list of loans to be made to local
22 government units or private persons, including the terms and
23 conditions thereof and the anticipated rate of interest per annum and
24 repayment schedule therefor, and a list of loan guarantees or
25 contracts to guarantee the payment of all or a portion of the
26 principal and interest on bonds, notes or other obligations issued by
27 a local government unit to finance the cost of a transportation
28 project, and the terms and conditions thereof.

29 The financial plan shall also set forth a complete operating and
30 financial statement covering proposed operations through the fund
31 during the forthcoming fiscal year, including amounts of income
32 from all sources, and the uniform schedule of fees and charges
33 established by the trust pursuant to subsection o. of section 5 of
34 P.L.1985, c.334 (C.58:11B-5), and the amounts to be derived
35 therefrom, and shall summarize the status of each transportation
36 project for which loans or guarantees have been made by the trust,
37 and shall describe major impediments to the accomplishment of the
38 planned transportation projects.

39 b. On or before June 30 of each year the Legislature may reject
40 the financial plan through the adoption by both houses of a
41 concurrent resolution. If the Legislature rejects the financial plan,
42 the project list shall be removed from the annual appropriations act
43 and the trust shall not undertake any of the proposed activities
44 contained therein. If the Legislature takes no action on or before
45 June 30, the financial plan shall be deemed approved.

46 c. The financial plan for the State Transportation Infrastructure
47 Bank Fund shall not be eligible for inclusion in a consolidated

1 financial plan as established in section 27 of P.L.1997, c.224
2 (C.58:11B-22.2).

3

4 43. (New section) Nothing in this act shall decrease, diminish,
5 lessen, or otherwise reduce allocations made to counties and
6 municipalities pursuant to section 25 of P.L.1984, c.73 (C.27:1B-25
7 et seq.), except for amounts above \$7,500,000 each year allocated
8 into the Local Aid Infrastructure Fund, which may be used to
9 capitalize the State Transportation Infrastructure Bank.

10

11 44. Sections 1 through 4 of P.L.1997, c.142 (C.27:1B-21.10
12 through C.27:1B-21.13) are repealed.

13

14 45. This act shall take effect on July 1, 2016, but sections 10
15 through 44 shall remain inoperative until the appropriation by the
16 State of eligible federal or State funds into the State Infrastructure
17 Bank Fund pursuant to section 39 of P.L. , c. (C.) (pending
18 before the Legislature as this bill) and funds are appropriated to the
19 trust to cover administrative and operational expenses related to the
20 State Transportation Infrastructure Bank, and section 2 shall take
21 effect on the same day that Assembly Concurrent Resolution No.1
22 of 2015, a constitutional amendment to Article VIII, section II,
23 paragraph 4 of the New Jersey Constitution, takes effect.